

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 111th Congress¹**

[Date approved: April 8, 2010]²

Bill No. and sponsor: S. 2010 (Mr. Saxby Chambliss of Georgia).

Proponent name,³ location: Chemtura Corp., Middlebury, CT.

Other bills on product (111th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

4-(2,2-Dimethylhydrazinyl)-4-oxobutanoic acid (Daminozide) (CAS No. 1596-84-5) (provided for in subheading 2928.00.50).

Check one: ___ Same as that in bill as introduced.
 X 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 the primary component used to produce a finished product that is a plant growth regulator used only on ornamental plants, including chrysanthemums, gardenias, azaleas, hydrangeas, poinsettias, and foliage plant species. It is imported from China.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 2928.00.50:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty					
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports ^a	\$1,000,000	\$1,000,000	\$1,000,000	\$1,500,000	\$1,500,000
Customs revenue loss ^b	\$65,000	\$65,000	\$65,000	\$97,500	\$97,500

a/ Dutiable import estimates were provided by industry sources.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

¹ Industry analyst preparing report: Elizabeth R. Nesbitt (202-205-3355); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

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

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 Corp. (Proponent) Lloyd N. Moon, lloyd.moon@chemtura.com Matt Mattingley, matt@mattingleygroup.com	12/07/2009	No	No	No
3M Company Megan Ivory Carr, mmivory@mmm.com	12/07/2009	No	No	No
BASF Corporation Gregory A. Thies, gregory.thies@basf.com	12/07/2009	No	No	No
Bayer Corporation Karen Niedermeyer karen.niedermeyer.b@bayer.com	12/07/2009	No	No	No
Ciba Specialty Chemicals Michelle Forte, Michelle.Forte@cibasc.com	12/07/2009	No	No	No
Daikin America Inc. Gary Stanitis, gstanitis@daikin-america.com	12/07/2009	No	No	No
Dixie Chemicals Malcolm Johnson, mjohnson@dixiechemical.com	12/07/2009	No	No	No
Dow Chemical Co. Lisa Schroeter, LMSchroeter@dow.com Max Turnipseed, mctint@att.net	12/07/2009	No	No	No
Dupont Brian Curtis, Brian.Curtis@usa.dupont.com	12/07/2009	No	No	No
Evonik Industries AG Russell Mait, russell.mait@evonik.com	12/07/2009	No	No	No
Fanwood Chemical Inc. V. M. (Jim) DeLisi JdeLisi@fanwoodchemical.com	12/07/2009	No	No	No
Freudenberg-NOK Ronald Guest, rsg@fnacc.com	12/07/2009	No	No	No
GFS Chemicals John Long, JohnL@gfschemicals.com	12/07/2009	No	No	No
LANXESS Corp. Jamie Schaeffer, jamie.schaeffer@lanxess.com	12/07/2009	No	No	No
Monsanto Company Michael Parrish, Michael.Parrish@monsanto.com	12/07/2009	No	No	No
Solutia Inc. Bob Hurley, Rhurley@TheAccordGroup.com Kassie Wooton, KDWoot@solutia.com	12/07/2009	No	No	No

Technical comments:⁴

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.

The Commission staff suggests that the article description on page 1 of this report be used to better reflect the chemical nomenclature and the correct HTS classification.

111TH CONGRESS
1ST SESSION

S. 2010

To suspend temporarily the duty on Daminozide.

IN THE SENATE OF THE UNITED STATES

OCTOBER 28, 2009

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

A BILL

To suspend temporarily the duty on Daminozide.

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. DAMINOZIDE.**

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

“	9902.01.00	Daminozide (N-(dimethylamino) succinamic acid (CAS No. 1596-84-5) (provided for in subheading 3808.93.50)	Free	No change	No change	On or before 12/31/2011	”.
---	------------	---	------	-----------	-----------	-------------------------	----

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to goods entered, or withdrawn from

2

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

○