

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: October 11, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 3241 (Mrs. Dianne Feinstein of California).

**Proponent name, location:** Outdoor Industries Association, Boulder CO.

**Other bills on product (109<sup>th</sup> Congress only):** S. 3242.

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

**Retroactive effect:** None.

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

Travel bags with outer surface of woven fabrics of man-made fibers, such bags each valued over \$30 and having at the time of entry attached wheels, a retractable or telescoping handle and a separate backpack or daypack affixed to the bag by zipper or other temporary means (provided for in subheading 4202.92.30).

**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:**

The subject product is travel luggage made of woven textile fabrics of man-made fibers, valued over \$30 each and imported with wheels, a telescoping handle and a removable separate backpack or daypack affixed by zipper or other means. The primary type of goods covered by the bill appears to be travel luggage designed for use as carry-on baggage on airlines. Each bag has a removable attached “day pack” to overcome the height limitations of on-board aircraft carry-on luggage storage compartments, in that they can be separated while the measurements are taken by airline personnel at passenger check-in points. After that measurement the two bags can be reattached to try to meet the “one piece per passenger” standard for carry-on luggage allowed under most airlines restrictions. No separate statistical reporting number covers the subject goods, and no specific import volumes or product sourcing information has been supplied to the Commission during the preparation of this report. According to the historical trade statistics, the great bulk of the merchandise in this HTS residual or “basket” subheading is imported from China, distantly followed by Vietnam, Thailand, Italy, and the Philippines.

**Estimated effect on customs revenue:**

<sup>1</sup> Industry analyst preparing report: Robert Randall (202-205-3366); Tariff Affairs contact: Janis 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).

<b>HTS subheading: 4202.92.30</b>					
	2006	2007	2008	2009	2010
Col. 1-General rate of duty	17.6%	17.6%	17.6%	17.6%	17.6%
Estimated value <i>dutiable</i> imports	\$330,942	\$364,036	\$400,439	\$440,484	\$484,532
Customs revenue loss	\$58,246	\$64,070	\$70,477	\$77,525	\$85,278

Source of estimated dutiable import data: Based on industry and Commission estimates.

**Contacts with domestic firms/organizations (including the proponent):**

Name of firm/organization <u>1/</u>	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Outdoor Industry Association (Proponent) Alexander Boian, 303-444-3353	08/09/2006	No	No	No
Eagle Creek (Proponent) Stephen Harrell, 760-599-6500	08/16/2006	No	No	No
Osprey Packs, Inc. (Proponent) Stephen Barnes, 970-564-5900	08/16/2006	No	No	No
TRG/Swiss Army Knife (Proponent) Anne Docter, 314-447-3152	08/16/2006	No	No	No
VF Corp./Jansport (Proponent) Patrick Fox, 562-565-8267	08/16/2006	No	No	No
American Recreation Products, Inc., fax: 314-576-8001	08/17/2006	No	No	No
Bag Works, Inc. President, fax: 817-446-8105	08/17/2006	No	No	No
Bettz Designs fax: 617-965-3715	08/17/2006	No	No	No
Camel Outdoor Products Inc., fax: 770-242-8546	08/17/2006	No	No	No
Cascade Designs, Inc., fax: 206-467-9421	08/17/2006	No	No	No
Coleman Co., Inc., fax: 316-832-6201	08/17/2006	No	No	No

Name of firm/organization <u>1/</u>	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
Custom Montana Canvas fax: 406-388-1039	08/17/2006	No	No	No
Duluth Pack Co. fax: 218-722-9575	08/17/2006	No	No	No
Eagle Creek Products fax: 760-599-4722	08/17/2006	No	No	No
Eastpak fax: 920-831-7779	08/17/2006	No	No	No
Gregory Mountain Products fax: 951-676-6797	08/17/2006	No	No	No
Kelty fax: 800-504-2745	08/17/2006	No	No	No
Korus Co., Inc., fax: 408-885-1351	08/17/2006	No	No	No
Landes, Inc., fax: 713-665-6392	08/17/2006	No	No	No
Lawrence & Co., Inc. fax: 508-995-2436	08/17/2006	No	No	No
London Bridge Trading Co., Ltd. fax: 757-498-0059	08/17/2006	Yes	Yes	Yes
Madden/USA fax: 720-214-2197	08/17/2006	No	No	No
Mark Pack Works fax: 510-452-3022	08/17/2006	No	No	No
Mason Mills fax: 626-444-1551	08/17/2006	No	No	No
Mercury Luggage Mfg. Co., fax: 904-733-9671	08/17/2006	No	No	No
O'Neil KG Bags fax: 415-460-0113	08/17/2006	No	No	No
Overland Equipment fax: 530-894-1460	08/17/2006	No	No	No
Saberfox Outdoor Gear fax: 503-775-9538	08/17/2006	No	No	No
Samsonite Corp. fax: 303-373-6300	08/17/2006	No	No	No

Name of firm/organization <u>1/</u>	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
Sharon Hand Bags fax: 408-441-0786	08/17/2006	No	No	No
Stone Creek Designs fax: 888-271-8429	08/17/2006	No	No	No
Usner Products, Inc. fax: 843-571-5681	08/17/2006	No	No	No

1/ No specific contact is available at the subject firms, which were identified using the Internet or in directories as firms that might have an interest in the bill.

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

To attempt to cover more specifically the products of interest to the proponents, it is suggested that the proposed article description be modified as shown on page 1 of this report. It is suggested that Customs and Border Protection officials be consulted for further input, given the absence of available rulings on this type of product.

<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.

-----Original Message-----

**From:** Doug McDougal [mailto:DMcdougal@londonbridgetrading.com]

**Sent:** Thursday, August 17, 2006 3:32 PM

**To:** mtb2006@finance-rep.senate.gov

**Cc:** Randall, Robert

**Subject:** RE: S3241 and S3242 waiving import duty on certain backpacks

Gentlemen,

It has been brought to my attention recently, by the U.S. International Trade Commission, that the Senate Finance Committee will act to adopt Bills S.3241 and S.3242 dealing with removal of import duty on certain backpacks.

The United States Textile and Cut and Sew Industry has been especially hard hit to the point that it has been almost eliminated. I operate a Cut and Sew operation and it is my goal to provide jobs to US citizens. We provide some 225 jobs to families of US citizens. The above bills will adversely affect this goal of providing jobs and helping to keep our economy strong. I would ask that you please note my objections to these two bills (S.3241 and S.3242).

Most Sincerely,

**Doug McDougal, PhD**

*CEO and President*

**London Bridge Trading Company, LTD.**

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109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 3241

To suspend temporarily the duty on certain backpacks with a removable separate backpack or daypack.

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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 certain backpacks with a removable separate backpack or daypack.

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 BACKPACKS WITH A REMOVABLE**  
4       **SEPARATE BACKPACK OR DAYPACK.**

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:

“	9902.42.03	Backpacks of manmade fibers, with wheels and a telescoping handle and a removable separate backpack or daypack attached by zipper or other means, valued over \$30 (provided for in subheading 4202.92.30) .....	Free	No change	No change	On or before 12/31/2009	”.
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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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