

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: August 8, 2008]²

Bill No. and sponsor: H.R. 5356 (Mr. Gary L. Ackerman of New York).

Proponent name,³ location: Leviton Manufacturing Co., Inc., Little Neck, NY.

Other bills on product (110th 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)):

Duplex surge protection receptacles for a voltage not exceeding 250 V alternating current, each with monitor light to indicate whether the device is protecting the circuit (provided for in subheading 8536.30.80).

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 electrical receptacles are a type of surge protection devices (SPD). SPDs are designed to reduce the random energy surges of voltage transients and noise that are present in utility power lines, data networks, telephone lines, closed circuits, cable television, and other power or control lines connected to electronic equipment. SPDs accomplish this task by blocking or diverting to ground any voltages that exceed a safe threshold. Surge protective receptacles are designed for use as a hard-wired device and offer a 3-level surge protection for phase to neutral, phase to ground, and neutral to ground. A monitor/indicator light-emitting diode (LED) is on continuously when active and off when the protection circuit is deactivated due to excessive transients.

The principal U.S. import source of this product is China. Dutiable U.S. imports under HTS subheading 8536.30.80 (a broader category than is covered by this bill) totaled \$326.1 million in 2007, with China accounting for \$214.5 million in shipments.

¹ Industry analyst preparing report: Falan Yinug (202-205-2160); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue:

| HTS subheading: 8536.30.80 | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| | 2009 | 2010 | 2011 | 2012 | 2013 |
| Col. 1-General rate of duty | 2.7% | 2.7% | 2.7% | 2.7% | 2.7% |
| Estimated value <i>dutiable</i> imports | \$1,367,000 | \$1,435,000 | \$1,507,000 | \$1,582,000 | \$1,661,000 |
| Customs revenue loss | \$36,909 | \$38,745 | \$40,689 | \$42,714 | \$44,847 |

Source of estimated dutiable import data: Industry 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? |
|---|----------------|--|----------------------|-------------------|
| | | (Yes/No) | | |
| Leviton Manufacturing Co., Inc. (Proponent) Christopher Schodowski, 619-205-8600 | 04/29/2008 | No | No | No |
| Cooper Industries Terry Helz, 713-209-8408 | 05/05/2008 | No | No | No |
| Eaton Corp. Barry Doggett, 216-523-4664 | 05/05/2008 | No | No | No |
| Emerson Electric Co. Robert McDonald, 202-662-8790 | 05/05/2008 | No | No | No |
| Erisson Manufacturing Paul Kickel, 440-951-8000 | 05/06/2008 | No | No | No |
| General Electric Sandy Merber, 202-637-4000 | 05/05/2008 | No | No | No |
| Hitachi America, Ltd. Carl Green, 202-828-9272 | 05/05/2008 | No | No | No |
| Hubbell, Inc. Richard Davies, 203-799-4230 | 05/06/2008 | No | No | No |
| Legrand North America Jude Kravitz, Jude.Kravitz@legrandna.com | 05/08/2008 | No | No | No |
| Lutron Electrical Corp. John Woodman, 610-282-3800 | 05/06/2008 | No | No | No |
| National Electrical Manufacturers Association John Meakem, 703-841-3243 | 05/05/2008 | No | No | No |

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|--|----------------|--|----------------------|-------------------|
| | | (Yes/No) | | |
| Panamax John Humphrey, 707-283-5900 | 05/06/2008 | No | No | No |
| Schneider Square D Justin Horton, 847-397-2600 | 05/06/2008 | No | No | No |
| Siemens Energy and Automation, Inc. Thomas Varney, 770-751-2000 | 05/06/2008 | No | No | No |
| Technology Research Corp. Owen Farren, 727-535-0572 | 05/06/2008 | Yes | Yes | Yes |

Technical comments:⁴

The proponent has indicated that the scope of the bill can be narrowed by eliminating the surge suppressor strips from the scope. Although the proponent indicated that the intended scope would be residential, industrial, and hospital grade protective receptacles, the HTS does not contain definitions for those grades. Unless the terms can be defined in a legal note, the reference to product grades should be eliminated from the article description. The proponent reported that it is working with the office of Senator Charles E. Schumer to produce a Senate version of this bill that will incorporate a revised, narrower article description, but the revised language is not yet available.

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
2D SESSION

H. R. 5356

To suspend temporarily the duty on certain surge protective receptacles and surge suppressor strips.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 2008

Mr. ACKERMAN introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on certain surge protective receptacles and surge suppressor strips.

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 SURGE PROTECTIVE RECEPTACLES**

4 **AND SURGE SUPPRESSOR STRIPS.**

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 | Industrial and hospital grade surge protective receptacles and surge suppressor strips (provided for in subheading 8536.30.80) | 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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