### 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: August 26, 2008]<sup>2</sup>

Bill No. and sponsor: H.R. 5025 (Mrs. Ellen O. Tauscher of California).

Proponent name,<sup>3</sup> location: Valent U.S.A. Corp., Walnut Creek, CA.

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

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)):

2-[1-Methyl-2-(4-phenoxyphenoxy)ethoxy]pyridine (Pyriproxyfen) (CAS No. 95737–68–1) (provided for in subheading 2933.39.27).

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 synthetic organic chemical controls various insect species by suppressing embryogenesis within the insect egg and by inhibiting metamorphosis and adult emergence of target insects. The product controls a wide variety of insects in fruiting crops. The product is imported from Japan.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Robert Randall (202-205-3366); 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 subheading: <u>2933.39.27</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										
dutiable imports	\$5,700,000	\$4,400,000	\$3,700,000	\$3,500,000	\$3,300,000					
Customs revenue										
loss <u>1</u> /	\$0	\$286,000	\$240,500	\$227,500	\$214,500					

<sup>1/</sup> There is an existing duty suspension under HTS heading 9902.24.27 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill for 2009. In addition, HTS heading 9902.05.23, which is referenced in the bill, had provided a temporary duty suspension to the subject product that expired on December 31, 2006.

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	Submission attached?	Opposition noted?
		product(s)?	product(s)?	
Valent U.S.A. Corp. (Proponent)	5/15/2008	No	(Yes/No) No	No
Brett Garson, brettg@sda-inc.com	3/13/2008	INO	NO	NO
Arkema Inc.	5/15/2008	No	No	No
Charles A. Kitchen, Fax: 215-419-7075	3/13/2008	NO	NO	NO
	5/15/2008	No	No	No
BASF Corp. Greg Thies, Fax: 202-558–5101	3/13/2008	NO	NO	NO
	5/15/2008	No	No	No
Bayer Crop Science	3/13/2008	NO	NO	NO
William Hensley, Fax: 202-737-8909	7/17/2000	N.T.	NI	N
CropLife America	5/15/2008	No	No	No
Isi Siddiqui, Fax: 202-463-0474	5 /1 5 /2 0 0 0			2.7
Dow Chemical Co.	5/15/2008	No	No	No
Lisa Schroeter, Fax: 202-429-3467				
Max Turnipseed, Fax: 225-383-0590	7/17/2000			
DuPont F. 202 255 2004	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				

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
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. Angus Kelly, Fax: 336-632-6084	5/15/2008	No	No	No

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

This bill would extend the temporary duty suspension provided for in HTS heading 9902.05.23. However, HTS heading 9902.05.23 expired on December 31, 2006. Therefore, in section 1(a) of the bill, line 6, "12/31/2009" should be deleted, and "12/31/2006" should be inserted in lieu thereof. Alternatively, HTS heading 9902.24.27 provides a temporary duty suspension for the subject product that expires on December 31, 2009. HTS heading 9902.24.27 could be used to extend the duty suspension. In that case, in line 4 of section 1(a) of the bill, delete "9902.05.23" and insert "9902.24.27" in lieu thereof.

<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.

#### 110TH CONGRESS 2D SESSION

## H. R. 5025

To extend the temporary suspension of duty on Pyriproxyfen.

#### 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 Pyriproxyfen.

- 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. PYRIPROXYFEN.
- 4 (a) In General.—Heading 9902.05.23 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.