

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved:: November 12, 2004]²

Bill No. and sponsor: H.R. 4952 (Mr. Holt).

Proponent name, location: Rhodia, Inc.
Prospect Plains Road
Cranbury, NJ 08512-7500

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)):

Mixtures of N-[2-(2-Oxo-1-imidazolidinyl)ethyl]methacrylamide (CAS No. 3089-19-8), methacrylic acid (CAS No. 79-41-4), and water (CAS No. 7732-18-5) (provided for in subheading 3824.90.91)

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

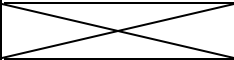
Product information, including uses/applications and source(s) of imports:

This chemical mixture is primarily used to make polymer resins that are incorporated into architectural coatings. Imports of the product come primarily from France.

¹ Industry analyst preparing report: Larry Johnson (202-205-3351); Tariff Affairs contact: David Beck (202-205-2603).

² Access to an electronic copy of this memorandum is available at <http://www.usitc.gov/billrpts.htm> 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: 3824.90.91					
	2004	2005	2006	2007	2008
Col. 1-General rate of duty (AVE) <u>1/</u>	5.0%	5.0%	5.0%	5.0%	5.0%
Estimated value <i>dutiable</i> imports	\$9,900,000	\$9,900,000	\$9,900,000	\$9,900,000	\$9,900,000
Customs revenue loss	\$495,000	\$495,000	\$495,000	\$495,000	\$495,000

1/ 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: Industry estimates.

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

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
		(Yes/No)		
Rhodia, Inc. (proponent) Mr. Rick Valentine (202) 661-3802	08/18/2004	No	No	No
Perstorp Polyols, Inc. Ms. Evelyn M. Suarez (202) 293-8116	08/18/2004	No	No	No
Bayer Corporation Mr. Seth Tomei (412) 777-4197	08/23/2004	No	No	No
Avecia Limited (Crowell & Moring) Ms. Melissa Coyle (202) 624-2500	08/18/2004	No	No	No
Solutia, Inc. Mr. Glen Ruskin (202) 822-1690	08/18/2004	No	No	No
Rohm & Haas Company Mr. Henry P. Stobenau (215) 628-4919	08/18/2004	No	No	No

Technical comments:³

The chemical name is incomplete as it appears in the bill. The product is principally a mixture of N-[2-(2-Oxo-1-imidazolidinyl)ethyl]methacrylamide, methacrylic acid and water.⁴ The proposed article description, therefore, should read as follows:

“Mixtures of N-[2-(2-Oxo-1-imidazolidinyl)ethyl]methacrylamide (CAS No. 3089-19-8), methacrylic acid (CAS No. 79-41-4), and water (provided for in subheading 3824.90.91)”

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 Based on information contained in the Material Safety Data Sheets for this product which were supplied by Mr. Rick Valentine representing Rhodia, Inc.

108TH CONGRESS
2D SESSION

H. R. 4952

To suspend temporarily the duty on methacrylamido etheleneurae monomer.

IN THE HOUSE OF REPRESENTATIVES

JULY 22, 2004

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

A BILL

To suspend temporarily the duty on methacrylamido etheleneurae monomer.

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. METHACRYLAMIDO ETHELENEURAE MON-**
4 **OMER.**

5 (a) IN GENERAL.—Subchapter II of chapter 99 of
6 the Harmonized Tariff Schedule of the United States is
7 amended by inserting in numerical sequence the following
8 new heading:

“	9902.34.42	Methacrylamido etheleneurae monomer (CAS No. 3089–19–8) (provided for in sub-heading 3824.90.91)	Free	No change	No change	On or before 12/31/2007	”.
---	------------	--	------	-----------	-----------	-------------------------	----

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

○