

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: October 24, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 3158 (Mr. Barack Obama of Illinois).

**Proponent name, location:** Nufarm Americas, Inc., Burr Ridge, IL.

**Other bills on product (109<sup>th</sup> Congress only):** None.

**Nature of bill:** Temporary duty suspension through December 31, 2009.

**Retroactive effect:** None.

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

2-Methyl-4-chlorophenoxyacetic acid (CAS No. 94-74-6) and its 2-ethylhexyl ester (CAS No. 29450-45-1) (provided for in subheading 2918.90.20); and 2-methyl-4-chlorophenoxy-acetic acid, dimethylamine salt (CAS No. 2039-46-5) (provided for in subheading 2921.11.00).

**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 products are synthetic organic chemical herbicides that are used to control a wide variety of broad leaved weeds in cereals, grasses, flax and non-crop areas. The subject products are imported from the Netherlands and the United Kingdom.

<sup>1</sup> Industry analyst preparing report: Stephen Wanser (202-205-3363); Tariff Affairs contact: David Michels (202-205-3440).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).

**Estimated effect on customs revenue:**

<b>HTS subheading: <u>2918.90.20</u></b>					
	2006	2007	2008	2009	2010
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$15,610,000	\$15,610,000	\$15,610,000	\$15,610,000	\$15,610,000
Customs revenue loss 1/	\$1,014,650	\$1,014,650	\$1,014,650	\$1,014,650	\$1,014,650

1/ A portion of the estimated customs revenue loss for 2006 reflects the existing duty reduction to 1.8 percent ad valorem under heading 9902.29.81 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates.

<b>HTS subheading: <u>2921.11.00</u></b>					
	2006	2007	2008	2009	2010
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%
Estimated value <i>dutiable</i> imports	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Customs revenue loss 1/	\$11,100	\$11,100	\$11,100	\$11,100	\$11,100

1/ A portion of the estimated customs revenue loss for 2006 reflects the existing duty reduction to 1.8 percent ad valorem under heading 9902.29.81 that expires on December 31, 2006.

Source of estimated dutiable import data: 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)	
Nufarm, Americas, Inc. (Proponent) Joel Junker, Fax: 206-621-8220	06/12/2006	No	No	No
Arkema Inc. (Atofina) Charles Kitchin, Fax: 703-527-2002	06/12/2006	No	No	No
BASF Corp. Greg Thies, Fax: 703-255-7142	06/12/2006	No	No	No
Bayer CropScience Mike Gill, 202-205-8843	06/12/2006	No	No	No
Crop Life America Lawrence Norton, Fax: 202-463-0474	06/12/2006	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
Dow Chemical/Dow AgroScience Max Turnipseed, 225-338-0310	06/12/2006	No	No	No
DuPont Nancy Johnson, Fax: 202-728-3649	06/12/2006	No	No	No
FMC Corp Jerry Prout, Fax: 202-956-5235	06/12/2006	No	No	No
LANXESS Corp. Jamie B. Schaeffer, Fax 412-809-3614	06/12/2006	No	No	No
Monsanto Corp. Michael Parris, Fax: 202-789-1867	06/12/2006	No	No	No
Syngenta Mike Blythe, Fax: 336-632-6084	06/12/2006	No	No	No
Valent USA Robin Demouth, Fax: 925-256-2776	06/12/2006	No	No	No

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

The Commission suggests that the article description on page 1 of this report be used because it contains the correct classification and capitalization. Specifically, “2921.19.60” should be deleted and “2921.11.00” should be inserted in lieu thereof, and the second “methyl” should be lower case.

<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.

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 3158

To suspend temporarily the duty on 2-Methyl-4-chlorophenoxyacetic acid, salts, and esters.

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IN THE SENATE OF THE UNITED STATES

MAY 25, 2006

Mr. OBAMA introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To suspend temporarily the duty on 2-Methyl-4-chlorophenoxyacetic acid, salts, and esters.

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. SUSPENSION OF DUTY ON 2-METHYL-4-**  
4 **CHLOROPHENOXYACETIC ACID, SALTS, AND**  
5 **ESTERS.**

6 (a) IN GENERAL.—Subchapter II of chapter 99 of  
7 the Harmonized Tariff Schedule of the United States is  
8 amended by inserting in numerical sequence the following  
9 new heading:

“	9902.28.21	2-Methyl-4-chlorophenoxyacetic acid (CAS No. 94-74-6) and its 2-ethylhexyl ester (CAS No. 29450-45-1) (provided for in subheading 2918.90.20); and 2-Methyl-4-chlorophenoxy-acetic acid, dimethylamine salt (CAS No. 2039-46-5) (provided for in subheading 2921.19.60)	Free	No change	No change	On or before 12/31/2009	”.
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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.

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