MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress ¹

[Date approved: January 30, 2006]²

Bill No. and sponsor: H.R. 3490 (Mr. Jim Ryun, Kansas).

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

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


Retroactive effect: None.

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

9902.64.07 Footwear for persons other than women, with outer soles of leather or composition leather and with uppers of textile materials (provided for in subheading 6404.20.60).

Check one: ___ Same as that in bill as introduced.

x Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The bill is intended to cover footwear for men (statistical reporting number 6404.20.6040) and for children, youths, and boys (6404.20.6080), the foregoing with outer soles of leather or composition leather and with uppers of textile materials.

Dutiable U.S. imports of the subject footwear entering under subheading 6404.20.60 totaled about $2.0 million in 2004. Italy, China, and the Dominican Republic were the leading suppliers of these imports.

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

<table>
<thead>
<tr>
<th>HTS subheading 6404.20.60</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col. 1-General rate of duty</td>
<td>37.5%</td>
<td>37.5%</td>
<td>37.5%</td>
<td>37.5%</td>
<td>37.5%</td>
</tr>
<tr>
<td>Estimated value dutiable imports</td>
<td>$1,300,000</td>
<td>$1,300,000</td>
<td>$1,300,000</td>
<td>$1,300,000</td>
<td>$1,300,000</td>
</tr>
<tr>
<td>Customs revenue loss</td>
<td>$487,500</td>
<td>$487,500</td>
<td>$487,500</td>
<td>$487,500</td>
<td>$487,500</td>
</tr>
</tbody>
</table>

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):

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>US production of same or competitive product claimed?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payless ShoeSource® (Proponent) Curtis Sneden, Director of Government Affairs (785-295-6615)</td>
<td>11/09/05</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>American Apparel and Footwear Association Nate Herman, Director of International Trade (703-797-9062)</td>
<td>11/15/05</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Footwear Distributors and Retailers of America Peter T. Mangione, President (202-737-5660)</td>
<td>11/18/05</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Rubber and Plastic Footwear Manufacturers Association Mitchell Cooper, Counsel (202-331-1858)</td>
<td>11/07/05</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>
Technical comments:\(^3\)

According to the proponent, the article description erroneously included "women" by mistake; the intent was to cover such footwear for other persons. Thus, the article description should be changed to read as shown on page 1.

\(^3\) 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.
To suspend temporarily the duty on certain rubber or plastic footwear.

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

SECTION 1. CERTAIN RUBBER OR PLASTIC FOOTWEAR.

(a) In General.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

| 9902.64.07 | Footwear for men or women, with outer soles of leather or composition leather and with uppers of textile materials (provided for in subheading 6404.20.60) | Free | No change | No change | On or before 12/31/2009 |

"
(b) Effective Date.—The amendment made by subsection (a) applies to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.