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SENATE

{ REPORT
105-356

MISCELLANEOUS TARIFF AND TECHNICAL CORRECTIONS ACT OF 1998

SEPTEMBER 29, 1998.—Ordered to be printed

Mr. ROTH, from the Committee on Finance,
submitted the following

REPORT

[To accompany H.R. 4342]

[Including cost estimate of the Congressional Budget Office]

The Committee on Finance, to which was referred the bill (H.R. 4342) 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 February 17, 1998 and on April 9, 1998, Chairman Roth requested public comment on a package of technical corrections, temporary duty suspensions or reductions and other miscellaneous trade proposals introduced during the 105th Congress and referred to the Committee on Finance. H.R. 4342, as amended, includes many of these bills which, based upon the comments submitted to the Committee on Finance by 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. 4243, AS AMENDED

Short Title; Table of Contents (Section 1)

This section provides that this Act may be cited as the “Miscellaneous Trade and Technical Corrections Act of 1998.” This section also provides a table of contents for the Act.

TITLE I—MISCELLANEOUS TRADE CORRECTIONS

Clerical amendments (Section 1001)

Explanation of provision

This provision makes clerical amendments to the trade laws to bring them up to date with current institutions and statutes.

Reason for change

The provision is necessary to bring trade law into compliance with current terminology and statutes reached in new agreements.

Obsolete references to GATT (Section 1002)

Present law

In many instances, the U.S. Code still references the General Agreement on Tariffs and Trade (GATT).

Explanation of provision

The provision will update several provisions of the U.S. code to properly refer to the GATT and the World Trade Organization (WTO).

Reason for change

On January 1, 1995, the WTO was created to administer the GATT 1994 and the Uruguay Round Agreements. Section 1002 revises various provisions of the trade laws to reflect the establishment of the WTO and the Uruguay Round Agreements.

Classification of 13-inch televisions (Section 1003)

Present law

Televisions with an exact diagonal measurement of 33.02 cm (13 inches) are classifiable under HTS subheading 8528.12.20, which corresponds to a duty rate of 2 percent. If the diagonal measurement exceeds 33.02 cm, but does not exceed 35.56 cm, then the televisions are classifiable under HTS subheading 8528.12.24 with a corresponding duty rate of 5 percent.

Explanation of provision

This provision corrects the classification of certain televisions in the HTS by specifying that “13-inch” television receivers, monitors, and picture tubes, and combination TV/VCRs, may have diagonal measurement up to “34.29 centimeters,” which is 13 and one-half inches, in the HTS. This correction gives the Customs Service the authority it needs to apply lower tariffs on “13-inch” televisions up to 34.29 centimeters.

Reason for change

During the GATT Uruguay Round, the United States agreed to phase down U.S. tariffs on “13- inch” television receivers, monitors, and picture tubes, and on combination TV/VCRs, over the period from 1995 to 1999. Specifically, the United States agreed to reduce tariffs on receivers and monitors from 5 percent to zero, on picture tubes from 15 percent to 7.5 percent, and on combination TV/VCRs

from 3.9 percent to zero. The term “13-inch” is a commercial designation employed by television manufacturers to describe television products whose picture tubes are approximately, but not exactly, 13 inches by diagonal measurement.

The correction does not increase the number of television receivers, monitors, and picture tubes, and combination TV/VCRs, on which lower tariffs were stipulated by the Uruguay Round Agreement. Accordingly, the provision is revenue-neutral under Congressional budget rules because the cost of the reductions in tariffs on these “13-inch” television products was paid for when the Uruguay Round implementing legislation was enacted.

Effective date

This provision shall go into effect on October 1, 1998.

TITLE II—TEMPORARY DUTY SUSPENSIONS AND REDUCTIONS AND OTHER TRADE PROVISIONS

SUBTITLE A: TEMPORARY DUTY SUSPENSIONS AND REDUCTIONS

The provisions in Subtitle A consist of temporary suspensions and reductions of duties for a variety of products.

CHAPTER 1—REFERENCE

Reference (Section 2001)

This section provides that, except as otherwise expressly provided, whenever in this subtitle 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 the Harmonized Tariff Schedule of the United States (19 U.S.C. 3007).

CHAPTER 2—DUTY SUSPENSIONS AND REDUCTIONS

Diiodomethyl-p-tolylsulfone (Section 2101)

Present law

Diiodomethyl-p-tolylsulfone (DMTS) is a fungicide/mideweedicide used in caulks, adhesives, plastics and other purposes and is classifiable under HTS subheading 2930.90.10 and subject to an NTR duty rate of 10.1% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for DMTS as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Racemic dl-menthol (Section 2102)

Present law

Racemic dl-menthol is a chemical used as a fragrance or flavor to produce pharmaceuticals, confections, and cigarettes. This product is classifiable under HTS subheading 2906.11.00 and subject to an NTR duty rate of 2.1% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Racemic dl-menthol as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

2,4-Dichloro-5-hydrazino-phenol-monohydrochloride (Section 2103)

Present law

2,4-Dichloro-5-hydrazino-phenol-monohydrochloride is used in the manufacture of Azafenidin, an active ingredient in DuPont's "Milestone" herbicide 113. This product is classifiable under HTS subheading 2928.00.25 and subject to an NTR duty rate of 6.6% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2,4-Dichloro-5-hydrazino-phenol-monohydrochloride as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

TAB (Section 2104)

Present law

Phosphinic acid, [3-(acetyloxy)-3-cyanopropyl]methyl-, butyl ester (ACM) is utilized in the manufacture of glufosinate ammonium, a non-selective herbicide. This product is classifiable under HTS subheading 2931.00.90 and subject to an NTR duty rate of 3.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Phosphinic acid, [3-(acetyloxy)-3-cyanopropyl]methyl-, butyl ester as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Certain snowboard boots (Section 2105)

Present law

Snowboard boots with uppers of textile material are classifiable under HTS subheading 6406.11.90 and subject to an NTR duty rate of 20% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for snowboard boots with uppers of textile material as temporarily duty free until December 31, 2001.

Reason for change

This temporary duty suspension would make the tariff rate for this product conform with the rate for similar boots with uppers of leather or plastic. There is no domestic production of this product.

Ethofumesate, singularly or in mixture with application adjuvants
(Section 2106)

Present law

2-Ethoxy-2,3-dihydro-3,3-dimethyl-5-benzofuranylmethanesulfonate (ethofumesate) singularly or in mixtures with application adjuvants is a chemical used in the production of certain herbicides and is subject to an NTR duty rate of 6.6% *ad valorem* (if classifiable under HTS 2932.99.08) and 0.4¢/kg+7.1% *ad valorem* (if classifiable under HTS 3808.30.15).

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Ethoxy-2,3-dihydro-3,3-dimethyl-5-benzofuranylmethanesulfonate (ethofumesate) singularly or in mixtures as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

3-Methoxycarbonylaminophenyl 3'-methylcarbanilate
(phenmedipham) (Section 2107)

Present law

3-Methoxycarbonylaminophenyl 3'-methylcarbanilate (phenmedipham) is a chemical used in the production of certain herbicides and is subject to an NTR duty rate of 10.3% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 3-Methoxycarbonylaminophenyl 3'-methylcarbanilate (phenmedipham) as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

3-Ethoxycarbonyl-aminophenyl-N-phenylcarbamate (desmedipham)
(Section 2108)

Present law

3-Ethoxycarbonyl-aminophenyl-N-phenylcarbamate (desmedipham) is subject to an NTR duty rate of 6.6% *ad valorem*. This chemical is used in the production of certain herbicides.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 3-Ethoxycarbonyl-aminophenyl-N-phenylcarbamate (desmedipham) as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

2-Amino-4-(4-aminobenzoylamino)-benzenesulfonic acid, sodium salt (Section 2109)

Present law

2-Amino-4-(4-aminobenzoylamino)-benzenesulfonic acid, sodium salt is an intermediate chemical used in the production of certain synthetic dyes and is classifiable under HTS subheading 2930.90.29 and subject to an NTR duty rate of 6.5% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Amino-4-(4-aminobenzoylamino)-benzenesulfonic acid, sodium salt as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

5-Amino-N-(2-hydroxyethyl)-2,3-xylenesulfonamide (Section 2110)

Present law

5-Amino-N-(2-hydroxyethyl)-2,3-xylenesulfonamide is an intermediate chemical used in the production of certain synthetic dyes and is classifiable under HTS 2935.00.95 and subject to an NTR duty rate of 2.2¢/kg+13.4% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 5-Amino-N-(2-hydroxyethyl)-2,3-xylenesulfonamide as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

3-Amino-2'-(sulfatoethylsulfonyl) ethyl benzamide (Section 2111)

Present law

3-Amino-2'-(sulfatoethylsulfonyl) ethyl benzamide is an intermediate chemical used in the production of certain synthetic dyes and is under HTS 2930.90.29 and subject to an NTR duty rate of 6.5% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 3-Amino-2'-(sulfatoethylsulfonyl) ethyl benzamide as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

4-Chloro-3-nitrobenzenesulfonic acid, monopotassium salt (Section 2112)

Present law

4-Chloro-3-nitrobenzenesulfonic acid, monopotassium salt is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS 2904.90.47 and subject to an NTR duty rate of 2.2¢/kg+11.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 4-Chloro-3-nitrobenzenesulfonic acid, monopotassium salt as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

2-Amino-5-nitrothiazole (Section 2113)

Present law

2-Amino-5-nitrothiazole is classifiable under HTS 2934.10.90 and subject to an NTR duty rate of 10.7% *ad valorem*. This product is an intermediate chemical used mainly in the production of certain synthetic dyes.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Amino-5-nitrothiazole as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

4-Chloro-3-nitrobenzenesulfonic acid (Section 2114)

Present law

4-Chloro-3-nitrobenzenesulfonic acid is classifiable under HTS 2904.90.47 and subject to an NTR duty rate of 2.2/kg+11.7% *ad valorem*. This product is an intermediate chemical used mainly in the production of certain synthetic dyes.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 4-Chloro-3-nitrobenzenesulfonic acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

6-Amino-1,3-naphthalenedisulfonic acid (Section 2115)

Present law

6-Amino-1,3-naphthalenedisulfonic acid is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS 2921.45.90 and subject to an NTR duty rate of 1.4¢/kg+13.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 6-Amino-1,3-naphthalenedisulfonic acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

4-Chloro-3-nitrobenzenesulfonic acid, monosodium salt (Section 2116)

Present law

4-Chloro-3-nitrobenzenesulfonic acid, monosodium salt is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS 2904.90.40 and subject to an NTR duty rate of 10.3% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 4-Chloro-3-nitrobenzenesulfonic acid, monosodium salt as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

2-Methyl-5-nitrobenzenesulfonic acid (Section 2117)

Present law

2-Methyl-5-nitrobenzenesulfonic acid is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS subheading 2904.90.20 and subject to an NTR duty rate of 8.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Methyl-5-nitrobenzenesulfonic acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

6-Amino-1,3-naphthalenedisulfonic acid, disodium salt (Section 2118)

Present law

6-Amino-1,3-naphthalenedisulfonic acid, disodium salt is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS subheading 2921.45.90 and subject to an NTR duty rate of 1.4¢/kg + 13.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 6-Amino-1,3-naphthalenedisulfonic acid, disodium salt as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

2-Amino-p-cresol (Section 2119)

Present law

2-Amino-p-cresol is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS subheading 2922.29.10 and subject to an NTR duty rate of 5.8% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Amino-p-cresol as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

6-Bromo-2,4-dinitroaniline (Section 2120)

Present law

6-Bromo-2,4-dinitroaniline is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS subheading 2921.42.90 and subject to an NTR duty rate of 1.4¢/kg+13.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 6-Bromo-2,4-dinitroaniline as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

7-Acetylamino-4-hydroxy-2-naphthalenesulfonic acid, monosodium salt (Section 2121)

Present law

7-Acetylamino-4-hydroxy-2-naphthalenesulfonic acid, monosodium salt is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS subheading 2924.29.70 and subject to an NTR duty rate of 10.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 7-Acetylamino-4-hydroxy-2-naphthalenesulfonic acid, monosodium salt as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Tannic acid (Section 2122)

Present law

Tannic acid is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS subheading 3201.90.10 and subject to an NTR duty rate of 1.5% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for tannic acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

2-Amino-5-nitrobenzenesulfonic acid, monosodium salt (Section 2123)

Present law

2-Amino-5-nitrobenzenesulfonic acid, monosodium salt is an intermediate chemical used mainly in the production of certain syn-

thetic dyes and is classifiable under 2921.42.90 and subject to an NTR duty rate of 1.4¢/kg+13.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Amino-5-nitrobenzenesulfonic acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

2-Amino-5-nitrobenzenesulfonic acid, monoammonium salt (Section 2124)

Present law

2-Amino-5-nitrobenzenesulfonic acid, monoammonium salt is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS subheading 2921.42.90 and subject to an NTR duty rate of 1.4¢/kg+13.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Amino-5-nitrobenzenesulfonic acid, monoammonium salt as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

2-Amino-5-nitrobenzenesulfonic acid (Section 2125)

Present law

2-Amino-5-nitrobenzenesulfonic acid is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS subheading 2921.42.90 and subject to an NTR duty rate of 1.4¢/kg+13.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Amino-5-nitrobenzenesulfonic acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

3-(4,5-Dihydro-3-methyl-5-oxo-1H-pyrazol-1-yl)benzenesulfonic acid
(Section 2126)

Present law

3-(4,5-Dihydro-3-methyl-5-oxo-1H-pyrazol-1-yl)benzenesulfonic acid is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS subheading 2933.19.43 and subject to an NTR duty rate of 2.2¢/kg+12.3% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 3-(4,5-Dihydro-3-methyl-5-oxo-1H-pyrazol-1-yl)benzenesulfonic acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

4-Benzoylamino-5-hydroxy-2,7-naphthalenedisulfonic acid (Section 2127)

Present law

4-Benzoylamino-5-hydroxy-2,7-naphthalenedisulfonic acid is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS subheading 2924.29.75 and subject to an NTR duty rate of 2.2¢/KG+13.5% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 4-Benzoylamino-5-hydroxy-2,7-naphthalenedisulfonic acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

4-Benzoylamino-5-hydroxy-2,7-naphthalenedisulfonic acid, monosodium salt (Section 2128)

Present law

4-Benzoylamino-5-hydroxy-2,7-naphthalenedisulfonic acid, monosodium salt is an intermediate chemical used mainly in the production of certain synthetic dyes and is classifiable under HTS subheading 2924.29.70 and subject to an NTR duty rate of 10.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 4-Benzoylamino-5-hydroxy-2,7-naphthalenedisulfonic acid, monosodium salt as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Pigment Yellow 151 (Section 2129)

Present law

Pigment Yellow 151 is an organic pigment primarily used in the automotive coating industry. It is an environmentally benign substitute for comparable inorganic pigments using heavy metal chemicals such as cadmium, chrome, lead, and molybdenum, which are considered toxic. And is classifiable under HTS subheading 3204.17.90 and subject to an NTR duty rate of 11.6% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Yellow 151 as temporarily lowering the duty to 6.4% until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Pigment Yellow 181 (Section 2130)

Present law

Pigment Yellow 181 is an organic pigment primarily used in the coloration of plastic processed over 200 degrees Centigrade and is classifiable under HTS subheading 3204.17.60 and subject to an NTR duty rate of 11.6% *ad valorem*. It is an environmentally benign substitute for comparable inorganic pigments using heavy metal chemicals such as cadmium, chrome, lead, and molybdenum, which are considered toxic.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Yellow 181 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Pigment Yellow 154 (Section 2131)

Present law

Pigment Yellow 154 is an organic pigment primarily used in the automotive coating industry. It is an environmentally benign substitute for comparable inorganic pigments using heavy metal chemicals such as cadmium, chrome, lead, and molybdenum, which are considered toxic. and is classifiable under HTS subheading 3204.17.60 and subject to an NTR duty rate of 11.6% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Yellow 154 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Pigment Yellow 175 (Section 2132)

Present law

Pigment Yellow 175 is an organic pigment primarily used in the automotive coating industry. It is an environmentally benign substitute for comparable inorganic pigments using heavy metal chemicals such as cadmium, chrome, lead, and molybdenum, which are considered toxic. and is classifiable under HTS subheading 3204.17.60 and subject to an NTR duty rate of 11.6% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Yellow 175 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Pigment Yellow 180 (Section 2133)

Present law

Pigment Yellow 180 is a yellow pigment approved by FDA for indirect food contact and is classifiable under HTS subheading 3204.17.60 and subject to an NTR duty rate of 11.6% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Yellow 180 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Pigment Yellow 191 (Section 2134)

Present law

Pigment Yellow 191 is a yellow pigment approved by FDA for indirect food contact and is classifiable under HTS subheading 3204.17.60 and subject to an NTR duty rate of 11.6% *ad valorem*.

EXPLANATION OF PROVISION

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Yellow 191 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Pigment Red 187 (Section 2135)

Present law

Pigment Red 187 is a red pigment approved by FDA for indirect food contact and is classifiable under HTS subheading 3204.17.60 and subject to an NTR duty rate of 11.6% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Red 187 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Pigment Red 247 (Section 2136)

Present law

Pigment Red 247 is classifiable under HTS subheading 3204.17.60 and subject to an NTR duty rate of 11.6% *ad valorem*. This pigment is used in the coloration of plastics that are processed at temperatures exceeding 200° C.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Red 247 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Pigment Orange 72 (Section 2137)

Present law

Pigment Orange 72 is used in the coloration of plastics that are processed at temperatures exceeding 200° C. and is classifiable under HTS subheading 3204.17.60 and subject to an NTR duty rate of 11.6% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Orange 72 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumer

Pigment Yellow 16 (Section 2138)

Present law

Pigment Yellow 16 is used in industrial and agricultural coating and is classifiable under HTS subheading 3204.17.04 and subject to an NTR duty rate of 6.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Yellow 16 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Pigment Red 185 (Section 2139)

Present law

Pigment Red 185 pigment is primarily used in the coloration of plastics that are processed at temperatures exceeding 200 °C and is classifiable under HTS subheading 3204.17.04 and subject to an NTR duty rate of 6.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Red 185 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Pigment Red 208 (Section 2140)

Present law

Pigment Red 208 is primarily used in the coloration of plastics that are processed at temperatures exceeding 200 °C and is classifiable under HTS subheading 3204.17.04 and subject to an NTR duty rate of 6.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Red 208 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Pigment Red 188 (Section 2141)

Present law

Pigment Red 188 is a synthetic organic pigment primarily used in agricultural and industrial coating applications and is classifiable under HTS subheading 3204.17.04 and subject to an NTR duty rate of 6.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Red 188 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

2,6-Dimethyl-m-dioxan-4-ol acetate (Section 2142)

Present law

2,6-Dimethyl-m-dioxan-4-ol acetate (“DXN”) is a preservative used primarily in the manufacture and/or processing of industrial

water-based products to inhibit microbial growth in textile manufacturing and for the preservation of cement admixtures and is classifiable under HTS subheading 2932.99.90 and subject to an NTR duty rate of 3.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2,6-Dimethyl-m-dioxan-4-ol acetate as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

b-bromo- β -nitrostyrene (Section 2143)

Present law

β -Bromo- β -nitrostyrene (“BNS”) is a preservative that controls the growth of bacteria and fungi in the production of high quality paper and is classifiable under HTS subheading 2904.90.47 and subject to an NTR duty rate of 2.2¢/kg+11.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for β -Bromo- β -nitrostyrene as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Textile machinery (Section 2144)

Present law

Ink jet textile printing machinery is classifiable under HTS subheading 8443.51.10 and subject to an NTR duty rate of 3.1% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for ink jet textile printing machinery as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Deltamethrin (Section 2145)

Present law

(S)- α -cyano-3-phenoxybenzyl (1R, 3R)-3-(2,2-dibromovinyl)-2,2-dimethylcyclopropanecarboxylate (deltamethrin) in bulk or in forms or packings for retail sale is classifiable and subject to an NTR duty rate of 10.1% *ad valorem* (for HTS subheading 2926.90.30) or 0.4¢/kg+7.1% *ad valorem* (for HTS subheading 3808.10.25). Deltamethrin is a synthetic organic chemical used as the active ingredient in certain insecticides

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for deltamethrin as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Diclofop-methyl (Section 2146)

Present law

Diclofop-methyl and is classifiable and subject to an NTR duty rate of 10.7% *ad valorem* (for HTS subheading 2918.90.20) or 0.4¢/kg+7.1% *ad valorem* (for HTS subheading 3808.30.15). The product is used as a post emergence herbicide.

Explanation of provision

The provision would extend the temporary duty free treatment accorded this product in chapter 99, subchapter II of the HTS until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Resmethrin (Section 2147)

Present law

([5-(phenylmethyl)-3-furanyl]methyl 2,2-dimethyl-3-(2-methyl-1-propenyl) cyclopropanecarboxylate (resmethrin) is classifiable under HTS subheading 2932.19.10 and subject to an NTR duty rate of 6.5 % *ad valorem*. Resmethrin is the active ingredient in certain insecticides.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for resmethrin as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

N-phenyl-N'-1,2,3-thiadiazol-5-ylurea (Section 2148)

Present law

N-phenyl-N'-1,2,3-thiadiazol-5-ylurea (thidiazuron) is a plant growth regulator used for the defoliation of cotton and is classifiable and subject to an NTR duty rate of 10.7% *ad valorem* (for HTS subheading 2934.90.15) or 0.4¢/kg+7.1% *ad valorem* (for HTS subheading 3808.30.15).

Explanation of provision

The provision would extend the duty free treatment accorded this product under chapter 99, subchapter II of the HTS until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

(1R, 3S) 3 [(1'RS) (1',2',2',2',-Tetrabromoethyl)] -2,2-dimethylcyclopropanecarboxylic acid (S)- α -CYANO-3-PHENOXYBENZYL ESTER (SECTION 2149)

Present law

(1R, 3S) 3 [(1'RS) (1',2',2',2',-Tetrabromoethyl)] -2,2-dimethylcyclopropanecarboxylic acid (S)- α -cyano-3-phenoxybenzyl ester in bulk or in forms or packages for retail sale (tralomethrin) is the active ingredient in certain insecticides and is classifiable and subject to an NTR duty rate of 10.1% *ad valorem* (for HTS subheading 2926.90.30) or 0.4¢/kg+7.1% *ad valorem* (for HTS subheading 3808.10.25).

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for tralomethrin as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Pigment Yellow 109 (Section 2150)

Present law

Pigment Yellow 109 is used in the production of plastics, specialty printing inks, and coatings (e.g. automotive refinishing) and is classifiable under HTS subheading 3204.17.04 and subject to an NTR duty rate of 6.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Yellow 109 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Pigment Yellow 110 (Section 2151)

Present law

Pigment Yellow 110 is used in the production of plastic, specialty printing inks, and coatings (i.e. automotive refinishing) and is classifiable under HTS subheading 3204.17.04 and subject to an NTR duty rate of 6.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Yellow 110 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Pigment Red 177 (Section 2152)

Present law

Pigment Red 177 is and used in the production of plastic, specialty printing inks, and coatings (i.e. automotive refinishing) and is classifiable under HTS subheading 3204.17.04 and subject to an NTR duty rate of 6.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Red 177 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more effi-

ciently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Textile printing machinery (Section 2153)

Present law

The textile printing machinery covered under this provision is classifiable under HTS subheading 8443.59.10 and subject to an NTR duty rate of 3.1% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for certain textile machinery as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Substrates of synthetic quartz or synesthetic fused silica (Section 2154)

Present law

Substrates of synthetic quartz or synesthetic fused silica is classifiable under HTS subheading 7006.00.40 and subject to an NTR duty rate of 4.9% *ad valorem*. This is a high-purity glass which is transformed into photomask blanks which are ultimately used to project circuit patterns to manufacture semiconductors.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for substrates of synthetic quartz or synesthetic fused silica as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

2-Methyl-4,6-bis[(octylthio)methyl]phenol (Section 2155)

Present law

2-Methyl-4,6-bis[(octylthio)methyl]phenol is a synthetic organic chemical used mainly as an antioxidant and processing stabilizer in the manufacture of rubber and elastomeric products, and is classifiable under HTS subheading 2930.90.29 and subject to an NTR duty rate of 6.5% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Methyl-4,6-

bis[*octylthio*]methyl]phenol as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

2-Methyl-4,6 bis[*octylthio*]methyl]phenol; epoxidized triglyceride
(Section 2156)

Present law

2-Methyl-4,6 bis[*octylthio*]methyl]phenol; epoxidized triglyceride is a synthetic organic chemical used mainly as an antioxidant and processing stabilizer in the manufacture of rubber and elastomeric products and is classifiable under HTS subheading 3812.30.60 and subject to an NTR duty rate of 2.2¢/kg+10.8% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Methyl-4,6 bis[*octylthio*]methyl]phenol; epoxidized triglyceride as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

4-[[4,6-Bis(*octylthio*)-1,3,5-triazin-2-yl]amino]-2,6-bis(1,1-dimethylethyl)phenol (Section 2157)

Present law

4-[[4,6-Bis(*octylthio*)-1,3,5-triazin-2-yl]amino]-2,6-bis(1,1-dimethylethyl)phenol is a synthetic organic chemical used mainly as an antioxidant and processing stabilizer in the manufacture of rubber, adhesives and elastomeric products and is classifiable under HTS subheading 2933.69.60 and subject to an NTR duty rate of 3.5% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 4-[[4,6-Bis(*octylthio*)-1,3,5-triazin-2-yl]amino]-2,6-bis(1,1-dimethylethyl)phenol as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

(2-Benzothiazolythio)butanedioic acid (Section 2158)

Present law

(2-Benzothiazolythio)butane-dioic acid is a synthetic organic chemical used as a corrosion inhibitor in the manufacture of heavy duty maintenance coatings, aircraft coatings, and dry fall coatings and is classifiable under HTS subheading 2934.20.40 and subject to an NTR duty rate of 10.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for (2-Benzothiazolythio)butanedioic acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Calcium bis[monoethyl (3,5-di-tert-butyl-4-hydroxybenzyl) phosphonate] (Section 2159)

Present law

Calcium bis[monoethyl (3,5-di-tert-butyl-4-hydroxybenzyl) phosphonate] is a synthetic organic chemical used as an antioxidant and catalyst and is classifiable under HTS subheading 2931.00.30 and subject to an NTR duty rate of 10.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for calcium bis[monoethyl (3,5-di-tert-butyl-4-hydroxybenzyl) phosphonate] as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

*Present law*4-Methyl- γ -oxo-benzenbutanoic acid compd. with 4-ethylmorpholine (2:1) (Section 2160)

4-Methyl- γ -oxo-benzenbutanoic acid compd. with 4-ethylmorpholine (2:1) is classifiable under HTS 3824.90.28 and subject to an NTR duty rate of 10.7 % *ad valorem*. This is a synthetic organic compound used as a corrosion inhibitor in the manufacture of direct to metal mono-coats (i.e., rail cars and maintenance coatings).

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 4-Methyl- γ -oxo-benzenbutanoic acid compd. with 4-ethylmorpholine (2:1) as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Weaving machines (Section 2161)

Present law

Certain weaving machines (looms), shuttleless type, for weaving fabrics of a width exceeding 30cm, but not exceeding 4.9 meters and are classifiable under HTS 8446.30.50 and subject to an NTR duty rate of 3.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for certain weaving machines covered under this provision to reduce the tariff rate to 3.5% until December 31, 1998, and to 3.3% between January 1, 1999 and December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Textile doubling or twisting machines (Section 2162)

Present law

Textile doubling or twisting machines are classifiable under HTS 8445.30.00 and subject to an NTR duty rate of 0.8% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for textile doubling or twisting machines as temporarily duty free until December 31, 1998.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Certain weaving machines (Section 2163)

Present law

Power weaving machines (looms), shuttle type, for weaving fabrics of a width exceeding 30 cm, but not exceeding 4.9 meters are classifiable under HTS 8446.21.50 and subject to an NTR duty rate of 3.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for certain power weaving machines (looms) as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

DEMT (Section 2164)

Present law

DEMT (N,N-diethyl-m-toluidine) is classifiable under HTS subheading 2921.43.80 and subject to an NTR duty rate of 1.4¢/kg+13.9% *ad valorem*. DEMT is an intermediate chemical used in the production of certain color couplers for photographic film.

Explanation of provision

The provision extends the duty free treatment provided for N,N-diethyl-m-toluidine under chapter 99, subchapter II of the HTS until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Benzenepropanal, 4-(1,1-dimethylethyl)-alpha-methyl- (Section 2165)

Present law

Benzenepropanal, 4-(1,1-dimethylethyl)-alpha-methyl- is classifiable under HTS subheading 2912.29.60 and subject to an NTR duty rate of 9.0% *ad valorem*. This product is an aroma chemical used principally as a raw material in the manufacture of fragrances for fabric softeners and detergents.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Benzenepropanal, 4-(1,1-dimethylethyl)-alpha-methyl- to reduce to 6% until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

2H-3,1-Benzoxazin-2-one, 6-chloro-4-(cyclopropylethynyl)-1,4-dihydro-4-(trifluoromethyl)- (Section 2166)

Present law

2H-3,1-Benzoxazin-2-one, 6-chloro-4-(cyclopropylethynyl)-1,4-dihydro-4-(trifluoromethyl)- is classifiable and subject to an NTR duty rate of 6.6% *ad valorem* under 2934.90.30. This chemical is the active pharmaceutical ingredient in an anti-viral (anti-HIV and anti-AIDS) drug.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2H-3,1-Benzoxazin-2-one, 6-chloro-4-(cyclopropylethynyl)-1,4-dihydro-4-(trifluoromethyl)- as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Tebufenozide (Section 2167)

Present law

N-tert-butyl-N'-(4-ethylbenzoyl)-3,5-dimethylbenzoylhydrazide (tebufenozide) is classifiable under HTS subheading 2928.00.25 and subject to an NTR duty rate of 6.6% *ad valorem*. This product, which is also known as tebufenozide, is a narrow spectrum insecticide which targets lepidopterous insects—those whose larvae are caterpillars.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for N-tert-butyl-N'-(4-ethylbenzoyl)-3,5-dimethylbenzoylhydrazide (tebufenozide) as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Halofenozide (Section 2168)

Present law

Benzoic acid, 4-chloro-2-benzoyl-2-(1,1-dimethylethyl) hydrazide and is classifiable under HTS subheading 2928.00.25 and subject to an NTR duty rate of 6.6% *ad valorem*. This product, which is also known as Halofenozide, is a narrow spectrum insecticide which targets, and is toxic only to a specific type of insect found on green plant matter of turf grasses and ornamental plants.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for benzoic acid, 4-chloro-2-benzoyl-2-(1,1-dimethylethyl) hydrazide as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Certain organic pigments and dyes (Section 2169)

Present law

Certain organic luminescent pigments and dyes, for security applications, excluding daylight florescent pigments and dyes, are classifiable under HTS subheading 3204.90.00 and subject to an NTR duty rate of 5.9% *ad valorem*. These luminescent complex organic chemicals are often designed (on a proprietary basis) for a specific use in products that require security and anti-counterfeiting technology (e.g. stock certificates and credit cards).

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for organic luminescent pigments and dyes as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

4-Hexylresorcinol (Section 2170)

Present law

4-Hexylresorcinol is classifiable under HTS subheading 2907.29.90 and subject to an NTR duty rate of 5.8% *ad valorem*. This product is used in a variety of pharmaceutical and cosmetic applications including throat lozenges and topical antiseptics.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 4-Hexylresorcinol as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Certain sensitizing dyes (Section 2171)

Present law

Polymethine photo-sensitizing dyes is classifiable under certain HTS subheadings. These dyes improve the spectral response photo-sensitive emulsion used on film.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Polymethine photo-sensitizing dyes as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Skating boots for use in manufacture of in-line roller skates
(Section 2172)

Present law

Skating boots for use in manufacture of in-line roller skates are classifiable under HTS subheading 6402.19.90, 6403.19.40, 6403.19.70 and 6404.11.90 and subject to an NTR duty rate of 20% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for such skating boots as temporarily duty free until December 31, 2001.

Reason for change

Skating boots used for in-line skates are subject to a 20% duty. However, imports of completely-assembled in-line skates containing such boots enter free of duty, resulting in a tariff inversion which gives importers of in-line skates a competitive edge over U.S. producers of in-line skates. This provision would correct that tariff inversion and encourage U.S. production of in-line skates. There is negligible domestic production of this product.

Dibutyl-naphthalenesulfonic acid, sodium salt (Section 2173)

Present law

A surface active preparation containing 30% or more by weight of dibutyl-naphthalenesulfonic acid, sodium salt is used to manufacture end-use herbicides and is classifiable under HTS subheading 3402.90.30 and subject to an NTR duty rate of 5.8% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for surface active preparation containing 30% or more by weight of dibutyl-naphthalenesulfonic acid, sodium salt as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

O-(6-Chloro-3-phenyl-4-pyridazinyl)-S-octyl-carbonothioate (Section 2174)

Present law

O-(6-Chloro-3-phenyl-4-pyridazinyl)-S-octyl-carbonothioate is classifiable under HTS subheading 3808.30.15 and subject to an NTR duty rate of 0.4¢/kg+7.1% *ad valorem*. This product is a synthetic organic chemical used as an active ingredient in the manufacture of an herbicide for corn to control kochia and Russian thistle.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for O-(6-Chloro-3-phenyl-4-pyridazinyl)-S-octyl-carbonothioate as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

4-Cyclopropyl-6-methyl-2-phenylaminopyrimidine (Section 2175)

Present law

4-Cyclopropyl-6-methyl-2-phenylaminopyrimidine is classifiable under HTS subheading 2933.59.15 and subject to an NTR duty rate of 10.2% *ad valorem*. This product is a synthetic organic chemical used as an active ingredient in the manufacture of fungicide formulations to control insects and mites in fruits, nuts, and cotton.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 4-Cyclopropyl-6-methyl-2-phenylaminopyrimidine as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

O,O-Dimethyl-S-[5-methoxy-2-oxo-1,3,4-thiadiazol-3(2H)-yl-methyl]-dithiophosphate (Section 2176)

Present law

O,O-Dimethyl-S-[5-methoxy-2-oxo-1,3,4-thiadiazol-3(2H)-yl-methyl]-dithiophosphate is classifiable under HTS subheading 2934.90.90 and subject to an NTR duty rate of 6.8% *ad valorem*. This product is a synthetic organic chemical used as an active ingredient in the manufacture of fungicide formulations to control insects and mites in fruits, nuts, and cotton.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for O,O-Dimethyl-S-[5-methoxy-2-oxo-1,3,4-thiadiazol-3(2H)-yl-methyl]-dithiophosphate as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Ethyl [2-(4-phenoxyphenoxy) ethyl] carbamate (Section 2177)

Present law

Ethyl [2-(4-phenoxyphenoxy) ethyl] carbamate is classifiable under HTS subheading 2924.10.80 and subject to an NTR duty rate of 6.8% *ad valorem*. This product is a synthetic organic chemical used to manufacture insect growth regulators.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Ethyl [2-(4-phenoxyphenoxy) ethyl] carbamate as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

[(2S, 4R)/(2R, 4S)]/[(2R, 4R)/(2S, 4S)]-1-[2-[4-(4-Chloro-phenoxy)-2-chlorophenyl]-4-methyl-1,3-dioxolan-2-yl-methyl]-1H-1,2,4-triazole (Section 2178)

Present law

[(2S,4R)/(2R,4S)]/[(2R,4R)/(2S,4S)]-1-[2-[4-(4-Chloro-phenoxy)-2-chlorophenyl]-4-methyl-1,3-dioxolan-2-yl-methyl]-1H-1,2,4-triazole is classifiable under HTS subheading 2934.90.12 and subject to an NTR duty rate of 9.3% *ad valorem*. The chemical is an active ingredient used to formulate fungicide for use in seed treatments for cereals.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for [(2S,4R)/(2R,4S)]/[(2R,4R)/(2S,4S)]-1-[2-[4-(4-Chloro-phenoxy)-2-chlorophenyl]-4-methyl-1,3-dioxolan-2-yl-methyl]-1H-1,2,4-triazole as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

2,4-Dichloro-3,5-dinitrobenzotrifluoride (Section 2179)

Present law

2,4-Dichloro-3,5-dinitrobenzotrifluoride is classifiable under HTS subheading 2910.90.20 and subject to an NTR duty rate of 5.7% *ad valorem*. This product is a synthetic organic chemical organic chemical used as an intermediate in the production of a herbicide active ingredient used to control weeds and turf grass.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2,4-Dichloro-3,5-dinitrobenzotrifluoride as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

2-Chloro-N-[2,6-dinitro-4-(trifluoromethyl) phenyl]-N-ethyl-6-fluorobenzenemethanamine (Section 2180)

Present law

2-Chloro-N-[2,6-dinitro-4-(trifluoromethyl) phenyl]-N-ethyl-6-fluorobenzenemethanamine is classifiable under HTS subheading 2921.49.45 and subject to an NTR duty rate of 10.7% *ad valorem*. This chemical is an active ingredient used to formulate a growth

regulator to control suckers (undesirable side-shoots) in tobacco plants.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Chloro-N-[2,6-dinitro-4-(trifluoromethyl) phenyl]-N-ethyl-6- fluorobenzenemethanamine as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Chloroacetone (Section 2181)

Present law

Chloroacetone is classifiable under HTS subheading 2914.19.00 and subject to an NTR duty rate of 4.0% *ad valorem*. Chloroacetone is a raw material used in the production of a chemical intermediate for production of an herbicide (weed-killer) used for various crops.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for chloroacetone as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Acetic acid, [(5-chloro-8-quinolynyl)oxy]-, 1-methylhexyl ester
(Section 2182)

Present law

Acetic acid, [(5-chloro-8-quinolynyl)oxy]-, 1-methylhexyl ester is classifiable under HTS subheading 2933.40.30 and subject to an NTR duty rate of 9.3% *ad valorem*. The chemical is an intermediate used as a safener in the manufacture of an herbicide to control wild oats, foxtail and pigeon grass in wheat.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Acetic acid, [(5-chloro-8-quinolynyl)oxy]-, 1-methylhexyl ester as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more effi-

ciently, and pass savings on to the downstream users and consumers.

Propanoic acid, 2-[4-[(5-chloro-3-fluoro-2-pyridinyl)oxy]phenoxy]-, 2-propynyl ester (Section 2183)

Present law

Propanoic acid, 2-[4-[(5-chloro-3-fluoro-2-pyridinyl)oxy]phenoxy]-, 2-propynyl ester and is classifiable under HTS subheading 2933.39.25 and subject to an NTR duty rate of 10.7% *ad valorem*. This chemical is an active ingredient in the manufacture of herbicides to control wild oats, foxtail, and pigeon grass in wheat.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Propanoic acid, 2-[4-[(5-chloro-3-fluoro-2-pyridinyl)oxy]phenoxy]-, 2-propynyl ester as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Mucochloric acid (Section 2184)

Present law

Mucochloric acid is classifiable under HTS subheading 2918.30.90 and subject to an NTR duty rate of 3.7% *ad valorem*. The chemical is a raw material used in the production of an active ingredient produced in the U.S. to make a herbicide for control of a unique spectrum of broadleaf weeds and grasses in cotton, alfalfa, citrus, trees, nuts, and vines.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for mucochloric acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Certain rocket engines (Section 2185)

Present law

Dual thrust chamber rocket engines each having maximum static sea level thrust exceeding 800,000 lbs. and nozzle exit diameters exceeding 50 inches are classifiable under HTS subheading 8412.10.00 and subject to an NTR duty rate of 2% *ad valorem*. These rocket engines are liquid fuel engines designed to propel specific launch vehicles into space

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for dual thrust chamber rocket engines each having maximum static sea level thrust exceeding 800,000 lbs. and nozzle exit diameters exceeding 50 inches as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Pigment Red 144 (Section 2186)

Present law

Pigment Red 144 is a synthetic organic chemical used as a high performance pigment in ink, paint, plastic, and fiber applications and is classifiable under HTS subheading 3204.17.04 and subject to an NTR duty rate of 6.9% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Red 144 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Pigment Orange 64 (Section 2187)

Present law

Pigment Orange 64 is a synthetic organic chemical used as a high performance pigment in ink, plastic, fiber and coating industry, and is classifiable and subject to an NTR duty rate of 11.6% *ad valorem* under 3204.17.60.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Orange 64 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Pigment Yellow 95 (Section 2188)

Present law

Pigment Yellow 95 is classifiable under HTS subheading 3204.17.04 and subject to an NTR duty rate of 6.9% *ad valorem*. This product is a synthetic organic chemical used as a high performance pigment; it has FDA approval for food-contact packaging applications.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Yellow 95 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Pigment Yellow 93 (Section 2189)

Present law

Pigment Yellow 93 is classifiable under HTS subheading 3204.17.04 and subject to an NTR duty rate of 6.9% *ad valorem*. This product is a synthetic organic chemical used as a high performance pigment with applications in ink, coating, plastics, and fiber industries.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for Pigment Yellow 93 as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

(S)-N-[[5-[2-(2-Amino-4,6,7,8-tetrahydro-4-oxo-1H-pyrimido[5,4-b][1,4]thiazin-6-yl)ethyl-2-thienyl]carbonyl]-L-glutamic acid diethyl ester (Section 2190)

Present law

(S)-N-[[5-[2-(2-Amino-4,6,7,8-tetrahydro-4-oxo-1H-pyrimido[5,4-b][1,4]thiazin-6-yl)ethyl-2-thienyl]carbonyl]-L-glutamic acid diethyl ester is classifiable under HTS subheading 2934.90.90 and subject to an NTR duty rate of 6.9% *ad valorem*. This chemical is an intermediate that will be used in the production of certain anti-cancer drugs.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for (S)-N-[[5-[2-(2-Amino-4,6,7,8-tetrahydro-4-oxo-1H-pyrimido[5,4-b][1,4]thiazin-6-yl)ethyl-2-thienyl]carbonyl]-L-glutamic acid diethyl ester as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, while furthering important medical research. There is no appreciable domestic production of this product.

4-Chloropyridine hydrochloride (Section 2191)

Present law

4-Chloropyridine hydrochloride is classifiable under HTS subheading 2933.39.61 and subject to an NTR duty rate of 10.7% *ad valorem*. The chemical is one of several synthetic organic chemical intermediates that are important in the production of a matrix metalloproteinase inhibitors that are in phase I clinical trials directed towards advanced cancer.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 4-Chloropyridine hydrochloride as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, while furthering important medical research. There is no appreciable domestic production of this product.

4-Phenoxypyridine (Section 2192)

Present law

4-Phenoxypyridine is classifiable under HTS subheading 2933.39.61 and subject to an NTR duty rate of 10.7% *ad valorem*. The chemical is one of several synthetic organic chemical intermediates that are important in the production of a matrix metalloproteinase inhibitors that are in phase I clinical trials directed towards advanced cancer.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 4-Phenoxypyridine as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, while furthering important medical research. There is no appreciable domestic production of this product.

(3S)-2,2-Dimethyl-3-thiomorpholine carboxylic acid (Section 2193)

Present law

(3S)-2,2-Dimethyl-3-thiomorpholine carboxylic acid is classifiable under HTS subheading 2934.90.90 and subject to an NTR duty rate of 7.1% *ad valorem*. The chemical is one of several synthetic organic chemical intermediates that are important in the production of a matrix metalloproteinase inhibitors that is in phase I clinical trials directed towards advanced cancer.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for (3S)-2,2-Dimethyl-3-thiomorpholine carboxylic acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, while furthering important medical research. There is no appreciable domestic production of this product.

2-Amino-5-bromo-6-methyl-4(1H)-quinazolinone (Section 2194)

Present law

2-Amino-5-bromo-6-methyl-4(1H)-quinazolinone is classifiable under HTS subheading 2933.59.70 and subject to an NTR duty rate of 10.7% *ad valorem*. This product is a synthetic organic chemical intermediate that is instrumental in producing THYMITAQ, a thymidylate synthase inhibitor which is currently in phase II clinical trials directed towards neck cancer and hepatoma.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Amino-5-bromo-6-methyl-4(1H)-quinazolinone as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, while furthering important medical research. There is no appreciable domestic production of this product.

2-Amino-6-methyl-5-(4-pyridinylthio)-4(1H)-quinazolinone (Section 2195)

Present law

2-Amino-6-methyl-5-(4-pyridinylthio)-4(1H)-quinazolinone is classifiable under HTS subheading 2933.59.70 and subject to an NTR duty rate of 10.7% *ad valorem*. This is a synthetic organic chemical intermediate that is instrumental in producing THYMITAQ, a thymidylate synthase inhibitor which is currently in phase II clinical trials directed towards neck cancer and hepatoma.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for 2-Amino-6-methyl-5-(4-pyridinylthio)-4(1H)-quinazolinone as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, while furthering important medical research. There is no appreciable domestic production of this product.

(S)-N- [[5- [2- (2-Amino-4,6,7,8-tetrahydro-4-oxo-1H-pyrimido [5,4b] [1,4] thiazin-6-yl) ethyl] -2-thienyl]carbonyl]-L-glutamic acid (Section 2196)

Present law

(S)-N- [[5-[2-(2-Amino-4,6,7,8-tetrahydro-4-oxo-1H-pyrimido [5,4-b] [1,4]thiazin-6-yl)ethyl] -2-thienyl]carbonyl]-L-glutamic acid (CAS No. 177575-17-6) is classifiable under HTS subheading 2934.90.90 and subject to an NTR duty rate of 6.8% *ad valorem*. This product is a synthetic organic chemical that will be incorporated in an anti-cancer drug.

Explanation of Provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for (S)-N-[[5-[2-(2-Amino-4,6,7,8-tetrahydro-4-oxo-1H-pyrimido[5,4-b][1,4]thiazin-6-yl)ethyl]-2-thienyl]carbonyl]-L-glutamic acid (CAS No. 177575-17-6) as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, while furthering important medical research. There is no appreciable domestic production of this product.

2-Amino-6-methyl-5-(4-pyridinylthio)-4(1H)-quinazolinone
dihydrochloride (Section 2197)

Present law

2-Amino-6-methyl-5-(4-pyridinylthio)-4(1H)-quinazolinone dihydrochloride is classifiable under HTS subheading 2933.59.70 and subject to an NTR duty rate of 10.7% *ad valorem*. This product is a synthetic organic chemical that will be incorporated in an anti-cancer drug which is currently in phase II clinical trials.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for 2-Amino-6-methyl-5-(4-pyridinylthio)-4(1H)-quinazolinone dihydrochloride as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, while furthering important medical research. There is no appreciable domestic production of this product.

3-(Acetyloxy)-2-methylbenzoic acid (Section 2198)

Present law

3-(Acetyloxy)-2-methylbenzoic acid is classifiable under HTS subheading 2918.29.65 and subject to an NTR duty rate of 10.7% *ad valorem*. This product is a synthetic organic chemical instrumental in the development of a new and more efficient production route for a protease inhibitor used for the treatment of HIV/AIDS. Currently under investigation.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for 3-(Acetyloxy)-2-methylbenzoic acid as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would enable U.S. pharmaceutical companies to continue production of an anti-cancer drug, currently still in the trial stages, as cost-effectively as possible. There is no appreciable domestic production of this product.

[R-(R*,R*)]-1,2,3,4-Butanetetrol-1,4-dimethanesulfonate (Section 2199)

Present law

[R-(R*,R*)]-1,2,3,4-Butanetetrol-1,4-dimethanesulfonate (CAS No. 1947-62-2) is classifiable under HTS subheading 2905.49.50 and subject to an NTR duty rate of 9.6% *ad valorem*. This product is a synthetic organic chemical used in the production of a protease inhibitor used to treat HIV/AIDS.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for [R-(R*,R*)]-1,2,3,4-Butanetetrol-1,4-dimethanesulfonate (CAS No. 1947-62-2) as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. There is no appreciable domestic production of this product.

9-[2-[[Bis [(pivaloyloxy) methoxy] phosphinyl]methoxy] ethyl]adenine
(Section 2200)

Present law

9-[2-[[Bis [(pivaloyloxy) methoxy] phosphinyl]methoxy] ethyl]adenine is classifiable under HTS subheading 2933.59.95 and subject to an NTR duty rate of 6.8% *ad valorem*. This product is also known as Adefovir Dipivoxil, this synthetic organic chemical is undergoing clinical trials to receive FDA approval for use in treating HIV/AIDS and Hepatitis B.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for 9-[2-[[Bis[(pivaloyloxy) methoxy] phosphinyl]methoxy] ethyl]adenine as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. There is no appreciable domestic production of this product.

9-[2-(R)-[[Bis[(isopropoxy-carbonyl)oxymethoxy]phosphinoyl]methoxy]propyl]adenine fumarate
(Section 2201)

Present law

9-[2-(R)-[[Bis[(isopropoxy-carbonyl)oxymethoxy]phosphinoyl]methoxy]propyl]adenine fumarate is classifiable under HTS subheading 2933.59.95 and subject to an NTR duty rate of 6.8% *ad valorem*. This product is a synthetic organic chemical used as a drug called PMPA which is currently undergoing clinical trials for treating HIV/AIDS.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for 9-[2-(R)-[[Bis[(isopropoxy-carbonyl)oxymethoxy]phosphinoyl]methoxy]propyl]adenine fumarate as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. There is no appreciable domestic production of this product.

(R)-9-(2-Phosphonomethoxypropyl)adenine (Section 2202)

Present law

(R)-9-(2-Phosphonomethoxypropyl)adenine is classifiable under HTS subheading 2933.59.95 and subject to an NTR duty rate of 6.8% *ad valorem*. This product is a synthetic organic chemical used

as a drug called PMPA which is currently undergoing clinical trials for treating HIV/AIDS.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for (R)-9-(2-Phosphonomethoxypropyl)adenine as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. There is no appreciable domestic production of this product.

(R)-1,3-Dioxolan-2-one, 4-methyl-(Section 2203)

Present law

(R)-1,3-Dioxolan-2-one, 4-methyl- is classifiable under HTS subheading 2920.90.50 and subject to an NTR duty rate of 3.7% *ad valorem*. This product is a synthetic organic chemical used as a drug called PMPA which is currently undergoing clinical trials for the treatment of HIV/AIDS.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for (R)-1,3-Dioxolan-2-one, 4-methyl- as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. There is no appreciable domestic production of this product.

9-(2-Hydroxyethyl)adenine (Section 2204)

Present law

9-(2-Hydroxyethyl)adenine is classifiable under HTS subheading 2933.59.95 and subject to an NTR duty rate of 6.8% *ad valorem*. This product is a synthetic organic chemical used in the production of Adefovir Dipivoxil, it is undergoing clinical trials to receive FDA approval for treating HIV/AIDS and Hepatitis B.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for 9-(2-Hydroxyethyl)adenine as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. There is no appreciable domestic production of this product.

(R)-9H-Purine-9-ethanol, 6-amino- α -methyl (Section 2205)*Present law*

(R)-9H-Purine-9-ethanol, 6-amino- α -methyl is classifiable under HTS subheading 2933.59.95 and subject to an NTR duty rate 6.8% *ad valorem*. This product is a synthetic organic chemical used as a drug called PMPA which is used for the treatment of HIV/AIDS.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for (R)-9H-Purine-9-ethanol, 6-amino- α -methyl as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. There is no appreciable domestic production of this product.

Chloromethyl-2-propyl carbonate (Section 2206)

Present law

Chloromethyl-2-propyl carbonate is classifiable under HTS subheading 2920.90.50 and subject to an NTR duty rate 6.8% *ad valorem*. A synthetic organic chemical used as a drug called PMPA which is currently undergoing clinical trials for the treatment of HIV/AIDS.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for Chloromethyl-2-propyl carbonate as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. There is no appreciable domestic production of this product.

(R)-1,2-Propanediol, 3-chloro- (Section 2207)

Present law

(R)-1,2-Propanediol, 3-chloro- is classifiable under HTS subheading 2905.50.60 and subject to an NTR duty rate 9.6% *ad valorem*. This is a synthetic organic chemical used in the production of a drug used to treat CMV retinitis—a potentially blinding disease common in late-stage AIDS patients.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for (R)-1,2-Propanediol, 3-chloro- as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. There is no appreciable domestic production of this product.

Oxirane, (S)-((triphenylmethoxy)methyl)- (Section 2208)

Present law

Oxirane, (S)-((triphenylmethoxy)methyl)- is classifiable under HTS subheading 2910.90.20 and subject to an NTR duty rate 5.7% *ad valorem*. This is a synthetic organic chemical used in the production of a drug used to treat CMV retinitis—a potentially blinding disease common in late-stage AIDS patients.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for Oxirane, (S)-((triphenylmethoxy)methyl)- as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. There is no appreciable domestic production of this product.

Chloromethyl Pivalate (Section 2209)

Present law

Chloromethyl pivalate is classifiable under HTS subheading 2915.90.50 and subject to an NTR duty rate 3.8% *ad valorem*. It is a synthetic organic chemical used in the production of Adefovir Dipivoxil; it is undergoing clinical trials to receive FDA approval for treating HIV/AIDS and Hepatitis B.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for chloromethyl pivalate as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. This synthetic chemical is used in the production of a protease inhibitor used to treat HIV/AIDS.

Diethyl (((p-toluenesulfonyl)oxy)methyl)phosphonate (Section 2210)

Present law

Diethyl (((p-toluenesulfonyl)oxy)methyl)phosphonate is classifiable under HTS subheading 2931.00.30 and subject to an NTR duty rate 10.7% *ad valorem*. This is a synthetic organic chemical used in the production of Adefovir Dipivoxil; it is undergoing clinical

trials to receive FDA approval for treating HIV/AIDS and Hepatitis B.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for Diethyl (((p-toluenesulfonyl)oxy)methyl)phosphonate as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would allow U.S. pharmaceutical companies to offer a highly specialized antiviral drug at a lower cost to the consumer. There is no appreciable domestic production of this product.

(R)-9-(2-Hydroxypropyl) adenine (Section 2211)

Present law

(R)-9-(2-Hydroxypropyl) adenine (CAS No. 14047-28-0) is classifiable under HTS subheading 2933.59.95 and subject to an NTR duty rate of 6.8% *ad valorem*.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for (R)-9-(2-Hydroxypropyl) adenine (CAS No. 14047-28-0) as duty free through December 31, 1999.

Reason for change

The temporary duty suspension would enable U.S. pharmaceutical companies to continue to use this chemical to cost-effectively produce an antiviral drug that has been proven highly effective in treating a primate virus closely related to AIDS.

Beta Hydroxyalkylamide (Section 2212)

Present law

Beta Hydroxyalkylamide is classifiable under HTS subheading 3824.90.90 and subject to an NTR duty rate of 5% *ad valorem*.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for beta hydroxyalkylamide (CAS No. 6334-25-4) as duty free through December 31, 2001.

Reason for change

The provision would remove the duty on a chemical for which there is no known domestic production and would reduce costs for American companies.

Grilamid TR90 (Section 2213)

Present law

Grilamid TR90 is classifiable under HTS subheading 3908.90.70 and subject to an NTR duty rate of 0.4¢/kg + 6.7% *ad valorem*.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for Grilamid TR90 (CAS No. 163800-66-6) as duty free through December 31, 1999.

Reason for change

There is no known domestic production of this product.

IN-W4280 (Section 2214)

Present law

IN-W4280, (2,4-dichloro-5-hydroxy-phenylhydrazine) (CAS No. 39807-21-1) is classifiable under HTS subheading 2928.00.2500 and subject to an NTR duty rate of 6.6% *ad valorem*.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for IN-W4280, (2,4-dichloro-5-hydroxy-phenylhydrazine) (CAS No. 39807-21-1) as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would enable U.S. companies to continue cost-effectively producing herbicides in which this chemical is an ingredient. There is no known domestic production of this chemical.

KL540 (Section 2215)

Present law

Methyl-4-trifluoromethoxyphenyl-N-(chlorocarbonyl) carbamate, known as KL540 (CAS No. 173903-15-6) is classifiable under HTS subheading 2924.29.70 and subject to an NTR duty rate of 10.7% *ad valorem*.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for Methyl-4-trifluoromethoxyphenyl-N-(chlorocarbonyl) carbamate, known as KL540 (CAS No. 173903-15-6) as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would enable U.S. companies to cost-effectively produce insecticides which incorporate this chemical.

Methyl thioglycolate (Section 2216)

Present law

Methyl thioglycolate (CAS No. 2365-48-2) is classifiable under HTS subheading 2930.90.90 and subject to an NTR duty rate of 3.7% *ad valorem*.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for methyl thioglycolate (CAS No. 2365-48-2) as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would enable U.S. companies to cost-effectively produce herbicides which incorporate this chemical.

DPX-E6758 (Section 2217)

Present law

DPX-E6758, phenyl (4,6-dimethoxypyrimidin-2-yl) carbamate (CAS No. 89392-03-0) is classifiable under subheading 2933.59.70 and subject to an NTR duty rate of 10.7% *ad valorem*.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for DPX-E6758, phenyl (4,6-dimethoxypyrimidin-2-yl) carbamate (CAS No. 89392-03-0) as duty free through December 31, 2001.

Reason for change

The temporary duty suspension would enable U.S. companies to cost-effectively produce herbicides which incorporate this chemical.

Ethylene, tetrafluoro copolymer with ethylene (ETFE) (Section 2218)

Present law

Ethylene, tetrafluoro copolymer with ethylene (ETFE) is classifiable under HTS subheading 3904.69.50.00 and subject to an NTR duty rate of 0.4 cents/kg + 6.7% *ad valorem*.

Explanation of provision

The provision would amend subchapter II of chapter 99 of the HTS by inserting a new subheading for Ethylene, tetrafluoro copolymer with ethylene (ETFE) with a reduced duty rate of 3.3% *ad valorem* through December 31, 2001.

Reason for change

The temporary tariff reduction would enable U.S. companies to more cost-effectively use the subject chemical in wide applications, including coating electrical wires, insulating aircraft fuel tanks and hydraulic systems, and acting as a vapor barrier in automobiles to help comply with the Clean Air Act.

3-Mercapto-d-valine (Section 2219)

Present law

3-Mercapto-D-valine is classifiable under HTS subheading 2930.90.45 and subject to an NTR duty rate of 4.2% *ad valorem*. This product is used in the production of anti-cancer drugs, as temporarily duty free until December 31, 2001.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading 9902.32.18 for 3-Mercapto-D-valine.

Reason for change

The temporary duty suspension would allow American companies to reduce production costs, operate more efficiently, and pass savings on to downstream users and consumers. There is no domestic production of this chemical.

P-ethylphenol (Section 2220)

Present law

P-Ethylphenol is classifiable under HTS subheading 2907.19.20 and subject to an NTR duty rate of 9.4% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading 9902.31.21 for p-Ethylphenol as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies to reduce production costs, operate more efficiently, and pass savings on to downstream users and consumers. There is no domestic production of this chemical.

Pantera (Section 2221)

Present law

Pantera is classifiable under HTS subheading 2909.30.40 and subject to an NTR duty rate of 11.1% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading 9902.29.09 for (+/-)-Tetrahydrofurfuryl (R)-2-[4-(6-chloroquinoxaline-2-yloxy) phenoxy] propanoate (referred to as Pantera) as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies to reduce production costs, operate more efficiently, and pass savings on to downstream users and consumers. There is no domestic production of this chemical.

P-Nitrobenzoic acid (Section 2222)

Present law

P-Nitrobenzoic acid is classifiable under HTS subheading 2916.39.45 and subject to an NTR duty rate of 11.4% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading 9902.32.94 for p-Nitrobenzoic acid as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There are currently no known domestic producers of this chemical and no known commercially viable substitutes for this product in downstream applications.

P-Toluenesulfonamide (Section 2223)

Present law

P-Toluenesulfonamide is classifiable under HTS subheading 2935.00.95 and subject to an NTR duty rate of 2.6¢/kg +14.6% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading 9902.32.95 for p-Toluenesulfonamide as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies to reduce production costs, operate more efficiently, and pass savings on to downstream users and consumers. There is no domestic production of this product.

Polymers of tetrafluoroethylene, hexafluoropropylene, and vinylidene fluoride (Section 2224)

Present law

Polymers of tetrafluoroethylene, hexafluoropropylene, and vinylidene fluoride are classifiable under HTS subheadings 3904.61.00 and 3904.69.50 and subject to an NTR duty rate of 0.9¢/kg +7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading 9902.39.04 for polymers of tetrafluoroethylene as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies to reduce production costs, operate more efficiently, and pass savings on to downstream users and consumers. There is no domestic production of this product.

Methyl 2-[[[[[4-(dimethylamino) -6- (2,2,2-trifluoroethoxy)- 1,3,5-triazin-2-yl]-amino]carbonyl]-amino]sulfonyl]-3-methylbenzoate (trisulfuron methyl) (Section 2225)

Present law

Methyl 2-[[[[[4-(dimethylamino)-6-(2,2,2-trifluoroethoxy)-1,3,5-triazin-2-yl]- amino]carbonyl]-amino]sulfonyl]-3-methylbenzoate is classifiable HTS subheading 3808.30.15 and subject to an NTR duty rate of 0.7¢/kg + 7.8% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS to insert a new subheading 9902.38.08 for Methyl 2-[[[[[4-(dimethylamino) -6- (2,2,2-trifluoroethoxy) -1,3,5-triazin-2-yl]- amino]carbonyl] -amino] sulfonyl] -3-methylbenzoate in mixture with application adjuvants as temporarily free of duty until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies to reduce production costs, operate more efficiently, and pass savings on to downstream users and consumers. There is no domestic production of this product.

Certain manufacturing equipment (Section 2226)

Present law

This machinery, used to produce tires for large equipment is classifiable under the following HTS subheadings and subject to the following NTR duty rates:

8462.00.00—4.4% *ad valorem*

8465.10.00— 2.6% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting new subheadings 9902.84.79, 9902.84.81, 9902.84.83, 9902.84.85, 9902.84.87, 9902.84.89, and 9902.84.91 to provide for duty free treatment of certain machinery used to produce the tires.

Reason for change

The temporary duty suspension would enable U.S. companies which use this machinery to more cost-effectively compete in the large tire industry. There is no U.S. producer of the subject machinery in the specifications provided.

Textured rolled glass sheets (Section 2227)

Present law

Certain textured rolled glass sheets used to produce glass-ceramic stovetops are classifiable under HTS subheadings 7003.19.00 and 7003.12.00 and subject to an NTR duty rate of 1.5 % *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for certain textured rolled glass sheets as temporarily duty free until December 31, 2001.

Reason for change

This provision would correct competitive imbalance in the tariff schedule which favors foreign production of glass-ceramic stovetops. Because of an inverted tariff, imports of the unfinished glass sheets are subject to a higher rate of duty than imports of the finished glass stovetops (which enter duty-free under HTS subheading 8516.60.65). There is no domestic production of this product.

Certain HIV drug substances (Section 2228)

Present law

The HIV drugs covered by this provision are classifiable under HTS subheading 2933.40.60 and subject to an NTR duty rate of 10.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for these products as temporarily duty free until June 30, 1999.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Rimsulfuron (Section 2229)

Present law

Rimsulfuron is classifiable under HTS subheading 2935.00.75 and subject to an NTR duty rate of 10.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for rimsulfuron to reduce the duty to 8% until December 31, 1998 and to 7.3% until December 31, 1999, and to provide duty-free entry between January 1, 2000 until December 31, 2000.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Carbamic acid (V-9069) (Section 2230)

Present law

Carbamic acid is classifiable under HTS subheading 2935.00.75 and subject to an NTR duty rate of 10.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for carbamic acid to reduce the duty to 9% until December 31, 1998, to 8.3% until December 31, 1999, and to 7.6% until December 31, 2000.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

DPX-E9260 (Section 2231)

Present law

DPX-E9260 is classifiable under HTS subheading 2935.00.75 and subject to an NTR duty rate of 10.7% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for this product to reduce the duty to 6% until December 31, 1999 and to 5.3% until December 31, 2000.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Ziram (Section 2232)

Present law

Ziram is classifiable under HTS subheading 3808.20.28 and subject to a NTR duty rate of 3.7% *ad valorem*. It is a chemical used to produce herbicides.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for ziram as temporarily duty-free until December 31, 2001.

Reason for change

The temporary duty suspension would enable American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Ferroboron (Section 2233)

Present law

Ferroboron to be used for manufacturing amorphous metal strip is classifiable under HTS subheading 7202.99.50 and subject to a NTR duty rate of 5% *ad valorem*. It is a raw material used in the production of amorphous metal electrical power distribution transformer cores.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for ferroboron to be used for manufacturing amorphous metal strip to temporarily reduce the duty to zero until December 31, 2001.

Reason for change

The temporary duty suspension would enable American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers. There is no domestic production of this product.

Acetic Acid, [[2-chloro-4-fluoro-5[(tetrahydro-3-oxo-1H,3H-[1,3,4]thiadiazolo[3,4-a]pyridazin-1-ylidene)amino]phenyl]thio]-,methyl ester (Section 2234)

Present law

Acetic Acid, [[2-chloro-4-fluoro-5[(tetrahydro-3-oxo-1H,3H-[1,3,4]thiadiazolo[3,4-a]pyridazin-1-ylidene)amino]phenyl]thio]-,methyl ester is classifiable under HTS subheading 2934.90.15 and subject to an NTR duty rate of 10.7% *ad valorem*. It is a chemical used in the manufacture of a herbicide to control broadleaf weeds, such as velvetleaf in corn and soybeans.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for this chemical as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Pentyl [2-chloro-5- (cyclohex-1-ene-1, 2-dicarboximido-4-fluorophenoxy]acetate (Section 2235)

Present law

Pentyl[2-chloro-5-(cyclohex-1-ene-1,2-dicarboximido-4-fluorophenoxy]acetate is classifiable under HTS subheading 2925.19.40 and is subject to an NTR duty rate of 11.6%. It is a chemical used in the manufacture of a herbicide to control broadleaf weeds, such as velvetleaf in corn and soybeans.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for this chemical as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Bentazon (3-Isopropyl)-1H-2,1,3-benzothiadiazin-4(3H)-one-2,2-dioxide) (Section 2236)

Present law

(3-Isopropyl) -1H-2, 1, 3-benzothiadiazin-4 (3H) -one-2,2-dioxide (Bentazon) is a product used primarily for a post-emergent herbicide in the production of corn and soybeans and is classifiable under HTS subheading 2934.90.11.00 and subject to an NTR duty rate of 6.6% *ad valorem*.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new heading for (3-Isopropyl)-1H-2,1,3-benzothiadiazin-4(3H)-one-2,2-dioxide (Bentazon) as temporarily at a duty rate of 5% until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Certain high-performance loudspeakers not mounted in their enclosures (Section 2237)

Present law

Certain high-performance loudspeakers not mounted in their enclosures are classifiable under HTS subheading 8518.29.80.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for certain high-performance loudspeakers not mounted in their enclosures as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

Parts for use in the manufacture of certain high-performance
loudspeakers (Section 2238)

Present law

Certain parts for use in the manufacture of certain high-performance loudspeakers are classifiable under HTS subheading 8518.90.80.

Explanation of provision

The provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading for parts used in the manufacture of certain high-performance loudspeakers as temporarily duty free until December 31, 2001.

Reason for change

The temporary duty suspension would allow American companies using this product to reduce production costs, operate more efficiently, and pass savings on to the downstream users and consumers.

CHAPTER 3—EFFECTIVE DATE

Effective Date (Section 2301)

This section provides that, except as otherwise indicated, the amendments made in subtitle A apply to goods entered or withdrawn from warehouse for consumption, after the date that is 15 days after the date of enactment of this Act.

SUBTITLE B—OTHER TRADE PROVISIONS

Extension of United States insular possession program (Section
2501)

Present law

Note 5 in Chapter 91 of the HTS currently allows producers of watches located in the U.S. insular possessions to benefit from the Production Incentive Certificate (PIC) system, which allows watch producers to import specified quantities of watches, watch movements, and some watch components duty free and to claim duty refunds for watches, watch movements, and watch parts. The benefits provided under Note 5 are based on the amount of wages paid to produce such watches in the insular possessions.

The Note 5 program is intended to counteract the lack of natural resources and other competitive disadvantages of the insular possessions. In part because of this program, the watch manufacturing industry plays a significant role in the economies of the insular possessions, particularly the Virgin Islands where it provides high-skill, high-wage employment to approximately 200 workers.

Explanation of provision

This section makes certain articles of fine jewelry, specifically jewelry articles of silver, gold or platinum under HTS heading 7113, produced in insular possessions, eligible for certain Note 5 benefits. In particular, this section adds an additional U.S. note 3

to chapter 71 of the HTS. Paragraph (a) of the new note 3 permits the inclusion of wages paid for jewelry production in the insular possessions as an offset to duties paid on watches, watch movements and parts imported into the United States, as currently authorized by additional U.S. note 5 to Chapter 91 of the HTS. Paragraph (b) of note 3 provides that the extension of Note 5 benefits to jewelry may not result in any increase in the authorized amount of benefits established by Note 5 and paragraph (c) of note 3 provides that this provision shall not diminish the benefits currently available to watch producers under paragraph (h)(iv) of Note 5 to chapter 91. Paragraph (d) requires the Secretary of Commerce and the Secretary of the Interior to issue regulations to carry out this provision. Paragraph (e) recognizes that the establishment of full-scale jewelry production in the insular possessions will require a transition period. Accordingly, paragraph (e) establishes a two-year transition period during which any article of jewelry described in HTS heading 7113 that is assembled in the Virgin Islands, Guam, or American Samoa shall be treated as a product of the insular possessions for purposes of the benefits provided in this section and for purposes of General Note 3(a)(iv) of the HTS. The Committee also intends that the Secretaries will develop and administer their regulations in a manner that will promote jewelry production in the insular possessions and recognize the need for a transition period.

Reason for change

The Committee expects that this provision will increase employment in the insular possessions in jewelry production.

Effective date

The amendments made by this provision apply on January 1, 1999.

Tariff treatment for certain components of scientific instruments and apparatus (Section 2502)

Present law

Separate components of certain large scientific instruments or apparatus that are imported for assembly under those circumstances in which the instrument or apparatus, due to its size, cannot be imported in its assembled state, are subject to separate NTR duty rates, even though the larger scientific apparatus of which the components are a part would receive duty-free treatment, were they imported as part of a single, finished scientific instrument or apparatus.

Explanation of provision

The provision would amend U.S. Note 6, subchapter X, chapter 98 of the HTS to clarify that separate components of certain large scientific instruments and apparatus would be provided the same tariff treatment as those large scientific instruments and apparatus. The term “instruments and apparatus” under subheading 9810.00.60 would include separable components of an instrument or apparatus that are imported for assembly under those cir-

cumstances in which the instrument or apparatus, due to its size, cannot be imported in its assembled state. The provision also would amend the procedures by which the Secretaries of Treasury and Commerce would determine whether or not to grant such duty-free treatment. The provision includes a domestic equivalency test, which provides that the imported item shall remain subject to duties if an instrument or apparatus of equivalent scientific value is being manufactured in the United States.

Reason for change

The provision is needed to permit, in accordance with the Agreement on the Implementation of Educational, Scientific and Cultural Material (the Florence Agreement), duty-free treatment for separate components of certain large scientific instruments or apparatus that are imported for assembly under circumstances in which the instrument, due to its size, cannot be imported in its assembled state, even though the larger scientific apparatus of which the components are a part would receive duty-free treatment, were they imported as part of a single, finished scientific instrument or apparatus.

The Committee recognizes that the scientific and financial benefits of U.S. participation in international scientific projects are of tremendous importance. Accordingly, the Committee expects that the Secretary of Commerce will use only scientific factors in determining whether a domestically equivalent scientific instrument or apparatus is available. Only in the rare case that a domestically-manufactured instrument or apparatus that is the exact functional equivalent to the imported item in the assembled state would the levy of a duty be justified.

Effective date

The effective date shall be 120 days following enactment.

Liquidation or reliquidation of certain entries (Section 2503)

Present law

Certain entries at the ports of Los Angeles and New Orleans in 1986 and 1987 were liquidated not in accordance with a Department of Commerce antidumping determination.

Explanation of provision

The provision would provide for reliquidation of certain entries made at Los Angeles and New Orleans, in accordance with the final decision of the Department of Commerce for shipments of carbon steel wire rod from Trinidad and Tobago entered between October 1, 1984, and December 14, 1987 (case number A-274-001).

Reason for change

The provision would liquidate these entries in compliance with the Department of Commerce rulings.

Effective date

The provision shall apply as of the date of the enactment of this Act.

Finished petroleum derivatives drawback (Section 2504)

Present law

Section 313(p)(2)(A)(iv) of the Tariff Act of 1930 (19 U.S.C. 1313(p)(2)(A)(iv)) provides for substitution drawback for finished petroleum derivatives.

Explanation of provision

The provision would require the Secretary of the Treasury to convene a working group of interested parties and publish regulations and, if necessary, submit legislation to the Congress, to modify and simplify the processing of finished petroleum derivatives drawback claims.

Reason for change

Section 313 of the Tariff Act of 1930 (19 U.S.C. 1313) was amended by the North American Free Trade Agreements (NAFTA) Implementation Act [P.L. 103–182] to provide special accounting and attribution rules for drawback on petroleum products. The provision was intended to allow the petroleum industry to account for selected petroleum products on a quantitative basis, relieving Customs and industry of the problem of “tracking molecules” for the attribution of drawback. However, Customs’ interpretation of 19 U.S.C. 1313(p)(2)(a)(iv) requires companies to track delivery of the actual imported petroleum in possession of the exporter. As such, companies are required to “track molecules.” The proposed amendment would require the Secretary of the Treasury to convene a working group of interested parties and publish regulations and, if necessary, submit legislation to the Congress, to modify and simplify the processing of finished petroleum derivatives drawback claims. The Committee believes that the working group should seek to fulfill the original intent of the Customs Modernization Act that selected petroleum products should be tracked on a quantitative basis for purposes of substitution drawback.

Effective date

The provision would be effective as of the date of enactment.

Drawback and refund on packaging material (Section 2505)

Present law

Section 313 of the Tariff Act of 1930 (19 U.S.C. 1313) was amended by the North American Free Trade Agreement Implementation Act [P.L. 103–182] to insert a new subsection (q) allowing drawback of packaging materials, where the packaging is “used” by filling prior to exportation.

Explanation of provision

The provision would amend section 313(q) of the Tariff Act of 1930 (19 U.S.C. 1313(q)) by inserting a new paragraph for drawback-eligible packaging material filled prior to exportation. The provision would state that packaging materials produced in the United States, which are used by the manufacturer or any other person for articles which are exported or destroyed, would be eligi-

ble for a drawback refund of 99 percent of any duty, tax, or fee imposed on the importation of materials used to manufacture the packaging materials.

Reason for change

Under current law, individuals are ineligible to receive drawback on packaging materials used on items which are subsequently exported. The amendment would permit drawback on packaging materials used by a person other than the manufacturer of the container.

Effective date

The provision would be effective as it applies to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of enactment.

Inclusion of commercial importation data from foreign-trade zones under the National Customs Automation Program (Section 2506)

Present law

Section 411 of the Tariff Act of 1930 (19 U.S.C. 1411) established the National Customs Automation Program (NCAP), including a program for the automation of electronic filing. Such data is contained Customs Form 214.

Explanation of provision

The provision would amend section 411 of the Tariff Act of 1930 (19 U.S.C. 1411) relating to the NCAP, to require Customs, no later than January 1, 2000, to include under the program commercial importation data from foreign trade zones.

Reason for change

Customs has not developed a system for the automation of electronic filing of importation data from foreign-trade zones. The provision would establish a deadline for the development and implementation of such a system. The Committee expects the Commissioner of Customs to advise the Committee by July 1, 1999 on the progress and schedule for completing automation of Customs Form 214.

Effective date

The provision would be effective as of the date of enactment.

Large yachts imported for sale at United States boat shows
(Section 2507)

Present law

Large yachts are classifiable under HTS subheading 8903.92.00 and subject to the NTR duty rate of 1.5% at the time of importation.

Explanation of provision

The provision would amend the Tariff Act of 1930 by inserting a new section 484b to provide that large previously owned yachts

which would otherwise be dutiable, may be imported without the payment of duty if imported with the intention to offer for sale at a boat show in the United States. Payment of duty would be deferred until such a large yacht is sold, not to exceed a period of six months.

Reason for change

The provision would remove the disincentives under the current law which frequently discourage the sale of large previously owned yachts domestically by requiring the duty to be paid at the time of importation, whether the yacht is eventually sold or not. Removing the disincentives would allow for more large vessel sales, which could pump tens of thousands of dollars into local economies because of related expenditures such as the cost of a supporting crew, docking fees, boat repairs, and supplies.

Effective date

The provision shall apply with respect to a large yacht entered into the United States after the date that is 15 days after the date of enactment of this Act.

Review of protests against decisions of customs service (Section 2508)

Present law

Section 515(a) of the Tariff Act of 1930 (19 U.S.C. 1515(a)) provides for administrative review of protests against decisions by the Customs Service.

Explanation of provision

The provision would amend section 515(a) of the Tariff Act of 1930 (19 U.S.C. 1515(a)) to provide that, within 30 days from the date an application for further review is filed, the appropriate Customs officer shall allow or deny the application and, if allowed, forward the protest to the Customs officer who will be conducting the further review.

Reason for change

The provision would require timely processing by Customs officers of applications for further review, thus facilitating trade.

Effective date

The provision would apply with respect to applications for further review filed on or after the date of enactment.

Entries of NAFTA-origin goods (Section 2509)

Present law

Section 520(d) of the Tariff Act of 1930 (19 U.S.C. 1520(d)), outlines the statutory authority for making a claim for a NAFTA preference under the NAFTA rules of origin after the liquidation of the entry within one year of the date of importation. Under the NAFTA Implementation Act [P.L. 103-182], merchandise processing fees (MPFs) are not imposed on NAFTA originating goods from Canada

although they are still imposed on NAFTA originating goods from Mexico. To claim a NAFTA preference at the time of entry, an importer must possess a valid certificate of origin. Importers who do not possess a valid certificate at the time of entry often pay duties and the MPF on a good they know is NAFTA-eligible, with the expectation that the MPF will be refunded later as an excess duty when NAFTA-eligibility is proven. However, Customs has taken the position that MPFs are not refundable excess duties under section 520(d).

Section 514(a) of the Tariff Act of 1930 (19 U.S.C. 1514(a)) outlines the statutory authority for filing protests against decisions of the Customs Service. An importer may not claim a NAFTA preference before receiving a valid certificate of origin issued by the exporter. Many importers do not have a certificate of origin at the time goods are entered, and subsequently file post-entry claims when a valid certificate of origin is received. If the entry is liquidated “as entered” before receiving a certificate of origin, importers generally request reliquidation of the entry under section 520(d) in order to make the NAFTA claim. However, if the request to reliquidate is refused by Customs, there is no mechanism to receive further review of this claim. Section 514 currently does not allow a protest of Customs refusal to reliquidate an entry under section 520(d). In addition, Customs has taken the position that a Customs liquidation “as entered” of an entry that is made by an importer without a NAFTA claim is not protestable under section 514 and that such NAFTA claims must be filed under section 520(d) of the Tariff Act of 1930 within one year from the date of entry.

Explanation of provision

Section (a) of this provision would amend section 520(d) of the Tariff Act of 1930 (19 U.S.C. 1520(d)) to clarify that excess MPFs may be refunded along with excess duties if NAFTA-eligibility is proven.

Section (b) of this provision would amend section 514(a) of the Tariff Act of 1930 (19 U.S.C. 1514(a)) to ensure that if an importer is denied a request to reliquidate an entry under section 520(d) in order to make a NAFTA claim, there is a method for obtaining further review of Customs action on that claim. The provision would clarify that importers may use the protest procedure under section 514 to protest the denial of a section 520(d) request for reliquidation.

Reason for change

Section (a) of this provision is necessary to clarify that MPFs may be refunded along with excess duties if NAFTA-eligibility is proven. Section (b) is necessary to clarify that importers may use the protest procedures under section 514 to contest the denial of a request for reliquidation to allow a NAFTA claim under section 520(d). Both of these provisions would facilitate NAFTA trade.

Effective date

The provision would be effective as it applies to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of enactment.

Treatment of international travel merchandise held at Customs-approved storage rooms (Section 2510)

Present law

Section 557(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1557(a)(1)) authorizes entry of dutiable merchandise in Customs-approved bonded warehouses and requires its withdrawal within 5 years for consumption upon payment of duties or for exportation.

Explanation of provision

The provision would amend section 557(a)(1) of the Tariff Act of 1930 (19 U.S.C. 1557(a)(1)) to include International Travel Merchandise (ITM) among the merchandise which may be retained in a bonded warehouse for 5 years from the date of importation, thereby replacing the Customs Approved Storage Room (CASR) concept.

Reason for change

International Travel Merchandise (ITM) consists of in-flight merchandise sold on board international air carriers after departure from U.S. Customs territory. Presently, ITM is imported into the United States under bond and moved to CASRs, where merchandise is stored, repackaged and under Customs supervision. A Customs regulation applies a one year limit to goods placed in CASRs. The amendment would apply the same 5-year time limit to ITM as currently applies to merchandise in bonded warehouses. This change would make ITM appropriate for storage in a bonded warehouse for up to five years, replacing the CASR concept.

The Committee's intent is to recognize that ITM operations are not duty-free sales enterprises, subject to section 1555(b) of the Tariff Act of 1930 (19 U.S.C. 1555(b)), but a wholly unique business enterprise. The Committee intends that Customs provide, through regulations, for the application of the benefits, privileges, and responsibilities of other classes of bonded warehouses in a new "Class 10" category, which recognizes the unique features of ITM operations.

Effective date

The provision would be effective as of the date of enactment.

Exception to 5-year reviews of countervailing duty or antidumping duty orders (Section 2511)

Present law

Section 751(C) of the Tariff Act of 1930 maintains that five-year reviews of countervailing duty or antidumping duty orders must be conducted and does not exclude merchandise prohibited from importation into the United States because of trade sanctions imposed against the country in which the merchandise originates.

Explanation of provision

The provision would provide that five-year reviews of countervailing duty or antidumping duty orders would not be conducted if the merchandise subject to the orders was prohibited from importation into the United States because of trade sanctions imposed against the country in which the merchandise originates, by amending section 751(c) of the Tariff Act of 1930 (19 U.S.C. 1675(c)).

Reason for change

This provision will ensure that sunset reviews are not used inappropriately in those limited circumstances in which imports of the subject merchandise have been banned by an embargo.

Effective date

This provision shall apply as of the date of the enactment of this Act.

Water-resistant wool trousers (Section 2512)

Present law

Water-resistant wool trousers are classifiable under HTS subheadings 6203.41.05 6204.61.00 and are subject to a NTR duty rate of 7.6% *ad valorem*.

Explanation of provision

The provision would provide retroactive duty refunds to water-resistant wool trousers imported during 1989–94. To be eligible for the lower duty rates on such trousers that became effective in 1995, the importers' requests would need to be filed with the Customs Service within 180 days after the date of the enactment of this legislation.

Reason for change

This provision would correct an error made when the U.S. tariff schedules were converted to the Harmonized Tariff Schedule (HTS) on January 1, 1995. As a result of this conversion, such trousers were no longer separately provided for and were classifiable under HTS provision for wool trousers at a higher duty rate. The correct tariff treatment was corrected effective January 1, 1995. This provision will allow importers to seek duty refunds at the lower (7.6%) duty for water-resistant wool trousers entered between 1989 and 1994.

Effective date

This provision shall apply as of the date of the enactment of this Act.

Reimportation of certain goods (Section 2513)

Present law

Under current law, some products sold by catalogue merchants face double duties when the goods are returned to the manufacturer in the United States from customers abroad.

Explanation of provision

The bill would amend subchapter I of chapter 98 of the HTS subheading by establishing a new HTS (similar to current HTS subheading 9801.00.25) which provides duty-free treatment for an article assessed a duty during a previous importation, if the article was (1) exported within 3 years after the date of such previous importation; (2) sold for exportation and exported to individuals for personal use; (3) reimported without having been advanced in value or improved in condition by any process of manufacture or other means while abroad; (4) reimported as personal returns from those individuals, whether or not consolidated with other personal returns prior to reimportation; and (5) reimported by or for the account of the person who exported the article from the United States within 1 year of such exportation.

Reason for change

This provision will correct a problem faced by catalogue merchants. Under current law, some products sold by catalogue merchants face double duties when the goods are returned to them by customers abroad. This provision would ensure that duties are assessed only the first time a product comes into this country from abroad.

Effective date

This provision shall apply to goods that are reimported into the United States on or after the date that is 15 days after enactment.

Treatment of personal effects of participants in certain world
athletic events (Section 2514)

Present law

Under current law, U.S. Customs Service inspectors have the discretion to allow certain articles, not intended for sale or distribution, to be brought into the United States in connection with international athletic events on a duty-free basis. Persons seeking such duty-free treatment are obliged, however, to comply with certain filing requirements which significantly lengthen the entry process.

Explanation of provision

This provision would amend chapter 99, subchapter II of the HTS by inserting a new subheading to provide temporary duty-free entry for the personal effects and athletic equipment of participants in, officials of, or accredited members of delegations to (and persons who are immediate family members of or servants to such persons) to certain world athletic events, provided such items are not intended for sale or distribution to the public through December 31, 2003. These events are the 1999 International Special Olympics, the 1999 Women's World Cup Soccer, the 2001 International Special Olympics, the 2002 Salt Lake City Winter Olympics, and the 2002 Winter Paralympic Games. The suspension applies also to other articles, not intended for sale or distribution to the public, such as equipment and materials imported in connection with such events, as well as articles to be used in exhibitions depicting the culture of a country participating in any such event.

It would continue to permit Customs Service inspectors to inspect all imports, regardless of their duty status. This section does not allow products to come into the United States that would be barred under existing law, but will help make the customs process as smooth as possible for upcoming international athletic events.

This provision also exempts from taxes and fees all articles described in this provision. This provision clarifies that these articles shall not be free or otherwise exempt or excluded from routine or other inspections as may be required by the Customs Service.

Reason for change

This provision would substantially reduce the Customs paperwork to which athletes and officials of these events and their families would otherwise be subjected. The Committee on Finance expects the relevant agencies to cooperate with the organizing committees of the events to facilitate the entry of athletes, officials, and other participants. Similar measures have been enacted for other international athletic competitions and are analogous to treatment routinely afforded by other countries hosting such events. The Committee notes that the practices and procedures developed during the Centennial Olympic Games in Atlanta, Georgia have been cited as having been highly successful and effective.

Reliquidation of certain entries of thermal transfer multifunction machines (Section 2515)

Present law

Section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) provides for the filing of protests against decisions of the Customs Service.

Explanation of provision

This section directs the Customs Service to liquidate or reliquidate certain entries of thermal transfer multifunction machines (liquidated or reliquidated under HTS subheading 8517.21.00 or 9009.12.00) at the rate of duty that would have been applicable to such merchandise if it had been liquidated or reliquidated under HTS subheading 8471.60.65. Any amounts paid by the United States pursuant to the liquidation or reliquidation of these subject entries would be paid within 180 days after or liquidation reliquidation.

Reason for change

This provision would allow for the liquidation or reliquidation of thermal transfer multifunction machines at a lower rate of duty.

Reliquidation of certain drawback entries and refund of drawback payments (Section 2516)

Present law

Sections 514 and 520 of the Tariff Act of 1930, as amended (19 U.S.C. 1514 and 1520) provide, respectively, for the filing of protests against decisions of the Customs Service, and authority for the Secretary of Treasury to refund duties in the event of errors by the Customs Service in collecting such duties.

Explanation of provision

The provision would direct the Customs Service to liquidate or reliquidate certain entries of juice within 180 days after the date of enactment of this Act and provides that any amounts owed by the United States shall be refunded with interest.

Reason for change

A company protested the classification of certain exports of orange juice for purposes of duty drawback. Certain exports were reliquidated by Customs after an error was acknowledged. The company in question, however, inadvertently omitted certain exports that should have been reliquidated and Customs did not reliquidate those entries at the lower, correct duty rate. The company filed a protest and CIT case, but lost because Customs and the CIT determined that the protest was not timely filed.

Clarification of additional U.S. note 4 to chapter 91 of the Harmonized Tariff Schedule of the United States (Section 2517)

Present law

Imported watch movements and cases must be marked separately with (1) the name of the country of manufacture, (2) the name of the manufacturer or purchaser and (3) for movements, the number of jewels (if any) serving as frictional bearings. Additional U.S. Note 4, Chapter 91, HTSUS (19 U.S.C. 1202) prescribes the method of marking as cutting, die-sinking, engraving, stamping or mold-marking.

Explanation of provision

The provision would amend chapter 91 of the HTS to clarify that “stamping” can be done by means of indelible ink.

Reason for change

The provision ensures that the Customs Service continues to allow stamping by means of indelible ink as a way to satisfy the marking requirements for watches.

Duty-free sales enterprises (Section 2518)

Present law

Section 555(b) of the Tariff Act of 1930, as amended, requires that a duty-free sales enterprise (so-called duty-free store) may be located anywhere within (a) the same port of entry from which a purchaser of duty-free merchandise departs the customs territory of the United States; or (b) 25 statute miles from the exit point through which the purchaser of duty-free merchandise will depart the customs territory of the United States.

Explanation of provision

The provision would amend section 555 of the Tariff Act of 1930 to allow duty-free stores to be located anywhere within a staffed Customs-defined port-of-entry or 25 statute miles from such port-of-entry, whether or not it is the same port through which the merchandise will be exported from the United States, so long as the

Customs Service concludes that there is “reasonable assurance” that the duty-free merchandise will be exported from the United States.

Reason for change

The provision would create additional opportunities for duty-free stores to increase sales. Rather than limiting purchases by international travelers to duty-free stores in or within 25 miles of the port-of-entry of their departure, this provision would permit purchases to be made in any duty-free store located in or within 25 miles of a staffed Customs-defined port-of-entry, whether or not it is the same port through which the purchaser will depart from the United States. This provision only applies, however, to the extent that the Customs Service determines that there is a “reasonable assurance” that the duty-free merchandise will be exported from the United States.

III. VOTES OF COMMITTEE

In compliance with section 133 of the Legislative Reorganization Act of 1946, the Committee states that H.R. 4342, as amended, was ordered favorably reported unanimously by voice vote on September 17, 1998.

IV. BUDGETARY IMPACT

In compliance with sections 308 and 403 of the Congressional Budget Act of 1974, and paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the following letter has been received from the Congressional Budget Office on the budgetary impact of the legislation:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 25, 1998.

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 the H.R. 4342, the Miscellaneous Trade and Technical Corrections Act of 1998.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Hester Grippando.

Sincerely,

JUNE E. O'NEILL, *Director.*

Enclsoure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

H.R. 4342—Miscellaneous Trade and Technical Corrections Act of 1998

Summary: H.R. 4342, the Miscellaneous Trade and Tariff Act of 1998, would make technical corrections to certain trade laws and impose duty suspensions on various imports. Included in H.R. 4342 are provisions that would make 13.5 inch television duty-free by re-

classifying them as 13 inch televisions, suspend duties on approximately 138 intermediary products and chemicals imported into the United States, re-liquidate certain customs entries, allow the personal effects of athletes for the Winter Olympics and various other international athletic competitions to enter duty free, extend the United States insular possession trade program, and extend the zones for duty-free sales enterprises. With the exception of the reclassification of 13 inch televisions, the Congressional Budget Office (CBO) estimates that all the provisions in H.R. 4342 would reduce governmental receipts by less than \$500,000 each year, net of payroll and income tax offsets, and therefore would not have a significant impact on the budget. CBO estimates that the reclassification of 13 inch televisions would cost \$57 million over the 1999–2003 period, net of payroll and income tax offsets. Because enacting H.R. 4342 would affect receipts, pay-as-you-go procedures would apply.

Basis of estimate: The estimate for the reclassification of 13 inch televisions is based on an estimate provided by the U.S. International Trade Commission (ITC). CBO adjusted that estimate to account for a narrower range of products covered in the H.R. 4342 and assumed the revenue loss would grow at the rate of CBO total non-petroleum import projections. The estimates of the remaining provisions in H.R. 4342 are based on estimates provided by the ITC and the U.S. Customs Service and CBO estimates based on recent data on customs duty collections and information from various industries.

Pay-as-you-go considerations: Section 252 of the Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. The net changes in outlays and governmental receipts that are subject to pay-as-you-go procedures are shown in the following table, for the purposes of enforcing pay-as-you-go procedures, only the effects in the current year, the budget year, and the succeeding four years are counted.

	By fiscal years, in millions of dollars—										
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Changes in outlays						not applicable					
Changes in receipts	0	–17	–9	–10	–10	–11	–12	–12	–13	–14	–14

Intergovernmental and private-sector impact: The bill would impose no new intergovernmental or private sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

Estimate prepared by: Federal Cost: Hester Grippando. Impact on State, Local, and Tribal Governments: Pepper Santalucia. Impact on the Private Sector: Leslie Frymier.

Estimate approved by: Frank Sammartino, Assistant Director for Tax Analysis (Acting).

V. REGULATORY IMPACT AND OTHER MATTERS

In compliance with paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee states that the legislation will not significantly regulate any individuals or businesses, will not

impact on the personal privacy of individuals, and will result in no significant additional paperwork.

**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).

