

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 111<sup>th</sup> Congress<sup>1</sup>**

[Date approved: April 2, 2010]<sup>2</sup>

**Bill No. and sponsor:** S. 1814 (Mr. Carl Levin of Michigan).

**Proponent name,<sup>3</sup> location:** BASF Corporation, Wyandotte, MI.

**Other bills on product (111<sup>th</sup> 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)):**

Urea, polymer with formaldehyde and 2-methylpropanal (CAS No. 28931-47-7) (provided for in subheading 3909.10.00).

**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 is a proprietary resin that has been used for many years as a standard binder for nonaqueous solvent-based pigment concentrates. The product is shipped as pale pellets and is soluble in almost all nonaqueous paint solvents and compatible with practically all raw materials that are used in coatings. The product is typically mixed with other resin binders or used to produce all-purpose pigment pastes. The product is imported from Germany.

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<sup>1</sup> Industry analyst preparing report: Ray Cantrell (202-205-3362); Tariff Affairs contact: David Michels (202-205-3440).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tariff\\_affairs/congress\\_reports/](http://www.usitc.gov/tariff_affairs/congress_reports/).

<sup>3</sup> 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 3909.10.00:**

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports <sup>a</sup>	\$1,750,000	\$1,850,000	\$1,950,000	\$2,050,000	\$2,150,000
Customs revenue loss <sup>b</sup>	\$113,750	\$120,250	\$126,750	\$133,250	\$139,750

a/ Dutiable import estimates were based on Commission and industry 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)		
BASF Corporation (Proponent) Gregory Thies, <a href="mailto:gregory.thies@basf.com">gregory.thies@basf.com</a>	11/06/2009	No	No	No
Albemarle Corporation Barbara Little, <a href="mailto:Barbara_Little@albemarle.com">Barbara_Little@albemarle.com</a>	11/12/2009	No	No	No
Bayer Corporation Karen Niedermeyer, <a href="mailto:karen.niedermeyer.b@bayer.com">karen.niedermeyer.b@bayer.com</a>	11/10/2009	No	No	No
Dow Chemical Company Lisa Schroeter, <a href="mailto:LMSchroeter@dow.com">LMSchroeter@dow.com</a>	11/10/2009	No	No	No
Evergreen Specialty Chemicals Bob Danlile, 484-234-5030	11/10/2009	No	No	No
Fanwood Chemical Company Jim DeLisi, 908-803-1570	11/10/2009	No	No	No
Gallisdorfer Consultants Marvin Gallisdorfer, 512-266-3604 <a href="mailto:dgallisdorfer@gmail.com">dgallisdorfer@gmail.com</a>	11/10/2009	No	No	No
Hexion Specialty Chemicals, Inc. Paul W. Langemeier, <a href="mailto:paul.langemeier@hexion.com">paul.langemeier@hexion.com</a>	11/12/2009	No	No	No
Lanxess Corporation Jamie Schaeffer, <a href="mailto:jamie.schaeffer@lanxess.com">jamie.schaeffer@lanxess.com</a>	11/10/2009	No	No	No
MCT International Max Turnipseed, <a href="mailto:mctint@att.net">mctint@att.net</a>	11/10/2009	No	No	No
Zamoyski and Company Andy Zamoyski, <a href="mailto:az@zamoyski.com">az@zamoyski.com</a> , 202-415-9159	11/10/2009	No	No	No

**Technical comments:**<sup>4</sup> None.

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<sup>4</sup> 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. 1814

To suspend temporarily the duty on urea, polymer with formaldehyde and 2-methylpropanal.

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IN THE SENATE OF THE UNITED STATES

OCTOBER 20, 2009

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

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## A BILL

To suspend temporarily the duty on urea, polymer with formaldehyde and 2-methylpropanal.

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. UREA, POLYMER WITH FORMALDEHYDE AND 2-**  
4 **METHYLPROPANAL.**

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	Urea, polymer with formaldehyde and 2-methylpropanal (CAS No. 28931-47-7) (provided for in subheading 3909.10.00) .....	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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