# UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109<sup>th</sup> Congress <sup>1</sup>

[Date approved: August 23, 2005]<sup>2</sup>

**Bill No. and sponsor:** H. R. 1826 (Mr. Cardin)

**Proponent name, location:** FMC Corporation

Corporate Headquarters Philadelphia, PA 19103

Other bills on product (109th Congress only): None

**Nature of bill:** Renewal of temporary duty provision through December 31, 2008.

Retroactive effect: None.

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

2-Chlorobenzyl chloride (CAS No. 611-19-8) (provided for in subheading 2903.69.80)

**Check one:** Same as that in bill as introduced

X Different from that in bill as introduced (explain differences in Technical

comments section)

#### Product information, including uses/applications and source(s) of imports:

The product, a synthetic organic chemical used to produce clomazone, a broad-spectrum herbicide that can be applied to a variety of vegetables to control annual grasses and broadleaf weeds, is not produced in the United States. It is primarily imported from China, Belgium, Germany, and Japan. Although clomazone is considered competitive with Quinclorac (BASF), the two products are reportedly not perfect substitutes.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Elizabeth Nesbitt (202-205-3355); Tariff Affairs contact: David Michels (202-205-3440).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm">www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm</a>.

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

HTS subheading: <u>2903.69.80</u>										
$\searrow$	2005	2006	2007	2008	2009					
Col. 1-General rate of duty	5.5%	5.5%	5.5%	5.5%	5.5%					
Estimated value <i>dutiable</i> imports	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000	\$3,000,000					
Customs revenue loss <u>1</u> /	\$165,000	\$165,000	\$165,000	\$165,000	\$165,000					

<sup>1/</sup> Revenue loss for 2005 and 2006 results from a current suspension of duty per heading 9902.01.56. Source of estimated dutiable import data: Industry estimates.

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

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
			(Yes/No)	
FMC Corporation (Proponent) Jerry Prout 202-956-5209	6/28/2005	No	No	No
AtoFina Cerexagri Charles Kitchin Fax: 703-527-2092	6/28/2005	No	No	No
Bayer CropScience Jean Reimers Fax: 202-628-6622	6/28/2005	No	No	No
BASF Corp. Greg Theis Fax: 202-558-5101	6/29/2005	No	No	No
Crop Life America Lawrence Norton Fax: 202-463-0474	6/28/2005	No	No	No
Dow AgroSciences Margaret Rogers Fax: 202-429-3467	6/28/2005	No	No	No
E. I. DuPont Elaine Olsen Fax: 302-892-7343	6/28/2005	No	No	No
Griffin Corp. James Whatley and Stephen Glennon Fax: 800-248-5154	6/28/2005	No	No	No

Syngenta Mike Blythe Fax: 336-632-6084	6/28/2005	No	No	No
Valent USA Robin Dermouth Fax: 925-256-2776	6/28/2005	No	No	No
Monsanto Corp. Linda Strachan Fax No: 202-789-1819	6/29/2005	No	No	No

## **Technical comments:**<sup>3</sup>

The Commission suggests that heading 9901.02.56 be modified by striking the current HTS subheading in the article description, and "2903.69.80" be inserted in lieu thereof, in order to conform to the current classification for this product. The article description given on page 1 of this report reflects this change.

<sup>&</sup>lt;sup>3</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.

# 109TH CONGRESS H.R. 1826

To extend the temporary suspension of duty on 2-Chlorobenzyl chloride.

### IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2005

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

# A BILL

To extend the temporary suspension of duty on 2-Chlorobenzyl chloride.

- 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. 2-CHLOROBENZYL CHLORIDE.
- 4 (a) In General.—Heading 9902.01.56 of the Har-
- 5 monized Tariff Schedule of the United States is amended
- 6 by striking "12/31/2006" and inserting "12/31/2008".
- 7 (b) Effective Date.—The amendment made by
- 8 subsection (a) applies with respect to goods entered, or
- 9 withdrawn from warehouse for consumption, on or after
- 10 the 15th day after the date of the enactment of this Act.