

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 110<sup>th</sup> Congress<sup>1</sup>**

[Date approved: May 6, 2008]

**Bill No. and sponsor:** H.R. 4412 (Mr. Dave Camp of Michigan).

**Proponent name,<sup>2</sup> location:** Ford Motor Company, Dearborn, MI.

**Other bills on product (110<sup>th</sup> Congress only):** None.

**Nature of bill:** Extension of existing temporary duty suspension through December 31, 2011.

**Retroactive effect:** None.

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

Hydraulic control units designed for use in braking systems of hybrid motor vehicles of heading 8703 (provided for in subheading 9032.89.60).

**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:**

The subject product is an automatic control unit for the hydraulic braking function of a motor vehicle of heading 8703 that is considered to be a hybrid vehicle. This product is described by the proponent as being of a design, compatibility, and performance that can implement a unique brake-by-wire function used for hybrid vehicles. Such units are thought to be imported from France, Germany, Italy, Mexico,<sup>3</sup> and the United Kingdom.

<sup>1</sup> Industry analysts preparing report: Linda White (202-205-3427) and Christopher Johnson (202-205-3488); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>2</sup> The sponsor/proponent did not identify any additional beneficiaries of this bill.

<sup>3</sup> Originating goods of Mexico are eligible for duty-free entry under the North American Free Trade Agreement (NAFTA); see HTS general note 12.

**Estimated effect on customs revenue:**

<b>HTS subheading: 9032.89.60</b>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	1.7%	1.7%	1.7%	1.7%	1.7%
Estimated value <i>dutiable</i> imports	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000
Customs revenue loss 1/	\$0	\$3,400	\$3,400	\$3,400	\$3,400

1/ The estimated customs revenue loss for 2009 reflects the existing duty suspension under heading 9902.10.62 that is scheduled to expire on December 31, 2009.

Source of estimated dutiable import data: Official U.S. Government statistics and Commission 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?
Ford Motor Company (Proponent) J. T. Young, 202-962-5379	02/07/2008	No	No	No
Brake Manufacturers Council Stephanie Brown, Fax: 919-406-1306	03/10/2008	No	No	No
Cequent Electric Products (Tekonsha) Becky Briggs, Fax: 517-767-4707	03/10/2008	No	No	No
Continental Automotive Division Jim Gill, jim.gill@us.contiautomotive.com	03/10/2008	No	No	No
Delphi Dina Vizzaccaro, dina.vizzaccaro@delphi.com	03/06/2008	No	No	No
Johnson Controls Mark Wagner, mark.f.wagner@jci.com	03/06/2008	No	No	No
Measurement, Control & Automation Assoc. Cynthia A. Esher, esher@measure.org	03/10/2008	No	No	No
Honda Ed Cohen, edward_cohen@hna.honda.com	03/11/2008	No	No	No
Nissan North America, Inc. Tracy Woodard, tracy.woodard@nmm.nissan-usa.com	03/10/2008	No	No	No
Paccar Inc. Ken Gangl, investor.relations@paccar.com	03/10/2008	No	No	No

**Technical comments:**<sup>4</sup>

Instead of creating a new HTS heading to continue to accord a duty suspension to this product, the bill should be amended to strike the proposed heading and to amend the expiration date of HTS heading 9902.10.62, by deleting "12/31/2009" from that heading and by inserting in lieu thereof "12/31/2011".

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<sup>4</sup> 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.

110TH CONGRESS  
1ST SESSION

# H. R. 4412

To suspend temporarily the duty on hydraulic control units.

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IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2007

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

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## A BILL

To suspend temporarily the duty on hydraulic control units.

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. HYDRAULIC CONTROL UNITS.**

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:

“	9902.90.01	Hydraulic control units designed for braking systems of hybrid motor vehicles of heading 8703 (provided for in subheading 9032.89.60) ..	Free	No change	No change	On or before 12/31/2011	”.
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8 (b) EFFECTIVE DATE.—The amendment made by  
9 subsection (a) applies to goods entered, or withdrawn from

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

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