

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: September 28, 2006]²

Bill No. and sponsor: S. 3574 (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)):

Men'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, 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 6402.99.20).

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 men'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.

¹ Industry analyst preparing report: Laura Rodriguez (202-205-3499); Tariff Affairs contact: Jan Summers (202-205-2605).

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

Estimated effect on customs revenue:

| HTS subheading: 6402.99.20 | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| | 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 | \$172,748 | \$181,385 | \$190,454 | \$199,977 | \$209,976 |
| Customs revenue loss | \$64,781 | \$68,019 | \$71,420 | \$74,991 | \$78,741 |

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 | 06/22/2006 | No | No | No |

Technical comments:³

It is suggested that the article description be modified slightly as shown on page 1, to enclose the excluded footwear in parentheses and make the grammar of the provision clearer.

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. 3574

To suspend temporarily the duty on certain men's footwear valued over \$20 a pair 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 men's footwear valued over \$20 a pair 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 MEN'S FOOTWEAR VALUED OVER \$20**
4 **A PAIR WITH COATED OR LAMINATED TEX-**
5 **TILE FABRICS.**

6 (a) IN GENERAL.—Subchapter II of chapter 99 of
7 the Harmonized Tariff Schedule of the United States is
8 amended by inserting in numerical sequence the following
9 new heading:

| | | | | | | | |
|---|------------|--|------|-----------|-----------|-------------------------|----|
| “ | 9902.64.06 | Men’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, 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 sub-heading 6402.99.20) | 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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