

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: May 5, 2010]²

Bill No. and sponsor: S. 2425 (Mr. Sam Brownback 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)):

Other footwear for women, with outer soles and uppers of rubber or plastics, valued at more than \$3 but not more than \$6.50 per pair, other than house slippers (provided for in subheading 6402.99.70).

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 subject footwear is women's athletic-type casual footwear. It may have foxing or a foxing-type band attached around the shoe and covering the point at which the upper is sewn or cemented to the sole. The external surface of the upper makes up at least 50 percent but not over 90 percent of rubber or plastics, and textile materials may make up a portion of the external surface. The primary import source is China.

¹ Industry analyst preparing report: Karen Taylor (202-708-4101); 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 6403.99.90:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty ^a	\$0.90/pair + 37.5% (57.3%)				
Estimated value <i>dutiable</i> imports ^b	\$2,535,769	\$2,535,769	\$2,535,769	\$2,535,769	\$2,535,769
Customs revenue loss ^c	\$1,453,974	\$1,453,974	\$1,453,974	\$1,453,974	\$1,453,974

a/ The ad valorem equivalent of the HTS compound general duty rate shown in parentheses is based upon the value and volume of trade in 2009, according to official statistics of the Department of Commerce.

b/ Dutiable import estimates were provided by industry sources.

c/ 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	02/15/2010	No	Yes	No
American Apparel & Footwear Association Nate Herman, nherman@apparelandfootwear.org	01/16/2010	No	Yes	No
Collective Brands, Inc. (parent company of Payless ShoeSource, Inc.) Michael Massey, michael.massey@collectivebrands.com	12/14/2009	No	Yes	No
E. S. Originals, Inc. Joseph Safdeye, 212-736-8366	12/04/2009	No	Yes	Yes
Footwear Distributors & Retailers of America Matt Priest, mpriest@fdra.org	01/14/2010	No	Yes	No
Miller & Chevalier PLLC John Magnus (counsel to E.S. Originals, Inc.), jmagnum@milchev.com	02/23/2010	Yes	Yes	Yes

Technical comments:⁴

With regard to the estimated revenue loss shown above, the proponent of the bill has indicated a willingness to narrow the product description in the bill so as to result in a lower figure, but no information on a potential revised description is available.

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. 2425

To suspend temporarily the duty on certain women’s footwear.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

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

A BILL

To suspend temporarily the duty on certain women’s 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 WOMEN’S 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	Other footwear for women, with outer soles and uppers of rubber or plastics, valued at more than \$3 but not more than \$6.50 per pair, other than house slippers (provided for in subheading 6402.99.70)	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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