| (                     |                    |                                      |                           |            |     |  |
|-----------------------|--------------------|--------------------------------------|---------------------------|------------|-----|--|
|                       |                    | NITED STATES<br>NAL TRADE COMMISSION | Soft State                |            | App |  |
|                       | MEN                | IORANDUM ON PROPO<br>of the 112t     | DSED TARIFF<br>h Congress | LEGISLATIO | N   |  |
|                       |                    | Date approved                        | July 9, 2012              |            |     |  |
| I. Background         |                    |                                      |                           |            |     |  |
| Bill number:          | I.R. 4679          |                                      |                           |            |     |  |
| · –                   | ۸r. Jim Costa<br>A |                                      |                           |            |     |  |
| Interested entity:    |                    |                                      |                           |            |     |  |
| -                     | er CropScien       | ce                                   |                           |            | ]   |  |
|                       | earch Triang       |                                      |                           |            | ]   |  |
| State NC              |                    |                                      |                           |            |     |  |
| Other bills on prod   | uct (112th Co      | ongress only): S. 2719 (Mr. Rob      | ert P. Casey, Jr., PA     | .)         |     |  |
| Nature of bill:       | Temporary d        | uty suspension                       |                           |            |     |  |
| Expiration date:      | Deccember 3        | 1, 2015                              |                           |            |     |  |
| Current or previous   | s chapter 99       | neading: None                        |                           |            |     |  |
| Retroactive date:     | [                  | None                                 |                           |            |     |  |
| CAS number (if app    | olicable):         | 558066-35-4 and 178928-70-6          |                           |            |     |  |
| Industry analyst:     | Stenhe             | n Wanser                             |                           |            |     |  |
| Telephone:            | 202-20             |                                      |                           |            |     |  |
| Tariff Affairs contac |                    |                                      | _                         |            |     |  |
| Telephone:            | 202-20             |                                      |                           |            |     |  |

Note:

1. Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff\_affairs/congress\_reports/.

2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Mixtures containing N-[2-[3-chloro-5-(trifluoromethyl)-2-pyridyl]ethyl]-α,α,α-trifluoro-ortho-toluamide (Fluopyram) (CAS No. 658066–35–4) and 2-[2-(1-chlorocyclopropyl)-3-(2- chlorophenyl)-2- hydroxypropyl]-1,2- dihydro-3H-1,2,4-triazole- 3-thione (Prothioconazole) (CAS No. 178928–70–6) and application adjuvants (provided for in subheading 3808.92.15)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

Same

☑ Different (see Technical Comments section)

## III. Other product information, including uses/applications and source(s) of imports

The sourced chemical mixture is a formulated, broad-spectrum fungicide with preventative, systemic, and curative properties to control or suppress certain diseases in crops such as dried beans and peanuts. The product is imported from Germany. The interested entity converts the majority of the imported product(s) to the formulated product addressed in this legislation in a U.S. Foreign Trade Zone.

#### IV. Estimated effect on customs revenue

| Subject product HTS subheading(s)                            | 3808.92.15 |           |           |           |           |  |  |
|--|------------|-----------|-----------|-----------|-----------|--|--|
| ltem   | 2013       | 2014      | 2015      | 2016      | 2017      |  |  |
| Col.1-general rate of duty or percentage point reduction (%) | 6.5        | 6.5       | 6.5       | 6.5       | 6.5       |  |  |
| Estimated value of <i>dutiable</i> imports (\$)              | 6,000,000  | 6,000,000 | 6,000,000 | 6,000,000 | 6,000,000 |  |  |
| Customs revenue loss (\$)                                    | 390,000    | 390,000   | 390,000   | 390,000   | 390,000   |  |  |

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

| Official statistics of the U.S. Department of Commercial | ce |
|--|----|
|--|----|

 $\boxtimes$  Provided by industry sources

□ Industry information

⊠ Commission estimates

Duty reduction notes:

 $\boxtimes$  This bill is not a duty reduction

This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%)

Temporary rate (%)

Percentage point reduction (%)

ion (%)

# V. Technical comments

The modified article description above reflects the IUPAC nomenclature for fluopyram, the corrected HTS subheading for the formulated fungicide, and the substitution of "and" for ", including" to align the wording with that used in chapter 38.

# **VI.** Continuation

# VII. Contacts with domestic firms/organizations

| #  | Firm/organization and contact name         | Telephone number  | Claims same or<br>competing product<br>made in the United<br>States | Submission<br>attached | Opposition<br>noted |
|----|--|-------------------|---|------------------------|---------------------|
| 1  | Bayer (Interested entity)<br>Steve Johnsen | 412-777-5616      | No  | No                     | No                  |
| 2  | 3M<br>Greg Walters                         | 202-414-3008      | No  | No                     | No                  |
| 3  | Air Products<br>Richard F. Goodstein       | 202-639-0840      | No  | No                     | No                  |
| 4  | Albaugh<br>Stuart Feldstein                | 515-964-9444      | No  | No                     | No                  |
| 5  | Arkema<br>David Kunz                       | 202-263-3491      | No  | No                     | No                  |
| 6  | Ashland<br>Frank Fusiak                    | 973-628-4123      | No  | No                     | No                  |
| 7  | BASF<br>Richard J. Salamone                | 973-895-8316      | No  | No                     | No                  |
| 8  | Celanese<br>Samuel Ramirez                 | 972-443-4689      | No  | No                     | No                  |
| 9  | Chemtura<br>Elizabeth J. Thomasino         | 203-573-2644      | No  | No                     | No                  |
| 10 | Clariant<br>Andrew Zamoyski                | 202-415-9159      | No  | No                     | No                  |
| 11 | ColorChem<br>Steven Printz                 | 770-993-5500, x18 | No  | No                     | No                  |
| 12 | Crowell & Moring, LLP<br>Mike Gill         | 202-508-8843      | No  | No                     | No                  |
| 13 | DSM<br>Sheetal Bhadekar                    | 973-257-8323      | No  | No                     | No                  |
| 14 | Dixie Chemical<br>Mal Johnson              | 281-291-2659      | No  | No                     | No                  |
| 15 | Dow Chemical Co.<br>Lisa Schroeter         | 202-429-3407      | No  | No                     | No                  |
| 16 | Drexel Chemical<br>Stanley Bernard         | 901-774-4370      | No  | No                     | No                  |
| 17 | DuPont<br>Elaine M. Olsen                  | 302-992-2263      | No  | No                     | No                  |
| 18 | DyStar L.P.<br>Megan Malone                | 202-344-4621      | No  | No                     | No                  |

| #  | Firm/organization and contact name              | Telephone number  | Claims same or<br>competing product<br>made in the United<br>States | Submission<br>attached | Opposition<br>noted |
|----|---|-------------------|---|------------------------|---------------------|
| 19 | Eastman<br>Brent Perry                          | 202-347-9547      | No  | No                     | No                  |
| 20 | Emerald Performance Materials<br>Thomas Dirmyer | 330-916-6706      | No  | No                     | No                  |
| 21 | Evonik<br>Russell Mait                          | 804-452-5711      | No  | No                     | No                  |
| 22 | FMC<br>Jerry Prout                              | 202-956-5209      | No  | No                     | No                  |
| 23 | Fanwood Chemical<br>V. M. (Jim) DeLisi          | 908-322-8440      | No  | No                     | No                  |
| 24 | Honeywell<br>Art Simonetti                      | 202-662-2671      | No  | No                     | No                  |
| 25 | Huntsman<br>Robert F. Hurley                    | 202-289-9800      | No  | No                     | No                  |
| 26 | Kemira<br>Rajesh Sharma                         | 678-819-4577      | No  | No                     | No                  |
| 27 | LANXESS<br>Jamie B. Schaeffer                   | 412-809-3666      | No  | No                     | No                  |
| 28 | Lonza<br>Joe Robinson                           | 201-316-9364      | No  | No                     | No                  |
| 29 | Milliken<br>Kathi Dutilh                        | 202-775-0084      | No  | No                     | No                  |
| 30 | Monsanto<br>James K. Travis                     | 202-383-2864      | No  | No                     | No                  |
| 31 | Nation Ford Chemical<br>Jay Dickson             | 803-548-3210, x15 | No  | No                     | No                  |
| 32 | Nufarm Americas<br>Joel Junker                  | 206-621-7878      | No  | No                     | No                  |
| 33 | PPG Industries<br>Bill Ries                     | 412-434-1717      | No  | No                     | No                  |
| 34 | Procter & Gamble<br>Matt Mattingley             | 202-841-5601      | No  | No                     | No                  |
| 35 | Purolite<br>Gary Thundercliffe                  | 484-384 2708      | No  | No                     | No                  |
| 36 | Rhodia<br>Jackie Guscott                        | 609-860-3379      | No  | No                     | No                  |
| 37 | Royce Associates, ALP<br>Terry Scheirer         | 201-438-5200      | No  | No                     | No                  |

| 38 | SOCMA<br>Robert E. Branand, Esq.             | 202-345-2717 | No | No | No |
|----|--|--------------|----|----|----|
| 39 | Sensient Technologies<br>Ken Goldacker       | 314-658-7363 | No | No | No |
| 40 | Sigma Aldrich<br>Jared Fenton                | 314-286-8326 | No | No | No |
| 41 | Solutia<br>Kassie Wooton                     | 314-674-3297 | No | No | No |
| 42 | Solvay<br>Andrew K. Jones                    | 856-251-3412 | No | No | No |
| 43 | Symrise<br>Elizabeth Scharlat                | 908-429-6821 | No | No | No |
| 44 | Syngenta<br>Mike Blythe                      | 336-632-2824 | No | No | No |
| 45 | United Color Manufacturing<br>Tom Nowakowski | 215-860-2165 | No | No | No |
| 46 | Valent<br>Robin Demouth                      | 925-256-2758 | No | No | No |

# <sup>112TH CONGRESS</sup> 2D SESSION H.R. 4679

To suspend temporarily the duty on mixtures containing Fluopyram and Prothioconazole.

#### IN THE HOUSE OF REPRESENTATIVES

April 25, 2012

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

# A BILL

To suspend temporarily the duty on mixtures containing Fluopyram and Prothioconazole.

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. MIXTURES CONTAINING FLUOPYRAM AND 4 PROTHIOCONAZOLE.

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

| " | 9902.01.00 | Mixtures containing N-{2-    |      |           |           |              |    |
|---|------------|------------------------------|------|-----------|-----------|--------------|----|
|   |            | [3-Chloro-5-                 |      |           |           |              |    |
|   |            | (trifluoromethyl)-2-         |      |           |           |              |    |
|   |            | pyridinyl]ethyl}-            |      |           |           |              |    |
|   |            | alpha,alpha,alpha-trifluoro- |      |           |           |              |    |
|   |            | o-toluamide (Fluopyram)      |      |           |           |              |    |
|   |            | (CAS No. 658066–35–4)        |      |           |           |              |    |
|   |            | and 2-[2-(1-                 |      |           |           |              |    |
|   |            | chlorocyclopropyl)-3-(2-     |      |           |           |              |    |
|   |            | chlorophenyl)-2-             |      |           |           |              |    |
|   |            | hydroxypropyl]-1,2-          |      |           |           |              |    |
|   |            | dihydro-3H-1,2,4-triazole-   |      |           |           |              |    |
|   |            | 3-thione (Prothioconazole)   |      |           |           |              |    |
|   |            | (CAS No. 178928–70–6),       |      |           |           |              |    |
|   |            | including application adju-  |      |           |           |              |    |
|   |            | vants (provided for in sub-  |      |           |           |              |    |
|   |            | heading 3808.91.50)          | Free | No change | No change | On or before |    |
|   |            |                              |      |           |           | 12/31/2015   | ". |

 $\mathbf{2}$ 

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

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