

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 111<sup>th</sup> Congress<sup>1</sup>**

[Date approved: April 2, 2010]<sup>2</sup>

**Bill No. and sponsor:** S. 2376 (Mr. George Voinovich of Ohio).

**Proponent name,<sup>3</sup> location:** NEMA (National Electrical Manufacturers Association), Arlington, VA.

**Other bills on product (111<sup>th</sup> 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)):**

Electronic ballasts capable of allowing the dimming of fluorescent discharge lamps or tubes (provided for in subheading 8504.10.00)

**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:**

Fluorescent lights require ballasts to regulate the flow of electricity through the lamp or tube. The subject product is an electronic ballast that allows the dimming of fluorescent lights. Typically these ballasts enable light outputs from ranging 100 percent to 5 percent or less of the rated output of the light. They can be used in new light fixtures or to retrofit existing fixtures. The main sources of imports are China and Mexico.<sup>4</sup>

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<sup>1</sup> Industry analyst preparing report: Andrew David (202-205-3368); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tariff\\_affairs/congress\\_reports/](http://www.usitc.gov/tariff_affairs/congress_reports/).

<sup>3</sup> The sponsor/proponent identified fifteen additional beneficiaries of this bill. USITC staff sent inquiries to the additional beneficiaries and received responses from seven, three of which submitted written representations that they would benefit from this bill.

<sup>4</sup> Goods of Mexico may be eligible for duty-free entry under the North American Free Trade Agreement (NAFTA), under the terms of HTS general note 12.

**Estimated effect on customs revenue for the subject product classifiable in HTS subheading 8504.10.00:**

|  | 2010         | 2011         | 2012         | 2013         | 2014         |
|--|--------------|--------------|--------------|--------------|--------------|
| Col. 1-General rate of duty                          | 3%           | 3%           | 3%           | 3%           | 3%           |
| Estimated value <i>dutiable</i> imports <sup>a</sup> | \$12,000,000 | \$14,000,000 | \$17,000,000 | \$22,000,000 | \$33,000,000 |
| Customs revenue loss <sup>b</sup>                    | \$360,000    | \$420,000    | \$510,000    | \$660,000    | \$990,000    |

a/ Dutiable import estimates were based on official U.S. Government statistics, estimates provided by industry sources, and Commission estimates.

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)             |                   |
| NEMA (National Electrical Manufacturers Association) (Proponent)<br>Craig Updyke, 703-841-3294 | 11/24/2009     | Yes  | No                   | No                |
| Acuity Brands Lighting<br>Michael Minarczyk, 740-349-4198                                      | 12/14/2009     | No   | No                   | No                |
| Advanced Lighting Technologies<br>Jevon Baird, 440-836-7257                                    | 12/14/2009     | No   | No                   | No                |
| American Lighting Association<br>Dick Upton, 800-605-4448, ext. 225                            | 12/14/2009     | Yes  | No                   | No                |
| Cooper Lighting<br>John Green, 802-879-3689  | 12/14/2009     | No   | No                   | No                |
| Espen Technology<br>Brandon Yuan, 866-933-7736   | 12/14/2009     | No   | No                   | No                |
| General Electric (GE)<br>Jeff Plaskon, 216-266-6638  | 1/5/2010       | No   | No                   | No                |
| Hubbell Incorporated<br>Kevin Poyck, 864-678-1405  | 12/14/2009     | No   | No                   | No                |
| Juno Lighting<br>Stacy Looney, 847-813-8353  | 12/14/2009     | No   | No                   | No                |
| Keystone Technologies, LLC<br>Ira Greenberg, 215-283-2600, ext. 111                            | 12/30/2009     | No   | No                   | No                |
| Lutron Electronics Co.<br>Pekka Hakkarainen, 610-282-6766                                      | 12/21/2009     | Yes  | Yes                  | Yes               |
| OSRAM SYLVANIA<br>Susan Isenhour Anderson, 978-750-2864  | 12/15/2009     | No   | No                   | No                |
| Philips Lighting<br>Robert Erhardt, 847-390-5588   | 12/30/2009     | Yes  | Yes                  | Yes               |
| Robertson Worldwide<br>Robert Pelino, 708-388-2315, ext. 101                                   | 12/14/2009     | No   | No                   | No                |
| Sunpark Electronics, Inc.<br>Duke W. Chao, 310-324-8880  | 1/4/2010       | No   | No                   | No                |
| Technical Consumer Products, Inc.<br>Melissa Obradovic, 330-995-1034                           | 12/14/2009     | No   | No                   | No                |

**Technical comments:**<sup>1</sup> None.

<sup>1</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.

From: Pekka Hakkarainen [phakkarainen@lutron.com]  
Sent: Monday, December 21, 2009 4:20 PM  
To: David, Andrew  
Subject: RE: ITC review S. 2376

Dear Andy,

please see my responses to your questions below. I hope my responses will show up in blue, but if not, they are placed immediately after each of your 4 numbered questions. Please let me know if this method of responding is sufficient.

Best regards and happy holidays,

Pekka

Pekka Hakkarainen, PhD  
Vice President  
Lutron Electronics Co., Inc.  
7200 Suter Road  
Coopersburg PA 18036 USA  
email: phakkarainen@lutron.com  
tel: 610 282 6766  
fax: 484 499 1897  
mobile: 610 909 3267

From: Andrew.David@usitc.gov [mailto:Andrew.David@usitc.gov]  
Sent: Monday, December 14, 2009 2:37 PM  
To: Andrew.David@usitc.gov  
Subject: ITC review S. 2376

I am with the U.S. International Trade Commission, an independent agency in the U.S. Government, which, among other things, provides advice to the President and Congress on all matters of international trade. I am writing to request your input on Congressional legislation related to electronic dimming ballasts.

I have included links below for your review of the proposed legislation, S. 2376, that provides, through Dec. 31, 2011, for a temporary duty suspension on "Electronic ballasts capable of allowing the dimming of fluorescent discharge lamps or tubes (provided for in subheading 8504.10.00)."

[http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111\\_cong\\_bills&docid=f:s2376is.txt.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_bills&docid=f:s2376is.txt.pdf)

We would appreciate it very much if you could please advise us in regard to:

1. Do you have an interest in the proposed duty suspension legislation and, if so, do you support, oppose, or are you neutral to S. 2057?  
*Lutron has an interest in S. 2376, and at this time we oppose the Bill. [Your question mentions S. 2057, but I'm taking that as a typo.]*
2. Is there U.S. production of the products described in the bills or U.S. production of a competing product?  
*Yes, Lutron has production for the described products in the United States (Pennsylvania) and outlying areas of the U.S. (Puerto Rico).*
3. Could you please let me know if your company (or if you know of any other companies) that manufacture a similar or competitive product in the U.S. or if you import this product into the U.S.? If there are imports, what countries are the major sources of imports for this product?

*As mentioned above, Lutron manufactures electronic dimming ballasts for fluorescent lamps in the United States. Additionally, Lutron manufactures those products in Mexico for importation into the U.S.*

4. Will you benefit from this bill? If so, can you provide me an estimate of the value of imports that will benefit from this bill in each of the next five years? And, if so, do you have any relationship with NEMA, the proponent of this bill?

*It is our understanding that Lutron would not benefit from S. 2376 passing. Lutron is a member of NEMA.*

The U.S. International Trade Commission (the Commission) prepares reports on legislation concerning duty suspensions for the Ways and Means and Senate Finance Committees. As a part of this process, the Commission attempts to identify and contact domestic firms and associations that may have an interest in the subject legislation. Please note that S. 2376 would temporarily suspend the 3 percent ad valorem tariff rates for the imported subject articles covered in this bill.

Please let me know if you have any questions concerning this matter, and thank you for your time.

Sincerely,

Andy David

Andrew David  
US International Trade Commission

From: Erhardt, Robert [bob.erhardt@philips.com]  
Sent: Wednesday, December 30, 2009 6:17 PM  
To: David, Andrew  
Subject: RE: ITC review S. 2376

Mr. David,

Thank you for the opportunity to comment. Responses follow.

1. Do you have an interest in the proposed duty suspension legislation and, if so, do you support, oppose, or are you neutral to S. 2376?

*We do have an interest in this bill. We are a major supplier of dimming ballasts in the United States. We are a NEMA member and I am the Chairman of the NEMA Ballast Section of the NEMA Lighting Systems Division, but here I am only responding for my company. We, as a company oppose the proposed bill.*

2. Is there U.S. production of the products described in the bills or U.S. production of a competing product?

*When NEMA first brought the matter of this bill to we NEMA members, we were producing nearly all of our dimming ballasts in China and had a neutral position on this bill. We now are nearing completion of a transfer of all of our dimming ballast production to Mexico and the products will now meet NAFTA. It is our understanding that once the products meet NAFTA requirements they will no longer be subject to the duty currently in effect.*

3. Could you please let me know if your company (or if you know of any other companies) that manufacture a similar or competitive product in the U.S. or if you import this product into the U.S.? If there are imports, what countries are the major sources of imports for this product?

*There are a number of Chinese manufacturers of ballasts that would benefit from this bill at our detriment. It is our understanding that Lutron, another major manufacturer of dimming ballasts, also has US or NAFTA manufacturing but I have not confirmed this.*

4. Will you benefit from this bill? If so, can you provide me an estimate of the value of imports that will benefit from this bill in each of the next five years? And, if so, do you have any relationship with NEMA, the proponent of this bill?

*As indicated, we will not benefit from this bill. I estimate the value of products that we manufacture that will be adversely affected by this bill to be on the order of [ ], increasing to, [ ] million dollars per year over the next five years.*

Sincerely,

Robert Erhardt  
Director Technical Relations  
Philips Lighting Electronics North America

111TH CONGRESS  
1ST SESSION

# S. 2376

To suspend temporarily the duty on certain dimming ballasts for fluorescent lighting.

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IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

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

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## A BILL

To suspend temporarily the duty on certain dimming ballasts for fluorescent lighting.

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 DIMMING BALLASTS FOR FLUORES-**  
4 **CENT LIGHTING.**

5 (a) IN GENERAL.—Subchapter II of chapter 99 of  
6 the Harmonized Tariff Schedule of the United States is  
7 amended by inserting in numerical sequence the following  
8 new heading:

|   |            |  |      |           |           |                         |    |
|---|------------|--|------|-----------|-----------|-------------------------|----|
| “ | 9902.01.00 | Electronic ballasts capable of allowing the dimming of fluorescent discharge lamps or tubes (provided for in sub-heading 8504.10.00) ..... | Free | No change | No change | On or before 12/31/2011 | ”. |
|---|------------|--|------|-----------|-----------|-------------------------|----|

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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