MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress

[Date approved: August 10, 2006]

Bill No. and sponsor: S. 2706 (Mr. Rick Santorum of Pennsylvania)

Proponent name, location: Arkema Inc., Philadelphia, PA.

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


Retroactive effect: None.

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

Dimethyl disulfide (CAS No. 624-92-0) (provided for in subheading 2930.90.90).

Check one:

X Same as that in bill as introduced.

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

Dimethyl disulfide is a synthetic organo-sulfur compound, whose major uses include: (1) activating hydro-processing catalysts; (2) run-length extension and carbon monoxide control in steam cracking furnaces; (3) passivation by mitigating corrosion, e.g., in sponge iron furnaces, acid crude oil processing and reformer and dehydrogenation units; and (4) as an intermediate in making herbicides and pesticides. The subject chemical is imported from France and China.

Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 2930.90.90</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Col. 1-General rate of duty</td>
</tr>
<tr>
<td>2006</td>
</tr>
<tr>
<td>------</td>
</tr>
<tr>
<td>3.7%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Estimated value of dutiable imports</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
</tr>
<tr>
<td>------</td>
</tr>
<tr>
<td>$7,015,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Customs revenue loss</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
</tr>
<tr>
<td>------</td>
</tr>
<tr>
<td>$259,555</td>
</tr>
</tbody>
</table>

Source of estimated dutiable import data: Industry estimates.
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.

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

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>Claim US makes same or competing product(s)?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arkema Inc. (Proponent)</td>
<td>06/20/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Charles A. Kitchen, 703-527-2099</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Albemarle Corporation</td>
<td>07/10/2006</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Barbara Little, Fax: 225-388-7686</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Moree-Tec Industries, Inc.</td>
<td>06/23/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Marketing Manager, Fax: 908-688-9005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Penta Manufacturing Co.</td>
<td>06/23/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Marketing Manager, Fax: 973-740-1839</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spectrum Chemical Mfg. Corp.</td>
<td>06/23/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Marketing Manager, Fax: 800-525-2299</td>
<td></td>
<td></td>
<td></td>
<td></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 remove the abbreviation (DMDS) from the article description.
Mr. Johnson,

We heard that Arkema submitted Dimethyl Disulfide for duty suspension. I wanted to let you know that we are a US manufacturer of this product and would oppose any duty suspension. In fact, Arkema is one of our customers.

Let me know if you need any further information. Thank you.

Barbara
To suspend temporarily the duty on Dimethyl Disulfide (DMDS).

**IN THE SENATE OF THE UNITED STATES**

**MAY 3, 2006**

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

**A BILL**

To suspend temporarily the duty on Dimethyl Disulfide (DMDS).

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

2. **SECTION 1. DIMETHYL DISULFIDE (DMDS).**

3. (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:

   | 9902.29.32 | Dimethyl Disulfide (DMDS) (CAS No. 624-92-0) (provided for in subheading 2930.90.90) | Free | No change | No change | On or before 12/31/2009 |

4. (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 the enactment of this Act.