

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: January 30, 2006]²

Bill No. and sponsor: H.R. 3485 (Mr. Jim Ryun, Kansas).

Proponent name, location: Payless ShoeSource®, Topeka, KS.

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)):

9902.64.12 Welt footwear with outer soles of rubber, plastics, leather or composition leather and uppers of pigskin, incorporating a protective metal toe-cap (provided for in subheading 6403.40.30).

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 welt³ footwear that has a protective metal toe-cap and outer soles of rubber, plastics, leather, or composition leather, and pigskin uppers (statistical reporting number 6403.40.3030).

Dutiable U.S. imports of the subject footwear entering under HTS subheading 6403.40.30 totaled about \$463,000 in 2004; however, dutiable imports in 2003 were only \$228,000, and the quantities have varied over time. China was the leading supplier of these imports in 2004.

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

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

³ The term "welt footwear" means footwear constructed with a welt, i.e., a strip of material that runs around the perimeter of the sole or upper; the welt and shoe upper are sewed to a lip on the surface of the insole, and the outsole is sewed or cemented to the welt. Richard Foley, National Import Specialist, U.S. Customs and Border Protection, telephone interview with Commission staff, Nov. 23, 2005, and the Harmonized Tariff Schedule of the United States (2005), chapter 64, additional U.S. note 1 (a).

Estimated effect on customs revenue:

HTS subheading 6403.40.30					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	5%	5%	5%	5%	5%
Estimated value <i>dutiable</i> imports <u>1/</u>	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Customs revenue loss	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000

1/ No data are included on imports now entering free of duty or at reduced duty rates under U.S. free trade agreements or tariff preference programs; such imports may be affected by changes in the general duty rate on the subject goods.

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

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
Payless ShoeSource® (Proponent) Curtis Sneden, Director of Government Affairs (785-295-6615)	11/09/05	No	Yes	No
American Apparel and Footwear Association Nate Herman, Director of International Trade (703-797-9062)	11/15/05	No	No	No
Footwear Distributors and Retailers of America Peter T. Mangione, President (202-737-5660)	11/18/05	No	No	No
Rubber and Plastic Footwear Manufacturers Association Mitchell Cooper, Counsel (202-331-1858)	11/07/05	No	No	No

Technical comments:⁴

To be consistent with the HTS usage, the comma after “leather” should be deleted.

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that U.S. Customs and Border Protection should be consulted prior to enactment of the bill.

109TH CONGRESS
1ST SESSION

H. R. 3485

To suspend temporarily the duty on certain work footwear.

IN THE HOUSE OF REPRESENTATIVES

JULY 27, 2005

Mr. RYUN of Kansas introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To suspend temporarily the duty on certain work 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 WORK 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:

“	9902.64.12	Welt footwear with outer soles of rubber, plastics, leather, or composition leather and uppers of pigskin, incorporating a protective metal toe-cap (provided for in subheading 6403.40.30)	Free	No change	No change	On or before 12/31/2009	”.
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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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