MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress

[Date approved: September 23, 2005]

Bill No. and sponsor: H.R. 2285 (Ms. Harman)

Proponent name, location: Mattel, Inc.
El Segundo, CA 90245-5012

Other bills on product (109th Congress only): S. 1071.


Retroactive effect: None.

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

See heading 9902.01.78; no changes in the existing article description are proposed.

Check one: X 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 articles are bags for the transportation, storage, and/or protection of toys. They are imported and sold with the toy, packaged as a retail ready ensemble. These goods are often thematically decorated, clear vinyl, zippered backpack or lunch-bag type containers intended for use with the included toy. Trade sources indicate that such articles are imported from China and Indonesia.

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1 Industry analyst preparing report: Andrea Boron (202-205-3433); Tariff Affairs contact: Jan Summers (202-205-2605).
Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 4202.92.45</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col. 1-General rate of duty</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Estimated value dutiable imports</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Customs revenue loss 1/</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$200,000</td>
<td>$200,000</td>
</tr>
</tbody>
</table>

1/ The customs revenue loss data shown above for 2005-2006 reflect the existing temporary duty suspension on this product in effect through the close of Dec. 31, 2006.

Source of estimated dutiable import data: Industry estimates.

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

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>US production of same or competitive product claimed?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>St. Maxens &amp; Company on behalf of Mattel, Inc. Mr. Thomas St. Maxens 202-966-9000</td>
<td>8/02/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Flexible Packaging Association Ms. Marla Donahue 410-694-0800</td>
<td>8/08/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Toy Industry Association Mr. Gary Klein 202-207-3600</td>
<td>8/18/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Travel Goods Association Mr. Nate Herman (703) 797-9062</td>
<td>8/08/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Technical comments: None.

3 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.
To extend the temporary suspension of duty on certain bags for toys.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CERTAIN BAGS FOR TOYS.

(a) In General.—Heading 9902.01.78 of the Harmonized Tariff Schedule of the United States is amended by striking “12/31/2006” and inserting “12/31/2008”.

(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 enactment of this Act.