



## MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved August 23, 2012

### I. Background

Bill number: S. 3044

Sponsor name: Ms. Maria Cantwell

Sponsor state: WA

#### Interested entity:

Name Mitsui and Co. (USA), Inc.

City Seattle

State WA

Other bills on product (112th Congress only): H.R. 5819 (Mr. Jim McDermott, WA)

Nature of bill: Temporary duty suspension

Expiration date: December 31, 2015

Current or previous chapter 99 heading: 9902.25.77

Retroactive date: None

CAS number (if applicable): None

Industry analyst: Deborah A. McNay

Telephone: 202-205-3425

Tariff Affairs contact: Jan Summers

Telephone: 202-205-2605

#### Note:

1. 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/).
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Suspension system stabilizer bars of alloy steel of Japanese JIS grade SCM525S (26CrMo4) or SCM435H (34CrMo4), each weighing approximately 42 kg, comprising one rod measuring approximately 98.8 cm in length at each end of which is welded at approximately right angles a rod measuring approximately 51 cm in length (provided for in subheading 8708.80.65), the foregoing designed for use in Class 7 and 8 trucks only

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same  
 Different (see Technical Comments section)

## III. Other product information, including uses/applications and source(s) of imports

The subject product, stabilizer bars, are transverse mounted spring steel bars that control and minimize a vehicle's body lean or tipping on corners. Generally, a round bar connects the left wheel suspension assembly with the right side, and it may be found at the front and/or rear of the vehicle. The main function of a stabilizer bar is to keep both wheels rolling at the same rate when the vehicle meets bumps. The subject stabilizer bars are imported from Japan. This bill is titled as a temporary duty suspension, but its effect is to renew HTS heading 9902.25.77, which expired December 31, 2009.

## IV. Estimated effect on customs revenue

| Subject product HTS subheading(s)                            | 8708.80.65 |            |            |            |            |
|--|------------|------------|------------|------------|------------|
| Item   | 2013       | 2014       | 2015       | 2016       | 2017       |
| Col.1-general rate of duty or percentage point reduction (%) | 2.5        | 2.5        | 2.5        | 2.5        | 2.5        |
| Estimated value of <i>dutiable</i> imports (\$)              | 14,100,000 | 14,900,000 | 15,500,000 | 15,500,000 | 15,500,000 |
| Customs revenue loss (\$)                                    | 352,500    | 372,500    | 387,500    | 387,500    | 387,500    |

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce  
 Provided by industry sources  
 Industry information  
 Commission estimates

Duty reduction notes:

- This bill is not a duty reduction  
 This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%)  Temporary rate (%)  Percentage point reduction (%)

## V. Technical comments

The article description set forth above was modified based on input from the interested entity to describe more closely the product being imported. Thus, it reflects changes compared to the description now in heading 9902.25.77. H.R. 5819 is identical to this proposed legislation.

**VI. Continuation**

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## VII. Contacts with domestic firms/organizations

| # | Firm/organization and contact name                                       | Telephone number | Claims same or competing product made in the United States | Submission attached | Opposition noted |
|---|--|------------------|--|---------------------|------------------|
| 1 | Mitsui and Co. (USA), Inc. (Interested entity)<br>Y. Tasanasanta         | 206-223-5604     | No   | No                  | No               |
| 2 | PACCAR (Interested entity)<br>Travis Stuart                              | 425-468-7400     | No   | No                  | No               |
| 3 | Daimler Trucks North America<br>Jeff Werner                              | 202-649-4505     | No   | No                  | No               |
| 4 | Ford<br>Paul Vandever  | 313-337-5082     | No   | No                  | No               |
| 5 | General Motors<br>Brad Welling   | 202-775-5041     | No   | No                  | No               |
| 6 | Hendrickson International<br>Mark Slingluff                              | 630-910-2800     | No   | No                  | No               |
| 7 | Mack/Volvo<br>Jennifer Brown   | 336-393-2000     | No   | No                  | No               |
| 8 | Motor and Equipment Manufacturers Association (MEMA)<br>Catherine Boland | 202-312-9241     | No   | No                  | No               |
| 9 | Navistar<br>Christopher W. Hatcher                                       | 202-659-8201     | No   | No                  | No               |

112TH CONGRESS  
2D SESSION

# S. 3044

To suspend temporarily the duty on certain suspension system stabilizer bars.

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IN THE SENATE OF THE UNITED STATES

MAY 9, 2012

Ms. CANTWELL 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 suspension system stabilizer bars.

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 SUSPENSION SYSTEM STABILIZER**

4 **BARS.**

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 | Suspension system stabilizer bars of alloy steel, each weighing approximately 42 kg, the foregoing comprising one rod measuring approximately 98.8 cm in length at each end of which is welded at approximately right angles a rod measuring approximately 51 cm in length, designed for use in Class 7 and 8 trucks only, certified by the importer as of Japan JIS grade SCM525S (26CrMo4) or SCM435H (34CrMo4) steel (provided for in sub-heading 8708.80.65) ..... | Free | No change | No change | On or before 12/31/2015”. |
|---|------------|--|------|-----------|-----------|---------------------------|

1           (b) **EFFECTIVE DATE.**—The amendment made by  
2 subsection (a) applies with respect to goods entered, or  
3 withdrawn from warehouse for consumption, on or after  
4 the 15th day after the date of the enactment of this Act.

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