

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: October 12, 2005]²

Bill No. and sponsors: H.R. 1934 (Mr. Joseph R. Pitts of Pennsylvania, Mr. Christopher H. Smith of New Jersey, and Mr. Frank A. LoBiondo of New Jersey).

Proponent name, location: Resilient Floor Covering Institute, Rockville, MD

Other bills on product (109th Congress only): S. 1547 (Mr. Santorum).

Nature of bill: Temporary duty suspension through 12/31/2009.

Retroactive effect: None.

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

Suspension or dispersion polymerized vinyl chloride-vinyl acetate copolymers (CAS No. 9003-22-9) (provided for in subheading 3904.30.60).

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

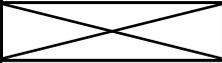
Product information, including uses/applications and source(s) of imports:

The products are typically white vinyl chloride-vinyl acetate copolymer powders produced by suspension and dispersion polymerization, containing less than 50 percent by weight vinyl acetate copolymer. Suspension polymers are granular and porous in nature, and are used principally in vinyl floor tiles, calendered film, and solution coatings. Dispersion resins are non-porous fine white powders used principally in solvent-based formulations for automotive sealants, carpet backing, laminating adhesives, screen printing inks, and oil and air filter adhesives. Dispersion grade resins are relatively more expensive than suspension grade resins, and are used in more specialized applications. Dutiable imports are principally from Belgium, Germany, Japan, France, Korea, Taiwan and China, in order of importance. Duty-free imports are from Brazil, Mexico, Ecuador, Colombia, Indonesia, South Africa, and Canada.

¹ Industry analyst preparing report: Ray Cantrell (202-205-3362); 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

Estimated effect on customs revenue:

HTS subheading: 3904.30.60					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	5.3%	5.3%	5.3%	5.3%	5.3%
Estimated value <i>dutiable</i> imports	\$11,000,000	\$15,000,000	\$15,000,000	\$15,000,000	\$15,000,000
Customs revenue loss	\$583,000	\$795,000	\$795,000	\$795,000	\$795,000

Source of estimated dutiable import data: Commission and 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)		
Resilient Floor Covering Institute (RFCI) Mr. Doug Wiegand (Proponent) 301-340-8580	8/24/2005	No	No	No
Outside Counsel for Proponent (RFCI) Mr. Edward Gerwin 202-282-5100	8/15/2005	No	No	No
Amtico Internatioinal, Inc. (RFCI Member) Mr. David Motyl(Abstaining) 404-267-1924	8/29/2005	No	No	No
Armstrong World Industries (RFCI Member) Mr. Stephen P. McLean (Proponent) 717-396-5895	8/22/2005	No	No	No
Congoleum Corporation (RFCI Member) Mr. Mike Sapienza(Proponent)609-584-3271	8/22/2005	No	No	No
Mannington Mills, Inc. (RFCI Member) Mr. Curtis Martin (Proponent) 856-339-5901	8/22/2005	No	No	No
Tarkett, Incorporated (RFCI Member) Ms. Guylaine Santerre (Proponent) 800-465-4030, ext. 8056	8/22/2005	No	No	No
Bayer Corporation Ms. Karen Niedermeyer 412-777-2058	8/16/2005	No	No	No

Colorite Polymers Mr. Dave Axmann 609-239-2219	8/19/2005	Yes	Yes	Yes
Dow Chemical Company Ms. Lisa Schroeter 202-429-3400	8/16/2005	No	No	No
DuPont Ms. Elaine M. Olson 302-992-2263	8/20/2005	No	No	No
Formosa Plastics Corporation U.S.A. Mr. Dick Heinle; 973-716-7238 Mr. Bob Chou; 973-716-7236	8/23/2005	Yes	Yes	Yes
LANXESS Corporation Ms. Jamie B. Schaeffer 412-809-3666	8/19/2005	No	No	No
OxyChem Mr. Mihir I. Patel 972-404-3459	8/19/2005	No	Yes	Yes
PolyOne Corporation Mr. Ralph Purtell 440-930-1262	8/23/2005	Yes	No	No
Rohm and Haas Company Mr. Henry P. Stobenau 215-628-4919	8/19/2005	No	No	No

Technical comments:³

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to further narrow the scope of vinyl chloride-vinyl acetate copolymers.

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
1ST SESSION

H. R. 1934

To suspend temporarily the duty on certain vinyl chloride-vinyl acetate copolymers.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2005

Mr. PITTS (for himself, Mr. SMITH of New Jersey, and Mr. LOBIONDO) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on certain vinyl chloride-vinyl acetate copolymers.

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. CERTAIN VINYL CHLORIDE-VINYL ACETATE CO-**
4 **POLYMERS.**

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:

“	9902.39.02	Vinyl chloride-vinyl acetate copolymers (CAS No. 9003-22-9) (provided for in sub-heading 3904.30.60)	Free	No change	No change	On or before 12/31/2009	”.
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1 (b) **EFFECTIVE DATE.**—The amendment made by
2 subsection (a) applies with respect to goods entered, or
3 withdrawn from warehouse for consumption, on or after
4 the 15th day after the date of the enactment of this Act.

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