

## Calendar No. 841

106TH CONGRESS }  
2d Session }

SENATE

{ REPORT  
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### TARIFF SUSPENSION AND TRADE ACT OF 2000

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OCTOBER 12 (legislative day, SEPTEMBER 22), 2000.—Ordered to be printed  
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Mr. ROTH, from the Committee on Finance,  
submitted the following

### REPORT

[To accompany H.R. 4868]

[Including cost estimate of the Congressional Budget Office]

The Committee on Finance, to which was referred the bill (H.R. 4868) to make technical corrections and miscellaneous amendments to the trade laws, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill, as amended, do pass.

#### I. BACKGROUND

On June 1, 2000, Chairman Roth requested public comment on a package of technical corrections, temporary duty suspensions or reductions and other miscellaneous trade proposals introduced during the 106th Congress and referred to the Committee on Finance. H.R. 4868, as amended, includes many of these bills which, based upon the comments submitted to the Committee on Finance by the public, the U.S. Customs Service, the U.S. Department of Commerce, the U.S. International Trade Commission (ITC), the United States Trade Representative and other agencies, the Committee has found to be non-controversial.

#### II. SUMMARY OF H.R. 4868, AS AMENDED

##### SHORT TITLE (SECTION 1)

This section provides that this Act may be cited as the “Tariff Suspension and Trade Act of 2000.”

## TABLE OF CONTENTS (SECTION 2)

## TITLE I—TARIFF PROVISIONS

## REFERENCE (SEC. 1001(a))

*Present law*

No provision.

*Explanation of provision*

This section provides that except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a chapter, subchapter, note, additional U.S. note, heading, subheading, or other provision, the reference shall be considered to be made to a chapter, subchapter, note, additional U.S. note, heading, subheading, or other provision of the Harmonized Tariff Schedule of the United States (19 U.S.C. 3007).

*Reason for change*

This clarifies that the amendments or repeals made by this title apply to the Harmonized Tariff Schedule of the United States, except as otherwise provided.

## EXPIRED PROVISIONS (SEC. 1001(b))

*Present law*

Subchapter II of Chapter 99 contains the identified headings that have expired.

*Explanation of provision*

This provision strikes the identified expired headings from Subchapter II of Chapter 99.

*Reason for change*

The identified headings were temporary and have expired.

## HIV/AIDS DRUG (SEC. 1101)

*Present law*

The HIV/AIDS drug [4R-[3(2S\*,3S\*), 4R\*]]-3-[2-Hydroxy-3-[(3-hydroxy-2-methyl benzoyl) amino]-1-oxo-4-phenylbutyl]-5,5-dimethyl-N-[(2-methylphenyl)methyl]-4-thiazolidinecarboxamide (CAS No. 186538-00-1) (provided for in subheading 2930.90.90) is subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTSUS by inserting a new heading for a certain HIV/AIDS drug, [4R-[3(2S\*,3S\*), 4R\*]]-3-[2-Hydroxy-3-[(3-hydroxy-2-methyl benzoyl)amino]-1-oxo-4-phenylbutyl]-5,5-dimethyl-N-[(2-methylphenyl)methyl]-4-thiazolidinecarboxamide (CAS No. 186538-00-1) (provided for in subheading 2930.90.90), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical and pharmaceutical companies to reduce costs in manufacturing this much-needed pharmaceutical for HIV/AIDS.

## HIV/AIDS DRUG (SEC. 1102)

*Present law*

The HIV/AIDS drug 5-[(3,5-Dichlorophenyl)thio]-4-(1-methylethyl)-1-(4-pyridinylmethyl)-1H-imidazole-2-methanol caramate (as provided for in 2933.39.61) is subject to an NTR duty rate of 10.4% ad valorem.

*Explanation of provision*

The provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for certain HIV/AIDS drug 5-[(3,5-Dichlorophenyl)thio]-4-(1-methylethyl)-1-(4-pyridinylmethyl)-1H-imidazole-2-m ethanol caramate (CAS No.178979-85-6) (provided for in subheading 2933.39.61), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical and pharmaceutical companies to reduce costs in manufacturing this much-needed pharmaceutical for HIV/AIDS.

## TRIACETONEAMINE (SEC. 1103)

*Present law*

Triacetoneamine, 4-piperdone 2,2,6,6 tetramethyl (CAS No. 826-36-8) (as provided for in subheading 2933.39.61) is subject to an NTR duty rate of 9.3% (2000), 8.6% (2001), 7.9% (2002) ad valorem.

*Explanation of provision*

The provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for triacetoneamine, 4-piperdone 2,2,6,6 tetramethyl (CAS No. 826-36-8) (provided for in subheading 2933.39.61) and any mixtures containing the foregoing, as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## INSTANT PRINT FILM IN ROLLS (SEC. 1104)

*Present law*

Instant print film in rolls (as provided for in subheading 3702.20.00) is subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for instant print film, in rolls (provided for in subheading 3702.20.00), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. producers of instant print film to reduce their manufacturing costs, making these products competitive with alternative photographic technology without jeopardizing any domestic manufacturer. The film in rolls is used primarily by professional photographers and in other applications not served by flat film.

## COLOR INSTANT PRINT FILM (SEC. 1105)

*Present law*

Instant print film for color photography (provided for in subheading 3701.20.00) is subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for instant print film for color photography (provided for in subheading 3701.20.00) as a temporary duty reduction to 2.8% ad valorem until December 31, 2003.

*Reason for change*

This provision would enable U.S. producers of instant print film to reduce their manufacturing costs, making these products competitive with alternative photographic technology without jeopardizing any domestic manufacturer.

## MIXTURES OF SENNOSIDES AND MIXTURES OF SENNOSIDES AND THEIR SALTS (SEC. 1106)

*Present law*

Mixtures of sennosides and sennosides and their salts (provided for in subheading 2938.90.00) are subject to NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for mixtures of sennosides and sennosides and their salts (provided for in subheading 2938.90.00), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## CIBACRON RED LS-B HC (SEC. 1107)

*Present law*

Reactive Red 270 (CAS No. 155522-05-7) (provided for in subheading 3204.16.30) is subject to an NTR duty rate of 10.8% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for Reactive Red 270 (CAS No. 155522-05-7) (provided for in subheading 3204.16.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

CIBACRON BRILLIANT BLUE FN-G (SEC. 1108)

*Present law*

6,13-Dichloro-3,10-bis[[2-[[4-fluoro-6-[(2-sulfonyl)amino]-1,3,5-triazin-2-yl]amino]propyl]amino]-4,11-triphenodioxazinedisulfonic acid lithium sodium salt (CAS No. 163062-28-0) (provided for in HTS subheading 3204.16.30) is subject to an NTR duty rate of 10.8% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for Cibacron Brilliant Blue FN-G,6,13-Dichloro-3,10-bis[[2-[[4-fluoro-6-[(2-sulfonyl)amino]-1,3,5-triazin-2-yl]amino]propyl]amino]-4,11-triphenodioxazinedisulfonic acid lithium sodium salt (CAS No. 163062 28 0) (provided for in HTS subheading 3204.16.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

CIBACRON SCARLET LS-2G HC (SEC. 1109)

*Present law*

Reactive Red 268 (CAS No. 152397-21-2) (provided for in HTS subheading 3204.16.30) is subject to an NTR duty rate of 10.8% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for Reactive Red (CAS No. 152397-21-2) (provided for in HTS subheading 3204.16.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## MUB 738 INT (SEC. 1110)

*Present law*

2-Amino-4(4-Aminobenzoylamino) benzene sulfonic acid (CAS No. 167614-37-1) (provided for in HTS subheading 2924.29.70) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for MUB 738 INT, 2-Amino-4(4-Aminobenzoylamino) benzene sulfonic acid (CAS No. 167614-37-1) (provided for in HTS subheading 2924.29.70), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## FENBUCONAZOLE (SEC. 1111)

*Present law*

a-(2-(4-Chlorophenyl)ethyl-a-phenyl-1H-1,2,4-triazole-1-propanenitrile (Fenbuconazole)(CAS No. 1143 69-43-6) (provided for in HTS subheading 293 3.90.06) is subject to an NTR duty rate of 9.1% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for fenbuconazole, a-(2-(4-Chlorophenyl)ethyl-a-phenyl-1H-1,2,4-triazole-1-propanenitrile (Fenbuconazole) (CAS No. 114369-43-6) (provided for in HTS subheading 2933.90.06) as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 2,6-DICHLOROTOLUENE (SEC. 1112)

*Present law* 2,6-Dichlorotoluene (CAS No. 118-69-4) (as provided for in HTS subheading 2903.69.70) is subject to a NTR duty rate of 5.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 2,6-Dichlorotoluene (CAS No. 118-69-4) (provided for in HTS subheading 2903.69.70), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product indus-

tries more competitive without jeopardizing any domestic manufacturer.

3-AMINO-3-METHYL-1-PENTYNE (SEC. 1113)

*Present law*

3-Amino-3-methyl-1-pentyne (provided for in HTS subheading 2921.19.60) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 3-Amino-3-methyl-1-pentyne (provided for in HTS subheading 2921.19.60) as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

TRIAZAMATE (SEC. 1114)

*Present law*

Acetic acid, [[1-[(dimethylamino)carbonyl]-3-(1,1-dimethylethyl)-1H-1,2,4-triazol-5-yl]thio]-, ethyl ester (CAS No. 112143-82-5) (as provided for in HTS subheading 2933.90.17) is subject to an NTR duty rate of 6.6% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for, acetic acid, [[1-[(dimethylamino)carbonyl]-3-(1,1-dimethylethyl)-1H-1,2,4-triazol-5-yl]thio]-, ethyl ester (CAS No. 112143-82-5) (provided for in HTS subheading 2933.90.17), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

METHOXYFENOZIDE (SEC. 1115)

*Present law*

Benzoic acid 3-methoxy-2-methyl-,2-(3,5-dimethylbenzoyl)-2-(1,1-dimethyl ethyl)hydrazide (provided for in HTS subheading 2928.00.25) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for Benzoic acid 3-methoxy-2-methyl-,2-(3,5-dimethylbenzoyl)-2-(1,1-dimethyl ethyl) hydrazide (provided for in HTS subheading 2928.00.25) as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 1-FLUORO-2-NITROBENZENE (SEC. 1116)

*Present law*

1-Fluoro-2-nitrobenzene (CAS No. 001493-27-2) (as provided for in HTS subheading 2904.90.30), commonly used as raw material for a pharmaceutical intermediate, is subject to an NTR duty rate of 5.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 1-Fluoro-2-nitrobenzene (CAS No. 00-1493-27-2) (provided for in HTS subheading 2904.90.3 0), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## PHBA (SEC. 1117)

*Present law*

p-hydroxybenzoic acid (PHBA) (CAS No. 99-96-7) (as provided for in HTS subheading 2918.29.22), commonly used to produce liquified crystal polymer (LCP), is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter 11 of the HTS by inserting a new heading for p-Hydroxybenzoic acid (PHBA) (CAS No. 99-96-7) (provided for in HTS subheading 2918.29.22), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## THQ (TOLUHYDROQUINONE) (SEC. 1118)

*Present law*

Toluhydroquinone (CAS No. 95-71-6) (as provided for in HTS subheading 2907.29.90), is subject to an NTR duty rate of 5.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for toluhydroquinone (CAS No.



95–71–6) (provided for in HTS subheading 2907.29.90) as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

2,4-DICUMYLPHENOL (SEC. 1119)

*Present law*

2,4-Dicumylphenol (CAS No. 2772–45–4) (as provided for in HTS subheading 2907.19.20 or 2907.19.80) is subject to an NTR duty rate of 5.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 2,4-Dicumylphenol (CAS No. 2772–45–4) (provided for in HTS subheading 2907.19.20 or 2907.19.80), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

CERTAIN CATHODE-RAY TUBES (SEC. 1120)

*Present law*

Certain cathode-ray data/graphic display tubes, color, with a less than 90 degree deflection (provided for in HTS subheading 8540.60.00) are subject to an NTR duty rate of 3% ad valorem. These cathode-ray tubes are used in radio and radar monitoring units in the cockpits of aircraft.

*Explanation of provision*

This provision would amend chapter 99, subchapter 11 of the HTS by inserting a new heading for certain cathode-ray data/graphic display tubes, color, with a less than 90 degree deflection (provided for in HTS subheading 8540.60.00), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers of these products to reduce costs, making the products more competitive without jeopardizing any domestic manufacturer.

OTHER CATHODE-RAY TUBES (SEC. 1121)

*Present law*

Cathode-ray data/graphic tubes, color, with a phosphor dot screen pitch smaller than 0.4 min, and with a less than 90 degree deflection (provided for in HTS subheading 8540.40.00) are subject to an NTR duty rate of 3% ad valorem. These cathode-ray tubes are

used in aircraft cockpits to monitor the flight variables of the aircraft.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for cathode-ray data/graphic display tubes, color, with a phosphor dot screen pitch smaller than 0.4 mm, and with a less than 90 degree deflection on cathode (provided for in HTS subheading 8540.40.00), to reduce the duty from 3.0% to 1.0% until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers of these products to reduce costs, making the products more competitive without jeopardizing any domestic manufacturer.

CERTAIN RAW COTTON (SEC. 1122)

*Present law*

Imported cotton fiber of lengths less than 1 and 1/8th inches is currently duty free. Certain categories of raw cotton imported into the United States are subject to a tariff. These tariffs were established based on varying staple lengths of cotton.

*Explanation of provision*

This provision would amend chapter 52 of the HTS to provide duty-free treatment to certain raw cotton in specified lengths. The threshold for imposing tariffs on cotton tariffs would be increased from 1 and 1/8th inches to 1 and 1/4th inches over a period of three years.

*Reason for change*

The current threshold for cotton tariffs was set in 1930 when the bulk of cotton fiber traded was shorter than 1 and 1/8ths inches in length. Over time, staple lengths have tended to increase, moving the majority of cotton that would be imported into the U.S. from a category without a tariff into a category with a tariff. In addition, importers are not always certain of the staple length of the cotton they are importing. It may be slightly longer than advertised, subjecting the importer to unanticipated tariffs. As a result of these concerns, the Committee intends to increase the tariff threshold length to 1 and 1/4th inches in recognition of the prevalence of longer fibers in today's cotton trade.

RHINOVIRUS DRUG (SEC. 1123)

*Present law*

A certain Rhinovirus drug, trans-(2R, 3S,4S,5S)-(4-{2-(4-Fluorobenzyl)-6-methyl-5[(5-methylisoxazole-3-carbonyl)amino]-4-oxoheptanoylamino)-5-(2-oxopyrrolidin-3-yl) pent-2-enoic acid ethyl ester (CAS No. 223537-30-2) (provided for in HTS subheading 2934.90.39), is subject to an NTR duty rate of 12.1% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for a certain Rhinovirus drug,

trans-(2R, 3S,4S,5S)-(4-{2-(4-Fluorobenzyl)-6-methyl-5[(5-methyl isoxazole-3-carbonyl)amino]-4-oxoheptanoylamino}-5-(2-oxopyrrolidin-3-yl) pent-2-enoic acid ethyl ester (CAS No. 223537-30-2) (provided for in HTS subheading 2934.90.39), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical and pharmaceutical manufacturers to reduce costs, making these industries more competitive without jeopardizing any domestic manufacturer.

BUTRALIN (SEC. 1124)

*Present law*

N-sec-butyl-4-tert-butyl-2,6-dinitroaniline (CAS No. 33629-47-9) (as provided for in HTS subheadings 2921.42.90 or 3808.31.15) and any mixtures containing the foregoing are subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for N-sec-butyl-4-tert-butyl-2,6-dinitroaniline (CAS No. 33629-47-9)(provided for in HTS subheadings 2921.42.90 or 3808.31.15) and any mixtures containing the foregoing, as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

BRANCHED DODECYLBENZENE (SEC. 1125)

*Present law*

Branched dodecylbenzene (CAS No. 123-01-3) (provided for in HTS subheading 2902.90.30) is subject to an NTR duty rate of 12.8% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter 11 of the HTS by inserting a new heading for branched dodecylbenzene (CAS No. 123-01-3) (provided for in HTS subheading 2902.90.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## CERTAIN FLUORINATED COMPOUND (SEC. 1126)

*Present law*

(4-Fluorophenyl) [3-[(4-fluorophenyl) ethynyl]phenyl] (provided for in HTS subheading 2914.70.40) is subject to an NTR duty rate of 8.2% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for (4-Fluorophenyl) [3-[(4-fluorophenyl) ethynyl]phenyl] (provided for in HTS subheading 2914.70.40), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## CERTAIN LIGHT ABSORBING PHOTO DYE (SEC. 1127)

*Present law*

4-chloro-3-[4-[[4-(dimethylamino)phenyl]methylene-4,5-dihydro-3-methyl-5-oxo-1H-pyrazol-1-1], compound with pyridine (1:1) (as provided for in HTS subheading 2934.90.90), commonly used as light absorbing photo dye, is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 4-chloro-3-[4-[[4-(dimethylamino)phenyl]methylene -4,5-dihydro-3-methyl-5-oxo-1H-pyrazol-1-1], compound with pyridine (1:1) (provided for in HTS subheading 2934.90.90), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers of photographic dyes to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## FILTER BLUE GREEN PHOTO DYE (SEC. 1128)

*Present law*

Iron chloro 5,6-diamino-1,3-naphthalene disulfonate complexes (CAS No. 85187-44-6) (as provided for in HTS subheading 2942.00.10), used as filter blue green photo dye, is subject to an NTR duty rate of 10% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for iron chloro 5,6-diamino-1,3-naphthalene disulfonate complexes (CAS No. 85187-44-6), (provided for in HTS subheading 2942.00.10), used as filter blue green photo dye, as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers of photographic dyes to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## CERTAIN LIGHT ABSORBING PHOTO DYES (SEC. 1129)

*Present law*

4-[4-[3-[4-Dimethylamino)phenyl]-2-propenylidene]-4,5-dihydro-3-methyl-5-oxo-1H-pyrazol-1-yl]benzenesulfonic acid, compound with N,N-diethylethanamine(1:1) (CAS No. 109940-17-2);

4-[3-[3-Carboxy-5-hydroxy-1-(4-sulfophenyl)-1H-pyrazole-4-yl]-2-propenylidene] - 4,5-dihydro-5-oxo-1-(4-sulfophenyl)-1H-pyrazole-3-carboxylic acid, sodium salt, compound with N,N-diethylethanamine (CAS No. 90066-12-9);

4-[4,5-dihydro-4-[5-hydroxy-3-methyl-1-(4-sulfophenyl)-1H-pyrazol-4-yl]methylene-3-methyl-5-oxo-1H-pyrazol-1-yl]benzenesulfonic acid, dipotassium salt (CAS No. 94266-02-1);

4-[4-[[4-(Dimethylamino)-phenyl]methylene]-4,5-dihydro-3-methyl-5-oxo-1H-pyrazol-1-yl]benzenesulfonic acid, potassium salt (CAS No. 27268-31-1);

4,5-dihydro-5-oxo-4-[(phenylamino)methylene]-1-(4-sulfophenyl)-1H-pyrazole-3-carboxylic acid, disodium salt; and 4-[5-[3-Carboxy-5-hydroxy - 1-(4-sulfophenyl)-1H-pyrazol-4-yl]-2,4-pentadienylidene]-4,5-dihydro-5-oxo-1-(4-sulfophenyl)-1H-pyrazole-3-carboxylic acid, tetrapotassium salt (CAS No. 134863-74-4) (all of the foregoing provided for in subheading 2933.19.30) (CAS No. 134863-74-4) (as provided for in HTS subheading 2933.19.30), commonly used as light absorbing photo dyes, are subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for Benzenesulfonic acids (CAS No. 134863-74-4, 109940-17-2, 9000466-12-9, 94266-02-1, 27268-31-1, 134863-74-4) (provided for in HTS subheading 2933.19.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers of photographic dyes to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 4,4'-DIFLUOROBENZOPHENONE (SEC. 1130)

*Present law*

Bis(4-fluorophenyl)methanone (CAS No. 345-92-6) (as provided for in HTS subheading 2914.70.40), is subject to an NTR duty rate of 4% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for Bis(4-fluorophenyl)methanone

(CAS No. 345 92 6) (provided for in HTS subheading 2914.70.40), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

A FLOURINATED COMPOUND (SEC. 1131)

*Present law*

(4-Fluorophenyl)phenylmethanone (CAS No. 345-83-5) (as provided for in HTS subheading 2914.70.40), is subject to an NTR duty rate of 4% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for (4-Fluorophenyl)phenylmethanone (CAS No. 345-83-5) (provided for in HTS subheading 2914.70.40), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

DiTMP (SEC. 1132)

*Present law*

Di-trimethylolpropane (as provided for in HTS subheading 2909.49.60), is subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for di-trimethylolpropane (DiTMP) (provided for in HTS subheading 2909.49.60), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

HPA (SEC. 1133)

*Present law*

Hydroxypivalic acid (HPA) (as provided for in HTS subheading 2918.19.90), is subject to an NTR duty rate of 4% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for hydroxypivalic acid (provided

for in HTS subheading 2918.19.90), as duty free until December 31,2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

APE (SEC. 1134)

*Present law*

Allyl pentaerythritol (APE) (as provided for in HTS subheading 2909.49.60), is subject to an NTR duty rate of 8.9% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for allyl pentaerythritol (provided for in HTS subheading 2909.49.60), as duty free until December 31,2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

TMPDE (SEC. 1135)

*Present law*

Trimethylolpropane diallyl ether (TMPDE) (as provided for in HTS subheading 2909.49.60), is subject to an NTR duty rate of 8.9% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for trimethylolpropane diallyl ether (provided for in HTS subheading 2909.49.60), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

TMPME (SEC. 1136)

*Present law*

Trimethylolpropane monoallyl ether (TMPME) (provided for in HTS subheading 2909.49.60) is subject to an NTR duty rate of 8.9% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for trimethylolpropane monoallyl

ether (provided for in HTS subheading 2909.49.60), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

TUNGSTEN CONCENTRATES (SEC. 1137)

*Present law*

Tungsten concentrates (provided for in HTS subheading 2611.00.60) are subject to an NTR duty rate of 7.16% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for tungsten concentrates (provided for in HTS subheading 2611.00.60), as duty free December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

2 CHLORO AMINO TOLUENE (SEC. 1138)

*Present law*

2-Chloro-p-toluidine (CAS No. 95-74-9) (provided for in HTS subheading 2921.43.80) is subject to an NTR duty rate of 14.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 2-Chloro-p-toluidine (CAS No. 95-74-9) (provided for in HTS subheading 2921.43.80), as duty free until December 31, 2004.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

CERTAIN ION-EXCHANGE RESINS (SEC. 1139)

*Present law*

Certain ion-exchange resins, comprising of a copolymer of 2-propenenitrile (CAS No. 130353-60-5, 109961-42-4, 135832-76-7) (provided for in HTS subheading 3914.00.60) is subject to an NTR duty rate of 3.9% ad valorem.



*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for a certain ion-exchange resins, comprising of a copolymer of 2-propenenitrile (CAS No. 130353-60-5, 109961-42-4, 135832-76-7) (provided for in HTS subheading 3914.00.60), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 11-AMINOUNDECANOIC ACID (SEC. 1140)

*Present law*

11-aminoundecanoic acid (as provided for in HTS subheading 2922.49.40), is subject to NTR duty rate of 4.2% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 11-aminoundecanoic acid (provided for in HTS subheading 2922.49.40), with duty reduction to 1.6% until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## DIMETHOXY BUTANONE (DMB) (SEC. 1141)

*Present law*

4,4-Dimethoxy-2-butanone (CAS No. 5436-21-5) (as provided for in HTS subheading 2914.50.50), is subject to an NTR duty rate of 4% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 4,4-Dimethoxy-2-butanone (CAS No. 5436-21-5) (provided for in HTS subheading 2914.50.50), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## DICHLORO ANILINE (DCA) (SEC. 1142)

*Present law*

2,6-Dichloro aniline (2,6-dichlorobenzamine) (DCA) (CAS No. 608-31-1) (provided for in HTS subheading 2921.42.90) is subject to an NTR duty rate of 11.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 2,6-Dichloro aniline (2,6-dichlorobenzeneamine) (DCA) (CAS No. 608-31-1) (provided for in HTS subheading 2921.42.90), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## DIPHENYL SULFIDE (SEC. 1143)

*Present law*

Diphenyl sulfide (CAS No. 139-66-2) (as provided for in HTS subheading 2930.90.29), is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for diphenyl sulfide (CAS No. 139-66-2) (provided for in HTS subheading 2930.90.29), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## TRIFLURALIN (SEC. 1144)

*Present law*

*a,a,a*-Trifluoro-2,6-dinitro-*p*-tolu-*id*ine (CAS No. 1582-09-8) (provided for in HTS subheading 2921.43.15) is subject to an NTR duty rate of 6.7% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for *a,a,a*-Trifluoro-2,6-dinitro-*p*-tolu-*id*ine (CAS No. 1582-09-8) (provided for in subheading 2921.43.15), with a duty reduction to 5% until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## DIETHYL IMIDAZOLIDINONE (DMI) (SEC. 1145)

*Present law*

1,3-Diethyl-2-imidazolidinone (CAS No. 80-73-9) (as provided for in HTS subheading 2933.29.90), is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 1,3-Diethyl-2-imidazolidinone (CAS No. 80-73-9) (provided for in HTS subheading 2933.29.90), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## ETHALFLOURALIN (SEC. 1146)

*Present law*

Ethalfouralin, N-ethyl-N-(2methyl-2-propenyl)-2, 6-dinitro-4-(trifluoromethyl) benzenamine (CAS No. 55283-68-6) (as provided for in HTS subheading 2921.43.80), is subject to an NTR duty rate of 12.6% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for ethalfouralin, N-ethyl-N-(2methyl-2-propenyl)-2, 6-dinitro-4-(trifluoromethyl)benzenamine (CAS No. 55283-68-6) (provided for in HTS subheading 2921.43.80), with a duty reduction to 7.9% until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## BENFLURALIN (SEC. 1147)

*Present law*

N-butyl-N-ethyl-2,6-dinitro-4-(trifluoromethyl)benzenamine; N-butyl-N-ethyl-alpha, alpha, alpha-trifluoro-2-6-dinitro-p-toluidine (CAS No. 1861-40-1) (as provided for in HTS subheading 2921.43.80), is subject to an NTR duty rate of 12.6% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for N-butyl-N-ethyl-2,6-dinitro-4-(trifluoromethyl) benzenamine; N-butyl-N-ethyl-alpha, alpha, alpha-trifluoro-2-6-dinitro-p-toluidine (CAS No. 1861-40-1) (provided for in HTS subheading 2921.43.80), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 3-AMINO-5-MERCAPTO-1,2,4-TRIAZOLE (AMT) (SEC. 1148)

*Present law*

3-amino-5-mercapto-1,2,4-triazole (AMT) (CAS No. 16691-43-3) (provided for in HTS subheading 2933.90.97) is subject to NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 3-amino-5-mercapto-1,2,4-triazole (AMT) (CAS No. 16691-43-3) (provided for in HTS subheading 2933.90.97), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## DIETHYL PHOSPHOROCHLORIDIOTHIOATE (DEPCT) (SEC. 1149)

*Present law*

Diethyl phosphorochloridothioate, 0,0-dethyl phosphorochloridothioate (DEPCT) (CAS No. 2524-04-1) (as provided for in HTS subheading 2920.10.50), is subject to NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for diethyl phosphorochloridothioate, 0,0-dethyl phosphorochloridothioate (DEPCT) (CAS No. 2524-04-1) (provided for in HTS subheading 2920.10.50), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## REFINED QUINOLINE (SEC. 1150)

*Present law*

Chemical refined quinoline (CAS No. 91-22-5) (provided for in HTS subheading 2933.40.70) is subject to an NTR duty rate of 10.6% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for refined quinoline (CAS No. 91-22-5) (provided for in HTS subheading 2933.40.70), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

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DMDS (SEC. 1151)

*Present law*

2,2-dithiobis(8-fluoro-5-methoxy)[1,2,4] triazolo[1,5-c] pyrimidine (DMDS) (CAS No. 166524-74-9) (as provided for in HTS subheading 2933.59.80), is subject to an NTR duty rate of 10.4% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 2,2-dithiobis(8-fluoro-5-methoxy)[1,2,4] triazolo[1,5-c] pyrimidine (DMDS) (CAS No. 166524-74-9) (provided for in HTS subheading 2933.59.80), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

VISION INSPECTION SYSTEMS (SEC. 1152)

*Present law*

Automated visual inspection systems of a kind used for physical inspection of capacitors (as provided for in HTS subheading 9031.49.90, 9031.80.80), are subject to NTR duty rate of 3.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for automated visual inspection systems of a kind used for physical inspection of capacitors (provided for in HTS subheading 9031.49.9000, 9031.80.8085), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers of these products to reduce costs, making the products more competitive without jeopardizing any domestic manufacturer.

ANODE PRESSES (SEC. 1153)

*Present law*

Anode presses used for pressing tantalum powder into anodes (provided for in HTS subheading 8462.99.80) are subject to an NTR duty rate of 2.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for anode presses used for pressing tantalum powder into anodes (provided for in HTS subheading 8462.99.80), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers of these products to reduce costs, making the products more competitive without jeopardizing any domestic manufacturer.

## TRIM AND FORM MACHINES (SEC. 1154)

*Present law*

Trimming and forming machines used in the manufacture of surface mounted electronic components other than semi-conductors prior to marking (as provided for in HTS subheading 8463.30.00, 8462.21.80, 8462.29.80) is subject to an NTR duty rate of 4.4% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for Trimming and forming machines used in the manufacture of surface mounted electronic components other than semi-conductors prior to marking (provided for in HTS subheading 8463.30.00, 8462.21.80, 8462.29.80), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers of these products to reduce costs, making the products more competitive without jeopardizing any domestic manufacturer.

## CERTAIN ASSEMBLY MACHINES (SEC. 1155)

*Present law*

Assembly machines used for assembling processed anodes to lead frames (as provided for in HTS subheading 8479.89.97) are subject to an NTR duty rate of 2.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for assembly machines used for assembling processed anodes to lead frames (provided for in HTS subheading 8479.89.97), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the products more competitive without jeopardizing any domestic manufacturer.

## THIONYL CHLORIDE (SEC. 1156)

*Present law*

Thionyl chloride (CAS No. 7719-09-7) (provided for in HTS subheading 2812.10.50) is subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States (HTS) by inserting a new heading for thionyl chloride (CAS No. 7719-09-7) (pro-

vided for in HTS subheading 2812.10.50), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

PHENYLMETHYL HYDRAZINECARBOXYLATE (SEC. 1157)

*Present law*

Phenylmethyl hydrazinecarboxylate (CAS No. 5331-43-1) (provided for in HTS subheading 2928.00.25) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for phenylmethyl hydrazinecarboxylate (CAS No. 5331-43-1) (provided for in subheading 2928.00.25), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs of manufacturing the insecticide in the United States, making the final product more affordable to U.S. farmers without jeopardizing any domestic manufacturer.

TRALKOXYDIM FORMULATED (SEC. 1158)

*Present law*

2-[1-(Ethoxyimino)-propyl]-3-hydroxy-5-(2,4,6-trimethylphenyl)-2-cyclohexen-1-one (Tralkoxydim) (CAS No. 87820-88-0) (provided for in HTS subheading 2925.20.60) and mixtures of 2-[1-(Ethoxyimino) - propyl]-3-hydroxy-5-(2,4,6-trimethylphenyl)-2-cyclohexen-1-one (Tralkoxydim) (CAS No. 87820-88-0) and application adjuvants (provided for in HTS subheading 3808.30.15) are subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting the new headings 2-[1-(Ethoxyimino)-propyl]-3-hydroxy-5-(2,4,6-trimethylphenyl)-2-cyclohexen-1-one (Tralkoxydim) (CAS No. 87820-88-0) (provided for in HTS subheading 2925.20.60) and mixtures of 2-[1-(Ethoxyimino)-propyl]-3-hydroxy-5-(2,4,6-trimethylphenyl)-2-cyclohexen-1-one (Tralkoxydim) (CAS No. 87820-88-0) and application adjuvants (provided for in HTS subheading 3808.30.15), at a reduced rate duty until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## KNOO2 (SEC. 1159)

*Present law*

2-[2,4-Dichloro-5-hydroxyphenyl)-hydrazono]-1-piperidine-carboxylic acid, methyl ester (CAS No. 159393-46-1) (provided for in HTS subheading 2933.39.61) is subject to NTR duty rate of 6.5-8.6% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 2-[2,4-Dichloro-5-hydroxyphenyl)-hydrazono]-1-piperidine-carboxylic acid, methyl ester (CAS No. 159393-46-1) (provided for in HTS subheading 2933.39.61), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs of manufacturing the herbicide in the United States, making the final product more affordable to U.S. farmers without jeopardizing any domestic manufacturer.

## KL084 (SEC. 1160)

*Present law*

2-Imino-1-methoxycarbonyl-piperidine hydrochloride (KL084) (CAS No. 159393-48-3) (provided for in HTS subheading 2933.39.61) is subject to an NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States by inserting a new heading for 2-Imino-1-methoxycarbonyl-piperidine hydrochloride (KL084) (CAS No. 159393-48-3) (provided for in HTS subheading 2933.39.61), with a duty reduction to 5.4% ad valorem for 2000, to 4.7% for 2001, to 4.0% for 2002, and to 3.3% for 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs of manufacturing the herbicide in the United States, making the final product more affordable to U.S. farmers without jeopardizing any domestic manufacturer.

## IN-N5297 (SEC. 1161)

*Present law*

2-(Methoxycarbonyl)-benzylsulfonamide (IN N5297) (CAS No. 59777-72-9) (provided for in HTS subheading 2935.00.75) is subject to NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 2-(Methoxycarbonyl)-benzylsulfonamide (IN N5297) (CAS No. 59777-72-9) (provided for in HTS subheading 2935.00.75), as duty free until December 31, 2003.



*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs of manufacturing the herbicide in the United States, making the final product more affordable to U.S. farmers without jeopardizing any domestic manufacturer.

AZOXYSTROBIN FORMULATED (SEC. 1162)

*Present law*

Methyl(E) -2-[2-[6-(2-cyanophenoxy)-pyrimidin-4-yloxy]phenyl]-3-methoxyacrylate (CAS No. 131860 33 8) (provided for in HTS subheading 3808.20.15) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Methyl(E)-2-[2-[6-(2-cyanophenoxy)-pyrimidin-4-yloxy]phenyl]-3-methoxyacrylate (CAS No. 13860-33-8) (provided for in HTS subheading 3808.20.15), with a temporary duty reduction to 5.7% ad valorem until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

FUNGAFLOR 500 EC (SEC. 1163)

*Present law*

Mixtures of enilconazole (CAS No. 35554-44-0 or 73790-28-0) and application adjuvants (provided for in HTS subheading 3808.20.15) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Mixtures of enilconazole (CAS No. 35554-44-0 or 73790-28-0) and application adjuvants (provided for in HTS subheading 3808.20.15), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

NORBLOC 7966 (SEC. 1164)

*Present law*

2-(2'-Hydroxy-5'-methacrylyloxyethylphenyl)-2H-benzotriazole (CAS No. 96478-09-0 and 73790-28-0) (provided for in HTS subheading 2933-90-79), is subject to NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 2-(2'-Hydroxy-5'-methacrylyloxyethylphenyl)-2H-benzotriazole (CAS No. 96478-09-0 and 73790-28-0) (provided for in HTS subheading 2933.90.79), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## IMAZALIL (SEC. 1165)

*Present law*

Enilconazole (CAS No. 35554-44-0) (provided for in HTS subheading 2933.29.35), is subject to NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Enilconazole (CAS No. 355540-44-0) (provided for in HTS subheading 2933.29.35), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 1,5-DICHLOROANTHRAQUINONE (SEC. 1166)

*Present law*

1,5-Dichloroanthraquinone (CAS No. 82-46-2) (as provided for in HTS subheading 2914.70.40) is subject to NTR duty rate of 7.7% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for 1,5-Dichloroanthraquinone (CAS No. 82-46-2) (as provided for in HTS subheading 2914.70.40), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## ULTRAVIOLET DYE (SEC. 1167)

*Present law*

9-Anthracene-carboxylic acid, (triethoxysilyl)-methyl ester (provided for in HTS subheading 2931.00.30) is subject to an NTR duty rate of from 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 9-Anthracene-carboxylic acid, (triethoxysilyl)-methyl ester (provided for in HTS subheading 2931.00.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## VINCLOZOLIN (SEC. 1168)

*Present law*

3-(3,5-Dichlorophenyl)-5-ethenyl-5-methyl-2,4-oxazolidinedione (CAS No. 50471-44-8) (provided for in HTS subheading 2934.90.12) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 3-(3,5-Dichlorophenyl)-5-ethenyl-5-methyl-2,4-oxazolidinedione (CAS No. 50471-44-8) (provided for in HTS subheading 2934.90.12), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## TEPRALOXIDIM (SEC. 1169)

*Present law*

Mixtures of E-2-[1-[(3-chloro-2-propenyl)oxy]imino]propyl]-3-hydroxy-5-(tetrahydro-2H-pyran-4-yl)-2-cyclohexen-1-one (CAS No. 149979-41-9) and application adjuvants (provided for in subheading 3808.30.50) is subject to an NTR duty rate of 5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Mixtures of E-2-[1-[(3-chloro-2-propenyl)oxy]imino]propyl]-3-hydroxy-5-(tetrahydro-2H-pyran-4-yl)-2-cyclohexen-1-one (CAS No. 149979-41-9) and application adjuvants (provided for in subheading 3808.30.50), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## PYRIDABEN (SEC. 1170)

*Present law*

4-Chloro-2-(1,1-dimethylethyl)-5-(((4-(1,1-dimethylethyl)phenyl)-methylthio)-3-(2H)-pyridazinone (CAS No. 96489-71-3) (provided for in HTS subheading 2933.90.22) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 4-Chloro-2(1, 1-dimethylethyl)-5 (((4-(1, 1-dimethylethyl)phenyl)-methylthio)-3-(2H)-pyridazinone (CAS No. 96489-71-3) (provided for in HTS subheading 2933.90.22), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 2-ACETYLNICOTINIC ACID (SEC. 1171)

*Present law*

2-Acetylnicotinic acid (CAS No. 89942-59-6) (provided for in HTS subheading 2933.39.61) is subject to NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 2-Acetylnicotinic acid (CAS No. 89942-59-6) (provided for in HTS subheading 2933.39.61), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## SAMe (SEC. 1172)

*Present law*

Food supplement preparation of S-adenosylmethionine 1,4-butanedisulfonate (CAS No. 101020-79-5) (provided for in HTS subheading 2106.90.99) is subject to an NTR duty rate of 6.4% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Food supplement preparation of S-adenosylmethionine 1,4-butanedisulfonate (CAS No. 101020-79-5) (provided for in HTS subheading 2106.90.99), with a duty reduction to 5.5%.

*Reason for changes*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

PROCION CRIMSON H-EXL (SEC. 1173)

*Present law*

1,5-Naphthalenedisulfonic acid, 2-((8-((4-chloro-6-((3-((4-chloro-6-((7-((1,5-disulfo-2-naphthalenyl)azo)-8-hydroxy-3,6-disulfo-1-naphthalenyl)amino)-1,3,5-triazin-2-yl) amino)methyl phenyl)amino)-1,3,5-triazin-2-yl)amino)-1-hydroxy-3, 6-disulfo-2-naphthalenyl)azo)-, octa- (CAS No. 186554-26-7) (provided for in HTS subheading 3204.16.30) is subject to NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 1,5-Naphthalenedisulfonic acid, 2-((8-((4-chloro-6-((3-((4-chloro-6-((7-((1,5-disulfo-2-naphthalenyl)azo)-8-hydroxy-3,6-disulfo-1-naphthalenyl)amino)-1,3,5-triazin-2-yl)amino)methyl)phenyl)amino)-1,3,5-triazin-2-yl)amino)-1-hydroxy-3, 6-disulfo-2-naphthalenyl)azo)-, octa- (CAS No. 186554-26-7) (provided for in HTS subheading 3204.16.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

DISPERSOL CRIMSON SF GRAINS (SEC. 1174)

*Present law*

Mixture of 3-phenyl-7-(4-propoxyphenyl)benzo-(1,2-b:4,5-b')-difuran-2,6-dione (CAS No. 79694-17-0); 4-(2,6-dihydro-2,6-dioxo)-7-phenylbenzo-(1,2-b:4,5-b')-difuran-3-ylphenoxyacetic acid, 2-ethoxyethyl ester (CAS No. 126877-05-2); 4-(2,6-dihydro-2,6-dioxo-7-(4-propoxyphenyl)-benzo-(1,2-b:4,5-b')-difuran-3-yl)phenoxy)phenoxy)-acetic acid, 2-ethoxyethyl ester (CAS No. 126877-06-3) (the foregoing mixture provided for in subheading 3204.11.35) is subject to NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Mixture of 3-phenyl-7-(4-propoxyphenyl)benzo-(1,2-b:4,5-b')-difuran-2,6-dione (CAS No.

79694-17-0); 4-(2,6-dihydro-2,6-dioxo)-7-phenylbenzo-(1,2-b:4,5-b')-difuran-3-ylphenoxyacetic acid, 2-ethoxyethyl ester (CAS No. 126877-05-2); 4-(2,6-dihydro-2,6-dioxo-7-(4-propoxyphenyl)-benzo-(1,2-b:4,5-b')-difuran-3-yl)-phenoxy)phenoxy)-acetic acid, 2-ethoxyethyl ester (CAS No. 126877-06-3) (the foregoing mixture provided for in subheading 3204.11.35), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

PROCION NAVY H-EXL (SEC. 1175)

*Present law*

Procion Navy H-EXL 9902.32.09, a mixture of 2,7-Naphthalenedisulfonic acid, 4-amino-3,6-bis[[5-[[4-chloro-6-[(2-methyl-4-sulfophenyl)amino]-1,3,5-triazin-2-yl]amino]-2-sulfophenyl]azo]-5-hydroxy-, hexasodium salt (CAS No. 186554-27-8); and 1,5-Naphthalenedisulfonic acid, 2-((8-((4-chloro-6-((3-((4-chloro-6-((7-((1,5-disulfo-2-naphthalenyl)azo)-8-hydroxy-3,6-disulfo-1-naphthalenyl)amino)-1,3,5-triazin-2-yl)amino)methyl)phenyl)amino)-1,3,5-triazin-2-yl)amino)-1-hydroxy-3,6-disulfo-2-naphthalenyl)azo)-, octa- (CAS No. 186554-26-7) (provided for in subheading 3204.16.30) is subject to NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Procion Navy H EXL, a mixture of 2,7-Naphthalenedisulfonic acid, 4-amino-3,6-bis[[5-[[4-chloro-6-[(2-methyl-4-sulfophenyl) amino]-1,3,5-triazin-2-yl]amino]-2-sulfophenyl]azo]-5-hydroxy-, hexasodium salt (CAS No. 186554-27-8); and 1,5-Naphthalenedisulfonic acid, 2-((8-((4-chloro-6-((3-((4-chloro-6-((7-((1,5-disulfo-2-naphthalenyl)azo)-8-hydroxy-3,6-disulfo-1-naphthalenyl)amino)-1,3,5-triazin-2-yl)amino)methyl)phenyl)amino)-1,3,5-triazin-2-yl)amino)-1-hydroxy-3,6-disulfo-2-naphthalenyl)azo)-, octa- (CAS No. 186554-26-7) (provided for in HTS subheading 3204.16.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

PROCION YELLOW H-EXL (SEC. 1176)

*Present law*

Reactive Yellow 138:1 mixed with non-color dispersing agent, anti-dusting agent and water (CAS No. 72906-25-3) (provided for in HTS subheading 3204.16.30) is subject to NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Reactive Yellow 138:1 mixed with non-color dispersing agent, anti-dusting agent and water (CAS No. 72906-25-3) (provided for in HTS subheading 3204.16.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 2-PHENYLPHENOL (SEC. 1177)

*Present law*

2-phenylphenol (CAS No. 90-43-7) (provided for in HTS subheading 2907.19.80) is subject to an NTR duty rate of 5.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 2-Phenylphenol (CAS No. 90-43-7) (provided for in HTS subheading 2907.19.80), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 2-METHOXY-1-PROPENE (SEC. 1178)

*Present law*

2-Methoxy-1-propene (CAS No. 116-11-0) (provided for in HTS subheading 2909.19.18) is subject to an NTR duty rate of 5.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 2-Methoxy-1-propene (CAS No. 116-11-0) (provided for in HTS subheading 2909.19.18), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 3,5-DIFLUOROANILINE (SEC. 1179)

*Present law* 3,5-Difluoroaniline (CAS No. 372-39-4) (provided for in HTS subheading 2921.42.65) is currently subject to NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 3,5-Difluoroaniline (CAS No. 372-39-4) (provided for in HTS subheading 2921.42.65), with staged temporary duty reductions to ad valorem rate of 7.4% for calendar years 2000 and 2001, 6.7% for calendar year 2002, and 6.3% for calendar year 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## QUINCLORAC (SEC. 1180)

*Present law*

3,7-Dichloro-8-quinoline carboxylic acid (CAS No. 84087-01-4) (provided for in HTS subheading 2933.40.30) is currently subject to NTR duty rate of 8.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 3,7-Dichloro-8-quinoline carboxylic acid (CAS No. 84087-01-4) (provided for in HTS subheading 2933.40.30), with staged temporary duty reductions to ad valorem rate of 6.8% for calendar years 2000 and 2001, 5.9% for calendar year 2002, and 5.4% for calendar year 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## DISPERSOL BLACK XF GRAINS (SEC. 1181)

*Present law*

Mixture of Disperse blue 284, Disperse brown 19 and Disperse red 311 with non-color dispersing agent (provided for in HTS subheading 3204.11.35) is subject to NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting the new subheading for Dispersol Black XF Grains, mixture of Disperse blue 284, Disperse brown 19 and Disperse red 311 with non-color dispersing agent (provided for in HTS subheading 3204.11.35) as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.



## FLUROXYPYR, 1-METHYLHEPTYL ESTER (FME) (SEC. 1182)

*Present law*

Fluroxypyr 1-methylheptyl ester (1-Methylheptyl ((4 amino-3,5-dichloro-6-fluoro-2-pyridinyl)oxy)acetate) (CAS No. 81406-37-3) (provided for in HTS subheading 2933.39.25) is subject to NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for fluroxypyr 1-methylheptyl ester (1-Methylheptyl ((4 amino-3,5-dichloro-6-fluoro-2-pyridinyl)oxy)acetate) (CAS No. 81406-37-3) (provided for in HTS subheading 2933.39.25), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## SOLSPERSE 17260 (SEC. 1183)

*Present law*

12-Hydroxyoctadecanoic acid, reaction product with N,N-dimethyl-1,3-propanediamine, dimethyl sulfate, quaternized, 60% solution in toluene (CAS No. 70879-66-2) (provided for in HTS subheading 3824.90.28) is subject to NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 12-Hydroxyoctadecanoic acid, reaction product with N,N-dimethyl-1,3-propanediamine, dimethyl sulfate, quaternized, 60% solution in toluene (CAS No. 70879-66-2) (provided for in HTS subheading 3824.90.28), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## SOLSPERSE 17000 (SEC. 1184)

*Present law*

12-Hydroxyoctadecanoic acid, reaction product with N,N-dimethyl-1,3-propanediamine, dimethyl sulfate, quaternized (CAS No. 70879-66-2) (provided for in HTS subheading 3824.90.40) is subject to an NTR duty rate of 4.6% ad valorem.

*Explanation of provision*

This provision would amend subchapter 11 of chapter 99 of the HTS by inserting a new heading for 12-Hydroxyoctadecanoic acid, reaction product with N,N-dimethyl-1,3-propanediamine, dimethyl

sulfate, quaternized (CAS No. 70879 66 2) (provided for in HTS subheading 3824.90.40), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

SOLSPERSE 5000 (SEC. 1185)

*Present law*

1-Octadecanaminium, N,N-dimethyl-N-octadecyl-, (Sp-4-2)-[29H,31H-phthalocyanine2-sulfonato(3-)-N 29, N 30, N 31, N 32 ]cuprate(1-) (CAS No.70750-63-9) (provided for in HTS subheading 3824.90.28) is subject to NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 1-Octadecanaminium, N,N-dimethyl-N-octadecyl-, (Sp-4-2)- [29H,31H-phthalocyanine-2-sulfonato(3-)-N 29, N 30, N 31 N 32 ]cuprate(1-) (CAS No. 70750-63-9) (CAS No. 70750-63-9) (provided for in HTS subheading 3824.90.28), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

CERTAIN TAED CHEMICALS (SEC. 1186)

*Present law*

Tetraacetythylenediamine (CAS No. 10543-57-4) (provided for in HTS subheading 2924.10.10) is subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for tetraacetythylenediamine (CAS No. 10543-57-4) (provided for in HTS subheading 2924.10.10), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

ISOBORNYL ACETATE (SEC. 1187)

*Present law*

Isobornyl acetate (CAS No. 125-12-2) (provided for in HTS subheading 2915.39.45) is subject to an NTR duty rate of 4.8% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by a new heading for Isobornyl acetate (CAS No. 125-12-2) (provided for in HTS subheading 2915.39.45), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

SOLVENT BLUE 124 (SEC. 1188)

*Present law*

Solvent Blue 124 (CAS No. 29243-26-3) (provided for in HTS subheading 3204.19.20) is subject to an NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Solvent Blue 124 (CAS No. 29243-26-3) (provided for in HTS subheading 3204.19.20), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers to reduce costs, making these companies and downstream product industries more competitive without jeopardizing any domestic manufacturer.

SOLVENT BLUE 104 (SEC. 1189)

*Present law*

Solvent Blue 104 (CAS No. 116-75-6) (provided for in HTS subheading 3204.19.20) is subject to an NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Solvent blue 104 (CAS No. 116-75-6) (provided for in HTS subheading 3204.19.20), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers to reduce costs, making these companies and downstream product industries more competitive without jeopardizing any domestic manufacturer.

PRO-JET MAGENTA 364 STAGE (SEC. 1190)

*Present law*

5-[4-(4,5-Dimethyl-2-sulfophenylamino)-6-hydroxy-[1,3,5-triazin-2-yl amino]-4-hydroxy-3-(1-sulfonaphthalen-2-ylazo)naphthalene-2,7-disulfonic acid, sodium ammonium salt (provided for in HTS subheading 3204.14.30) is subject to NTR duty rate of 6.5%-9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by a new heading for 5-[4(4,5-Dimethyl-2-sulfophenylamino)-6-hydroxy-[1,3,5-triazin-2-yl amino]-4-hydroxy-3-(1 sulfonaphthalen-2-ylazo)naphthalene-2,7-disulfonic acid, sodium ammonium salt (provided for in HTS subheading 3204.14.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers to reduce costs, making these companies and downstream product industries more competitive without jeopardizing any domestic manufacturer.

4-AMINO-2,5-DIMETHOXY-N-PHENYLBENZEN SULFONAMIDE (SEC. 1191)

*Present law*

4-Amino-2,5-dimethoxy-N-phenylbenzene sulfonamide(CAS No. 52298-44-9) (provided for in HTS subheading 2935.00.10) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 4-Amino-2,5-dimethoxy-N-phenylbenzene sulfonamide (CAS No. 52298-44-9) (provided for in HTS subheading 2935.00.10), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

UNDECYLENIC ACID (SEC. 1192)

*Present law*

10-Undecylenic acid (CAS No. 112-38-9) (provided for in HTS subheading 2916.19.30) is subject to an NTR duty rate of 6.1% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 10-Undecylenic acid (CAS No. 112-38-9) (provided for in HTS subheading 2916.19.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

2-METHYL-4-CHLOROPHENOXYACETIC ACID (SEC. 1193)

*Present law*

2-Methyl-4-chlorophenoxyacetic acid (CAS No. 94-74-6) and its 2-ethylhexyl ester (CAS. No. 29450-45-1) (provided for in HTS sub-

heading 2918.90.20) and 2-Methyl-4-chlorophenoxy-acetic acid, dimethyl-amine salt (CAS No. 2039-46-5) (provided for in subheading 2921.19.60) is subject to NTR duty rate of 6.5%–8.6% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 2-Methyl-4-chlorophenoxyacetic acid (CAS No. 94-74-6) and its 2-ethylhexyl ester (CAS. No. 29450-45-1) (provided for in HTS subheading 2918.90.20) and 2-Methyl-4-chlorophenoxy-acetic acid, dimethyl-amine salt (CAS No. 2039-46-5) (provided for in HTS subheading 2921.19.60), with a duty reduction to 2.6% until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

IMINODISUCCINATE (SEC. 1194)

*Present law*

Mixtures of sodium salts of iminodisuccinic acid (provided for in HTS subheading 3824.90.90) is subject to an NTR duty rate of 5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for mixtures of sodium salts of iminodisuccinic acid (provided for in HTS subheading 3824.90.90), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

IMINODISUCCINATE SALTS AND AQUEOUS SOLUTIONS (SEC. 1195)

*Present law*

Mixtures of sodium salts of iminodisuccinic acid, dissolved in water (provided for in HTS subheading 3824.90.90) are subject to an NTR duty rate of 5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for mixtures of sodium salts of iminodisuccinic acid, dissolved in water (provided for in HTS subheading 3824.90.90), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

tries more competitive without jeopardizing any domestic manufacturer.

POLY(VINYL CHLORIDE) (PVC) SELF ADHESIVE SHEETS (SEC. 1196)

*Present law*

Poly(vinyl chloride) self-adhesive sheets of a type used to make bandages (provided for in HTS subheading 3919.10.20) are subject to an NTR duty rate of 5.8% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading, Poly(vinyl chloride) self-adhesive sheets of a type used to make bandages (provided for in HTS subheading 3919.10.20), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers to reduce costs, making these companies more competitive without jeopardizing any domestic manufacturer.

2-BUTYL-2-ETHYLPROPANEDIOL (SEC. 1197)

*Present law*

2-Butyl-2-ethylpropanediol (CAS No. 115-84-4) (provided for in HTS subheading 2905.39.90) is subject to NTR duty rate of 8.2% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 2-Butyl-2-ethylpropanediol (CAS No. 115-84-4) (provided for in HTS subheading 2905.39.90), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

CYCLOHEXADEC-8-EN-1-ONE (SEC. 1198)

*Present law*

Cyclohexadec-8-en-1-one (CAS No. 3100-36-5) (provided for in subheading 2914.29.50) is subject to an NTR duty rate of 4.8% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Cyclohexadec-8-en-1-one (CAS No. 3100-36-5) (provided for in HTS subheading 2914.29.50), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product indus-

tries more competitive without jeopardizing any domestic manufacturer.

PAINT ADDITIVE CHEMICAL (SEC. 1199)

*Present law*

N-Cyclopropyl-N'-(1,1-dimethylethy)-6-(methylthio)-1,3,5-triazine-2,4-diamine (CAS No. 28159-98-0) (provided for in HTS subheading 2933.69.60) is subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for N-Cyclopropyl-N-(1, 1-dimethylethy) -6-(methylthio)-1,3,5-triazine-2,4-diamine (CAS No. 28159-98-0) (provided for in HTS subheading 2933.69.60), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

o-CUMYL-OCTYLPHENOL (SEC. 1200)

*Present law*

o-cumyl-octylphenol (CAS No. 73936-80-8) (provided for in HTS subheading 2907.19.80) is subject to an NTR duty rate of 5.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for o-cumyl-octylphenol (CAS No. 73936-80-8) (provided for in HTS subheading 2907.19.80), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

CERTAIN POLYAMIDES (SEC. 1201)

*Present law*

Micro-porous, ultra fine, spherical forms of polyamide-6, polyamide-12, polyamide-6,12 powders (CAS No. 25038-54-4 and 25038-74-8 and 25191-04-1) (provided for in HTS subheading 3908.10.00) are subject to NTR duty rate of 6.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for micro-porous, ultra fine, spherical forms of polyamide-6, polyamide-12, polyamide-6,12 powders (CAS No. 25038-54-4 and 25038-74-8 and 25191-04-1) (provided

for in HTS subheading 3908.10.00)), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

MESAMOLL (SEC. 1202)

*Present law*

Mixture of phenyl esters of C10–C18 alkylsulfonic acids (CAS No. 70775–94–9) (provided for in HTS subheading 3812.20.10) is subject to an NTR duty rate of 11% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for mixtures of phenyl esters of C10–C18 alkylsulfonic acids (CAS No. 70775–94–9) (provided for in HTS subheading 3812.20.10), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

VULKALENT E/C (SEC. 1203)

*Present law*

A mixture of N-Phenyl-N-((trichloromethyl) thio)-benzene sulfonamide, calcium carbonate, and mineral oil (provided for in HTS subheading 3824.90.28) is subject to an NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for a mixture of N-Phenyl-N-((trichloromethyl)thio)-benzenesulfonamide, calcium carbonate, and mineral oil (provided for in HTS subheading 3824.90.28), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

BAYTRON M (SEC. 1204)

*Present law*

A certain 3,4-Ethylenedioxythiophene (CAS No. 126213–50–1) (provided for in HTS subheading 2934.90.90) is subject to an NTR duty rate of 5% ad valorem.



*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 3,4-Ethylenedioxythiophene (CAS No. 126213-50-1) (provided for in HTS subheading 2934.90.90), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

BAYTRON C-R (SEC. 1205)

*Present law*

Aqueous catalytic preparations based on iron (III) toluenesulfonate (CAS No. 77214-82-5) (provided for in HTS subheading 3815.90.50) is subject to an NTR duty rate of 5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for aqueous catalytic preparations based on iron (III) toluenesulfonate (CAS No. 77214-82-5) (provided for in HTS subheading 3815.90.50), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

BAYTRON P (SEC. 1206)

*Present law*

Aqueous dispersions of poly (3,4-ethylene-dioxythiophene)-poly (styrenesulfonate) (cationic) (CAS No. 155090-83-8) (provided for in HTS subheading 3911.90.25) is subject to an NTR duty rate of 6.1% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for aqueous dispersions of poly (3,4-ethylene-dioxythiophene)-poly (styrenesulfonate) (cationic) (CAS No. 155090-83-8) (provided for in HTS subheading 3911.90.25), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## DIMETHYL DICARBONATE (SEC. 1207)

*Present law*

Dimethyl dicarbonate (CAS No. 4525–33–1) (provided for in HTS subheading 2920.90.50) is subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for dimethyl dicarbonate (CAS No. 4525–33–1) (provided for in HTS subheading 2920.90.50), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## KNO01 (A HYDROCHLORIDE) (SEC. 1208)

*Present law 48*

2,4-Dichloro-5-hydrazinophenol monohydrochloride (CAS No. 189573–21–5) (provided for in HTS subheading 2928.00.25) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 2,4-Dichloro-5-hydrazinophenol monohydrochloride (CAS No. 189573–21–5) (provided for in HTS subheading 2928.00.25), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs of manufacturing the herbicide in the United States, making the final product more affordable to U.S. farmers without jeopardizing any domestic manufacturer.

## KL540 (SEC. 1209)

*Present law*

Methyl-4-trifluoromethoxyphenyl-N-(chlorocarbonyl) carbamate (CAS No. 173903–15–6) (provided for in HTS subheading 2924.29.70) is subject to an NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for methyl-4-trifluoromethoxyphenyl-N-(chlorocarbonyl) carbamate (CAS No. 173903–15–6) (provided for in HTS subheading 2924.29.70), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs of manufacturing the herbicide in the United States,

making the final product more affordable to U.S. farmers without jeopardizing any domestic manufacturer.

DPC 083 (SEC.1210)

*Present law*

(S)-6-chloro-3,4-dihydro-4E-cyclopropylethenyl-4-trifluoromethyl-2(1H)-quinoxolinone (CAS No. 214287-99-7) (provided for in HTS subheading 2933.90.46) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for (S)-6-chloro-3,4-dihydro-4E-cyclopropylethenyl-4-trifluoromethyl-2(1H)-quinoxolinone (CAS No. 214287-99-7) (provided for in FITS subheading 2933.90.46), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

DPC 961 (SEC. 1211)

*Present law*

(S)-6-chloro-3,4-dihydro-4-cyclopropylethynyl-4-trifluoromethyl-2(1H)-quinoxolinone (CAS No. 214287-88-4) (provided for in HTS subheading 2933.90.46) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter 11 of chapter 99 of the HTS by inserting a new heading for (S)-6-chloro-3,4-dihydro-4-cyclopropylethynyl-4-trifluoromethyl-2(1H)-quinoxolinone (CAS No. 214287 88 4) (provided for in HTS subheading 2933.90.46), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

PETROLEUM SULFONIC ACIDS, SODIUM SALTS (SEC. 1212)

*Present law*

Petroleum sulfonic acids, sodium salts (CAS No. 68608-26-4) (provided for in HTS subheading 3402.11.50) is subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Petroleum sulfonic acids, so-

dium salts (CAS No. 68608–26–4) (provided for in HTS subheading 3402.11.50), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

PRO-JET CYAN 1 PRESS PASTE (SEC. 1213)

*Present law*

Direct blue 199 acid (CAS No. 80146–12–9) (provided for in HTS subheading 3204.14.30) is subject to NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Direct blue 199 acid (CAS No. 80146–12–9) (provided for in HTS subheading 3204.14.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

PRO-JET BLACK ALC POWDER (SEC. 1214)

*Present law*

Direct black 184 (provided for in HTS subheading 3204.14.30) is subject to an NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Direct black 184 (provided for in HTS subheading 3204.14.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

PRO-JET FAST YELLOW 2 RO FEED (SEC. 1215)

*Present law*

Direct yellow 173 (provided for in HTS subheading 3204.14.30) is subject to an NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Direct yellow 173 (provided for in HTS subheading 3204.14.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

SOLVENT YELLOW 145 (SEC. 1216)

*Present law*

Solvent yellow 145 (CAS No. 27425-55-4) (provided for in HTS subheading 3204.19.25) is subject to an NTR duty rate of 11.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Solvent yellow 145 (CAS No. 27425-55-4) (provided for in HTS subheading 3204.19.25), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

PRO-JET FAST MAGENTA 2 RO FEED (SEC. 1217)

*Present law*

Direct violet 107 (provided for in HTS subheading 3204.14.30) is subject to an NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting in numerical sequence the new heading for Direct violet 107 (provided for in HTS subheading 3204.14.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

PRO-JET FAST CYAN 2 STAGE (SEC. 1218)

*Present law*

Direct blue 307 (provided for in HTS subheading 3204.14.30) is subject to an NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Direct blue 307 (provided for in HTS subheading 3204.14.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

## PRO-JET CYAN 485 STAGE (SEC. 1219)

*Present law*

[(2-Hydroxyethylsulfamoyl)sulfophthalocyaninato] copper (II), mixed isomers (provided for in HTS subheading 3204.14.30) is subject to an NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for [(2-Hydroxyethylsulfamoyl)sulfophthalocyaninato] copper (II), mixed isomers (provided for in HTS subheading 3204.14.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## TRIFLUSULFURON METHYL FORMULATED PRODUCT (SEC. 1220)

*Present law*

Methyl 2-[[[[-4(dimethylamino)-6-(2,2,2-trifluoroethoxy)-1,3,5-triazin-2-yl]-amino]carbonyl] amino] sulfonyl]-3-methylbenzoate (CAS No. 126535-15-7) (provided for in HTS subheading 3808.30.15) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for methyl 2-[[[[-4(dimethylamino)-6-(2,2,2-trifluoroethoxy)-1,3,5-triazin-2-yl]-amino]carbonyl]amino]sulfonyl]-3-methylbenzoate (CAS No. 126535-15-7) (provided for in subheading 3808.10.15), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs of manufacturing the herbicide in the United States, making the final product more affordable to U.S. farmers without jeopardizing any domestic manufacturer.

## PRO-JET FAST CYAN 3 STAGE (SEC. 1221)

*Present law*

[29H, 31H-Phthalocyaninato (2-)-xN29, xN30, xN31, xN32], copper[[2-[4-(2-amino-ethyl)-1-piperazinyl] ethyl]-amino]-sulfonylamino]sulfonyl [(2-hydroxyethyl)amino]-sulfonyl [[2-[[2-(1-piperazinyl)ethyl] amino] ethyl]amino]- sulfonyl sulfo derivatives and their sodium salts (provided for in HTS subheading 3204.14.30) is subject to an NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for [29H, 31H-Phthalocyaninato (2-xN29, xN30, xN31, xN32), copper[[2-[4-(2-amino-ethyl)-1-

piperazinyl] ethyl]-amino]-sulfonylaminosulfonyl [(2-hydroxyethyl)amino]-sulfonyl [[2-[[2-(1-piperazinyl)ethyl]amino]ethyl]amino]- sulfonyl sulfo derivatives and their sodium salts (provided for in HTS subheading 3204.14.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

PRO-JET CYAN 1 RO FEED (SEC. 1222)

*Present law*

Direct blue 199 sodium salt (CAS No. 90295-11-7) (provided for in HTS subheading 3204.14.30) is subject to an NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting the new heading for Direct blue 199 sodium salt (CAS No. 90295-11-7) (provided for in HTS subheading 3204.14.30), as duty free until December 31, 2000, and a staged rate reduction thereafter.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

PRO-JET FAST BLACK 287 NA PASTE/LIQUID FEED (SEC. 1223)

*Present law*

Direct black 195 (CAS No. 160512-93-6) (provided for in HTS subheading 3204.14.30) is subject to an NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting the new heading for Direct black 195 (CAS No. 160512-93-6) (provided for in HTS subheading 3204.14.30), as duty free until December 31, 2000 and a staged rate reduction thereafter.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the products more competitive without jeopardizing any domestic manufacturer.

4-(CYCLOPROPYL-A-HYDROXYMETHYLENE)-3,5-DIOXO-CYCLOHEXANECARBOXYLIC ACID ETHYL ESTER (SEC. 1224)

*Present law*

4-(Cyclopropyl-a-hydroxymethylene)-3,5-dioxo-cyclohexane-carboxylic acid ethyl ester (CAS No. 95266-40-3) (provided for in HTS subheading 2918.90.50) is subject to an NTR duty rate of 4% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 4-(Cyclopropyl-a-hydroxymethylene)-3,5-dioxo-cyclohexanecarboxylic acid ethyl ester (CAS No. 95266-40-3) (provided for in HTS subheading 2918.90.50), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

4''-EPIMETHYLAMINO-4''-DEOXYAVERMECTIN B1A AND B1B BENOZATES (SEC. 1225)

*Present law*

4''-Epimethylamino-4''-deoxyavermectin B1a and B1b benozates (CAS No. 137512-74-4, 155569-91-8, or 179607-18-2) (provided for in HTS subheading 2938.90.00) is subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 4''-Epimethylamino-4''-deoxyavermectin B1a and B1b benozates (CAS No. 137512-74-4, 155569-91-8, or 179607-18-2) (provided for in HTS subheading 2938.90.00), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

FORMULATIONS CONTAINING 2-[4-[(5-CHLORO-3-FLUORO-2-PYRIDINYL)OXY]-PHENOXY]-2-PROPYNYL ESTER (SEC. 1226)

*Present law*

Propanoic acid, 2-[4-[(5-chloro-3-fluoro-2-pyridinyl)oxy]-phenoxy]-2-propynyl ester (CAS No. 105512-06-9) (provided for in subheading 3808.30.15) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for propanoic acid, 2-[4-[(5-chloro-3-fluoro-2-pyridinyl)oxy]-phenoxy]-2-propynyl ester (CAS No.



105512-06-9) (provided for in HTS subheading 3808.30.15), with a duty reduction to 3% until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

MIXTURES OF 2-(2-CHLOROETHOXY)-N-[[4-METHOXY-6-METHYL-1,3,5-TRIAZIN-2-YL)-AMINO]CARBONYLBENZENESULFONAMIDE] AND 3,6-DICHLORO-2-METHOXYBENZOIC ACID (SEC. 1227)

*Present law*

Mixtures of 2-(2-chloroethoxy)-N-[[4-methoxy-6-methyl-1,3,5-triazin-2-yl)amino] carbonylbenzene-sul-fonamide] (CAS No. 82097-50-5) and 3,6-dichloro-2-methoxybenzoic acid (CAS No. 1918-00-9) with application adjuvants (provided for in HTS subheading 3808.30.15) are subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for mixtures of 2-(2-chloroethoxy)-N-[[4-methoxy-6-methyl-1,3,5-triazin-2-yl)amino] carbonylbenzene-sul-fonamide] (CAS No. 82097-50-5) and 3,6-dichloro-2-methoxybenzoic acid (CAS No. 1918-00-9) with application adjuvants (provided for in HTS subheading 3808.30.15), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

(E,E)-a-(METHOXYIMINO)-2-[[[1-[3-(TRIFLUOROMETHYL)PHENYL] ETHYLIDENE]AMINO]OXY]METHYL] BENZENEACETATE ACID, METHYL ESTER (SEC. 1228)

*Present law*

(E,E)-a-(mexthoxyimino)-2-[[[1-[3-(trifluoromethyl)phenyl]ethylidene]oxy]methyl] benzeneacetate (CAS No. 141517-21-7) (provided for in HTS subheading 2929.90.20) is subject to an NTR duty rate of 10.4% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for (E,E)-a-(mexthoxylmino)-2-[[[1-[3-(trifluoromethyl)phenyl]ethylidene]oxy] methyl]benzene-acetate (CAS No. 141517-21-7) (provided for in HTS subheading 2929.90.20), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## FORMULATIONS CONTAINING SULFUR (SEC. 1229)

*Present law*

Mixtures of sulfur (80% by weight) and application adjuvants (CAS No. 7704-34-9) (provided for in subheading 3808.20.50) are subject to an NTR duty rate of 5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by a new heading for mixtures of sulfur (80% by weight) and application adjuvants (CAS No. 7704-34-9) (provided for in subheading 3808.20.50), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

MIXTURES OF 3-(6-METHOXY-4-METHYL-1,3,5-TRIAZIN-2-YL)-1-[2-(2-CHLOROETHOXY)-PHENYLSULFONYL]-UREA (SEC. 1230)

*Present law*

Mixtures of 3-(6-methoxy-4-methyl-1,3,5-triazin-2-yl)-1-[2-(2-chloro-ethoxy)-phenylsulfonyl]-urea (CAS No. 82097-50-5), (provided for in HTS subheading 3808.30.15) are subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for mixtures of 3-(6-methoxy-4-methyl-1,3,5-triazin-2-yl)-1-[2-(2-chloro-ethoxy)-phenylsulfonyl]-urea (CAS No. 82097-50-5) (provided for in HTS subheading 3808.30.15), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

MIXTURES OF 4-CYCLOPROPYL-6-METHYL-N-PHENYL-2-PYRIMIDINAMINE-4-(2,2-DIFLUORO-1,3-BENZODIOXOL-4-YL)-1H-PYRROLE-3-CARBONITRILE (SEC. 1231)

*Present law*

Mixtures of 4-Cyclopropyl-6-methyl-N-phenyl-2-pyrimidinamine-4-(2,2-difluoro-1,3-benzodioxol-4-yl)-1H-pyrrole-3-carbonitrile (CAS No. 131341-86-1) (provided for in HTS subheading 3808.20.15) and application adjuvants are subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for mixtures of 4-Cyclopropyl-6-methyl-N-phenyl-2-pyrimidinamine-4-(2,2-difluoro-1,3-benzodioxol-4-yl)-1H-pyrrole-3-carbonitrile (CAS No. 131341-86-1) (provided for

in HTS subheading 3808.20.15) and application adjuvants, as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

(R)-2-[2,6-DIMETHYLPHENYL]-METHOXYACETYLAMINO]PROPIONIC ACID, METHYL ESTER AND (S)-2-[2,6-DIMETHYLPHENYL] METHOXYACETYLAMINO]PROPIONIC ACID, METHYL ESTER (SEC. 1232)

*Present law*

(R)-2-[2,6-Dimethylphenyl]-methoxyacetyl-amino]-propionic, acid methyl ester and (S)-2-[2,6-Dimethylphenyl-methoxyacetyl-amino]-propionic acid, methyl ester (CAS No. 69516-34-3) (both of the foregoing provided for in HTS subheading 2924.29.47) is subject to an NTR duty rate of 9.1% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for (R)-2-[2,6-Dimethylphenyl]-methoxyacetyl-amino]-propionic, acid methyl ester and (S)-2[2,6-Dimethylphenyl-methoxyacetyl-amino] propionic acid, methyl ester (CAS No. 69516-34-3) (both of the foregoing provided for in HTS subheading 2924.29.47), as duty free until December 31,2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

MIXTURES OF BENZOTHIALDIAZOLE-7-CARBOTHIOIC ACID, S-METHYL ESTER (SEC. 1233)

*Present law*

Mixtures of benzothialdiazole-7-carbothioic acid, S-methyl ester (CAS No. 135158-54-2) and application adjuvants (provided for in HTS subheading 3808.20.15) are subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for mixtures of benzothialdiazole-7-carbothioic acid, S-methyl ester (CAS No. 135158-54-2) and application adjuvants (provided for in HTS subheading 3808.20.15), as duty free until December 31,2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## BENZOTHIALDIAZOLE-7-CARBOETHIOIC ACID, S-METHYL ESTER (SEC. 1234)

*Present law*

Benzothialdiazole-7-carboethioic acid, S-methyl ester (CAS No. 135158-54-2) (provided for in HTS subheading 2934.90.12) is subject to an NTR duty rate of 8.2% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Benzothialdiazole-7-carboethioic acid, S-methyl ester (CAS No. 135158-54-2) (provided for in HTS subheading 2934.90.12), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

O-(4-BROMO-2-CHLOROPHENYL)-O-ETHYL-S-PROPYL PHOSPHOROTHIOATE  
(SEC. 1235)*Present law*

O-(4-Bromo-2-chlorophenyl)-O-ethyl-S-propyl phosphorothioate (CAS No. 41198-08-7) (provided for in HTS subheading 2930.90.10) is subject to an NTR duty rate of 8.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for O-(4-Bromo-2-chlorophenyl)-O-ethyl-S-propyl phosphorothioate (CAS No. 41198-08-7) (provided for in HTS subheading 293 0.90.10), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

1-[[2-(2,4-DICHLOROPHENYL)-4-PROPYL-1,3-DIOXOLAN-2-YL] METHYL]-1H-  
1,2,4-TRIAZOLE (SEC. 1236)*Present law*

1-[[2-(2,4-dichlorophenyl)-4-propyl-1,3-dioxolan-2-yl]methyl]-1H-1,2,4-triazole (CAS No. 60207-90-1) (provided for in HTS subheading 2934.90.12) is subject to an NTR duty rate of 8.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 1-[[2-(2,4-dichlorophenyl)-4-propyl -1,3-dioxolan-2-yl]methyl]-1H-1,2,4-triazole (CAS No. 60207-90-1) (provided for in HTS subheading 2934.90.12), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

TETRAHYDRO-3-METHYL-N-NITRO-5[[2-PHENYLTHIO)5-THIAZOLYL]-4H-1,3,5-OXADIAZIN-4-IMINE (SEC. 1237)

*Present law*

Tetrahydro-3-methyl-N-nitro-5[[2-phenylthio)-5-thiazolyl]-4H-1,3,5-oxadiazin-4-imine (CAS No. 19243-9-46-6) (provided for in HTS subheading 2934.10.10) is subject to an NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for tetrahydro-3-methyl-N-nitro-5[[2-phenylthio)-5-thiazolyl]-4H-1,3,5-oxadiazin-4-imine (CAS No. 19243-9-46-6) (provided for in HTS subheading 2934.10.10), with a duty reduction to 4.3% until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

1-(4-METHOXY-6-METHYLTRIAZIN-2-YL)-3-[2-(3,3,3-TRIFLUOROPROPYL)-PHENYLSULFONYL]-UREA (SEC. 1238)

*Present law*

1-(4-Methoxy-6-methyltriazin-2-yl)-3-[2-(3,3,3-trifluoropropyl)-phenylsulfonyl]-urea (CAS No. 94125-34-5) (provided for in HTS subheading 2935.00.75) is subject to an NTR duty rate of 6.5%, ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 1-(4-Methoxy-6-methyltriazin-2-yl)-3-[2-(3,3,3-trifluoropropyl)-phenylsulfonyl]-urea (CAS No. 94125-34-5) (provided for in HTS subheading 2935.00.75), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

4,5-DIHYDRO-6-METHYL-4-[(3-PYRIDINYLMETHYLENE) AMINO] 1,2,4-TRIAZIN-3(2H)-ONE (SEC. 1239)

*Present law*

4,5-dihydro-6-methyl-4-[(3-pyridinylmeth-ylene)amino]1,2,4-triazin-3(2H)-one (CAS No. 123312-89-0) (provided for in HTS sub-

heading 2933.69.60) is subject to an NTR duty rate of 3.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 4,5-dihydro-6-methyl-4-[(3-pyridinylmeth-ylene)amino]1,2,4-triazin-3(2H)-one (CAS No. 123312-89-0) (provided for in HTS subheading 2933.69.60), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

4-(2,2-DIFLUORO-1,3-BENZODIOXOL-4-YL)-1H-PYRROLE-3-CARBONITRILE  
(SEC. 1240)

*Present law*

4-(2,2-Difluoro-1,3-benzodioxol-4-yl)-1H-pyrrole-3-carbonitrile (CAS No. 131341-86-1) (provided for in HTS subheading 2934.90.12) is subject to an NTR duty rate of 8.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 4-(2,2-Difluoro-1, 3-benzodioxol-4-yl)-1H-pyrrole-3-carbonitrile (CAS No. 131341-86-1) (provided for in HTS subheading 2934.90.12), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

MIXTURES OF 2-(((4,6-DIMETHOXYPYRIMIDIN-2-YL)AMINO)-CARBONYL)SULFONYL)-N,N-DIMETHYL-3-PYRIDINECARBOXAMIDE AND APPLICATION ADJUVANTS (SEC. 1241)

*Present law*

Mixtures of 2-(((4,6-dimethoxypyrimidin-2-yl)amino)-carbonyl)sulfonyl)-N,N-dimethyl-3 pyridinecarboxamide and application adjuvants (CAS No. 111991-09-4) (provided for in HTS subheading 3808.30.15) is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Mixtures of 2-(((4,6-dimethoxypyrimidin-2-yl)amino)-carbonyl)sulfonyl)-N,N-dimethyl-3 pyridinecarboxamide and application adjuvants (CAS No. 111991-09-4) (provided for in HTS subheading 3808.30.15), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. companies to reduce costs of manufacturing the herbicide in the U.S. and make the final product more affordable to U.S. farmers without jeopardizing any domestic manufacturer.

## MONOCHROME GLASS ENVELOPES (SEC. 1242)

*Present law*

Monochrome glass envelopes (provided for in HTS subheading 7011.20.40) are subject to an NTR duty rate of 5.2% ad valorem.

*Explanation of provision*

This provision would amend subchapter 11 of chapter 99 of the HTS by inserting a new heading for monochrome glass envelopes (provided for in HTS subheading 7011.20.40), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

## CERAMIC COATER (SEC. 1243)

*Present law*

Ceramic coater for laying down and drying ceramic (as provided for in HTS subheading 8479.89.97) is subject to NTR duty rate of 2.5% ad valorem.

*Explanation of provision*

This provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for ceramic coaters used for laying down and drying ceramic (provided for in HTS subheading 8479.89.97), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

## PRO-JET BLACK 263 STAGE (SEC. 1244)

*Present law*

5-[4-(7-Amino-1-hydroxy-3-sulfonaphthalen-2-ylazo)-2,5-bis(2-hydroxyethoxy)-phenylazo]isophthalic acid, lithium salt (provided for in HTS subheading 3204.14.30) is subject to an NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 5-[4-(7-Amino-1-hydroxy-3-sulfonaphthalen-2-ylazo)-2,5-bis(2-hydroxyethoxy)-phenylazo]isophthalic acid, lithium salt (provided for in HTS subheading 3204.14.30), as duty-free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## PRO-JET FAST BLACK 286 PASTE (SEC. 1245)

*Present law*

1,3-Benzenedicarboxylic acid, 5-[[4-[(7-amino-1-hydroxy-3-sulfo-2-naphthalenyl) azo-6-sulfo-1-naphthalenyl]azo]-, sodium salt (CAS No. 201932-24-3) (provided for in HTS subheading 3204.14.30) is subject to NTR duty rate of 9.9% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 1,3-Benzenedicarboxylic acid, 5-[[4-[(7-amino-1-hydroxy-3-sulfo-2-naphthalenyl) azo-6-sulfo-1-naphthalenyl]azo]-, sodium salt (CAS No. 201932-24-3) (provided for in HTS subheading 3204.14.30), as duty-free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## BROMINE-CONTAINING COMPOUNDS (SEC. 1246)

*Present law*

Bromine-containing compounds are classifiable under HTS subheadings 2904.90.50 and 2903.69.70 and are subject to an NTR duty rate of 5.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting new subheadings for:

2-Bromoethanesulfonic acid, sodium salt (CAS No. 4263-52-9) (provided for in HTS subheading 2904.90.50) as duty free until December 31, 2003,

4,4'-Dibromobiphenyl (CAS No. 92-86-4) (provided for in HTS subheading 2903.69.70) as duty free until December 31, 2003,

4-Bromotoluene (CAS No. 106-38-7) (provided for in HTS subheading 2903.69.70), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.



## PYRIDINEDICARBOXYLIC ACID (SEC. 1247)

*Present law*

Pyridinedicarboxylic acid is classifiable under HTS subheadings 2933.90.79, 2933.90.24 and 2921.49.45 and is subject to an NTR duty rate of 8.6% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting new subheadings for:

1,4-Dihydro-2,6-dimethyl-1,4-diphenyl-3,5-pyridinedicarboxylic acid, dimethyl ester (CAS No. 83300-85-0) (provided for in HTS subheading 2933.90.79) as duty free until December 31, 2003;

1-[2-[2-Chloro-3-[(1,3-dihydro-1,3,3-trimethyl-2H-indol-2-ylidene) ethylidene]-1-cyclopenten-1-yl]ethenyl]-1,3,3-trimethyl-3H-indolium salt with trifluoromethanesulfonic acid (1:1) (CAS No. 128433-68-1) (provided for in HTS subheading 2933.90.24), as duty free until December 31, 2003;

N-[4-[5-[4-(Dimethylamino)-phenyl]-1,5-diphenyl-2,4-pentadienylydene]-2,5-cyclohexadien-1-ylidene]-N-methylmethanaminium salt with trifluoromethane-sulfonic acid (1:1) (CAS No. 100237-71-6) (provided for in HTS subheading 2921.49.45), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## CERTAIN SEMICONDUCTOR MOLD COMPOUNDS (SEC. 1248)

*Present law*

Thermosetting epoxide molding compounds of a kind suitable for use in the manufacture of semiconductor devices, via transfer molding processes, containing 70 percent or more of silica, by weight, and having less than 75 parts per million of combined water-extractable content of chloride, bromide, potassium and sodium are classifiable under HTS subheading 3907.30.00 and are subject to an NTR duty rate of 6.1% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Thermosetting epoxide molding compounds of a kind suitable for use in the manufacture of semiconductor devices, via transfer molding processes, containing 70 percent or more of silica, by weight, and having less than 75 parts per million of combined water-extractable content of chloride, bromide, potassium and sodium (provided for in HTS subheading 3907.30.00), and setting it at a duty rate of 3.5% until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

SOLVENT BLUE 67 (SEC. 1249)

*Present law*

Solvent blue 67 is classifiable under HTS subheading 3204.19.11 and is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Solvent blue 67 (CAS No. 81457-65-0) (provided for in HTS subheading 3204.19.11), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

PIGMENT BLUE 60 (SEC. 1250)

*Present law*

Pigment blue 60 is classifiable under HTS subheading 3204.17.90 and is subject to an NTR duty rate of 10.6% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Pigment blue 60 (CAS No. 81-77-6) (provided for in HTS subheading 3204.17.90), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

MENTHYL ANTHRANILATE (SEC. 1251)

*Present law*

Menthyl anthranilate is classifiable under HTS subheading 2922.49.27 and is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for menthyl anthranilate (CAS No. 134-09-08) (provided for in HTS subheading 2922.49.27), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

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4-BROMO-2-FLUOROACETANILIDE (SEC. 1252)

*Present law*

4-Bromo-2-fluoroacetanilide is classifiable under HTS subheading 2924.21.50 and is subject to an NTR duty rate of 7.4% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 4-Bromo-2-fluoroacetanilide (CAS No. 326-66-9) (provided for in HTS subheading 2924.21.50), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

PROPIOPHENONE (SEC. 1253)

*Present law*

Propiophenone is classifiable under HTS subheading 2914.39.90 and is subject to an NTR duty rate of 7.4% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for propiophenone (CAS No. 93-55-0) (provided for in HTS subheading 2914.39.90), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

m-CHLOROBENZALDEHYDE (SEC. 1254)

*Present law*

m-Chlorobenzaldehyde is classifiable under HTS subheading 2913.00.40 and is subject to an NTR duty rate of 9.8% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for m-Chlorobenzaldehyde (CAS No. 587-04-2) (provided for in sub-heading 2913.00.40), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## CERAMIC KNIVES (SEC. 1255)

*Present law*

Ceramic knives are classifiable under HTS subheading 6911.10.80 or 6912.00.48 and is subject to an NTR duty rate of 22.4% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for knives having ceramic blades, such blades containing over 90% zirconia by weight (provided for in sub-heading 6911.10.80 or 6912.00.48), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

## STAINLESS STEEL RAILCAR BODY SHELLS (SEC. 1256)

*Present law*

Stainless steel railcar body shells are classifiable under HTS subheading 8607.99.10 and are subject to an NTR duty rate of 2.8% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for railway car bodyshells of stainless steel, the foregoing which are designed for gallery type railway cars each having an aggregate capacity of 138 passengers on two enclosed levels (provided for in HTS subheading 8607.99.10), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

STAINLESS STEEL RAILCAR BODY SHELLS OF 148-PASSENGER CAPACITY  
(SEC. 1257)*Present law*

Stainless steel railcar body shells of 100-passenger capacity are classifiable under HTS subheading 8607.99. 10 and are subject to an NTR duty rate of 2.8% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for railway car body shells of stainless steel, the foregoing which are designed for use in gallery type cab control railway cars each having an aggregate capacity of 148 passengers on two enclosed levels (provided for in HTS subheading 8607.99.10), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

## PENDIMETHALIN (SEC. 1258)

*Present law*

N-(Ethylpropyl)-3,4-dimethyl-2,6-dinitroaniline (Pendimethalin) is classifiable under HTS subheading 2921.49.50 and is subject to an NTR duty rate of 10.3% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for N-(Ethylpropyl)-3,4-dimethyl-2,6-dinitroaniline (Pendimethalin) (CAS No. 40487-42-1) (provided for in HTS subheading 2921.49.50), and setting it at a duty rate of 1.1% until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 3,5-DIBROMO-4-HYDROXYBENZONITRIL ESTER AND INERTS (SEC. 1259)

*Present law*

Mixtures of octanoate and heptanoate esters of bromoxynil (3,5-Dibromo-4-hydroxybenzotrile) with application adjuvants is classifiable under HTS subheading 3808.30.15 and is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for mixtures of octanoate and heptanoate esters of bromoxynil (3,5-Dibromo-4-hydroxybenzotrile) (CAS Nos. 1689-99-2 and 56634-95-8) with application adjuvants (provided for in HTS subheading 3808.30.15), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## 3,5-DIBROMO-4-HYDROXYBENZONITRIL (SEC. 1260)

*Present law*

Bromoxynil (3,5-dibromo-4-hydroxybenzotrile) octanoic acid ester is classifiable under HTS subheading 2926.90.25 and is subject to an NTR duty rate of 8.6% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Bromoxynil (3,5-dibromo-4-hydroxybenzotrile), octanoic acid ester (CAS No. 1689-99-2) (provided for in HTS subheading 2926.90.25) and set it at a duty rate of 4.2% until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## ISOXAFLUTOLE (SEC. 1261)

*Present law*

4-(2-Methanesulfonyl-4-trifluoromethylbenzoyl)-5-cyclopropylisoxazole is classifiable under HTS subheading 2934.90.15 and is subject to an NTR duty rate of 8.6% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 4-(2-Methanesulfonyl-4-trifluoromethylbenzoyl)-5-cyclopropylisoxazole (CAS No. 141112-29-0) (provided for in HTS subheading 2934.90.15) and set it at a duty rate of 1.0% until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## CYCLANILIDE TECHNICAL (SEC. 1262)

*Present law*

1-(2,4-Dichlorophenylaminocarbonyl)-cyclopropanecarboxylic acid is classifiable under HTS subheading 2924.29.47 and is subject to an NTR duty rate of 8.4% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for 1-(2,4-Dichlorophenylaminocarbonyl)-cyclopropanecarboxylic acid. (CAS No. 113136-77-9) (provided for in HTS subheading 2924.29.47) and setting it at a duty rate of 5.7% until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## R115777 (SEC. 1263)

*Present law*

(R)-6-[Amino(4-chlorophenyl)(1-methyl-1H-imidazol-5-yl)methyl]-4-(3-chlorophenyl)-1-methyl-2(1H)-quinoline is classifiable under HTS subheading 2933.40.26 and is subject to an NTR duty rate of 6.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for (R)-6-[Amino(4-chlorophenyl)(1-methyl-1H-imidazol-5-yl)methyl]-4-(3-chlorophenyl)-1-methyl-2(1H)-quinoline (CAS No. 192185-72-1) (provided for in HTS subheading 2933.40.26) as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## BONDING MACHINES (SEC. 1264)

*Present law*

Bonding machines are classifiable under HTS subheading 8479.89.97 and are subject to an NTR duty rate of 2.5% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for bonding machines for use in the manufacture of digital versatile discs (DVDs) (provided for in HTS subheading 8479.89.97) and setting it at a duty rate of 1.7% until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

## GLYOXYLIC ACID (SEC. 1265)

*Present law*

Glyoxylic acid is classifiable under HTS subheading 2918.30.90 and is subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision amends subchapter II of chapter 99 of the HTS by inserting a new heading for glyoxylic acid (CAS No. 298-12-4) (provided for in HTS subheading 2918.30.90), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

## FLUORIDE COMPOUNDS (SEC. 1266)

*Present law*

Ammonium bifluoride is classifiable under HTS subheadings 2826.11.10 and 2826.19.00 and is subject to an NTR duty rate of 3.1% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting a new heading for Ammonium bifluoride, as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. chemical manufacturers to reduce costs, making the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

## COBALT BORON (SEC. 1267)

*Present law*

Cobalt boron is classifiable under HTS subheading 8105.10.30 and is subject to an NTR duty rate of 4.4% ad valorem.

*Explanation of provision*

This provision would amend subchapter II of chapter 99 of the HTS by inserting new heading for Cobalt boron (provided for in HTS subheading 8105.10.30), as duty free until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

CERTAIN STEAM OR OTHER VAPOR GENERATING BOILERS USED IN  
NUCLEAR FACILITIES (SEC. 1268)*Present law*

Watertube boilers with a steam production exceeding 45 t per hour, for use in nuclear facilities (provided for in sub-heading 8402.11.00) are subject to an NTR duty rate of 5.2% ad valorem.

*Explanation of provision*

The provision amends subchapter II of chapter 99 of the HTS by inserting a new subheading for watertube boilers with a steam production exceeding 45 t per hour, for use in nuclear facilities (provided for in HTS subheading 8402.11.00), with a duty reduction to 4.9% ad valorem until December 31, 2003.

The duty reduction applies only to those binding contracts that have been entered into on or before the date of enactment of this



Act and does not apply to any contracts entered into after such date.

*Reason for change*

This duty reduction will reduce costs for nuclear power facilities operators. The Committee expects that these savings will be passed directly and entirely to the consumer.

FIPRONAL TECHNICAL (SEC. 1269)

*Present law*

Fipronal Technical (CAS No. 120068–37–3) (provided for in HTS subheading 2933.19.23) is subject to an NTR duty rate of 9.3% ad valorem.

*Explanation of provision*

This provision amends subchapter II of chapter 99 of the HTS by inserting in a new heading for Fipronal Technical (CAS No. 120068–37–3) (provided for in HTS subheading 2933.19.23), with a duty reduction to 5.6% ad valorem until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making the downstream products more competitive without jeopardizing any domestic manufacturer.

*Chapter 2—Existing Duty Suspensions and Reductions*

SEC. 1301. EXTENSION OF CERTAIN EXISTING DUTY SUSPENSIONS AND REDUCTIONS

(a) Existing duty suspensions

*Present law*

(1) The temporary duty suspension for DEMA (provided for in HTS heading 9902.32.12) would expire December 31, 2001, after which time the product would be subject to an NTR duty rate of 11.4% ad valorem.

(2) The temporary suspension of duty on a certain polymer (provided for, in HTS heading 9902.3 9.07) is to expire December 31, 2001, after which time the product would be subject to an NTR duty rate of 6.5% ad valorem.

(3) The temporary suspension of duty on 4-hexylresorcinol (provided for in HTS heading 9902.29.07) is to expire December 31, 2001, after which time the product would be subject to an NTR duty rate of 5.5% ad valorem.

(4) The temporary suspension of duty on certain sensitizing dyes (provided for in HTS heading 9902.29.37) is to expire December 31, 2001, after which time the product would be subject to an NTR duty rate of 6.5% ad valorem.

(5) The temporary suspension of duty on certain organic pigments and dyes (provided for in HTS heading 9902.32.07) is to expire December 31, 2001, after which time the product would be subject to an NTR duty rate of 5.9% ad valorem.

(6) The temporary suspension of duty on certain semi-manufactured forms of gold (provided for in HTS heading 9902.71.08) is to

expire December 31, 2001, after which time the product would be subject to an NTR duty rate of 4.1 % ad valorem.

(7) The temporary suspension on DPXE 6578 (provided for in HTS heading 9902.33.59) expires on December 31, 2001, after which time the product would be subject to an NTR duty rate of 9.3% ad valorem (as provided for in HTS subheading 2933.59.70).

(8) The temporary suspension on rimsulfuron (provided for in HTS heading 9902.33.60) expires on December 31, 2000, after which time the product would be subject to an NTR duty rate of 9.3% ad valorem (as provided for in HTS subheading 2935.00.75).

(9) The temporary suspension on rolled glass (provided for in HTS heading 9902.70.03) expires on December 31, 2001, after which time the product would be subject to an NTR duty of 1.3% ad valorem.

(10) The temporary suspension on ferroboron (provided for in HTS heading 9902.72.02) expires on December 31, 2001, after which time the product would be subject to an NTR duty rate of 5% ad valorem.

(11) The temporary duty suspension on synthetic quartz and synthetic fused silica (provided for in HTS heading 9902.70.06) expires on December 31, 2001 after which time the product would be subject to an NTR duty of 4.9% ad valorem.

(12) The temporary duty suspension on diiodomethyl-p-tolylsulfone (provided for in HTS heading 9902.32.90) expires on December 31, 2001, after which time the product would be subject to an NTR duty rate of 7.7% ad valorem.

(13) The temporary duty suspension on b-bromo-b-nitrostyrene (provided for in HTS heading 9902.32.92) expires on December 31, 2001, after which time the product would be subject to an NTR duty rate of 7.6% ad valorem.

(14) The temporary duty suspension on Yttrium (provided for in HTS heading 9902.32.06) expires on December 31, 2000, after which time the product would be subject to an NTR duty rate of 6.5% ad valorem.

(15) The temporary duty suspension on methyl thioglycolate (provided for in HTS heading 9902.32.55) expires on December 31, 2001, after which time the product would be subject to an NTR duty rate of 3.7% ad valorem.

*Explanation of provision*

This provision would amend the above HTS headings to extend those temporary duty suspensions until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to continue to keep costs down, which would continue to make downstream product industries more competitive without jeopardizing any domestic manufacturer.

(b) Existing duty reductions

*Present law*

Ethylene/tetra-fluoroethylene copolymer (ETFE) (provided for in HTS heading 3904.69.50) is currently subject to an NTR duty rate

of 6.5% ad valorem, and a duty reduction rate of 3.3% ad valorem (provided for in HTS heading 9902.29.68) until December 31, 2001.

*Explanation of provision*

This provision would amend HTS heading 9902.29.68 by extending the duty reduction rate to December 31, 2003. The NTR rate of duty is provided above to make importers aware that this product is classified under two separate HTS headings, and that all importers of the above product may avail themselves of the duty reduction rate.

*Reason for change*

This provision would enable U.S. chemical manufacturers to continue the reduced costs, keeping the chemicals and downstream product industries more competitive without jeopardizing any domestic manufacturer.

(c) Other modifications

*Present law*

(1) There is a temporary duty suspension for methyl ester (provided for in HTS heading 9902.38.24).

(2) There is a temporary duty suspension on certain manufacturing equipment (provided for in HTS headings 9902.84.83, 9902.84.85, 9902.84.87, 9902.84.89, and 9902.84.91).

(3) There is a temporary duty reduction on carbamic acid (provided for in HTS heading 9902.33.61).

(4) There is a temporary duty reduction on DPX-E9260 (provided for in HTS subheading 9902.33.63).

*Explanation of provision*

This provision would modify the existing duty suspensions and reductions identified above, as follows:

(1) The temporary duty suspension on methyl ester would be changed to a staged rate duty reduction and extended until December 31, 2003.

(2) The temporary duty suspension on certain manufacturing equipment would be modified.

(3) The temporary duty reduction on carbamic acid would be made a duty suspension and extended until December 31, 2003.

(4) The temporary duty reduction on DPX-E9260 would be made a duty suspension and extended until December 31, 2003.

*Reason for change*

This provision would enable U.S. manufacturers that use these products to reduce costs, making downstream products more competitive without jeopardizing any domestic manufacturer.

Subtitle B—Other Tariff Provisions

*Chapter 1—Liquidation or Reliquidation of Certain Entries*

CERTAIN TELEPHONE SYSTEMS (SEC. 1401)

*Present law*

Certain identified entries of telephone systems were liquidated by U.S. Customs under an incorrect HTS number.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of certain identified entries in accordance with a final decision of the U.S. Department of Commerce of May 7, 1990 (A580–803–001).

*Reason for change*

This provision authorizes U.S. Customs to liquidate or reliquidate these entries at the correct rate of duty.

COLOR TELEVISION RECEIVER ENTRIES (SEC. 1402)

*Present law*

Certain identified entries of color televisions were liquidated by U.S. Customs under an incorrect HTS number.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of certain identified color television receiver entries.

*Reason for change*

This provision authorizes U.S. Customs to liquidate or reliquidate these entries at the correct rate of duty.

COPPER AND BRASS SHEET AND STRIP (SEC. 1403)

*Present law*

Certain identified entries of copper and brass sheet and strip entered during the period from October 18, 1986 to December 5, 1990 were liquidated by the Customs Service.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of certain identified entries of copper and brass sheet and strip entered.

*Reason for change*

This provision authorizes U.S. Customs to reliquidate these entries at the correct rate of duty.

ANTIFRICTION BEARINGS (SEC. 1404)

*Present law*

Certain identified entries of antifriction bearings entered during the period from May 26, 1989 to April 12, 1990 were liquidated by U.S. Customs.

*Explanation of provision*

This provision would provide for the liquidation or reliquidation of certain identified entries of antifriction bearings from May 26, 1989 to April 12, 1990.

*Reason for change*

This provision authorizes U.S. Customs to liquidate or reliquidate these entries at the correct rate of duty.

## OTHER ANTIFRICTION BEARINGS (SEC. 1405)

*Present law*

Certain identified entries of antifriction bearings entered during the period from April 4, 1990 to May 21, 1991 were liquidated by U.S. Customs.

*Explanation of provision*

This provision would provide for the liquidation or reliquidation of certain identified entries of antifriction bearings entered during the period from April 4, 1990 to May 21, 1991.

*Reason for change*

This provision authorizes U.S. Customs to reliquidate these entries at the correct rate of duty.

## PRINTING CARTRIDGES (SEC. 1406)

*Present law*

Certain identified entries of printing cartridges entered during the period from April 18, 1997 to March 27, 1998 were liquidated by the Customs Service.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of certain identified entries of printing cartridges.

*Reason for change*

This directs the U.S. Customs Service to liquidate or reliquidate these entries at the correct duty rate.

## LIQUIDATION OR RELIQUIDATION OF CERTAIN ENTRIES OF N,N-DICYCLOHEXYLL-2-BENSOTHAZOLE-SULFENAMIDE (SEC. 1407)

*Present law*

Certain identified entries of N,N-dicyclohexyll-2-bensothazole-sulfenamamide entered during the period from February 1, 1995 to November 26, 1996 were liquidated by the Customs Service.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of certain identified entries of N,Ndicyclohexyll-2-bensothazole-sulfenamamide during the period from February 1, 1995 to November 26, 1996 as free from duty.

*Reason for change*

This directs the U.S. Customs Service to liquidate or reliquidate these entries at the correct duty rate.

CERTAIN ENTRIES OF TOMATO SAUCE PREPARATION (SEC. 1408)

*Present law*

Certain identified entries of tomato sauce preparation entered during the period from July 14, 1989 to February 9, 1995 were liquidated by the Customs Service.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of certain identified entries of tomato sauce preparation.

*Reason for change*

This directs the U.S. Customs Service to liquidate or reliquidate these entries at the correct rate of duty.

CERTAIN TOMATO SAUCE PREPARATION ENTERED IN 1990 THROUGH 1992  
(SEC. 1409)

*Present law*

Certain identified entries of tomato sauce preparation entered during the period from November 28, 1990 to December 12, 1992 were liquidated by the Customs Service.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of certain identified entries of tomato sauce preparation.

*Reason for change*

This directs the U.S. Customs Service to liquidate or reliquidate these entries at the correct rate of duty.

CERTAIN TOMATO SAUCE PREPARATION ENTERED IN 1989 THROUGH 1995  
(SEC. 1410)

*Present law*

Certain identified entries of tomato sauce preparation entered during the period from October 11, 1989 to April 28, 1995 were liquidated by the Customs Service.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of certain identified entries of tomato sauce preparation.

*Reason for change*

This directs the U.S. Customs Service to liquidate or reliquidate these entries at the correct rate of duty.

## CERTAIN TOMATO SAUCE PREPARATION ENTERED IN 1989 AND 1990. (SEC. 1411)

*Present law*

Certain identified entries of tomato sauce preparation entered during the period from July 27, 1989 to January 12, 1990 were liquidated by the Customs Service.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of certain identified entries of tomato sauce preparation.

*Reason for change*

This directs the U.S. Customs Service to liquidate or reliquidate these entries at the correct rate of duty.

## NEOPRENE SYNCHRONOUS TIMING BELTS (SEC. 1412)

*Present law*

On March 3, 1990, entry number 469-0015023-9 was levied a 74.9% anti-dumping duty. The entry consisted of a shipment of neoprene synchronous timing belts.

*Explanation of provision*

Any amounts owed by the U.S. pursuant to the liquidation or reliquidation of the entry number 469-0015023-9, with interest accrued from the date of entry, shall be paid by the U.S. Customs Service within 90 days after such liquidation or reliquidation.

*Reason for change*

During the period from February 1, 1989 until February 28, 1990, anti-dumping duties levied on neoprene synchronous timing belts were reduced from 74.9% to 24%. Despite this reduction, entry number 469-0015023-9 was still charged the full 74.9%. This provision redresses this oversight and refunds sums equal to the amount that was overcharged.

## RELIQUIDATION OF DRAWBACK CLAIM NUMBER R74-10343996 (SEC. 1413)

*Present law*

Section 313(j) of the Tariff Act of 1930 (19 U.S.C. section 1313(j)) allows exporters to claim drawback under certain circumstances.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of the identified drawback claims.

*Reason for change*

The identified drawback claims were not liquidated as filed by the U.S. Customs Service for administrative reasons, and should have been liquidated as filed.

RELIQUIDATION OF CERTAIN DRAWBACK CLAIMS FILED IN 1996 (SEC. 1414)

*Present law*

Section 313(j) of the Tariff Act of 1930 (19 U.S.C. section 1313(j)) allows exporters to claim drawback under certain circumstances.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of the identified drawback claims.

*Reason for change*

The identified drawback claims were not liquidated as filed by the U.S. Customs Service for administrative reasons, and should have been liquidated as filed.

RELIQUIDATION OF CERTAIN DRAWBACK CLAIMS RELATING TO EXPORTS OF MERCHANDISE FROM MAY 1993 TO JULY 1993 (SEC. 1415)

*Present law*

Section 313(j) of the Tariff Act of 1930 (19 U.S.C. section 1313(j)) allows exporters to claim drawback under certain circumstances.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of the identified drawback claims.

*Reason for change*

The identified drawback claims were not liquidated as filed by the U.S. Customs Service for administrative reasons, and should have been liquidated as filed.

RELIQUIDATION OF CERTAIN DRAWBACK CLAIMS RELATING TO EXPORTS CLAIMS FILED BETWEEN APRIL 1994 AND JULY 1994 (SEC. 1416)

*Present law*

Section 313(j) of the Tariff Act of 1930 (19 U.S.C. section 1313(j)) allows exporters to claim drawback under certain circumstances.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of the identified drawback claims.

*Reason for change*

The identified drawback claims were not liquidated as filed by the U.S. Customs Service for administrative reasons, and should have been liquidated as filed.

RELIQUIDATION OF CERTAIN DRAWBACK CLAIMS RELATING TO JUICES (SEC. 1417)

*Present law*

Section 313(j) of the Tariff Act of 1930 (19 U.S.C. section 1313(j)) allows exporters to claim drawback under certain circumstances.



*Explanation of provision*

This provision provides for the liquidation or reliquidation of the identified drawback claims.

*Reason for change*

The identified drawback claims were not liquidated as filed by the U.S. Customs Service for administrative reasons, and should have been liquidated as filed.

RELIQUIDATION OF CERTAIN DRAWBACK CLAIMS FILED IN 1997 (SEC. 1418)

*Present law*

Section 313(j) of the Tariff Act of 1930 (19 U.S.C. section 1313(j)) allows exporters to claim drawback under certain circumstances.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of the identified drawback claims.

*Reason for change*

The identified drawback claims were not liquidated as filed by the U.S. Customs Service for administrative reasons, and should have been liquidated as filed.

RELIQUIDATION OF DRAWBACK CLAIM NUMBER WJU1111031-7 (SEC. 1419)

*Present law*

Section 313(j) of the Tariff Act of 1930 (19 U.S.C. section 1313(j)) allows exporters to claim drawback under certain circumstances.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of the identified drawback claims.

*Reason for change*

The identified drawback claims were not liquidated as filed by the U.S. Customs Service for administrative reasons, and should have been liquidated as filed.

LIQUIDATION OR RELIQUIDATION OF CERTAIN ENTRIES OF ATHLETIC SHOES (SEC. 1420)

*Present law*

Certain identified entries of athletic shoes entered during the period from August 1, 1993 to June 1, 1998 were liquidated by the U.S. Customs Service.

*Explanation of provision*

This provision provides for the liquidation or reliquidation of certain identified entries of defective athletic shoes which were recycled rather than destroyed.

*Reason for change*

These drawback claims were denied due to the fact that the product was recycled rather than destroyed. It is the view of the

Committee that the importer should not be penalized for having taken actions that were both consistent with the intent of the drawback statute and were environmentally responsible.

DESIGNATION OF MOTOR FUELS AND JET FUELS AS COMMERCIALY INTERCHANGEABLE (SEC. 1421)

*Present law*

Drawback is available under Section 313 of the Tariff Act of 1930.

*Explanation of provision*

This provision would clarify the treatment of jet fuels for purposes of drawback under Section 313 of the Tariff Act of 1930.

*Reason for change*

To clarify the treatment of jet fuels under the drawback statute.

*Chapter 2—Special Classification Relating to Product Development and Testing*

IMPORTING PROTOTYPES, (SECS. 1431–1435)

*Present law*

Under current law, prototypes imported into the United States for product development testing and product evaluation purposes are subject to the U.S. Customs Service duty upon their importation into the United States unless they qualify for duty-free treatment under special trade programs or unless entered under a temporary importation bond.

*Explanation of provision*

This provision would amend chapter 98, subchapter XVII of the HTS by inserting a new heading 9817.85.01 for duty-free treatment of prototypes imported exclusively for development, testing, product evaluation, or quality control purposes.

Section 1432 contains findings that reflect an understanding that there is significant use of prototypes in the United States for the development and testing of products. However, these findings note that the current assessment of Customs duties on imports of prototypes discourage development and testing in the United States. There is a particular concern that duties are assessed on prototypes twice, once when they are imported and a second time as part of the cost of the imported production merchandise.

Section 1433 amends the HTS to add a new provision, subheading 9817.85.01, to permit the duty-free importation of prototypes to be used exclusively for development, testing, product evaluation or quality control purposes. This section also adds a new Note 6 to subchapter XVII of chapter 98 to define the term “prototypes.” This note provides that automobile racing for prize or purse or commercial competition shall not be considered to be “development, testing, product evaluation, or quality control” for purposes of clause (a)(i) of this Note. The purpose of this provision is to clarify that the term “prototype” does not include articles that are imported for use in an automobile race in which the importer may receive a prize or purse or other commercial remuneration. This limi-

tation would not apply where the prototype is used only for a test or trial events, where no such prize or purse or other commercial remuneration is awarded.

The new Note also limits the application of this provision as follows:

(i) Prototypes may be imported in limited noncommercial quantities in accordance with industry practice.

(ii) Except as provided by the Secretary of the Treasury, prototypes may not be sold after importation into the United States or be incorporated into other products that are sold.

(iii) Articles subject to quantitative restrictions or antidumping or countervailing duty orders may not be classified as prototypes.

Section 1434(a) authorizes the Secretary of the Treasury to promulgate regulations for the identification of prototypes at the time of importation into the United States in accordance with the provisions of this chapter.

Section 1434(b) directs the Secretary of the Treasury to promulgate final regulations within ten months of the date of enactment to authorize the sale of prototypes as waste, scrap or for recycling. In promulgating these regulations, the Secretary must ensure that all duties will be tendered for sales of prototypes, including prototypes and parts of prototypes incorporated into other products, as scrap, waste or recycled materials at the rates of duty in effect for such scrap, waste or recycled materials at the time of importation of the prototype.

Section 1435 provides that the amendments to the HTS made by this legislation apply to entries of prototypes classifiable under subheading 9817.85.01 of the HTS made on or after the date of enactment of these provisions; and to entries of prototypes classifiable under subheading 9813.00.30 of the HTS with respect to which liquidation has not become final as of the date of enactment of this Act.

#### *Reason for change*

This provision would allow prototypes, as defined under this Act, to be imported free of duty with certain specified exceptions and restrictions, under new heading 9817.85.01 of the HTS.

This provision is needed because, notwithstanding that the prototypes are subject to duty when imported, U.S. Customs takes the position that the price of the prototypes is included in the value of production articles which are imported later, as part of the price paid or payable for the production articles. The double assessment of duties on prototypes discourages development and testing in the United States. While there are tariff provisions and special programs, such as temporary importation under bond or drawback, which might be used to avoid the double assessment of duties, these programs have been found to be difficult to administer and utilize. Given these concerns, the Committee intends that this new tariff provision will result in the collection of duties on the value of prototypes only once (through the inclusion of the value of the prototypes in the value of any imported production articles); and will be simple both to administer and to use.

This provision also authorizes the Secretary of the Treasury to issue regulations authorizing the sale of prototypes as scrap, waste or for recycling as an exception to the general rule that (except as

provided by the Secretary of the Treasury) prototypes may not be sold after importation or incorporated into other products that are sold. The Committee strongly seeks to encourage the environmentally responsible disposal of prototypes and therefore expects the Secretary of the Treasury to issue regulations authorizing such disposal to the fullest extent possible. The Committee understands that the HTS currently provides that most types of waste or scrap may be imported free of duty, including waste and scrap of aluminum, copper, glass, ferrous metal, nickel, paper and paperboard, precious metals, tin, zinc, leather, wood, and rubber. Accordingly, the Committee intends that the regulations promulgated by the Treasury Department, unlike current programs, will impose minimal burdens with respect to imports of prototypes that might involve the sale of waste or scrap entitled to duty free entry. As well, the Committee expects the Treasury Department to develop simplified procedures relating to the payment of any duties owed.

*Chapter 3—Prohibition on Importation of Products Made With Dog or Cat Fur*

(SECS.1441–1443)

*Present law*

Current Federal law permits the import, export, and the domestic manufacture, sale, transportation, and introduction into interstate commerce, of products containing cat and dog fur.

*Explanation of provision*

This provision would prohibit the import, export, domestic manufacture, offer for sale, sale, transportation, or distribution of products made with dog or cat fur in the United States. The provision would impose civil penalties of up to \$10,000 for each knowing and intentional violation of the ban, up to \$5,000 for each grossly negligent violation, and up to \$3,000 for each negligent violation. The provision would, in addition, provide for the forfeiture of products marketed in violation of the ban and potential debarment from engaging in commerce involving fur products. The provision would also impose criminal penalties for violations of the ban. The provision authorizes the Secretary of the Treasury to offer, under certain circumstances, rewards of \$500 for information concerning violations of the ban.

The provision reflects the Committee's intent that use of debarment from importing, exporting, or otherwise engaging in commerce in fur products as a civil penalty would be limited to instances where either there was a criminal conviction or the Secretary found a pattern or practice of several violations that have resulted in civil penalties being imposed for knowing and intentional or grossly negligent conduct in violation of the ban. As in all enforcement actions, the U.S. Government would bear the burden of proof and this legislation would not modify that burden. The provision reported by the Committee would, in addition, provide U.S. purchasers of fur products with an affirmative defense if they can demonstrate they exercised reasonable care in their purchase of the items that were ultimately found to have violated the ban. In effect, the bill would make the affirmative defense contingent upon the U.S. purchaser's ability to show that they had exercised reason-

able care and due diligence in selecting their suppliers and in their purchase of fur products to ensure that such purchases would not violate the ban.

The provision would require the Secretary to issue implementing regulations within 270 days of enactment. It would also require the Secretary to develop a plan for effective enforcement of the provision. The provision would require the Secretary, not later than 1 year after the enactment of this provision and annually thereafter, to provide Congress with a report on the Secretary's enforcement efforts, including action taken to train and equip Customs Service staff to accurately identify dog and cat fur products.

This provision would require the U.S. Customs Service to develop and publish periodically a list of parties who have been found (through criminal and civil conviction) to have engaged intentionally, knowingly or with gross negligence in the trade in dog and cat fur. This provision is intended to better inform U.S. entities engaged in the fur trade and assist them in their efforts at due diligence to ensure that the ban is not violated. Toward that same end, the provision would also direct the U.S. Customs Service to develop a program of certifying legitimate U.S. and foreign laboratories to which U.S. purchasers could obtain reliable assessments of whether products they intend to purchase are made with dog or cat fur. In addition, the provision would direct the Secretary of the Treasury to investigate and report to Congress on any instances of a pattern or practice of government support for trade in dog and cat fur products. Finally, the provision would also close an exception to the Fur Products Labeling Act necessary to ensure that potential consumers are fully informed regarding the content of fur products and to ensure the effective enforcement of the ban.

*Reason for change*

This provision responds to substantial evidence that products made with dog and cat fur are being imported into and sold in the United States and that these products are often deceptively labeled to prevent consumers, as well as retailers and importers, from ascertaining the true content of the fur contained in the products they purchase in the United States. The available evidence suggests that producers of dog and cat fur products house, transport, and slaughter these dogs and cats for their fur in inhumane ways.

This provision seeks to discourage these inhumane practices, and the development of any domestic market for dog and cat fur products, by prohibiting importation and exportation, as well as the domestic manufacture and marketing, of dog and cat fur products. The provision authorizes both civil and criminal penalties for violations of the law. Due to the difficulty the U.S. Customs Service has experienced in enforcing similar provisions of the customs laws, such as section 307 of the Tariff Act of 1930 relating to prison labor, the provision adds certain additional enforcement tools to assist the Secretary of the Treasury in his or her enforcement efforts. The provision also provides for continuing congressional oversight and involvement in that enforcement effort by requiring the Secretary to prepare an initial enforcement plan and to report annually to Congress on his or her enforcement efforts.

*Chapter 4—Miscellaneous Provisions*ALTERNATIVE MID-POINT INTEREST ACCOUNTING METHODOLOGY FOR  
UNDERPAYMENT OF DUTIES AND FEES (SEC. 1451)*Present law*

Under current law, the discretionary authority for the Secretary of the Treasury to prescribe alternative mid-point interest accounting methodology used by importers terminates on the date on which the “Revised National Customs Automation Test Regarding Reconciliation” of the Customs Service terminates, or on October 1, 2000, whichever occurs earlier.

*Explanation of provision*

This provision makes permanent the authority of the Secretary of the Treasury to prescribe alternative mid-point interest accounting methodology used by importers.

*Reason for change*

This provision provides the Secretary of the Treasury and importers with certainty regarding accounting methodology relating to mid-point interest.

EXCEPTION FROM MAKING REPORT OF ARRIVAL AND FORMAL ENTRY FOR  
CERTAIN VESSELS (SEC. 1452)*Present law*

U.S. Customs regulations applicable to section 434 of the Tariff Act of 1930 (19 U.S.C. 1434) requires operators of American flag ships carrying in-bond cargo between U.S. ports to report and enter the vessels with U.S. Customs between domestic ports. In addition, section 434 requires making formal entry for a vessel anchored at Belle Isle Anchorage, Port of Detroit, Michigan, awaiting availability of cargo or for taking on a pilot or awaiting pilot services, prior to proceeding to the Port of Toledo-Sandusky, Ohio.

*Explanation of provision*

This provision adds a seventh exception to the list of six existing exceptions from making formal entry for a vessel transporting bonded cargo, and for a vessel required to anchor at Belle Isle Anchorage, Port of Detroit, Michigan, while awaiting the availability of cargo or for the purpose of taking on a pilot or awaiting pilot services, prior to proceeding to the Port of Toledo-Sandusky, Ohio.

*Reason for change*

This provision would eliminate the burden of requiring a vessel carrying bonded merchandise to make entry of the vessel between domestic ports. The provision would also eliminate the burden of a vessel making entry at Port of Detroit, Michigan and again at the port of Toledo, Ohio, for a vessel anchored at Port of Detroit, Michigan, while awaiting the availability of cargo or for the purpose of taking on a pilot or awaiting pilot services, prior to proceeding to the Port of Toledo, Ohio.

DESIGNATION OF SAN ANTONIO INTERNATIONAL AIRPORT FOR CUSTOMS  
PROCESSING OF CERTAIN PRIVATE AIRCRAFT ARRIVING IN THE UNITED  
STATES (SEC. 1453)

*Present law*

Private aircraft are not permitted to land at San Antonio International Airport, Texas. Such aircraft may land in Texas cities as Beaumont, Brownsville, Corpus Christi, Del Rio, Eagle Pass, El Paso, Houston, Laredo, McAllen, Presidio and Midland, which have been designated as entry points for the U.S. Customs service processing of private aircraft 19 CFR subpart C, Part 122.24).

*Explanation of provision*

This provision would designate the San Antonio International Airport in San Antonio, Texas, for a period of two years, as an airport at which private aircraft arriving in the United States from a foreign area and having a final destination in the United States may land for processing by the Customs Service in accordance with section 122.24(b) of title 19, Code of Federal Regulations (19 C.F.R. 122.24(b)). This provision also requires the Commissioner of Customs to prepare and submit to Congress a report on the implementation of this section for 2001 and 2002.

*Reason for change*

San Antonio is a growing international business development area, in large part due to increased trade with Mexico. Permitting private aircrafts to land there as a point of entry to the United States is vital to the continued success of the city's economic growth. At the same time, the Committee recognizes the need to evaluate new points of entry, and, therefore, setting a 2-year limit allows Customs to review the impact of this added designation.

INTERNATIONAL TRAVEL MERCHANDISE (ITM) (SEC. 1454)

*Present law*

Section 555 of the Tariff Act of 1930 (19 U.S.C. 1555) provides for the storage of International Travel Merchandise (ITM) in a customs bonded warehouse (CBW). Industry practice has been to shuttle carts, containing merchandise subject to sale aboard an aircraft outside the United States, between the plane and a U.S.-based CBW for purposes of replenishment. Technically, the law requires that merchandise arriving at a CBW be entered for warehouse and then withdrawn as it leaves the CBW, which permits manipulation of the merchandise within the CBW (replenishing depleted stock, removing outdated or damaged stock, and replacing with new goods), while providing assurance that bonded merchandise is fully accounted to Customs.

*Explanation of provision*

This provision would amend section 555 of the Tariff Act of 1930 (19 U.S.C. 1555) by adding a new subsection to clarify existing law relating to bonded warehouse storage of international travel merchandise (ITM). This provision would codify current practice where only merchandise that is taken from the cart (in order to retire it from stock) is entered and only merchandise that is used to replen-

ish the cart is withdrawn, while keeping in place safeguards for Customs to ensure accountability of bonded merchandise.

*Reason for change*

A cart is usually shuttled to the CBW for replenishment of only a small amount of stock. However, under current law, the contents of the entire cart must be entered and then withdrawn, even though only a small amount of merchandise is actually being added to the cart. This process of entry and immediate withdrawal of a cart's residual stock must take place thousands of times a day throughout the United States, producing reams of entry and withdrawal documents and creating paperwork that burdens the CBW operator and impedes Customs' ability to manage the process.

Industry practice has been to maintain a secure area immediately outside the CBW where stock is manipulated: only merchandise that is taken from the cart (in order to retire it from stock) is entered and only merchandise that is used to replenish the cart is withdrawn. This reduces the volume of entry and withdrawal documents substantially. This provision would permit this savings, while keeping in place safeguards for Customs to ensure accountability of bonded merchandise.

CHANGE IN RATE OF DUTY OF GOODS RETURNED TO THE UNITED STATES  
BY TRAVELERS (SEC. 1455)

*Present law*

Currently, U.S. residents traveling abroad are entitled to \$400 duty free allowance upon their return to the U.S. for purchases made abroad. Purchases for personal and household use, accompanying the returning traveler in excess of the \$400 duty free allowance, are subject to flat rate of duty of 10%, if the person claiming the benefit has not received the benefit within the past thirty days. In addition, non-commercial importations from U.S. insular possessions (American Samoa, Guam, or the U.S. Virgin Islands) are subject to a 5% rate of duty.

*Explanation of provision*

This provision would amend subchapter XVI of chapter 98 of the HTS to provide staged reductions of duty rates applicable to merchandise accompanying persons entering the United States, and merchandise from American Samoa, Guam, or the Virgin Islands of the United States. Specifically, the proposed legislation would provide a staged reduction of the current 10% duty-rate applicable to articles accompanying a person arriving in the United States. The proposed staged reductions are as follows: 5% effective January 1, 2000, 4% effective January 1, 2001, and 3% effective January 1, 2002. The bill would also provide a staged reduction of the current 5% rate of duty for articles imported from American Samoa, Guam, or the Virgin Islands of the United States. The proposed staged reductions are as follows: 3% effective January 1, 2000, 2% effective January 1, 2001, and 1.5% effective January 1, 2002.

*Reason for change*

Under the North American Free Trade Agreement and the Uruguay Round Agreements Act, tariffs on merchandise entering the United States have undergone significant staged reductions or



eliminations. As a result, the average rate for dutiable merchandise imported into the United States is now well under 5%. However, during this time, the rate of duty that Americans pay for goods they bring back with them after traveling abroad remains disproportionately high at 10%, and the rate of duty for goods from American Samoa, Guam, and the Virgin Islands of the United States has remained unchanged at 5%. These outdated rates have not changed in 12 years, and do not give the American travelers the benefit of U.S. trade negotiations and duty reductions. This provision would bring the duty rate of merchandise accompanying travelers closer to the average rate of dutiable merchandise entering the United States, and lower the duty rate for merchandise from American Samoa, Guam, and the Virgin Islands of the United States.

TREATMENT OF PERSONAL EFFECTS OF PARTICIPANTS IN  
INTERNATIONAL ATHLETIC EVENTS (SEC. 1456)

*Present law*

Personal effects of participants in, officials of, and accredited members of delegations to, international athletic events held in the United States not intended for sale or distribution in the United States are exempt from duty until December 31, 2002.

*Explanation of provision*

This provision would amend subchapter XVII of chapter 98 of the HTS by inserting a new heading 9817.60.00 for duty free treatment of the personal effects of participants in, officials of, and accredited members of delegations to, international athletic events, including the paralympics, held in the United States provided that these items are not intended for sale or distribution in the United States. H.R. 2715 would also exempt the articles covered under this provision from taxes and fees and would give the Secretary of the Treasury discretion to determine which athletic events, articles, and persons are covered under this provision.

*Reason for change*

The Committee recognizes the importance of international athletic events and the tremendous efforts of the athletes and participants. Although athletes and other officials connected with certain sporting events are currently afforded duty free treatment for their personal belongings and equipment under current law, such treatment will expire in December 2002. This legislation will give athletes and participants of future competitions certainty regarding their future duty liability. The Customs Service should ensure that this new provision causes no delay to preparations that are being undertaken under current law for the 2002 Salt Lake Winter Olympics and Paralympics.

COLLECTION OF FEES FOR CUSTOMS SERVICES FOR ARRIVAL OF  
CERTAIN FERRIES (SEC. 1457)

*Present law*

Current law prohibits U.S. Customs from collecting fees in connection with the arrival of any ferry.

*Explanation of provision*

This provision amends section 13031 (b)(1)(A)(iii) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(1)(A)(iii)) to allow for the collection of fees for Customs services for the arrival of certain ferries.

*Reason for change*

Limitations on certain customs user fees established under section 13031 (b)(1)(A)(iii) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(b)(1)(A)(iii)) have prevented U.S. Customs from issuing landing rights to ferries arriving in the south Florida coastal region. This provision will authorize U.S. Customs to collect user fees and issue landing rights to certain ferries whose operations began on or after August 1, 1999, and operate south 27 degrees latitude and east of 89 degrees longitude.

ESTABLISHMENT OF DRAWBACK BASED ON COMMERCIAL INTERCHANGEABILITY FOR CERTAIN RUBBER VULCANIZATION ACCELERATORS (SEC. 1458)

*Present law*

Section 313(j)(2) of the Tariff Act of 1930 19 U.S.C. section 1313(j)(2) allows exporters to claim substitution unused merchandise drawback if the substituted merchandise is “commercially interchangeable” with the imported merchandise. The term “commercially interchangeable” is not defined in the statute, and there is uncertainty as to whether the chemicals N-cyclohexyl-2-benzothiazolesulfenamide (CBS) and N-tert-Butyl-2-benzothiazolesulfenamide (TBBS) are commercially interchangeable for drawback purposes.

*Explanation of provision*

This provision would amend section 313(j)(2) of the Tariff Act of 1930 (19 U.S.C. 1313(j)(2)) to provide that chemicals N-cyclohexyl-2-benzothiazolesulfenamide (CBS) and N-tert-Butyl-2-benzothiazolesulfenamide (TBBS) are commercially interchangeable for drawback purposes.

*Reason for change*

Based on the legislative history of the amendment to the drawback statute, which changed the criteria for substitution drawback from a fungibility to a commercial interchangeability standard, (H.R. Rept. No. 103 361, 103rd Cong., 1st Sess. (1993) at 131), the Committee has determined that chemicals N-cyclohexyl-2-benzothiazolesulfenamide (CBS) and N-tert-Butyl-2-benzothiazolesulfenamide (TBBS) fit the commercial interchangeability standard. This determination is based on the specific facts regarding these two chemicals: The sole active component of each chemical is identical; and when used in a finished product, the functionality of both chemicals is indistinguishable by the customer and scientist. Both chemicals were originally classified within the same tariff number but subsequently changed in order to provide preferential GSP treatment to one of the chemicals, not for reasons relating to their identity of chemical structure by molar weight or functionality. In addition, the principal customers of both chemicals

have stated in writing that both chemicals are used for the same purposes—to aid vulcanization in the processing of rubber, and that they perform the same function, are utilized on the same equipment, and are purchased on the market the same relative value.

CARGO INSPECTION (SEC. 1459)

*Present law*

Section, 58(b) of the Tariff Act of 1930 (19 U.S.C. 58(b)) authorizes the Secretary of the Treasury to make Customs services available for a fee at certain small airports. Section 2425 of the Miscellaneous Trade and Technical Corrections Act of 1999 (113 Stat. 127, 181), authorized the Commissioner of Customs to establish a fee-for-service pilot program for fiscal year 1999 at an international airport located at a seaport that serviced more than 185,000 tons of air cargo in 1997. Broward County entered into an agreement with U.S. Customs to provide 24 hour cargo service for one year. That agreement expired in September 2000. U.S. Customs currently provides passenger clearance service five days per week between the hours of 9 a.m. and 5 p.m.

*Explanation of provision*

This provision authorizes the Commissioner of Customs to implement a fee-for-service agreement with Broward County to provide customs service for a period of two years, renewable thereon an annual basis at the Fort Lauderdale-Hollywood International Airport. This fee for service is for cargo processing only, and includes providing the necessary infrastructure, and other services for cargo clearance. When such services have been provided for at least a period of two years on a fee-for-service basis and commercial consumption level reaches 29,000 entries per year, Customs will continue to provide all such service, and no other charges, other than those fees authorized by section 13031(a) of the consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58(b)), may be collected for those services.

*Reason for change*

The fee-for-service agreement between Broward County and U.S. Customs has expired, and Broward County continues to require this service. This provision will allow U.S. Customs to continue this fee-for-service arrangement for at least two more years. The agreement may be renewed, or if after this time, consumption level at the airport reaches 29,000 entries per year, U.S. Customs will continue to all such service, and no other charges, other than those fees authorized by section 13031(a) of the consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58(b)), may be collected for those services.

TREATMENT OF CERTAIN MULTIPLE ENTRIES OF MERCHANDISE AS SINGLE ENTRY (SEC. 1460)

*Present law*

Current law requires that the goods be classified in the condition as they arrive. This includes large articles, particularly machinery, which may not be able to fit on a single conveyance, such as a

truck or plane. In addition, it is common that in air shipments, adjustments are made to the amount of cargo laden because of flight conditions. As a result of these shipping conditions, parts of entireties do not arrive together, which causes classification or entry problems with the U.S. Customs Service.

*Explanation of provision*

This provision will amend section 1484 of title 19 to provide authority to U.S. Customs to treat goods purchased and invoiced as a single entity and shipped unassembled or disassembled in separate shipments over a period of time as a single transaction for Customs entry purposes. The provision requires importers to request such treatment in advance of entry, and also requires the Secretary of the Treasury to issue regulations setting forth the information required for this type of entry.

*Reason for change*

The proposed changes, supported by both importers and the Customs Service, are needed to address large shipments that cannot be shipped as an entirety.

REPORT ON CUSTOMS PROCEDURES (SEC. 1461)

*Present law*

Currently, the U.S. Customs Service "entry" process is divided into two parts: "entry" and "entry summary." In the last fiscal year 21.4 million entries were filed with the U.S. Customs Service, more than 98% of them electronically. The importer has the option of filing all the data at once or in separate transmissions. The Bureau of Census receives data electronically from the U.S. Customs Service on a weekly basis so that it may be used in compiling the "Balance of Trade" report.

*Explanation of the provision*

The provision requires the Secretary of the Treasury, in consultation with U.S. importers and other interested parties, to review customs procedures, laws, and regulations relating to the entry of merchandise and conveyances into the United States, and to report to Congress within 180 days from the effective date of this Act, changes that should be made to reduce the reporting and record retention requirements.

*Reason for change*

The Committee is concerned that the collection of import data may be overly time consuming and unnecessarily costly and would like to explore a system of periodically reporting the data on an aggregate basis. In addition, the Committee wishes to examine what data is necessary at time of cargo release in order to determine admissibility. It is expected that the study will provide the factual basis for evaluation of the current statistical collection system and consideration of possible changes to it.

## DRAWBACK FOR RECYCLED MATERIALS (SEC. 1462)

*Present law*

Under existing current law (19 USC 1313(c)) an importer may be eligible for duty drawback (refund of 99% of the import duty paid) on products that are returned to the importer and are determined to be manufacturer defectives. The statutory purpose of this provision is to reimburse importers for import duties paid on product that is not consumed within U.S. commerce. To be eligible for defective product duty drawback, the product must either be: completely destroyed to the extent that the product has no commercial value; or exported out of the United States. The purpose of the destruction or export requirement is to ensure that the importer does not benefit unfairly by collecting drawback as well as being compensated for the resale of the defective product.

*Explanation of provision*

This provision expands the definition of “destruction” to include recycling, which is defined as any act in which materials are recovered from the destroyed merchandise.

*Reason for change*

This provision will create an economic incentive for importers to recycle their defective goods rather than simply destroy them.

## PRESERVATION OF CERTAIN REPORTING REQUIREMENTS (SEC. 1463)

*Present law*

Section 163 of the Trade Act of 1974 directed the U.S. International Trade Commission (ITC) to submit a report to Congress at least once a year on the operation of the trade agreements program. Section 181 of the Trade Act of 1974, as amended, directed the United States Trade Representative (USTR) to report annually on foreign trade barriers. These mandates were canceled effective May 15, 2000 by section 3003 of the Federal Reports Elimination and Sunset Act of 1995, Pub. L. 104-66, Title III, sec. 3003, 109 Stat. 734.

*Explanation of provision*

This provision would direct the ITC to submit to Congress a report on the operation of the trade agreements program at least once a year and it would also direct USTR to submit to Congress an annual report on foreign trade barriers. These reports will be submitted notwithstanding section 3003 of the Federal Reports Elimination and Sunset Act of 1995 (31 U.S.C. 1113 note).

*Reason for change*

The Committee believes that the ITC’s report on the Operation of the Trade Agreements Program (also known as “The Year in Trade”) and that the USTR report on foreign trade barriers (known as “The National Trade Estimate Report on Foreign Trade Barriers”), provide valuable information to Congress as it considers trade policy and legislation. The Committee, therefore, believes that these reports should be reauthorized.

### Subtitle C—Effective Date

#### EFFECTIVE DATE (SEC. 1471)

Except as otherwise provided in this title, the amendments made by this title shall apply with respect to goods entered, or withdrawn from warehouse, for consumption, on or after the 15th day after the date of enactment of this Act.

### TITLE II—OTHER TRADE PROVISIONS

#### TRADE ADJUSTMENT ASSISTANCE FOR CERTAIN WORKERS AFFECTED BY ENVIRONMENTAL REMEDIATION AFTER CLOSURE OF A COPPER MINING FACILITY (SEC. 2001)

##### *Present law*

Title II of the Trade Act of 1974, as amended, authorizes trade adjustment assistance (TAA) in the form of training and income support for workers adversely affected by import competition. Under the TAA program, a worker must be certified by the Secretary of Labor as eligible for benefits before applying for assistance. Workers are not eligible to apply for benefits, however, if they become separated from employment after the expiration for the 2-year period subsequent to issuance of the certification by the Secretary.

##### *Explanation of provision*

The provision provides that workers at a copper mining facility in White Pine, Michigan who were employed at the time of the original certification and who remained at the facility to conduct environmental remediation shall be eligible to apply for TAA program benefits, regardless of their date of separation.

##### *Reason for change*

The workers at a copper mining facility in White Pine, Michigan received TAA certification in 1995 because of increased import competition from Canada. The workers were re-certified in 1997 while the mine continued the process of closing. Although the mine ceased operations in 1997, a group of workers, employed at the mine at the time the company was first certified, will remain through 2001 to complete federally mandated environmental remediation. The provision establishes TAA eligibility for these workers, notwithstanding the date when the mine ceased production.

### TITLE III—EXTENSION OF NONDISCRIMINATORY TREATMENT TO GEORGIA

#### FINDINGS AND TERMINATION OF THE APPLICATION OF TITLE IV OF THE TRADE ACT OF 1974 (SEC. 3001–3002)

##### *Present law*

Georgia's NTR status is currently governed by Title IV of the Trade Act of 1974, as amended by the Customs and Trade Act of 1990 (title IV). Section 402 of title IV (also known as the Jackson-Vanik amendment) sets forth requirements relating to freedom of emigration, which must be met or waived by the President in order for the President to grant nondiscriminatory normal trade relations (NTR) status to a non-market economy country. Title IV also re-

quires that a trade agreement remain in force between the United States and a non-market economy country receiving NTR status and sets forth minimum provisions which must be included in such agreement.

Georgia, which was granted NTR in 1992, was found to be in full compliance with the Jackson-Vanik freedom of emigration requirements on June 3, 1997. Since then, NTR has been granted to Georgia subject to semiannual review, and potential disapproval by a Joint Resolution of Congress.

*Explanation of provision*

The Committee recognizes that title IV of the Trade Act of 1974 has promoted the right to emigrate. Since the dissolution of the Soviet Union, minority groups have secured the return of communal properties confiscated during the Soviet period, thereby facilitating the reemergence of communal organizations and participation in domestic affairs. The report on compliance with the emigration provisions of title IV, finds that Georgia is in compliance with the emigration provisions of title IV. The Committee finds that Georgia should be graduated from title IV, thereby permitting the extension of permanent normal trade relations.

With respect to national minorities, the Committee notes that the member states of the Organization for Security and Cooperation in Europe (OSCE), including the former USSR and its successor states, have committed to “adopt, where necessary, special measures for the purpose of ensuring to persons belonging to national minorities full equality, individually as well as in community with other members of their group.”

TITLE IV—GREY MARKET CIGARETTE COMPLIANCE (SEC. 4001–4004)

AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986

TECHNICAL CORRECTION TO RULES GOVERNING RE-IMPORTATION OF CIGARETTES

*Present Law*

An excise tax equal to 34 cents per pack of 20 cigarettes is imposed on cigarettes manufactured, imported, or brought into the United States.<sup>1</sup> Separate taxes are imposed on other tobacco products, including cigars, smokeless tobacco, and pipe and roll-your-own tobacco. The taxes do not apply to tobacco products that are exported from the United States (including removal to Puerto Rico).

Tobacco products may be removed without payment of tax from domestic manufacturers’ premises for export only if the packages bear prescribed markings. Present law prohibits the reimportation or bringing into the United States<sup>2</sup> of domestically manufactured tobacco products unless the products are returned to the premises of a manufacturer or an export warehouse proprietor.

<sup>1</sup> Effective January 1, 2002, this tax rate will increase to 39 cents per pack of 20 cigarettes. Tax rates on other tobacco products will increase proportionately at that time.

<sup>2</sup> This includes the bringing back into the United States of tobacco products that have been removed to Puerto Rico.

*Explanation of provision*

A technical correction is made to clarify that domestically produced cigarettes may be reimported into the United States for personal use in quantities that are exempt from tax and duty under the Harmonized Tariff Schedule. No amount of tobacco products other than the numeric quantities provided for in the Tariff Schedule may be re-imported or brought into the United States as a personal use quantity. It is, however, the expectation of the Committee that the Customs Service will permit an individual to relinquish voluntarily a de minimis amount of tobacco products in excess of such quantity without incurring penalties.

*Effective date.*—The technical correction is effective as if included in the Balanced Budget Act of 1997.

*Reasons for change*

This technical correction is made to clarify that domestically produced cigarettes may be reimported into the United States for personal use in quantities that are exempt from tax and duty under the Harmonized Tariff Schedule.

MODIFICATIONS TO RULES GOVERNING RE-IMPORTATION OF U.S.-  
MANUFACTURED CIGARETTES

*Present law*

An excise tax equal to 34 cents per pack of 20 cigarettes is imposed on cigarettes manufactured, imported, or brought into the United States.<sup>3</sup> Separate taxes are imposed on other tobacco products, including cigars, smokeless tobacco, and pipe and roll-your-own tobacco. The taxes do not apply to tobacco products that are exported from the United States (including removal to Puerto Rico).

The Treasury Department is authorized to require tobacco products destined for export to be packaged in specially marked packages to distinguish the products from products for the U.S. domestic market. This packaging is a condition of removal from the manufacturers' premises without payment of tax. If products removed for export are diverted into the U.S. domestic market, numerous present law sanctions apply. Any person (including a manufacturer, a wholesale distributor, or a retailer) who knowingly holds untaxed tobacco products removed for export for sale in the U.S. domestic market is subject to civil and/or criminal penalties for holding the tobacco products. Such a person further is liable as well for the tax (and for penalties for failure to pay the tax and to file a return, where appropriate). Finally, present law authorizes the Treasury Department to seize any export-labeled tobacco products removed after December 31, 1999, and found in the U.S. domestic market.

Present law prohibits the re-importation or bringing into the United States of domestically manufactured tobacco products unless the cigarettes are returned to the premises of a manufacturer or an export warehouse proprietor.<sup>4</sup> The Treasury Department has defined a manufacturer eligible to receive re-imported tobacco prod-

<sup>3</sup> Effective January 1, 2002, this tax rate will increase to 39 cents per pack of 20 cigarettes. Tax rates on other tobacco products will increase proportionately at that time.

<sup>4</sup> This includes the bringing back into the United States of tobacco products that have been removed to Puerto Rico.



ucts as an entity that manufactures domestically at least as many cigarettes as it re-imports. Further, Treasury regulations require that any re-imported or brought in tobacco products be re-packaged in appropriate domestic market packaging before being removed (tax-paid) for sale in the U.S. domestic market. Tobacco products that enter the U.S. domestic market in violation of these rules are subject to seizure by the Federal Government under present law. The Treasury Department administratively determines how to dispose of forfeited products.

*Explanation of provision*

The provision codifies present Treasury Department regulations on the disposition of domestically produced tobacco products that are re-imported or brought into the United States and modifies the regulations to limit the disposition of the tobacco products to return to the original manufacturer of the product or to an export warehouse proprietor authorized by the original manufacturer to receive the products. This codification includes without change the present Treasury regulation requirement that re-imported tobacco products be re-packaged in appropriate domestic packaging before being removed (tax-paid) for sale in the U.S. domestic market.

The provision also provides that tobacco products that are forfeited to the Federal Government under present-law provisions must be destroyed (rather than being disposed of in any manner administratively determined by the Treasury Department).

The provision expands the application of the special tax penalty for re-importing tobacco products to include the sale in the U.S. domestic market of tobacco products labeled for export (but not actually exported). Thus, this penalty can be imposed in addition to the present-law penalties and other sanctions that apply to tobacco products that might be removed for export, but instead are diverted into the U.S. domestic market. The provision also authorizes the Treasury Department to seize all export-labeled tobacco products found in the U.S. domestic market regardless of the date of removal.

Finally, the provision directs the Treasury Department to report to the Congress on any adverse economic effects that may be experienced by export warehouses as a result of the provision in the bill which conditions the ability to store re-imported tobacco products on approval of the warehouse by the original manufacturer of the product.

*Effective date.*—The provision is effective beginning 90 days after the date of enactment.

*Reasons for change*

The Committee decided to codify the substance of the present Treasury Department regulations governing re-importation of tobacco products and to expand U.S. manufacturers' control over products bearing their trademark when those products are re-imported or brought back into the United States. This codification should preclude any manufacturer from receiving these products and marketing them in violation of trademark law. Additionally, the Committee believes that the appropriate disposition of forfeited tobacco products is destruction.

## AMENDMENTS TO THE TARIFF ACT OF 1930

*Present law*

No provision.

*Explanation of provision*

This provision creates a new title in the Tariff Act of 1930 that will impose certain requirements on imports of cigarettes.

First, the original manufacturer of the cigarettes being imported into the United States must certify that it has timely submitted, or will timely submit, to the Secretary of Health and Human Services the lists of ingredients described in section 7 of the Federal Cigarette Labeling and Advertising Act (FCLAA). All importers of cigarettes brought into the United States (like U.S. manufacturers of domestically sold cigarettes) must currently file an ingredients list. This 103 provision will simply require importers to provide certification that they are, or will be, in compliance with this existing requirement.

Second, the warning statements specified in section 4 of the FCLAA must be permanently imprinted on the cigarette packaging. Currently, the Federal Trade Commission has allowed importers, under certain circumstances, to comply with the requirements of FCLAA by affixing adhesive labels with compliant warning statements, rather than requiring this information be permanently imprinted on the packaging, thus allowing the importation of cigarettes not intended for sale in this country.

Third, the importer must certify that it is in compliance with a rotation plan approved by the Federal Trade Commission pursuant to section 4(c) of the FCLAA. Under current law, the FTC is authorized to grant certain waivers to the rotation plan requirements specified in section 4(c)(1) of FCLAA. This provision does not alter the FTC's authority to continue to grant such waivers.

Fourth, if the cigarettes bear a United States trademark registered for such cigarettes, the owner of such trademark, or such owner's authorized representative, must consent to the importation of such cigarettes into the United States. The gray market restriction provisions of this bill are crafted for the special circumstances of tobacco.

The provision also includes certain exemptions to the above requirements. These exemptions relate to cigarettes imported in personal use quantities, as well as those imported for analysis, non-commercial use, reexport or repackaging. With respect to personal use, this provision makes clear that foreign produced cigarettes may be imported into the United States for personal use in quantities that are exempt from tax and duty under the Harmonized Tariff Schedule. No amount of tobacco products other than the numeric quantities provided for in the Tariff Schedule may be imported as a personal use quantity. It is, however, the expectation of the Committee that the Customs Service will permit an individual to relinquish voluntarily a de minimis amount of tobacco products in excess of such quantity without incurring penalties.

The penalties available for failure to satisfy the provision of section 802 include certain civil penalties and forfeiture of any tobacco products, cigarette paper or tube that is seized.

*Effective date.*—The provision is effective upon enactment.

*Reasons for change*

The Balanced Budget Act of 1997 (BBA '97) imposed restrictions on the reimportation of export-label cigarettes manufactured in the United States. This provision was intended to prevent the evasion of federal excise taxes and assist the States in implementing the goals the tobacco settlement agreements then in place between certain States (Florida and Mississippi) and cigarette manufacturers. BBA '97, however, did not impose any restrictions on the importation of cigarettes manufactured abroad that bear the trademark of a product manufactured in the United States and which are diverted from foreign markets for sale in the United States, so-called "gray market" cigarettes.

There is great concern that imports of gray market cigarettes have increased dramatically since the Master Settlement Agreement was reached, thereby displacing sales of domestically manufactured cigarettes bearing the same trademark. This is of concern to the Committee because such cigarettes may not fully comply with U.S. health and safety standards. It is also a concern because the foreign manufactured cigarettes are not counted in the formulae used to calculate payments that the tobacco companies are required to make under the tobacco settlement agreements, including the Master Settlement Agreement, individual State settlements and the Phase II Agreement between tobacco manufacturers and U.S. tobacco farmers and quota holders.

The Committee has been advised by members of the National Association of Attorneys General that certain importers, in connection with their importation of gray-market cigarettes into the United States, have been evading and circumventing the requirements of the warning label and ingredient disclosure requirements of the Federal Cigarette Labeling and Advertising Act (FCLAA). Because multiple federal agencies have jurisdiction over the varying elements of the FCLAA health and safety provisions, existing law is inadequate to detect in a timely manner fraudulent submissions or to audit compliance by importers.

The Committee finds that the requirements of section 4004 for the entry into the United States of cigarettes, whether manufactured domestically or abroad, are necessary to ensure compliance with the critical health and safety provisions of FCLAA, and are largely the same as the requirements for domestically manufactured cigarettes. Certain certifications are not required with respect to cigarettes manufactured within the United States, that are intended for and remain in this country for sale, because the appropriate federal agencies have complete jurisdiction over the manufacturers and distributors of such products. However, law enforcement agencies do not have the same scope of authority to investigate potential violations by foreign manufacturers and importers.

For example, the Department of Justice has authority to enforce the criminal penalty in FCLAA, 15 U.S.C. § 1338, applicable to both the warning label and ingredient disclosure requirements of that Act. In conducting an investigation of a FCLAA violation, the Department of Justice would have full authority to obtain relevant documents and gain entry into domestic manufacturing and distribution facilities, including through compulsory process. However, if the alleged violation of FCLAA is by an importer, the Department of Justice, because of the limits of its territorial power, could

not gain access through compulsory process to the importer's foreign facilities, nor could the Department compel the production of documents in the hands of a foreign manufacturer that is unrelated to the importer of the product.

Similarly, the Federal Trade Commission (FTC), which, along with the Department of Justice, enforces compliance with the warning label regime contained in FCLAA, has authority under the Federal Trade Commission Act, 15 U.S.C. §41, et seq, to require the production of corporate information and documents, to review manufacturing records, and to require compliance reports from manufacturers. However, the FTC's authority to conduct investigations through compulsory process also is limited by the scope of its territorial authority. In light of these enforcement limitations, the certification requirements of section 4004 provide additional enforcement tools to ensure compliance with domestic health and safety laws.

Requiring the U.S. trademark holder to consent to the importation of such cigarettes is necessary to ensure full compliance with the restrictions applicable to the unique circumstances of gray market cigarettes. The Committee believes that the consent of the trademark holder is essential because these parties have the greatest incentive to monitor imports of cigarettes bearing their trademark and because any complicity by the trademark holder in this trade can be addressed more easily in the courts. It is the expectation and intent of the Committee that this requirement will not inhibit the importation of any legitimately traded cigarettes. In the Committee's view, the unique nature of tobacco products and the importance of the States' tobacco settlement agreements fully justify the use of U.S. trademarks in this manner. In this regard, however, it should be noted that the gray market restriction provisions of this bill are crafted for the special circumstances of tobacco. This provision, however, is not intended to alter current policies with regard to other gray-market goods.

It is the Committee's understanding that there is litigation currently pending regarding the constitutionality of the Master Settlement Agreement. Nothing in this legislation or in this report shall be construed as validating or invalidating the constitutionality of the MSA.

### **III. VOTES OF COMMITTEE**

In compliance with section 133 of the Legislative Reorganization Act of 1946, the Committee states that H.R. 4868, as amended, was ordered favorably reported with a quorum present by voice vote on September 19.

### **IV. CONGRESSIONAL ACTION**

On June 1, 2000, Chairman Roth requested public comment on a package of technical corrections, temporary duty suspensions or reductions and other miscellaneous trade proposals introduced during the 106th Congress and referred to the Committee on Finance. H.R. 4868, as amended, includes many of these bills which, based upon the comments submitted to the Committee on Finance by the public, the U.S. Customs Service, the U.S. Department of Commerce, the U.S. International Trade Commission (ITC), the United

States Trade Representative and other agencies, the Committee has found to be non-controversial. H.R. 4868, as amended, was ordered favorably reported by the Committee, with a quorum present, by voice vote, on September 19, 2000.

### V. BUDGETARY IMPACT

In compliance with sections 308 and 403 of the Congressional Budget Act of 1974, and paragraph 11(a) and (b) of rule XXVI of the Standing Rules of the Senate, and section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. 104-4) the following letter has been received from the Congressional Budget Office on the budgetary and regulatory impact of the legislation:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, October 4, 2000.*

Hon. WILLIAM V. ROTH, JR.,  
*Chairman, Committee on Finance,*  
*U.S. Senate, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4868, the Miscellaneous Trade and Technical Corrections Act of 2000.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Erin Whitaker.

Sincerely,

BARRY B. ANDERSON  
(For Dan L. Crippen, Director.)

Enclosure.

#### CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

#### *H.R. 4868—Miscellaneous Trade and Technical Corrections Act of 2000*

Summary: H.R. 4869 would make technical corrections and miscellaneous amendments to certain trade laws. CBO estimates that each of the provisions in the act that would affect rates of duty would reduce governmental receipts (revenues) by less than \$500,000 each year. Each of the provisions that would affect direct spending would increase such spending by less than \$500,000 each year. Other provisions in the act that would alter treatment for certain products relative to current trade law would reduce receipts by \$15 million in 2001, by \$38 million over the 2001–2005 period, and by \$73 trillion over the 2001–2010 period. Because H.R. 4868 would affect direct spending and receipts, pay-as-you-go procedures would apply.

H.R. 4868 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments, H.R. 4868 would impose private-sector mandates on persons engaged in business activities involving products that contain cat or dog fur and persons engaged in the importation of certain foreign produced cigarettes. CBO estimates that the direct costs of those mandates would not exceed the annual threshold for private-sector mandate established by UMRA (\$109 million in 2000, adjusted annually for inflation).

Estimated cost to the Federal Government: The estimated budgetary impact of H.R. 4868 is shown in the following table. The act would reduce federal revenues and would increase federal spending slightly in budget functions 750 (administration of justice) and 600 (income security).

	By fiscal year, in millions of dollars				
	2001	2002	2003	2004	2005
CHANGES IN REVENUES					
Duty suspensions and reductions .....	(1)	(1)	(1)	(1)	(1)
Refunds of customs duties .....	-10	0	0	0	0
Treatment of certain imported goods .....	(1)	(1)	(1)	(1)	(1)
Extension of PNTR <sup>2</sup> to Georgia .....	(1)	(1)	(1)	(1)	(1)
Imports and exports of certain cigarettes .....	-5	-5	-6	-6	-6
Total changes in revenues .....	-15	-5	-6	-6	-6
CHANGES IN DIRECT SPENDING OUTLAYS					
Customs fees .....	(1)	(1)	(1)	(1)	(1)
Trade adjustment assistance .....	(1)	(1)	(1)	(1)	(1)
Total changes in direct spending .....	(1)	(1)	(1)	(1)	(1)

<sup>1</sup> Less than \$500,000

<sup>2</sup> Permanent normal trade relations.

### *Basis of Estimate*

#### Revenues

Title I would make various changes to certain trade laws. Subtitle A would create or extend temporary duty suspensions or reductions on certain intermediary products and chemicals imported into the United States. CBO estimates that each of these provisions would reduce government revenues by less than \$500,000 each year, net of income and payroll tax offsets. Subtitle B would provide for refunds of customs duties paid on certain imported products, CBO estimates that the majority of these provisions would reduce government revenues by less than \$500,000 each year, net of income and payroll tax offsets.

One provision of subtitle B would provide for the refund of customs duties paid on certain athletic shoes. Based on information from the U.S. Customs Service, CBO estimates that this provision would reduce government revenues by \$9 million in 2001, net of income and payroll tax offsets, with no additional reductions over the 2002–2010 period. Certain other provisions of subtitle B would provide for the refund of customs duties paid on certain entries of tomato sauce preparation. Based on information from the Customs Service, CBO estimates that these provisions would reduce government revenues by \$2 million in 2001, net of income and payroll tax offsets, with no additional reductions over the 2002–2010 period.

In addition, title I would alter treatment of certain imported goods in several ways. It would prohibit the importation of products made with cat and dog fur, would allow refunds of customs duties for certain imported products that are then recycled, and exempt the personal effects of participants in international athletic events from any customs duties. CBO estimates that each of these provisions would reduce government revenues by less than \$500,000 each year, net, of income and payroll tax offsets. This es-

estimate is based on information from the International Trade Commission, the U.S. Customs Service, and various other trade sources.

Title III would allow the President to grant permanent normal trade relations (PNTR) to Georgia. Georgia has been found to be in full compliance with the Jackson-Vanik freedom of emigration requirements and has been granted normal trade relations (NTR), subject to a semiannual review and disapproval by a joint resolution of Congress. Without PNTR, the United States could not trade with Georgia under the World Trade Organization (WTO). Because Georgia acceded to the WTO on June 14, 2000, revenues could increase due to less restrictive quotas on textiles and apparel once PNTR was established. However, CBO estimates any such duties would be negligible.

Title IV would impose restrictions on exports and imports of certain categories of cigarettes. It would require that all imported cigarettes comply with requirements detailing their ingredients, as well as certain labeling and trademark requirements. Based on information from the Federal Trade Commission, the International Trade Commission, the Joint Committee on Taxation, and various other sources, CBO estimates that this provision would reduce revenues by \$5 million in 2001, by \$29 million over the 2001–2005 period, and by \$63 million over the 2001–2010 period.

#### Direct Spending

Title I would authorize the Customs Service to collect fees for the arrival of ferries and to establish a fee-for-service agreement to provide certain services at the Fort Lauderdale-Hollywood International Airport. The Customs Service is authorized to spend these fees without further appropriations action, so CBO estimates that the net impact of these provisions would be less than \$500,000 in each year.

Title II would make a small number of workers eligible to receive trade adjustment assistance benefits. These workers were originally authorized to receive benefits under certification number TA-W-31,402 but did not lose their jobs right away. Under current law, these

workers have a limited time after the petition for certification is accepted in which to apply for these benefits. The act would remove any limitation on the period during which benefits could be received. CBO estimates that providing trade adjustment assistance benefits to these workers would cost less than \$200,000 over the 2001–2010 period.

Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act sets up procedures for legislation affecting receipts or direct spending. The net changes in outlays and governmental receipts that are subject to pay-as-you-go procedures are shown in the following table. (The outlay effects would total less than \$500,000 a year.) For the purposes of enforcing pay-as-you-go procedures, only the effects in the budget year and the succeeding four years are counted.

	By fiscal year, in millions of dollars—									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Changes in receipts .....	-15	-5	-6	-6	-6	-6	-6	-7	-7	-8
Changes in outlays .....	0	0	0	0	0	0	0	0	0	0



Estimated impact on State, local, and tribal governments: H.R. 4868 contains no intergovernmental mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments,

Estimated impact on the private sector: H.R. 4868 would impose private-sector mandates on persons engaged in business activities involving products that contain cat or dog fur and persons engaged in the importation of certain foreign produced cigarettes, CBO estimates that the direct costs of those mandates would not exceed the annual threshold for private-sector mandates established by UMRA (\$109 million in 2000, adjusted annually for inflation).

First, the act would impose a mandate by prohibiting all commercial activities occurring in the United States that involve products made with cat or dog fur. Such activities include the importing, exporting, merchandising, and transporting of these goods. According to the Humane Society, within the United States there is no manufacture of products fabricated of dog and cat fur. Currently, the Department of Commerce classifies products made of cat and dog fur into categories with goods made of certain other animal skins. In 1999, the United States imported and exported \$36 million worth of products within these categories. Since products made with cat and dog fur represent a fraction of these values, the direct cost of complying with this mandate measured in lost net income would fall well below the annual threshold established by UMRA.

Second, the act would impose a mandate by prohibiting the importation of certain foreign-produced cigarettes. According to the International Trade Commission, the United States imported \$106 million worth of cigarettes in 1999. Historically, the foreign-source cigarettes that would be Prohibited account for no more than 16 percent of the total value of imported cigarettes, based on information provided by a tobacco company representative and the Florida Attorney General's Office. Moreover, the income of persons or business engaged in importing such cigarettes would be a fraction of those values. Consequently, CBO estimates that the direct cost of complying with this mandate would fall well below the annual threshold established by UMRA.

Previous CBO estimate: On July 25, 2000, CBO transmitted a cost estimate of H.R. 4868 as ordered reported by the House Committee on Ways and Means on July 19, 2000. This estimate reflects the addition of several provisions to the House version of H.R. 4868, particularly those provisions dealing with the refund of customs duties on certain athletic shoes and with the restrictions on exports and imports of certain cigarettes. These changes would further reduce revenues, relative to the House version of H.R. 4868, by \$15 million in 2001, by \$38 million over the 2001–2005 period, and by \$73 million over the 2001–2010 period.

Estimate prepared by: Revenues: Erin Whitaker; customs fees: Mark Graowicz, trade adjustment assistance: Paul Cullinan; impact on State, local, and tribal governments: Leo Lex; impact on the private sector: Paige Piper/Bach.

Estimate approved by: G. Thomas Woodward, Assistant Direct for Tax Analysis, and Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

**VI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED**

In the opinion of the Committee, it is necessary, in order to expedite the business of the Senate, to dispense with the requirements of paragraph 12 of Rule XXVI of the Standing Rules of the Senate (relating to the showing of changes in existing law made by the bill as reported by the Committee).

