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: October 6, 2008]<sup>2</sup>

Bill No. and sponsor: H.R. 5457 (Mr. Emanuel Cleaver of Missouri).

**Proponent name**,<sup>3</sup> **location:** Bayer CropScience, Research Triangle Park, NC.

Other bills on product (110<sup>th</sup> Congress only): H.R. 5002 (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)-α-Cyano-3-phenoxybenzyl (1R,3R)–3-(2,2-dibromovinyl)–2,2-dimethylcyclopropanecarboxylate (Deltamethrin) (CAS No. 52918–63–5) (provided for in subheading 2926.90.30).

**Check one**:  $\underline{X}$  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 product is the active ingredient in a broad spectrum residual pyrethroid insecticide. The product is imported from India.<sup>4</sup>

#### **Estimated effect on customs revenue:**

HTS subheading: <u>2926.90.30</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	\$6,300,000	\$6,300,000	\$6,300,000	\$6,300,000	\$6,300,000				
Customs revenue loss <u>1</u> /	\$0	\$409,500	\$409,500	\$409,500	\$409,500				

1/ There is an existing duty suspension under HTS heading 9902.11.26 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.

<sup>2</sup> Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/</u>.

<sup>3</sup> The sponsor/proponent did not identify any additional beneficiaries of this bill

<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>4</sup> India is a designated beneficiary of the Generalized System of Preferences (GSP), and HTS subheading 2926.90.30 is an eligible product category for purposes of the GSP program. However, India is ineligible for duty-free treatment under HTS subheading 2926.90.30. See General Note 4(d) of the HTS (2008).

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date	Claim US	Submission	Opposition
	contacted	makes same or	attached?	noted?
		competing		
		product(s)?		
		(Yes/No)		
Bayer CropScience (Proponent)	04/18/2008	No	No	No
Jean Reimers, 202-756-3779				
Arkema Inc. (Atofina)	04/18/2008	No	No	No
Charles Kitchen, Fax: 216-419-7075				
BASF Corp.	04/18/2008	No	No	No
Greg Thies, Fax: 703-255-7142				
Chemtura Corporation	04/18/2008	No	No	No
Matt Mattingley, Fax: 202-463-8498				
CropLife America	04/18/2008	No	No	No
Isi Siddiqui, Fax: 202-463-0474				
Dow AgroSciences	04/18/2008	No	No	No
Max Turnipseed, Fax: 225-338-0310				
DuPont	04/18/2008	No	No	No
Helen McMahon, Fax: 302-355-2994				
Elaine Olsen, Fax: 302-774-1398				
FMC Corp.	04/18/2008	No	No	No
Steve Ziehm, 202-872-8181				
Monsanto Corp.	04/18/2008	No	No	No
Michael Parris, Fax: 202-789-1867				
Nufarm Limited	04/18/2008	No	No	No
Joel R. Junker, Fax: 206-621-8220				
Syngenta Crop Protection, Inc.	04/18/2008	No	No	No
Angus Kelly, Fax: 336-632-6084				
Valent USA Corp.	04/18/2008	No	No	No
Robin Demouth, Fax: 925-256-2776				

#### **Technical comments:**<sup>5</sup>

The Commission staff notes that H.R. 5002 would extend 9902.01.49, which temporarily suspends the general rate of duty on imports of deltamethrin in bulk (2926.90.30), or packed for retail sale (3808.91.25). By comparison, H.R. 5457 would extend HTS heading 9902.11.26, which temporarily suspends the general rate of duty only on imports of deltamethrin in bulk (2926.90.30). Furthermore, H.R. 5457 would strike 9902.01.49 from the HTS. If H.R. 5002 is enacted, then H.R. 5457 should not be enacted, heading 9902.01.49 should not be deleted from the HTS, and heading 9902.11.26 should be deleted from the HTS.

<sup>&</sup>lt;sup>5</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.

# <sup>110TH CONGRESS</sup> 2D SESSION H.R. 5457

To extend the temporary suspension of duty on Deltamethrin.

### 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 extend the temporary suspension of duty on Deltamethrin.

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. DELTAMETHRIN.

4 (a) IN GENERAL.—Heading 9902.11.26 of the Har5 monized Tariff Schedule of the United States is amended
6 by striking "12/31/2009" and inserting "12/31/2011".

7 (b) CONFORMING AMENDMENT.—The Harmonized
8 Tariff Schedule of the United States is further amended
9 by striking heading 9902.01.49.

10 (c) EFFECTIVE DATE.—The amendments made by11 this section apply with respect to goods entered, or with-

- 1 drawn from warehouse for consumption, on or after the
- 2 15th day after the date of the enactment of this Act.