



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Basketballs, having an external surface other than leather or rubber (provided for in subheading 9506.62.80)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same
- Different (see Technical Comments section)

III. Other product information, including uses/applications and source(s) of imports

Basketballs have covers made of different materials, including leather, rubber, or various man-made materials. All basketballs have a core composed of a butyl, natural, or combination rubber bladder (with molded inflation valve) that is subsequently wound with a polyester or nylon material to protect it and maintain its shape. A partially cured rubber carcass consisting of two half shells is placed over the wound core and cured under pressure in a hot mold. The carcasses for the subject basketballs, those not made of leather or rubber, are formed in molds that produce a smooth, black, round surface with raised ridges that provide channels for the cover material. Die-cut "synthetic leather" (polyurethane or polyvinyl chloride) panels are then affixed with glue and hand-assembled into the channels, so that a high pressure molding process insures a tight bond of the cover materials to the carcass. Basketballs with the cover materials noted above are designed for either indoor or outdoor use.

China was the dominant source for U.S. imports of basketballs other than those of leather or rubber in 2011, followed by Thailand.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	9506.62.80				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%)	4.8	4.8	4.8	4.8	4.8
Estimated value of <i>dutiable</i> imports (\$)	35,000,000	35,000,000	35,000,000	35,000,000	35,000,000
Customs revenue loss (\$)	1,680,000	1,680,000	1,680,000	1,680,000	1,680,000

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, 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 Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce
- Provided by industry sources
- Industry information
- Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
- This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%) Temporary rate (%) Percentage point reduction (%)

V. Technical comments

The bill would extend heading 9902.13.07 but would replace the existing reduced duty rate of 1.1 percent ad valorem with a new duty rate of free. S. 2798 seeks only an extension of heading 9902.13.07, with the existing reduced duty rate.

VI. Continuation

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VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	Russell Brands LLC, Spalding Division (Interested entity) Charles Sanders	270-935-2184	No	No	No
2	Adidas Paul Ehrlich	971-234-2394	No	No	No
3	Antioch Sporting Goods Steve Pipoly	623-341-1221	No	No	No
4	Baden Sports Michael Schindler	253-925-0500	No	No	No
5	Champion Howard Meller	732-294-5561	No	No	No
6	Champro Sports Megan Hunt	847-229-4050	No	No	No
7	Escalade Sports Michael Guerzini	812-467-1233	No	No	No
8	Franklin Sport Larry Franklin Joe O'Connor	781-344-1111	No	No	No
9	GameMaster Athletics Garret Kamstra	859-746-9800 x 107	No	No	No
10	K Concepts Kurt Kay	717-843-3873	No	No	No
11	Markwort Sporting Goods Co. Herbert W. Markwort	314-652-8935	No	No	No
12	Mikasa Sports USA Nick Bettis	706-369-9370	No	No	No
13	Molten USA Inc. Leigh Ann Davis	775-353-4000 x 217	No	No	No
14	NBA Properties Lauren Hendricks	212-407-8000	No	No	No
15	Nike Jennifer Bendall	202-543-6453	No	No	No
16	Olympia Sports Bill Mulka	743-761-5173	No	No	No
17	Park & Sun Ron Padilla	303-935-8449	No	No	No
18	UnderArmour/PSI91 Dan Touhey	855-848-7832	No	No	No

	#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
	19	Rawlings Sporting Goods Robert Parish	314-819-2801	No	No	No
	20	Reebok International Ltd. Erik Bodenhofer	781-401-7288	No	No	No
	21	Regent Sports Stacie Ewing	631-297-6646	No	No	No
	22	Sporting Goods Manufacturers Association Bill Sells	301-495-6321 x 417	No	No	No
	23	Tachikara USA Inc Roger Revelle	913-498-1881	No	No	No
	24	UniSource Global Solutions Carl Ferraro	516-606-0605	No	No	No
	25	Wilson Sporting Goods Company Chris Considine	773-714-6860	No	No	No

112TH CONGRESS
2D SESSION

H. R. 4714

To suspend temporarily the duty on basketballs, having an external surface other than leather or rubber.

IN THE HOUSE OF REPRESENTATIVES

APRIL 25, 2012

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

A BILL

To suspend temporarily the duty on basketballs, having an external surface other than leather or rubber.

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. BASKETBALLS, HAVING AN EXTERNAL SUR-**
4 **FACE OTHER THAN LEATHER OR RUBBER.**

5 (a) IN GENERAL.—Heading 9902.13.07 of the Har-
6 monized Tariff Schedule of the United States (relating to
7 basketballs, having an external surface other than leather
8 or rubber) is amended—

9 (1) by striking “1.1%” and inserting “Free”;

10 and

1 (2) by striking “12/31/2012” and inserting
2 “12/31/2015”.

3 (b) EFFECTIVE DATE.—The amendments made by
4 subsection (a) apply with respect to goods entered, or
5 withdrawn from warehouse for consumption, on or after
6 the 15th day after the date of enactment of this Act.

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