

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: March 18, 2004]²

Bill No. and sponsor: S. 446 (Mr. Bond)

Proponent name, location: Solutia, Inc.
St. Louis, MO.

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

Nature of bill: Temporary duty suspension through December 31, 2005.

Retroactive effect: None.

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

Triethyleneglycol bis(2-ethylhexanoate) (CAS No. 94-28-0) (provided for in subheading 2915.90.50)

Check one: Same as that in bill as introduced (see Technical comments, below)
 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 is a plasticizer manufactured from triethyleneglycol and 2-ethylhexanoic acid. When compounded with polyvinyl butyral (PVB) polymer (an industrially important polymer widely used in laminated safety glass for automotive windshields), this plasticizer enhances structural and impact strength, as well as adhesive properties of the laminate, while maintaining excellent clarity. The product is imported from a subsidiary of the proponent located in the United Kingdom.

It is believed that there are potentially several domestic producers of this product in the United States, as Solutia had previously used domestic firms to toll its conversion from imported raw materials. Eastman Chemical, C.P. Hall, and Teknor Apex are known to have produced this plasticizer in commercial quantities for a variety of end-use products in the United States.

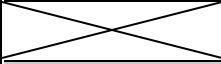
The Du Pont Company produces domestic PVB interlayer material in direct competition with Solutia,

¹ Industry analyst preparing report: Eric Land (202-205-3349); Tariff Affairs contact: Dave Beck (202-205-2063).

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).

using a different plasticizer. Each of the two PVB interlayer materials serve the same basic function in automotive and architectural safety glass, and are protected under registered trademarks.

Estimated effect on customs revenue:

HTS subheading: 2915.90.50					
	2004	2005	2006	2007	2008
Col. 1-General rate of duty (AVE) ^{1/}	3.8%	3.8%	3.8%	3.8%	3.8%
Estimated value <i>dutiable</i> imports	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000	\$9,000,000
Customs revenue loss	\$342,000	\$342,000	\$342,000	\$342,000	\$342,000

^{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: Commission estimates based on industry information.

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)		
Solutia, Inc. Allison Jennings, Gov't Affairs Specialist (ph) 202-822-1690 e-mail: aajenn@solutia.com	2/5/2004	No	No	No
Eastman Chemical Corporation ³ Lynn Johnson (ph) 423-229-2000	2/19/2004	No	No	No
DuPont Chemical Elaine Olsen (ph) 302-992-2263	2/19/2004	No	No	No

³ The individual at Eastman Chemical (Industrial Intermediates) responsible for responding to this issue, Mr. Lynn Johnson, has been unavailable. Eastman Chemical had objected to previous duty-suspension legislation for this item.

CP Hall Chemical (ph) 312-554-7400	2/19/2004	No	No	No
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Technical comments:⁴ Though the chemical name given in the proposed article description in the bill is correct, there should be a hyphen following “ethyl” in the first line of that description.

⁴ 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.

108TH CONGRESS
1ST SESSION

S. 446

To suspend the duty on Triethyleneglycol Bis(2-Ethyl Hexanoate).

IN THE SENATE OF THE UNITED STATES

FEBRUARY 25, 2003

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

A BILL

To suspend the duty on Triethyleneglycol Bis(2-Ethyl Hexanoate).

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. TRIETHYLENEGLYCOL BIS(2-ETHYL**
4 **HEXANOATE).**

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:

“	9902.31.15	Triethyleneglycol bis(2-ethyl hexanoate) (CAS No. 94-28-0) (provided for in sub-heading 2915.90.50)	Free	No change	No change	On or before 12/31/2005	”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies with respect to articles entered, or
3 withdrawn from warehouse for consumption, on or after
4 the 15th day after the date of enactment of this Act.

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