

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: October 26, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 3204 (Mr. Frank R. Lautenberg of New Jersey).

**Proponent name, location:** Solvay Solexis, Inc., Thorofare, NJ.

**Other bills on product (109<sup>th</sup> 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-Propene, 1,1,2,3,3,3-hexafluoro-,oxidized, polymerized (CAS No. 69991-67-9) (provided for in subheading 3907.20.00).

**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 products are functional perfluoropolyethers (PFPE) that are synthesized from a proprietary process which is based on the photo oxidation of hexafluoropropylene monomer. The products are clear, colorless, medium-viscosity fluids. One set of products (HS/240; HS/260) are PFPE vapor phase fluids. They are available with boiling points of 240-260° C and molecular weights in the 1100-1200 range. These products are adaptable for applications such as polymer thick films, solder mask, conductive inks, adhesives and coatings. In vapor phase soldering these products provide an innovative method of heat transfer. Another PFPE product subject to this bill (Y25 TSP) is a key raw material that is used to make a special paste for topical skin protection used by the U.S. Army to protect soldiers against chemical warfare agents. The subject products are imported from Italy.

<sup>1</sup> Industry analyst preparing report: Ray Cantrell (202-205-3362); Tariff Affairs contact: David Michels (202-205-3440).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).

**Estimated effect on customs revenue:**

<b>HTS subheading: 3907.20.00</b>					
	2006	2007	2008	2009	2010
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$1,350,000	\$1,500,000	\$1,750,000	\$1,850,000	\$2,000,000
Customs revenue loss	\$87,750	\$97,500	\$113,750	\$120,250	\$130,000

Source of estimated dutiable import data: Commission and 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?
		(Yes/No)		
Solvay Solexis, Inc. (Proponent) Max Turnipseed, 225-338-0310 Andrew Jones, 856-251-3410	08/01/2006	No	No	No
AGC Chemicals Americas, Inc. (Asahi) Winn Darden, 805-583-5917 Jeff Neeley, 202-530-8503	08/02/2006	No	No	No
Bayer Corporation Karen Niedermeyer, 412-777-2058	08/02/2006	No	No	No
Ciba Specialty Chemicals John Demming, 302-479-5499	08/03/2006	No	No	No
Daikin America, Inc. Tison Keel, 845-365-9566 Liesl Lim, 845-365-9505	08/02/2006	No	No	No
Dow Chemical Company Lisa Schroeter, 202-429-3400	08/02/2006	No	No	No
DuPont Elaine M. Olsen, 302-992-2263 John D. Colven, 302-999-2091	08/02/2006	No	No	No
Dyneon (3M) John Scanlon, 651-733-1519	08/02/2006	No	No	No
LANXESS Corporation Jamie Schaeffer, 412-809-3666	08/02/2006	No	No	No

**Technical comments:**<sup>3</sup>

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to provide the correct HTS subheading reference as stated by the proponent.<sup>4</sup>

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<sup>3</sup> 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.

<sup>4</sup> Staff interviews with the proponents to this bill, August 8, 2006.

109TH CONGRESS  
2D SESSION

# S. 3204

To suspend temporarily the duty on 1-Propene,1,1,2,3,3,3-hexafluoro-oxidized, polymerized.

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IN THE SENATE OF THE UNITED STATES

MAY 25, 2006

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

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## A BILL

To suspend temporarily the duty on 1-Propene,1,1,2,3,3,3-hexafluoro-oxidized, polymerized.

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. 1-PROPENE,1,1,2,3,3,3-HEXAFLUORO-OXIDIZED,**  
4 **POLYMERIZED.**

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  
8 new heading:

“	9902.38.25	1-Propene,1,1,2,3,3,3-hexafluoro-oxidized, polymerized (CAS No. 69991-67-9) (provided for in subheading 3824.90.91 and 3907.20.00) .....	Free	No change	No change	On or before 12/31/2009	”.
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1       (b) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) applies to goods entered, or withdrawn from  
3 warehouse for consumption, on or after the 15th day after  
4 the date of the enactment of this Act.

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