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WASHINGTON — The longstanding practice of suspending import tariffs on some products used by U.S. manufacturers is under fresh scrutiny, criticized as a violation of a congressional moratorium on earmarks.

In fact, critics say Capitol Hill's current tariff-reduction system reeks of the same sort of lobbyist-driven, campaign donation-fueled influence peddling that led to the earmarks ban.

Defenders say the process includes independent, transparent reviews and argue that the tariff reductions are essential to domestic manufacturers. Products whose import tariffs have been waived range from chemicals with exotic names to basketballs and eyelash curlers.

Support for the tariff suspensions crosses the aisle, both nationally and in the Midlands. Most members of the Nebraska and western Iowa congressional delegations have sponsored a tariff suspension at one time or another.

Sen. Mike Johanns, R-Neb., has never done so, saying the process is too close to earmarking for his taste. Reps. Jeff Fortenberry, R-Neb., and Steve King, R-Iowa, haven't either, telling The World-Herald it's never come up.

Tariff suspensions eventually get rolled into one big piece of legislation. The package is expected to come up this year.

Some of the import targets sound like they could come from a mad scientist's shopping list, from dichloroacetyl chloride to fosamine — chemicals generally used in herbicides, pesticides and fungicides.

Sen. Ben Nelson, D-Neb., introduced 10 bills this session that would affect the tariffs on materials such as Avermectin B, Fludioxonil and Mefenoxam.

His are for crop protection products sought by Syngenta, an international agribusiness company with a market value of about \$30 billion. The company has a significant U.S. presence, including production and research facilities in Nebraska. Overall, it employs about 350 people in the state.

Syngenta also has a seven-figure lobbying budget and a political action committee that has given money to Nelson, Rep. Adrian Smith, R-Neb., and other lawmakers who have sought tariff reductions on its behalf.

Nelson declined a World-Herald interview request but said in a statement:

"I will not be deterred from working on behalf of Nebraskans to create jobs in Nebraska and expand our economy just because people back in Washington want to run around and label things. It's just another example of Washington gamesmanship."

The National Association of Manufacturers credits the 2010 combined tariff suspension bill with increasing U.S. production by \$4.6 billion and supporting 90,000 jobs.

Smith, like Nelson, declined to be interviewed for this story but provided a statement:

"As an advocate for increased trade, I am committed to improving American competitiveness by removing or reducing tariffs on products so Nebraska manufacturers are not at a severe disadvantage to our global competitors. Syngenta has five production facilities in Nebraska and recently announced a \$63 million expansion in Phillips, a great example of a company using imported ingredients to help our agriculture economy."

Taxpayers for Common Sense has raised concerns about the tariff suspension process because of the "potential pay-to-play and special interest giveaways it perpetuates."

"It's hard to see how Congress being in the front end improves the system," the group said in an online post titled "Closing the Tariff Bill Buffet."

"But it sure is good for lobbyists seeking clients and lawmakers looking for contributions from donors and brownie points from constituents."

The group also cites the House GOP conference's earmark moratorium, which prohibits any "limited tariff benefit," defined in House rules as a change to the tariff schedule that benefits 10 or fewer entities.

The reduced tariffs are available to anyone, but lawmakers frequently list only one company when asked for known entities importing a product.

The suspensions must meet certain standards: Each can cost no more than \$500,000. The items covered can't be available from a U.S. source. Other companies and the public at large can object to individual provisions; generally, a competitor's objection gets the provision thrown out. The suspension bills also are vetted by outside agencies, such as the International Trade Commission.

Lawmakers have to sign forms certifying that neither they nor their spouses will benefit personally from the suspension, and the importing companies must be identified.

Sen. Claire McCaskill, D-Mo., an ardent earmark foe, and Sen. Rob Portman, R-Ohio, say the system needs to change. They have proposed allowing companies to apply directly to the International Trade Commission, with Congress voting only on final approval, removing the need to go through a lawmaker.

"In order to get a tariff relief bill introduced, these companies usually hire lobbyists, a difficult hurdle for small businesses, and some have felt compelled to make political contributions to the politician," the senators said in a recent press release.

Johanns said he hasn't yet studied McCaskill's proposal, but he's no fan of the current system.

"An earmark's an earmark, and this looked like an earmark," he said.

Syngenta spent \$1.4 million on lobbying last year, according to the Center for Responsive Politics. The company's political committee has donated \$6,000 to Nelson's campaign coffers over the years, a relatively modest sum for a senator.

In the most recent election cycle, the Syngenta PAC provided to Smith the \$10,000 maximum allowed by law. The Republican represents Nebraska's heavily agricultural 3rd Congressional District, where Syngenta's seed production facilities are a significant employer.

Smith is a member of the House Ways and Means Committee, which handles the tariffs. He sponsored four bills this year seeking to lift tariffs on various materials Syngenta sought to import.

Syngenta defended the tariff suspensions in a statement from spokesman Paul Minehart: "This bipartisan legislation creates and supports American jobs, benefits consumers, and promotes U.S. economic growth."

Rep. Lee Terry, R-Neb., has sought suspensions in the past and recalled introducing a bill to lift the tariff on a certain part the Omaha Public Power District wanted to import for its nuclear plant.

But Terry said he hadn't received any requests for suspensions in a while and didn't introduce any this year.

Sen. Chuck Grassley, R-Iowa, long ago pursued tariff suspensions but has not in a decade. A member of the Senate Finance Committee, he pushed for some of the current disclosure requirements and said last week he'd like to see more.

Rep. Leonard Boswell, D-Iowa, hasn't requested any suspensions since a bill in 2005 to cut back on the tariff for "certain articles of natural cork."

Rep. Tom Latham, R-Iowa, introduced several tariff suspensions this year, including one for gear boxes imported by John Deere.

Sen. Tom Harkin, D-Iowa, is seeking various suspensions, including ones to help John Deere,

Monsanto, Albermarle Corp. and Dow Chemical Corp.

"Yeah, they're like earmarks," Harkin said. "But, you know, I'm for earmarks, so it doesn't make any difference to me. I think that we have an obligation to stick up for our constituents and to do what we can to help business growth and activity and make sure that our businesses aren't put at a disadvantage."

Harkin said McCaskill's proposal would take power away from Congress.

"We need to maintain our branch of government, and the Constitution's very clear that we have the power to levy taxes, spend money — and levying taxes, raising money, is basically what tariffs are," Harkin said.

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