MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress ¹

[Date approved: September 28, 2006]²

Bill No. and sponsor: S. 3299 (Mr. George Allen of Virginia).

Proponent name, location: Hamilton Beach/Proctor-Silex, Glen Allen, VA.

Other bills on product (109th 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)):

Electrothermic automatic drip coffee makers without electronic clock, each with self-contained coffee holding chamber and designed to be used without separate carafe (provided for in subheading 8516.71.00).

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 carafe-less automatic drip coffee maker without an electronic clock has a beverage holding tank within the product that dispenses coffee directly into a cup or mug. The use of a self-contained coffee holding container eliminates the need for an external carafe, which is used in traditional household automatic drip coffee makers. By holding the coffee in this internal chamber, the coffee is not exposed directly to air, as it would be in a traditional automatic drip coffee maker with a carafe. Eliminating the open exposure found in a traditional auto drip coffee maker is intended to maintain coffee freshness longer. The principal import source of such automatic drip coffee makers without electronic clocks 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 <u>http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.</u>

Estimated effect on customs revenue:

HTS subheading: <u>8516.71.00</u>									
\searrow	2006	2007	2008	2009	2010				
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%				
Estimated value <i>dutiable</i> imports	\$11,870,000	\$11,870,000	\$11,870,000	\$11,870,000	\$11,870,000				
Customs revenue loss	\$439,190	\$439,190	\$439,190	\$439,190	\$439,190				

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. Jack Theler, 801-523-6600 ³	08/17/2006	No	Yes	Yes	
Conair Corp. Leandro P. Rizzuto, 203-975-4600	08/11/2006	No	No	No	
KitchenAid, Inc. Sara Bovim, 202-434-8993	08/14/2006	No	No	No	
National Presto Industries Maryjo Cohen, 715-839-2121	08/14/2006	No	Yes	Yes	
Salton, Inc. Gary Nash, 866-373-5866	08/07/2006	No	No	No	
Select Brands Eric Endres, 913-663-4500	08/09/2006	No	No	No	
West Bend Housewares Craig Radke, 262-334-6949	08/09/2006	No	No	No	

³ Submission from Mark Beesley, General Counsel, is attached.

Technical comments:⁴

To attempt to describe the covered product more clearly, it is suggested that the article description be modified as shown on page 1.

 $[\]overline{}^{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.

109TH CONGRESS 2D SESSION S. 3299

To suspend temporarily the duty on automatic drip coffeemakers other than those with clocks.

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 automatic drip coffeemakers other than those with clocks.

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. AUTOMATIC DRIP COFFEEMAKERS OTHER 4 THAN THOSE WITH CLOCKS.

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:

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