MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: October 6, 2008]²

Bill No. and sponsor: H.R. 5340 (Mrs. Judy Biggert of Illinois).

Proponent name,³ **location:** Nufarm Americas, Inc., Burr Ridge, IL.

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)):

(+)-(R)-2-(2,4-Dichlorophenoxy) propanoic acid (Dichlorprop-p) (CAS No. 15165-67-0) (provided for in subheading 2918.99.20); (+)-(R)-2-(2,4-dichlorophenoxy) propanoic acid, 2-ethylhexyl ester (Dichloroprop-2-ethylhexyl) (CAS No. 79270-78-3) (provided for in subheading 2918.99.20); and (+)-(R)-2-(2,4-dichlorophenoxy) propanoic acid, dimethylamine salt (Dichlorprop-P-dimethylammonium) (CAS No. 104786-87-0) (provided for in subheading 2921.11.00).

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 chemicals are herbicides that are used to rid lawns of woody weed species. They are often applied in combination with other herbicides as a direct spray on turf and lawns. The products are imported from the Netherlands and the United Kingdom.

Estimated effect on customs revenue:

Total estimated Revenue Loss for this Bill						
\searrow	2009	2010	2011	2012	2013	
Customs revenue loss	\$0	\$125,250	\$125,250	\$125,250	\$125,250	

Source of estimated dutiable import data: U.S. industry estimates.

² Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/</u>.

¹ Industry analyst preparing report: Philip Stone (202-205-3424); Tariff Affairs contact: David Michels (202-205-3440).

³ The sponsor/proponent identified three additional beneficiaries of this bill. USITC staff sent inquiries to the additional beneficiaries and received a response from one. It submitted a written representation that it would benefit from this bill.

HTS subheading: <u>2918.99.20</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	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000		
Customs revenue loss 1/	\$0	\$97,500	\$97,500	\$97,500	\$97,500		

1/ There is an existing duty suspension under HTS heading 9902.23.25 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.

HTS subheading: <u>2921.11.00</u>							
\searrow	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	\$700,000	\$750,000	\$750,000	\$750,000	\$750,000		
Customs revenue loss 1/	\$0	\$27,750	\$27,750	\$27,750	\$27,750		

 $\frac{1}{1}$ There is an existing duty suspension under HTS heading 9902.23.25 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)		
Nufarm Americas, Inc. (Proponent) Joel R. Junker, Fax: 206-621-8220	05/09/2008	No	No	No
Aceto Agricultural Chemicals President, Fax: 516-627-6093	05/13/2008	No	No	No
Albaugh, Inc. President, Fax: 515-964-7813	05/13/2008	No	No	No
Arkema Inc. Charles Kitchen, Fax: 215-419-7075	05/09/2008	No	No	No
BASF Corporation Greg Thies, Fax: 202-558-5101	05/09/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Bayer CropScience William Hensley, Fax: 202-737-8909	05/09/2008	No	No	No
Chemtura Matt Mattingley, Fax: 703-670-9313	05/09/2008	No	No	No
CropLife America Isi Siddiqui, Fax: 202-463-0474	05/09/2008	No	No	No
Dow Chemical/Dow AgroScience Max Turnipseed, Fax: 225-383-0590	05/09/2008	No	No	No
DuPont Helen McMahon, Fax: 302-355-2994	05/09/2008	No	No	No
Emerald Performance Materials Tom Dirmyer, Fax: 330-315-6480	05/09/2008	No	No	No
FMC Corp. Jerry Prout, Fax: 202-956-5235	05/09/2008	No	No	No
Gowan Company George Rolofson, Fax: 336-854-2772	05/09/2008	No	No	No
Loveland Products, Inc. Lyn Pearson, 970-356-4400	05/14/2008	No	No	No
LT Biosyn, Inc. President, Fax: 909-348-5135	05/13/2008	No	No	No
Monsanto Corp. Grant Erdel, Fax: 202-789-1867	05/09/2008	No	No	No
PBI/Gordon Carol Hatcher, 815-421-4070	05/14/2008	No	No	No
Stoller Enterprises, Inc. President, Fax: 713-461-4467	05/13/2008	No	No	No
Syngenta Crop Protection, Inc. Mike Blythe, Fax: 336-632-6084	05/09/2008	No	No	No
United Phosphorus, Inc. President, Fax: 610-491-2801	05/13/2008	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	05/09/2008	No	No	No

Technical comments:⁴

The Commission staff recommends that the article description on page 1 of this report be used in HTS heading 9902.23.25 in order to insert the common chemical names in parentheses and to provide the correct HTS subheading reference.

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. 5340

To extend the temporary suspension of duty on dichlorprop-p acid, dichlorprop-p dimethylamine salt, and dichlorprop-p 2-ethylhexyl ester.

IN THE HOUSE OF REPRESENTATIVES

February 12, 2008

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

A BILL

To extend the temporary suspension of duty on dichlorpropp acid, dichlorprop-p dimethylamine salt, and dichlorprop-p 2-ethylhexyl ester.

Be it enacted by the Senate and House of Representa tives of the United States of America in Congress assembled,

3 SECTION 1. DICHLORPROP-P ACID, DICHLORPROP-P DI4 METHYLAMINE SALT, AND DICHLORPROP-P 25 ETHYLHEXYL ESTER.

6 (a) IN GENERAL.—Heading 9902.23.25 of the Har7 monized Tariff Schedule of the United States (relating to
8 dichlorprop-p acid, dichlorprop-p dimethylamine salt, and
9 dichlorprop-p 2-ethylhexyl ester) is amended by striking

the date in the effective period column and inserting "12/
 31/2011".

3 (b) EFFECTIVE DATE.—The amendment made by
4 subsection (a) applies to goods entered, or withdrawn from
5 warehouse for consumption, on or after the 15th day after
6 the date of the enactment of this Act.

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