### 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 21 2008 ]<sup>2</sup>

Bill No. and sponsor: H.R. 4725 (Mr. Michael N. Castle of Delaware).
Proponent name,<sup>3</sup> location: Dupont, Wilmington, DE.
Other bills on product (110<sup>th</sup> Congress only): H.R. 4466 (Mr. Sanford D. Bishop, Jr. of Georgia).
Nature of bill: Extension of temporary duty reduction through December 31, 2011.
Retroactive effect: None.

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

Formulations containing 5-bromo-3-sec-butyl-6-methyluracil (Bromacil) (CAS No. 314–40–9), 3-(3,4-Dichlorophenyl)–1,1-dimethylurea (Diuron) (CAS No. 330–54–1), and application adjuvants (provided for in subheading 3808.93.15).

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:

The subject product is a formulated herbicide that is used for weed and brush control. The product is imported from Singapore,<sup>4</sup> but it is manufactured in China. It is also imported from Mexico.<sup>5</sup>

<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>.

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

<sup>&</sup>lt;sup>4</sup> The proponent stated that imports of the subject product do not meet the eligibility requirements of the U.S.-Singapore FTA.

<sup>&</sup>lt;sup>5</sup> The proponent stated that imports of the subject product do not meet the eligibility requirements of NAFTA.

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

HTS subheading: <u>3808.93.15</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	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000	\$12,000,000						
Customs revenue loss 1/2/	\$0	\$480,000	\$480,000	\$480,000	\$480,000						

<sup>1/</sup> There is an existing duty reduction under HTS heading 9902.13.27 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill in 2009.

#### **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)		
DuPont (Proponent) Sharee Lawler, 202-728-3664	03/24/2008	No	No	No
Arkema Charles Kitchen, Fax: 215-419-7075	04/02/2008	No	No	No
BASF Corp. Greg Thies, Fax: 202-558-5101	04/02/2008	No	No	No
Bayer CropScience Karen Niedermeyer, Fax: 412-777-4740 Will Hensley, Fax: 202-737-8909	04/02/2008	No	No	No
CropLife America Lawrence Norton, Fax: 202-463-0474	04/02/2008	No	No	No
Dow AgroSciences Max Turnipseed, Fax: 225-383-0590	04/02/2008	No	No	No
FMC Corp. Jerry Prout, Fax: 202-956-5235	04/02/2008	No	No	No
LANXESS Jamie Schaeffer, Fax: 412-809-3614	04/02/2008	No	No	No
Monsanto Corp. Michael Parrish, Fax: 202-789-1867	04/02/2008	No	No	No

<sup>2/</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 2.5 percent ad valorem, a reduction of 4 percentage points. Source of estimated dutiable import data: U.S. industry estimates.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Syngenta Crop Protection, Inc. Mike Blythe, Fax: 336-632-6084	04/02/2008	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	04/02/2008	No	No	No

#### **Technical comments:**<sup>6</sup>

The Commission staff notes that H.R. 4466 and H.R. 4725 are identical. Only one bill should be enacted.

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. 4725

To extend the temporary reduction of duty on Bromacil.

#### IN THE HOUSE OF REPRESENTATIVES

DECEMBER 17, 2007

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

### A BILL

To extend the temporary reduction of duty on Bromacil.

- 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. BROMACIL.
- 4 (a) In General.—Heading 9902.13.27 of the Har-
- 5 monized Tariff Schedule of the United States (relating to
- 6 Bromacil) is amended by striking the date in the effective
- 7 period column and inserting "12/31/2011".
- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from
- 10 warehouse for consumption, on or after the 15th day after
- 11 the date of the enactment of this Act.