



September 2023 - Info Expeditor

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### CBFANC Social Media

Please connect with us!

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### Events Around the Bay

### CBFANC President's Report: Gov't Shutdown Will Impact CBP; EV Trucks Face Deadlines

*Sung Wook (John) Lee, CBFANC President*



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

**Fall is in the air.** Kids are back in school and that tells me back to school, Halloween, Thanksgiving, Christmas retail train is well on its way. We might even have a somewhat normal holiday season this year post COVID. I am certainly looking forward to it as I hope all of you are as well.

I do have to address this elephant in the holiday calendar first, the **Federal Government Shutdown**. As federally licensed customs brokers and freight forwarders, we are regulated by our agencies and will suffer kinks in the supply chain if this thing happens. The Pacific Coast Council – PCC is holding their annual **WESCON** late October and we have our fingers crossed for the best that all our VIP invited guests and speakers from various government agencies can attend as scheduled.

All in all, if past shutdown was any guide, **CR – Continuing Resolutions will be** delayed till December 15 or so when Congress & Federal Government goes on holiday and will be back open for business January 15<sup>th</sup> or so when they all come back to work. It will be hard on our hard working federal employees that have to work during the **shut down like CBP/BORDER PATROL and INSPECTORS** and our men and women in uniform.

[President's Lee's report continues here...](#)

### Ocean Committee Report: Local and National Issues Create Big Challenges

*Evey Hwang, CBFANC Board Chair*

- [P.A.E.I](#) - Professional Association of Exporters and Importers  
[www.paei.org](http://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



**Evey Hwang, CBFANC Board Chair, Ocean Committee  
Ocean Committee In-Port News**

**Government Shutdown 2023:** On Thursday September 21, House of Representatives closed sessions without a Continuing Resolution. A week later, the House Republicans are still fractured yet resisting short-gap bipartisan funding resolution from the Senate. General consensus is government headed to shutdown funding gap by September 30<sup>th</sup> fiscal year end. All government agencies will be forced to contingency plans with "essential staff" on backpay and "non-essential worker" being furloughed without pay. [What could happen if the government shuts down | CNN Politics](#)  
During monthly Trade Facilitation Committee meeting, SF Customs Border Protection was asked if recent cross-border migration crisis would mean local port CBP officers might be assigned to re-enforce the border. San Francisco CBP assured they were not tasked for border staffing and that they are prepared for the possible shutdown. The last government shutdown in 2019 lasted 35 days.

**PMA/ILWU Contract** After tentative agreement June 13 2023, PMA/ILWU contract was (finally) ratified by all local unions August 30, 2023. For consideration, contract is retroactive to July 1, 2022 for union members to receive retroactive pay increases for several pay periods in the Fall. The new 6 year PMA/ILWU contract is set to June 30, 2028.

**Port News:** At September 19<sup>th</sup> Port Efficiency Task Force (PETF) meeting, Ron Brown gave some stats on West Coast ports loss to Gulf and East Coast ports. Citing Bill Mongelluzzo's recent article, Ron had some positives for volumes forecast starting in October.  
[https://www.joc.com/article/largest-us-ports-record-20-plus-declines-trans-pacific-imports\\_20230919.html](https://www.joc.com/article/largest-us-ports-record-20-plus-declines-trans-pacific-imports_20230919.html)

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

**Support Needed for Land Port of Entry  
Modernization Trust Fund Act**

*Sung Wook (John) Lee, CBFANC President*

**CBFANC PRESENTS CBP  
SEMINAR**

**ESSENTIALS UNDER THE  
AMENDED 19 CFR 111  
REGULATIONS**

October 9, 2023, 9 - 11:30 A.M.  
Best Western Grosvenor Hotel,  
380 South Airport Blvd, So SF CA  
[Register Here!](#)

**Register for WESCCON!!!**

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

[WESCCON | pacificcoastcouncil](#)

**SAVE THE DATE: CBFANC  
HOLIDAY PARTY DEC 06,  
2023**

**CBFANC Annual Meeting &  
Holiday Party  
Dec 06, 2023, 4 - 7 p.m.  
Kincaid's Fish, Chop  
&Steakhouse  
60 Bay View Place,  
Burlingame.  
Registration to open soon!!**



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

President Lee is pictured above after visiting office of Sen Dianne Feinstein in Washington DC

President Lee shares the below message issued by NCBFAA:

Please reach out to your Congressmen/women for their support in the passing of HR 3135, the Land Port of Entry (LPOE) Modernization Trust Fund Act. For your convenience, the attached generic letter is posted in the Legislative page on the NCBFAA's website, <https://www.ncbfaa.org/news-advocacy/write-my-representative>.

This legislation will establish a trust fund that will be used to support the essential needs for the land ports:

- (1) construct new ports of entry
- (2) expand and improve existing ports of entry
- (3) procure technology for inspecting and processing traffic passing through ports of entry
- (4) hire U.S. Customs and Border Protection staff.

While waterway-based ports of entry have long had the benefit of a consistent source of federal resources via the authorization of a similar trust fund, our overburdened land-based ports of entry have struggled. The LPOE Modernization Trust Fund Act is needed to properly redistribute much needed resources to LPOE facilities and to ensure the United States' long-term economic prosperity through international trade.

The LPOE Trust Fund will expand, improve, and construct new U.S. ports of entry and support infrastructure to accommodate high volumes of commercial, vehicle, and pedestrian traffic. It will also help critical transit and trade facilities more efficiently complete the inspection and processing of commercial, vehicle, and pedestrian traffic.

**Help Us Help You**

*Lori Azzopardi, CBFANC Board*



**Lori Azzopardi, CBFANC Board, EFI Logistics**

[The CBFANC Airline Contacts Spreadsheet has been updated.](#)

This valuable tool provides the latest in contact information,

fees, locations, etc for aircargo shipments. [You can help us keep this list current by sending new information to info@cbfanc.org.](#)

**Oakland Turning Basin Support Letter Send to CA Senators**



**CBFANC Signatory to Letter Sent to Washington DC**

CBFANC joined as signatory to the coalition letter for support of the Port of Oakland’s request to Senators Feinstein and Padilla for inclusion of the turning basins expansion project in the 2024 WRDA bill. Here is the final version for your records: [Port of Oakland Turning Basins WRDA Support Letter \(US Senate-CA\)\(091323\).pdf](#)



**The Essentials under the amended 19 CFR 111 Regulations**

*CBFANC Education Committee*

**CBFANC welcomes U.S. Customs and Border Protection**

**The Essentials under the amended 19 CFR 111 Regulations**

**What Licensed Customs Brokers need to know from the amended regulations and understanding Continuing Education requirements**

**Thursday October 19, 2023  
9:00 a.m. to 11:30 a.m.  
Best Western Plus Grosvenor Hotel  
380 South Airport Blvd, South San Francisco, CA 94080**

**U.S. CBP Apparel, Footwear, and Textiles Center  
Alice Buchanan, Assistant Center Director, Partnership  
Gyasi McKenzie, Center Entry Specialist  
Barbara McAuley, Center Entry Specialist  
Kathleen Maguire, Broker Management Director**

**Register by October 17, 2023  
\$45.00 CBFANC Members / PCC Association Members  
\$15.00 CCS/CES Points  
\$65.00 Guests**

**Please provide questions ahead for CBP preparation on seminar.**

[Register Here!](#)

**JOC Reportage Details Costs to Shippers from EU Carbon Neutral Goals**

*Jack Hubbard, CBFANC Newsletter Editor*



According to a September 22, 2023, article published by the [Journal of Commerce](#), Maersk and Hapag Lloyd are advising the estimated and significant surcharges shippers will face next year as liners fall into compliance with the [European Union's emissions trading system](#).

Starting Jan. 1, ship operators must pay European Union Allowances (EUA) for every ton of CO2 they emit covering all voyages within the European Economic Area and 50% of voyages ending or beginning in European ports. Both carriers advise that the additional costs will be applied as a separate surcharge to all applicable shipments.

Per the article in the JOC, "Maersk has estimated that on Asia-North Europe it will need to charge shippers €70 per FEU, while Hapag-Lloyd expects to charge €12 per TEU. North Europe to the US will generate an expected charge of €81 per FEU on a Maersk ship, while Hapag-Lloyd forecasts a charge of €9 per TEU for North Europe to the US East Coast." These charges will increase over time, rising from 40% in 2024 (cost: \$3.2 billion), to 70% in 2025 and 100% in 2026 (\$9.1 billion). These cost are *estimates*, because EUAs traded in the ETS could be volatile because of supply and demand factors.

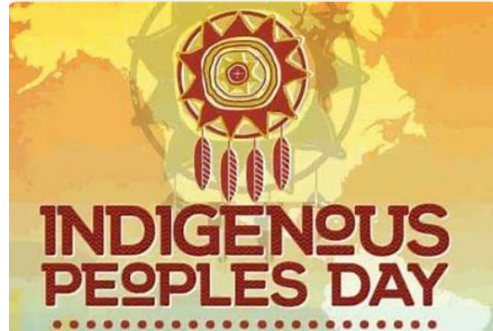
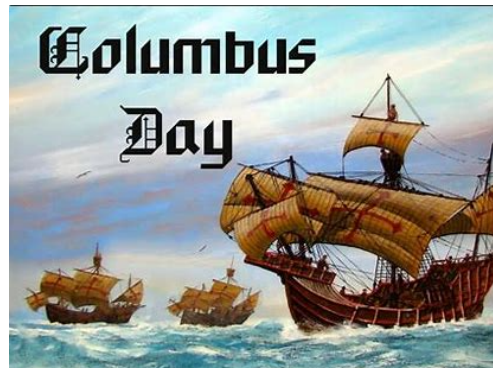
Revenue generated by the ETS will be channeled into the maritime sector to support its transition to [alternative energy sources](#).

*(Editor's note: The article cited above was written by **Greg Knowler, Senior Editor, Europe, for the Journal of Commerce**. Mr. Knowler also reported in an earlier article that alternative fuels being developed by the container shipping industry could be up to **five times more expensive** than current fossil fuels and these costs will need to be recovered from cargo owners. Use the link below for informatio about the ETS.)*

[EU Emissions Trading System \(EU ETS\) \(europa.eu\)](#)



**CELEBRATE COLUMBUS DAY/INDIGENOUS PEOPLES DAY, OCTOBER 9,2023**



### A Note of Thanks to PMSA's John McLaurin

*Evey Hwang, CBFANC Board Chair*



**John McLaurin, PMSA**

A note of appreciation: On September 27, 2023, John McLaurin, President of the Pacific Merchant Shipping Association announced his retirement. After 20 plus years serving PMSA and more years in maritime industry, John McLaurin is stepping away from work and stepping into quality family time. Succeeding Mr. McLaurin in 2024 is Mike Jacobs who is current Vice President and General Counsel, is well-respected and will admirably take over as President.

**On behalf of membership, the CBFANC Board of Directors would like to commend John McLaurin for his leadership at PMSA and maritime industry.** It was in early 2019 when Mr. McLaurin alerted CBFANC of "something" about a Major League Ball team wishing to build a MLB ballpark with luxury condos at Howard Terminal. The audacity of the Oakland As land-grab for maritime site grabbed our attention. CBFANC's Board quickly joined other port stakeholders for what became the East Oakland Stadium Alliance. Many meetings later, in person and with COVID, online, the coalition joined ocean carriers, port terminals, rail, community leaders along with port stakeholders as CBFANC members to push back Oakland As intrusion on Oakland port and city resources. Although Oakland As have pivoted to Las Vegas since fall 2022, we are still watching carefully on

possible City of Oakland intentions on Howard Terminal.

It has been an honor working with John McLaurin. We congratulate John McLaurin on his retirement decision, and wish him all luxury of quality time with family and friends.

**Looming Government Shutdown to Affect Trade Activity**

*Venable LLP, courtesy NCBFAA*



*This Sept. 25 article has been republished in its entirety for association members with permission from law firm [Venable International Trade and Logistics Group](#) which serves as NCBFAA Transportation Counsel.*

**By Lindsay B. Meyer, Ashley W. Craig, Elizabeth K. Lowe, Wes S. Sudduth, Neha Dhindsa, Ashley T. Luong, Elizabeth K. Philipp, and Richard DiNucci**

As members of Congress continue to negotiate government spending levels allotted for the next fiscal year, the United States is poised for its fourth partial government shutdown in the last decade—putting at risk the regular operations of U.S. agencies responsible for trade activities.

A shutdown appears more likely by the day, unless the Republican-controlled House of Representatives and the Democratic-led Senate reach an agreement on spending bills for fiscal year 2024 by September 30, 2023. If negotiations drag on, approximately 438 government agencies will suspend their normal operations starting on October 1, 2023, which will force non-essential federal workers into furlough and disrupt various services critical to U.S. trade activities. Agencies and federal workers deemed "essential" will continue to provide vital services, such as those relating to national security or activities necessary to protect life and property, as well as activities funded outside of the appropriations process.



[The story continues here..](#)

**HAPPY HALLOWEEN 2023!!**



**WESCCON 2023, Register Now!!!**

*PCC-Pacific Coast Council*



WESCCON 2023  
See the [WESCCON Website](#).  
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 [Rachel@FederalRelations.com](mailto:Rachel@FederalRelations.com) or 202-783-3333

### WESCCON 2023 Keynote Speakers Announced

*Peter Friedmann, OurManInDC*



**Peter Friedmann, OurManInDC**

WESCCON announces that CBP Commissioner, Troy Miller, and FMC Commissioner Dan Maffei will be keynote speakers at WESCCON 2023 to be held in Palm Springs, CA.





**Troy Miller, CBP Commissioner**



**Dan Maffei, FMC Commissioner**

Hear the latest updates from these two leaders from Washington DC. Be sure to register for WESCCON 2023 now!!

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