

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.

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## 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

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## 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 igned 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 igned 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)”;

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

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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