

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: August 25, 2008]²

Bill No. and sponsor: H.R. 5285 (Mr. Mike Ferguson of New Jersey).

Proponent name,³ location: BASF Corporation, Florham Park, NJ.

Other bills on product (110th Congress only): None.

Nature of bill: Extension of temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

1,4-Benzenedicarboxylic acid, dimethyl ester, polymer with 1,4-butanediol and hexanedioic acid (CAS No. 55231-08-8) (provided for in subheading 3907.99.01).

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 an aliphatic-aromatic copolyester resin that is used to make flexible compostable film for packaging items such as carrier bags, trash bags, paper coatings, and mulch films. The products provide environmentally friendly biodegradable features compared to conventional polyethylene blown film products, but are more expensive. The subject product is imported from Germany.

Estimated effect on customs revenue:

HTS subheading: 3907.99.01					
 	2009	2010	2011	2012	2013
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$14,500,000	\$14,500,000	\$19,600,000	\$22,400,000	\$25,500,000
Customs revenue loss ^{1/}	\$0	\$942,500	\$1,274,000	\$1,456,000	\$1,657,500

^{1/} There is an existing duty suspension under HTS heading 9902.23.22 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill for 2009.

Source of estimated dutiable import data: Commission and U.S. industry estimates.

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

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.

³ 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?
		(Yes/No)		
BASF Corporation (Proponent) David Bushnell, 301-654-8316 Gregory A. Thies, gregory.thies@basf.com	05/14/2008	No	No	No
Archer Daniels Midland Company (ADM) Beth Holzman, 202-572-0582	05/14/2008	Yes	Yes	Yes
Bayer Corporation Karen Niedermeyer, 412-777-2058	05/14/2008	No	No	No
Dow Chemical Company Lisa Schroeter, 202-429-3400 Max Turnipseed, mctint@cox.net	05/14/2008	No	No	No
DuPont Helen McMahon, 302-992-2263 Elaine Olsen, 302-992-2263	05/14/2008	No	No	No
Efficient Global Trade, Incorporated Henry P. Stoebenau, 215-628-4919	05/14/2008	No	No	No
King and Spalding, LLP Joseph W. Dorn Esq., 202-626-5445	05/14/2008	No	No	No
LANXESS Corporation Jamie Schaeffer, 412-809-3666	05/14/2008	No	No	No
NatureWorks LLC Jim Hobbs, 952-742-0434	05/14/2008	No	No	No
Novamont SpA Max Turnipseed, mctint@cox.net	05/14/2008	No	No	No

Technical comments:⁴

None.

⁴ 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.

110TH CONGRESS
2D SESSION

H. R. 5285

To extend the suspension of duty on Ecoflex F BX7011.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 7, 2008

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

A BILL

To extend the suspension of duty on Ecoflex F BX7011.

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. ECOFLEX F BX7011.**

4 (a) IN GENERAL.—Heading 9902.23.22 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 1,4-Benzenedicarboxylic acid, dimethyl ester, polymer with
7 1,4-butanediol and hexanedioic acid) is amended by strik-
8 ing the date in the effective period column and inserting
9 “12/31/2011”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 subsection (a) applies with respect to goods entered, or

- 1 withdrawn from warehouse for consumption, on or after
- 2 the 15th day after the date of the enactment of this Act.

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