

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: March 25, 2008]²

Bill No. and sponsor: H.R. 4375 (Mr. Dan Burton of Indiana).

Proponent name,³ location: Dow AgroSciences, Indianapolis, IN.

Other bills on product (110th Congress only): None.

Nature of bill: Extend temporary duty reduction through December 31, 2011.

Retroactive effect: None.

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

2-Cyanopyridine (CAS No. 100-70-9) (provided for in subheading 2933.39.91).

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 product is a synthetic organic chemical that is used as a raw material in the production of picloram. Picloram is the active ingredient in many herbicides, including herbicides that are used to prevent broadleaf weeds on rangeland and grass pastures. Dow AgroSciences imports the subject product from Japan.

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

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

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue:

| HTS subheading: 2933.39.91 | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 |
| Col. 1-General rate of duty (AVE) | 6.5% | 6.5% | 6.5% | 6.5% | 6.5% |
| Estimated value <i>dutiable</i> imports | \$15,325,000 | \$15,325,000 | \$15,325,000 | \$15,325,000 | \$15,325,000 |
| Customs revenue loss 1/ 2/ | \$0 | \$505,725 | \$505,725 | \$505,725 | \$505,725 |

1/ The estimated customs revenue loss is based on a temporary reduction of the general rate of duty from 6.5 percent ad valorem to 3.2 percent ad valorem, a reduction of 3.3 percentage points.

2/ The estimated customs revenue loss for 2009 reflects the existing duty suspension under HTS heading 9902.22.35 that expires on December 31, 2009.

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) | |
| Dow AgroSciences (Proponent) Max Turnipseed, Fax: 225-338-0310 Lisa Schroeter, Fax: 202-429-3467 | 01/18/2008 | No | No | No |
| Arkema Inc. (Atofina) Charles Kitchen, Fax: 216-419-7075 | 01/18/2008 | No | No | No |
| Bayer CropScience William Hensley, 202-756-3781 Jean Reimers, 202-756-3779 | 01/18/2008 | No | No | No |
| BASF Corp. Greg Thies, Fax: 703-255-7142 | 01/18/2008 | No | No | No |
| Chemtura Corporation Matt Mattingley, Fax: 202-463-8498 | 01/18/2008 | No | No | No |
| CropLife America Isi Siddiqui Fax: 202-463-0474 | 01/18/2008 | No | No | No |
| DuPont Helen McMahon, Fax: 302-355-2994 Ms. Elaine Olson, Fax: 302-774-1398 | 01/18/2008 | No | No | No |
| FMC Corp Jerry Prout, Fax: 202-956-5235, Steve Ziehm, 202-872-8181 | 01/18/2008 | No | No | No |

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|--|----------------|--|----------------------|-------------------|
| | | | | |
| Monsanto Corp. Michael Parris, Fax: 202-789-1867 | 01/18/2008 | No | No | No |
| Nufarm Limited Joel R. Junker, Fax: 206-621-8220 | 01/18/2008 | No | No | No |
| Syngenta Crop Protection, Inc. Angus Kelly, Fax: 336-632-6084 | 01/18/2008 | No | No | No |
| Valent USA Robin Demouth, Fax: 925-256-2776 | 01/18/2008 | No | No | No |

Technical comments:⁴

None.

⁴ 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.

110TH CONGRESS
1ST SESSION

H. R. 4375

To extend and modify the temporary suspension of duty on 2-Cyanopyridine.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2007

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

A BILL

To extend and modify the temporary suspension of duty on 2-Cyanopyridine.

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-CYANOPYRIDINE.**

4 (a) IN GENERAL.—Heading 9902.22.35 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 2-Cyanopyridine) is amended—

7 (1) by striking “Free” and inserting “3.2%”;
8 and

9 (2) by striking “12/31/2009” and inserting
10 “12/31/2011”.

1 (b) **EFFECTIVE DATE.**—The amendments made by
2 subsection (a) shall take effect on January 1, 2010.

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