



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)):

Footwear for use in producing fishing waders, each consisting of an outer sole affixed to an incomplete or unfinished upper to which additional upper parts or material (whether or not of textile material) must be affixed to produce waders comprising footwear and attached trouser-type or breeches-type garment, the legs of which are sewn to the upper, with such footwear having a bottom of vulcanized rubber and either hand made or produced by the hand-laid assembly process, the foregoing footwear not designed to be worn over other footwear when complete (provided for in subheading 6401.99.30 or 6401.99.60)

(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 unfinished rubber boots that will be attached to a U.S.-made sewn garment to construct a hip-high or waist-high fishing wader and garment combination. China is the leading source of such footwear. The prior provision expired in 2006. Opposition to this bill is noted below in the Contacts table.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	Total Estimated Customs Revenue Losses (1,000s)				
	2013	2014	2015	2016	2017
Item					
Col.1-general rate of duty (%) or percentage point reduction	26.25	26.25	26.25	26.25	26.25
Estimated value of <i>dutiable</i> imports (\$)	1,000,000	1,100,000	1,200,000	1,300,000	1,400,000
Customs revenue loss (\$)	262,500	288,750	315,000	341,250	367,500

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 article description set forth above was modified for greater clarity to describe more closely the products imported by the interested entity. Because the upper of such footwear is roughly finished but the footwear itself is waterproof, we suggest an "actual use" provision to limit this provision to the product of interest. Customs officials would need to verify the

use of the imported goods within three years of the date of each entry to ascertain whether the required use was accomplished.

VI. Continuation

Estimated effect on customs revenue - continued:

HTS No. 6401.99.30 (25.0%)

2013-\$225,000

2014-\$258,875

2015-\$283,500

2016-\$307,125

2017-\$330,750

HTS No. 6401.99.60 (37.5%)

2013-\$37,500

2014-\$29,875

2015-\$31,500

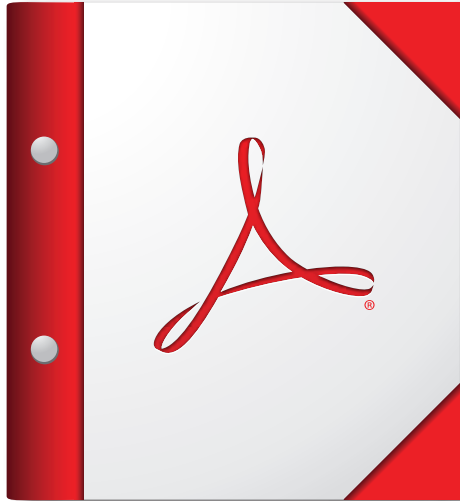
2016-\$34,125

2017-\$36,750

The rate shown in the main table is a weighted average rate and not the actual HTS rate or a percentage point reduction.

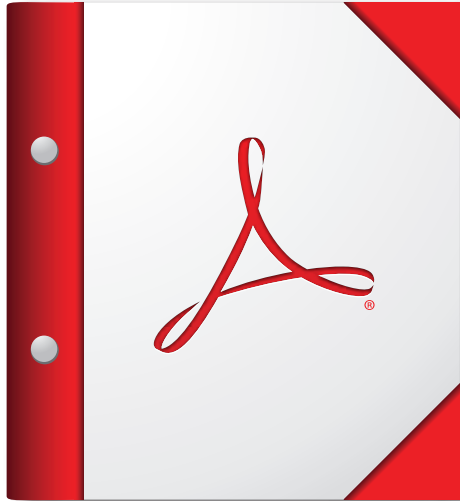
VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	Simms Fishing Products (Interested entity) Robert Gibson	406-585-3557	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 Matt Priest	202-737-5660	No	No	No
5	Genfoot America, Inc. Gordon Cook	603-444-2668	Yes	Yes	Yes
6	Heartland Footwear John Callanan	617-818-3225	Yes	Yes	Yes
7	National Retail Federation Erik Autor	202-250-9580	No	No	No
8	National Council of Textile Organizations Michael Hubbard	704-824-3522	No	No	No
9	Onguard Industries Chris Maistros	410-272-2000	No	No	No
10	Rubber and Plastic Footwear Manufacturers Association Jamie Hunter	202-857-6000	Yes	Yes	Yes



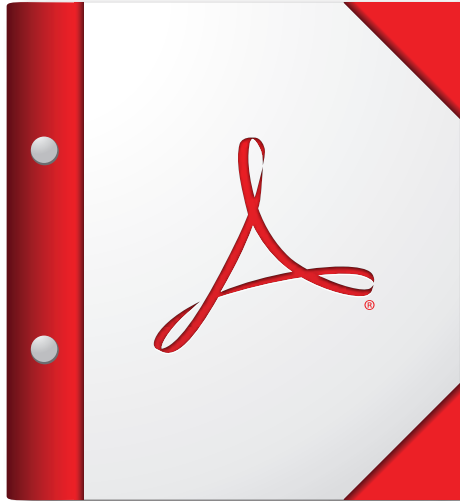
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112TH CONGRESS
2D SESSION

S. 2883

To renew the temporary suspension of duty on certain footwear consisting of an outer sole affixed to an incomplete or unfinished upper.

IN THE SENATE OF THE UNITED STATES

MAY 8, 2012

Mr. BAUCUS introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To renew the temporary suspension of duty on certain footwear consisting of an outer sole affixed to an incomplete or unfinished upper.

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 FOOTWEAR CONSISTING OF AN**
4 **OUTER SOLE AFFIXED TO AN INCOMPLETE**
5 **OR UNFINISHED UPPER.**

6 (a) IN GENERAL.—Heading 9902.05.35 of the Har-
7 monized Tariff Schedule of the United States (relating to
8 certain footwear consisting of an outer sole affixed to an
9 incomplete or unfinished upper) is amended by striking

1 the date in the effective period column and inserting “12/
2 31/2015”.

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

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