

# UNITED STATES INTERNATIONAL TRADE COMMISSION

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

		Date approved	August 20, 2012					
I. Background	I							
Bill number:	H.R. 55	61						
Sponsor name: Sponsor state:	Mr. Ear	l Blumenauer						
nterested entity	<b>:</b>							
Name Nike, Inc.								
City	Beaverto	n						
State	OR							
Other bills on pro		12th Congress only): None orary duty suspension						
Expiration date:	12/31	/2015						
Current or previo	ous chap	nter 99 heading: None						
Retroactive date	<b>:</b> :	None						
CAS number (if a	applicab	e): None						
ndustry analyst:	. [	Laura V. Rodriguez						
ridustry arialyst. Felephone:	-	202-205-3499						
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#### Note:

Tariff Affairs contact:

Telephone:

Jan Summers 202-205-2605

<sup>1.</sup> Access to an electronic copy of this memorandum is available at <a href="http://www.usitc.gov/tariff\_affairs/congress\_reports/">http://www.usitc.gov/tariff\_affairs/congress\_reports/</a>.

<sup>2.</sup> 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)):

Sports footwear with outer soles and uppers of rubber or plastics, other than such footwear for men or women, the foregoing valued at \$10.00/pair or higher but not over \$13/pair, with cleats, and having uppers of which over 90 percent of the external surface area (including any accessories or reinforcements) is rubber or plastics (except footwear having foxing or a foxing-like band applied or molded at the sole and overlapping the upper and except footwear designed to be worn over, or in lieu of, other footwear as a protection against water, oil, grease or chemicals or cold or inclement weather) (provided for in subheading 6402.19.15)

(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

The subject product includes particular children's sports footwear with cleats, and with outer soles and uppers of rubber or plastics. Vietnam and China are the leading sources of such footwear.

#### IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	6402.19.15						
ltem	2013	2014	2015	2016	2017		
Col.1-general rate of duty or percentage point reduction (%)	5.1	5.1	5.1	5.1	5.1		
Estimated value of <i>dutiable</i> imports (\$)	58,200,000	58,300,000	58,400,000	58,500,000	58,600,000		
Customs revenue loss (\$)	2,968,200	2,973,300	2,978,400	2,983,500	2,988,600		

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
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 (%) Percentage point reduction (%)

#### V. Technical comments

The article description set forth above was modified to conform more closely with other HTS provisions for footwear.

#### **VI. Continuation**

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### VII. Contacts with domestic firms/organizations

			Claims same or competing product made in the United	Submission	Opposition
#	Firm/organization and contact name	Telephone number	States	attached	noted
1	Nike, Inc. (Interested entity) Jennifer Bendall	202-543-6453	No	No	No
2	American Apparel and Footwear Association Nate Herman	703-797-9062	No	No	No
3	American Manufacturing Trade Action Coalition Sara Beatty	202-452-0866	No	No	No
4	Footwear Distributors and Retailers of America Stephanie Ward	202-737-5660	No	No	No
5	National Retail Federation Erik Autor	202-250-9580	No	No	No
6	National Council of Textile Organizations Michael Hubbard	704-824-3522	No	No	No
7	New Balance Kelly Callahan	978-725-2680	No	No	No
8	Rubber and Plastic Footwear Manufacturers Association Jamie Hunter	202-857-6000	No	No	No

## H. R. 5561

To suspend temporarily the rate of duty on certain sports footwear.

#### IN THE HOUSE OF REPRESENTATIVES

May 8, 2012

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

## A BILL

To suspend temporarily the rate of duty on certain sports 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 SPORTS 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:

	in the second se						
"	9902.01.00	Sports footwear with outer					
		soles and uppers of rubber					
		or plastics, other than such					
		sports footwear for men or					
		women, the foregoing val-					
		ued at \$10/pair or more					
		but not over \$13/pair, and					
		with cleats, and having up-					
		pers of which over 90% of					
		the external surface area					
		(including any accessories					
		or reinforcements) is rub-					
		ber or plastics, (except					
		footwear having foxing or a					
		foxing-like band applied or					
		molded at the sole and					
		overlapping the upper and					
		except footwear designed					
		to be worn over, or in lieu					
		of, other footwear as a pro-					
		tection against water, oil,					
		grease or chemicals or cold					
		or inclement weather (pro-					
		vided for in subheading					
		6402.19.15)	Free	No change	No change	On or before	
		0102.10.10)	1100	110 change	110 Change	12/31/2015	,,
						14/01/4010	

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to articles entered, or withdrawn
- 3 from warehouse for consumption, on or after the 15th day
- 4 after the date of the enactment of this Act.

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