

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: August 2, 2006]²

Bill No. and sponsor: S.2848 (Mr. Sam Brownback of Kansas).

Proponent name, location: Payless Shoesource Worldwide, Inc.

Other bills on product (109th 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)):

Footwear with outer soles and uppers of rubber or plastics, incorporating a protective metal toecap, having uppers of which over 90 percent of the external surface area (including any accessories or reinforcements such as those mentioned in note 4(a) to chapter 64) is rubber or plastics (provided for in subheading 6402.30.30).

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 bill covers work footwear with outer soles and uppers of rubber or plastics, incorporating a protective metal toecap. U.S. imports of the subject footwear totaled just under \$9 million in 2005. China was the leading supplier of these imports.

Estimated effect on customs revenue:

| HTS subheading: <u>6402.30.30</u> | | | | | |
|-----------------------------------------|-------------|--------------|--------------|--------------|--------------|
| | 2006 | 2007 | 2008 | 2009 | 2010 |
| Col. 1-General rate of duty | 6% | 6% | 6% | 6% | 6% |
| Estimated value <i>dutiable</i> imports | \$9,500,000 | \$10,200,000 | \$11,000,000 | \$11,800,000 | \$12,700,000 |
| Customs revenue loss | \$570,000 | \$612,000 | \$660,000 | \$708,000 | \$762,000 |

Source of estimated dutiable import data: Commission estimates based on data provided by industry.

¹ Industry analyst preparing report: Laura Rodriguez (202-205-3499); Tariff Affairs contact: Jan Summers (202-205-3065).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

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 Worldwide, Inc. (Proponent) Curtis Sneden, Director of Government Affairs (785-295-6615) | 06/14/2006 | No | No | No |
| Rubber and Plastic Footwear Manufacturers Association Mitchell Cooper, Counsel (202-331-1848) | 06/14/2006 | No | No | No |
| American Apparel and Footwear Association Nate Herman, Director of International Trade (703-797-9062) | 06/15/2006 | No | No | No |
| Footwear Distributors and Retailers of America Peter T. Mangione, President (202-737-5660) | 06/14/2006 | No | No | No |

Technical comments:³ None.

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.

109TH CONGRESS
2^D SESSION

S. 2848

To suspend temporarily the duty on certain footwear.

IN THE SENATE OF THE UNITED STATES

MAY 18, 2006

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 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 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:

| | | | | | | | |
|---|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------|-----------|-------------------------|----|
| “ | 9902.10.18 | Footwear with outer soles and uppers of rubber or plastics, incorporating a protective metal toecap, having uppers of which over 90 percent of the external surface area (including any accessories or reinforcements such as those mentioned in note 4(a) to chapter 64) is rubber or plastics (provided for in subheading 6402.30.30) | Free | No change | No change | On or before 12/31/2009 | ”. |
|---|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------|-----------|-------------------------|----|

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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