MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress

[Date approved: September 23, 2005]

Bill No. and sponsor: H.R. 2273 (Mr. English)

Proponent name, location: Bayer MaterialScience LLC
                        Pittsburgh, PA 15205

Other bills on product (109th Congress only): S. 1453.


Retroactive effect: None.

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

Hexane, 1,6-diisocyanato-, homopolymer, 3,5-dimethyl-1H-pyrazole-blocked (CAS No. 163206-31-3)
(provided for in subheading 3911.90.90).

Check one:  

- [ ] Same as that in bill as introduced.
- [X] Different from that in bill as introduced (see Technical comments section).

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

The subject product, Desmodur VP LS 2253, is a hardener used for automotive and other industrial
coatings, particularly when a low-baking temperature is required. The proponent claims that the product
can also be used as an additive to upgrade flexibility and adhesion of conventional baking systems.

Bayer MaterialScience imports this product from both the United Kingdom and Germany. There are no
other known importers.
Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 3911.90.90</th>
<th>Col. 1-General rate of duty</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General rate of duty</td>
<td>6.5%</td>
<td>6.5%</td>
<td>6.5%</td>
<td>6.5%</td>
<td>6.5%</td>
</tr>
<tr>
<td>Estimated value dutiable imports</td>
<td></td>
<td>$590,000</td>
<td>$610,000</td>
<td>$635,000</td>
<td>$660,000</td>
<td>$690,000</td>
</tr>
<tr>
<td>Customs revenue loss</td>
<td>$38,350</td>
<td>$39,650</td>
<td>$41,275</td>
<td>$42,900</td>
<td>$44,850</td>
<td></td>
</tr>
</tbody>
</table>

Source of estimated dutiable import data: Industry estimates.

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

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>US production of same or competitive product claimed?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anderson Development Corporation Steve Van Allsdale 517-263-2121</td>
<td>8/18/2005</td>
<td>8/22/2005</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Cytec Industries Gail Petersen 973-357-3100</td>
<td>8/18/2005</td>
<td>8/19/2005</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>BASF Corp. Tom Coleman 202-289-3900</td>
<td>8/15/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Ciba Specialty Chemicals Corp. John Deming 202-857-5200</td>
<td>8/15/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Clariant Corporation Andrew Zamoyski 401-823-2230</td>
<td>8/15/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>E. I. du Pont de Nemours and Company Elaine Olsen 302-992-2263</td>
<td>8/15/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Lonza Inc. Ray Esposito 201-316-9200</td>
<td>8/15/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>
**Technical comments:**

The Commission suggests that the article description on page 1 of this report be used in the proposed new heading in order to provide the chemical name.

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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.
To suspend temporarily the duty on Desmodur VP LS 2253.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESMODUR VP LS 2253.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

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9902.09.05 3,5-Dimethylpyrazole-blocked hexamethylene diisocyanate based adduct in organic solvent (CAS No. 161296-31-3) (provided for in subheading 3911.90.90) Free No change No change On or before 12/31/2008
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MAY 11, 2005
Mr. ENGLISH of Pennsylvania introduced the following bill; which was referred to the Committee on Ways and Means

IN THE HOUSE OF REPRESENTATIVES

To suspend temporarily the duty on Desmodur VP LS 2253.
(b) **Effective Date.**—The amendment made by subsection (a) applies to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of enactment of this Act.