#### UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 108th Congress 1

[Date approved: August 27, 2004]<sup>2</sup>

**Bill No. and sponsor:** H.R. 4329 (Mr. Baker)

**Proponent name, location:** Ciba Specialty Chemicals

4200 Geigy Access Road St. Gabriel, LA 70776-0749

Other bills on product (108th Congress only): None.

**Nature of bill:** Temporary duty suspension through December 31, 2007.

Retroactive effect: None.

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

Glycine, N,N-bis[2-hydroxy-3-(2-propenyloxy)propyl]-, monosodium salt, reaction product with ammonium hydroxide and pentafluoroiodoethane-tetrafluoroethylene telomer (CAS No. 220459-70-1) (provided for in subheading 3809.92.50)

Check one: \_\_\_\_ Same as that in bill as introduced \_\_\_\_ Different from that in bill as introduced (explain differences in Technical comments section)

#### Product information, including uses/applications and source(s) of imports:

The synthetic organic chemical, glycine, N,N-bis[2-hydroxy-3-(2-propenyloxy)propyl]-, monosodium salt, reaction product with ammonium hydroxide and pentafluoroiodoethane-tetrafluoroethylene telomer, is used in the manufacture of specialty paper products to impart oil- and grease-resistant properties to the finished paper/paperboard product. Ciba Specialty Chemicals imports the subject chemical from its affiliated plant in Germany.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Eric Land (202-205-3349); Tariff Affairs contact: Dave Beck (202-205-2603).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://www.usitc.gov/billrpts.htm">http://www.usitc.gov/billrpts.htm</a> Access to a paper copy is available at the Commission's Law Library (202-205-3287) or at the Commission's Main Library (202-205-2630).

#### **Estimated effect on customs revenue:**

| HTS subheading: 3809.92.50                   |             |             |             |             |             |  |  |
|--|-------------|-------------|-------------|-------------|-------------|--|--|
|  | 2004        | 2005        | 2006        | 2007        | 2008        |  |  |
| Col. 1-General rate of duty (AVE) <u>1</u> / | 6%          | 6%          | 6%          | 6%          | 6%          |  |  |
| Estimated value dutiable imports             | \$5,850,000 | \$5,850,000 | \$5,850,000 | \$5,850,000 | \$5,850,000 |  |  |
| Customs revenue loss                         | \$351,000   | \$351,000   | \$351,000   | \$351,000   | \$351,000   |  |  |

<sup>1/</sup> The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.

Source of estimated dutiable import data: Commission estimates.

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

| Name of firm/organization | Date<br>contacted | US production of same or competitive product claimed? | Submission attached? | Opposition noted? |
|---------------------------|-------------------|---|----------------------|-------------------|
|                           |                   |   | (Yes/No)             |                   |
| Ciba Specialty Chemicals  | 7/17/04           | No  | No                   | No                |
| Clariant Corporation      | 7/19/04           | No  | No                   | No                |
| Dow Chemical              | 7/19/04           | No  | No                   | No                |
| Du Pont Chemical          | 7/19/04           | No  | No                   | No                |
| Solutia                   | 7/19/04           | No  | No                   | No                |

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

The Commission recommends the CAS Registry number (220459-70-1) be added to the chemical description in the text of the bill. Also, the Commission recommends the spelling of the phrase

<sup>&</sup>lt;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.

"tetrafluoroethylyene" in the chemical name be corrected to read "tetrafluoroethylene."

#### 108TH CONGRESS 2D SESSION

## H. R. 4329

To suspend temporarily the duty on Glycine, N,N-Bis[2-hydroxy-3-(2-propenyloxy)propyl]-, monosodium salt, reaction products with ammonium hydroxide and pentafluoroiodoethane-tetrafluoroethylyene telomer.

#### IN THE HOUSE OF REPRESENTATIVES

May 11, 2004

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

### A BILL

- To suspend temporarily the duty on Glycine, N,N-Bis[2-hydroxy-3-(2-propenyloxy)propyl]-, monosodium salt, reaction products with ammonium hydroxide and pentafluoroiodoethane-tetrafluoroethylyene telomer.
  - 1 Be it enacted by the Senate and House of Representa-
  - 2 tives of the United States of America in Congress assembled,

| 1  | SECTION 1. SUSPENSION OF DUTY ON GLYCINE, N,N-BIS[2-  |  |  |  |  |  |
|----|---|--|--|--|--|--|
| 2  | HYDROXY-3-(2-PROPENYLOXY)PROPYL]-,  |  |  |  |  |  |
| 3  | MONOSODIUM SALT, REACTION PRODUCTS  |  |  |  |  |  |
| 4  | WITH AMMONIUM HYDROXIDE AND   |  |  |  |  |  |
| 5  | PENTAFLUOROIODOETHANE-  |  |  |  |  |  |
| 6  | TETRAFLUOROETHYLYENE TELOMER.   |  |  |  |  |  |
| 7  | (a) In General.—Subchapter II of chapter 99 of  |  |  |  |  |  |
| 8  | the Harmonized Tariff Schedule of the United States is  |  |  |  |  |  |
| 9  | amended by inserting in numerical sequence the following  |  |  |  |  |  |
| 10 | new heading:  |  |  |  |  |  |
|    | " 9902.38.41 Glycine, N,N-Bis[2-hydroxy-3-(2-propenyloxy)propyl]-, monosodium salt, reaction products with ammonium hydroxide and pentafluoroidodethanetetrafluoroethylyene telomer (provided for in subheading 3809.92.50) Free No Change No Change On or Before 12/31/2007 ". |  |  |  |  |  |

11 (b) Effective Date.—The amendment made by

12 subsection (a) applies to articles entered, or withdrawn

13 from warehouse for consumption, on or after the 15th day

14 after the date of the enactment of this Act.

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