### 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. 5194 (Mrs. Ellen O. Tauscher of California).

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

Other bills on product (110th 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)):

Preparations containing 2-(1-(((3-chloro-2-propenyl)oxy)imino)propyl)-5-(2-(ethylthio)propyl)-3-hydroxy-2-cyclohexene-1-one (Clethodim) (CAS No. 99129-21-2) and application adjuvants (provided for in subheading 3808.93.50).

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 product is a synthetic organic chemical that is used as a herbicide targeting annual and perennial grasses. The product is imported from Japan.

<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>3808.93.50</u>										
$\searrow$	2009	2010	2011	2012	2013					
Col. 1-General rate of duty	5.0%	5.0%	5.0%	5.0%	5.0%					
Estimated value <i>dutiable</i> imports	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000					
Customs revenue loss 1/	\$0	\$150,000	\$150,000	\$150,000	\$150,000					

<sup>1/</sup> There is an existing duty suspension under HTS heading 9902.24.74 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill in 2009. 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)		
Valent U.S.A. Corp. (Proponent) Robin Demouth, Fax: 925-256-2776	03/18/2008	No	No	No
Arkema Inc. (Atofina) Charles Kitchen, Fax: 216-419-7075	03/18/2008	No	No	No
BASF Corp. Greg Thies, Fax: 703-255-7142	03/18/2008	No	No	No
Bayer CropScience, LLP William Hensley, 202-756-3781 Jean Reimers, 202-756-3779	03/18/2008	No	No	No
Chemtura Corporation Matt Mattingley, Fax: 202-463-8498	03/18/2008	No	No	No
CropLife America Isi Siddiqui, Fax: 202-463-0474	03/18/2008	No	No	No
Dow AgroSciences Max Turnipseed, Fax: 225-338-0310 Lisa Schroeter, Fax: 202-429-3467	03/18/2008	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994 Elaine Olsen, Fax: 302-774-1398	03/18/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
FMC Corp. Jerry Prout, Fax: 202-956-5235, Steve Ziehm, 202-872-8181	03/18/2008	No	No	No
Monsanto Corp. Michael Parris, Fax: 202-789-1867	03/18/2008	No	No	No
Nufarm Limited Joel R. Junker, Fax: 206-621-8220	03/18/2008	No	No	No
Syngenta Crop Protection, Inc. Angus Kelly, Fax: 336-632-6084	03/18/2008	No	No	No

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

The Commission staff notes that the HTS subheading reference in HTS heading 9902.24.74 is not correct. The subject product is classified in HTS subheading 3808.93.50. The article description of HTS heading 9902.24.74 should be amended by deleting "3808.93.20" and inserting "3808.93.50".

<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.5194

To extend the temporary suspension of duty on Clethodim.

#### IN THE HOUSE OF REPRESENTATIVES

January 29, 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 Clethodim.

- 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. CLETHODIM.
- 4 (a) In General.—Heading 9902.24.74 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.