

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: August 26, 2008]²

Bill No. and sponsor: H.R. 5204 (Mrs. Ellen O. Tauscher of California)

Proponent name,³ location: Applied Materials, Inc., Santa Clara, CA.

Other bills on product (110th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

Fork-style optical sensors certified by the importer as suitable for use in a sub-atmospheric environment, each having a length of approximately 2.5 m, a stainless steel casing and sheathing material (provided for in subheading 9001.10.00).

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 product of interest to the proponent is a fork-style optical sensor, suitable for use in a sub-atmospheric environment (e.g., a vacuum), with a 2.5 meter cable contained in a stainless steel casing and sheath material. Like other optical sensors, the fork-style optical sensor is a device that transmits and detects light in the visual spectrum to measure or detect a real-world condition, such as motion, heat, or light, and converts the condition into an analog or digital representation. However, in a fork-style optical sensor, the transmitter and receiver of the light share a single housing, with the distance between the sender and receiver referred to as the fork width. Among the conditions fork-style optical sensors can measure are temperature, pressure, flow, liquid levels, displacement, vibration, rotation, acceleration, chemical species, force, radiation, humidity, strain, velocity, electric fields, and acoustic fields. Optical sensors have a broad range of environmental, scientific, military, and industrial applications, including environmental and atmospheric monitoring (for monitoring pollutants and contamination), industrial chemical processing and biotechnology, medical imaging, glass processing, and semiconductor and related manufacturing processes. For example, semiconductor and related manufacturing apparatus may include optical sensors to sense whether a wafer is mis-loaded by transmitting light past circumferential edges of the wafers. Fork-style optical sensors are imported from Japan and Germany. Dutiable U.S. imports under HTS subheading 9001.10.00 (a broader category than is covered by this bill) totaled \$78.3 million in 2007, of which Japan and Germany accounted for \$26.5 million and \$10 million in shipments, respectively.

¹ Industry analyst preparing report: Christopher Johnson (202-205-3488); Tariff Affairs contact: Jan Summers (202-205-2605).

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

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue:

HTS subheading: <u>9001.10.00</u>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	6.7%	6.7%	6.7%	6.7%	6.7%
Estimated value <i>dutiable</i> imports	\$78,300,000	\$78,300,000	\$78,300,000	\$78,300,000	\$78,300,000
Customs revenue loss	\$5,246,100	\$5,246,100	\$5,246,100	\$5,246,100	\$5,246,100

Source of estimated dutiable import data: Official U.S. Government statistics.⁴

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)		
Applied Materials, Inc. (Proponent) Joe Pasetti, 202-638-4434, ext. 6	04/30/2008	No	No	No
Corning, Inc. Debra Waggoner, waggonerdl@corning.com	06/06/2008	No	No	No
KLA-Tencor Corp. Meggan Powers, 408-875-3000	06/05/2008	No	No	No
National Electrical Manufacturers Association John Meakem, joh_meakem@nema.org	06/06/2008	No	No	No
Nor-Cal Products, Inc. David Stone, davidstone@n-c.com	06/05/2008	No	No	No
Novellus Systems, Inc. Pushpita Prasad, pushpita.prasad@novellus.com	06/05/2008	No	Yes	No
Qioptiq Imaging Solutions John Gebhardt, john.gebhardt@ny.qioptiq.com	06/06/2008	No	No	No
SAES Pure Gas, Inc. Cristian Landoni, cristian_landoni@saes-group.com	06/05/2008	No	No	No

⁴ Estimated import data based on the proposed revised product description were not provided by the proponent for its imports. It is likely that the figures shown for imports and customs revenue loss overstate the potential actual imports and revenue loss for the products concerned, but more precise information is unavailable.

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Semiconductor Equipment and Materials International Ken Schramko, kschramko@semi.org	06/05/2008	No	No	No
3M Co. Megan Ivory, mmivory@mmm.com	06/09/2008	No	No	No
T&M Service Mike Brooker, mbrooker@tandmservice.com	06/05/2008	No	No	No
W.L. Gore and Associates Mike Ratchford, mratchfo@wlgore.com	06/06/2008	No	No	No
Xandex, Inc. Nariman Manoochehri, nmanoochehri@xandex.com	06/05/2008	No	No	No

Technical comments:⁵

The proposed description should be amended as shown on page 1, to be consistent with normal drafting practices in the HTS; the HTS cannot contain company-specific part numbers or proprietary terminology. The product description may present some enforcement burdens for Customs and Border Protection at the time of importation, given that the permanent tariff category is broader than the product of interest. Because the inclusion of precise physical dimensions may pose a burden to the administration of this provision by Customs and Border Protection and might operate to minimize the range of goods actually afforded the benefit of an enacted provision, the word “approximately” has been inserted in the recommended revision. Last, because it may well be impossible to determine if a particular sensor is “suitable for use in a sub-atmospheric environment” without testing, an importer certification requirement is suggested to avoid another enforcement burden for Customs.

⁵ 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
2D SESSION

H. R. 5204

To suspend temporarily the duty on fork-style optical sensor with special vacuum application, 2.5 meter-long cable, stainless steel casing and sheath material.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 29, 2008

Mrs. TAUSCHER introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To suspend temporarily the duty on fork-style optical sensor with special vacuum application, 2.5 meter-long cable, stainless steel casing and sheath material.

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. FORK-STYLE OPTICAL SENSOR WITH SPECIAL**
4 **VACUUM APPLICATION, 2.5 METER-LONG**
5 **CABLE, STAINLESS STEEL CASING AND**
6 **SHEATH MATERIAL.**

7 (a) IN GENERAL.—Subchapter II of chapter 99 of
8 the Harmonized Tariff Schedule of the United States is

1 amended by inserting in numerical sequence the following
 2 new heading:

“ 9902.01.00	Fork-style optical sensor with special vacuum application, 2.5 meter-long cable, stainless steel casing and sheath material, MANSKE Part Number 45007 (provided for in subheading 9001.10.00) ...	Free	No change	No change	On or before 12/31/2011	”.
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3 (b) EFFECTIVE DATE.—The amendment made by
 4 subsection (a) applies to articles entered, or withdrawn
 5 from warehouse for consumption, on or after the 15th day
 6 after the date of the enactment of this Act.

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