UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: October 24, 2006]²

Bill No. and sponsor: S. 3134 (Mr. Saxby Chambliss of Georgia).

Proponent name, location: SNF Holding Company, Riceboro, GA.

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)):

Methyl acrylate (CAS No. 96-33-3) (provided for in subheading 2916.12.50).

Check one:	X Same as that in bill as introduced.
	Different from that in bill as introduced (see Technical comments section).

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

Methyl acrylate forms homopolymers or co-polymers which are used in the production of coatings, adhesives, elastomers, super absorbent polymers, and flocculants, as well as fibers and plastics. Methyl acrylate is also a common feedstock for chemical syntheses. The subject product is imported primarily from Belgium, China, France, and Mexico.

Estimated effect on customs revenue:

HTS subheading: <u>2916.12.50</u>						
$\bigg / \bigg /$	2006	2007	2008	2009	2010	
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%	
Estimated value <i>dutiable</i> imports	\$46,000,000	\$46,000,000	\$47,000,000	\$48,000,000	\$49,000,000	
Customs revenue loss	\$1,702,000	\$1,702,000	\$1,739,000	\$1,776,000	\$1,813,000	

Source of estimated dutiable import data: Official U.S. Government statistics.

¹ Industry analyst preparing report: Jeff Clark (202-205-3318); Tariff Affairs contact: David Michels (202-205-3440).

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

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)	
SNF Holding Company (Proponent) Roger Schagrin, Fax: 202-429-2522	06/29/2006 07/01/2006	No	No	No
Abbott Laboratories Elaine Leavenworth, Fax: 202-783-6631	07/25/2006	No	No	No
American Chemistry Council Jim O'Connor, Fax: 703-741-6922	07/25/2006	No	No	No
Ashland Chemical Mike Toohey, Fax: 202-293-2913	07/25/2006	No	No	No
Bayer Corp. Karen Niedermeyer, Fax: 412-777-4740	07/25/2006	No	No	No
Biddle Sawyer Corp. William Thonack, Fax: 212-239-1089	07/25/2006	No	No	No
Bristol Myers Squibb David Warr, Fax: 202-783-2308	07/25/2006	No	No	No
Ciba Specialty Chemicals Corp. John Demming, Fax: 302-479-5152	07/25/2006	No	No	No
Clariant Corporation Andrew Zamoyski, Fax: 202-248-9043	07/25/2006	No	No	No
Dow Chemical Company Max Turnipseed, Fax: 225-383-0590	08/30/2006	Yes	Yes	Yes
DuPont Helen McMahon, Fax: 302-355-2994	07/25/2006	No	No	No
Eastman Chemical Jorge San Pedro, Fax: 703-524-7707 Greg Riddle, Fax: 703-524-7707	07/25/2006	No	No	No
Eli Lilly Kathryn Karol, Fax: 202-624-9460	07/25/2006	No	No	No
Gilead Sciences Cheryl Myriad, Fax: 650-522-5853	07/25/2006	No	No	No
GlaxoSmithKline William Schuyler, Fax: 202-715-1001 Sara Froehlich, Fax: 202-715-1001	07/25/2006	No	No	No
Great Lakes Chemical Robert Lee, Fax: 765-497-6040	07/25/2006	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Honeywell International Art Simonetti, Fax: 202-662-2675	07/25/2006	No	No	No
Interferon Sciences, Inc. Samuel Ronel, Fax: 732-249-6895	07/25/2006	No	No	No
Lonza, Inc. Ray Esposito, Fax: 201-696-3487	07/25/2006	No	No	No
Merck & Co. Thomas Bombelles, Fax: 202-638-3670	07/25/2006	No	No	No
Monsanto Linda Strachan, Fax: 202-789-1867	07/25/2006	No	No	No
Niche Pharmaceuticals Steve Brandon, Fax: 817-491-3533	07/25/2006	No	No	No
Novartis Tracy Haller, Fax: 202-628-4763	07/25/2006	No	No	No
Noveon Tom Dirmyer, Fax: 216-447-5720	07/25/2006	No	No	No
Perstop Polyols, Inc. Jeff Jones, Fax: 419-729-3291	07/25/2006	No	No	No
Pfizer Katherine Bennett, Fax: 202-347-2044	07/25/2006	No	No	No
Procter & Gamble Jim McCarthy, Fax: 202-393-4606	07/25/2006	No	No	No
Rhodia Dominick Cangiana, Fax: 609-860-2256	07/25/2006	No	No	No
Schering-Plough Rob Lively, Fax: 202-463-8809	07/25/2006	No	No	No
Solutia Sue Cannon, Fax: 314-674-1585	07/25/2006	No	No	No
Tennant Co. Mary Heie, Fax: 763-513-1808	07/25/2006	No	No	No
Total Specialty Chemicals, Inc. Tad Acker, Fax: 203-966-1505	07/25/2006	No	No	No
Union Carbide Jim Murray, Fax: 202-347-1684	07/25/2006	No	No	No
Uniroyal Chemical Lloyd Moon, Fax: 203-573-4430	07/25/2006	No	No	No

Technical comments:³ None.

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.

S. 3134

To suspend temporarily the duty on methyl acrylate.

IN THE SENATE OF THE UNITED STATES

May 25, 2006

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

A BILL

To suspend temporarily the duty on methyl acrylate.

- 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. METHYL ACRYLATE.
- 4 (a) In General.—Subchapter II of chapter 99 of
- 5 the Harmonized Tariff Schedule of the United States is
- 6 amended by inserting in numerical sequence the following
- 7 new heading:

"	9902.29.18	Methyl acrylate (CAS No. 96–33–3)					
		(provided for in subheading 2916.12.50)	Free	No change	No change	On or before	
						12/31/2009	".

- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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