### 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: October 4, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 3572 (Mr. Tom Carper of Delaware).

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

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)):

Women's footwear with outer soles and uppers of rubber or plastics (except footwear of vulcanized rubber and footwear with waterproof molded bottoms, including bottoms comprising an outer sole and all or part of the upper), valued over \$20/pair, covering the ankle, whose height from the bottom of the outer sole to the top of the upper does not exceed approximately 20.3 cm, such footwear 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 6402.91.50).

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, with outer soles and uppers of rubber or plastics, 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.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Laura Rodriguez (202-205-3499); Tariff Affairs contact: Jan Summers (202-205-2605).

<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>6402.91.50</u>								
$\searrow$	2006	2007	2008	2009	2010			
Col. 1-General rate of duty	37.5%	37.5%	37.5%	37.5%	37.5%			
Estimated value <i>dutiable</i> imports	\$417,855	\$438,748	\$458,385	\$482,511	\$507,907			
Customs revenue loss	\$156,696	\$164,531	\$171,894	\$180,942	\$190,465			

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

#### 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)		
Outdoor Industry Association (Proponent) Alex Boian, 303-444-3353	08/10/2006	No	Yes	No
American Apparel and Footwear Association Nate Herman, 703-797-9062	08/01/2006	No	No	No
Columbia Sportswear Jeff Tooze, 503-985-4039	08/03/2006	No	No	No
Footwear Distributors and Retailers of America Peter T. Mangione, 202-737-5660	08/03/2006	No	No	No
Rubber and Plastic Footwear Mfg. Association Mitchell Cooper, 202-331-1848	08/01/2006	No	No	No
VF Corporation/North Face Patrick Fox, 562-565-8267, ext. 7, 7974	08/23/2006	No	No	No
W.L. Gore & Associates Mike Ratchford, 302-292-4147	08/22/2006	No	No	No

#### **Technical comments:**<sup>3</sup>

It is suggested that the article description be modified as shown on page 1, to track the permanent tariff category more closely, to indicate more clearly what goods are excluded, and to convert the English unit of measurement to its rounded metric equivalent.

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.

## S. 3572

To suspend temporarily the duty on certain women's footwear with coated or laminated textile fabrics.

#### IN THE SENATE OF THE UNITED STATES

June 27, 2006

Mr. Carper 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 with coated or laminated textile fabrics.

- 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 WITH COATED
- 4 OR LAMINATED TEXTILE FABRICS.
- 5 (a) IN GENERAL.—Subchapter II of chapter 99 of
- 6 the Harmonized Tariff Schedule of the United States is
- 7 amended by inserting in numerical sequence the following
- 8 new heading:

2

		1					
"	9902.64.01	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,					
		whose height from the bot-					
		tom of the outer sole to the					
		top of the upper does not ex-					
		ceed 8 inches, designed to be					
		worn in lieu of, but not over,					
		other footwear as a protec-					
		tion against water, oil,					
		grease or chemicals or cold					
		or inclement weather where					
		such protection includes pro-					
		tection against water that is					
		imparted by the use of a					
		coated or laminated textile					
		fabric (provided in sub-					
		heading 6402.91.50)	Free	No change	No change	On or before	
		neading 0402.91.50)	r ree	No enange	No enange		,,
	1	I	I	l	I	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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