#### UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110<sup>th</sup> Congress <sup>1</sup>

[Date approved: March 25, 2008]<sup>2</sup>

[Bute approved: March 23, 2000]
Bill No. and sponsor: H.R. 4366 (Mr. Richard H. Baker of Louisiana).
Proponent name, <sup>3</sup> location: Syngenta Crop Protection, Inc., Greensboro, NC.
Other bills on product (110 <sup>th</sup> Congress only): None.
Nature of bill: Extend temporary duty reduction through December 31, 2011.
Retroactive effect: None.
$Suggested\ article\ description (s)\ for\ enactment\ (including\ appropriate\ HTS\ subheading (s)):$
2-[4-(Methylsulfonyl)–2-nitrobenzoyl]-1,3-cyclohexanedione (Mesotrione) (CAS No. 104206–82–8) (provided for in subheading 2930.90.10).
Check one: X Same as that in bill as introduced.  Different from that in bill as introduced (see Technical comments section).

#### Product information, including uses/applications and source(s) of imports:

Mesotrione, which is imported from Switzerland, is the active ingredient used to manufacture broadleaf herbicides to control broadleaf weeds in corn. It is a member of a relatively new class of chemistry which provides an effective alternative to traditional triazine, pheonxy, benzoic acid, benzonnitrile, and ALS herbicides which are currently used for broadleaf weed control in corn. Mesotrione was registered by the EPA as a "reduced risk" product because of its low acute toxicity and because it breaks down rapidly in soil, posing minimal risk to groundwater or to rotational crops.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Jack Greenblatt (202-205-3353); Tariff Affairs contact: David Michels (202-205-3440).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/">http://www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/</a>.

<sup>&</sup>lt;sup>3</sup> The sponsor/proponent did not identify any additional beneficiaries of this bill.

#### **Estimated effect on customs revenue:**

		HTS subheadi	ng: <u>2930.90.10</u>		
$\searrow$	2009	2010	2011	2012	2013
Col. 1-General rate of duty (AVE)	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$80,435,794	\$85,958,759	\$93,503,707	\$98,451,146	\$98,451,146
Customs revenue loss 1/2/	\$0	\$335,239	\$364,664	\$383,959	\$383,959

<sup>1/</sup> The estimated customs revenue loss is based on a temporary reduction of the general rate of duty from 6.5 percent ad valorem to 6.11 percent ad valorem, a reduction of 0.39 percentage points.

Source of estimated dutiable import data: Industry estimates.

#### **Contacts with domestic firms/organizations (including the proponent):**

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Syngenta Crop Protection, Inc. (Proponent) Angus Kelly, 202-347-7772	2/08/2008	No	No	No
Arkema Charles Kitchen, Fax: 215-419-7075	2/15/2008	No	No	No
BASF Corp. Greg Thies, 202-904-2332	2/15/2008	No	No	No
Bayer Corporate Services Karen Niedermeyer, 412-777-2058	2/15/2008	No	No	No
Bayer CropScience Will Hensley, 202-756-3781 Jean Reimers, 202-756-3779	2/15/2008	No	No	No
CropLife America Isi Siddiqui, Fax: 202-463-0474 Lawrence Norton, Fax: 202-463-0474	2/15/2008	No	No	No
Dow AgroSciences Lisa Schroeter, Fax: 202-429-3467 Margaret Rogers, Fax: 202-429-3467 Max Turnipseed, Fax: 225-383-0590	2/15/2008	No	No	No

<sup>2/</sup> The estimated customs revenue loss for 2009 reflects the existing duty reduction under HTS heading 9902.11.03 that expires on December 31, 2009.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Dupont Elaine Olsen, 302-992-2263 Helen McMahon, Fax: 302-355-2994	2/15/2008	No	No	No
Emerald Performance Chemicals Tim Dirmyer, Fax: 330-315-6480	2/15/2008	No	No	No
FMC Corp. Jerry Prout, 202-956-5219	2/15/2008	No	No	No
LANXESS Corp. Laura Pearson, 202-872-8181	2/15/2008	No	No	No
Monsanto Corp. Michael Parrish, Fax: 202-789-1867	2/15/2008	No	No	No
Nufarm Ltd. Joel Junker, Fax: 206-621-8220	2/15/2008	No	No	No
Valent BioSciences Corp. Robin Demouth, 925-256-2758 Jed D'Ercole, 202-835-0740	2/15/2008	No	No	No

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None.

<sup>&</sup>lt;sup>4</sup> The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

## H. R. 4366

To extend the suspension of duty on Mesotrione.

### IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2007

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

### A BILL

To extend the suspension of duty on Mesotrione.

1	Be it enacted by the Senate and House of Representa-
2	$tives\ of\ the\ United\ States\ of\ America\ in\ Congress\ assembled,$
3	SECTION 1. MESOTRIONE.
4	(a) In General.—Subchapter II of chapter 99 of
5	the Harmonized Tariff Schedule of the United States is
6	amended—
7	(1) by striking heading 9902.25.80; and
8	(2) in heading 9902.11.03, by striking the date
9	in the effective period column and inserting "12/31/
10	2011".
11	(b) Effective Date.—The amendments made by

12 subsection (a) applies to goods entered, or withdrawn from

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

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