MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress

[Date approved: September 28, 2006]

Bill No. and sponsor: S. 3674 (Mr. Tom Carper of Delaware and Mr. Judd Gregg of New Hampshire).

Proponent name, location: Outdoor Industry Association, Boulder, CO.

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


Retroactive effect: None.

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

Women’s footwear (except vulcanized footwear and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over $20/pair, not covering the ankle, designed to be worn in lieu of, but not over, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather where such protection includes protection against water that is imparted by the use of a coated or laminated textile fabric (provided in subheading 6404.19.20).

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 covers women’s footwear designed for rugged outdoor activities such as hiking and trail running, valued at over $20/pair, not covering the ankle, and with waterproofing properties imparted by coated or laminated textile fabrics. Trail running shoes have nobbier and stiffer soles and are generally more rigid and protective than road running shoes. China was the leading supplier of these imports in recent years.
Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 6404.19.20</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col. 1-General rate of duty 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 <strong>dutiable</strong> imports</td>
<td>$1,471,444</td>
<td>$1,545,016</td>
<td>$1,622,267</td>
<td>$1,703,380</td>
<td>$1,788,549</td>
</tr>
<tr>
<td>Customs revenue loss</td>
<td>$551,792</td>
<td>$579,381</td>
<td>$608,350</td>
<td>$638,768</td>
<td>$670,706</td>
</tr>
</tbody>
</table>

Source of estimated dutiable import data: Commission estimates based on information provided by U.S. importers and official Department of Commerce statistics.

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

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>Claim US makes same or competing product(s)?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outdoor Industry Association (Proponent)</td>
<td>08/10/2006</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td>Alex Boian, 303-444-3353</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>American Apparel and Footwear Association</td>
<td>08/01/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Nate Herman, 703-797-9062</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Columbia Sportswear</td>
<td>08/03/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Jeff Tooze, 503-985-4039</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Footwear Distributors and Retailers of America</td>
<td>08/03/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Peter T. Mangione, 202-737-5660</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Rubber and Plastic Footwear Mfg. Association</td>
<td>08/01/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
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<tr>
<td>Mitchell Cooper, 202-331-1848</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>VF Corporation/North Face</td>
<td>08/23/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Patrick Fox, 562-565-8267, ext. 7, 7974</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>W.L. Gore &amp; Associates</td>
<td>06/22/2006</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Mike Ratchford, 302-292-4147</td>
<td></td>
<td></td>
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</tbody>
</table>

Technical comments:3

It is suggested that the article description be modified slightly as shown on page 1, to enclose the excluded footwear in parentheses and make the grammar of the provision clearer.

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3 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.
To suspend temporarily the duty on certain women’s footwear not covering the ankle with coated or laminated textile fabrics.

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

SECTION 1. CERTAIN WOMEN’S FOOTWEAR NOT COVERING THE ANKLE WITH COATED OR LAMINATED TEXTILE FABRICS.

(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:
Women’s footwear, except
vulcanized footwear and
footwear with waterproof
molded bottoms, including
bottoms comprising an outer
sole and all or part of the
upper, valued over $20/pair,
not covering the ankle, de-
signed to be worn in lieu of,
but not over, other footwear
as a protection against
water, oil, grease or chemi-
cals or cold or inclement
weather where such protec-
tion includes protection
against water that is im-
parted by the use of a coat-
ed or laminated textile fabric
(provided in subheading
6404.19.20) 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.