UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: August 26, 2008]²

Bill No. and sponsor: H.R. 5021 (Mrs. Ellen O. Tauscher of California).

Proponent name, location: Valent U.S.A. Corp., Walnut Creek, CA.

Other bills on product (110th Congress only): H.R. 5020 (Mrs. Ellen O. Tauscher of California).

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

Retroactive effect: None.

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

(S)-3-allyl-2-methyl-4-oxocyclopent-2-enyl(1R,3R)-2,2-dimethyl-3-(2-methylprop-1-enyl)cyclopropanec arboxylate (S-Bioallethrin) (CAS No. 28434-00-6) (provided for in subheading 2916.20.50).

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 synthetic organic chemical is an insecticide with a broad spectrum of activity against most flying and crawling insects. S-Bioallethrin can be used alone in formulated products as the sole active ingredient, or combined with other insecticides to good effect. The product is imported from Japan.

Estimated effect on customs revenue:

HTS subheading: <u>2916.20.50</u>									
$ \nearrow \! \! \! \! \! \! \! \! \! \! \! \! \! \! \! \! \! \! $	2009	2010	2011	2012	2013				
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%				
Estimated value <i>dutiable</i> imports	\$136,368	\$136,368	\$136,368	\$136,368	\$136,368				
Customs revenue loss <u>1</u> /	\$0	\$5.046	\$5,046	\$5.046	\$5,046				

1/ There is an existing duty suspension under HTS heading 9902.24.33 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill for 2009. Source of estimated dutiable import data: U.S. industry estimates.

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 http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.

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

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)		
Valent U.S.A. Corp. (Proponent)	5/15/2008	No	No	No
Brett Garson, brettg@sda-inc.com				
Arkema Inc.	5/15/2008	No	No	No
Charles A. Kitchen, Fax: 215-419-7075				
BASF Corp.	5/15/2008	No	No	No
Greg Thies, Fax: 202-558–5101				
Bayer Crop Science	5/15/2008	No	No	No
William Hensley, Fax: 202-737-8909				
CropLife America	5/15/2008	No	No	No
Isi Siddiqui, Fax: 202-463-0474				
Dow Chemical Co.	5/15/2008	No	No	No
Lisa Schroeter, Fax: 202-429-3467				
Dow AgroScience	5/15/2008	No	No	No
Max Turnipseed, Fax: 225-383-0590				
DuPont	5/15/2008	No	No	No
Helen McMahon, Fax: 302-355-2994				
Emerald Performance Materials	5/15/2008	No	No	No
Tom Dirmyer, Fax: 330-315-6480				
FMC	5/15/2008	No	No	No
Jerry Prout, Fax: 202-956-5235				
Gowan Company	5/15/2008	No	No	No
Cindy Baker, Fax: 928-373-1822				
George L. Rolofson, Fax: 336-854-2772				
MG Group	5/15/2008	No	No	No
Matt Mattingley, Fax: 703-670-9313				
Monsanto Corp.	5/15/2008	No	No	No
Grant Erdel, Fax: 202-789-1867				
Nufarm Limited	5/15/2008	No	No	No
Joel R. Junker, Fax: 206-621-8220				
Syngenta Crop Protection, Inc.	5/15/2008	No	No	No
Angus Kelly, Fax: 336-632-6084				

Technical comments:⁴

The Commission staff suggests that the article description of HTS heading 9902.24.33 be modified as shown on page 1 of this report in order to provide a better representation of the chemical name.

In addition, the Commission staff notes that H.R. 5020 and H.R. 5021 cover product isomers of bioallethrin. For the purposes of Customs administration, a single HTS heading could be drafted to provide for a duty suspension on S-bioallethrin and bioallethrin, the product isomer covered by H.R. 5020, which would ease some administrative burdens with Customs.

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 2D SESSION

H. R. 5021

To extend the temporary suspension of duty on S-Bioallethrin.

IN THE HOUSE OF REPRESENTATIVES

January 16, 2008

Mrs. Tauscher introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the temporary suspension of duty on S-Bioallethrin.

- 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. S-BIOALLETHRIN.
- 4 (a) In General.—Heading 9902.24.33 of the Har-
- 5 monized Tariff Schedule of the United States is amended
- 6 by striking "12/31/2009" and inserting "12/31/2011".
- 7 (b) Effective Date.—The amendment made by
- 8 subsection (a) applies with respect to goods entered, or
- 9 withdrawn from warehouse for consumption, on or after
- 10 the 15th day after the date of the enactment of this Act.