# 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: May 14, 2008]<sup>2</sup>

Bill No. and sponsor: H.R. 4610 (Mr. Emanuel Cleaver of Missouri).

Proponent name, location: Bayer CropScience, Research Triangle Park, NC.

Other bills on product (110<sup>th</sup> Congress only): None.

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

Retroactive effect: None.

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

Mixtures containing
2-{2-chloro-4-mesyl-3-[(2,2,2-trifluoroethoxy)methyl]benzoyl}cyclohexane-1,3-dione (Tembotrione) (CAS No. 335104-84-2), ethyl 4,5-dihydro-5,5-diphenyl-1,2-oxazole-3-carboxylate (Isoxadifen-ethyl) (CAS No. 163520-33-0) and application adjuvants (provided for in subheading 3808.93.15).

Check one:

Same as that in bill as introduced.

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

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

The subject product is a new systemic herbicide that will provide postemergence control of grass and broadleaf weeds in all corn, including weeds resistant to glyphosate and other chemical classes. The product is imported from Germany.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: David G. 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 subheading: <u>3808.93.15</u>       |              |              |              |              |              |  |
|---|--------------|--------------|--------------|--------------|--------------|--|
|   | 2009         | 2010         | 2011         | 2012         | 2013         |  |
| Col. 1-General rate of duty             | 6.5%         | 6.5%         | 6.5%         | 6.5%         | 6.5%         |  |
| Estimated value <i>dutiable</i> imports | \$14,090,000 | \$14,090,000 | \$14,090,000 | \$14,090,000 | \$14,090,000 |  |
| Customs revenue loss 1/                 | \$493,150    | \$493,150    | \$493,150    | \$493,150    | \$493,150    |  |

<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 3 percent ad valorem, a reduction of 3.5 percentage points. Source of estimated dutiable import data: U.S. industry estimates.

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

| Name of firm/organization  | Date<br>contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|--|-------------------|--|----------------------|-------------------|
|  |                   | (Yes/No)                                     |                      |                   |
| Bayer CropScience (Proponent)<br>William Hensley, 202-756-3781<br>Jean Reimers, 202-756-3779 | 02/18/2008        | No   | No                   | No                |
| Arkema Inc. (Atofina)<br>Charles Kitchen, Fax: 216-419-7075                                  | 02/18/2008        | No   | No                   | No                |
| BASF Corp.<br>Greg Thies, Fax: 703-255-7142  | 02/18/2008        | No   | No                   | No                |
| Chemtura Corporation<br>Matt Mattingley, Fax: 202-463-8498                                   | 02/18/2008        | No   | No                   | No                |
| CropLife America<br>Isi Siddiqui, Fax: 202-463-0474  | 02/18/2008        | No   | No                   | No                |
| Dow AgroSciences<br>Max Turnipseed, Fax: 225-338-0310<br>Lisa Schroeter, Fax: 202-429-3467   | 02/18/2008        | No   | No                   | No                |
| DuPont<br>Helen McMahon, Fax: 302-355-2994<br>Elaine Olsen, Fax: 302-774-1398                | 02/18/2008        | No   | No                   | No                |
| FMC Corp.<br>Jerry Prout, Fax: 202-956-5235<br>Steve Ziehm, 202-872-8181                     | 02/18/2008        | No   | No                   | No                |

| Name of firm/organization  | Date<br>contacted | Claim US<br>makes same or<br>competing<br>product(s)? | Submission attached? | Opposition noted? |
|--|-------------------|---|----------------------|-------------------|
|  |                   |   | (Yes/No)             |                   |
| Monsanto Corp.<br>Michael Parris, Fax: 202-789-1867              | 02/18/2008        | No  | No                   | No                |
| Nufarm Limited<br>Joel R. Junker, Fax: 206-621-8220              | 02/18/2008        | No  | No                   | No                |
| Syngenta Crop Protection, Inc.<br>Angus Kelly, Fax: 336-632-6084 | 02/18/2008        | No  | No                   | No                |
| Valent USA<br>Robin Demouth, Fax: 925-256-2776                   | 02/18/2008        | No  | No                   | No                |

### **Technical comments:**<sup>4</sup>

The Commission staff suggests that the article description on page 1 of this report be used in the proposed new heading in order to include the correct chemical name, the correct subheading reference, and to insert the phrase "and application adjuvants" prior to the HTS subheading reference.

<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. 4610

To suspend temporarily the duty on Tembotrione.

## IN THE HOUSE OF REPRESENTATIVES

DECEMBER 13, 2007

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

# A BILL

To suspend temporarily the duty on Tembotrione.

- 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. TEMBOTRIONE.
- 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:

|   | i e  |                               |      | i         | ì         | i i          | 1  |
|---|------|-------------------------------|------|-----------|-----------|--------------|----|
| " | 9902 | Mixtures containing 2-{2-     |      |           |           |              |    |
|   |      | Chloro-4-mesyl-3-             |      |           |           |              |    |
|   |      | [(trifluoroethoxy)methyl]     |      |           |           |              |    |
|   |      | benzoyl}cyclohexane-1,3-      |      |           |           |              |    |
|   |      | dione (Tembotrione) (CAS      |      |           |           |              |    |
|   |      | No. 335104-84-2) and ethyl    |      |           |           |              |    |
|   |      | 4,5-dihydro-5,5-diphenyl-1,2- |      |           |           |              |    |
|   |      | oxazole-3-carboxylate         |      |           |           |              |    |
|   |      | (Isoxadifen-ethyl) (CAS No.   |      |           |           |              |    |
|   |      | 163520-33-0) (provided for    |      |           |           |              |    |
|   |      | in subheading                 |      |           |           |              |    |
|   |      | 3808.93.1500)                 | 3.0% | No change | No change | On or before |    |
|   |      |                               |      |           |           | 12/31/2011   | ". |

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to articles entered, or withdrawn
- 3 from warehouse for consumption, on or after the 15th day
- 4 after the date of the enactment of this Act.

 $\bigcirc$