

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 111th Congress¹**

[Date approved: March 5, 2010]²

Bill No. and sponsor: S. 2270 (Mrs. Dianne Feinstein of California).

Proponent name,³ location: Leap Frog Enterprises, Inc., Emeryville, CA.

Other bills on product (111th Congress only): None.

Nature of bill: Extension of temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

Cases or containers (provided for in subheading 4202.92.90 and not including goods described in heading 9902.01.81), specially shaped or fitted for, and with labeling, logo or other descriptive information on the exterior of the case or container indicating its intention to be used for, electronic drawing toys or electronic games of heading 9503 or 9504, or educational toys or devices of heading 8543.

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 articles are cases or containers for electronic toys or electronic games, except those covered by an existing duty suspension in heading 9902.01.81 (applicable to cases for photo transparency reels for hand-held viewing toys) or for educational toys—the latter comprising an addition to the existing heading's scope. These cases and containers reportedly are specifically designed for transporting, storing and protecting particular games or toys; contain permanent or durable internal fittings shaped to hold the specific toys; and are frequently imported separately from the toys for which they are intended. The subject articles are manufactured in several colors and are often thematically decorated; they may or may not have printed information or tags on them indicating the names of the toys for which they are designed. Trade sources indicate that such articles are imported from China and Indonesia.⁴

¹ Industry analyst preparing report: Don Sussman (202-205-3331); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

⁴ Although Indonesia is a designated beneficiary developing country under the Generalized System of Preferences (GSP), this subheading is not designated as eligible for GSP benefits.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 4202.92.90:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	17.6%	17.6%	17.6%	17.6%	17.6%
Estimated value <i>dutiable</i> imports ^a	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
Customs revenue loss ^b	\$88,000	\$88,000	\$88,000	\$88,000	\$88,000

a/ Dutiable import estimates were based on official U.S. Government statistics and estimates provided by industry sources.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

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)	
Leap Frog Enterprises, Inc. (Proponent) Jennifer Mulveny, 202-471-3234	01/08/2010	No	No	No
Mattel, Inc. Thomas St. Maxens, 202-966-9000	12/14/2009	No	No	No
Toy Industry Association Barry Levy, 212-425-0055	01/08/2010	No	No	No
Travel Goods Association Nate Herman, 703-797-9062	01/08/2010	No	No	No

Technical comments:⁵

The proposed addition of “educational toys” might present some interpretive issues for importers and for Customs. For purposes of the tariff schedule, “toys” are articles designed chiefly for the amusement of children and adults, but the expanded temporary provision would cover containers for those toys that also have “educational” value—a term that is not defined and has reportedly been the subject of some debate.

⁵ 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.

111TH CONGRESS
1ST SESSION

S. 2270

To modify and extend the temporary suspension of duty on certain cases or containers to be used for electronic drawing toys, electronic games, or educational toys.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

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

A BILL

To modify and extend the temporary suspension of duty on certain cases or containers to be used for electronic drawing toys, electronic games, or educational toys.

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 CASES OR CONTAINERS TO BE USED**
4 **FOR ELECTRONIC DRAWING TOYS, ELEC-**
5 **TRONIC GAMES, OR EDUCATIONAL TOYS.**

6 (a) IN GENERAL.—Subheading 9902.11.90 of the
7 Harmonized Tariff Schedule of the United States (relating
8 to certain cases or containers to be used for electronic

1 drawing toys, electronic games, or educational toys) is
2 amended—

3 (1) in the article description, by inserting after
4 “or 9504” and inserting “, or educational toys or
5 devices of heading 8543”; and

6 (2) in the effective period column, by striking
7 “12/31/2009” and inserting “12/31/2011”.

8 (b) **EFFECTIVE DATE.**—The amendments made by
9 subsection (a) apply to goods entered, or withdrawn from
10 warehouse for consumption, on or after the 15th day after
11 the date of the enactment of this Act.

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