

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: May 6, 2008]

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

Proponent name,² location: Ford Motor Company, Dearborn, MI.

Other bills on product (110th 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,³ and the United Kingdom.

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

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

³ 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:

HTS subheading: 9032.89.60					
	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:⁴

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".

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.

110TH CONGRESS
1ST SESSION

H. R. 4412

To suspend temporarily the duty on hydraulic control units.

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

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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