MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress ¹

[Date approved: September 28, 2006]²

Bill No. and sponsor: S. 3278 (Mrs. Dianne Feinstein of California)

Proponent name, location: Hitachi America, Ltd., Brisbane, CA.

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


Retroactive effect: None.

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

Camcorders each capable of recording and reproducing video images on mini-DVD media in all the following formats: DVD-R, DVD-RW, DVD-RAM and DVD+RW; the foregoing each with 15 power optical zoom, lens diameter of 30.5 mm and a USB 2.0 port (provided for in subheading 8525.40.80).

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:

A camcorder is an electronic device combining a video camera and video recorder in one device. These camcorders record video images onto media known as mini-DVD, an optical recording disc measuring 80 cm in diameter. There are four separate recording formats for mini-DVD media: DVD-R, DVD-RW, DVD-RAM, or DVD+RW. These camcorders can record and reproduce images using all of these formats. These camcorders also incorporate a USB 2.0 port to permit video images to be uploaded to and downloaded from a computer. Japan is the principal source of these camcorders.

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

<table>
<thead>
<tr>
<th>HTS subheading: 8525.40.80</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<tr>
<td>Col. 1-General rate of duty</td>
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<tr>
<td>Estimated value duties imports</td>
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<tr>
<td>Customs revenue loss</td>
</tr>
</tbody>
</table>

Source of estimated dutiable import data: Industry and Commission estimates.

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>Hitachi America, Ltd. (Proponent) Max Turnipseed, 225-338-0310</td>
<td>07/26/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Canon Steve Himelstein, 516-328-4824</td>
<td>08/01/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>JVC Tom St. Maxens, 202-966-9000</td>
<td>08/01/2006</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Panasonic Co. Mary Alexander, 202-912-3800</td>
<td>07/26/2006</td>
<td>No</td>
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<tr>
<td>Sharp Electronics Mary Latham, 201-529-8892</td>
<td>08/01/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Sony Co. Christina Tellalian, 202-429-3653</td>
<td>07/26/2006</td>
<td>No</td>
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Technical comments:

A reference to a patented technology has been removed in the suggested modified description shown on page 1; such limiting criteria are generally not desirable in the HTS because they limit the scope of a duty suspension to particular firms. Moreover, CBP has no way to ascertain whether products incorporate any particular patented technology, or to determine the size of the image sensing device.

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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 suspend temporarily the duty on mini DVD camcorder.

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

SECTION 1. MINI DVD CAMCORDER.

(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:

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\[9902.85.25\] Mini-DVD camcorder, full multiformat readability with patented laser processor technology, 1.3 mega pixel CCD, optical zoom, USB 2.0 PC (provided for in sub-heading 8525.40.80) ................................ Free No change No change On or before 12/31/2009 ”.
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(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.