

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: May 23, 2008]²

Bill No. and sponsor: H.R. 4514 (Mr. Steve Israel of New York).

Proponent name,³ location: Honeywell International, Inc., Melville, NY.

Other bills on product (110th Congress only): None.

Nature of bill: Extension of temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

12V Lead-acid storage batteries, of a kind used for the auxiliary source of power for burglar or fire alarms and similar apparatus of subheading 8531.10.00 (provided for in subheading 8507.20.80).

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:

These 12-volt lead-acid storage batteries are designed to provide immediate standby electrical power for burglar and fire alarms and similar apparatus when the main sources of electricity are unavailable. During charging, a direct current is passed through the battery, creating a number of chemical changes; this process is reversed when the battery is connected to an external circuit to provide power. Lead-acid batteries typically have an electrolyte of sulphuric acid with lead plates/grids filled with a paste of active material, enclosed in a container.

The subject batteries are offered with different capacities, which roughly represent the number of ampere hours available from a fully charged battery. The batteries are also manufactured in a variety of configurations, with end-use requirements and limitations determining battery selection for specific applications.

Principal U.S. import sources of these batteries are China, Taiwan, and Vietnam. Dutiable imports under HTS subheading 8507.20.80 in 2007 totaled about \$342.2 million, of which China accounted for about \$195.4 million; the subheading covers other goods in addition to the subject batteries.

¹ Industry analyst preparing report: Dennis Fravel (202-205-3404); 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/rel_doc/bill_reports/index.htm.

³ The sponsor/proponent indicated that there were more than 10 additional beneficiaries of this bill, but did not identify them. USITC staff identified 1 additional beneficiary of this bill that was not identified by the sponsor/proponent, and that beneficiary submitted a written representation that it would benefit from this bill.

Estimated effect on customs revenue:

HTS subheading: 8507.20.80					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	3.5%	3.5%	3.5%	3.5%	3.5%
Estimated value <i>dutiable</i> imports	\$19,000,000	\$19,100,000	\$19,100,000	\$19,100,000	\$19,100,000
Customs revenue loss 1/	\$0	\$668,500	\$668,500	\$668,500	\$668,500

1/ There is an existing duty suspension under HTS heading 9902.03.87 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill for 2009.

Source of estimated dutiable import data: Commission estimates based on U.S. Government statistics.

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)		
Honeywell International, Inc. (Proponent) Art Simonetti, 202-662-2671	2/8/2008	No	No	No
Crown Battery Mike Fraley, 419-334-7181	3/7/2008	No	No	No
Douglas Battery Manufacturing Co. Geoff Davies, 800-368-4527	3/7/2008	No	No	No
EnerSys Tom Biello, 610-698-9804	3/14/2008	No	No	No
KJK International Glenn Jones, 973-361-1768	3/10/2008	No	No	No
Stationary Power Services, Inc Bill Mier, 800-245-0893	3/19/2008	No	No	No
U.S. Battery Manufacturing Co. Don Wallace, 951-371-8090	3/6/2008	No	No	No
Universal Power Group, Inc. Roger Tannery, 469-892-1122	3/19/2008	No	No	No

Technical comments:⁴

None.

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
1ST SESSION

H. R. 4514

To extend the temporary suspension of duty on certain 12-volt batteries.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 12, 2007

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

A BILL

To extend the temporary suspension of duty on certain 12-volt batteries.

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 12-VOLT BATTERIES.**

4 (a) IN GENERAL.—Heading 9902.03.87 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 certain 12V lead-acid storage batteries) is amended by
7 striking “12/31/2009” and inserting “12/31/2011”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies to goods entered, or withdrawn from

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- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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