

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: January 30, 2006]²

Bill No. and sponsor: H.R. 3386 (Mr. Jim Ryun, Kansas).

Proponent name, location: Payless ShoeSource®, Topeka, KS.

Other bills on product (109th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

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

9902.64.08 Footwear with outer soles of rubber or plastics and uppers of vegetable fibers, with open toes or open heels, other than house slippers (provided for in subheading 6404.19.25).

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 men's, women's and children's shoes, other than house slippers, that have outer soles of rubber or plastics but overall have less than 10 percent by weight of rubber or plastics; have uppers of vegetable fibers; and have open toes or open heels.

The subject footwear accounted for more than half of U.S. imports under HTS subheading 6404.19.25, which totaled \$7.0 million in 2004. China was the leading supplier of imports under this subheading in 2004, followed by Denmark, Italy, the Dominican Republic, and Spain.

¹ Industry analyst preparing report: Laura Rodriguez (202-205-3499); Tariff Affairs contact: Jan Summers (202-205-2605).

² An electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

Estimated effect on customs revenue:

HTS subheading 6404.19.25					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	7.5%	7.5%	7.5%	7.5%	7.5%
Estimated value <i>dutiable</i> imports <u>1/</u>	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000	\$4,000,000
Customs revenue loss	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000

1/ No data are included on imports now entering free of duty or at reduced duty rates under U.S. free trade agreements or tariff preference programs; such imports may be affected by changes in the general duty rate on the subject goods.

Source of estimated dutiable import data: Commission estimates based on data provided by industry.

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

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
Payless ShoeSource® (Proponent) Curtis Sneden, Director of Government Affairs (785-295-6615)	11/09/05	No	Yes	No
American Apparel and Footwear Association Nate Herman, Director of International Trade (703-797-9062)	11/15/05	No	No	No
Footwear Distributors and Retailers of America Peter T. Mangione, President (202-737-5660)	11/18/05	No	No	No
Rubber and Plastic Footwear Manufacturers Association Mitchell Cooper, Counsel (202-331-1858)	11/07/05	No	No	No

Technical comments:³ 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 U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that U.S. Customs and Border Protection should be consulted prior to enactment of the bill.

109TH CONGRESS
1ST SESSION

H. R. 3386

To suspend temporarily the duty on certain footwear with open toes or heels.

IN THE HOUSE OF REPRESENTATIVES

JULY 21, 2005

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

A BILL

To suspend temporarily the duty on certain footwear with open toes or heels.

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 FOOTWEAR WITH OPEN TOES OR**
4 **HEELS.**

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:

“	9902.64.08	Footwear with outer soles of rubber or plastics and uppers of vegetable fibers, with open toes or open heels, other than house slippers (provided for in subheading 6404.19.25)	Free	No change	No change	On or before 12/31/2009	”.
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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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