

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: October 11, 2006]²

Bill No. and sponsor: S. 3350 (Mr. Edward M. Kennedy of Massachusetts).

Proponent name, location: EC Pigments, Fall River, MA.

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)):

5'-Chloro-3-hydroxy-2'-methoxy-2-naphthanilide (CAS No. 137-52-0) (provided for in subheading 2924.29.36).

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:

5'-Chloro-3-hydroxy-2'-methoxy-2-naphthanilide is a synthetic organic chemical that is used as a coupling component for azoic dyeing. It is also known as Naphthol AS-CA. The product is imported from India and China.

Estimated effect on customs revenue:

HTS subheading: <u>2924.29.36</u>					
	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	\$195,000	\$200,000	\$200,000	\$200,000	\$200,000
Customs revenue loss	\$12,675	\$13,000	\$13,000	\$13,000	\$13,000

Source of estimated dutiable import data: Industry estimates.

Contacts with domestic firms/organizations (including the proponent):

¹ Industry analyst preparing report: Philip Stone (202-205-3424); 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.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
EC Pigments (Proponent) Jim DeLisi, 908-322-8440	08/10/2006	No	No	No
BASF, Functional Polymers Business Group Cenan Ozmeral, Fax: 704-587-7903	08/21/2006	No	No	No
Bayer Corporation Karen L. Niedermeyer, Fax: 412-777-4740	08/21/2006	No	No	No
Ciba Specialty Chemicals John Deming, Fax: 302-479-5152	08/21/2006	No	No	No
ColorChem Steve Printz, Fax: 770-993-4780	08/21/2006	No	No	No
Color Resources International Inc. Wayne Jones, Fax: 864-862-6824	08/21/2006	No	No	No
CPMA Larry Robinson, Fax: 703-684-1795	08/21/2006	No	No	No
Day-Glo Richard Thornton, Fax: 216-391-1408	08/21/2006	No	No	No
DyStar L.P. Van Hawkins, Fax: 704-561-3005	08/21/2006	No	No	No
ETAD Tucker Helms, Fax: 202-296-8120	08/21/2006	No	No	No
Everlight USA, Inc. Scott Chen, Fax: 704-588-0051	08/21/2006	No	No	No
Fujifilm Imaging Colorants, Inc. Mike Gill, Fax: 202-628-5116 Pat McGlinchey, Fax: 302-477-8103	08/21/2006	No	No	No
Lanxess Corporation Jamie Schaeffer, Fax: 412-809-3614 Seth Tomei, Fax: 412-809-3614	08/21/2006	No	No	No
Milliken Ray Sanders, Fax: 864-503-1618	08/21/2006	No	No	No
NFC John Dickson, Fax: 803-548-2683	08/21/2006	No	No	No
Passaic Color John Wojciechowski, Fax: 973-279-3175	08/21/2006	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Rohm & Haas Steven Volger, Fax: 215-592-2550	08/21/2006	No	No	No
United Color Tom Nowakowski, Fax: 215-860-8560	08/21/2006	No	No	No

Technical comments:³

The Commission suggests the article description on page 1 of this report be used in the proposed new heading to provide the proper capitalization of the chemical name.

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. 3350

To suspend temporarily the duty on Naphthol AS-CA.

IN THE SENATE OF THE UNITED STATES

JUNE 5, 2006

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

A BILL

To suspend temporarily the duty on Naphthol AS-CA.

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. NAPHTHOL AS-CA.**

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:

“	9902.31.19	5'-Chloro-3-Hydroxy-2'-Methoxy-2-Naphthanilide (CAS No. 137-52-0) (provided for in subheading 2924.29.36)	Free	No change	No change	On or before 12/31/2009	”.
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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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