



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)):

Baby or child carriers designed for use on bicycles (provided for in subheading 8714.99.80)

(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.)

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

Child carriers designed for use on bicycles attach above the rear wheel of an adult bicycle. Such a carrier is usually made from hard plastics, with softer textile material used to cushion the seating of the child. It incorporates a safety belt of textile materials, with a buckle. These child carriers are treated as accessories of bicycles for tariff purposes, because they are not essential to a bicycle's function. Child carriers designed to be pulled behind a bicycle are classified as trailers in subheading 8716.40.00 and enter at a general duty rate of free.

Child carriers for use on bicycles previously were eligible for a duty reduction (from 10 percent to 9.2 percent ad valorem) under heading 9902.24.66, which also covered other bicycle parts and accessories. That temporary duty reduction expired on December 31, 2009. Heading 9902.24.66 also included chain tension adjustors, chain covers, mechanical grips with 2.223 cm internal diameter, air horns, wide-angle reflectors, saddle covers of plastics, chain tensioners, toe clips, head sets, and seat posts, all of which are designed for use in or on bicycles and are provided for in subheading 8714.99.80.

Taiwan and China are the leading suppliers of imports under this residual or "basket" category of bicycle parts, accounting for 49 percent and 21 percent, respectively, of total U.S. imports imports under subheading 8714.99.80 in 2011.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	8714.99.80				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	10	10	10	10	10
Estimated value of <i>dutiable</i> imports (\$)	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Customs revenue loss (\$)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

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

If the subject child carriers are to be covered by a new chapter 99 heading, it is suggested that heading 9902.24.66 should be deleted from the HTS, or at a minimum that its article description is amended by deleting "Child carriers," and by capitalizing the word "chain." Taking either of these actions would avoid overlapping product coverage between the two headings.

VI. Continuation

S. 2651 is identical to H.R. 4986.

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	Bicycle Products Suppliers Association (Interested entity) Brock Landry	202-256-3580	No	No	No
2	American Mentality, Inc. Rachel Rotz	407-599-7255 extension 101	No	No	No
3	DK Products Chris Keller	937-746-9075	No	No	No
4	Hayes Bicycle Group Adam Micklin	262-242-4300	No	No	No
5	Mavic, Inc. Sean Sullivan	978-469-8409	No	No	No
6	Odyssey BMX/Bear Corporation Marie Josie Nakich	562-623-9995	No	No	No
7	ProNet, Inc. Mike Kalmbach	360-782-2477	No	No	No
8	Quality Bicycle Products, Inc. Matt Moore	952-941-9391 extension 1255	No	No	No
9	Sigma Sport USA Brian Orloff	630-761-1106	No	No	No
10	Staats Motocross Bicycles Jason Halverson	801-943-8502	No	No	No
11	Trek Bicycle Corporation Jonathan Fritz	920-478-2191	No	No	No
12	Wald LLC Ralph A. Pawsat	606-564-4078	No	No	No

112TH CONGRESS
2^D SESSION

H. R. 4986

To suspend temporarily the duty on baby or child carriers designed for use on bicycles.

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2012

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

A BILL

To suspend temporarily the duty on baby or child carriers designed for use on bicycles.

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. BABY OR CHILD CARRIERS DESIGNED FOR USE**

4 **ON BICYCLES.**

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:

“	9902.01.00	Baby or child carriers de- signed for use on bicycles (provided for in sub- heading 8714.99.80)	Free	No change	No change	On or before 12/31/2015	”.
---	------------	--	------	-----------	-----------	----------------------------	----

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.

○