UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: August 8, 2008]²

Bill No. and sponsor: H.R. 5358 (Mr. Gary L. Ackerman of New York).

Proponent name, 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)):

RCA jacks (phono connectors) and banana jack connectors (provided for in subheading 8536.69.80).

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:

RCA connectors are a type of electrical connector commonly used in the audio/visual market. "RCA" derives from the Radio Corporation of America, which introduced this connector design in the 1940s for monaural phonographs. Such connectors have been adapted over time and are now used with audio, VCR, and DVD equipment, as well as computers and gaming consoles. A separate wire must be used for each type of signal being transmitted through the connector.

Banana connectors are another type of electrical connector used in conjunction with amplifier-to-speaker connections. They feature a single wire to conduct the signal and have screw-on rear-side connections. Standard banana plugs are used with front-side connections. The metal pin in the connector is held in place by curved springs—giving rise to the name of the connector. Binding post adapters feature an optional front-side connection, either screw-on or push-in for banana plugs, within audio speaker connections. A protective housing prevents the user from contacting the electrical charge.

The principal U.S. import source of this product is China. Dutiable U.S. imports under HTS subheading 8536.69.80 (a broader category than is covered by this bill) totaled \$336.5 million in 2007, of which China accounted for \$125.7 million. Other import sources included Germany, Japan, and Taiwan.

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: <u>8536.69.80</u>					
	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	\$9,000,000	\$9,500,000	\$10,000,000	\$10,500,000	\$11,000,000
Customs revenue loss	\$243,000	\$256,500	\$270,000	\$283,500	\$297,000

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)	
Pass & Seymour Cory Lopipero, 1-800-611-7277, ext. 8392	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	No	No	No

Technical comments:4

The proponent has suggested changing the product description in the bill as drafted to replace the phrase "voice and data and audio connectors and adaptors" with the references to RCA and banana jack connectors. Although the proponent indicated that the intended scope would be residential and commercial grade products, 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 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. The amended description shown on page 1 does reflect the intended narrowing of the scope of the bill.

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. 5358

To suspend temporarily the duty on certain electrical connectors and adaptors.

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 electrical connectors and adaptors.

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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 ELECTRICAL CONNECTORS AND
4	ADAPTORS.
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 Residential and commercial grade voice and data and audio connectors and adaptors (provided for in subheading 8536.69.80)

- 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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