

PCC Mission to Washington
March 30 to April 2, 2019
Notes by Brenda Espeleta

I attended the PCC Mission to Washington this year after having not attended for about ten years. This mission was much better than I remember. It was very well planned, with great content and many guest speakers. Peter Friedmann's office, including Spencer and Stephen, did an incredible job keeping everyone on track and dealt with the changing schedules seamlessly. I enjoyed the trip and learned so much.

One of my favorite parts was the dinner at The Monocle with the special sguests. The guests all rotate tables so more people can have dialogue with them. So, a few bites of salad and off to the next table. I sat with the San Diego coalition and have new appreciation for the speed and chaos they encounter daily, and their close relationships with their clients. Brenda Smith also gave great insight to the illegal immigration deluge that really is causing CBP to urgently make alternative plans. When someone hits the border and requests asylum, CBP has only 72 hours to hold them. And at many of the smaller southern border crossings they have no facilities to hold families. If more than 100 immigrants hit one of the small border points the few CBP inspectors are left to accommodate the masses. And some of the migrants are hostile. Certainly no one wants the border closed so the urgent actions CBP is taking to reallocate staff to deal with the influx seems like one of the best options.

I have to give compliments to the experienced CBFANC teammates who have been doing this for many years: Evey Hwang, Felicia Addison, Chris Ramos, Sarah Stroth, and Peter Gong. Their advice was always spot on, from things like wear comfortable shoes, to let's divide and concur but keep the separate teams on the same side of the hill. We covered a lot of ground and a lot of congressmen and senators' offices. It was a lot of effort, exhausting actually, but also fun, and so educational. I would highly encourage everyone to go, at least once. There's no better way to see democracy in action and feel like your voice can and does make a difference. Thanks so much for the stipend offered to attend. I hope to go again next year.

Here's my notes from the various sessions.

PCC Board Meeting, Sunday, March 30

San Diego

- San Diego has an issue with their time-stamp perforation machine. It's not working. Used for T&E's, Carnets, etc. as proof of export. COAC has a new suggested policy on inbonds that might address this issue. Might not be needed in future. Also, what is the uniform process across the USA? Needs to be the same everywhere. There needs to be

a public Business Process Document on Inbonds. Amy Magnus says it's in the works by CBP.

- Trump is saying he's closing the border. CBP has swapped staff and putting more at border. Reducing lanes entering USA. Our clients are concerned

CBFANC

- CBFANC is hosting a golf event this year using an outside consultant to organize it.
- New Oakland Ballpark plan for Howard Terminal, CBFANC pushing against it due to environmental concerns. Not much hope. In California the city owns the ports. And the port wants the income. Exports will be harmed if goes through.

LACBFFA

- LACBFFA has new committee – Emerging Technologies, led by Sandra Cody.
- LACBFAA has been doing monthly webinars for fees and making good money.
- LACBFAA updating their bylaws, offering Board of Directors training on what it means to be a Director, and liabilities.
- Ocean container turn times an issue, also container volumes expected to go down, more cargo destined to East coast with Panama Canal
- Chassis shortage (or bad chassis) a big problem.
- Carriers moving to Ensenada

Portland

- Port congesting at SEATAC
- Trucking is quicker than rail
- Extended hours way to deal with congestion and trucker wait times/fees.

Seattle

- Same comments as Portland
- FDA only has one inspector, delays last a month
- Chassis also scarce and no 'pool'

5106 & ACE if IOR has input their banking info into ACE a 5106 update wipes it all away. Be aware. If sending a 5106 update send all the info filed previously.

Entry type 86 is it Customs Business? If Sec 321 is a manifest filing is not. Is Deminimus Customs Business? It is not an exception from entry and will require a 10 digit HTS, which per Customs makes it Customs Business. FDA has CSMS msg on what is Deminimus and how to handle. Customs brokers should get access to file Sec 321's via the manifest route. Type 86 does not need an IOR, can be left blank unless it is required by the PGA. And no census data is filed.

Expect more AES penalties.

China 301- China is a bad actor. Trump wants to fix the intellectual property violations and forced technology transfer. The CN301 tariffs probably won't go away even if CN agrees to things as the US will want CN to prove they've changed.

Bills currently in line to limit the president's authority with regard to tariffs, but not much chance these will pass both house and senate.

Customs Meeting, Monday, April 1

John Leonard

- New Branch, Trade Remedies. Handling all 232, 201, 301 issues. Thus far 18,000 entries processed.
- Broker Regulations coming (in 2020) and District Permits will go away
- Craft Beverage refunds being issued starting in May
- 5106 deployed. CBP is aware that Voided IOR numbers are an issue
- Drawback deployed. Must file all electronically
- Remember CBP is a law enforcement agency
- Type 86 is not for ADD or CVD (must file 03 entry), Quota (file 02 entry) Alcohol or 232. (301 is ok as 86)

Adam Blank

- 21st Century Framework—are 6 themes (see internet for listing)
- Comment period still open
- Aiming for one USG at borders
- Harmonizing Trusted Trade programs with other nations

Jim Swanson

- ACE is being revamped for manifest filings to be all modes in single platform. Will take 2 years. Will be HBL's for all modes.
- ISF is tied to HBL
- 96% of cargo shipments flow easily thru ACE with no holds

Melba Hubbard, Randy Mitchell

- 111 Regs moving slowly, may come out in 4 to 6 months
- Sec 114 TFTEA, Risk Based Bonding—COAC working with CBP, expect in 4 to 6 months
- Sec 910 Forced Labor—new app on eAllegations
- New 5106, IOR will be voided if inactive after 1 year
- 500 officers moved to S. Border to deal with immigration influx
- eCommerce Truck Manifest now accommodated more than 5000 lines (unlimited)
- Type 86, IOR is conditional. No Bond needed. Consignee required
- Inbond Audits coming – will be based on risk.

On the Hill, Tuesday, April 2

Breakfast with Hun Quach, VP, Trade Policy, Retail Industry Leaders Association.

Hun was so engaging and knew how to prep us for our short time with the legislators or their aides. You could tell she loved what she does and is very passionate about making a difference.

I have the updated agenda of all the legislative offices we visited if needed.