

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: April 8, 2010]²

Bill No. and sponsor: S. 2007 (Mr. Saxby Chambliss of Georgia).

Proponent name,³ location: Cellular Technology International, Inc., Kennesaw, GA.

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)):

2-Butyne-1,4-diol, polymer with (chloromethyl)oxirane, brominated, dehydrochlorinated, methoxylated (CAS No. 68441-62-3) and triethyl phosphate (CAS No. 78-40-0) (provided for in subheading 3824.90.92).

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 subject product contributes to the flame-retardant qualities of rigid polyurethane foams that are used in thermal insulations. The properties of the subject chemical include higher efficiency as a flame retardant, better adhesion of the end product polyurethane foam to cold temperature substrates, and reduced smoke generation in fire situations. The product is imported from France.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 3824.90.92:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty					
Col. 1-General rate of duty	5%	5%	5%	5%	5%
Estimated value <i>dutiable</i> imports ^a	\$1,100,000	\$1,300,000	\$1,400,000	\$1,500,000	\$1,600,000
Customs revenue loss ^b	\$55,000	\$65,000	\$70,000	\$75,000	\$80,000

a/ Dutiable import estimates were provided by industry sources.

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):

¹ Industry analyst preparing report: Elizabeth R. Nesbitt (202-205-3355); Tariff Affairs contact: David G. Michels (202-205-3440).

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. USITC staff identified one additional beneficiary of this bill that was not identified by the sponsor/proponent, and that beneficiary submitted a written representation that it would benefit from this bill.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Cellular Technology International, Inc. (Proponent) Denny Spicher, drspicher@cellulartechnology.us	11/30/2009 12/01/2009	No	No	No
3M Company Megan Ivory Carr, mmivory@mmm.com	11/30/2009	No	No	No
BASF Corporation Gregory A. Thies, gregory.thies@basf.com	11/30/2009	No	No	No
Bayer Corporation Karen Niedermeyer karen.niedermeyer.b@bayer.com	11/30/2009	No	No	No
Chemtura Corp. Lloyd N. Moon, lloyd.moon@chemtura.com Matt Mattingley, matt@mattingleygroup.com	11/30/2009	No	No	No
Ciba Specialty Chemicals Michelle Forte, Michelle.Forte@cibasc.com	11/30/2009	No	No	No
Daikin America Inc. Gary Stanitis, gstanitis@daikin-america.com	11/30/2009	No	No	No
Dow Chemical Co. Lisa Schroeter, LMSchroeter@dow.com	11/30/2009	No	No	No
Dupont Elaine M. Olsen, Elaine.M.Olsen@USA.dupont.com	11/30/2009	No	No	No
Evonik Industries AG Russell Mait, russell.mait@evonik.com	11/30/2009	No	No	No
Fanwood Chemical Inc. V. M. (Jim) DeLisi, JdeLisi@fanwoodchemical.com	11/30/2009	No	No	No
Freudenberg-NOK Ronald Guest, rsg@fnacc.com	11/30/2009	No	No	No
MIC Specialty Chemicals Inc. Joe Santora, joe.santora@micspe.com	11/30/2009	No	No	No
Monsanto Company Michael Parrish, Michael.Parrish@monsanto.com	11/30/2009	No	No	No
Nisso America Inc. Toshiyuki Iwama, t.iwama@nissoamerica.com	11/30/2009	No	No	No
Solutia Inc. Bob Hurley, Rhurley@TheAccordGroup.com Kassie Wooton, KDWoot@solutia.com	11/30/2009 12/01/2009	No	No	No

Technical comments:⁴

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.

The Commission staff suggests that, as shown on page 1 of this report, the word “Butyne” at the beginning of the chemical name be capitalized.

111TH CONGRESS
1ST SESSION

S. 2007

To suspend temporarily the duty on 2-butyne-1,4-diol, polymer with (chloromethyl)oxirane, brominated, dehydrochlorinated, methoxylated and triethyl phosphate.

IN THE SENATE OF THE UNITED STATES

OCTOBER 28, 2009

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

A BILL

To suspend temporarily the duty on 2-butyne-1,4-diol, polymer with (chloromethyl)oxirane, brominated, dehydrochlorinated, methoxylated and triethyl phosphate.

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. 2-BUTYNE-1,4-DIOL, POLYMER WITH**
4 **(CHLOROMETHYL)OXIRANE, BROMINATED,**
5 **DEHYDROCHLORINATED, METHOXYLATED**
6 **AND TRIETHYL PHOSPHATE.**

7 (a) IN GENERAL.—Subchapter II of chapter 99 of
8 the Harmonized Tariff Schedule of the United States is

1 amended by inserting in numerical sequence the following
 2 new heading:

“ 9902.01.00	2-butyn-1,4-diol, polymer with (chloromethyl)oxirane, brominated, dehydrochlorinated, methoxylated (CAS No. 68441-62-3) and triethyl phosphate (CAS No. 78-40-0) (provided for in sub-heading 3824.90.92)	Free	No change	No change	On or before 12/31/2011	”.
--------------	---	------	-----------	-----------	-------------------------	----

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

○