MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress

[Date approved: August 2, 2006]

Bill No. and sponsor: S. 2714 (Ms. Blanche Lincoln of Arkansas).

Proponent name, location: Wal-Mart Stores, Inc., Bentonville, AR.

Other bills on product (109th Congress only): None.


Retroactive effect: None.

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

Radiobroadcast receivers capable of operating without an external source of power, not containing a clock or clock timer in the same housing, each containing only an AM radiobroadcast receiver (provided for in subheading 8527.19.50).

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:

These goods are radio receivers capable of operating without an external source of power (portable), excluding clock radios, and are capable of receiving signals on only the AM broadcast band. China is the primary source of U.S. imports of these products.

Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 8527.19.50</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<tr>
<td>Col. 1-General rate of duty</td>
</tr>
<tr>
<td>Estimated value of dutiable imports</td>
</tr>
<tr>
<td>Customs revenue loss</td>
</tr>
</tbody>
</table>


1 Industry analyst preparing report: John Kitzmiller (202-205-3387); Tariff Affairs contact: Jan Summers (202-205-2605).

2 Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/research/bill_reps/index.htm](http://usitc.gov/tata/hts/other/research/bill_reps/index.htm).
Contacts with domestic firms/organizations (including the proponent):

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>Claim US makes same or competing product(s)?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wal-Mart Stores, Inc. (Proponent) Tres Bailey, 202-737-2806</td>
<td>05/24/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Bose Corp. Walter Raheb, 202-207-0897</td>
<td>06/06/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Consumer Electronics Association Sean Wargo, 703-907-7083</td>
<td>06/06/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Technical comments:  

The proposed language makes no reference to AM radio, but to be classifiable in this HTS heading the good must be a radiobroadcast receiver. However, according to the proponent, the intent of the bill is to address products that receive only AM broadcast signals, which is reflected in the title to section 1 of the bill. The modifications to the description would track the permanent tariff provision more closely and also insert this criterion about AM band reception.

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3 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.
To temporarily suspend the duty on certain reception apparatus.

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

SECTION 1. CERTAIN RECEPTION APPARATUS NOT CON-
TAINING A CLOCK OR CLOCK TIMER, INCOR-
PORATING ONLY AM RADIO.

(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:
(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.