UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: June 16, 2008]²

Bill No. and sponsor: H.R. 4724 (Ms. Corrine Brown of Florida).

Proponent name,³ location: FMC Corporation, Jacksonville, FL.

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)):

(S)-Cyano-(3-phenoxyphenyl)methyl-(+)cis-3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropane-carboxylate and (S)-cyano-(3-phenoxyphenyl)methyl-(+)trans-3-(2,2-dichloroethenyl)-2,2-dimethylcyclopropanecarboxylate (Zeta-cypermethrin) (CAS No. 52315-07-8) (provided for in subheading 2926.90.30).

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 chemical is an agricultural insecticide that is used on major crops. It is imported principally from China and India.⁴

¹ Industry analyst preparing report: Robert Randall (202-205-3366); Tariff Affairs contact: David 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.

⁴ 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).

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 | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$2,000,000 | | | | | | |
| Customs revenue loss <u>1</u> / | \$0 | \$130,000 | \$130,000 | \$130,000 | \$130,000 | | | | | | |

^{1/} There is an existing duty suspension under HTS heading 9902.24.58 that expires December 31, 2009. Therefore, there will be no customs revenue loss related to this bill for 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) | | |
| FMC Corporation (Proponent) Jerry Prout, 202-956-5209 | 4/20/2008 | No | No | No |
| Arkema Inc. Charles Kitchen, Fax: 215-419-7075 | 4/25/2008 | No | No | No |
| BASF Corp. Greg Thies, Fax: 703-255-7142 | 4/25/2008 | No | No | No |
| Bayer Corp. William Hensley, Fax: 202-737-8909 | 4/25/2008 | No | No | No |
| Chemtura Corp. Matt Mattingley, Fax: 202-463-8498 | 4/25/2008 | No | No | No |
| CropLife America Isi Siddiqui, Fax: 202-463-0474 | 4/25/2008 | No | No | No |
| DuPont Helen McMahon, Fax: 302-355-2994 | 4/25/2008 | No | No | No |
| Emerald Performance Chemicals Tom Dirmyer, Fax: 330-315-6480 | 4/25/2008 | No | No | No |
| Monsanto Corp. Grant Erdel, Fax: 202-789-1867 | 4/25/2008 | No | No | No |
| Nufarm Limited Joel R. Junker, Fax: 206-621-8220 | 4/25/2008 | No | No | No |

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|--|-------------------|---|----------------------|-------------------|
| | | (Yes/No) | | |
| Syngenta Crop Protection, Inc. Mike Blythe, Fax: 336-632-6084 | 4/25/2008 | No | No | No |
| Valent USA Robin Demouth, Fax: 925-256-2776 | 4/25/2008 | No | No | No |

Technical comments:⁵

The Commission staff suggests that a hyphen be inserted after the word "methyl" in two places in the chemical name, as shown on page 1 of this report.

⁵ 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 1ST SESSION H.R. 4724

To extend the temporary suspension of duty on Zeta-cypermethrin.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 17, 2007

Ms. Corrine Brown of Florida introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the temporary suspension of duty on Zetacypermethrin.

- 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. ZETA-CYPERMETHRIN.
- 4 (a) In General.—Heading 9902.24.58 of the Har-
- 5 monized Tariff Schedule of the United States (relating to
- 6 Zeta-cypermethrin) is amended by striking "12/31/2009"
- 7 and inserting "12/31/2011".
- 8 (b) Effective Date.—The amendment made by
- 9 subsection (a) applies to goods entered, or withdrawn from

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

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