



October 2019 - Info Expeditor

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CBFANC Seminar: Bond Sufficiency vs Section 301 Tariff Increases

TRUCKER ANTI-AB5 "STRIKE" NEXT WEEK?

Peter Friedmann



Attn: Pacific Coast Council Leaders:

Flyers are calling for a 3 day or week-long truck drayage strike **next week** at the California container ports. Protesting the new California law AB5 which severely limits independent contractor drivers (in favor of full-time employee drivers) -- in trucking, as well as Uber, Lyft, etc. Turning independent contractors into employee drivers has long been an objective of the Teamsters -employees can be organized into the union, but independent contractors cannot.

Immediate term: While there are flyers out there promoting a strike, not at all clear that it will take place. Obviously a strike by independent contractor drivers would have major impact on LA, Long Beach, Hueneme, Oakland marine terminal fluidity. We surveyed quite a few companies that use drayage independent contractors, asking if they will support, or oppose the strike. Most companies say they will not participate (but some seem to secretly want the independent contractors to go ahead and make a point). The companies plan to 'play by ear', planning to operate as usual but monitoring if the pickets are impeding traffic.

Long term: AB5 will certainly increase drayage costs at California ports. Uber and Lyft are launching a well-financed state-wide Referendum campaign to force repeal of AB5.



CBFANC
Educational
Seminar

Section 301 Tariff Increases

Is Your Customs
Bond Amount
Sufficient?

Import Liabilities

What YOU Need
to Know!

Presented by
**Roanoke Trade
Services Inc.**

Patrice
Lafayette,
Assistant VP,
Client Services
Jon Diverio,
Marine Manager
Terry

We are staying on top of this.

Peter

Peter Friedmann
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California's War on Trucking Comes Nigh

Evey Hwang and Jack Hubbard



Evey Hwang

Jack Hubbard

**New California laws and regulations threaten
independent, owner/operated truckers.**



Update on events surrounding AB5 and its threats to port truckers:

As we near the end of 2019, the question is: What's the deal with AB5? This new law, effective January 1, 2020, is in news because Uber and Lyft drivers will be reclassified from independent contractors to employees. Unfortunately, AB5 will affect more than Uber and Lyft drivers, it will also impact truck owner-operators who will become subject to the same employment restrictions. Opposition to AB5 remains strong, and word is spreading that there could be a port truckers protest aka "strike" during the week of November 4th. Most trucking companies have declined to join and will responsibly safeguard the safety of their drivers. Nonetheless, independent owner operators are free to engage in civil disobedience that could have a big impact on port operations in California. CBFANC will monitor situation and update membership accordingly.

Truckers Working Group update: On September 11, 2019, the California State Senate passed AB5. Votes were 26 to 11 and the bill was signed into law by Governor Gavin Newsom on September 18, 2019. With the passage of AB5, California's war on Uber and Lift has expanded to include sweeping impacts on California businesses such as

Cummings, VP, Sales

Seminar Date

Thursday, November 7th, 2019

CBFANC Seminar: IncoTerms 2020



Save the date: December 11, 2019

Join CBFANC as we present **Susan Kohn Ross** who will speak on IncoTerms 2020. Find out how IncoTerms 2020 can provide opportunities for you and your customers.

Registration details to follow.

WESCCON 2019 -

Plan ahead! Attend WESCCON 2020!!

WESCCON 2020
October 1-4 | Loews
Coronado Bay Resort
Coronado, CA

After the record breaking WESCCON 2019, you won't want to miss WESCCON 2020!
More details to follow.

MARK YOUR CALENDARS!

CBFANC Social Media

Please connect with us!

Twitter - @cbfanc

LinkedIn - CBFANC

Facebook - CBFANC

independent owner-operators in the trucking industry. AB5 will end the practice of truckers acting as independent contractors, which could put them out of business in California. Also enacted is Senate Bill 210, which creates a new emission inspection program for trucks even though California air regulators already mandated in 2008 that the trucking industry convert to cleaner engines. Further, Senate Bill 44, also just signed by the governor, directs the California Air Resources Board (CARB) to update its 2016 "mobile source strategy" to include "a comprehensive strategy for the deployment of medium-duty and heavy-duty vehicles." Both SB 210 and SB 44 could require trucking companies to yet again buy new equipment in order to stay compliant with the law. The cost of trucking is built into the price of everything that is transported in California (everything we buy arrives by trucks!). The loss of the independent contractor, and the introduction of repressive new laws and regulations will force California businesses to raise prices. How will owner/operator truckers be able to survive, and how will California ports be able to stay competitive?

Maritime Business vs the A's Busyness

by Evey Hwang, Ocean Committee



Every Hwang

October was another busy month! On October 2, 2019, Port stakeholders met with Oakland Mayor Libby Schaaf, Oakland City staff and Port of Oakland Commission staff. From Mayor Schaaf there were expressions of optimism about the port accommodating the ballpark, with her staff producing maps detailing the re-zoning of land use from industrial to residential. Meanwhile, the Port of Oakland was assuring that the A's ballpark was "not a done deal". It seems that the only established reality is that Port stakeholders know that maritime operations will be jeopardized by a waterfront ballpark at Howard Terminal.

The next day, October 3rd, there was a special AgTC meeting at Oakland Intl Airport, facilitated by Executive Director Peter Friedmann. The meeting was called to give agriculture shippers a forum from which to voice concerns to Port of Oakland Commissioners about the serious disruptions to supply chains that will be created by the proposed ballpark. The meeting was well attended. Some export shippers are just becoming aware of the A's plans to build a luxury condos/entertainment complex, and they are adding their

Events Around the Bay

- [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

voices to the chorus of opposition against the A's real estate development. Agriculture exporters are heavily dependent on the Port of Oakland, and they view any disruption at the only outbound port in Northern California as being detrimental to their supply chains. Any reduction or interruption on sailing schedules due to ballgames and/or safety concerns in turning basins would increase the likelihood their products will miss their contracted delivery date overseas. Customers will be lost, and market shares lost are almost impossible to get back. Of note is that the Port of Oakland is a rarity among U.S. ports in that their cargo volumes are 50/50 exports to imports.

[A's Busyness continues...](#)

Report on the NCBFAA Board Meeting

Brenda Custer Espeleta, Flexport Inc.



Brenda Custer-Espeleta is VP Customs Compliance at Flexport Inc. She has served multiple terms as a Director of CBFANC. She also has been a participant and contributor to the activities of the Pacific Coast Council (PCC) and she has repeatedly conveyed our industry's concerns to Congress as a member of the CBFANC delegation to the annual PCC Mission to Washington, D.C. Brenda continues her work for the greater good by currently serving as Director, Area 6, of the National Customs Brokers & Forwarders Association of America (NCBFAA). Here, she offers for our readers her report on the most recent NCBFAA board meeting held in Washington D.C.

NCBFAA Board Meeting Notes

Presidents Report

- 2019 has been a game changer for brokers and forwarders – 301, 232, tweets, increased duty and increased risks. It's all additional work for us. We end up counseling our customers. But it's also an opportunity.
- eCommerce is a game changer. Sometimes expedited processes lower the bar. Many more discussion to take place. We are center stage and pivotal to the future.
- Education is the crux to the future.
- NCBFAA has a strong future.

[continue to Brenda's full report](#)

Valerie Beaird retires from CBP

Felicia Addison

After 40 years of service Valerie Beard retired from CBP. At the time of her retirement Valerie was the Supervisor Entry Specialist for CEE-Industrial and Manufacturing Materials. A special luncheon was held in her honor at Le Meridien in San Francisco. At the luncheon Valerie received a special commendation from Dora Murphy, Assistant Director, Field Operations, Trade and Apparel, Footwear and Textiles Center Director. We wish many happy days ahead for Valerie in her retirement and we wish to thank her for her partnership with our industry over the years.



Dora Murphy (right) presents a special commendation to Valerie Beaird at the luncheon honoring Valerie's 40 years of service for U.S. Customs.



Attending Valerie's retirement luncheon on behalf of CBFANC were directors Evey Hwang (left) and Flelicia Addison (on the right).

New Round of Section 301 Duty Exclusion for List 3

George Tuttle III



**USTR Announces New Round of
Section 301 Duty Exclusions for List 3
(\$200 Billion Trade Action)
October 30, 2019**

On October 23, 2019, the Office of the U.S. Trade Representative (USTR) ([84 FR 57803 of 10/28/2019](#)) released a notice granting 83 exclusion requests to the Section 301 duties levied on goods from China. Please click here to access our updated [EXCLUSION LIST](#), which includes all exclusions granted to date. (Please note that this is an Excel file.) The notice affects goods on List 3, and includes chemicals, fabrics, ball valves, and bassinets. These exclusions apply from September 24, 2018 through August 7, 2020. The applicable HTS to apply to this round of exclusions is 9903.88.33.

USTR Seeking Comments on Extending the First 301 Exclusions

The [USTR](#) announced it will publish this week a notice requesting comments on whether the first set of tariff exclusions (List 1, \$34 Billion Product Exclusion Process) should remain in effect for another year. All List 1 exclusions are set to expire on December 28, 2019.

The USTR will individually evaluate each exclusion comment and request for extension. Comments are to be submitted under USTR-2019-0019 at www.regulations.gov through the appropriate form (Form A is for comments; Form B is to be completed by importers and/or purchasers of the product covered by the exclusion). The portal opens November 1, 2019 and closes November 30, 2019.

Comments are to specifically address such factors as:

- Whether the particular product and/or comparable product is available from sources in the United States and/or third countries,
- If any efforts have been made since July 2018 to source the products elsewhere than China,
- Publication date of the Federal Register notice containing the exclusion, and
- Whether the product is subject to antidumping/countervailing duties.

The USTR will publish the Exclusion Extension Comment [forms](#) on their website.

[the article continues here](#)

EU Sec. 301 easy reference guide

"Additional Duty of Products of the Countries of the European Union Under Large Civil Aircraft 301 Trade Remedy Action," the list of products is reduced to a single page for easy reference. Use the link below.

https://content.govdelivery.com/attachments/USDHSCBP/2019/10/29/file_attachments/1313643/LCA%20Table.pdf

Sec 301 reference tool

Are you unsure of the latest HTS that are subject or will be subject to Sec 301 additional duties? The office of the U.S. Trade Representative makes this information available at the following web site:

<http://ustr.gov/issue-areas/enforcement/section-301-investigations/tariff-actions>



WESCCON 2019

by: Jack Hubbard

WESCCON 2019 was held in Palm Springs, CA, on October 11th through October 13th. The conference had record breaking attendance, as well as a record breaking number of exhibitors.



CBFANC board members and officers attending WESCCON 2019, from left: Felicia Addison, Chris Ramos, Jack Hubbard, Raymond Hong, Evey Hwang and Chris Garcez.



Did someone say "Flexport?" Flexport had a large and lively contingent present at WESCCON 2019. Their attendees are pictured above.



Attending the opening breakfast at WESCCON 2019, from left: Jaki Ferenz, Avalon; Allison Brady, TLR; Victoria Lane, Coppersmith and PCC Board Chair; Jordan Zeldin, Avalon; Jack Hubbard, TLR; Sarah Stroth, NF Stroth Associates.

Seminar: Section 301/232 Strategies, featuring George Tuttle III



Raymond Hong

Strong turnout for seminar "What Brokers &

Importers Need to Know!"

George Tuttle III presented an informative and thorough seminar regarding "Section 301/232 Strategies for Duty Avoidance." Clearly, the turnout showed the need for such information, and an appreciation for the expertise of the presenter. See below:



CBFANC Elections -- Your Chance to be a Leader of CBFANC

Jack Hubbard, Chairman, CBFANC Board of Directors

CBFANC Board of Directors
2020 Elections coming up soon!!!



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 12, 2019.

We Want You



CBFANC Hddiday Party December 12, 2019--SAVE THE DATE

SAVE THE DATE!

The annual CBFANC Holiday party will be held on **December 12, 2019**, at the SFO Hilton in Burlingame, CA. Registration and more information is below.





HELLO
my name is

CBFANC Holiday Happy Hour

*Come Join the Fun at our annual meeting!
Enjoy festive hors d'oeuvres and cocktails!*

Thursday December 12, 2019

4:30 pm to 8:00 pm

Where:
Hilton San Francisco Airport Bayfront
600 Airport Blvd, Burlingame CA
Members—\$35.00 / Guests—\$45.00

Bring an Unwrapped Toy to benefit Toys for Tots and get a free raffle ticket

The Latest Waterfront Development Hustle

John McLaurin, President of the Pacific Merchant Shipping As



John McLaurin, president of the Pacific Maritime Shipping Association

Editor's note: We are re-running this article, which originally appeared in the August edition of InfoExpeditor. We hope that this will allow as many people as possible to have the chance to read this insightful opinion piece from Mr. McLaurin.

The battle continues between Port of Oakland maritime interests vs Oakland As real estate developers. Concerns are rising within the Oakland City Council regarding the potential impact of the proposed Oakland As stadium/real estate development. John McLaurin, president of the Pacific Merchant Shipping Association (PMSA), recently published an Op Ed piece on this subject, and we have his permission to share this with you.

To read Mr. McLaurin's article, please click here:

<https://www.maritimeprofessional.com/news/latest-waterfront-development-hustle-349890>



Congresswoman Jackie Speier Meets CBFANC Delegation in D.C.



Editor's note: You might wonder why you are seeing this picture again!! Well, it's because I like it! It shows some of the best and brightest in our industry as they pay a call on one of the most respected members of Congress, Rep. Jackie Speier. This is great! Maybe I'll just include it in every edition for the rest of this year. Cheers!

Representative Jackie Speier met with the CBFANC delegation on April 2nd. We wish to convey our thanks to Representative Speier for her interest in the issues facing our industry. Pictured above: Peter Friedmann aka Our Man in DC, Peter Gong, Chris Ramos, Representative Speier, Sun Wook Lee, Raymond Hong, Evey Hwang, Brenda Custer-Espeleta, and Felicia Addison.

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