MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress

[Date approved: August 26, 2005]

Bill No. and sponsor: H.R. 1843 (Mr. Graves)

Proponent name, location: Bayer CropScience
1275 Pennsylvania Ave., NW Suite 810
Washington, DC 20004

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


Retroactive effect: None.

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

2-Ethylhexyl (4-chloro-2-methylphenoxy)acetate (CAS No. 29450-45-1) (provided for in subheading 2918.90.20).

Check one: __ Same as that in bill as introduced
X Different from that in bill as introduced (explain differences in Technical comments section)

Product information, including uses/applications and source(s) of imports:

MCPA, 2-ethylhexyl ester is a synthetic organic chemical used as a postemergence selective herbicide to control specific annual and perennial broadleaf weeds. It is used as a translocated herbicide on peas, cereals, grasslands, tree crops, and turf. Currently, there is no U.S. production of this product. This product is imported from the United Kingdom as a technical material and then formulated and packaged for sale.

There are other herbicides that compete with MCPA, 2-ethylhexyl ester in certain crop areas such as turf and cereals.
Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 2918.90.20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col. 1-General rate of duty (AVE) 1/</td>
</tr>
<tr>
<td>6.5%</td>
</tr>
<tr>
<td>Estimated value \textit{dutiable} imports</td>
</tr>
<tr>
<td>Customs revenue loss</td>
</tr>
</tbody>
</table>

1/ The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.
Source of estimated dutiable import data: Industry and Commission estimates.

Contacts with domestic firms/organizations (including the proponent):

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>US production of same or competitive product claimed?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bayer CropScience (Proponent) William Hensley 202-756-3781</td>
<td>06/09/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>AtoFina Cerexagri Charles Kitchin Fax: 703-527-2092</td>
<td>06/21/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>BASF Corp. Greg Theis Fax: 202-682-9459</td>
<td>06/21/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Crop Life America Lawrence Norton Fax: 202-463-0474</td>
<td>06/21/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Dow AgroScience Margaret Rogers Fax: 202-429-3467</td>
<td>06/21/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>E.I. duPont Elaine Olsen Fax: 302-774-1398</td>
<td>06/21/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>FMC Sidney McDaniel Fax:215-299-6954</td>
<td>06/21/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>FMC Corp. Jerry Prout Fax: 202-956-5235</td>
<td>06/21/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>
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.

### Technical comments:

The Commission suggests that the article description provided on page 1 of this report be used in the proposed new heading in order to provide the correct HTS subheading 2918.90.20.

The Commission also notes that HTS heading 9902.29.81 currently provides for a temporary duty reduction for this product and one other related product. Another bill, H.R. 3237, seeks to provide for a temporary duty suspension on the related product, with the overall effect of establishing two separate headings, one for each product. Since the HTS heading 9902.29.81 will not need to be renewed, the Commission suggests that language be included to strike heading 9902.29.81.
A BILL

To suspend temporarily the duty on MCPA.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. MCPA.

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

```
| 9902.06.18 | 2-ethylhexyl (4-chloro-2-
methylphenoxy)acetate (CAS
No. 29450-45-1) (provided
for in subheading
2918.90.25) | Free | No change | No change | On or before 12/31/2008 |
```

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