

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: July 9, 2010]<sup>2</sup>

**Bill No. and sponsor:** S. 2716 (Mr. Frank R. Lautenberg of New Jersey).

**Proponent name,<sup>3</sup> location:** BASF Corporation, Florham Park, NJ.

**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)):**

Low molecular weight ethylenimine copolymers, 1,2-ethanediamine, polymer with aziridine (CAS No. 25987-06-8), whether in aqueous solution or water free grades (provided for in subheading 3911.90.90).

**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:**

Low molecular weight ethylenimine copolymers in pure form are colorless to pale yellow, viscous liquids that are highly soluble in water. The products act as an excellent thermosetting agent which promotes adhesion of wood laminates, cement, and bricks. The products also promote adhesion to metal surfaces, improve corrosion inhibitors, and solubilize metal cations. They also act as a fixing agent to bind and retain hair treatments, conditioners, shampoos, wave setting preparations, dyes, and straighteners. The products are also used for the lamination or sealing of food packaging items, in resinous and polymeric coatings for polyolefin films to anchor epoxy surface coatings to base sheet, and as a component of paper and paperboard in contact with dry food. The proponent imports the subject products from its plant in Germany.

**Estimated effect on customs revenue for the subject product classifiable in HTS subheading 3911.90.90:**

	2010	2011	2012	2013	2014
<del>Col. 1-General rate of duty</del>					
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>	\$7,500,000	\$7,700,000	\$8,000,000	\$8,500,000	\$9,000,000
Customs revenue loss <sup>b</sup>	\$487,500	\$500,500	\$520,000	\$552,500	\$585,000

<sup>a/</sup> Dutiable import estimates were based on Commission and industry estimates.

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

<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.

**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?
BASF Corporation (Proponent) Gregory A. Thies, <a href="mailto:gregory.thies@basf.com">gregory.thies@basf.com</a> Janice Carmagnola, <a href="mailto:janice.carmagnola@basf.com">janice.carmagnola@basf.com</a>	01/15/2010	No	No	No
Alfa Aesar Paul Connolly, <a href="mailto:paul.connolly@alfa.com">paul.connolly@alfa.com</a>	02/04/2010	No	No	No
Bayer Corporation Karen Niedermeyer, <a href="mailto:karen.niedermeyer.b@bayer.com">karen.niedermeyer.b@bayer.com</a>	01/19/2010	No	No	No
Evonik Ron Birnbaum, <a href="mailto:ron.birnbaum@evonik.com">ron.birnbaum@evonik.com</a> Mike Brobst, <a href="mailto:mike.brobst@evonik.com">mike.brobst@evonik.com</a>	01/22/2010	No	No	No
Dow Chemical Company Lisa Schroeter, <a href="mailto:LMSchroeter@dow.com">LMSchroeter@dow.com</a>	01/19/2010	No	No	No
Hexion Specialty Chemicals, Inc. Paul W. Langemeier, <a href="mailto:paul.langemeier@hexion.com">paul.langemeier@hexion.com</a>	01/22/2010	No	No	No
LANXESS Corporation Jamie Schaeffer, <a href="mailto:jamie.schaeffer@lanxess.com">jamie.schaeffer@lanxess.com</a>	01/19/2010	No	No	No
MCT International Max Turnipseed, <a href="mailto:mctint@att.net">mctint@att.net</a>	01/19/2010	No	No	No

**Technical comments:<sup>4</sup>**

The Commission staff suggests that the article description on page 1 of this report be used in the new heading to more accurately describe the specific grades and chemical nomenclature of products subject to this bill. The proponent's public information website advertises ten different grades of polyethylenimines, only four of which are specified under the given Chemical Abstracts Service (CAS) number described in this legislation. The other six grades are described under other CAS numbers.

<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. 2716

To suspend temporarily the duty on preparations based on polyethylenimine.

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## IN THE SENATE OF THE UNITED STATES

NOVEMBER 2, 2009

Mr. LAUTENBERG 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 preparations based on polyethylenimine.

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. PREPARATIONS BASED ON**  
4 **POLYETHYLENIMINE.**

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	Preparations based on polyethylenimine (CAS No. 25987-06-8) (provided for in subheading 3911.90.90) .....	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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