



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Co-poly (propylene/ethylene) (CAS No. 9010-79-1) (provided for in subheading 3902.30.00)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same
 Different (see Technical Comments section)

III. Other product information, including uses/applications and source(s) of imports

The subject product is a liquid additive used to control viscosity in a number of industrial formulations including heavy duty diesel engine oil packages. The granular forms of the product are also known to be used in adhesives and as various additives or color concentrate carriers. Japan, Germany, and several other European countries are principle sources of import .

Given the lack of specificity in the article description, the dutiable value of propylene copolymer products subject to this legislation may total approximately \$95 million, representing a potential annual revenue loss of about \$6 million.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	3902.30.00				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	6.5	6.5	6.5	6.5	6.5
Estimated value of <i>dutiable</i> imports (\$)	15,000,000	16,000,000	17,000,000	18,000,000	19,000,000
Customs revenue loss (\$)	975,000	1,040,000	1,105,000	1,170,000	1,235,000

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce
 Provided by industry sources
 Industry information
 Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
 This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%) Temporary rate (%) Percentage point reduction (%)

V. Technical comments

The article description was modified to conform with officially recognized chemical nomenclature convention. The chemical nomenclature described in this bill is generic for propylene copolymers and does not satisfy the specificity and other criteria necessary for administration by U.S. Customs and Border Protection. (Commission correspondence with the appropriate National Import Specialist, CBP, June 21, 2012.)

VI. Continuation

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VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	Lubrizol (Interested entity) Joe Eskra	440-347-5955	No	No	No
2	3M Greg Walters	202-414-3008	No	No	No
3	AGC Chemicals Americas Winn Darden	805-583-5917	No	No	No
4	Air Products Richard F. Goodstein	202-639-0840	No	No	No
5	Akzo Nobel Polymer Chemicals LLC Matt West	202-639-7729	No	No	No
6	Albaugh Stuart Feldstein	515-964-9444	No	No	No
7	Arkema David Kunz	202-263-3491	No	No	No
8	Ashland Frank Fusiak	973-628-4123	No	No	No
9	BASF Richard J. Salamone	973-895-8316	No	No	No
10	Bayer Steve Johnson	412-777-5616	No	No	No
11	Bollore Steve Brunetti	860-774-7431, x138	No	No	No
12	Cargill Tim Bodine	952-742-6434	No	No	No
13	Celanese Samuel Ramirez	972-443-4689	No	No	No
14	Chemtura Elizabeth J. Thomasino	203-573-2644	No	No	No
15	Clariant Andrew Zamoyski	202-415-9159	No	No	No
16	ColorChem Steven Printz	770-993-5500, x18	No	No	No
17	Command Packaging Albert Halimi	323-260-4800	No	No	No
18	CropLife America Beau Greenwood	202-872-3871	No	No	No

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
19	Crowell & Moring, LLP Mike Gill	202-508-8843	No	No	No
20	Daikin America Mark Stokes	845-365-9566	No	No	No
21	DSM Sheetal Bhadekar	973-257-8323	No	No	No
22	Dixie Chemical Mal Johnson	281-291-2659	No	No	No
23	Dow Lisa Schroeter	202-429-3407	No	No	No
24	Drexel Chemical Stanley Bernard	901-774-4370	No	No	No
25	DuPont Elaine M. Olsen	302-992-2263	No	No	No
26	Dyneon John Scanlon	651-733-1519	No	No	No
27	DyStar L.P. Megan Malone	202-344-4621	No	No	No
28	Eastman Brent Perry	202-347-9547	No	No	No
29	Efficient Global Trade Henry P. Stobenau	215-628-4919	No	No	No
30	Emerald Performance Materials Thomas Dirmyer	330-916-6706	No	No	No
31	Evonik Russell Mait	804-452-5711	No	No	No
32	ExxonMobil Chemical Chad Haughton	281-834-5516	No	No	No
33	FMC Jerry Prout	202-956-5209	No	No	No
34	Fanwood Chemical V. M. (Jim) DeLisi	908-322-8440	No	No	No
35	GE Digital Energy John McNie	727-867-4632	No	No	No
36	Hexion Specialty Chemicals Paul W. Langemeier	832-366-2385	No	No	No
37	Hilex Poly Co., LLC Mark T. Daniels	972-921-1338	No	No	No

38	Honeywell Art Simonetti	202-662-2671	No	No	No
39	Huntsman Robert F. Hurley	202-289-9800	No	No	No
40	International Business-Govt. Counsellors (IBC) Steve Ziehm	202-872-8181	No	No	No
41	Kemira Rajesh Sharma	678-819-4577	No	No	No
42	LANXESS Jamie B. Schaeffer	412-809-3666	No	No	No
43	Lonza Joe Robinson	201-316-9364	No	No	No
44	Milliken Kathi Dutilh	202-775-0084	No	No	No
45	MIRWEC Film Kyle Massey	812-331-7194	No	No	No
46	Monsanto James K. Travis	202-383-2864	No	No	No
47	Nation Ford Chemical Jay Dickson	803-548-3210, x15	No	No	No
48	Novamont North America Dan Martens	203-744-8801	No	No	No
49	Nufarm Americas Joel Junker	206-621-7878	No	No	No
50	Pergan Marshall LLC Greg Schramm	678-574-7986	No	No	No
51	PPG Industries Bill Ries	412-434-1717	No	No	No
52	Procter & Gamble Matt Mattingley	202-841-5601	No	No	No
53	Purolite Gary Thundercliffe	484-384-2708	No	No	No
54	Rhodia Jackie Guscott	609-860-3379	No	No	No
55	Royce Associates, ALP Terry Scheirer	201-438-5200	No	No	No
56	SABIC Innovative Plastics Danielle Cannata	202-621-2548	No	No	No
57	SOCMA Robert E. Branand	202-345-2717	No	No	No
58	Sensient Technologies Ken Goldacker	314-658-7363	No	No	No

59	Sigma Aldrich Jared Fenton	314-286-8326	No	No	No
60	Solutia Kassie Wooton	314-674-3297	No	No	No
61	Solvay Andrew K. Jones	856-251-3412	No	No	No
62	Steiner Film Stan Cichanowski	413-458-9525	No	No	No
63	Superbag Isaac Bazbaz	713-462-1173	No	No	No
64	Symrise Elizabeth Scharlat	908-429-6821	No	No	No
65	Syngenta Mike Blythe	336-632-2824	No	No	No
66	Syrgis Performance Initiators Douglas Hubbard	507-643-7132	No	No	No
67	TOPAS Advanced Polymers Timothy Kneale	859-746-6447	No	No	No
68	Toray Plastics (America) Paul Knollmeyer	401-578-9369	No	No	No
69	United Color Manufacturing Tom Nowakowski	215-860-2165	No	No	No
70	United Initiators Bill Clements	800-231-2702	No	No	No
71	Valent Robin Demouth	925-256-2758	No	No	No
72	Zeon Chemicals L.P. David F. Olave	202-730-1960	No	No	No

112TH CONGRESS
2D SESSION

H. R. 4942

To suspend temporarily the duty on Ethylene-Propylene polymer.

IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2012

Mr. LATOURETTE introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To suspend temporarily the duty on Ethylene-Propylene
polymer.

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. ETHYLENE-PROPYLENE POLYMER.**

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

“	9902.01.00	Ethylene-Propylene polymer (CAS No. 9010-79-1) (pro- vided for in subheading 3902.30.00)	Free	No change	No change	On or before 12/31/2015	”.
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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 enactment of this Act.

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