

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: October 26, 2006]²

Bill No. and sponsor: S. 3186 (Ms. Mary L. Landrieu of Louisiana).

Proponent name, location: Chemtura Corporation, Middlebury, CT.

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

Nature of bill: Extension of existing temporary duty suspension through December 31, 2009.

Retroactive effect: None.

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

Etridiazole [5-ethoxy-3-(trichloromethyl)-1,2,4-thiadiazole] (CAS No. 2593-15-9) (provided for in subheading 2934.99.90) and any mixtures (preparations) containing etridiazole as the active ingredient (provided for in subheading 3808.20.50).

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:

Etridiazole is used by Chemtura to produce proprietary in-furrow (soil-applied) fungicide formulations, which control the pathogenic organisms, pythium and phytophthora, on avocados, strawberries, certain turf grasses and ornamentals, cotton, barley, wheat, beans, soybeans, peanuts, beets, sorghum, safflower, corn, peas, and rice. Etridiazole protects against seedling diseases, allowing seedlings to emerge faster, reducing the time they are exposed to disease and insects. Etridiazole also protects against root rot or browning of root tips, leading to decay and causing the seedlings to topple. The product is imported from Germany.

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

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Estimated effect on customs revenue:

Estimated Revenue Loss For This Bill					
	2006	2007	2008	2009	2010
Customs revenue loss 1/	\$91,000	\$123,500	\$129,350	\$136,500	\$143,000

1/ The estimated Customs revenue loss for 2006 reflects the existing duty suspension under HTS heading 9902.01.59 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates.

HTS subheading: <u>2934.99.90</u>					
	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	\$1,400,000	\$1,900,000	\$1,990,000	\$2,100,000	\$2,200,000
Customs revenue loss 1/	\$91,000	\$123,500	\$129,350	\$136,500	\$143,000

1/ The estimated Customs revenue loss for 2006 reflects the existing duty suspension under HTS heading 9902.01.59 that expires on December 31, 2006.

Source of estimated dutiable import data: Industry estimates.

HTS subheading: <u>3808.20.50</u>					
	2006	2007	2008	2009	2010
Col. 1-General rate of duty	5.0%	5.0%	5.0%	5.0%	5.0%
Estimated value <i>dutiable</i> imports	\$0	\$0	\$0	\$0	\$0
Customs revenue loss 1/	\$0	\$0	\$0	\$0	\$0

1/ The estimated Customs revenue loss for 2006 reflects the existing duty suspension under HTS heading 9902.01.59 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)		
Chemtura Corporation (Proponent) Matt Mattingly, Fax: 463-8498	06/12/2006	No	No	No
Arkema Inc. (Atofina) Charles Kitchin, Fax: 703-527-2002	06/12/2006	No	No	No
Bayer CropScience Mike Gill, 202-205-8843	06/12/2006	No	No	No
BASF Corp. Greg Thies, Fax: 703-255-7142	06/12/2006	No	No	No
Crop Life America Lawrence Norton, Fax: 202-463-0474	06/12/2006	No	No	No
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 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
Nufarm Americas Inc. Joel R. Junker, Fax: 206-621-8220	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:³ None.

³ 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
2^D SESSION

S. 3186

To extend temporarily the suspension of the duty on Terrazole.

IN THE SENATE OF THE UNITED STATES

MAY 25, 2006

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

A BILL

To extend temporarily the suspension of the duty on
Terrazole.

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. TERRAZOLE.**

4 (a) **IN GENERAL.**—Heading 9902.01.59 of the Har-
5 monized Tariff Schedule of the United States is amended
6 by striking the date in the effective period column and
7 inserting “December 31, 2009”.

8 (b) **EFFECTIVE DATE.**—The amendment made by
9 this section shall apply with respect to goods entered, or

2

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

○