

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: November 4, 2005]²

Bill No. and sponsor: H. R. 2430 (Mr. Alan B. Mollohan of West Virginia).

Proponent name, location: DuPont, Wilmington, DE.

Other bills on product (109th Congress only): None.

Nature of bill: Extension of temporary duty reduction through 12/31/2009.

Retroactive effect: None.

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

Ethylene-tetrafluoroethylene copolymers (ETFE) (provided for in subheading 3904.69.50).

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:

Ethylene-tetrafluoroethylene copolymer (ETFE) is a general purpose, high performance fluorinated resin. Typical applications include plastic-coated bearings; electronic and pump components; fasteners; valve linings; tubing and wire and cable. The proponent imports the product from Japan.

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: 3904.69.50					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$24,800,000	\$30,200,000	\$31,900,000	\$34,300,000	\$36,200,000
Customs revenue loss 1/	\$396,800	\$483,200	\$510,400	\$548,800	\$579,200

1/ The estimated Customs revenue loss for 2005 and 2006 results from a duty reduction under HTS heading 9902.03.91 that expires on December 31, 2006. The amount of the estimated loss is based on the difference between the general rate of duty and a reduced rate of 4.9 percent ad valorem. 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)		
DuPont (Proponent) Ms. Elaine M. Olsen, 302-992-2263 Ms. Sharee Lawler, 202-728-3664	9/09/2005	No	No	No
AGC Chemicals Americas (Asahi) Mr. Adam Brozzetti, 610-380-6265	9/09/2005	No	No	No
Bayer Corporation Ms. Karen L. Niedermeyer, 412-777-2058	9/09/2005	No	No	No
Daikin America, Inc, Mr. Cliff Adams, 256-306-5000 Mr. Tim Duzick, 845-365-9525 Mr. Tison Keel, 845-365-9566 Mr. Ritchie Straff, 845-365-9549	9/09/2005	Yes	Yes	Yes
LANXESS Corporation Ms. Jamie B. Schaeffer, 412-809-3666 Mr. Seth Tomei, 412-809-3664	9/09/2005	No	No	No

Technical comments:³ None.

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. 2430

To extend the duty reduction on ethylene/tetrafluoroethylene copolymer
(ETFE).

IN THE HOUSE OF REPRESENTATIVES

MAY 18, 2005

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

A BILL

To extend the duty reduction on ethylene/tetrafluoroethylene
copolymer (ETFE).

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. ETHYLENE/TETRAFLUOROETHYLENE COPOLY-**
4 **MER (ETFE).**

5 (a) IN GENERAL.—Heading 9902.03.91 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 ethylene/tetrafluoroethylene copolymer (ETFE)) is
8 amended by striking “12/31/2006” and inserting “12/31/
9 2009”.

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

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