UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: October 6, 2008]²

Bill No. and sponsor: H.R. 5456 (Mr. Emanuel Cleaver of Missouri).

Proponent name, location: Bayer CropScience, Research Triangle Park, NC.

Other bills on product (110th Congress only): None.

Nature of bill: Temporary duty reduction through December 31, 2011.

Retroactive effect: None.

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

2-{2-Chloro-4-mesyl-3-[(2,2,2-trifluoroethoxy)methyl] benzoyl}cyclohexane-1,3-dione (Tembotrione) (CAS No. 335104–84–2), and ethyl 4,5-dihydro-5,5-diphenyl-1,2-oxazole-3-carboxylate (Isoxadifen-ethyl) (CAS No. 163520–33–0) (provided for in subheading 2930.90.10)

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 products are the active ingredients in a systemic herbicide that will provide postemergence control of grass and broadleaf weeds in corn. The products are imported from Germany.

Estimated effect on customs revenue:

| HTS subheading: <u>2930.90.10</u> | | | | | | | | | | |
|-------------------------------------------------------------------|--------------|--------------|--------------|--------------|--------------|--|--|--|--|--|
| $ \bigvee \! \! \! \! \! \! \! \! \! \! \! \! \! \! \! \! \! \! $ | 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 | \$14,090,240 | \$14,090,240 | \$14,090,240 | \$14,090,240 | \$14,090,240 | | | | | |
| Customs revenue loss 1/ | \$493,158 | \$493,158 | \$493,158 | \$493,158 | \$493,158 | | | | | |

^{1/} The estimated customs revenue loss is based on a temporary reduction of the general rate of duty from 6.5 percent ad valorem to 3.0 percent ad valorem, a reduction of 3.5 percentage points. Source of estimated dutiable import data: U.S. industry estimates.

¹ Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: David G. 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) | |
| Bayer CropScience (Proponent) William Hensley, 202-756-3781 Jean Reimers, 202-756-3779 | 04/18/2008 | No | No | No |
| Arkema Inc. (Atofina) Charles Kitchen, Fax: 216-419-7075 | 04/18/2008 | No | No | No |
| BASF Corp. Greg Thies, Fax: 703-255-7142 | 04/18/2008 | No | No | No |
| Chemtura Corporation Matt Mattingley, Fax: 202-463-8498 | 04/18/2008 | No | No | No |
| CropLife America Isi Siddiqui, Fax: 202-463-0474 | 04/18/2008 | No | No | No |
| Dow AgroSciences Max Turnipseed, Fax: 225-338-0310 Lisa Schroeter, Fax: 202-429-3467 | 04/18/2008 | No | No | No |
| DuPont Helen McMahon, Fax: 302-355-2994 Elaine Olsen, Fax: 302-774-1398 | 04/18/2008 | No | No | No |
| FMC Corp. Jerry Prout, Fax: 202-956-5235 Steve Ziehm, 202-872-8181 | 04/18/2008 | No | No | No |
| Monsanto Corp. Michael Parris, Fax: 202-789-1867 | 04/18/2008 | No | No | No |
| Nufarm Limited Joel R. Junker, Fax: 206-621-8220 | 04/18/2008 | No | No | No |
| Syngenta Crop Protection Inc. Angus Kelly, Fax: 336-632-6084 | 04/18/2008 | No | No | No |
| Valent USA Corp. Robin Demouth, Fax: 925-256-2776 | 04/18/2008 | No | No | No |

Technical comments:⁴

The Commission staff suggests that the article description on page 1 of this report be used in the proposed new heading in order to include the correct chemical name. In particular, "2,2,2-" should be inserted before "trifluoroethoxy".

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.

H. R. 5456

To suspend temporarily the duty on Tembotrione.

IN THE HOUSE OF REPRESENTATIVES

February 14, 2008

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

A BILL

To suspend temporarily the duty on Tembotrione.

| | _ | | · · | | | | | | |
|---|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------|----------|-----|--|--|--|
| 1 | Be it | enacted by the S | Senate and H | ouse of I | Represen | ta- | | | |
| 2 | tives of the United States of America in Congress assembled, | | | | | | | | |
| 3 | SECTION 1. TEMBOTRIONE. | | | | | | | | |
| 4 | (a) 1 | IN GENERAL.—S | Subchapter II | of cha | pter 99 | of | | | |
| 5 | the Harmonized Tariff Schedule of the United States is | | | | | | | | |
| 6 | amended by inserting in numerical sequence the following | | | | | | | | |
| 7 | new heading: | | | | | | | | |
| | " 9902 | 2-{2-Chloro-4-mesyl-3- [(trifluoroethoxy)methyl] ben- zoyl}cyclohexane-1,3-dione (Tembotrione) (CAS No. 335104-84-2) and ethyl 4,5- | | | | | | | |

No change

No change

dihydro-5,5-diphenyl-1,2oxazole-3-carboxylate (Isoxadifen-ethyl) (CAS No. 163520-33-0) (provided for in subheading 2930.90.10) ... 3.0%

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to articles entered, or withdrawn
- 3 from warehouse for consumption, on or after the 15th day

4 after the date of the enactment of this Act.

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