



October 2022 - Info Expeditior

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CBP Webinar on November 9 Covers Changes to CFR 19 Sec 111

Evey Hwang, CBFANC President



U.S. Customs and
Border Protection



Homeland
Security



Evey Hwang, CBFANC President, Alba Wheels Up

President's message: *Please take advantage of this opportunity to hear from CBP directly about the proposals which will impact the obligations of Custom House brokers.*

Customs and Border Protection (CBP) will host a webinar "Customs Broker Modernization Regulations - Operationalizing changes to 19 CFR 111," is scheduled for Wednesday, Nov. 9, 3-4 p.m. ET.

Registration is on a first-come-first-served basis and closes the day before the webinar is scheduled.

Webinar registration information is available below:.

Customs Broker Modernization Regulations - Operationalizing changes to 19 CFR 111 on Wednesday, Nov. 9, 3 p.m. ET.

Events Around the Bay

CBP Publishes Final Rules Regarding Changes to "Modernized" CFR 19 SEC 111

- [P.A.E.I](#) - Professional Association of Exporters and Importers
- www.paei.org.
- [OWIT NC](#) - Organization of Women in International Trade Check website for updates
- [Monterey Bay International Trade Association \(MBITA\)](#) - Monterey Bay International Trade Association Check Website for updates
- [Norcal W.T.C.](#) - The Northern California World Trade Center Check Website for updates
- [PTA](#) - Pacific Transportation Association Check Website for updates

CBFANC Social Media

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On October 18, 2022, U.S. Customs and Border Protection (CBP) published two Final Rules that update provisions in 19 CFR 111: Modernization of the Customs Broker Regulations (87 FR 63267) and Elimination of Customs Broker District Permit Fee (87 FR 63262). Final Rule effective date is December 19, 2022.

Key changes in the Final Rules include:

- Transitioning to a national permit framework
- Changing broker fees and expanding forms of payment
- Transitioning broker reporting capabilities from Legacy ACE Portal to the Modernized ACE Portal
- Establishing that customs business is conducted within the U.S. customs territory and requiring brokers to designate a knowledgeable point of contact
- Revising the broker/client relationship requirements
- Updating responsible supervision and control oversight requirements
- Strengthening cyber security and records requirements

To ensure a smooth transition and to socialize changes in the new regulations, CBP created a dedicated [webpage](#) with information and resources on the changes to 19 CFR 111. The Office of Trade's Broker Management Branch will be hosting public webinars in the coming weeks to discuss the changes and allow participants to ask questions. Read the full text of the Modernization of the Customs Broker Regulations Final Rule [here](#) and the Elimination of Customs Broker District Permit Fee Final Rule [here](#).

Questions regarding this message should be sent to: Broker Management Branch, Office of Trade at brokermanagement@cbp.dhs.gov

Is the Rail Strike Really Over? Risks Still Remain.

Sung Wook (John) Lee, CBFANC Board Member



Sung Wook (John) Lee, CBFANC Board, SW Logistics

Continuing to cover the rail worker strike. You may have heard that so far 2 unions have rejected their deals and they want the Biden Administration and Congress to be ready to intervene.

Washington Post reported that a coalition of 322 business groups from a variety of industries signed a letter to President Biden last week urging him to make sure the deals he helped broker last month get approved. The consequences of a railroad strike would have devastating consequences for the economy and bring our west coast ports to a grinding halt. "All 12 rail unions must approve their agreements to prevent a strike next month."

I just want to point out that the 2 unions that rejected the deal are still negotiating but the deadline for one of the unions is on Nov 19th. Six other unions have approved the deal and four others are set to vote in November.

The railroads have offered a 24% raise and \$5000 bonus in the 5 year deal, which would be the biggest increase in more than 4 decades, but most of the difficult points have to do with union members wanting a better work rules with COVID in mind such as getting paid while on sick leave.

It is uncertain if the Biden Administration or Congress is willing to step in if there is strike during a lame duck session when there is already talk of GOP regaining control of the House and the possibility of government shutdowns in the near future.

CBP's Updated Broker Guidance Now Available

Chris Garcez, CBFANC Treasurer



Chris Garcez, CBFANC Treasurer, TLR-Total Logistics Resource Inc.

U.S. Customs and Border Protection (CBP) has published the "Customs Broker Guidance for the Trade Community" to provide the customs broker community with the necessary tools and information to conduct their customs business in compliance with CBP regulations.

The Customs Broker Guidance not only incorporates changes to 19 CFR 111 brought about by the two published Final Rules, Modernization of the Customs Broker Regulations (87 FR 63267) and Elimination of Customs Broker District Permit Fee (87 FR 63262), it also includes CBP's current practices for Broker Management.

To read and download the Customs Broker Guidance, please visit CBP's 19 CFR 111 dedicated webpage at <https://www.cbp.gov/trade/programs-administration/customs-brokers/modernization>

WESCCON Panel: Tides of Change

Joe Byers, Stanford MBA Candidate, Class of 2022, for CBFANC



Focus on 21st Century Customs Framework (21CCF)

Background: The modern supply chain is complex! CBP is working with trade on a transformative approach to enhance facilitation for both import and exports, add data sharing to increase visibility and ensure effective enforcement of import regulations including ACE 2.0. This will impact the way customs brokers and forwarders will do business in the future. Get the latest from CBP and industry leaders on when and how these initiatives will be rolled out.

Moderator:

Lenny Feldman, Operating Committee Member, Sandler, Travis & Rosenberg, P.A.

Panelists:

Vince Iacopella, EVP Growth and Strategy, Alba Wheels Up

Victoria Lane, Vice President Corporate Compliance,
Coppersmith Global Logistics

Gail Kan, Chief, Entry Process & Duty Refunds Branch,
Regulations & Rulings, Office of Trade, U.S. CBP

Notes:

- Office of Trade. Consensus Status of 21CCF.
- "Why the change?" à **Gail Kan**
 - CBP process for Filing of Entry and Filing of Summary
 - Update: "It's all about Data."
 - Move away from processes to collection and use of data to innovate for the next 20-30 years.
 - "Focus on data in advance of entry."
 - Smart container technology, telematics is the CBP vision; as a mechanism for *proof*.
 - "Technology as a means for establishing proof"
 - "The goal for all of us is to relax the law enough to capitalize on the benefits of technology."
 - Biggest change: Option to importers to provide advance information on imports
 - "Advance data" = documents prior to entry.

Read further for comments offered by **Vince Iacopella** and **Victoria Lane**.

[The story continues here...](#)

USTR Seeks Comments On Sec 301 Effectiveness and Consequences

Ray Bucheger, FBB Federal Relations



Ray Bucheger, FBB Federal Relations

USTR formally [announced](#) Wednesday that **the agency will open a portal on November 15** to receive public comment on "the effectiveness of the (Section 301 / China tariff) actions in achieving the objectives of the investigation, other

actions that could be taken, and the effects of such actions on the United States economy, including consumers.”

This is the next step in the four-year review of the China tariffs imposed under the Trump Administration and continued by the Biden Administration.

Call for Public Comment Includes List 3 and List 4 Tariffs

While the notice specifically refers to List 1 and List 2 tariffs, which are formally referred to as the “July 6, 2018 action, as modified” and the “August 23, 2018 action, as modified”, respectively, the notice also covers List 3 and List 4 tariffs.

The notice states that the July 6, 2018 and August 23, 2018 actions “were subsequently modified by imposing additional duties on supplemental lists of products, known as Lists 3 and 4, as well as by the temporary removal of duties on certain products through product exclusions.”

We confirmed with USTR this morning that USTR expects comments on Lists 3 and 4 as part of this process and will not be conducting a separate process for List 3 and List 4 tariffs.

[Ray's article continues here...](#)

Nominees Sought for CBFANC Board of Directors Elections 2022

Chris Ramos, CBFANC Chairman



Chris Ramos, CBFANC Chairman, KSI Inc.

Deadline to submit nominations is November 8, 2022!

We are seeking member participation on the CBFANC Board of Directors.

If you are a professional member of CBFANC and are interested in serving on the board of directors please ask another member to nominate you for the upcoming elections. Nominations can be sent to info@CBFANC.org.

If you know a fellow CBFANC professional member who you think would be a great addition to the board of directors, contact that person and see if they would like you to submit a nomination in their favor to info@CBFANC.org.

Board terms are for three years. The board meets every other month for a dinner meeting, and on other months it meets via conference call. Now is your chance to help shape the future of our association. **The election results will be announced at our annual meeting/holiday gathering to be held on**

December 8, 2022.

We Want You



WESCCON 2022 Provided Insights to Industry Issues and a Chance to Meet Industry Leaders

Jazmin Guzman, Avalon Scholarship Winner for WESCCON 2022



Jazmin Guzman, Avalon Scholarship Winner, TLR-Total Logistics Resource Inc.

I started in this business about 15 years ago as a receptionist and worked my way to Import Supervisor, eventually passing the broker's exam in 2011. I have been working with TLR as a customer service representative for the last 5 years and it's been great. I was honored to have been chosen for the Avalon WESCCON Scholarship. WESCCON 2022 was truly an unforgettable experience. It provided me with lots of information and allowed me to meet lots of new people. Everyone was very friendly and welcoming. I didn't know what to expect, so my coming in and seeing for myself made things a lot easier.

I had my WESCCON lanyard on and people would come and congratulate me and comment on my first time there. They would help me with tips and tricks on what to do, and where to go. I even had the opportunity to hang out and get to know my colleagues from our Portland office on a more personal level. It helped me create closer relationships with lasting impact. I think that has a lot to do with the whole WESCCON experience because a lot of the people would say they've met each other at this event and it's created lasting memorable relationships. At one of the luncheons, we had the opportunity to sit with the ladies from FDA. I thought it was a great opportunity to ask them why we aren't allowed to make changes to our FDA lines. They responded honestly and said because their system doesn't allow it, the change probably won't be soon. Even though their answer was disappointing, my being able to ask them directly was exceptional because

you don't get these opportunities very often.

I look forward to attending next year and I can't wait to experience another wonderful time at WESCCON. If anyone in this industry hasn't attended, I highly suggest you try it at least once in your career. I even told some coworkers about it and encouraged them to try for next year's scholarship.

My full report covers the following topics: [Opening reception; Tides of Change; Deep Dive Into Changes of Responsible Supervision; CBP Roundtable; Super-charged West Coast Ports & Truckers; Peter Friedmann Keynote Address; FMC Commissioner Rebecca Dye Talks About FMC, OSRA, Detention and Demurrage.](#) (Editor's note: Also, be sure to look at the party pictures!!)

[To read Jazmin's full report, click here...](#)

WESCCON Report: Supercharged West Coast Ports + Truckers + Carriers + SSA

Joe Byers, Stanford MBA Candidate, Class of 2022, for CBFANC



Background: The eyes of the world are still on US West Coast ports, fairly or unfairly tagged as the 'cradle of the global supply chain crisis'. While long lines of ships awaiting berth are found at ports around the US and the world, the challenges at our WC ports impact brokers and forwarders on a daily basis. PCC Counsel and "OurManInDC" has assembled dynamic leaders of WC port operations representing truckers, terminals, ocean carriers, and port authorities. This will be a lively discussion with lots of audience participation. Buckle up!

Moderator:

Peter Friedmann, PCC Counsel

Panelists:

Tong Zhu, Chief Commercial Officer & Chief Strategy Officer, Northwest Seaport Alliance

Bryan Brandes, Maritime Director, Port of Oakland

Marcel van Dijk, Marketing Manager, Port of Los Angeles

Noel Hacegaba, Deputy Executive Director, Port of Long Beach

Greg Borossay, Principal, Maritime Business Line, Port of San Diego

Matt Schrap, CEO, Harbor Trucking Association

Susan Ransom, Client Relations Manager, SSA Terminals

Thomas Jelenić, Vice President, Pacific Merchant Shipping Association

[Speaker Presentations Can be Found here...](#)

Save the Date for CBFANC's Annual Meeting/Holiday Party

Felicia Addison, CBFANC Board



Felicia Addison, CBFANC Board, Green Worldwide Shipping LLC

Save the Date!

CBFANC's Holiday Celebration

Thursday, December 8, 2022

4pm-7pm
Kincaid's Burlingame
60 Bay View Place, Burlingame, CA 94010

You do not want to miss this!

CBFANC's return to in person events!

Please join us to celebrate and network with your longtime colleagues and friends!

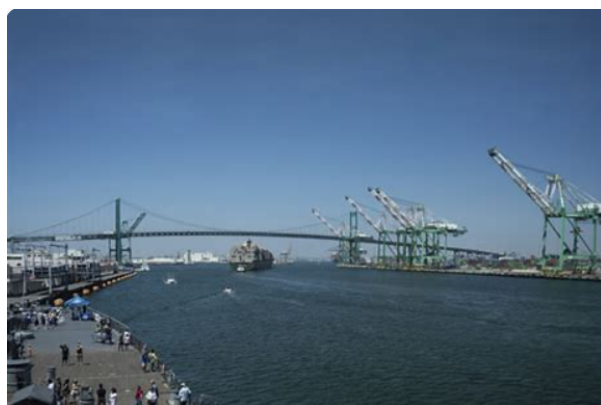
Sponsorship and more information to follow! See you soon!

Happy Thanksgiving!



Container Ship Bottleneck Ends in Southern California

Jack Hubbard, CBFANC Newsletter Editor



Open waters at LA/LB harbor!

Source: Wall Street Journal, Business & Finance Section

Editor's note: The below excerpt from the WSJ provides some interesting information about the state of affairs at LA/LB ports. Has this development impacted your business?

The backup of container ships off Southern California's coast has effectively disappeared. The queue fell from a peak of 109 ships in January to just four vessels last week, according to the Marine Exchange of Southern California.

US Import volumes are declining, and a growing share of the shipments are heading to East and Gulf coast ports. LA/LB together handled 686,133 loaded import containers in September, down 18% from a year earlier and the lowest level since June 2020. August imports fell 12% from last year, a steep drop during the traditional peak shipping season. With demand slowing, shipping lines have cancelled between 26% to 31% of their sailings across the Pacific.

Renewal of FDA Food Facility Registrations Begins October 1st



**U.S. FOOD & DRUG
ADMINISTRATION**

The Food and Drug Administration's (FDA) Food Facility Registration Renewal is about to begin—starting Oct. 1 and continuing through Dec. 31, 2022. All food facilities in your clients' supply chains must submit a timely renewal. Failure to do so will cause product to be denied entry into the U.S.

Importantly, **a DUNS number for the food facility location must be provided** as part of the FDA renewal (a DUNS number for the corporate headquarters is not sufficient!). In the past, FDA has been flexible, allowing the use of "pending" if a DUNS' number could not be obtained. FDA will no longer offer such flexibility.

A special precautionary note, the name and contact information on the FDA food facility registration must exactly match the DUNS number contact information. If not, **the registration may be cancelled**. For example, if the FDA registration identifies "ABC Manufacturing" at "123 Main Street," while the DUNS number information is listed as "ABC Manufacturing LLC" at 123 Main St.," the registration will be denied. The two must be an exact match in every way.



[Read here for additional guidance...](#)

CBFANC Board of Directors

Jack Hubbard, CBFANC Newsletter Editor



The CBFANC Board enjoyed being able to meet IN PERSON for the September 9, 2022 Board meeting! Members who attended are pictured above: Chris Ramos, KSI Corp; Lori Azzopardi, EFI Logistics; Debbie Edwards, CBFANC Secretariat; Chris Garcez, TLR-Total Logistics Resource; Chris Kammer, Access Supply Chain Services; Sung Wook (John) Lee, SW Logistics; Evey Hwang, Alba Wheels Up; Jack Hubbard, TLR (emeitus);

Peter Gong, Great Way Trading.

KEEP CALM, GET VACCINATED



[read more...](#)

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