MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: August 2, 2006]²

Bill No. and sponsor: S. 1942 (Mrs. Blanche Lincoln of Arkansas).

Proponent name, location: Ciba Specialty Chemicals, Tarrytown, NY.

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

1-Methoxy-2-propanol (CAS No. 107-98-2) (provided for in subheading 2909.49.60).

Check one:

____ Same as that in bill as introduced.

 \overline{X} Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

1-Methoxy-2-propanol is used as a solvent for UV stabilizers that are used in the automotive, aeronautical, and industrial coatings industries. This synthetic organic chemical product is imported from Switzerland.

Estimated effect on customs revenue:

HTS subheading: <u>2909.49.60</u>							
\searrow	2006	2007	2008	2009	2010		
Col. 1-General rate of duty	5.5%	5.5%	5.5%	5.5%	5.5%		
Estimated value <i>dutiable</i> imports	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000		
Customs revenue loss	\$7,150	\$7,150	\$7,150	\$7,150	\$7,150		

Source of estimated dutiable import data: Industry estimates.

¹ Industry analyst preparing report: Robert Randall (202-205-3366); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at <u>http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm</u>.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)	Submission attached?	Opposition noted?
			(Yes/No)	
Ciba Specialty Chemicals (Proponent) John Deming, 302-479-5499	04/05/2006	No	No	No
Abbott Laboratories Elaine Leavenworth, FAX: 783-6631	04/14/2006	No	No	No
American Chemistry Council Jim O'Conner, FAX: 703-741-6922	04/14/2006	No	No	No
Ashland Chemical Mike Toohey, FAX: 293-2913	04/14/2006	No	No	No
BASF Greg Thies, FAX: 558-5101	04/14/2006	No	No	No
Bayer Corporate & Business Offices Karen Niedermeyer, FAX: 412-777-4740	04/14/2006	No	No	No
Biddle Sawyer William Thonack, FAX: 212-239-1089	04/14/2006	No	No	No
Clariant Corp. Andrew Zamoyski, FAX: 401-823-2700	04/14/2006	No	No	No
DuPont Helen C. McMahon, FAX: 302-355-2994	04/14/2006	No	No	No
Eastman Chemical Co. Jorge San Pedro, FAX: 703-514-7707	04/14/2006	No	No	No
Great Lakes Chemical Robert Lee, FAX: 765-497-6040	04/14/2006	No	No	No
Honeywell International Art Simonetti, FAX: 662-2675	04/14/2006	No	No	No
Lonza Inc. Ray Esposito, FAX: 201-696-3487	04/14/2006	No	No	No
Monsanto Corp. Michael Parrish, FAX: 789-1867	04/14/2006	No	No	No
Noveon Tom Dirmyer, FAX: 216-447-5720	04/14/2006	No	No	No
Perstorp Polyols Jeff Jones, FAX: 419-729-3291	04/14/2006	No	No	No
Rhodia Dominick Cangiana, FAX: 609-860-1841	04/14/2006	No	No	No

Solutia Dan Jenkins, FAX: 314-674-1585	04/14/2006	No	No	No
Tennant Co. Mary Heie, FAX: 763-513-1808	04/14/2006	No	No	No
Total Specialty Chemicals, Inc. Tad Acker, FAX: 203-966-1505	04/14/2006	No	No	No
Union Carbide Jim Murray, FAX: 347-1684	04/14/2006	No	No	No
Uniroyal Chemical Co. Lloyd Moon, FAX: 203-573-4430	04/14/2006	No	No	No

Technical comments:³

The Commission suggests that the article description on page 1 of this report be used in order to provide the correct chemical name and HTS classification.

 $[\]overline{}^{3}$ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

109тн CONGRESS 1st Session **S. 1942**

To suspend temporarily the duty on 1-Methoxy-2-propanol in solvent.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 1, 2005

Mrs. LINCOLN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on 1-Methoxy-2-propanol in solvent.

1 Be it enacted by the Senate and House of Representa-

2 tives of the United States of America in Congress assembled,

3 SECTION 1. SUSPENSION OF DUTY ON 1-METHOXY-2-PRO-

PANOL IN SOLVENT.

4

5 (a) IN GENERAL.—Subchapter II of chapter 99 of
6 the Harmonized Tariff Schedule of the United States is
7 amended by inserting in numerical sequence the following:

"	9902.38.12	1-Methoxy-2-propanol in sol- vent (CAS No. 107–98–2)					
		(provided for in subheading 3812.30.60)	Free	No change	No change	On or before 12/31/2009	"

(b) EFFECTIVE DATE.—The amendment made by
 subsection (a) applies to articles entered, or withdrawn
 from warehouse for consumption, on or after the date of
 the enactment of this Act.