MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress

[Date approved: August 26, 2005]

Bill No. and sponsor: H.R. 1885 (Mr. Cleaver).

Proponent name, location: Bayer CropScience
Kansas City, MO 64120

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


Retroactive effect: None.

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

(1R,3R)-cis-3-(2,2-dibromovinyl)–2,2-dimethylcyclopropanecarboxylic acid, (S)-α-cyano-3-
phenoxybenzyl ester (CAS Nos. 52918–63–5 and 52820–00–5) (provided for in subheading 2926.90.30)

Check one: X Same as that in bill as introduced

Different from that in bill as introduced (explain differences in Technical comments section)

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

This synthetic organic chemical, known as deltamethrin, is a pyrethroid insecticide. Under the Bayer trade name DECIS, it is used to control weevils on crops. The subject chemical is imported from India. There is no known domestic production of this chemical. Several firms market competing insecticides in the United States.

Industry analyst preparing report: Robert Randall (202-205-3366); Tariff Affairs contact: David Michels (202-205-3440).

Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm
Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 2926.90.30</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col. 1-General rate</td>
<td>6.5%</td>
<td>6.5%</td>
<td>6.5%</td>
<td>6.5%</td>
<td>6.5%</td>
</tr>
<tr>
<td>of duty (AVE)1/</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated value</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>dutiable imports</td>
<td>$1,880,000</td>
<td>$1,880,000</td>
<td>$1,880,000</td>
<td>$1,880,000</td>
<td>$1,880,000</td>
</tr>
<tr>
<td>Customs revenue loss</td>
<td>$122,200 2/</td>
<td>$122,200 2/</td>
<td>$122,200</td>
<td>$122,200</td>
<td>$122,200</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.
2/ Revenue losses for 2005 and 2006 result from a current duty suspension duty under heading 9902.01.49.
Source of estimated dutiable import data: Industry 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) Mike Gill, 202-508-8843</td>
<td>7/5/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>AtoFina Cerex Charles Kitchin, FAX: 703-527-2092</td>
<td>7/15/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Aventis Jean Reimers, FAX: 202-628-6622</td>
<td>7/15/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>BASF Corp. Greg Theis, FAX: 202-558-5101</td>
<td>7/15/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Crop Life America Lawrence Norton, FAX: 202-463-0474</td>
<td>7/15/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Dow Agro Sciences Margaret Rogers, FAX: 202-429-3467</td>
<td>7/15/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>E.I. DuPont Nancy Johnson, FAX: 202-728-3649</td>
<td>7/15/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>
### Technical comments:

There is an existing duty suspension on this chemical under heading 9902.01.49 through December 31, 2006, although the existing suspension of duty includes Deltamethrin in bulk or in formulations. The Commission suggests that the bill be amended to include language to strike heading 9902.01.49 and insert the proposed new heading using the heading number 9902.01.49.

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3 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.
To suspend temporarily the duty on Deltamethrin.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2005

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

A BILL

To suspend temporarily the duty on Deltamethrin.

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

SECTION 1. DELTAMETHRIN.

(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:

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9902.05.79 (1R,3R)-cis-3-(2,2-dibromovinyl)-2,2-dimethylcyclopropanecarboxylic acid, (S)-α-cyano-3-phenoxybenzyl ester (CAS Nos. 52918-63-5 and 52828-00-5) (provided for in subheading 2926.90.30) .. Free No change No change On or before 12/31/2008 ..
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(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.