UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: September 27, 2006]²

Bill No. and sponsor: S. 3291 (Mr. George Allen of Virginia).Proponent name, location: Hamilton Beach/Proctor-Silex, Glen Allen, VA.

Other bills on product (109^{th} 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)):

Electromechanical ice shavers, with self-contained electric motor (provided for in subheading 8509.40.00).

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:

A household electric ice shaver is a kitchen appliance used to make small servings of fine shaved ice for snow-cones, Italian ice, and other desserts. It consists of a small electric motor that is encased in a housing of plastic or other materials. A lid is used to pour cubed or molded ice into the machine where it is then crushed into fine pieces by a stainless steel blade. Other types of ice shavers may be hand-operated or hand-cranked and fall in other tariff chapters; some imported goods designed for the amusement of children are classified for tariff purposes as toys in chapter 95. The principal import source of the subject ice shavers is China.

¹ Industry analyst preparing report: Ruben Mata (202-205-3403); 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.

Estimated effect on customs revenue:

| HTS subheading: <u>8509.40.00</u> | | | | | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|--|--|--|--|
| | 2006 | 2007 | 2008 | 2009 | 2010 | | | | |
| Col. 1-General rate of duty | 4.2% | 4.2% | 4.2% | 4.2% | 4.2% | | | | |
| Estimated value <i>dutiable</i> imports | \$7,000,000 | \$7,500,500 | \$7,500,500 | \$7,500,500 | \$7,500,500 | | | | |
| Customs revenue loss | \$294,000 | \$315,021 | \$315,021 | \$315,021 | \$315,021 | | | | |

Source of estimated dutiable import data: Official U.S. Government statistics and 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) | | |
| Hamilton Beach/Proctor-Silex (Proponent) Tripp Dillard, 804-418-7759 | 08/09/2006 | No | No | No |
| Back to Basics Co. Mark Beesley, 801-523-6600 | 08/17/2006 | No | Yes | No |
| Conair Corp. Leandro P. Rizzuto, 203-975-4600 | 08/11/2006 | No | No | No |
| Hawaiian Shaved Ice Gary Herring, 910-594-1691 | 08/11/2006 | No | No | No |
| Snowie Shaved Ice Carl Rupp, 801-268-2225 | 08/04/2006 | No | No | No |

Technical comments:³

In order to reduce confusion, it is suggested that the article description be modified as shown on page 1, to distinguish the covered goods from other types of ice shavers.

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.

S. 3291

To suspend temporarily the duty on ice shavers.

IN THE SENATE OF THE UNITED STATES

May 26, 2006

Mr. Allen introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on ice shavers.

- 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. ICE SHAVERS.
- 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:

| " | 9902.85.13 | Ice shavers (provided for in subheading 8509.40.00) | No change | No change | On or before | |
|---|------------|---|-----------|-----------|--------------|----|
| | | | | | 12/31/2009 | ". |

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

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

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