| 6                                      |  |
|--|--|
|  | United States<br>ERNATIONAL TRADE COMMISSION                       |
|  | MEMORANDUM ON PROPOSED TARIFF LEGISLATION<br>of the 112th Congress |
|  | Date approved June 11, 2012  |
| I. Background                          |  |
| Bill number: H.R. 3                    | 3944   |
| Sponsor name: Mr.<br>Sponsor state: NC | Mel Watt   |
| Interested entity:                     |  |
| Name DyStar                            | L.P.   |
| City Charlot                           |  |
| State NC                               |  |
|  |  |
| Other bills on product                 | (112th Congress only): None  |
| Nature of bill: Ten                    | nporary duty suspension  |
| Expiration date: Dec                   | ember 31, 2014   |
| Current or previous ch                 | apter 99 heading: None   |
| Retroactive date:                      | None   |
| CAS number (if applica                 | ible): 72828-69-4  |
| Industry analyst:                      | Larry Johnson  |
| Telephone:                             | 202-205-3351   |
| Tariff Affairs contact:                | David Michels  |
| Telephone:                             | 202-205-3440   |

Note:

1. Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tariff\_affairs/congress\_reports/.</u>

2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Acid Yellow 79 (Benzenesulfonic acid, 2-[2-[5-amino-3-methyl-1-(3-sulfophenyl)-1H-pyrazol-4-yl]diazenyl]-, 1,1'-[(1methylethylidene)di-4,1-phenylene] ester, sodium salt (1:2)) (CAS No. 72828-69-4)(provided for in subheading 3204.12.45)

Description above compared with bill as introduced:

Same

Different (see Technical Comments section)

#### III. Other product information, including uses/applications and source(s) of imports

The subject product is a synthetic organic acid yellow dye used in the textile industry. It is imported from Indonesia.

#### IV. Estimated effect on customs revenue

| Subject product HTS subheading(s)               | 3204.12.45 |         |         |         |         |  |  |
|---|------------|---------|---------|---------|---------|--|--|
| ltem  | 2013       | 2014    | 2015    | 2016    | 2017    |  |  |
| Col.1-general rate of duty (%)                  | 6.5        | 6.5     | 6.5     | 6.5     | 6.5     |  |  |
| Estimated value of <i>dutiable</i> imports (\$) | 250,000    | 250,000 | 250,000 | 250,000 | 250,000 |  |  |
| Customs revenue loss (\$)                       | 16,250     | 16,250  | 16,250  | 16,250  | 16,250  |  |  |

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

Official statistics of the U.S. Department of Commerce

 $\boxtimes$  Provided by industry sources

Industry information

Commission estimates

Duty reduction notes:

☑ This bill is not a duty reduction

This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%) Temporary rate (%) Perc

Percentage point reduction (%)

#### **V. Technical comments**

The article description was modified slightly to fit the format used in the Chapter 99 provisions.

#### VI. Continuation

If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.

### VII. Contacts with domestic firms/organizations

| #  | Firm/organization and contact name                              | Telephone number  | Claims same or<br>competing product<br>made in the United<br>States | Submission<br>attached | Opposition<br>noted |
|----|---|-------------------|---|------------------------|---------------------|
| 1  | DyStar L.P. (Interested entity)<br>Megan Malone                 | 202-344-4621      | No  | No                     | No                  |
| 2  | 3M Government Affairs<br>Greg Walters                           | 202-414-3008      | No  | No                     | No                  |
| 3  | BASF Corporation<br>Richard J. Salamone                         | 973-895-8316      | No  | No                     | No                  |
| 4  | Bayer International Trade Services Corporation<br>Steve Johnsen | 412-777-5616      | No  | No                     | No                  |
| 5  | Chemtura<br>Matt Mattingley                                     | 202-841-5601      | No  | No                     | No                  |
| 6  | Clariant<br>Andrew Zamoyski                                     | 202-415-9159      | No  | No                     | No                  |
| 7  | ColorChem<br>Steven Printz                                      | 770-993-5500, x18 | No  | No                     | No                  |
| 8  | Crowell & Moring, LLP<br>Mike Gill                              | 202-508-8843      | No  | No                     | No                  |
| 9  | Dixie Chemical<br>Mal Johnson                                   | 281-291-2659      | No  | No                     | No                  |
| 10 | Dow Chemical Co.<br>Lisa Schroeter                              | 202-429-3407      | No  | No                     | No                  |
| 11 | DuPont Legal<br>Elaine M. Olsen                                 | 302-992-2263      | No  | No                     | No                  |
| 12 | Emerald Performance Materials<br>Thomas Dirmyer                 | 330-916-6706      | No  | No                     | No                  |
| 13 | Fanwood Chemical Inc.<br>V. M. (Jim) DeLisi                     | 908-322-8440      | No  | No                     | No                  |
| 14 | Kemira<br>Rajesh Sharma   | 678-819-4577      | No  | No                     | No                  |
| 15 | LANXESS Corp.<br>Jamie B. Schaeffer                             | 412-809-3666      | No  | No                     | No                  |
| 16 | Nation Ford Chemical Co.<br>Jay Dickson                         | 803-548-3210, x15 | No  | No                     | No                  |
| 17 | PPG Industries Inc.<br>Bill Ries                                | 412-434-1717      | No  | No                     | No                  |
| 18 | Royce Associates, ALP<br>Terry Scheirer                         | 201-438-5200      | No  | No                     | No                  |

| #  | Firm/organization and contact name   | Telephone number | Claims same or<br>competing product<br>made in the United<br>States | Submission<br>attached | Opposition<br>noted |
|----|--|------------------|---|------------------------|---------------------|
| 19 | Sensient Technologies<br>Ken Goldacker   | 314-658-7363     | No  | No                     | No                  |
| 20 | Society of Chemical Manufacturers and<br>Affiliates<br>Robert E. Branand, Esq. | 202-345-2717     | No  | No                     | No                  |
| 21 | United Color Manufacturing Inc.<br>Tom Nowakowski                              | 215-860-2165     | No  | No                     | No                  |

# <sup>112TH CONGRESS</sup> 2D SESSION H.R. 3944

To suspend temporarily the duty on Acid Yellow 79.

#### IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2012

Mr. WATT introduced the following bill; which was referred to the Committee on Ways and Means

## A BILL

To suspend temporarily the duty on Acid Yellow 79.

- 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. ACID YELLOW 79.

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:

| " | 9902.01.00 | Acid Yellow 79,               |      |           |           |              |    |
|---|------------|-------------------------------|------|-----------|-----------|--------------|----|
|   |            | (Benzenesulfonic acid, 2-[2-  |      |           |           |              |    |
|   |            | [5-amino-3-methyl-1-(3-       |      |           |           |              |    |
|   |            | sulfophenyl)-1H-pyrazol-4-    |      |           |           |              |    |
|   |            | yl]diazenyl]-, 1,1'-[(1-      |      |           |           |              |    |
|   |            | methylethylidene)di-4,1-phen- |      |           |           |              |    |
|   |            | ylene] ester, sodium salt     |      |           |           |              |    |
|   |            | (1:2)) (CAS No. 72828–69–     |      |           |           |              |    |
|   |            | 4) (provided for in sub-      |      |           |           |              |    |
|   |            | heading 3204.12.45)           | Free | No change | No change | On or before |    |
|   |            |                               |      | 0         | Ŭ         | 12/31/2014   | ". |

(b) EFFECTIVE DATE.—The amendment made by
 subsection (a) applies to articles entered, or withdrawn
 from warehouse for consumption, on or after the 15th day
 after the date of the enactment of this Act.