

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: October 6, 2008]²

Bill No. and sponsor: H.R. 5476 (Mr. Brad Miller of North Carolina).

Proponent name,³ location: Bayer CropScience, Research Triangle Park, NC.

Other bills on product (110th Congress only): H.R. 4634 (Mr. Sam Graves of Missouri).

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)):

2-Ethoxy-2,3-dihydro-3,3-dimethyl-5-benzofuranylmethanesulfonate (ethofumesate) (CAS No. 26225-79-6) in bulk or mixed with application adjuvants (provided for in subheading 2932.99.08 or 3808.93.15).

Check one: 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 a synthetic organic chemical that is used as a preemergence herbicide in formulations to control a variety of weeds on sugar beets. The subject product is imported from Germany, India,⁴ and the United Kingdom.

Estimated effect on customs revenue:

Total Estimated Revenue Loss for this Bill					
	2009	2010	2011	2012	2013
 					
Customs revenue loss	\$0	\$650,000	\$650,000	\$650,000	\$650,000

Source of estimated dutiable import data: Commission estimates.

¹ Industry analyst preparing report: Philip Stone (202-205-3424); 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 identified one additional beneficiary of this bill. USITC staff sent an inquiry to the additional beneficiary and did not receive a response.

⁴ Imports of the subject product from India are eligible for duty-free treatment under the Generalized System of Preferences.

HTS subheading: 2932.99.08					
	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	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Customs revenue loss 1/	\$0	\$162,500	\$162,500	\$162,500	\$162,500

1/ There is an existing duty suspension under HTS heading 9902.05.19 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: Commission estimates.

HTS subheading: 3808.93.15					
	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	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000	\$7,500,000
Customs revenue loss 1/	\$0	\$487,500	\$487,500	\$487,500	\$487,500

1/ There is an existing duty suspension under HTS heading 9902.05.19 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: Commission 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)		
Bayer CropScience (Proponent) Williams Hensley, Fax: 202-737-8909 Jean Riemer, Fax: 202-737-8909	05/27/2008	No	No	No
Arkema Inc. (Atofina) Charles Kitchen, Fax: 215-419-7075	05/27/2008	No	No	No
Chemtura Corporation Matt Mattingley, Fax: 703-670-9313	05/27/2008	No	No	No
CropLife America Isi Siddiqui, Fax: 202-463-0474	05/27/2008	No	No	No
Dow Chemical/Dow AgroScience Max Turnipseed, Fax: 225-383-0590 Lisa Schroeter, Fax: 202-429-3467	05/27/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
DuPont Helen McMahon, Fax: 302-355-2994	05/27/2008	No	No	No
Emerald Performance Materials Tom Dirmyer, Fax: 330-315-6480	05/27/2008	No	No	No
FMC Corp. Jerry Prout, Fax: 202-956-5235	05/27/2008	No	No	No
Gowan Company George L. Rolofson, Fax: 336-854-2772 Cindy Baker, Fax: 928-373-1822	05/27/2008	No	No	No
Monsanto Corp. Grant Erdel, Fax: 202-789-1867	05/27/2008	No	No	No
Nufarm Limited Joel R. Junker, Fax: 206-621-8220	05/27/2008	No	No	No
Syngenta Crop Protection, Inc. Mike Blythe, Fax: 336-632-6084 Angus Kelly, Fax: 336-632-6084	05/27/2008	No	No	No
United Phosphorus, Inc. Anthony Zampetti, Fax: 610-491-2801	06/02/2008	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	05/27/2008	No	No	No

Technical comments:⁵

The Commission staff suggests that section 1(a)(1) of the bill be deleted because the reference to HTS subheading 3808.93.15 already appears in HTS heading 9902.05.19. The Commission staff notes that H.R. 4634 would temporarily suspend the general rate of duty on mixtures of ethofumesate, which are provided for in HTS subheading 3808.93.15, whereas H.R. 5476 would temporarily suspend the duties on mixtures of ethofumesate, and ethofumesate in bulk (2932.99.08). If H.R. 5476 is enacted, then H.R. 4634 would not need to be enacted.

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
2D SESSION

H. R. 5476

To extend the temporary suspension of duty on ethofumesate in bulk or mixtures.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 21, 2008

Mr. MILLER of North Carolina introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To extend the temporary suspension of duty on ethofumesate in bulk or mixtures.

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. ETHOFUMESATE IN BULK OR MIXTURES.**

4 (a) IN GENERAL.—Heading 9902.05.19 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 ethofumesate in bulk or mixtures) is amended—

7 (1) in the article description, by striking
8 “3808.30.15” and inserting “3808.93.15”; and

9 (2) in the effective period column, by striking
10 “12/31/2009” and inserting “12/31/2011”.

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

○