

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: October 26, 2006]²

Bill No. and sponsor: S. 3184 (Ms. Mary L. Landrieu of Louisiana).

Proponent name, location: Chemtura Corporation, Hahnville, LA.

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

Nature of bill: Extension of existing temporary duty suspension through December 31, 2009.

Retroactive effect: None.

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

2-Mercaptoethanol (CAS No. 60-24-2) (provided for in subheading 2930.90.90).

Check one: 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:

The subject product is a synthetic organic chemical that is used as a raw material to make organo-tin stabilizers and fungicides. The fungicide is used to treat seeds prior to planting, or soil after planting. It protects the plants from fungus and plant-related diseases as a systemic fungicide and also acts as a growth enhancer. Crops treated include rice, cotton, peanuts, corn, soybeans, canola, barley, wheat, and oats. Organo-tin stabilizers are also used in the fabrication of rigid PVC. 2-Mercaptoethanol is added to plastics, primarily PVC, to reduce degradation. PVC is used in a wide variety of products, including pipe for home and other construction, window frames and consumer goods, among others. The subject product is imported from Germany.

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 http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Estimated effect on customs revenue:

HTS subheading: <u>2930.90.90</u>					
	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	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000	\$1,700,000
Customs revenue loss 1/	\$62,900	\$62,900	\$62,900	\$62,900	\$62,900

1/ The estimated Customs revenue loss for 2006 reflects the existing duty suspension under HTS heading 9902.01.60 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates.

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?
Chemtura Corporation (Proponent) Elizabeth Thomasino, 203-573-2644	07/25/2006	No	No	No
Abbott Laboratories Elaine Leavenworth, Fax: 202-783-6631	08/14/2006	No	No	No
American Chemistry Council Jim O'Connor, Fax: 703-742-6922	08/14/2006	No	No	No
BASF Corp. Greg Thies, Fax: 202-558-5102	08/14/2006	No	No	No
Bayer Julie Van Egmund, Fax: 202-737-8909	08/14/2006	No	No	No
Bayer Corporate Karen L. Niedermeyer, Fax: 412-777-4740	08/14/2006	No	No	No
Biddle Sawyer William Thonack, Fax: 212-239-1089	08/14/2006	No	No	No
Ciba Specialty Chemicals John Demming, Fax: 302-479-5152	08/14/2006	No	No	No
Dow Chemical Lisa Schroeter, Fax: 202-429-3467	08/14/2006	No	No	No
E.I. duPont de Nemours & Co. Helen C. McMahon, Fax: 302-355-2994	08/14/2006	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Eastman Chemical Co. Jorge San Pedro, Fax: 703-514-7707	08/14/2006	No	No	No
Honeywell International Art Simonetti, Fax: 202-662-2675	08/14/2006	No	No	No
Monsanto Corp. Michael Parrish, Fax: 202-789-1867	08/14/2006	No	No	No
Rhodia Dominick Cangiano, Fax: 609-860-2256	08/14/2006	No	No	No
Solutia Dan Jenkins, Fax: 314-674-1585	08/14/2006	No	No	No
Uniroyal Chemical Co. Lloyd Moon, Fax: 203-573-4430	08/14/2006	No	No	No

Technical comments:³ None.

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.

109TH CONGRESS
2^D SESSION

S. 3184

To extend temporarily the suspension of the duty on 2-Mercaptoethanol.

IN THE SENATE OF THE UNITED STATES

MAY 25, 2006

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

A BILL

To extend temporarily the suspension of the duty on 2-Mercaptoethanol.

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. 2-MERCAPTOETHANOL.**

4 (a) **IN GENERAL.**—Heading 9902.01.60 of the Har-
5 monized Tariff Schedule of the United States is amended
6 by striking the date in the effective period column and
7 inserting “December 31, 2009”.

8 (b) **EFFECTIVE DATE.**—The amendment made by
9 this section shall apply with respect to goods entered, or

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

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