

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: January 11, 2007]²

Bill No. and sponsor: S. 3686 (Mr. William H. Frist of Tennessee and Mr. Lamar Alexander of Tennessee).

Proponent name, location: Lasko Products, Inc., West Chester, PA.

Other bills on product (109th Congress only): S. 2966, S. 2967, S. 2968 and S. 2969 (Mr. William H. Frist of Tennessee and Mr. Lamar Alexander of Tennessee).³

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

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

AC electric motors of an output exceeding 37.5 W but not exceeding 72 W, single phase; each equipped with a capacitor, a speed control mechanism, a motor mount of plastics and a self-contained gear mechanism for oscillation (provided for in subheading 8501.40.20).

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:

An electric motor converts electrical energy into mechanical motion. An alternating current (AC) motor typically consists of two parts: (1) an outside stationary stator having coils supplied with AC current to produce a rotating magnetic field, and (2) an inside rotor attached to the output shaft that is given a torque by the rotating field. AC electric motors can be used in a variety of finished products (e.g., medical equipment and household appliances). However, the subject of this request is a specific type of capacitor-start single phase AC electric motor that is used to power oscillating portable electric fans. The principal import sources for such motors are Mexico, China, and India.

¹ Industry analyst preparing report: Michelle Vaca-Senecal (202-205-3356); Tariff Affairs contact: Jan Summers (202-205-2605).

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

³ These bills include similar products that vary in wattage range and speed controls.

Estimated effect on customs revenue:

HTS subheading: 8501.40.20					
	2006	2007	2008	2009	2010
Col. 1-General rate of duty	3.3%	3.3%	3.3%	3.3%	3.3%
Estimated value <i>dutiable</i> imports	\$936,000	\$910,000	\$850,000	\$832,000	\$832,000
Customs revenue loss	\$30,888	\$30,030	\$28,050	\$27,456	\$27,456

Source of estimated dutiable import data: Industry and Commission staff 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)		
Lasko Products, Inc. (Proponent) Ed McAssey, III, 610-692-7400	06/30/2006	No	No	No
Ametek, Inc. Diana Stone, 610-889-5272	07/12/2006	No	No	No
A.O. Smith Corp. Karen Duke, 414-359-4111	07/11/2006	No	No	No
Association of Home Appliance Manufacturers Wayne Morris, 202-872-5955	07/11/2006	No	No	No
Baldor Electric Company John Malinowski, 479-648-5909	07/11/2006	Yes	Yes	Yes
Emerson Motor Company Rob McDonald, 202-508-6303	07/12/2006	Yes	Yes	Yes
Faradyne Motors William D. Reed, 315-331-5985	07/11/2006	Yes	Yes	Yes
General Electric Company Don Huber, 239-275-2973	07/12/2006	No	No	No
Groschopp, Inc. John Cox, 800-829-4135	07/11/2006	Yes	Yes	Yes
Hunter Fan Company Jim Barrett, 901-743-1360	07/11/2006	No	No	No
Lakewood Engineering Bob Gerling, 773-475-8229	07/12/2006	No	No	No
Merkle-Korff Industries, Inc Richard D. Meyer, 847-759-7234	07/11/2006	Yes	Yes	Yes

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
The Motor and Motion Association Bill Chambers, 508-979-5935	07/11/2006	No	No	No
National Electrical Manufacturers Association John Meakem, 703-841-3243	07/11/2006	No	No	No
Regal-Beloit Electric Motors, Inc. Charldene Schneier, 608-364-8808	07/12/2006	No	No	No
Specialty Motors, Inc. Ron Estes, 800-323-2612	07/11/2006	Yes	Yes	Yes

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.

109TH CONGRESS
2D SESSION

S. 3686

To suspend temporarily the duty on certain AC electric motors.

IN THE SENATE OF THE UNITED STATES

JULY 19, 2006

Mr. FRIST (for himself and Mr. ALEXANDER) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on certain AC electric
motors.

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. CERTAIN AC ELECTRIC MOTORS.**

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:

“	9902.85.09	AC electric motors of an output exceed- ing 37.5 W but not exceeding 72 W, sin- gle phase; each equipped with a capac- itor, a speed control mechanism, a motor mount of plastics and a self-contained gear mechanism for oscillation (provided for in subheading 8501.40.20)	Free	No change	No change	On or before 12/31/2009	”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of the enactment of this Act.

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