

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: January 30, 2006]<sup>2</sup>

**Bill No. and sponsor:** H.R. 3484 (Mr. Jim Ryun, Kansas).

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

**Other bills on product (109<sup>th</sup> 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)):**

9902.64.21 Tennis shoes, basketball shoes, gym shoes, training shoes and the like for men, youths and boys, the foregoing with pigskin uppers and outer soles of rubber, plastics, leather or composition leather (provided for in subheading 6403.99.60)

9902.64.xx Tennis shoes, basketball shoes, gym shoes, training shoes and the like for women, the foregoing with pigskin uppers and outer soles of rubber, plastics, leather or composition leather, valued over \$2.50 per pair (provided for in subheading 6403.99.90).

**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:**

As drafted, the proposed provision would cover men's, youths,' and boys' athletic shoes with pigskin uppers and outer soles of rubber, plastics, leather or composition leather, regardless of customs value (statistical reporting numbers 6403.99.6030 and 6403.99.6050). It would also cover women's athletic shoes with pigskin uppers and outer soles of rubber, plastics, leather or composition leather, valued over \$2.50 per pair (statistical reporting number 6403.99.9021).

Dutiable U.S. imports of the subject footwear under HTS subheadings 6403.99.60 and 6403.99.90 totaled \$2.2 million and \$3.9 million, respectively, in 2004. China was the leading supplier of U.S. imports of the subject footwear.

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

<sup>2</sup> An electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).

**Estimated effect on customs revenue:**

<b>HTS subheading 6403.99.60</b>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	8.5%	8.5%	8.5%	8.5%	8.5%
Estimated value <i>dutiable</i> imports <sup>1/</sup>	\$5,100,000	\$5,100,000	\$5,100,000	\$5,100,000	\$5,100,000
Customs revenue loss	\$433,500	\$433,500	\$433,500	\$433,500	\$433,500

<b>HTS subheading 6403.99.90</b>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	10%	10%	10%	10%	10%
Estimated value <i>dutiable</i> imports <sup>1/</sup>	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000
Customs revenue loss	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000

<sup>1/</sup> 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 year-to-date trade data for 2005 and 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?
			(Yes/No)	
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	o

Rubber and Plastic Footwear Manufacturers Association Mitchell Cooper, Counsel (202-331-1858)	11/07/05	No	No	No
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**Technical comments:**<sup>3</sup>

Based on information from the proponent, the article description should be modified to include the subject footwear for youths and boys, as shown on page 1 of this report.<sup>4</sup> Also, we note that the Customs automated entry system cannot accommodate the grouping of two unrelated products from different rate lines in a single chapter 99 heading, and the absence of any relationship makes it confusing for users of the HTS to combine the two in any case. It is suggested that the two products be covered by separate tariff headings, with the number of the second one to be determined before enactment.

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<sup>3</sup> 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.

<sup>4</sup> Nicole Bivens Collinson, V.P., International Trade, Sandler, Travis & Rosenberg, P.A., telephone conversation with Commission staff, Nov. 22, 2005.

109<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3484

To suspend temporarily the duty on certain athletic footwear.

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IN THE HOUSE OF REPRESENTATIVES

JULY 27, 2005

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

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## A BILL

To suspend temporarily the duty on certain athletic 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 ATHLETIC 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:

“	9902.64.21	Men’s tennis shoes, basketball shoes, gym shoes, training shoes, and the like, with pigskin uppers and outer soles of rubber, plastics, leather, or composition leather (provided for in subheading 6403.99.60) and women’s tennis shoes, basketball shoes, gym shoes, training shoes, and the like, with pigskin uppers and outer soles of rubber, plastics, leather, or composition leather, valued over \$2.50 per pair (provided for in subheading 6403.99.90) .....	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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