## UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109<sup>th</sup> Congress <sup>1</sup>

[Date approved: September 11, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 3124 (Mr. Patrick J. Leahy, Vermont).

Proponent name, location: SnowSports Industries America, McLean, VA.

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

**Nature of bill:** Extension of existing temporary provision, as modified, through December 31, 2009.

Retroactive effect: None.

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

Ski boots, cross country ski footwear or snowboard boots, the foregoing valued over \$12/pair, with outer soles of rubber, plastics, leather or composition leather and uppers of textile materials (provided for in subheading 6404.11.90).

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 specific boots with textile uppers that are designed for snow sports—namely, ski boots, cross country ski footwear, and snowboard boots valued at over \$12 per pair, whether for men, women, or children. The existing provision has provided a duty reduction to the subject goods; this bill would extend the provision but as a duty suspension measure. China is the leading supplier of these imports.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Laura Rodriguez (202-205-3499); Tariff Affairs contact: Jan Summers (202-205-3065).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <a href="http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm">http://usitc.gov/tata/hts/other/rel\_doc/bill\_reports/index.htm</a>.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>6404.11.90</u>								
$\bigg\rangle$	2006	2007	2008	2009	2010			
Col. 1-General rate of duty	20%	20%	20%	20%	20%			
Estimated value <i>dutiable</i> imports <sup>3</sup>	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000			
Customs revenue loss	\$240,000	\$240,000	\$240,000	\$240,000	\$240,000			

Source of estimated dutiable import data: Commission and industry estimates based on trade data provided by the U.S. Department of Commerce.

#### 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)		
SnowSports Industries America (Proponent) David Ingemie, President, 703-556-9020	07/11/2006	No	No	No
DLA Piper Rudnick Gray Cary Katherine J. Mueller, Counsel, 202-861-3407	07/12/2006	No	No	No
Rubber and Plastic Footwear Manufacturers Association Mitchell Cooper, Counsel, 202-331-1848	07/5/2006	No	No	No
American Apparel and Footwear Association Nate Herman, 703-797-9062	07/5/2006	No	No	No
Footwear Distributors and Retailers of America Peter T. Mangione, President, 202-737-5660	07/24/2006	No	No	No

#### Technical comments:4

To be more consistent with normal drafting practices in the HTS, and to take into account the expansion of scope of the duty suspension, it is suggested that the article description for heading 9902.64.04 should be modified to appear as shown on page 1.

The estimated data for dutiable imports, and thus the customs revenue losses shown, reflect the expansion of the scope of the existing duty suspension for these goods under heading 9902.64.04 that expires on December 31, 2006.

<sup>&</sup>lt;sup>4</sup> 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 2D SESSION

## S. 3124

To suspend temporarily the duty on ski boots, cross country ski footwear and snowboard boots.

#### IN THE SENATE OF THE UNITED STATES

May 25, 2006

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

### A BILL

To suspend temporarily the duty on ski boots, cross country ski footwear and snowboard boots.

1 Be it enacted by the Senate and House of Representa2 tives of the United States of America in Congress assembled,
3 SECTION 1. EXTENSION OF CERTAIN EXISTING DUTY SUS4 PENSIONS AND REDUCTIONS.
5 (a) OTHER MODIFICATIONS.—
6 (1) SNOWBOARD BOOTS.—Heading 9902.64.04
7 of the Harmonized Tariff Schedule of the United
8 States is amended—

1	(A) by striking "Snowboard" and inserting
2	"Ski boots, cross country ski footwear and
3	snowboard";
4	(B) by striking "4%" and inserting
5	"Free"; and
6	(C) by striking "12/31/2006" and inserting
7	"12/31/2009".
8	(b) Effective Date.—The amendments made by
9	subsection (a) apply to goods entered, or withdrawn from
10	warehouse for consumption, on or after the 15th day after
11	the date of the enactment of this Act.

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