

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: May 5, 2010]²

Bill No. and sponsor: S. 2344 (Mr. David Vitter of Louisiana).

Proponent name,³ location: Lipsey's Distribution, Baton Rouge, LA

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)):

Women's vulcanized footwear with waterproof molded soles, with uppers formed on a last (not molded or injected) and of more than 70 percent natural rubber, valued over \$30/pair, such footwear covering the ankle but not covering the knee, the height of which from the bottom of the outer sole to the top of the upper exceeds 19 cm and designed to be worn in lieu of, but not over, other footwear as a protection against water or cold or inclement weather (provided for in subheading 6401.92.90).

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 footwear consists of women's waterproof boots designed for use in wet or cold environments while the wearer is hunting, fishing, hiking, or pursuing other activities. The definition of "waterproof footwear," according to additional U.S. note 3 to chapter 64, includes footwear specified in the text of heading 6401 that is "designed to protect against penetration by water or other liquids, whether or not such footwear is primarily designed for such purposes." Some of the subject footwear, such as rain boots printed with various designs, may be chosen for reasons of style. According to the Explanatory Notes, the footwear of heading 6401 must be molded, vulcanized, or cemented in some fashion, given the exclusionary language in the heading for sewn, riveted, or similarly joined uppers and soles. The sole import source of the footwear of interest to the proponent is France, which accounted for \$500,000 of the \$39.8 million in dutiable imports under HTS statistical reporting number 6401.92.9060 (which covers a range of footwear for all persons in addition to the subject goods) in 2009. China was the major supplier under this provision, with \$38.4 million in dutiable imports.

¹ Industry analyst preparing report: Karen Taylor (202-708-4101); 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 proponent identified one additional beneficiary of this bill. USITC staff sent an inquiry to the additional beneficiary and received a response from the beneficiary indicating that it would not benefit from this bill.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 6401.92.90:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	37.5%	37.5%	37.5%	37.5%	37.5%
Estimated value <i>dutiable</i> imports ^a	\$700,000	\$950,000	\$1,250,000	\$1,500,000	\$1,800,000
Customs revenue loss ^b	\$262,500	\$356,250	\$468,750	\$562,500	\$675,000

a/ Dutiable import estimates were 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)		
Lipsey's Distribution (Proponent) Richard Lipsey, 225-755-1333	01/25/2010	No	No	No
Newgrange Group LLC John E. Callanan, 617-818-3225	12/09/2009	Yes	Yes	Yes
Genfoot America Inc. Richard Cook, 603-444-2668	01/28/2010	Yes	Yes	Yes
American Apparel & Footwear Association Nate Herman, nherman@apparelandfootwear.org	01/16/2010	No	Yes	No
Footwear Distributors & Retailers of America Matt Priest, mpriest@fdra.org	01/14/2010	No	Yes	No
Sorini, Samet & Associates Ron Sorini, rsorini@ssa-dc.com	02/16/2010	No	No	No

Technical comments:⁴

It is suggested that the article description of the proposed heading be amended to read as shown on page 1, to conform more closely to normal HTS usage and to clarify grammatically that it is the footwear uppers, and not the last used to make them, that must be "of more than 70 percent natural rubber."

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.

111TH CONGRESS
1ST SESSION

S. 2344

To suspend temporarily the duty on certain women's footwear covering the ankle, the height of which from the bottom of the outer sole to the top of the upper exceeds 19 cm, with waterproof molded soles, valued at more than \$30 per pair.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

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

A BILL

To suspend temporarily the duty on certain women's footwear covering the ankle, the height of which from the bottom of the outer sole to the top of the upper exceeds 19 cm, with waterproof molded soles, valued at more than \$30 per pair.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. CERTAIN WOMEN'S FOOTWEAR COVERING THE**
 2 **ANKLE, THE HEIGHT OF WHICH FROM THE**
 3 **BOTTOM OF THE OUTER SOLE TO THE TOP**
 4 **OF THE UPPER EXCEEDS 19 CM, WITH WATER-**
 5 **PROOF MOLDED SOLES, VALUED AT MORE**
 6 **THAN \$30 PER PAIR.**

7 (a) IN GENERAL.—Subchapter II of chapter 99 of
 8 the Harmonized Tariff Schedule of the United States is
 9 amended by inserting in numerical sequence the following
 10 new heading:

“	9902.01.00	Women's vulcanized footwear with waterproof molded soles, with uppers formed on a last (not molded or injected) of more than 70 percent natural rubber, covering the ankle but not covering the knee, the height of which from the bottom of the outer sole to the top of the upper exceeds 19 cm, designed to be worn in lieu of, but not over other footwear as a protection against water or cold or inclement weather, valued at more than \$30 per pair (provided for in subheading 6401.92.90)	Free	No change	No change	On or before 12/31/2011	”.
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11 (b) EFFECTIVE DATE.—The amendment made by
 12 subsection (a) applies to goods entered, or withdrawn from
 13 warehouse for consumption, on or after the 15th day after
 14 the date of the enactment of this Act.

