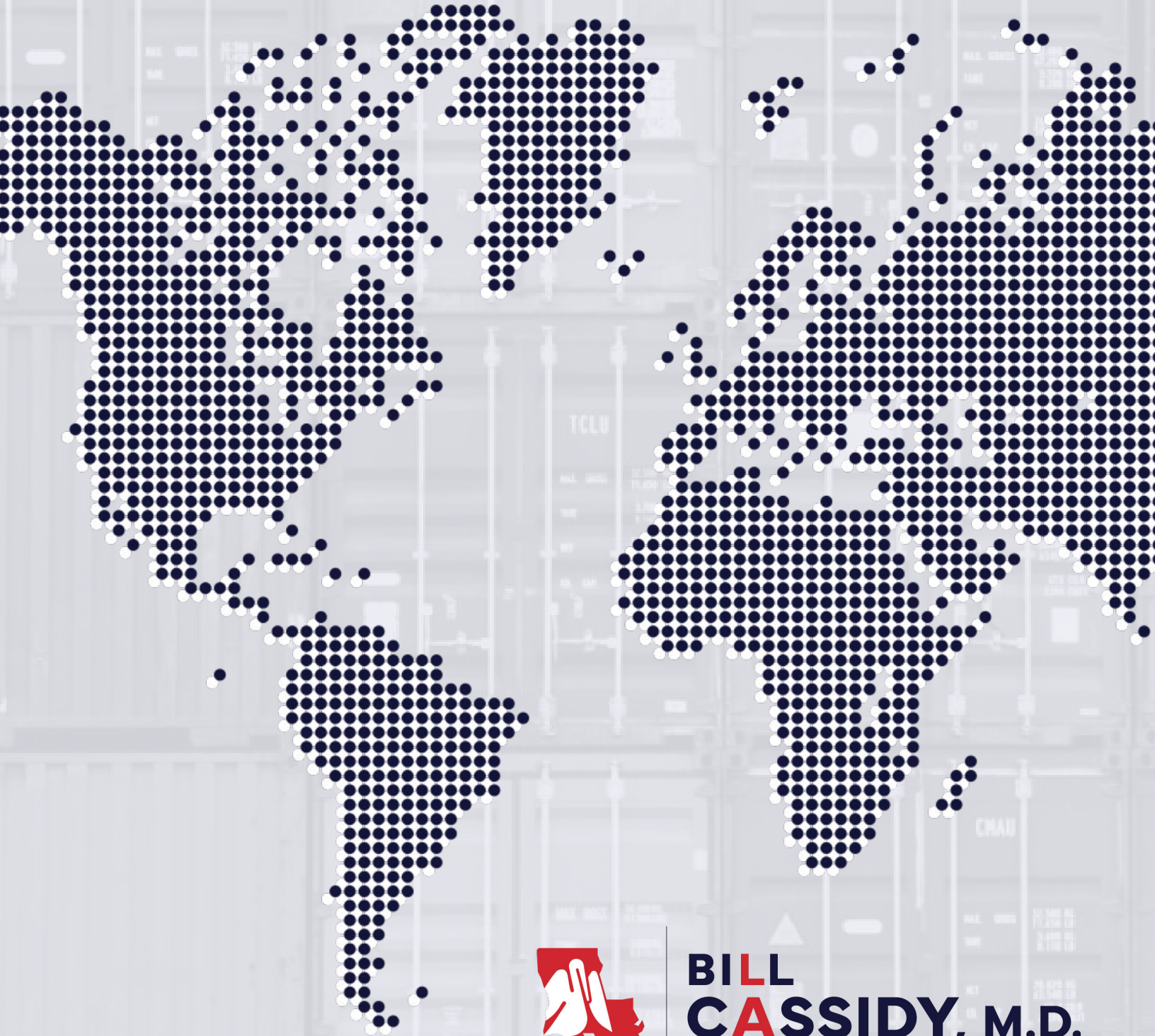


TRADE FACILITATION:

U.S. CUSTOMS LAWS FOR THE 21st CENTURY



**BILL
CASSIDY, M.D.**

OVERVIEW

A dramatic transformation in international trade occurred over recent decades, largely driven by the evolution of e-commerce and the expansion of global markets, and created a need for Congress to update U.S. customs laws to ensure the U.S. remains a leader in global trade. As customs laws are modernized, our aim is to enhance trade facilitation where appropriate, building off of the U.S. Customs and Border Protection's 21st Century Customs Framework. The framework below describes core components of the trade facilitation package currently under development. It is our hope that modernizing U.S. customs laws will streamline the movement of goods and services across our borders, thereby benefiting consumers, businesses, and the government.

Many trade opportunities exist to ease the flow of goods across the border while also maintaining the level of enforcement necessary to combat issues like forced labor and counterfeits. Customs modernization must strike the appropriate balance of reducing burdens and costs for the trade industry while maintaining safety and security. Right now, the entry of goods across our borders is fragmented, costly, slow, and requires redundant data entries across the U.S. government. For instance, importing something as simple as a can of wet pet food is an arduous and redundant task requiring 54 data elements to be submitted to three separate partner government agencies (FDA, USDA, NOAA), with 21 redundant data elements and 16 inconsistent definitions of the same data. This is just one example of the many issues to address to improve our customs laws and processes to ensure they align with trade and commerce in the 21st century.

In addition to the items below, we are continuing to explore ways in which the government and trade industry can collaborate further to help meet the shared goal of rooting forced labor out of our supply chains and helping companies remain compliant with the law.

GENERAL TRADE FACILITATION PROVISIONS

Create One U.S. Government at the Border (1USG)

- Creates a workable one-stop-shop for data entry and decision-making.
- Codifies the Border Interagency Executive Committee.
- Enhances the Automated Commercial Environment (ACE) to streamline the system for the U.S. Customs and Border Protection (CBP), partner government agencies, and trade community.

Streamline Data Collection

- It's vital for CBP and partner government agencies to have the necessary data to ensure goods and services move safely across our borders, while at the same time ensuring data requirements are targeted towards achieving those ends. The framework streamlines data requirements by providing parameters to ensure the government is receiving the data it needs without overly burdening the trade industry.

Duty Drawback

- The drawback process can be cumbersome and slow, delaying the claims process and unnecessarily draining resources. To make this process more efficient, the framework simplifies drawback procedures.

Improved Information Sharing

- Information sharing is key for the trade community to be kept abreast about agency decisionmaking and guidance, to remain compliant with the law, and to efficiently resolve issues at the border. The framework makes updates to the CBP webpage, the Customs-Trade Partnership Against Terrorism Trade Compliance Handbook, and the accessibility of Customs representatives.

Responses to Trade Industry Requests

- Encourages more timely responses to trade actions and requests from U.S. government agencies.

Export Modernization

- Streamlines the export process and provides that clerical errors in submission of export data should be exempted from penalties if not part of a pattern of violative conduct.

Duty and Fee Structure Study

- The framework would authorize the Government Accountability Office to conduct a study to examine the duty and fee structure and make appropriate recommendations to Congress.

Enhancements to Centers of Excellence and Expertise

- In an effort to support importers on the post-entry and clearance procedures for imported merchandise impacted by admissibility issues including forced labor, the framework provides for Centers of Excellence to identify and provide access to import and entry specialists on an industry or sector basis.