

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: April 23, 2010]²

Bill No. and sponsor: S. 1917 (Mr. Pat Roberts of Kansas).

Proponent name,³ location: Payless ShoeSource, Inc., Topeka, KS.

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

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

Retroactive effect: None.

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

Other footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather, not covering the ankle, the foregoing for youths and boys and not including house slippers, tennis shoes, basketball shoes, gym shoes, training shoes and the like (provided for in subheading 6403.59.60 or 6403.99.60).

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 bill covers “low-top” boys’ casual shoes with uppers of leather, such as loafers or oxfords. Sports footwear, footwear with protective metal toe caps, turn or turned footwear, and welt footwear would be excluded because they are provided for in other HTS subheadings. The primary source of U.S. imports of the subject footwear is China.

¹ Industry analyst preparing report: Vincent DeSapio (202-205-3435); 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 and proponent stated there are more than ten beneficiaries of this bill, including numerous retailers and suppliers.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 6403.99.60:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty					
Col. 1-General rate of duty	8.5%	8.5%	8.5%	8.5%	8.5%
Estimated value <i>dutiable</i> imports ^a	\$59,000,000	\$59,000,000	\$59,000,000	\$59,000,000	\$59,000,000
Customs revenue loss ^b	\$5,015,000	\$5,015,000	\$5,015,000	\$5,015,000	\$5,015,000

a/ Dutiable import estimates were provided by industry sources; official Government statistics for HTS statistical reporting numbers 6403.59.6080 and 6403.99.6090 approximate these estimates.

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)		
Payless ShoeSource, Inc. (Proponent) Curtis Sneden, 785-295-6615	01/13/2010	No	Yes	No
Footwear Distributors and Retailers of America Matt Priest, 202-737-5660	01/14/2010	No	Yes	No
American Apparel and Footwear Association Nate Herman, 703-797-9062	01/16/2010	No	Yes	No
Rubber and Plastic Footwear Manufacturers Association Mitchell J. Cooper, 202-331-1858	01/19/2010	No	No	No

Technical comments:⁴

It is suggested that the proposed article description be amended to read as shown on page 1, in order to cover all footwear that appears to be of interest to the proponent. We note that the HTS uses the word “plastics” or “of rubber or plastics” when referencing this particular material rather than “plastic,” and we have done so for consistency. We also note that the article description as drafted includes footwear with outer soles of leather or composition leather, but such footwear appears to be covered by HTS subheading 6403.59 (probably subheading 6403.59.60) when it does not cover the ankle, and not solely in the provision included in the bill as drafted, suggesting a discrepancy between the proposed description and the referenced HTS classification. Non-athletic footwear for youths and boys appears to be classifiable in the provision we have suggested adding to the article description on page 1. Based on official trade data, the addition of this HTS tariff rate line in the parenthetical reference would add approximately \$2 million to the original estimate of \$57 million for footwear likely to be imported under this provision as introduced. It would be necessary to delete “leather or composition leather” and have the description

⁴ 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.

merely cover “footwear with outer soles of rubber or plastics” in order to narrow the scope of the provision as drafted; in that case, the original HTS reference should be sufficient.

111TH CONGRESS
1ST SESSION

S. 1917

To suspend temporarily the duty on certain leather upper sports footwear.

IN THE SENATE OF THE UNITED STATES

OCTOBER 26, 2009

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

A BILL

To suspend temporarily the duty on certain leather upper sports footwear.

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 LEATHER UPPER SPORTS FOOTWEAR.**

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	Other footwear with outer soles of rubber, plastic, leather or composition leather with uppers of leather, not covering the ankle, the foregoing for youths and boys and not including house slippers, tennis shoes, basketball shoes, gym shoes, training shoes and the like (provided for in subheading 6403.99.60)	Free	No change	No change	On or before 12/31/2011	”.
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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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