

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: April 23, 2010]²

Bill No. and sponsor: S. 1907 (Mr. Pat Roberts of Kansas).

Proponent name,³ location: Payless ShoeSource, Inc., Topeka, KS.

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)):

Tennis shoes, basketball shoes, gym shoes, training shoes and the like, with outer soles of rubber, plastics, leather or composition leather and uppers of leather (other than uppers of pigskin), not covering the ankle, the foregoing for youths and boys (provided for in subheading 6403.99.60).

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 covers “low-top” boys’ or youths’ athletic shoes with leather uppers and with any of several types of material comprising the outer soles. The primary source of U.S. imports of the subject footwear is China.

Some footwear classifiable in HTS subheading 6403.99.60, when it is the product of Japan, may be subject to an additional duty of 40 percent ad valorem under HTS subheading 9903.41.10. In recent years, imports of such footwear produced in Japan have been negligible or nil.

¹ Industry analyst preparing report: Vincent DeSapio (202-205-3435); 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 sponsor and proponent stated there are more than ten beneficiaries of this bill, including numerous retailers and suppliers.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 6403.99.60:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty					
Col. 1-General rate of duty	8.5%	8.5%	8.5%	8.5%	8.5%
Estimated value <i>dutiable</i> imports ^a	\$87,000,000	\$87,000,000	\$87,000,000	\$87,000,000	\$87,000,000
Customs revenue loss ^b	\$7,395,000	\$7,395,000	\$7,395,000	\$7,395,000	\$7,395,000

a/ Dutiable import estimates were provided by industry sources; official Government statistics showed dutiable imports in 2009 of approximately \$86.7 million under HTS statistical reporting number 6403.99.6060.

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)		
Payless ShoeSource, Inc. (Proponent) Curtis Sneden, 785-295-6615	01/13/2010	No	Yes	No
Footwear Distributors and Retailers of America (FDRA) Matt Priest, 202-737-5660	01/14/2010	No	Yes	No
American Apparel and Footwear Association (AAFA) Nate Herman, 703-797-9062	01/16/2010	No	Yes	No
Rubber and Plastic Footwear Manufacturers Association (RPFMA) Mitchell J. Cooper, 202-331-1858	01/19/2010	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. We note that the HTS uses the word “plastics” or “of rubber or plastics” when referencing this particular material rather than “plastic,” and we have done so for consistency. The proponent of the bill has indicated a willingness to narrow the product description in the bill so as to result in a lower customs revenue loss but has not provided precise information on the real product of interest. The article description shown on page 1 would cover all merchandise now imported under HTS statistical reporting number 6403.99.6060.

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. 1907

To suspend temporarily the duty on certain leather upper sports footwear.

IN THE SENATE OF THE UNITED STATES

OCTOBER 26, 2009

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

A BILL

To suspend temporarily the duty on certain leather upper sports 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 LEATHER UPPER SPORTS 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:

“	9902.01.00	Tennis shoes, basketball shoes, gym shoes, training shoes and the like, with outer soles of rubber, plastic, leather or composition leather with uppers of leather (other than with uppers of pigskin), not covering the ankle, the foregoing for youths and boys (provided for in subheading 6403.99.60)	Free	No change	No change	On or before 12/31/2011	”.
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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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