

115TH CONGRESS
1ST SESSION

H. R. 2735

To make certain footwear eligible for duty-free treatment under the
Generalized System of Preferences, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 25, 2017

Mr. SMITH of Nebraska (for himself and Mr. BLUMENAUER) introduced the
following bill; which was referred to the Committee on Ways and Means

A BILL

To make certain footwear eligible for duty-free treatment
under the Generalized System of Preferences, and for
other purposes.

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. SHORT TITLE.**

4 This Act may be cited as the “GSP Footwear Act
5 of 2017”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) The Generalized System of Preferences
9 under title V of the Trade Act of 1974 (19 U.S.C.
10 2461 et seq.) was enacted to promote economic de-

1 velopment in developing and least-developed coun-
2 tries by expanding trade opportunities.

3 (2) Articles referred to as footwear and classi-
4 fied under chapter 64 of the Harmonized Tariff
5 Schedule of the United States may not be designated
6 as eligible articles for purposes of the Generalized
7 System of Preferences.

8 (3) Global trade and manufacturing dynamics
9 have evolved since the enactment of the Generalized
10 System of Preferences in 1974, and many footwear
11 articles may no longer be import-sensitive to indus-
12 tries in the United States. Companies in the United
13 States benefit when sourcing options are increased,
14 which is key goal of the Generalized System of Pref-
15 erences.

16 (4) By removing certain footwear articles from
17 the list of articles excluded from eligibility under the
18 Generalized System of Preferences, Congress is not
19 changing rates in the Harmonized Tariff Schedule of
20 the United States, but instead is allowing those arti-
21 cles access to the annual review process under the
22 Generalized System of Preferences, which relies on
23 investigations and recommendations from the inde-
24 pendent United States International Trade Commis-

1 sion, among other agencies of the United States
2 Government.

3 (5) As of 2015, 66 of the 124 countries des-
4 ignated as beneficiary developing countries under the
5 Generalized System of Preferences export to the
6 United States articles classified under Chapter 64 of
7 the Harmonized Tariff Schedule of the United
8 States. Fifteen of those countries have been des-
9 ignated as least-developed beneficiary developing
10 countries for purposes of the Generalized System of
11 Preferences.

12 (6) Countries designated as beneficiary devel-
13 oping countries under the Generalized System of
14 Preferences account for only 6.7 percent of imports
15 of footwear into the United States.

16 (7) The provision of duty-free treatment under
17 the Generalized System of Preferences for certain
18 footwear articles imported into the United States
19 may result in a shift in the production of those arti-
20 cles to countries designated as beneficiary developing
21 countries or least-developed beneficiary developing
22 countries under the Generalized System of Pref-
23 erences, and thereby promote economic growth in
24 such countries.

1 **SEC. 3. PURPOSE.**

2 The purpose of this Act is—

3 (1) to provide duty-free treatment for certain
4 footwear in a manner that provides as broad a ben-
5 efit to all participating countries as possible; and

6 (2) to give all countries eligible for such duty-
7 free treatment an opportunity to manufacture that
8 footwear if a review determines that such duty-free
9 treatment is warranted.

10 **SEC. 4. ELIGIBILITY OF CERTAIN FOOTWEAR FOR DUTY-**
11 **FREE TREATMENT UNDER THE GENERAL-**
12 **IZED SYSTEM OF PREFERENCES.**

13 Section 503(b) of the Trade Act of 1974 (19 U.S.C.
14 2463(b)) is amended—

15 (1) by designating the second paragraph (5) as
16 paragraph (6);

17 (2) in paragraph (1)—

18 (A) in subparagraph (A), by striking
19 “paragraphs (4) and (5)” and inserting “para-
20 graphs (4) and (6)”; and

21 (B) in subparagraph (E), by striking “in
22 paragraph (5)” and inserting “in paragraphs
23 (6) and (7)”; and

24 (3) by adding at the end the following:

1 “(7) CERTAIN FOOTWEAR.—Notwithstanding
2 paragraph (1)(E), the President may designate the
3 following as eligible articles under subsection (a):

4 “(A) Articles classifiable under subheading
5 6402.91.42, 6402.99.21, 6402.99.31,
6 6402.99.32, 6404.11.79, 6404.19.79, or
7 6404.19.90 of the Harmonized Tariff Schedule
8 of the United States.

9 “(B) Articles classifiable under statistical
10 reporting number 6404.11.8930, 6404.11.8960,
11 6404.11.8990, 6404.19.3715, 6404.19.3730,
12 6404.19.3760, 6404.19.5730, 6404.19.5760,
13 6404.19.7730, 6404.19.7760, 6404.19.8930,
14 6404.19.8960, or 6404.19.8990 of the Har-
15 monized Tariff Schedule of the United States,
16 as such statistical reporting numbers are in ef-
17 fect on the date of the enactment of the GSP
18 Footwear Act of 2017.

19 “(C) The following footwear articles:

20 “(i) Footwear for men or for women,
21 with outer soles and uppers of rubber or
22 plastics (except vulcanized footwear and
23 footwear with waterproof molded or vul-
24 canized bottoms, including bottoms com-
25 prising an outer sole and all or part of the

1 upper, and except footwear designed to be
2 protective that is incomplete in its condi-
3 tion as imported), valued at more than \$25
4 per pair, whose height from the bottom of
5 the outer sole to the top of the upper does
6 not exceed 10 inches (25.4 centimeters),
7 designed to be worn in lieu of, but not
8 over, other footwear as a protection
9 against water, oil, grease, or chemicals or
10 cold or inclement weather where such pro-
11 tection includes protection against water
12 that is imparted by the use of a laminated
13 textile fabric (provided for in subheading
14 6402.91.50 of the Harmonized Tariff
15 Schedule of the United States).

16 “(ii) Footwear for persons other than
17 men or women, with outer soles and up-
18 pers of rubber or plastics (except vulcan-
19 ized footwear and footwear with waterproof
20 molded or vulcanized bottoms, including
21 bottoms comprising an outer sole and all
22 or part of the upper, and except footwear
23 designed to be protective that is incomplete
24 in its condition as imported), valued at
25 more than \$16 per pair, designed to be

1 worn in lieu of, but not over, other foot-
2 wear as a protection against water, oil,
3 grease, or chemicals or cold or inclement
4 weather where such protection includes
5 protection against water that is imparted
6 by the use of a laminated textile fabric
7 (provided for in subheading 6402.91.50 of
8 the Harmonized Tariff Schedule of the
9 United States).

10 “(iii) Footwear for persons other than
11 men or women, with outer soles and up-
12 pers of rubber or plastics (other than
13 sports footwear described in Subheading
14 Note 1 to chapter 64 of the Harmonized
15 Tariff Schedule of the United States) that
16 is designed for outdoor activities, such as
17 hiking shoes, trekking shoes, running
18 shoes, and trail running shoes, which pro-
19 vides protection against water that is im-
20 parted by the use of a laminated textile
21 fabric, with or without insulation, valued
22 at more than \$16 per pair (provided for in
23 subheading 6402.91.50 of the Harmonized
24 Tariff Schedule of the United States).

1 “(iv) Footwear for men or for women,
2 with outer soles and uppers of rubber or
3 plastics (other than sports footwear de-
4 scribed in Subheading Note 1 to chapter
5 64 of the Harmonized Tariff Schedule of
6 the United States) that is designed for out-
7 door activities, such as hiking shoes, trek-
8 king shoes, running shoes and trail run-
9 ning shoes, valued at more than \$25 per
10 pair, which provides protection against
11 water that is imparted by the use of a lam-
12 inated textile fabric, with or without insu-
13 lation, whose height from the bottom is at
14 least 6 inches (15.35 centimeters) and does
15 not exceed 10 inches (25.4 centimeters)
16 (provided for in subheading 6402.91.50 of
17 the Harmonized Tariff Schedule of the
18 United States).

19 “(v) Footwear for men or for women,
20 with outer soles and uppers of rubber or
21 plastics (except vulcanized footwear and
22 footwear with waterproof molded bottoms
23 or vulcanized bottoms, including bottoms
24 comprising an outer sole and all or part of
25 the upper, and except footwear designed to

1 be protective that is incomplete in its con-
2 dition as imported), not covering the ankle
3 or having a protective metal-toe cap, val-
4 ued at more than \$25 per pair, designed to
5 be worn in lieu of, but not over, other foot-
6 wear as a protection against water, oil,
7 grease, or chemicals or cold or inclement
8 weather where such protection includes
9 protection against water that is imparted
10 by the use of a laminated textile fabric
11 (provided for in subheading 6402.99.33 of
12 the Harmonized Tariff Schedule of the
13 United States).

14 “(vi) Footwear for persons other than
15 men or women, with outer soles and up-
16 pers of rubber or plastics (except vulcan-
17 ized footwear and footwear with waterproof
18 molded bottoms or vulcanized bottoms, in-
19 cluding bottoms comprising an outer sole
20 and all or part of the upper, and except
21 footwear designed to be protective that is
22 incomplete in its condition as imported),
23 not covering the ankle or having a protec-
24 tive metal-toe cap, valued at more than
25 \$16 per pair, designed to be worn in lieu

1 of, but not over, other footwear as a pro-
2 tection against water, oil, grease, or chemi-
3 cals or cold or inclement weather where
4 such protection includes protection against
5 water that is imparted by the use of a lam-
6 inated textile fabric (provided for in sub-
7 heading 6402.99.33 of the Harmonized
8 Tariff Schedule of the United States).

9 “(vii) Sports footwear for men or for
10 women with outer soles of rubber or plas-
11 tics and uppers of textile, valued at more
12 than \$20 per pair, other than ski boots,
13 cross country ski footwear, and snowboard
14 boots, designed to be worn in lieu of, but
15 not over, other footwear as a protection
16 against water, oil, grease, or chemicals or
17 cold or inclement weather where such pro-
18 tection is imparted by the use of a lami-
19 nated textile and with openings in the bot-
20 tom or side of the sole, or covered openings
21 in the upper above the sole unit, or a com-
22 bination thereof, designed to permit mois-
23 ture vapor transport from under the foot
24 (provided for in subheading 6404.11.90 of

1 the Harmonized Tariff Schedule of the
2 United States).

3 “(viii) Golf footwear for men, youths,
4 or boys with outer soles of rubber, plastics,
5 leather, or composition leather and uppers
6 of leather, not pigskin or welt, designed to
7 be worn in lieu of, but not over, other foot-
8 wear as a protection against water, oil,
9 grease, or chemicals or cold or inclement
10 weather where such protection is imparted
11 by the use of a laminated textile and with
12 openings in the bottom or side of the sole,
13 or covered openings in the upper above the
14 sole unit, or a combination thereof, de-
15 signed to permit moisture vapor transport
16 from under the foot (as provided for under
17 subheading 6403.19.30 of the Harmonized
18 Tariff Schedule of the United States).

19 “(ix) Footwear for men, with uppers
20 of leather other than of pigskin (other than
21 work footwear, tennis shoes, basketball
22 shoes, gym shoes, training shoes and the
23 like, and other than slip-on footwear), cov-
24 ering the ankle, valued at more than \$27
25 per pair, designed to be worn in lieu of,

1 but not over, other footwear as a protec-
2 tion against water, oil, grease, or chemicals
3 or cold or inclement weather where such
4 protection includes protection against
5 water that is imparted by the use of a lam-
6 inated textile fabric (provided for in sub-
7 heading 6403.91.60 of the Harmonized
8 Tariff Schedule of the United States).

9 “(x) Footwear for women, with uppers
10 of leather other than of pigskin (other than
11 work footwear, tennis shoes, basketball
12 shoes, gym shoes, training shoes and the
13 like, and other than slip-on footwear), cov-
14 ering the ankle, valued at more than \$27
15 per pair, designed to be worn in lieu of,
16 but not over, other footwear as a protec-
17 tion against water, oil, grease, or chemicals
18 or cold or inclement weather where such
19 protection includes protection against
20 water that is imparted by the use of a lam-
21 inated textile fabric (provided for in sub-
22 heading 6403.91.90 of the Harmonized
23 Tariff Schedule of the United States).

24 “(xi) Footwear for persons other than
25 men or women, with uppers of leather

1 other than of pigskin (other than work
2 footwear, tennis shoes, basketball shoes,
3 gym shoes, training shoes and the like, and
4 other than slip-on footwear), covering the
5 ankle, valued at more than \$18 per pair,
6 designed to be worn in lieu of, but not
7 over, other footwear as a protection
8 against water, oil, grease, or chemicals or
9 cold or inclement weather where such pro-
10 tection includes protection against water
11 that is imparted by the use of a laminated
12 textile fabric (provided for in subheading
13 6403.91.90 of the Harmonized Tariff
14 Schedule of the United States).

15 “(xii) Footwear for men, with uppers
16 of leather other than of pigskin (other than
17 house slippers, work footwear, tennis
18 shoes, basketball shoes, gym shoes, train-
19 ing shoes and the like, and other than slip-
20 on footwear), not covering the ankle, val-
21 ued at more than \$27 per pair, designed to
22 be worn in lieu of, but not over, other foot-
23 wear as a protection against water, oil,
24 grease, or chemicals or cold or inclement
25 weather where such protection includes

1 protection against water that is imparted
2 by the use of a laminated textile fabric
3 (provided for in subheading 6403.99.60 of
4 the Harmonized Tariff Schedule of the
5 United States).

6 “(xiii) Footwear for women, with up-
7 pers of leather other than of pigskin (other
8 than house slippers, work footwear, tennis
9 shoes, basketball shoes, gym shoes, train-
10 ing shoes and the like, and other than slip-
11 on footwear), not covering the ankle, val-
12 ued at more than \$27 per pair, designed to
13 be worn in lieu of, but not over, other foot-
14 wear as a protection against water, oil,
15 grease, or chemicals or cold or inclement
16 weather where such protection includes
17 protection against water that is imparted
18 by the use of a laminated textile fabric
19 (provided for in subheading 6403.99.90 of
20 the Harmonized Tariff Schedule of the
21 United States).

22 “(xiv) Footwear for persons other
23 than men or women, with uppers of leather
24 other than of pigskin (other than house
25 slippers, work footwear, tennis shoes, bas-

1 ketball shoes, gym shoes, training shoes
2 and the like, and other than slip-on foot-
3 wear), not covering the ankle, valued at
4 more than \$18 per pair, designed to be
5 worn in lieu of, but not over, other foot-
6 wear as a protection against water, oil,
7 grease, or chemicals or cold or inclement
8 weather where such protection includes
9 protection against water that is imparted
10 by the use of a laminated textile fabric
11 (provided for in subheading 6403.99.90 of
12 the Harmonized Tariff Schedule of the
13 United States).

14 “(xv) Footwear for men or for women,
15 with outer soles of rubber, plastics, leather,
16 or composition leather and uppers of tex-
17 tile materials (except vulcanized footwear
18 and footwear with waterproof molded or
19 vulcanized bottoms, including bottoms
20 comprising an outer sole and all or part of
21 the upper, work footwear, and except foot-
22 wear designed to be protective that is in-
23 complete in its condition as imported), val-
24 ued at more than \$25 per pair, not cov-
25 ering the ankle, designed to be worn in lieu

1 of, but not over, other footwear as a pro-
2 tection against water, oil, grease, or chemi-
3 cals or cold or inclement weather where
4 such protection includes protection against
5 water that is imparted by the use of a lam-
6 inated textile fabric (provided for in sub-
7 heading 6404.19.20 of the Harmonized
8 Tariff Schedule of the United States).

9 “(xvi) Footwear for men or for
10 women, with outer soles of rubber, plastics,
11 leather, or composition leather and uppers
12 of textile materials (except vulcanized foot-
13 wear and footwear with waterproof molded
14 or vulcanized bottoms, including bottoms
15 comprising an outer sole and all or part of
16 the upper, work footwear, and except foot-
17 wear designed to be protective that is in-
18 complete in its condition as imported), val-
19 ued at more than \$25 per pair, whose
20 height from the bottom of the outer sole to
21 the top of the upper does not exceed 10
22 inches (25.4 centimeters), designed to be
23 worn in lieu of, but not over, other foot-
24 wear as a protection against water, oil,
25 grease, or chemicals or cold or inclement

1 weather where such protection includes
2 protection against water that is imparted
3 by the use of a laminated textile fabric
4 (provided for in subheading 6404.19.20 of
5 the Harmonized Tariff Schedule of the
6 United States).

7 “(xvii) Footwear for persons other
8 than men or women, with outer soles of
9 rubber, plastics, leather, or composition
10 leather and uppers of textile materials (ex-
11 cept vulcanized footwear and footwear with
12 waterproof molded or vulcanized bottoms,
13 including bottoms comprising an outer sole
14 and all or part of the upper, work foot-
15 wear, and except footwear designed to be
16 protective that is incomplete in its condi-
17 tion as imported), valued at more than \$16
18 per pair, designed to be worn in lieu of,
19 but not over, other footwear as a protec-
20 tion against water, oil, grease, or chemicals
21 or cold or inclement weather where such
22 protection includes protection against
23 water that is imparted by the use of a lam-
24 inated textile fabric (provided for in sub-

1 heading 6404.19.20 of the Harmonized
2 Tariff Schedule of the United States).”.

3 **SEC. 5. STUDIES ON STATE OF DOMESTIC FOOTWEAR IN-**
4 **DUSTRY AND PROBABLE EFFECT OF EX-**
5 **PANDED DUTY-FREE TREATMENT OF FOOT-**
6 **WEAR ARTICLES.**

7 (a) STUDY ON STATE OF DOMESTIC FOOTWEAR IN-
8 DUSTRY.—

9 (1) IN GENERAL.—The President shall include
10 in each of the first 6 annual reports under section
11 504 of the Trade Act of 1974 (19 U.S.C. 2464) sub-
12 mitted after the date of the enactment of this Act
13 the results of a study on the state of the footwear
14 manufacturing industry in the United States during
15 the year preceding the submission of the report.

16 (2) ELEMENTS.—Each study required under
17 paragraph (1) shall focus on changes to the cat-
18 egories of footwear manufactured in the United
19 States during the year covered by the study for the
20 purpose of accurately determining which footwear
21 categories are manufactured in the United States.

22 (b) STUDY ON PROBABLE ECONOMIC EFFECT OF
23 EXPANDED DUTY-FREE TREATMENT.—To support ef-
24 forts by manufacturers in the United States to expand
25 production of footwear, in conducting any study of the

1 probable economic effect of providing duty-free treatment
2 under title V of the Trade Act of 1974 (19 U.S.C. 2461
3 et seq.) to footwear articles, the United States Trade Rep-
4 resentative shall request that the United States Inter-
5 national Trade Commission not only examine current do-
6 mestic production of like or directly competitive articles,
7 but also identify any articles for which domestic produc-
8 tion at a commercial level is likely to occur within the next
9 year.

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