

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: September 28, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 3279 (Mrs. Dianne Feinstein of California).

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

**Other bills on product (109<sup>th</sup> Congress only):** None.

**Nature of bill:** Temporary duty suspension through December 31, 2009.

**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, or DVD+RW, the foregoing each having an internal 8 gigabyte (8G) hard disk drive and a USB 2.0 port (provided for in subheading 8525.40.80).

**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:**

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; they can also record video images on an internal 8G hard disk drive. The subject camcorders 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.

<sup>1</sup> Industry analyst preparing report: John Kitzmiller (202-205-3387); Tariff Affairs contact: Jan Summers (202-205-2605).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).

**Estimated effect on customs revenue:**

| <b>HTS subheading: 8525.40.80</b>       |              |              |              |              |              |
|-----------------------------------------|--------------|--------------|--------------|--------------|--------------|
| <del> </del>                            | 2006         | 2007         | 2008         | 2009         | 2010         |
| Col. 1-General rate of duty             | 2.1%         | 2.1%         | 2.1%         | 2.1%         | 2.1%         |
| Estimated value <i>dutiable</i> imports | \$15,000,000 | \$16,000,000 | \$17,000,000 | \$18,000,000 | \$19,000,000 |
| Customs revenue loss                    | \$315,000    | \$336,000    | \$357,000    | \$378,000    | \$399,000    |

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

**Technical comments:<sup>3</sup>**

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.

<sup>3</sup> 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.

109TH CONGRESS  
2D SESSION

# S. 3279

To suspend temporarily the duty on mini DVD camcorder with 8G HDD.

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IN THE SENATE OF THE UNITED STATES

MAY 26, 2006

Mrs. FEINSTEIN 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 mini DVD camcorder with 8G HDD.

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. MINI DVD CAMCORDER WITH 8G HDD.**

4 (a) IN GENERAL.—Subchapter II of chapter 99 of  
5 the Harmonized Tariff Schedule of the United States is  
6 amended by inserting in numerical sequence the following  
7 new heading:

|   |            |                                                                                                                                                                                               |      |           |           |                            |    |
|---|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------|-----------|----------------------------|----|
| “ | 9902.85.25 | Mini-DVD camcorder, full multiformat readability with patented laser processor technology; 1.3 mega pixel CCD, 8G HDD, optical zoom, USB 2.0 PC (provided for in subheading 8525.40.80) ..... | Free | No change | No change | On or before<br>12/31/2009 | ”. |
|---|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------|-----------|----------------------------|----|

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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