MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: May 14, 2008]²

Bill No. and sponsor: H.R. 4506 (Mr. Rush D. Holt of New Jersey).

Proponent name,³ location: Janssen Pharmaceuticals, Inc., Titusville, NJ.

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

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

Retroactive effect: None.

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

Mixtures of enilconazole (Imazalil) (CAS No. 35554-44-0) and application adjuvants (provided for in subheading 3808.92.15).

Check one:

Same as that in bill as introduced.

X Different from that in bill as introduced (see Technical comments section).

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

The subject product (also known as Fungaflor 500 EC) is a synthetic organic chemical fungicide in formulated application form that is registered for use on citrus fruits after harvesting. There is less fungal resistance developed against Fungaflor 500 EC than to the other two registered post-harvest citrus fungicides. The product is imported from Belgium.

¹ Industry analyst preparing report: Robert Randall (202-205-3366); Tariff Affairs contact: David Michels (202-205-3440).

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

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue:

HTS subheading: <u>3808.92.15</u>							
\searrow	2009	2010	2011	2012	2013		
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%		
Estimated value <i>dutiable</i> imports	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000		
Customs revenue loss	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000		

Source of estimated dutiable import data: U.S. 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)		
Janssen Pharmaceuticals, Inc. (Proponent) Meeks, Sheppard, Leo & Pillsbury Robert Leo, 212-949-7120	2/25/2008	No	No	No
Abbott Laboratories Elaine Leavenworth, Fax: 202-783-6631	3/7/2008	No	No	No
American Chemistry Council Marty Durbin, Fax: 703-741-6097	3/7/2008	No	No	No
Apollo Color, Inc. Dave Klebine, Fax: 815-741-2599	3/7/2008	No	No	No
BASF Frank Arditel, Fax: 732-321-0250 Greg Thies, Fax: 202-558-5101 David Bushnell, Fax: 301-654-8336	3/7/2008	No	No	No
Bayer Chemicals Julie Van Egmund, Fax: 202-737-8909 Karen L. Niedermeyer, Fax: 412-777-4740	3/7/2008	No	No	No
Biddle Sawyer William Thonack, Fax: 212-239-1089	3/7/2008	No	No	No
Chemtura Corp. Matt Mattingley, Fax: 202-463-8497 Lloyd Moon, Fax: 203-573-2686	3/7/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Ciba Specialty Chemicals Robert Hurley, Fax: 202-289-3588 Michelle Forte, Fax: 914-785-4831	3/7/2008	No	No	No
Clariant Corp. Andy Zamoyski, Fax: 202-248-9043 Mike Carroll, Fax: 704-370-6969	3/7/2008	No	No	No
Dow Chemicals Lisa Schroeter, 202-429-3467	3/7/2008	No	No	No
DuPont Helen C. McMahon, Fax: 302-355-2994	3/7/2008	No	No	No
Emerald Performance Chemicals Tom Dirmyer, Fax: 330-315-6480	3/7/2008	No	No	No
Galaxie Chemical Corp. Michael Santoro, Jr., Fax: 973-790-7104	3/7/2008	No	No	No
Honeywell Art Simonetti, Fax: 202-662-2675	3/7/2008	No	No	No
Huntsman Corp. John Deming, Fax: 302-479-5499	3/7/2008	No	No	No
Monsanto Corp. Grant Erdel, Fax: 202-789-1867	3/7/2008	No	No	No
PMC Inc. Gordon McCollough, Fax: 513-482-7884	3/7/2008	No	No	No
Rhodia Dominick Cangiana, Fax: 609-860-2256	3/7/2008	No	No	No
Solutia, Inc. Kassie D. Wooten, Fax: 314-674-1585	3/7/2008	No	No	No
Sun Chemical Corp. Steve Schmidt, Fax: 513-681-4960	3/7/2008	No	No	No

Technical comments:⁴

The Commission staff notes that HTS heading 9902.38.09 provided a temporary duty suspension for the subject product that expired on December 31, 2006. The Commission staff suggests that heading 9902.38.09 be used to renew the duty suspension by deleting the date in the effective period column and inserting "12/31/2011". The Commission staff notes that heading 9902.38.09 contains the correct subheading reference, 3808.92.15, whereas the bill contains an incorrect subheading reference. Also, CAS No. 73790-28-0, which appears in this bill and in heading 9902.38.09, is regarded as obsolete and has been replaced by CAS No. 35554-44-0. Lastly, the article description on page 1 of this report contains the common name in parentheses. For these reasons, the article description on page 1 of this report should be used in heading 9902.38.09.

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

110TH CONGRESS 1ST SESSION H.R.4506

To suspend temporarily the duty on Fungaflor 500 EC.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 12, 2007

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

A BILL

To suspend temporarily the duty on Fungaflor 500 EC.

- 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. FUNGAFLOR 500 EC.

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

"	9902.01.00	Mixtures of enilconazole (CAS No. 35554-44-0 or 73790-28-0) and applica- tion adjuvants in prepara-					
		tion form (provided for in subheading 3808.20.15)	Free	No change	No change	On or before 12/31/2011	".

(b) EFFECTIVE DATE.—The amendment made by
 subsection (a) applies to articles entered, or withdrawn
 from warehouse for consumption, on or after the 15th day
 after the date of the enactment of this Act.