



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Motor/generator units with three-phase cable assembly, the foregoing designed to function as a starter motor and electric motor supplementing an gasoline internal combustion engine and as a generator for recharging vehicle batteries in regenerative braking mode, certified by the importer for use in hybrid electric vehicles (provided for in subheading 8511.40.00)

Description above compared with bill as introduced:

- Same
- Different (see Technical Comments section)

III. Other product information, including uses/applications and source(s) of imports

Motor/generator units usually combine a large electrical generator and a motor into one unit, replacing both the conventional starter motor and the alternator. The typical motor/generator is a permanent magnet brushless unit that is often integrated into the transmission housing. In a parallel hybrid system, the unit operates as a starter/electric motor to supplement the internal combustion engine, but converts to a generator during vehicle braking, providing braking torque and conserving vehicle kinetic energy as regenerated or stored generated energy in the vehicle batteries. In a series hybrid or pure electric drive systems, the motor/generator is the vehicle's prime accelerator. Japan is a leading source of U.S. imports of these products.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8511.40.00				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%)	2.5	2.5	2.5	2.5	2.5
Estimated value of <i>dutiable</i> imports (\$)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Customs revenue loss (\$)	125,000	125,000	125,000	125,000	125,000

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce
- Provided by industry sources
- Industry information
- Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
- This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%) Temporary rate (%) Percentage point reduction (%)

V. Technical comments

The article description set out above reflects minor edits designed to clarify that no "use" verification by Customs would be

required and to conform with normal HTS usage.

VI. Continuation

Suggested Article Description... -- continued:

If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.

VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	General Motors (Interested entity) Brad Welling	202-775-5041	No	No	No
2	Chrysler Kristina Pisanelli	202-414-6700	No	No	No
3	Delphi Dina Vizzaccaro	202-824-0412	No	No	No
4	Denso International America, Inc. Robert Townsend	248-350-7500	No	No	No
5	Ford Michael Sheridan	202-785-6014	No	No	No
6	Hitachi, Ltd., Automotive Systems Doug Bowling	859-734-4401	No	No	No
7	Honda Kent Dellinger	202-664-4411	No	No	No
8	Motor & Equipment Manufacturers Association (MEMA) Catherine Boland	202-312-9241	No	No	No
9	National Electrical Manufacturers Association (NEMA) Craig Updyke	703-841-3200	No	No	No
10	Nissan Yuko Hanada	571-205-4217	No	No	No
11	Regal Beloit Corporation Paul Lin	260-416-5472	No	No	No
12	Remy International, Inc. Jay J. Pittas	765-778-5565	No	No	No
13	Robert Bosch Norman Johnson	248-876-2930	No	No	No
14	Siemens Lauren Grabell	202-434-4800	No	No	No
15	Toyota Yuri Unno	202-463-6802	No	No	No
16	UQM Don French	303-682-4900	No	No	No
17	Visteon Michael Sharnas	734-710-5236	No	No	No

112TH CONGRESS
2D SESSION

H. R. 4912

To suspend temporarily the duty on motor generator units.

IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 2012

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

A BILL

To suspend temporarily the duty on motor generator units.

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. MOTOR GENERATOR UNITS.**

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:

“	9902.01.00	Motor generator units with three-phase cable assembly, the foregoing designed to function as a starter motor and electric motor supplementing the gasoline internal combustion engine and as a generator for recharging vehicle batteries in regenerative braking mode; certified by the importer for use in hybrid electric vehicles (provided for in subheading 8511.40.00)	Free	No change	No change	On or before 12/31/2015	”.
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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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