UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 111th Congress [1]

[Date approved: March 5, 2010][2]

Bill No. and sponsor: S. 2319 (Mr. Ben Nelson of Nebraska).

Proponent name,[3] location: ConAgra Foods, Inc., Omaha, NE.

Other bills on product (111th Congress only): None.

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

Retroactive effect: None.

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

> Microwave ovens for the industrial preparation and manufacture of dried vegetable snacks (small portions of food usually eaten other than at meal times), the foregoing designed to be joined to form a continuous process manufacturing line (provided for in subheading 8514.20.40)

Check one: __ Same as that in bill as introduced.
X Different from that in bill as introduced (see Technical comments section).

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

According to information obtained from the proponent, the subject product is designed to be used in the industrial preparation and manufacture of shelf-stable vegetable snacks foods, the foregoing designed to be joined with other devices (most if not all of them imported, and documented on separate Customs entries) to form a continuous process manufacturing line. The subject product operates on a continuous basis by utilizing a conveyor belt that runs through the microwave cavity and has a power rating in excess of 2000 watts. This industrial microwave oven consists of a magnetron plus a central cavity or Faraday cage enclosure, the latter with a capacity of 280 cubic feet or even larger. An industrial microwave oven works by passing non-ionizing microwave radiation, typically at a frequency range of 460 MHz to 915 MHz and a 75KW output. The subject product operates using modulating power capabilities including one or more defrosting levels. The principal import source of the subject industrial microwave ovens is the European Union.

[1] Industry analyst preparing report: Ruben Mata (202-205-3403); Tariff Affairs contact: Jan Summers (202-205-2605).
[2] Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/ .
[3] The sponsor/proponent did not identify any additional beneficiaries of this bill

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 8514.20.40:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	4%	4%	4%	4%	4%
Estimated value ***dutiable*** imports [a]	$5,600,000	$5,600,000	$5,600,000	$5,600,000	$5,600,000
Customs revenue loss [b c]	$224,000	$224,000	$224,000	$224,000	$224,000

a/ Dutiable import estimates were provided by industry sources based on the proponent's expected imports. It is not known if any other firm might import goods covered by the proposed description or if the proponent will maintain the level of imports over the period 2010-2014; imports for the planned manufacturing system would likely enter irregularly over the period.
b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

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)		
Con Agra (Proponent) Stanford Leake III, 509-736-0456	12/01/2009	No	No	No
Ferrite Inc. Mark Fitzgerald, 603-881-5234	11/27/2009	Yes	No	No [c]
TherMex Industrial Microwave System Mark Isgrigg, 502-493-1299	11/27/2009	No	No	No
Microdry Inc. Jack Millon, 502-241-8933	12/01/2009	No	No	No

c/ In communications with Mr. Fitzgerald, Ferrite's opposition was indicated, but no submission was provided to the Commission.

Technical comments:[4]

It is suggested that the article description of the proposed heading be worded as shown on page 1. Because information obtained from the proponent indicates that the product of interest is an industrial microwave oven, the subject product would likely be classified as a microwave oven under HTS subheading 8514.20.40.

[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.

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111TH CONGRESS
1ST SESSION

S. 2319

To reduce temporarily the duty on parts of microwave ovens for the industrial preparation or manufacture of dried vegetable snack (small portions of food usually eaten other than at meal times) items.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. NELSON of Nebraska introduced the following bill; which was read twice and referred to the Committee on Finance

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A BILL

To reduce temporarily the duty on parts of microwave ovens for the industrial preparation or manufacture of dried vegetable snack (small portions of food usually eaten other than at meal times) items.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

SECTION 1. PARTS OF MICROWAVE OVENS FOR THE INDUSTRIAL PREPARATION OR MANUFACTURE OF DRIED VEGETABLE SNACK (SMALL PORTIONS OF FOOD USUALLY EATEN OTHER THAN AT MEAL TIMES) ITEMS.

(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:

"	9902.01.00	Parts of microwave ovens for the industrial preparation or manufacture of dried vegetable snack (small portions of food usually eaten other than at meal times) items (provided for in subheading 8514.90.40)	2.0%	No change	No change	On or before 12/31/2011	".

(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 the enactment of this Act.

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