

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: September 28, 2006]²

Bill No. and sponsor: S. 3283 (Mrs. Dianne Feinstein of California).

Proponent name, location: Hitachi Chemical Company America, Ltd., Cupertino, CA.

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)):

Pressure-sensitive adhesive film sheets, each measuring less than 100 micrometers in thickness, with substrate of polypropylene (CAS No. 9010-79-1) and adhesives based on acrylic resin (CAS No. 36089-45-9) (provided for in subheading 3919.90.50).

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 consists of co-extruded polypropylene films with pressure-sensitive acrylic resin. Films of this nature are thin and transparent, ranging in thickness from about 40 to 70 micrometers (microns), or 160 to 280 gauge equivalent. They are shipped in rolls with 3-inch or 6-inch plastic cores. This product is used as a masking film to protect optical diffuser (OD) and enhancement (E) sheets when these sheets are being processed and shipped. OD/E sheets are critical to the manufacture of LCD screens for cell phones, TV monitors, etc. The film can be removed without leaving any residue. This product is imported from Japan.

¹ Industry analyst preparing report: Ray Cantrell (202-205-3362); Tariff Affairs contact: Jan Summers (202-205-2605).

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: 3919.90.50 | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|
| | 2006 | 2007 | 2008 | 2009 | 2010 |
| Col. 1-General rate of duty | 5.8% | 5.8% | 5.8% | 5.8% | 5.8% |
| Estimated value <i>dutiable</i> imports ⁰ | \$2,100,000 | \$2,400,000 | \$2,700,000 | \$3,000,000 | \$3,300,000 |
| Customs revenue loss | \$121,800 | \$139,200 | \$156,600 | \$174,000 | \$191,400 |

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) | | |
| Hitachi Chemical Company America, Ltd. (Proponent) Mr. Kei Wegner, 408-873-2200, ext. 104 Mr. Max Turnipseed, 225-338-0310 | 08/22/2006 | No | No | No |
| AET Films Mr. Elmer Bowman, 302-326-5500 | 08/23/2006 | No | No | No |
| Avery Dennison Corporation Mr. Igor Cerc, 440-358-6209 | 08/24/2006 | Yes | Yes | Yes |
| Bayer Corporation Ms. Karen Niedermeyer, 412-777-2058 | 08/12/2006 | No | No | No |
| Dow Chemical Company Ms. Lisa Schroeter, 202-429-3400 | 08/22/2006 | No | No | No |
| DuPont Ms. Helen McMahon, 302-992-2263 | 08/22/2006 | No | No | No |
| ExxonMobil Films Mr. Ral Maska, 315-966-1582 | 08/23/2006 | No | No | No |
| LANXESS Corporation Ms. Jamie Schaeffer, 412-809-3666 | 08/22/2006 | No | No | No |
| 3M Company Mr. David Olsen, 651-733-4459 | 08/19/2006 | Yes | Yes | Yes |
| Steiner Film, Inc. Mr. Stan Cichanowski, 413-458-9525, ext. 111 | 08/23/2006 | No | No | No |
| Toray Plastics (America), Inc. Mr. Todd Eckles, 401-294-4511 | 08/23/2006 | Yes | No | No |

Technical comments:³

Based on our conversations with the proponent's representatives, we suggest that the article description be modified as shown on page 1 of this report. However, we recommend consulting Customs to verify the HTS classification and appropriate description of this product (see attachment); additional information from the proponent may be needed.⁴

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.

⁴ Staff interview with, and e-mail correspondence from, Ms. Joan Mazzola, National Import Specialist, U.S. Customs and Border Protection, New York, NY, August 31, 2006.

109TH CONGRESS
2D SESSION

S. 3283

To suspend temporarily the duty on pressure sensitive film.

IN THE SENATE OF THE UNITED STATES

MAY 26, 2006

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

A BILL

To suspend temporarily the duty on pressure sensitive film.

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. PRESSURE SENSITIVE FILM.**

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:

| | | | | | | | |
|---|------------|---|------|-----------|-----------|-------------------------|----|
| “ | 9902.39.19 | Pressure sensitive adhesive film sheet; thickness less than 100 micrometers with substrate of polypropylene (CAS No. 9010-79-1) and adhesives based on acrylic resin (CAS No. 36089-45-9) (provided for in subheading 3919.90.50) | Free | No change | No change | On or before 12/31/2009 | ”. |
|---|------------|---|------|-----------|-----------|-------------------------|----|

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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