

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 111th Congress¹**

[Date approved: February 23, 2010]²

Bill No. and sponsor: S. 1890 (Mr. Robert Casey of Pennsylvania).

Proponent name,³ location: American Iron and Steel Institute, Washington DC.

Other bills on product (111th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

Manganese flake containing at least 99.5 percent by weight of manganese (provided for in subheading 8111.00.47).

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:

Manganese is a metal that is used as an alloying addition in the production of iron, steel, and aluminum. Manganese flake is a pure form of manganese metal that is produced from manganese ore by an electrolytic plating process. Steel production is the largest application for manganese flake, which is utilized by direct addition to molten steel. Manganese flake is used when pure manganese is required and lower-cost ferromanganese cannot be used due to restrictions imposed by the grade of steel being produced. It is used in the production of stainless steel and in higher-strength steel grades including certain automotive and line pipe grades.

In addition to its direct uses in steelmaking, manganese flake is ground to produce manganese powder, which is consumed as a hardener in the production of aluminum alloys such as those used to produce aluminum beverage cans. For that purpose, manganese powder is blended with aluminum powder and compacted into briquettes that are added to molten aluminum.

There is no known production of manganese flake in the United States. Over 90 percent of manganese flake imports in 2008 were from China, and most of the remainder were from South Africa. Manganese flake imports from South Africa are eligible for duty-free entry under the provisions of the African Growth and Opportunity Act.

¹ Industry analyst preparing report: Gerald Houck (202-205-3392); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 8111.00.47:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	14%	14%	14%	14%	14%
Estimated value <i>dutiable</i> imports ^a	\$37,500,000	\$37,500,000	\$37,500,000	\$37,500,000	\$37,500,000
Customs revenue loss ^b	\$5,250,000	\$5,250,000	\$5,250,000	\$5,250,000	\$5,250,000

a/ Dutiable import estimates were based on official U.S. Government statistics and Commission estimates.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

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

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
American Iron and Steel Institute (Proponent) Beth DeBrosse, 202-452-7208	11/16/2009	No	No	No
CMC Cometals Ryan Campbell, 201-592-3249	11/16/2009	No	No	No
Chemalloy Anthony Demos, 610-527-3700	11/18/2009	No	Yes	Yes
Eramet North America, Inc. Robert Burdette, 412-334-0230	11/17/2009	No	No	No

Technical comments:⁴

None.

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.

111TH CONGRESS
1ST SESSION

S. 1890

To suspend temporarily the duty on manganese flake containing at least 99.5 percent by weight of manganese.

IN THE SENATE OF THE UNITED STATES

OCTOBER 26, 2009

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

A BILL

To suspend temporarily the duty on manganese flake containing at least 99.5 percent by weight of manganese.

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. MANGANESE FLAKE CONTAINING AT LEAST 99.5**

4 **PERCENT BY WEIGHT OF MANGANESE.**

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:

“	9902.01.00	Manganese flake containing at least 99.5 percent by weight of manganese (provided for in subheading 8111.00.47)	Free	No change	No change	On or before 12/31/2011	”.
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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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