



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

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)):

Oysters (other than smoked), prepared or preserved (provided for in subheading 1605.51.50)

(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 subject products include all forms of prepared or preserved oysters, other than smoked oysters or prepared meals containing oyster meat. The size of the total U.S. import market varies slightly from year to year, and has generally been between \$5 million and \$7 million in recent years. The principal source of imports is Korea, which accounted for approximately 70 to 80 percent of U.S. imports between 2008 and 2011. Other sources of imports are China (accounting for about 15 to 20 percent of U.S. imports), and Japan (accounting for 2 to 5 percent). U.S. production appears to be limited mainly to firms preparing oysters for the local market. The U.S. Department of Commerce valued U.S. production of the largest category of canned oysters at \$42,000 in 2010.

IV. Estimated effect on customs revenue

Table with 6 columns: Subject product HTS subheading(s), 2013, 2014, 2015, 2016, 2017. Rows include Col.1-general rate of duty or percentage point reduction (%), Estimated value of dutiable imports (\$), and Customs revenue loss (\$).

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 Commerce
 Provided by industry sources
 Industry information
 Commission estimates

Duty reduction notes:

- 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 (%) []

V. Technical comments

None

VI. Continuation

Estimated effect on customs revenue -- continued:

On average, 70-80 percent of imports into the U.S. are from Korea. On May 1, 2012, the Food and Drug Administration (FDA) removed all Korean certified shippers of molluscan shellfish (including the oysters covered by this bill) from the Interstate Certified Shellfish Shippers List due to sanitary concerns. The FDA also recommended that sales of these Korean products in the U.S. cease. It is not yet clear how long the warning will remain in place or how it will affect sources or levels of imports.

VII. Contacts with domestic firms/organizations

	#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
	1	World Finer Foods Inc. (Interested entity) Barbara Harloe	973-338-0300, x129	No	No	No
	2	National Fisheries Institute Bob DeHaan	703-752-8889	No	No	No

112TH CONGRESS
2D SESSION

H. R. 5071

To extend the temporary suspension of duty on oysters (other than smoked), prepared or preserved.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2012

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

A BILL

To extend the temporary suspension of duty on oysters (other than smoked), prepared or preserved.

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. OYSTERS (OTHER THAN SMOKED), PREPARED**

4 **OR PRESERVED.**

5 (a) IN GENERAL.—Heading 9902.23.07 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 oysters (other than smoked), prepared or preserved) is
8 amended by striking the date in the effective period col-
9 umn and inserting “12/31/2015”.

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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