

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. 3205 (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-,telomer with chlorotrifluoroethene, oxidized, reduced, ethyl ester, hydrolyzed (CAS No. 220182-27-4) (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 product is a functional perfluoropolyether surfactant that is synthesized from a proprietary process which is based on the photo oxidation of hexafluoropropylene monomer. The product is a clear, colorless to light yellow, low viscosity fluid that can be used in salt form (e.g., sodium, potassium or ammonium) in a wide range of water systems (e.g., floor polishes, alkaline cleaners and coatings) to reduce their surface tension and improving their leveling ability. In suitable concentration, this product can be a very efficient dispersant or emulsifier for fluorinated materials in aqueous based formulations. The subject product is 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 | \$155,200 | \$170,800 | \$187,800 | \$206,500 | \$230,000 |
| Customs revenue loss                    | \$10,088  | \$11,102  | \$12,207  | \$13,423  | \$14,950  |

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)<br>Max Turnipseed, 225-338-0310<br>Andrew Jones, 856-251-3410 | 08/01/2006     | No   | No                   | No                |
| AGC Chemicals Americas, Inc. (Asahi)<br>Winn Darden, 805-583-5917<br>Jeff Neeley, 202-530-8503 | 08/02/2006     | No   | No                   | No                |
| Bayer Corporation<br>Karen Niedermeyer, 412-777-2058   | 08/02/2006     | No   | No                   | No                |
| Ciba Specialty Chemicals<br>John Demming, 302-479-5499   | 08/03/2006     | No   | No                   | No                |
| Daikin America, Inc.<br>Tison Keel, 845-365-9566<br>Liesl Lim, 845-365-9505                    | 08/02/2006     | No   | No                   | No                |
| Dow Chemical Company<br>Lisa Schroeter, 202-429-3400   | 08/02/2006     | No   | No                   | No                |
| DuPont<br>Elaine M. Olsen, 302-992-2263<br>John D. Colven, 302-999-2091                        | 08/02/2006     | No   | No                   | No                |
| Dyneon (3M)<br>John Scanlon, 651-733-1519  | 08/02/2006     | No   | No                   | No                |
| LANXESS Corporation<br>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 a correct HTS subheading reference and to capitalize “Propene”.

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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.

109TH CONGRESS  
2D SESSION

# S. 3205

To suspend temporarily the duty on 1, propene, 1,1,2,3,3,3-hexafluoro-, telomers with chlorotrifluoroethene, oxidized, reduced, ethyl ester, hydrolyzed.

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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-, telomers with chlorotrifluoroethene, oxidized, reduced, ethyl ester, hydrolyzed.

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-,**  
4 **TELOMERS WITH**  
5 **CHLOROTRIFLUOROETHENE, OXIDIZED, RE-**  
6 **DUCED, ETHYL ESTER, HYDROLYZED.**

7 (a) IN GENERAL.—Subchapter II of chapter 99 of  
8 the Harmonized Tariff Schedule of the United States is

1 amended by inserting in numerical sequence the following  
 2 new heading:

|   |            |  |      |           |           |                            |    |
|---|------------|--|------|-----------|-----------|----------------------------|----|
| “ | 9902.39.21 | 1, propene, 1,1,2,3,3,3-hexafluoro-<br>telomers with chlorotrifluoroethene,<br>oxidized, reduced, ethyl ester, hydrolyzed<br>(CAS No. 220182-27-4) (provided for in<br>subheading 3907.20) ..... | Free | No change | No change | On or before<br>12/31/2009 | ”. |
|---|------------|--|------|-----------|-----------|----------------------------|----|

3 (b) EFFECTIVE DATE.—The amendment made by  
 4 this section shall apply with respect to goods entered, or  
 5 withdrawn from warehouse for consumption, on or after  
 6 the 15th day after the date of enactment of this Act.

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