

May 2023 - Info Expeditor

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# **House Ways and Means Committee Conducts Hearing on De Minimis**

Sung Wook Lee, CBFANC President



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

De Minimis was discussed again on the House Committee on Ways and Means. You can see the speakers and their prepared statements via below links.

De Minimis is a hot topic as Congress fields concerns that of the 65% of De Minimis shipments originates from China, is taking advantage of the \$800 minimum to push through cargo to US buyers without any regulatory oversight. It is the understanding of Congress that CBP does not have any visibility of country of origin or HTS level but Chinese manufacturers have direct access to US consumers providing unfair advantages of alarming scale and depth.

Brenda Smith from Expeditors asked that CBP be continually funded and advocated for single window for ACE and all OGA function and empower trusted networks and green lane privileges.

Others talked about no visibility of De Minimis shipments via air cargo, lack of GSP renewed authority. Michael Stumo of Coalition for a Prosperous America, a US manufacturer lobby

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## **Events Around the Bay**

- <u>P.A.E.I</u> Professional Association of Exporters and Importers
- www.paei.org.
- <u>OWIT NC</u> 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 CaliforniaWorld Trade Center Check Website for updates
- <u>PTA.</u> Pacific
   Transportation Association
   Check Website for updates

# CBFANC Town Hall with CBP, JUNE 21, 2023 SAVE THE DATE

DAU will address air cargo processing, and CBP CEE will talk about UFLPA enforcement. Click here for details"

https://www.memberleap.com/members/evr/reg\_event.php?orgcode=CBFA&evid=35970471

# AgTC 35th Annual Meeting

AgTC 35th Annual Meeting June 13-16, 2023 Tacoma WA See story for details

WESCCON OCTOBER 26 - 29, 2023 RANCHO LAS PALMAS, Rancho Mirage, CA

WESCCON | pacificcoastcouncil

group, stated:

Click here for a link to a video of the hearing held at the House Ways and Means Committee:

<u>Trade Subcommittee Hearing on Modernizing Customs Policies to Protect American Workers and Secure Supply Chains - House Committee on Ways and Means</u>



The article continues here...

**Washington Targets Deminimis for Possible Revocation** 

Peter Friedmann, OurManInDC



# Peter Friemdann, PCC Counsel, OurManInDC

Congressman Blumenauer said yesterday that he will reintroduce his bill from last year, that would essentially eliminate deminimis for imports from China, among other restrictions. Here you can see the Congressman's description of the provisions of last year's bill, that will be the basis for the new bill.

Import Security and Fairness Act would respond to skyrocketing volume of imported e-commerce packages WASHINGTON, D.C. – U.S. Representative Earl Blumenauer (D-OR), chairman of the House Ways and Means Trade Subcommittee, today unveiled new legislation to strengthen U.S. international trade import laws to stop non-market economies and goods from exploiting the de minimis threshold that allows imports valued under \$800 to come into the United States without paying duties, taxes, or fees.

"The number of packages we receive in the United States has

skyrocketed to more than two million daily packages—a number that will only climb in the coming years. As long as foreign companies that sell their goods in America are splitting up their shipments to evade tariffs and oversight, American businesses will continue to be put at a competitive disadvantage cost-wise," **said Blumenauer**. "This loophole also makes it easier for people to import illegal goods and harmful products, because there is virtually no way to tell whether these packages contain products made through forced labor, intellectual property theft, or are otherwise dangerous."



How This Bill Will Work, Read Here..

**CBFANC President's Report for May 2023** 

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



**Sung Wook (John) Lee, CBANC President, SW Logitics**Dear CBFANC members.

Our next event is a \*\*LIVE EVENT\*\* CBP Townhall – AIRPORT DAU on air cargo processing and CBP CEE on UFLPA (Uyghur Forced Labor Prevention Act) enforcement. It will be on Wednesday, June 21, 2023 @ 8:30AM-11:30AM at Best Western Plus site. They have remodeled it a bit, so come and check it out.

<u>ILWU labor negotiations are still dragging on</u>. You may have noticed slow downs at LA/LGB ports. I had a MSC container just plum misplaced inside the port, I hope they will find it soon as it's been a week already.

It's not just ILWU but AI & Automation is coming to main street for all of us it seems. More than a 1000 scientists signed a letter to the Pres. Biden about setting some guard rails as this technology is so disruptive, that all of main street

could go like blockbuster at a accelerated pace.

Port of Oakland along with other ports in California signed a MOU in Sacramento in April 2023 to launch a \$27 million dollar Port Data Partnership program. This is an effort to get container visibility at all the California ports through ONE portal. Andrew Hwang at the Port of Oakland is working on it, and hope for good things to come in this space.

CBFANC Airport Town Hall, June 21, 2023 SAVE THE DATE!

Evey Hwang, CBFANC Board Chair



CBFANC CBP Townhall – Airport DAU on Air Cargo Processing and CBP CEE on UFLPA (Uyghur Forced Labor Prevention Act) enforcement

Wednesday June 21, 2023 8:30 a.m. to 11:30 a.m.

In-person meeting Best Western Plus Grosvenor Hotel 380 South Airport Boulevard South San Francisco, CA 94080 Proposed Agenda:

8:00 - 8:30 a.m. Registration

 $8\!:\!30$  –  $10\!:\!00$  a.m. CBP DAU and Agriculture Officers updates and Q&A

10:00 - 10:15 a.m. Break

10:15 – 11:30 a.m. CEE updates on enforcement/holds and  $\Omega \Delta$ 

For more info and registration, click below link:

https://www.memberleap.com/members/evr/reg\_event.php? orgcode=CBFA&evid=35970471

Join CBFANC with Customs Border Protection on airport cargo processing and exam process. CBP Officers from Airport Trade, CBP Agriculture and ATCET teams will be on hand to provide updates and answer questions. CBFANC has invited SFO airlines/handlers to participate. CBP has ask for your questions in advance.

Please send your questions to  $\underline{airport@cbfanc.org}$  or  $\underline{Info@cbfanc.org}$ . This is your opportunity to get updates, be informed and ask questions on cargo and exam process at SFO International

Port of Oakland and Oakland As: Play or Walk???

Evey Hwang, CBFANC Board Chair



**Evey Hwang, CBFANC Board Chair** 

Play or Walk?

- Late April news on Oakland As signing land deal in Las Vegas does not end the continual drama stemming from John Fisher's organization. First there was a deal for one parcel of land. Then they decide on a different (49 acres) of property. Now we hear they want public

money. <a href="https://www.cbssports.com/mlb/news/oakland-to-las-vegas-as-move-could-be-held-up-over-request-for-nearly-400m-in-public-funding-per-report/">https://www.cbssports.com/mlb/news/oakland-to-las-vegas-as-move-could-be-held-up-over-request-for-nearly-400m-in-public-funding-per-report/</a> We appreciate that here in Oakland, Mayor Sheng Thao had sense to say "We're done" with any negotiations not rooted in good faith and for Oakland's sense.

- Port of Oakland's proposed Turning Basin and Port Commissioners: On May 10<sup>th</sup> the US Army Corp of Engineers held a (virtual) public meeting revisiting their December original draft on "Integrated Feasibility Report/Environmental Assessment for Oakland Harbor Turning Basins Widening Navigation

Study". <a href="https://www.spn.usace.army.mil/Missions/Projects-and-Programs/Current-Projects/Oakland-Harbor-Turning-Basins-Widening/">https://www.spn.usace.army.mil/Missions/Projects-and-Programs/Current-Projects/Oakland-Harbor-Turning-Basins-Widening/</a> Many members of the East Oakland Stadium Alliance (CBFANC is a member) joined port stakeholders to reiterated the importance of keeping the 10 acres at Howard Terminal for the Turning Basin and to advance this project for the sustainability/future of our homeport.



Above: Oakland Harbor Turning Basin

Evey's article continues here..

CBP Posts New Update to FAQs on ISF courtesy, Lori Azzopardi, CBFANC Board

On May 10, 2023, CBP posted an update to the FAQs regarding ISF. A CSMS message is expected soon to publicize this new version of the FAQs. Meanwhile, you can access the updated FAQs by clicking on the link below:

<u>FAQs: Importer Security Filing "10+2" Program | U.S.</u> Customs and Border Protection (cbp.gov)



**Anti-trade Sentiments Run High in DC** 

Peter Friedmann, OurManInDC



Peter Friedmann, PCC Counsel, OurManInDC

#### **Is Trade Good for Customs Brokers?**

Customs brokers and freight forwarders depend on international trade for your living. Years ago, when lobbying against a bill to impose dramatic footwear import quotas, a Massachusetts Congressman asked (actually challenged) me "so, what you're saying, is trade's a good thing? My constituents don't think so. They're losing their jobs as companies in my District go overseas." He voted for the quota bill. Fortunately it did not pass, but his challenge: "so you're saying trade is a good thing?", has rung in my ears ever since. He is no longer in Congress, but his challenge is very much alive today, and very dangerous for customs brokers and freight forwarders and all depending on international trade.

Since November 2020, when a fundamentally anti-trade Joe Biden was elected, to follow a fundamentally anti-trade Donald Trump, you have heard me, at WESCCON and on our Tuesday calls, talk about the 'Joint Trump-Biden Trade Policy'. Yes, it annoys Biden and Trump fans to hear it, but its truth is becoming increasingly apparent. We have spoken about how appalling it should be that our US Trade Representative is now consistently repeating that NAFTA and free trade agreements were "mistakes" -- precisely what Trump was advocating 4 years ago

It is still very early days, but the two current leading candidates for the Democratic and Republican nominations for President, Biden and Trump, are trumpeting their anti-trade stances even louder. Both believe this is the path to their election; pollsters urge them on, with polling showing that this is what the American voters want.

It will take very special political leadership to convince the

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American public that "trade is a good thing".

In the meantime, read this report from Capitol Hill: <a href="https://thehill.com/business/4002290-democrats-signal-growing-frustration-with-globalization/">https://thehill.com/business/4002290-democrats-signal-growing-frustration-with-globalization/</a>

California Air Resources Board: Trying to Shut Down the Port of Oakland??

Lori Azzopardi, CBFANC Board Member



**Lori Azzopardi, CBFANC Board Member, EFI Logistics**Below is a message from local trucker, **Best Drayage**,
regarding the recent action by CARB which will have a
damaging impact on drayage services at the Port of Oakland:

Last week, the California Air Resources Board (CARB) passed the Advanced Clean Fleets Rule.

This rule will phase out diesel trucks in California by 2035 but will start with drayage as soon as January 2024.

We have spent the past year trying to get the word out to everyone we know about how this rule will affect everyone. We testified in front of CARB last week. We sent numerous letters and comments to CARB staff, as did many others in the trucking industry. Unfortunately, CARB ignored all industry concerns and proceeded with impossible-to-meet requirements.

# Starting January 1, 2024:

- No truck can enter a port or rail terminal for the first time unless it is Zero-Emission
- No truck can enter a port or rail terminal if it has over 800,000 miles
- No truck can enter a port or rail terminal if it is over 18 years old

The problem with this is there is currently no Zero-Emission truck on the market that can move between the ports and California's Central Valley on a regular basis. There is also no charging infrastructure near the ports if one wanted to just shuttle loads in/out of the terminals.

This means as older trucks exit drayage service over the next couple years, they will not be replaced. It is impossible to replace something if we are required to purchase something that does not exist.

What this means for shippers, consumers and all citizens of California is costs will continue to increase.



**NCBFAA Comments on CBP "Green Initiative"** 

courtesy: Megan Montgomery, NCBFAA



Below is an excerpt from the comments submitted to CBP regarding their "Green Initiative:"

NCBFAA applauds CBP for this effort to engage in greener, more environmentally friendly policies, procedures, and practices at our nation's ports. We look forward to working in partnership with CBP and the Participating Government Agencies (PGAs) to find green pathways forward that meet the needs of all parties involved while promoting environmental responsibility aligned with global efforts to promote uniformity. NCBFAA submits the following thoughts and suggestions for inclusion in the Green Trade Initiative.

Click below to read the compete comments. Suggestions include Eliminate Paper Where Possible: Reduce Border Wait Times; Port Uniformity; Virtual Meetings vs in person.

NCBFAA Complete Comments are found here...

Products Made by Forced Labor, Focus on Uyghur Region in China

courtesy: Sandra Longford-Coty, AN Derringer Inc



Sandra Longford-Coty, AN Derringer Inc.

Recently, a lengthy paper was published regarding products made with forced labor and the impact it has on world trade and justice.

The link below will take you to "Products Made with Forced Labor," which was issued by Sheffield Hallam University, Helena Kennedy Center for International Justice.

https://www.shu.ac.uk/helena-kennedy-centre-international-justice/research-and-projects/all-projects/evidence-briefs#:~:text=Products%20Made%20with%20Uyghur%20Forced%20Labour

# A Politburo For a New ERA

Thomas Jelenić, Vice President, Pacific Merchant Shipping A

(Editor's note: It seems that CARB is putting the cart before the horse (although horses are a source of methane). The below article by Thomas Jelenic of PMSA addresses the overreach of CARB and its failure to maintain a presence in reality.)



With the California Air Resources Board's (CARB) decision to adopt the Advanced Clean Fleets (ACF) Rule, California is moving effortlessly into the carbon-free era of goods movement. For the uninitiated, ACF will radically remake the California trucking industry, but as I've discussed before1 , the impact to port drayage will be immediate and intense. Listening to commentary from California policy makers, it is clear that there are challenges that may arise over the next 10 years or more, but according to policy makers the State will rise to meet those problems. In any case, those are

problems for another day. What is clear in order for the ACF rule to be successful, milestones (if you can call continuous progress a collection of milestones) need to be made every month, starting today, through rule initiation on January 1, 2024, and continuing forward with implementation. However, there is no discussion of what the State needs to meet targets. So, can one safely assume that everything is proceeding as expected and the focus is rightly on the long-term horizon?

I am not optimistic. California continues to ignore shortterm planning in favor of large ambitious goals, which have two main features: "being audacious" and progress being unmeasurable in the near term. Here are three examples of why I am so concerned (CLICK BELOW TO CONTINUE READING)

#### The story continues here..

# WESCCON 2023, Register Now!!!

PCC-Pacific Coast Council



WESCCON 2023 See the <u>WESCCON Website</u>. October 26 - 29, 2023

Omni Rancho Las Palmas, Rancho Mirage, CA

# Click Here to Register

After you register for WESCCON, you will receive the link to book your hotel room.

Hear how customs brokers, forwarders, NVO's engage with experts on:

- Supply Chain still not recovered how to cope
- What's CBP cooking up for customs brokers
- Protecting forwarders/brokers from Detention & Demurrage
- China-US Tariffs new challenges
- eCommerce deminimis -- keeping customs brokers relevant
- Role of the Customs Broker in the 21st Century

- ACE migration the saga continues
- Customs Brokers, keeping Southern Border commerce flowing
- Ocean carriers competing with brokers and forwarders?
- · Updates on trade negotiations,
- · CBP enforcement,
- And much more!

Questions? Contact Rachel Hunn at <a href="mailto:Rachel@FederalRelations.com">Rachel@FederalRelations.com</a> or 202-783-3333

AgTC 35th Annual Meeting June 13 - 16, Tacoma WA

Peter Friedmann, OurManInDC, AgTC Executive Director

# AgTC

**Agriculture Transportation Coalition** 

www.agtrans.org info@agtrans.org

AgTC 35th Annual Meeting June 13-16, 2023 Tacoma, WA

Ocean shipping and domestic transport challenges continue, constantly changing, the future uncertain. At the 35th Annual AgTC Meeting, we'll build relationships, pursue solutions. *In Person.* 

Updated event outline below. <u>Click here</u> for full preliminary agenda.

**KEEP CALM, GET VACCINATED** 





CBFANC Newsletter - May 2023 - Info Expeditor