U.S. Customs and Border Protection

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## CBP's Fiscal Year 2017 Budget Request

On March 1, 2016, U.S. Customs and Border Protection (CBP) Commissioner R. Gil Kerlikowske testified before the House Appropriations Committee, Subcommittee on Homeland Security, on CBP's Fiscal Year (FY) 2017 Budget Request.

In his written statement, Commissioner Kerlikowske discussed how CBP is using the resources provided by Congress efficiently and effectively, and demonstrated how the FY 2017 Budget Request supports CBP's continued commitment to national and economic security by strengthening frontline capabilities and optimizing resources.

For additional information, please contact the Office of Congressional Affairs.

## CBP Trade Enforcement – Providing a Level Playing Field for U.S. Industry

On February 25, 2016, President Obama signed the *Trade Facilitation and Trade Enforcement Act of 2015* (Pub. L. 114-25). This legislation is a major milestone for U.S. Customs and Border Enforcement (CBP), as it is the first reauthorization for the agency since it was created under the auspices of the Department of Homeland Security in 2003. By authorizing CBP, the Act establishes a modern foundation for the agency's critical missions to counter terrorism and transnational crime, advance comprehensive border security and management, and enhance U.S. economic competitiveness by enabling lawful trade and travel.

CBP has a long history of safeguarding the nation's economic security through effective trade enforcement operations. On a typical day, CBP screens more than 70,000 truck, rail, and sea cargo containers at our 328 ports of entry – about 26 million containers worth more than $2.4 trillion last year alone. CBP also collected $46 billion in duties, taxes, and other fees, making CBP the U.S. government's second largest source of revenue.

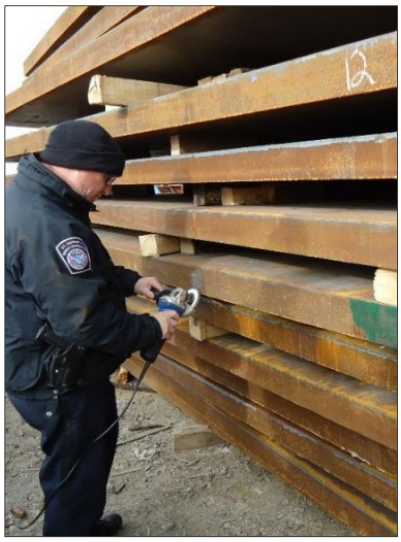
The Act aligns with these goals by enhancing CBP's ability to prevent violations and take strong actions against violators. It bolsters our ability to prevent and disrupt the flow of counterfeit goods into the United States, a critical tool to safeguarding U.S. intellectual property rights. The Act also formally recognizes CBP's Centers of Excellence and Expertise (CEEs), one of the agency's major efforts to modernize and streamline operations by consolidating certain operations by industry sectors. CBP relies on strong partnerships with the private sector, integrated enforcement with our partner agencies like Immigration and Customs Enforcement/Homeland Security Investigations (ICE/HSI), and advanced enforcement capabilities to carry out our incredibly broad mission successfully.

To enforce U.S. trade laws to protect America's economic security, CBP uses all of its authorities to combat trade fraud by DETECTING high-risk activity, DETERRING non-compliance, and DISRUPTING fraudulent behavior. A range of enforcement actions are used to punish criminal violators to the fullest extent of the law.

CBP coordinates with U.S. industries, 47 U.S. agency partners, and foreign governments to detect anomalies, trends, and violations in the global supply chain to target high-risk shipments and promote compliance. In collaboration with ICE, CBP combats criminal organizations that illegally exploit American trade and conduct enforcement operations at and beyond the border to ensure U.S. industry can compete on a level playing field.

As CBP continues to safeguard legitimate trade and travel at our borders, the 60,000 men and women of CBP remain committed to enforcing our trade laws and protecting the nation's economic security.

For additional information, please visit the CBP Website or contact the Office of Congressional Affairs.



## CBP, Industry Collaborate to Protect United States Steel Manufacturers

U.S. Customs and Border Protection (CBP) works closely with our government and industry partners to level the playing field for domestic manufacturers. One of the best examples of this partnership is our enforcement of Antidumping/Countervailing Duty (AD/CVD) orders on steel products.

In Fiscal Year (FY) 2015, CBP, in coordination with Immigration and Customs Enforcement (ICE), Homeland Security Investigations (HSI), was able to successfully seize over $900,000 worth of steel products that violated AD/CVD laws and assess $45.5 million in penalties for AD/CVD violations on importers of steel products. In FY 2015, CBP also conducted over 7,200 entry summary reviews of steel imports for AD/CVD issues, and identified violations with a value of over $970,000. In January 2016, an examination by CBP port personnel resulted in CBP identifying nearly $200,000 in AD/CVD violations.

CBP's AD/CVD enforcement efforts in the steel industry go beyond just conducting inspections and assessing imported goods for AD/CVD. The agency also partners with the steel industry to educate CBP personnel and steel industry members by developing seminars that explain how AD/CVD enforcement can best be implemented in the current trade environment. In FY 2015, CBP, in partnership with the U.S. steel industry, conducted five AD/CVD seminars, which took place at key trade locations in California, Georgia, Illinois, New York, and Texas, for CBP personnel and customs brokers. These seminars were designed and successfully leveraged to give the participants the latest knowledge about how the steel industry operates and AD/CVD orders on steel products. In conjunction with our industry partners, in FY 2016, CBP will conduct the following Steel Seminars in conjunction with the industry: Laredo, Texas (February 23-25); New Orleans (April 12-14); Philadelphia (May 17-19); Long Beach, California (July 19-21); Detroit (August 23-25).

At CBP's Base Metals Center of Excellence and Expertise, CBP's industry experts work together as one unit to focus on outreach and enforcement for steel importations. CBP and the Base Metals Center are actively enforcing 149 AD/CVD orders on steel products and looks to continue its work with the U.S. steel industry to prepare to enforce AD/CVD orders on steel products that result from the 42 new AD/CVD investigations that have been filed by the U.S. steel industry.

For additional information, please visit the CBP Website, or contact the Office of Congressional Affairs.

## CBP Seizes Counterfeit Hoverboards

In recent months, U.S. Customs and Border Protection (CBP) officers nationwide have seized record numbers of counterfeit hoverboards. CBP officers assigned to the Chicago Field Office alone have seized over 16,000 counterfeit hoverboards with an estimated manufacturer's suggested retail price (MSRP) of over $6 million.

CBP officers have seized hoverboards at ports in Chicago, Houston, Buffalo, International Falls, Miami, Charleston, Puerto Rico, Savannah, Sterling, Norfolk, and at John F. Kennedy airport.

The self-balancing scooters, commonly referred to as "hoverboards" contain batteries that are deemed unauthorized and therefore counterfeit as well as fake trademark logos. Major safety concerns have also surfaced following reports of fires possibly caused by substandard and counterfeit lithium ion batteries that power some hoverboards.

"Counterfeit and pirated products threaten our economic security and undermine legitimate businesses that invest significant resources into manufacturing safe, quality products. Even worse, these products often pose serious health and safety hazards to the people who buy and use them," said Edward Ryan, Assistant Director of Trade for Puerto Rico and the U.S. Virgin Islands. "Enforcing product safety laws and protecting intellectual property rights are top priorities for CBP."

The U.S. Consumer Product Safety Commission (CPSC) is examining hoverboard fires across the country, and offers buying and safety tips. Consumers may report incidents to CPSC via www.SaferProducts.gov.

IPR enforcement is a CBP Priority Trade Issue. If you are aware of or suspect a company or individual is committing IPR crime, please report the trade violation to CBP at e-Allegations Online Trade Violation Reporting System. Trade violations can also be reported by calling 1-800-BE-ALERT.

For additional Information, please visit the CBP Website, or contact the Office of Congressional Affairs.

## CBP Enforcement News: Air and Marine Operations Intercepts Vessel with 93 Pounds of Cocaine

On February 9, 2016, U.S. Customs and Border Protection (CBP) Air and Marine Operations (AMO) seized 93 pounds (42 kilos) of cocaine after intercepting a 25-foot vessel 6 nautical miles from Fajardo, Puerto Rico, and arresting 2 men onboard. Near midnight a CBP DHC-8 Marine Patrol Aircraft detected a vessel approximately 2 nautical miles northwest of Culebra Island traveling westbound without navigation lights. As marine units from multiple law enforcement partners reached the vessel, the suspects jettisoned several packages and attempted to abscond. A CBP Interceptor crew was able to stop the vessel and apprehend two subjects. The estimated value of the cocaine is $1.2 million.

*— Visit the CBP Newsroom for the full story.*