

U.S. Customs and Border Protection

19 CFR PARTS 4, 7, 10, 11, 12, 24, 54, 101, 102, 103, 113, 132,
133, 134, 141, 142, 143, 144, 145, 146, 147, 151, 152, 158, 159,
161–163, 173, 174, 176 AND 181

CBP DEC. NO. 16–26

RIN 1651–AB02

REGULATORY IMPLEMENTATION OF THE CENTERS OF EXCELLENCE AND EXPERTISE

AGENCY: U.S. Customs and Border Protection, DHS.

ACTION: Interim final rule.

SUMMARY: In 2012, U.S. Customs and Border Protection (CBP) developed a test to incrementally transition the operational trade functions that traditionally reside with port directors to the Centers of Excellence and Expertise (Centers). The purpose of the test was to broaden the ability of the Centers to make decisions by waiving certain identified regulations to the extent necessary to provide the Center directors, who manage the Centers, with the authority to make the decisions normally reserved for the port directors. At this time, CBP is prepared to end the test and establish the Centers as a permanent organizational component of the agency and to transition certain additional trade functions to the Centers. This rule amends the CBP regulations on an interim basis to implement this organizational change by: Defining the Centers and the Center directors; amending the definition for port directors to distinguish their functions from those of the Center directors; identifying the Center management offices; explaining the process by which importers will be assigned to Centers; providing the importer with an appeals process for its Center assignment; identifying the regulatory functions that will be transitioned from the port directors to the Center directors and those that will be jointly carried out by the port directors and the Center directors; and providing clarification in applicable regulations that payments and documents may continue to be submitted at the ports of entry or electronically.

EFFECTIVE DATE: This interim rule is effective January 19, 2017.

Comment date: Written comments must be submitted on or before January 19, 2017.

ADDRESSES: You may submit comments identified by *docket number*; by *one* of the following methods:

- *Federal eRulemaking Portal:* <http://www.regulations.gov>. Follow the instructions for submitting comments via docket number USCBP-2016-0075.
- *Mail:* Regulations and Rulings, Office of Trade, U.S. Customs and Border Protection, Attention: Trade and Commercial Regulations Branch, 90 K Street NE., 10th Floor, Washington, DC 20229-1177.

Instructions: All submissions received must include the agency name and docket number for this rulemaking. All comments received will be posted without change to <http://www.regulations.gov>, including any personal information provided. For detailed instructions on submitting comments and additional information on this rulemaking process, see the “Public Participation” heading of the **SUPPLEMENTARY INFORMATION** section of this document.

Docket: For access to the docket to read comments received, go to <http://www.regulations.gov>. Submitted comments may also be inspected on regular business days between the hours of 9 a.m. and 4:30 p.m. at Regulations and Rulings, Office of Trade, U.S. Customs and Border Protection, 90 K Street NE., 10th Floor, Washington, DC. Arrangements to inspect submitted comments should be made in advance by calling Mr. Joseph Clark at (202) 325-0118.

FOR FURTHER INFORMATION CONTACT: Lori Whitehurst, CBP Office of Field Operations by telephone (202) 344-2536 or by email, lori.j.whitehurst@cbp.dhs.gov; or Susan S. Thomas, CBP Office of Field Operations by telephone (202) 344-2511 or by email, susan.s.thomas@cbp.dhs.gov.

SUPPLEMENTARY INFORMATION:

Public Participation

Interested persons are invited to participate in this rulemaking by submitting written data, views, or arguments on all aspects of this interim final rule. U.S. Customs and Border Protection (CBP) also invites comments that relate to the economic, environmental, or federalism effects that might result from this regulatory change. Comments that will provide the most assistance to CBP will reference a

specific portion of the rule, explain the reason for any recommended change, and include data, information or authority that support such recommended change. Written comments must be submitted on or before January 19, 2017. CBP will consider those comments and make any changes appropriate after consideration of those comments.

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I. Purpose and History of the Centers of Excellence and Expertise (Centers)

A. Purpose of the Centers

U.S. Customs and Border Protection (CBP) established ten Centers of Excellence and Expertise (Centers) managed from strategic locations around the country to focus CBP's trade expertise on industry-specific issues and provide tailored support for importers. The concept of the Centers arose in response to claims that CBP's port-by-port trade processing authority sometimes resulted in similar goods entered at different ports of entry receiving disparate processing treatment causing trade disruptions, increased transaction costs, and information lapses for both CBP and the importer. CBP established the Centers to facilitate trade, reduce transaction costs, increase compliance with applicable import laws, and achieve uniformity of treatment at the ports of entry for the identified industries. CBP believes that providing broad decision-making authority to the Centers will better enable the Centers to achieve these goals for CBP and the trade.

B. History of the Centers

The concept of Centers was developed as a result of discussions with the Advisory Committee on Commercial Operations of U.S. Customs and Border Protection (COAC), which promoted the management by account framework. The COAC is an advisory committee established in accordance with the provisions of the *Federal Advisory Committee Act* (FACA), 5 U.S.C. App. 2. COAC provides advice and makes recommendations to the Commissioner of CBP, the Secretary of the Department of Homeland Security, and the Secretary of the Treasury on all matters involving the commercial operations of CBP and related U.S. Department of Homeland Security (DHS) and Treasury functions. CBP has continually consulted COAC throughout the development of the Centers.

In October 2011, CBP established the first two Centers: The Electronics Center managed from Long Beach, California; and the Pharmaceuticals Center (later renamed the *Pharmaceuticals, Health & Chemicals Center*) managed from New York City, New York.

On May 10, 2012, the Acting Commissioner of CBP announced at the West Coast Trade Symposium two new Centers: The Automotive & Aerospace Center managed from Detroit, Michigan, and the Petroleum, Natural Gas & Minerals Center managed from Houston, Texas.

On August 28, 2012, CBP published a General Notice in the **Federal Register** (77 FR 52048) announcing a test broadening the ability of the Centers to make decisions by waiving certain identified regulations under title 19 of the Code of Federal Regulations (19 CFR) to provide the Center directors with the authority to make the decisions normally reserved for the port directors. The notice provided centralized decision-making authority to the following Centers: Electronics; Pharmaceuticals, Health & Chemicals; Automotive & Aerospace; and Petroleum, Natural Gas & Minerals. The notice invited all businesses that met the eligibility criteria set forth in the notice to apply, including, but not limited to Customs–Trade Partnership Against Terrorism (C–TPAT) and Importer Self Assessment (ISA) program members.

On November 27, 2012, the Deputy Commissioner of CBP announced at the East Coast Trade Symposium six new Centers: The Agriculture & Prepared Products managed from Miami, Florida; the Apparel, Footwear & Textiles managed from San Francisco, California; the Base Metals managed from Chicago, Illinois; the Consumer Products & Mass Merchandising managed from Atlanta, Georgia; the Industrial & Manufacturing Materials managed from Buffalo, New York; and the Machinery managed from Laredo, Texas.

On April 4, 2013, CBP published a General Notice in the **Federal Register** (78 FR 20345) to announce the six new Centers and list the additional regulations that would be waived for test participants.

On March 10, 2014, CBP published a General Notice in the **Federal Register** (79 FR 13322) to modify the existing test by changing the scope of coverage for some of the Centers and the types of entries that would be processed by the Centers, waiving an additional regulation for Center test participants, and clarifying the submission process for responses to Requests for Information and Notices of Action.

Since their establishment in October 2011, the Centers have been staffed with CBP employees who facilitate trade by providing account management for members in the identified industries, engaging in risk segmentation, and by strengthening trade outreach.

Under the test, the Centers have had the ability to review entries and the Center directors, who are tasked with leading the Centers,

have had decision-making authority for the functions identified by regulation in the test notices, which, for the most part, dealt with the post-release environment. Under the test, the Center directors have also had the ability to make recommendations to the port directors concerning decisions that were retained by the port directors notwithstanding the test.

On September 11, 2014, Commissioner R. Gil Kerlikowske signed Delegation Order number 14–004, which delegated to the Center directors all functions, authorities, rights, privileges, powers, and duties vested in port directors by law, regulation, or otherwise. The delegation enabled these functions, authorities, rights, privileges, powers, and duties to be exercised concurrently by port directors and Center directors. CBP began implementing the delegation order on January 28, 2015, for the Electronics Center, the Pharmaceutical, Health & Chemicals Center, and the Petroleum, Natural Gas & Minerals Center.

II. Finalization of the Centers of Excellence and Expertise Test

During the Centers' test period, CBP incrementally transitioned to the Center directors some of the trade functions that traditionally reside with the port directors, such as determinations, notifications, and processing concerning duty refund claims based on 19 U.S.C. 1520(d) and issuance of all Requests for Information (CBP Form 28). As explained in the Executive Order 13563 and Executive Order 12866 section below, the Centers met their trade enhancement goals and the test was a success. Moreover, section 110 of the Trade Facilitation and Trade Enforcement Act of 2015 (Pub. L. 114– 125, 130 Stat. 122, February 24, 2016) required that the Centers of Excellence and Expertise be developed and implemented. Therefore, at this time, CBP is prepared to end the Centers' test and establish the Centers as a permanent organizational component of the agency and to transition certain additional trade functions to the Centers, such as the processing of quota entry summaries (*see* 19 CFR part 132) and determining whether to provide importers with a reasonable opportunity to label products (*see* 19 CFR part 11). To accomplish this goal, CBP is realigning and shifting certain staff positions from the port director chain of command to the Center director chain of command. The staff that is handling the trade functions under the port director will continue to handle those same functions under the Center directors, but they will be reallocated by industry specialization and will report to one of the ten Centers. The staff who will report to the Centers includes: Import Specialists, Entry Specialists, and Liquidation Specialists. As explained in the Executive Order 13563 and

Executive Order 12866 section below, this realignment is virtual, in that Center personnel will remain at their current location, primarily at ports of entry, to stay accessible to the trade community and to continue to assist with enforcement and compliance issues that arise. The staff who will continue to report to the port directors includes: CBP Officers, Agriculture Specialists, FPF Officers, and Seized Property Specialists.

CBP notes that certain authorities and responsibilities that were provided to the Center directors by waiving certain regulatory sections in the test notices will not be transitioned to the Centers under the regulations. CBP has made the decision to maintain the current regulatory authorities for: The control, movement, examination and release of cargo; export; drawback; and Fines, Penalties & Forfeitures. The sections that will not be transitioned to the Centers under the regulations that were transitioned in the test notices are listed here along with parenthetical explanations: § 10.66 (exportation of goods); § 10.67 (exportation of goods); § 12.3 (condition of release); § 12.73(k) (detention of motor vehicle); § 12.80 (condition of release); § 134.3(b)(2) (location of examination); § 141.58(c) (request to ship merchandise separately); § 142.13 (condition of release); § 144.34(a) (physical transport of goods from warehouse); § 141.57 (incremental release of split shipments); § 146.63 (Foreign Trade Zone release); § 162.79b (involves Fines, Penalties & Forfeitures officers); § 181.13 (involves Fines, Penalties & Forfeitures officers); and § 191.61 (drawback).

This document also amends certain regulations to jointly authorize the port directors and Center directors to implement certain functions, such as the authority to accept certain documentation (*see, e.g.*, 19 CFR 10.41a(e)) and collect payments (*see, e.g.*, 19 CFR 24.2). The reason for providing joint authority to the port directors and Center directors is to ensure that the trade mission and security mission are met regardless of the hour of operation for either of the personnel. CBP believes that providing broad decision-making authority to the Centers will better enable the Centers to facilitate trade, reduce transaction costs, increase compliance with applicable import laws, and achieve uniformity of treatment at the ports of entry for the identified industries. As such, this document amends the CBP regulations on an interim basis to more fully implement the Centers by: Defining the Centers and the Center directors; amending the definition for port directors to distinguish their functions from those of the Center directors; identifying the Center management offices; explaining the process by which importers will be assigned to Centers; providing the importer with an appeals process for its Center assign-

ment; identifying the regulatory functions that will be transitioned from the port directors to the Center directors and those that will be jointly carried out by the port directors and the Center directors; and providing clarification in applicable regulations that payments and documents may continue to be submitted at the ports of entry or electronically.

This document also provides a list of industries that will be covered by each of the Centers.

A. Definition for the Centers

This document amends § 101.1 of title 19 of the regulations (19 CFR 101.1) to define the Centers of Excellence and Expertise as national CBP offices that are responsible for performing certain trade functions and making certain determinations as set forth in this title, regarding importations of merchandise by their assigned importers, regardless of the ports of entry at which the importations occur. The Centers are organized by industry sectors, which are categorized by the Harmonized Tariff Schedule of the United States (HTSUS) numbers. The list of HTSUS numbers is published in this document and any change made to that list will be announced in a subsequent **Federal Register** document.

B. Definition for Center Director

This document amends § 101.1 of title 19 of the regulations (19 CFR 101.1) to define the term “Center director” as the person who manages their designated Center and is responsible for certain trade decisions and functions concerning that Center and the importers that are processed by that Center.

C. Revised Definition for Port and Port of Entry

This document amends § 101.1 by revising the definition of “Port” and “Port of Entry” by updating the term “Customs” to “U.S. Customs and Border Protection (CBP)” or “customs”, as applicable, to reflect the nomenclature changes made necessary by the transfer of the legacy U.S. Customs Service of the Department of the Treasury to the Department of Homeland Security (DHS) and DHS’ subsequent re-naming of the component as U.S. Customs and Border Protection on March 31, 2007 (*see* 72 FR 20131, dated April 23, 2007).

D. Definition for Port Director

This document amends § 101.1 to add a definition of “Port director” that is consistent with the description currently found in the definition for “port” and “port of entry” but also distinguishes the port directors responsibilities from those of the Center director. The new

definition for “Port director” is the person who has jurisdiction within the geographical boundaries of their port of entry unless the regulations provide that particular trade functions or determinations are exclusively within the purview of a Center Director or other CBP personnel.

E. Designation of Center Management Offices

This document creates a new § 101.10 in title 19 of the regulations (19 CFR 101.10) to provide a list of the existing Centers and their management offices. The Center management offices will continue to be located in the cities that were designated in the published test notices noted above. The Centers and the cities wherein each management office is located is as follows: *Agriculture & Prepared Products*, Miami, Florida; *Apparel, Footwear & Textiles*, San Francisco, California; *Automotive & Aerospace*, Detroit, Michigan; *Base Metals*, Chicago, Illinois; *Consumer Products and Mass Merchandising*, Atlanta, Georgia; *Electronics*, Long Beach, California; *Industrial & Manufacturing Materials*, Buffalo, New York; *Machinery*, Laredo, Texas; *Petroleum, Natural Gas & Minerals*, Houston, Texas; *Pharmaceuticals, Health & Chemicals*, New York City, New York.

F. Assignment of Importers to the Centers

Generally, each importer will be assigned to an industry-category administered by a specific Center based on the tariff classification in the HTSUS of the predominant number of goods imported. The list of HTSUS numbers that will be used by CBP for the importer’s placement in a Center is the same list of HTSUS numbers that are referenced in the definition for Centers (see § 101.1). Factors that may cause CBP to place an importer in a Center not based on the tariff classification of the predominant number of goods imported include the importer’s associated business practices within an industry, the intended use of the predominant number of goods imported, or the high relative value of goods imported. Brokers acting as the IOR will have their entry summary processed by the Center relating to the predominant HTSUS number for the entry summary since brokers’ business models do not necessarily align within a particular industry sector.

G. Appeal of Center Assignment

All importers may appeal the Center assignment at any time by submitting a written appeal, with a subject line identifier reading “Appeal Regarding Center Assignment”, to U.S. Customs and Border

Protection, Office of Field Operations, Executive Director, Cargo and Conveyance Security (CCS) Division, 1300 Pennsylvania Ave. NW., Suite 2.3D, Washington, DC 20229–1015 or by email to CEE@cbp.dhs.gov. Appeals must include the following information:

(1) Current Center assignment;

(2) Preferred Center assignment; (3) All affected Importer of Record (IOR) numbers and associated bond numbers; and (4) Written justification for the change in Center assignments; and (5) Import data, as follows:

(i) *For new importers.* Projected importations at the four (4) digit HTSUS heading level during the current year; or

(ii) *For importers with less than one year of prior import history.* Projected importations and prior import data with entry summary lines and value at the four (4) digit HTSUS heading level;

(iii) *For importers with more than one year of prior import history.* One year of prior import data with entry summary lines and value at the four (4) digit HTSUS heading level.

H. Transitioning of Trade Functions to the Centers

This document amends certain regulations to transition to the Center directors a variety of post-release trade functions that are currently handled by the port directors, including decisions and processing related to entry summaries; decisions and processing related to all types of protests; suspension and extension of liquidations; decisions and processing concerning free trade agreements and duty preference programs; decisions concerning warehouse withdrawals wherein the goods are entered into the commerce of the United States; all functions and decisions concerning country of origin marking issues; functions concerning informal entries; and classification and appraisalment of merchandise, including valuation of merchandise.

This document also amends some regulations to identify the circumstances where the port directors and the Center directors will have joint authority. For example, § 141.56(a) is amended to note that CBP may accept, either at the port of entry or electronically, one entry summary for consumption or for warehouse for merchandise covered by multiple entries for immediate transportation, subject to the requirements of § 142.17(a), provided the merchandise covered by each immediate transportation entry is released at the port of destination under a separate entry, in accordance with § 142.3. The reference to “port directors” is being removed and replaced with “CBP” because the authority to accept the entry summary will continue to reside with the personnel working for the port directors and will also be

extended to the personnel working for the Center directors. Importers will continue to have the ability to submit the documentation at the port or electronically and this ability is merely being reflected in the regulation. In this example, if the entry summary were submitted electronically to CBP, it would be internally routed to the appropriate Center. As a second example, the port director and Center director personnel will have joint authority for all functions involving sampling and redelivery requests (*see, e.g.*, 19 CFR 132.14(a)(4)(i)(A)). CBP notes that while the redelivery notices may be sent out by either personnel working for the port director or the Center director, the resolution of marking issues will be the sole authority of the Center directors.

This document also amends the regulations to provide that port directors and the Center directors will have joint authority to collect payments. These amendments do not affect the public's responsibility to continue to submit payments using the same methods of payment that are prescribed in the regulations today; they merely extend the authority to accept payments to Center directors as well (*see e.g.*, 19 CFR 10.49(d) and 24.2). For example, § 24.2 is amended in this document to include a reference to Center directors as persons authorized to receive customs collections. The revised text would read as follows: "Center directors, port directors, CBP cashiers, CBP officers, CBP dock tellers, and such other officers and employees as the Center director or port director will designate will receive Customs collections."

Any functions that are not identified in this package as being transferred to the Centers will remain with the parties who are currently engaging in those activities, as per the regulations. While the language in § 4.14 of the regulations need not be amended to show that the function is being transitioned to the Center directors, CBP notes that the Vessel Repair Units (VRUs) will no longer report to the port directors and will instead report to the Automotive & Aerospace Center.

The responsibilities of the public remain unchanged after the amendments are implemented. Importers of record may continue to file entry documentation where the importer's merchandise is entered. Importers and brokers who file electronically through the Automated Broker Interface (ABI) will continue to use CBP's authorized electronic data interchange system to submit required import data with CBP. Paper filings at the ports of entry will remain unchanged. Importers and brokers who file paper entries may continue to file at the port of entry where the paper documents will be processed, reviewed, and accepted by CBP, which may be personnel working for

either the Center director or the port director. When necessary, CBP will internally route the data to the appropriate Center for review and processing. As per usual, CBP will continue its process of contacting the filer if there are any problems and will notify the filer of the appropriate person at CBP to contact if a response is necessary.

Any decisions or requests for information or samples that were made by the port director prior to the publication of this document will remain valid and effective. Any protest that was filed with a port director prior to the effective date of this document, will be transferred to the relevant Center director to make a decision on the protest. When applicable, this document amends certain regulations to provide that determinations made by the port directors or Center directors before the effective date of this document are valid to the same extent as determinations made by a Center director after the effective date of this document. Similarly, when applicable, this document amends certain regulations to note that submission of information to the port directors or Center directors before the effective date of this document is valid to the same extent as submission of information made to a Center director after the effective date of this document. Center directors may have made determinations or accepted documents prior to the effective date of this document pursuant to the Center test or the Delegation Order described in section I.B. of the Background section of this document.

I. Scope of Industries Covered by Each Center

The test notices defined the types of merchandise for which each Center is responsible by identifying the Harmonized Tariff Schedule of the United States (HTSUS) headings for which each Center is responsible. CBP will continue to define the scope of industries covered by each Center by the HTSUS heading that will be handled by each Center. The scope of industries covered by each Center has been defined as noted below.

If changes are made to the scope of coverage for any of the Centers, CBP will announce the change in the **Federal Register**.

1. Agriculture & Prepared Products Center

For inclusion in the Agriculture & Prepared Products Center, importers must be part of the agriculture, aquaculture, animal products, vegetable products, prepared food, beverage, alcohol, tobacco or similar industries based on the tariff classification in the HTSUS of the predominant number of goods imported. For purposes of assigning an importer to this Center, CBP considers the term “agriculture and prepared products” to consist of merchandise classified under Chapters 1 through 24 of the HTSUS.

2. Apparel, Footwear & Textiles Center

For inclusion in the Apparel, Footwear & Textiles Center, importers must be part of the wearing apparel, footwear, textile mill, textile mill products, or similar industries based on the tariff classification in the HTSUS of the predominant number of goods imported. For purposes of assigning an importer to this Center, CBP considers the term “apparel, footwear, and textiles” to consist of merchandise classified under headings 4015, 4203, 4303, 4304, 5001 through 5007, 5101 through 5113, 5201 through 5212, 5301, 5302, 5303, 5305 through 5311, 5401 through 5408, 5501 through 5516, 5601 through 5609, 5701 through 5705, 5801 through 5811, 5901 through 5911, 6001 through 6006, 6101 through 6117, 6201 through 6217, 6301 through 6310, 6401 through 6406, 6501, 6502, 6504, 6505 6506, and 6507 of the HTSUS.

3. Automotive & Aerospace Center

For inclusion in the Automotive & Aerospace Center, importers must be part of the automotive, aerospace, or other transportation equipment and related parts industries based on the tariff classification in the HTSUS of the predominant number of goods imported. For purposes of assigning an importer to this Center, CBP considers the term “automotive” to consist of merchandise classified under headings 8701 through 8711, 8713, 8714, and 8716, HTSUS. For purposes of assigning an importer to this Center, CBP considers the term “aerospace” to consist of merchandise classified under headings 8801 through 8805, HTSUS. For purposes of assigning an importer to this Center, CBP considers the term “other transportation equipment and related parts” to consist of merchandise classified under headings 4011 through 4013, 8406 through 8412, 8511, 8512, 8601 through 8609, 8901 through 8908, HTSUS.

4. Base Metals Center

For inclusion in the Base Metals Center, importers must be part of the steel, steel mill products, ferrous and nonferrous metal, or similar industries based on the tariff classification in the HTSUS of the predominant number of goods imported. For purposes of assigning an importer to this Center, CBP considers the term “base metals” to consist of merchandise classified under headings 7201 through 7308, 7312 through 7318, 7320, 7322, 7324 through 7413, 7415, 7419 through 7614, 7616 through 8113, and 8307 through 8311 of the HTSUS.

5. Consumer Products & Mass Merchandising Center

For inclusion in the Consumer Products and Mass Merchandising Center, importers must be part of the household goods, consumer products, or similar industries, and or mass merchandisers of products typically sold for home use based on the tariff classification in the HTSUS of the predominant number of goods imported. For purposes of assigning an importer to this Center, CBP considers the term “consumer products and mass merchandising” to consist of merchandise classified under headings 3303 through 3307, 3401, 3406, 3605, 3924, 3926, 4201, 4202, 4205, 4206, 4414, 4419, 4420, 4421, 4602, 4803, 4817, 4818, 4820, 4901 through 4911, 6601 through 6603, 6701 through 6704, 6911 through 6913, 7113 through 7118, 7319, 7321, 7323, 7418, 7615, 8210 through 8215, 8301, 8303 through 8306, 8469, 8470, 8508, 8509, 8510, 8513, 8516, 8539, 8712, 8715, 9001 through 9006, 9013, 9101 through 9114, 9201, 9202, 9205 through 9209, 9401, 9403 through 9405, 9503 through 9508, 9601 through 9619, and 9701 through 9706 of the HTSUS.

6. Electronics Center

For inclusion in the Electronics Center, importers must be part of the electronics industry based on the tariff classification in the HTSUS of the predominant number of goods imported. For purposes of assigning an importer to this Center, CBP considers the term “electronics” to consist of merchandise classified under headings 3818, 8471, 8473, 8501 through 8504, 8517 through 8538, and 8540 through 8548 of the HTSUS.

7. Industrial & Manufacturing Materials Center

For inclusion in the Industrial & Manufacturing Materials Center, importers must be part of the plastics, polymers, rubber, leather, wood, paper, stone, glass, precious stones or precious metals, or similar industries based on the tariff classification in the HTSUS of the predominant number of goods imported. For purposes of assigning an importer to this Center, CBP considers the term “industrial and manufacturing materials” to consist of merchandise classified under headings 2501 through 2530, 3901 through 3923, 3925, 4001 through 4010, 4016 through 4115, 4301, 4302, 4401 through 4413, 4415 through 4418, 4501 through 4601, 4701 through 4802, 4804 through 4814, 4816, 4819, 4821, 4822, 4823, 6801 through 6910, 6914 through 7011, 7013, 7014 through 7112, 7309 through 7311, and 9406 of the HTSUS.

8. Machinery Center

For inclusion in the Machinery Center, importers must be part of the tools, machine tools, production equipment, instruments, or similar industries based on the tariff classification in the HTSUS of the predominant number of goods imported. For purposes of assigning an importer to this Center, CBP considers the term “machinery” to consist of merchandise classified under headings 8201 through 8209, 8302, 8401 through 8405, 8413 through 8468, 8472, 8474 through 8484, 8486, 8487, 8505 through 8507, 8514, 8515, 9007, 9008, 9010, 9011, 9012, 9014 through 9017, 9020, 9023 through 9033, and 9301 through 9307 of the HTSUS.

9. Petroleum, Natural Gas & Minerals Center

For inclusion in the Petroleum, Natural Gas & Minerals Center, importers must be part of the petroleum, natural gas, petroleum related, minerals, or mining industries based on the tariff classification in the HTSUS of the predominant number of goods imported. For purposes of assigning an importer to this Center, CBP considers the terms “petroleum” and “natural gas” to consist of merchandise classified under headings 2709 through 2713, HTSUS. For purposes of assigning an importer to this Center, CBP considers the term “petroleum related” to consist of merchandise classified under headings 2701, 2705, 2707, 2708, 2714, 2715, 2716, and 3826, HTSUS. For purposes of assigning an importer to this Center, CBP considers the terms “minerals” or “mining” to consist of merchandise classified under headings 2601 through 2621, 2702, 2703, 2704, and 2706, HTSUS.

10. Pharmaceuticals, Health & Chemicals Center

For inclusion in the Pharmaceuticals, Health & Chemicals Center, importers must be part of the pharmaceuticals, health, or chemical and allied industries based on the tariff classification in the HTSUS of the predominant number of goods imported. For purposes of assigning an importer to this Center, CBP considers the term “pharmaceuticals” to consist of merchandise classified under headings 2936, 2937, 2939, 2941, 3001 through 3006, HTSUS. For purposes of assigning an importer to this Center, CBP considers the term “health equipment” to consist of merchandise classified under headings 4014, 9018, 9019, 9021, 9022, and 9402, HTSUS. For purposes of assigning an importer to this Center, CBP considers the term “chemicals” to consist of merchandise classified under headings 2801 through 2935, 2938, 2940, 2942, 3101 through 3302, 3402 through 3405, 3407 through 3604, 3606 through 3817, and 3819 through 3825, HTSUS.

III. Explanation of Amendments

This section of the document explains the amendments that are being made in various parts of title 19 of the Code of Federal Regulations (19 CFR) to: Transition functions from the port directors to the Center directors; jointly authorize the port directors and Center directors to implement certain functions; or provide clarification that payments and documents may continue to be submitted at the ports of entry or electronically. CBP has decided not to amend the following parts of 19 CFR because the functions are not transitioning to the Centers or because the parts are included in another regulatory package: 111, 114, 118, 122, 123, 125, 127, 191 and 192.

A. Part 4—Vessels in Foreign and Domestic Trades

Section 4.94a(d) is amended to provide that upon entry completion and deposit of duty under § 4.94a(d), the bond posted with CBP will be returned to the importer of record, and a new bond on CBP Form 301, containing the bond conditions set forth in 19 CFR 113.62, may be required by the Center director, rather than by the port director. This bond function is being transferred from the port directors to the Center directors because it is a post-release function.

B. Part 7—Customs Relations With Insular Possessions and Guantanamo Bay Naval Station

Section 7.3(e)(1)(iii)(B) is amended to provide the Center director, rather than the port director, with the authority to determine whether an importation into an insular possession or the United States results from the original commercial transaction between the importer and the producer or the latter's sales agent.

Section 7.3(e)(2) is amended to provide that the Center director, rather than the port director, will have the authority to require that appropriate shipping papers, invoices, or other documents be submitted within 60 days of the date of entry as evidence that the goods were shipped to the United States directly from an insular possession or shipped from the United States directly to an insular possession and returned from the insular possession to the United States by direct shipment within the meaning of section 7.3(e)(1). The Center director, rather than the port director, will also have the authority to determine whether evidence of direct shipment will be subject to verification. The section is also being amended to provide that evidence of direct shipment will not be required when the Center director, rather than the port director, is otherwise satisfied, taking into consider-

ation the kind and value of the merchandise, that the goods qualify for duty-free treatment under General Note 3(a)(iv), HTSUS, and section 7.3(a).

Section 7.3(f)(1) is amended to provide the Center director, rather than the port director, with the authority to decide whether goods qualify for duty-free treatment under section 7.3(a)(1).

Section 7.3(f)(2) is amended to provide that the declarations noted in § 7.3(f)(2)(i)–(ii) must be filed with the entry/entry summary unless the Center director, rather than the port director, is satisfied by reason of the nature of the goods or otherwise that the goods qualify for such duty-free entry.

C. Part 10—Articles Conditionally Free, Subject to a Reduced Rate, etc.

In Part 10, the responsibilities and functions currently designated by the regulations for the port directors will be transferred to the Center directors, except for those found in the following sections and those described further below:

- 10.5(d), (e), (g), and (h): *Shooks and staves; cloth boards; port director's account.*
- 10.6: *Shooks and staves; claim for duty exemption.*
- 10.7: *Substantial containers or holders.*
- 10.31(b): *Entry; bond.*
- 10.36(a): *Commercial travelers' samples; professional equipment and tolls of trade; theatrical effects and other articles.*
- 10.38(a), (f), and (g): *Exportation.*
- 10.39(d)(2), (e)(2), (e)(3), and (g): *Cancellation of bond charges.*
- 10.41b(b), (b)(1), (b)(2)(vi), (b)(3)–(b)(6), and (i): *Clearance of serially numbered substantial holders or outer containers.*
- 10.53(e)(5): *Antiques.*
- 10.59(a)(3) and (e): *Exemption from customs duties and internal-revenue tax.*
- 10.60(f) and (h): *Forms of withdrawals; bond.*
- 10.61: *Withdrawal permit.*
- 10.62(c)(1), (e), and (f): *Bunker fuel oil.*
- 10.62a(b): *Blanket withdrawals for certain merchandise.*

- 10.62b(g)(9): *Aircraft turbine fuel.*
- 10.64(a) and (b): *Crediting or cancellation of bonds.*
- 10.65(c)(2): *Cigars and cigarettes.*
- 10.66(b), (a)(3) and (c)(1): *Articles exported for temporary exhibition and returned; horses exported for horse racing and returned; procedure on entry.*
- 10.67(c): *Articles exported for scientific or educational purposes and returned; procedure on entry.*
- 10.68(a): *Procedure.*
- 10.71(e): *Purebred animals; bond for production of evidence; deposit of estimated duties; stipulation.*
- 10.75: *Wild animals and birds; zoological collections.*
- 10.81(a): *Use in any port.*
- 10.101(c) and (d): *Immediate delivery.*
- 10.107(b) and (c): *Equipment and supplies; admission.*
- 10.151: *Importations not over \$800.*
- 10.152: *Bona-fide gifts.*

These functions, which generally occur at the ports and relate to pre-release decisions, will remain with the port directors: Collection of information used to make release decisions; functions concerning exportation; determinations concerning destruction of merchandise; decisions and functions concerning the physical control of warehoused goods and the transfer of those goods from warehouse to warehouse or warehouse to port and the final disposition regarding entry; decisions and functions concerning vessels; decisions concerning passengers; pre-release decisions and functions; and decisions concerning importations not over \$800 and bona-fide gifts.

The following sections in Part 10 include either the responsibilities and functions for personnel working for either the port director and Center director or the section contains additional regulatory changes as noted below:

- Sections 10.8(d) (*Articles exported for repairs or alterations*) and 10.9(d) (*Articles exported for processing*): From the *port director*

to port director or Center director because personnel working for either the port director or the Center director will have the authority to require at the time of entry a deposit of estimated duties.

- Section 10.37 (*Extension of time for exportation*): From the director of the port where the entry was filed to the Center director for purposes of permitting the Center director, rather than the port director, to grant extensions of time for exportation upon written application on CBP Form 3173, provided the articles have not been exported or destroyed before the receipt of the application, and liquidated damages have not been assessed under the bond before receipt of the application. Also, this document adds language to the section to provide that the written application on CBP Form 3173 may be submitted to CBP, either at the port of entry or electronically meaning here that the application may be submitted using the means currently permitted; however, the authority to collect the form will be extended to the personnel working for both Center directors and the port directors.
- Section 10.40(b) (*Refund of cash deposits*): From the port director to the Center director to provide that the Center director, rather than the port director will notify the importer in writing that the entire cash deposit will be transferred to the regular account as liquidated damages. Also, this document adds language to the section to provide that the written application for relief from the payment of the full liquidated damages must be filed with the Center director.
- Section 10.41a(e) (*Lift vans, cargo vans, shipping tanks, skids, pallets, and similar instruments of international traffic; repair components*): From the port director to CBP, either at the port of entry or electronically so that the consumption entry may be submitted using the means currently permitted; however, the authority to collect the document will be extended to the personnel working for both Center directors and the port directors.
- Section 10.49(d) (*Articles for exhibition; requirements on entry*): From the director of the port of entry to CBP, either at the port of entry or electronically so that the duties may be submitted using the means currently permitted (e.g., through the Automated Clearing House (ACH)); however, the authority to collect and deposit the duties will be extended to the personnel working for both Center directors and the port directors.

- Section 10.71(c) (*Purebred animals; bond for production of evidence; deposit of estimated duties; stipulation*) and 10.121(b) (*Visual or auditory materials of an educational, scientific, or cultural character*): From the *port director to CBP, either at the port of entry or electronically* to indicate that the importer may continue to make its submission of stipulation documentation and duties using the means currently permitted; however, the authority to accept the payments and documentation will be extended to both the port director and Center director personnel.
- Section 10.84(e) (*Automotive vehicles and articles for use as original equipment in the manufacture of automotive vehicles*): From the *director of the port where entry was made to CBP, either at the port of entry or electronically* so as to allow the written notice concerning the intended use of motor-vehicle equipment to be submitted using the means of submission currently permitted and to also extend the authority to collect the notice to both the Center director and port director personnel.
- Section 10.91(c)(2) (*Prototypes used exclusively for product development and testing*): From the *port director where the entry or withdrawal of the prototype was made to CBP, either at the port of entry or electronically* and from *port director to Center director*. This document removes the words “the port director where the entry or withdrawal of the prototype was made” and adds in their place the words “CBP, either at the port of entry or electronically” to provide that notice of the sale of the prototype or any part(s) of the prototype must be submitted using the means currently permitted, but the authority to collect the notice is extended to both Center director and port director personnel. The term “port director” in the final sentence is replaced with “Center director” to provide that the Center director, rather than the port director, has the authority to request proof of actual use of the prototype.
- Section 10.102(a) (*Duty-free entries*): From the *port director* to the *Center director* because duty assessment is being transitioned to the Center director personnel. Also, this document adds language to the section to provide that the required certification may be received *either at the port of entry or electronically*.
- Section 10.179(b)(1) (*Canadian crude petroleum subject to a commercial exchange agreement between United States and Canadian refiners*): From the *director of the port where the original*

entry was made to CBP, either at the port of entry or electronically, so as to allow the certification required under § 10.179(a) to continue to be filed using the means permitted currently.

- Section 10.235(b) (*Filing of claim for preferential tariff treatment*): From *the Customs port where the declaration was originally filed to CBP, either at the port of entry or electronically* because the declarations that the imported article qualifies for preferential tariff treatment may continue to be submitted using the means permitted currently and the authority to collect the declarations will be extended to both the Center director and port director personnel.
- Section 10.245(b) (*Filing of claim for preferential treatment*): From *the CBP port where the declaration was originally filed to CBP, either at the port of entry or electronically* to provide that the corrected declaration will be effected by submission of a letter or other written statement using the means permitted currently and the authority to collect the corrected declarations will be extended to both the Center director and port director personnel.
- Sections 10.441(a) (*Filing procedures*), 10.591(a) (*Filing procedures*), 10.870(a) (*Filing procedures*), 10.911(a) (*Filing procedures*), 10.1011(a) (*Filing procedures*), 10.2011(a) (*Filing procedures*), and 10.3011(a) (*Filing procedures*): From *the director of the port at which the entry covering the good was filed to CBP, either at the port of entry or electronically* so that the post-importation claim for a refund may be submitted using the means currently permitted; however, the authority to collect the document will be extended to the personnel working for both Center directors and the port directors.
- Section 10.847(c) (*Filing of claim for duty-free treatment*): From *the CBP port where the claim was originally filed to CBP, either at the port of entry or electronically* so that the post-entry documentation for a refund, including corrections to claims for duty-free treatment, may be submitted using the means currently permitted; however, the authority to collect the document will be extended to the personnel working for both Center directors and the port directors.

D. Part 11—Packing and Stamping; Marking

Section 11.12(b) is amended to provide the Center director, rather than the port director, with the authority to allow the importer a

reasonable opportunity to label imported wool products that were not correctly labeled where the Center director is satisfied that the error or omission did not involve fraud or willful neglect.

Section 11.12(c) is amended to provide that the Center director, rather than the port director, will set the bond amount for packages of wool products that are not designated for examination and are released.

Section 11.12(d) is amended to require the Center director, rather than the port director, to provide written notice to the importer of any lack of compliance with the Wool Products Labeling Act of 1939 in respect of an importation of wool products, and to note that pursuant to § 141.113 the Center director, rather than the port director, will demand the immediate return of the involved products to Customs custody, unless the lack of compliance is forthwith corrected.

Section 11.12(e) is amended to give the Center director, rather than the port director, the discretion to determine whether the imported wool products have been brought into compliance with the Wool Products Labeling Act of 1939.

Section 11.12(f) is amended to state that if any fraudulent violation of the Wool Products Labeling Act of 1939 with respect to imported articles comes to the attention of the Center director, the involved merchandise shall be placed under seizure, or a demand shall be made for the redelivery of the merchandise if it has been released from Customs custody, and the case shall be reported to the Federal Trade Commission, Washington, DC.

Section 11.12a(b) is amended to provide that if imported fur products are not correctly labeled and the Center director, rather than the port director, is satisfied that the error or omission involved no fraud or willful neglect, the importer shall be afforded a reasonable opportunity to label the merchandise under Customs supervision to conform with the requirements of such act and the rules and regulations of the Federal Trade Commission.

Section 11.12a(c) is amended to provide that the Center director, rather than the port director, will set the bond amount for packages of fur products that are not designated for examination and are released.

Section 11.12a(d) is amended to provide that the Center director, rather than the port director, will give written notice to the importer of any lack of compliance with the Fur Products Labeling Act (15 U.S.C. 69b) in respect of an importation of fur products, and pursuant to § 141.113 the Center director, rather than the port director, will demand the immediate return of the involved products to Customs custody, unless the lack of compliance is forthwith corrected.

Section 11.12a(e) is amended to provide that the Center director, rather than the port director, needs to be fully satisfied that a product covered by a notice and demand given pursuant to § 11.12a(d), that has not been promptly returned to Customs custody, has been brought into compliance with the Fur Products Labeling Act.

Section 11.12a(f) is amended to provide that if any fraudulent violation of the act with respect to imported articles comes to the attention of a Center director, the involved merchandise shall be placed under seizure, or a demand shall be made for the redelivery of the merchandise if it has been released from Customs custody, and the case shall be reported to the Federal Trade Commission, Washington, DC 20580.

Section 11.12b(b) is amended to provide that if imported fiber products are not correctly labeled and the Center director, rather than the port director, is satisfied that the error or omission involved no fraud or willful neglect, the importer shall be afforded a reasonable opportunity to label the merchandise under customs supervision to conform with the requirements of such Act and the rules and regulations of the Federal Trade Commission.

Section 11.12b(c) is amended to provide that the Center director, rather than the port director, will set the bond amount for packages of fiber products that are not designated for examination and are released.

Section 11.12b(d) is amended to require the Center director, rather than the port director, to provide written notice to the importer of any lack of compliance with the Textile Fiber Products Identification Act in respect of an importation of fiber products, and pursuant to § 141.113 of this chapter to demand the immediate return of the involved products to customs custody, unless the lack of compliance is corrected.

Section 11.12b(e) is amended to provide that the Center director, rather than the port director, needs to be fully satisfied that a product covered by a notice and demand given pursuant to § 11.12b(d), that has not been promptly returned to Customs custody, has been brought into compliance with the Fiber Products Identification Act (15 U.S.C. 70 through 70k).

Section 11.12b(f) is amended to provide that if any willful or flagrant violation of the Act with respect to the importation of articles comes to the attention of a Center director, the involved merchandise shall be placed under seizure, or a demand shall be made for the redelivery of the merchandise if it has been released from Customs custody, and the case shall be reported to the Federal Trade Commission, Washington DC 20580.

E. Part 12—Special Classes of Merchandise

Section 12.26(f) is amended to provide that if the permit referred to in § 12.26(e) is refused by the Fish and Wildlife Service, or if the permit is not produced within the said 30 days, an authorized CBP official (a CBP employee working for either the port director or the Center director) shall promptly recall the property, if delivered under bond, and shall require its immediate exportation at the expense of the importer or consignee.

Section 12.39(b)(2)(i) is amended to provide that, to enter merchandise that is the subject of a Commission exclusion order, importers must file with CBP prior to entry a bond in the amount determined by the Commission that contains the conditions identified in the special importation and entry bond set forth in appendix B to part 113 of this chapter. The term “CBP” here means that importers may file the bond with personnel working for either the port director or the Center director.

Section 12.39(b)(3) is amended to provide that CBP shall notify each importer or consignee of articles released under bond pursuant to § 12.39(b)(2) when the Commission’s determination of a violation of § 337 becomes final and that entry of the articles is refused. The term “CBP” here means personnel working for either the port director or the Center director.

Section 12.39(b)(4) is amended to provide that in addition to the notice given to importers or consignees of articles released under bond, CBP shall provide written notice to all owners, importers or consignees of articles which are denied entry into the United States pursuant to an exclusion order that any future attempt to import such articles may result in the articles being seized and forfeited. The term “CBP” here means personnel working for either the port director or the Center director. The paragraph is also amended by removing “by port directors” in the last sentence to read as follows: Copies of all such notices are to be forwarded to the Executive Director, Commercial Targeting and Enforcement, Office of Trade, at CBP Headquarters, and to the Office of The General Counsel, USITC, 500 E Street SW., Washington, DC 20436.

Section 12.39(c)(1)(iii) is amended to conform with the modification to paragraph (b)(4), above. Similarly, the term “CBP” in this instance means personnel working for either the port director or the Center director.

Section 12.39(e)(2) is amended to provide that CBP shall enforce any court order or USITC exclusion order based upon a mask work

registration in accordance with the terms of such order. The term “CBP” here means personnel working for either the port director or the Center director.

Section 12.73(j) is amended to provide that, if good cause is shown, the Center director, rather than the port director, has the authority to extend the period of time that the importer has to submit a U.S. Environmental Protection Agency (EPA) statement that the vehicle or engine is conformity with Federal emission requirements. The prescribed statement must be delivered by the importer to CBP, either to the port of entry or electronically. This means that the importer may continue to submit the statement using the means currently permitted, but the authority to collect the statement will be extended to the personnel working for either the Center director or port director.

Section 12.121(a)(2)(ii) is amended to provide that a Center director, rather than the port director, may, in his discretion, approve an importer’s use of a “blanket” certification, in lieu of filing a separate certification for each chemical shipment, for any chemical shipment that conforms to a product description provided to Customs pursuant to § 12.121(a)(2)(ii)(A). This document also amends the section to provide that in approving the use of a “blanket” certification, the Center director, rather than the port director, should consider the reliability of the importer and Customs broker.

Section 12.121(a)(2)(ii)(A) is amended to provide that a “blanket” certification must be filed with CBP, either at the port of entry or electronically. This means that the importer may continue to submit the statement using the means currently permitted, but the authority to collect the statement will be extended to the personnel working for either the Center director or port director.

Section 12.121(a)(2)(ii)(B) is amended to provide that a “blanket” certification will remain valid, and may be used, for 1 year from the date of approval unless the approval is revoked earlier for cause by the Center director.

F. Part 24—Customs Financial and Accounting Procedure

Section 24.1(a)(3)(i) is amended to provide that an uncertified check drawn by an interested party on a national or state bank or trust company of the United States or a bank in Puerto Rico or any possession of the United States if such checks are acceptable for deposit by a Federal Reserve bank, branch Federal Reserve bank, or other designated depository shall be accepted if there is on file with CBP a bond to secure the payment of the duties, taxes, fees, interest, or other charges, or if a bond has not been filed, the organization or

individual drawing and tendering the uncertified check has been approved by an authorized CBP official (a CBP employee working for either the port director or the Center director) to make payment in such manner. In determining whether an uncertified check shall be accepted in the absence of a bond, an authorized CBP official shall use available credit data obtainable without cost to the Government, such as that furnished by banks, local business firms, better business bureaus, or local credit exchanges, sufficient to satisfy him of the credit standing or reliability of the drawer of the check.

Section 24.1(a)(3)(ii) is amended to provide that if, during the preceding 12-month period, an importer or interested party has paid duties or any other obligation by check and more than one check is returned dishonored by the debtor's financial institution, an authorized CBP official (a CBP employee working for either the port director or Center director) shall require a certified check, money order or cash from the importer or interested party for each subsequent payment until such time that an authorized CBP official is satisfied that the debtor has the ability to consistently present uncertified checks that will be honored by the debtor's financial institution.

Section 24.2 is amended to include Center directors to the list of CBP employees that are authorized to receive Customs collections. They are also permitted, along with the port directors, to designate employees who are authorized to receive Customs collections.

Section 24.4(a) is amended to provide that an importer, including a transferee of alcoholic beverages in a customs bonded warehouse who wishes to pay on a semi-monthly basis the estimated import taxes on alcoholic beverages entered, or withdrawn from warehouse, for consumption by him during such a period may apply by letter to the Center director, either at a port of entry or electronically, rather than to the director of each port at which he wishes to defer payment. The reason the language "Center director, either at the port of entry or electronically" is used rather than "CBP, either at the port of entry or electronically" is because the Center director will have the authority to permit a deferral of payment, but the importer may submit the letter either to the port of entry or electronically. The paragraph is also amended to provide that an importer who receives approval from the Center director, rather than the port director, to defer such payments may, however, continue to pay the estimated import taxes due at the time of entry, or withdrawal from warehouse, for consumption. While the Center directors will be responsible for the duty impact and entry summary aspects of the bonded warehouses, the port directors will remain responsible for the physical control and supervision of the bonded warehouses.

Section 24.4(b) is amended to provide that an importer may begin the deferral of payments of estimated tax to a Customs port in the first deferral period beginning after the date of the written approval by the Center director, rather than the port director. An importer may use the deferred payment system until the Center director, rather than the port director, advises such importer that he is no longer eligible to defer the payment of such taxes.

Section 24.4(c)(1) is amended to provide that an importer must state his estimate of the largest amount of taxes to be deferred in any semimonthly period based on the largest amount of import taxes on alcoholic beverages deposited with CBP in such a period during the year preceding his application. He must also identify any existing bond or bonds that he has on file with CBP and shall submit in support of his application the approval of the surety on his bond or bonds to the use of the procedure and to the increase of such bond or bonds to such larger amount or amounts as may be found necessary by the Center director. These changes are being made to reflect that bonds will be maintained by both the port directors and Center directors and that bonds amount determinations related to the importation of alcoholic beverages will be made by the Center directors.

Section 24.4(c)(2) is amended to provide that each application noted in § 24.4 must include a declaration in substantially the following language: I declare that I am not presently barred by CBP from using the deferred payment procedure for payment of estimated taxes upon imports of alcoholic beverages, and that if I am notified by a Center director to such effect I shall advise any future Center director where approval has been given to me to use such procedure. The purpose of using the term “CBP” rather than keeping “port director” in this declaration is to take into account if the importer is presently barred by a port director or a Center director. The other instances of “port director” have been changed to “Center director” because this document is transferring from the port directors to the Center directors the authority to bar importers from using the deferred payment procedures for payment of estimated taxes upon imports of alcoholic beverages. Future Center directors are accounted for in this language in case an importer’s industry changes and the importer is placed in a new Center.

Section 24.4(d)(1) is amended to provide that the Center director, rather than the port director, will notify the importer, or his authorized agent if requested, of approval for using the deferred payment procedures.

Section 24.4(i) is amended to provide that the deferred payment privilege once approved by the port director or Center director before

January 19, 2017, or the Center director on or after January 19, 2017, will remain in effect until terminated under the provisions of § 24.4(h) or the importer or surety requests termination. This section is being amended to include date ranges because the decisions made prior to the effective date of these regulatory amendments will have been made by the port director or Center director (pursuant to the Delegation Order described in section I.B. of the Background section of this document) and the decisions made on or after the effective date of these regulatory amendments will be made by the Center director.

Section 24.14(c) is amended to provide that CBP's stamp, rather than the port director's stamp, will be impressed upon a completely prepared bill or receipt for the purchase of customs forms that is presented by the purchaser at the time of purchase.

G. Part 54—Certain Importations Temporarily Free of Duty

Section 54.5(b) is amended to provide that no deposit of estimated duty shall be required upon the entry, or withdrawal from warehouse for consumption, of the articles described in paragraph (a) of this section if the Center director, rather than the port director, is satisfied at the time of entry, or withdrawal, by written declaration of the importer that the merchandise is being imported to be used in remanufacture by melting, or to be processed by shredding, shearing, compacting, or similar processing which renders it fit only for the recovery of the metal content. The reason this authority is being transitioned to the Center director is because Center director personnel, rather than port director personnel, will be in the position to determine whether goods meet the requirements for duty free entry and determine rates of duty generally.

Section 54.6(c) is amended to require the importer to submit to CBP, either at the port of entry or electronically, a statement from the superintendent or manager of the plant at which the articles were used in remanufacture by melting, or were processed by shredding, shearing, compacting, or similar processing which rendered them fit only for the recovery of the metal content showing the information contained in § 54.6(c)(1)–(c)(4). Currently, the importer is required to submit this statement to the port director. The language is being amended to permit the importer to submit the statement using the means currently permitted, while also extending the authority to collect the statement to personnel working for either the Center director or the port director.

Section 54.6(c)(4) is amended to provide that the statement submitted by the importer must contain a description of the remanufacture or processing in sufficient detail to enable the Center director, rather

than the port director, to determine whether it constituted a use in remanufacture by melting, or processing by shredding, shearing, compacting, or similar processing which rendered the articles fit only for the recovery of the metal content.

H. Part 101—General Provisions

Section 101.1 is amended to include: The definition for the Centers; the definition for Center director; the revised definition for port and port of entry; and the definition for port director. A new section 101.10 includes language describing the designation of Center Management Offices; the factors considered for the assignment of importers to the Centers; and the process for appealing a Center assignment. The new or amended language is described in detail in Section II.E of this document.

I. Part 102—Rules of Origin

Section 102.23(a) is amended to provide that if an entry filed for commercial importations of textile or apparel products fails to include the manufacturer identification code (MID) properly constructed from the name and address of the manufacturer, the Center director, rather than the port director, may reject the entry or take other appropriate action. The reason for this change is because entry rejection or other appropriate action will be done by personnel working for the Center director, rather than the port director.

Section 102.23(b) is amended to provide that if the Center director, rather than the port director, is unable to determine the country of origin of a textile or apparel product, the importer must submit additional information as requested by the Center director.

Section 102.25 is amended to provide that if the Center director, rather than the port director, is unable to determine the country of origin of the textile or apparel products for which preferential tariff treatment is sought, they will not be entitled to preferential tariff treatment or any other benefit under the NAFTA for which they would otherwise be eligible.

J. Part 103—Availability of Information

Section 103.26 is amended to add Center directors to the list of officials that may, in the interest of federal, state, and local law enforcement, upon receipt of demands of state or local authorities, and at the expense of the State, authorize employees under their supervision to attend trials and administrative hearings on behalf of

the government in any state or local criminal case, to produce records, and to testify as to facts coming to their knowledge in their official capacities.

Section 103.32 is amended to add “Center directors” to the list of CBP officials who must refrain from disclosing facts concerning seizures, investigations, and other pending cases until Customs action is completed.

K. Part 113—Customs Bonds

Appendix B to part 113 is amended to provide that if it is determined, as provided in § 337 of the Tariff Act of 1930, as amended, to exclude merchandise from the United States, then, on notification from CBP, the principal is obligated to export or destroy under Customs supervision the merchandise released under this stipulation within 30 days from the date of the CBP’s notification. The purpose of this change is to enable CBP to transition to the Center directors the exclusion order functions provided in section 12.39 of title 19 of the CFR (19 CFR 12.39).

Appendix C to part 113 currently notes that the corporate seal is to be used when no power of attorney has been filed with the port director of customs. This document amends Appendix C to part 113 by removing the words “the port director of customs” and adding in their place the term “CBP”, which means personnel working for either the port director or the Center director.

L. Part 132—Quotas

Section 132.11a(c) is amended to provide that if presentation is chosen to be made pursuant to § 132.11a(a)(2) and payment is not made as required through the statement processing method, the Center director, rather than the port director, may require filing of an entry summary for consumption with estimated duties attached as described in § 132.11(a)(1) for future filings.

Section 132.12(a) is amended to provide that the Center director, rather than the port director, will approve the opening of the quota period.

Section 132.13(a)(1)(i) is amended to provide that when instructed by Headquarters, the Center director, rather than the port director, will require an importer to present an entry summary for consumption, or its electronic equivalent, with estimated duties attached, at the over-quota rate of duty until Headquarters has determined the quantity, if any, of the merchandise entitled to the quota rate.

Section 132.13(a)(1)(ii) is amended to provide that the documentation must be presented to CBP, either at the port of entry or elec-

tronically, which here means that the importer may use the method(s) of submission currently permitted to submit the documentation; however, the authority to collect the documentation is being extended to the personnel working for either the port director or the Center director.

Section 132.13(a)(2) is amended to remove the words “at the port of entry” and replaced with “to CBP, either at the port of entry or electronically” so as to provide that the entry summary for consumption or withdrawal for consumption, or their electronic equivalents, must be presented to CBP, which means personnel working for either the port director or the Center director, using the means currently permitted.

Section 132.14(a)(4)(i)(A) is amended to provide that an authorized CBP official (a CBP employee working for either the port director or the Center director) may demand the return to Customs custody of the released merchandise in accordance with § 141.113.

Section 132.14(a)(4)(i)(B) is amended to provide that the Center director shall require the timely presentation to CBP, either at the port of entry or electronically, of the entry summary for consumption, or a withdrawal for consumption, with the estimated duties attached. The term to “CBP, either at the port of entry or electronically”, here means that the documentation may be presented to CBP using the means currently permitted; however, the authority to collect the documentation is being extended to the personnel working for either the port director or the Center director.

Section 132.14(a)(4)(ii)(A) is amended to provide that the Center director shall require the timely presentation, to CBP, either at the port of entry or electronically, of the entry summary for consumption, or a withdrawal for consumption, with estimated duties attached. The term to “CBP, either at the port of entry or electronically”, here means that the documentation may be presented to CBP using the means currently permitted; however, the authority to collect the documentation is being extended to the personnel working for either the port director or the Center director.

M. Part 133—Trademarks, Trade Names, and Copyrights

Section 133.26 is amended by permitting an authorized CBP official to demand redelivery of released merchandise. This section is amended by removing the words “the port director” and adding in their place the words “an authorized CBP official” so as to extend the authority to demand redelivery of released merchandise to a CBP employee working for either the port director or the Center director.

Section 133.46 is amended to provide that if it is determined that articles which have been released from CBP custody are subject to the prohibitions or restrictions of this subpart, an authorized CBP official (a CBP employee working for either the port director or the Center director) shall promptly make demand for redelivery of the articles under the terms of the bond on CBP Form 301, containing the bond conditions set forth in § 113.62, in accordance with § 141.113.

N. Part 134—Country of Origin Marking

Section 134.3(b) is amended by removing the words “[t]he port director” and replacing it with “[a]n authorized CBP official” so as to provide that CBP employees working for either the port director or the Center director have joint authority to demand redelivery of released articles that were not marked legally with the country of origin. CBP notes that while the redelivery notices may be sent out by either personnel working for the port director or the Center director, the resolution of marking issues will be the sole authority of the Center directors.

Section 134.25(a) is amended by removing the words “port director having custody of the article,” and adding in their place the words “Center director” to provide that the Center director, rather than the port director, is the party who will make the determination as to whether the article in question will be repacked after its release. Moreover, the paragraph is amended to require the importer to certify to the Center director that: (1) If the importer does the repacking, the new container shall be marked to indicate the country of origin of the article in accordance with the requirements of this part; or (2) if the article is intended to be sold or transferred to a subsequent purchaser or repacker, the importer shall notify such purchaser or transferee, in writing, at the time of sale or transfer, that any repacking of the article must conform to these requirements. This section is also amended by removing the words “at each port where the article is entered” and adding in their place the words “CBP, either at the port of entry or electronically.” The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of submission currently permitted; however, the authority to collect the certification is being extended to personnel working for either the port director or the Center director.

Section 134.25(c) is amended to require the certificate of marking for repacked J-list articles and articles incapable of being marked to be filed with the Center director, rather than with the port director. The section is also amended to provide that in case of failure to timely file the certification required under § 134.25, the Center director may

decline to accept a bond for the missing document and demand redelivery of the merchandise under § 134.51.

Section 134.26(a) is amended by removing the words “port director having custody of the article,” and adding in their place the words “Center director” to provide that the Center director, rather than the port director, is the party who will make the determination as to whether the article in question will be repacked after its release. Moreover, the paragraph is amended to require the importer to certify to CBP, either at the port of entry or electronically, that: (1) If the importer does the repacking, he shall not obscure or conceal the country of origin marking appearing on the article, or else the new container shall be marked to indicate the country of origin of the article in accordance with the requirements of this part; or (2) if the article is intended to be sold or transferred to a subsequent purchaser or repacker, the importer shall notify such purchaser or transferee, in writing, at the time of sale or transfer, that any repacking of the article must conform to these requirements. This section is also amended by removing the words “at each port where the article(s) is entered” and adding in their place the words “CBP, either at the port of entry or electronically.” The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of submission currently permitted; however, the authority to collect the certification is being extended to personnel working for either the port director or the Center director.

Section 134.26(c) is amended by noting that the certificate of marking statement required in § 134.26(a) must be filed with the Center director, rather than the port director, and in case of repeated failure to timely file the required certification, the Center director, rather than the port director, may decline to accept a bond for the missing document and demand redelivery of the merchandise under § 134.51.

Section 134.34(a) is amended to allow the Center director, rather than the port director, to make an exception under § 134.32(d).

Section 134.34(b) is amended by noting that the Center director, rather than the port director, will have the authority to extend the sixty (60)-day deferral period for liquidation of entries of imported articles which are to be repacked after release from CBP custody.

Section 134.51(a) is amended by requiring the Center director, rather than the port director, to notify the importer on Customs Form 4647, or its electronic equivalent, to arrange with the Center director’s office, rather than the port director’s office, to properly mark an article or container that has not been legally marked, or to return all released articles to CBP custody for marking, exportation, or destruction.

Section 134.51(b) is amended by requiring that the identity of the imported article, which was not legally marked and is to be exported, destroyed, or marked under CBP supervision, to be established to the satisfaction of the Center director, rather than the port director.

Section 134.51(c) is amended by noting that the Center director, rather than the port director, may accept a certificate of marking as provided for in § 134.52 in lieu of marking under CBP supervision.

Section 134.52(a) is amended by noting that Center directors, rather than port directors, may accept certificates of marking supported by samples of articles required to be marked, for which Customs Form 4647, or its electronic equivalent, was issued, from importers or from actual owners complying with the provision of § 141.20, to certify that marking of the country of origin on imported articles as required by this part has been accomplished.

Section 134.52(b) is amended by requiring that the certificates of marking must be filed in duplicate with CBP, either at the port of entry or electronically. The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of filing the certificates of marking as currently permitted; however, the authority to collect the certification is being extended to personnel working for either the port director or the Center director. Moreover, the Center director, rather than the port director, will now have the authority to waive the production of the marked sample when he is satisfied that the submission of such sample is impracticable.

Section 134.52(c) is amended by requiring the Center director, rather than the port director, to notify the importer or actual owner when the certificate of marking is accepted. Moreover, the paragraph is amended to authorize the Center director, rather than the port director, to spot check the marking of articles on which a certificate has been filed.

Section 134.52(d) is amended by removing the words “port director” and adding in their place the words “Center director”, thereby stating that if a false certificate of marking is filed with the Center director indicating that goods have been properly marked when in fact they have not been so marked, a seizure shall be made or claim for monetary penalty reported under section 592, Tariff Act of 1930, as amended (19 U.S.C. 1592).

Section 134.52(e) is amended by noting that the Center director, rather than the port director, may require physical supervision of marking as specified in § 134.51(c) in those cases in which he determines that such action is necessary to insure compliance with part 134.

Section 134.53(a)(2) is amended by providing the Center director, rather than the port director, with the discretion to accept a bond on CBP Form 301, containing the basic importation and entry bond conditions set forth in § 113.62 as security for the requirements of 19 U.S.C. 1304(f) and (g).

Section 134.54(a) is amended to provide that the Center director, rather than the port director, is allowed, for good cause shown, to extend the 30 day period of time that the importer has to properly mark or redeliver all merchandise previously released to him. The ability to demand payment of liquidated damages incurred under the bond will remain with the port director.

O. Part 141—Entry of Merchandise

Section 141.20(a)(1) is amended to provide that a consignee in whose name an entry summary for consumption, warehouse, or temporary importation under bond is filed, or in whose name a rewarehouse entry or a manufacturing warehouse entry is made, and who desires, under the provisions of section 485(d), Tariff Act of 1930, as amended (19 U.S.C. 1485(d)), to be relieved from statutory liability for the payment of increased and additional duties shall declare at the time of the filing of the entry summary or entry documentation, as provided in § 141.19(a), that he is not the actual owner of the merchandise, furnish the name and address of the owner, and file with CBP, either at the port of entry or electronically, within 90 days from the time of entry (see § 141.68) a declaration of the actual owner of the merchandise acknowledging that the actual owner will pay all additional and increased duties. The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of submission currently permitted; however, the authority to collect the declaration is being extended to personnel working for either the port director or the Center director.

Section 141.20(a)(2) is amended to provide that if the consignee desires to be relieved from contractual liability for the payment of increased and additional duties voluntarily assumed by him under the single-entry bond which he filed in connection with the entry documentation and/or entry summary, or under his continuous bond against which the entry and/or entry summary is charged, he shall file a bond of the actual owner on Customs Form 301, containing the bond conditions set forth in § 113.62 of this chapter, with CBP, either at the port of entry or electronically, within 90 days from the time of entry. The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of submission

currently permitted; however, the authority to collect the bond is being extended to personnel working for either the port director or the Center director.

Section 141.35 is amended to provide that any power of attorney shall be subject to revocation at any time by written notice given to and received by CBP, either at the port of entry or electronically. The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of submission currently permitted; however, the authority to collect the written notice is being extended to personnel working for either the port director or the Center director.

Section 141.38 is amended to provide that a power of attorney shall not be required if the person signing Customs documents on behalf of a resident corporation is known to CBP to be the president, vice president, treasurer, or secretary of the corporation. When a power of attorney is required for a resident corporation, it shall be executed by a person duly authorized to do so. The term “CBP” here means either the personnel working for the port director or the personnel working for the Center director.

Section 141.44 is amended to provide that unless a power of attorney specifically authorizes the agent to act thereunder at the appropriate Center and at all Customs ports, the name of the appropriate Center or each port where the agent is authorized to act thereunder shall be stated in the power of attorney. The power of attorney shall be filed with CBP, either at the port of entry or electronically, in a sufficient number of copies for distribution to the appropriate Center and each port where the agent is to act, unless exempted from filing by § 141.46. The Center director or port director with whom a power of attorney is filed, irrespective of whether his Center or port is named therein, shall approve it, if it is in the correct form and the provisions of this subpart are complied with, and forward any copies intended for other ports or another Center as appropriate. The language “CBP, either at the port of entry or electronically” here means that the power of attorney may be filed using the means of submission currently permitted; however, the authority to collect the power of attorney documentation is being extended to personnel working for either the port director or the Center director.

Section 141.45 is amended to provide that upon request of a party in interest, the Center director or a port director may have on file an original power of attorney document and will forward a certified copy of the document to another Center director or port director.

Section 141.46 currently states that a customhouse broker is required to obtain a valid power of attorney but he is not required to file

the power of attorney with a port director. This document amends § 141.46 by removing the words “a port director” and adding in their place the term “CBP” to mean either the port director personnel or the Center director personnel.

Section 141.52 is amended to provide that under certain delineated circumstances, if the Center director, rather than the port director, is satisfied that there will be no prejudice to: Import admissibility enforcement efforts; the revenue; and the efficient conduct of CBP business, separate entries may be made for different portions of all merchandise arriving on one vessel or vehicle and consigned to one consignee. One of the delineated circumstances, specifically § 141.52(i), is also amended to remove the reference to the “port director” and add “Center director” to read as follows: A special application is submitted to the Commissioner of Customs with the recommendation of the Center director concerned and is approved by the Commissioner.

Section 141.56(a) is amended to provide that CBP may accept, either at the port of entry or electronically, one entry summary for consumption or for warehouse for merchandise covered by multiple entries for immediate transportation, subject to the requirements of § 142.17(a), provided the merchandise covered by each immediate transportation entry is released at the port of destination under a separate entry, in accordance with § 142.3. The reference to “port directors” is being removed and replaced with “CBP may accept, either at the port of entry or electronically” because the authority to accept the entry summary will continue to reside with the personnel working for the port directors and will also be extended to the personnel working for the Center directors. Importers will continue to have the ability to submit the documentation at the port or electronically and this ability is merely being reflected in the regulation.

Section 141.61(e)(2) is amended to provide that a Center director, rather than a port director, may require additional documentation to substantiate the statistical information required by § 141.61(e)(1).

Section 141.61(e)(2)(ii) is amended to provide that a Center director, rather than a port director, may grant a reasonable extension of time to produce the required documentation for good cause shown. (See § 141.91(d) for bond requirements relating to failure to produce an invoice.)

Section 141.61(e)(4) is amended to provide that a Center director, rather than a port director, will reject a form for failure to provide required statistical information if the information is omitted or if the information provided clearly appears on its face, or is known to the CBP officer, to be erroneous.

Section 141.63(a) is amended to provide that under certain delineated circumstances, entry summary documentation may be submitted at the customhouse for preliminary review, without estimated duties attached, within such time before arrival of the merchandise as may be fixed by the Center director, rather than by the port director.

Section 141.63(b) is amended to provide that entry summary documentation may be submitted at the customhouse for preliminary review, without estimated duties attached, within such time after arrival of quota-class merchandise as may be fixed by the Center director, if the entry summary for consumption will be presented at the opening of the quota period, as provided in § 132.12(a).

Section 141.69(c) is amended by removing the words “the port director” and adding in their place the words “CBP” so as to provide that personnel working for either the port director or the Center director may require documentary evidence as to the movement of merchandise between its removal from the port of entry or the place of intended release and its return to the port of entry.

Section 141.83(c)(2) is amended by removing the words “[t]he port director” and replacing it with “CBP”. The first sentence of the paragraph would therefore read: “CBP may accept a copy of a required commercial invoice in place of the original.” This change would allow the commercial invoice when necessary for entry (for purposes of release) to remain with the port director and when necessary for entry summary and withdrawal for consumption to be handled by the Center director.

Section 141.85 the Pro Forma Invoice language is amended by removing the words “Advices of the Port Director” and adding in their place the term “CBP”. The purpose of this change is to note that the prices, or in the case of consigned goods the values, of the merchandise may be based on the advices of the port director personnel or the Center director personnel. This document also amends § 141.85 by removing the words “file it with the Port Director” and adding in their place the words “file it with an authorized CBP official”. The purpose of this change is to note that the invoice may be filed with an “authorized CBP official”, meaning a CBP employee working for either the port director or the Center director.

Section 141.86(a) includes a list of information that must be included in each invoice of imported merchandise. Paragraph 141.86(a)(11) provides that the invoice must set forth all goods or services furnished for the production of the merchandise (*e.g.*, assists such as dies, molds, tools, engineering work) not included in the invoice price. However, goods or services furnished in the United

States are excluded. The paragraph is being amended to provide that annual reports for goods and services, when approved by the Center director, rather than the port director, will be accepted as proof that the goods or services were provided.

Section 141.88 is amended to provide that when the Center director, rather than the port director, determines that information as to computed value is necessary in the appraisalment of any class or kind of merchandise, he shall so notify the importer, and thereafter invoices of such merchandise shall contain a verified statement by the manufacturer or producer of computed value as defined in § 402(e), Tariff Act of 1930, as amended by the Trade Agreements Act of 1979 (19 U.S.C. 1401a(e)).

Section 141.91(a) is amended by removing the words “[t]he port director” and adding in their place the term “CBP”. This change would allow the port director personnel to accept entry documentation without the invoice and would allow the Center director personnel to accept entry summary documentation without the invoice if they are satisfied that the failure to produce the required invoice is due to a cause beyond the control of the importer.

Section 141.91(d) is amended to provide that if needed for statistical purposes, the invoice shall be produced within 50 days after the date of the entry summary (or the entry, if there is no entry summary) is required to be filed, unless a reasonable extension of time is granted by the Center director, rather than the port director, for good cause shown.

Section 141.92(a) is amended by removing the words “[t]he port director” and adding in their place the term “CBP”. This change would allow the port director personnel (at entry stage) and the Center director personnel (at the entry summary stage) to waive production of a required invoice when they are satisfied that either: (1) the importer cannot by reason of conditions beyond his control furnish a complete and accurate invoice; or (2) the examination of merchandise, final determination of duties, and collection of statistics can be effected properly without the production of the required invoice.

Section 141.92(b) includes a list of documents that are required to be filed by the importer with the entry as a condition to the granting of a waiver for the production of a required invoice. This document amends § 141.92(b)(4) to provide that the Center director, rather than the port director, may require other information for either appraisalment or classification of the merchandise, or for statistical purposes. This responsibility is being provided to only the Center director because it concerns appraisalment and classification issues.

Section 141.105 is amended to provide that if either the importer of record or the actual owner whose declaration and superseding bond have been filed in accordance with § 141.20 desires, he may estimate, on the basis of information contained in the entry papers or obtainable from the Center director, rather than the port director, the probable amount of unpaid duties which will be found due on the entire entry and deposit them in whole or in part with CBP, either at the port of entry or electronically. The deposit shall be tendered in writing in the form provided in § 141.105 and instead of using the words “To the Port Director” the form should state “To CBP”. The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of submission currently permitted; however, the authority to collect the unpaid duties is being extended to personnel working for either the port director or the Center director.

Section 141.113(a)(2) is amended to provide that the Center director, rather than the port director, may demand the return to CBP custody of merchandise that is found after release to be not legally marked. Demand may be made no later than 30 days after the date of examination in the case of merchandise examined at the importer’s premises or such other appropriate places as determined by the port director or Center director.

Section 141.113(b) is amended to provide that if the Center director, rather than the port director, finds during the conditional release period that a textile or textile product is not entitled to admission into the commerce of the United States because the country of origin of the textile or textile product was not accurately represented to CBP, he shall promptly demand its return to CBP custody.

Section 141.113(c)(3) is amended to provide that the FDA will communicate to the Center director, rather than the port director, if the FDA refuses admission of a food, drug, device, cosmetic, or tobacco product into the United States, or if any notice of sampling or other request is not complied with. The paragraph is also amended to provide that the demand for redelivery of the product to CBP custody may be carried out by an authorized CBP official (a CBP employee working for either the port director or the Center director). The prescription of a bond, described in the last sentence of the paragraph, will remain with the port director.

Section 141.113(d) is amended by removing the words “the port director” and adding in their place the words “an authorized CBP official” and by removing the words “he” and adding in its place the words “an authorized CBP official”. The reason for these changes is to note that if at any time after entry an authorized CBP official, which

may be a CBP employee working for either the port director or the Center director, finds that any merchandise contained in an importation is not entitled to admission into the commerce of the United States for any reason not enumerated in §§ 141.113(a), (b), or (c), that same authorized CBP official or a different authorized CBP official shall promptly demand the return to CBP custody of any such merchandise which has been released.

Section 141.113(e) is amended by removing the words “the port director” and adding in their place the words “an authorized CBP official”. The reason for this amendment is to note that if the importer has not promptly complied with a request for samples or additional examination packages made by an authorized CBP official (which may be a CBP employee working for either the port director or the Center director) pursuant to § 151.11, that same authorized CBP official or a different authorized CBP official may demand the return of the necessary merchandise to CBP custody.

Section 141.113(g) is amended by noting that an authorized CBP official, which is a CBP employee working for either the port director or the Center director, will retain one copy, with the date of mailing or delivery noted thereon, of the demand for the return of merchandise to CBP, which is made on Customs Form 4647, or its electronic equivalent, other appropriate form, or by letter, and it will be made part of the entry record.

Section 141.113(i) is amended to reflect that an authorized CBP official (a CBP employee working for either the port director or the Center director) may demand return of merchandise to CBP custody.

P. Part 142—Entry Process

Section 142.3(c) is amended by removing the reference to “port director” and replacing it with “CBP” because the authority to require additional copies of the entry summary documentation will continue to reside with the personnel working for the port directors and will also be extended to the personnel working for the Center directors.

Section 142.11(b) is amended by removing the reference to “port director” and replacing it with “CBP” because the authority to require additional copies of the entry summary will continue to reside with the personnel working for the port directors and will also be extended to the personnel working for the Center directors.

Section 142.13(a) is amended to provide that CBP, meaning either the personnel working for the Center director or the port director, may require that the entry summary documentation be filed and that estimated duties, if any, be deposited at the time of entry before the merchandise is released if any of the circumstances noted in §

142.13(a)(1)–(4) apply. The reason that the Center director personnel and the port director personnel will have joint authority for live entries is to ensure that the trade mission and security mission are met regardless of the hour of operation for either of the personnel.

Section 142.17(a) is amended to provide that the Center director, rather than the port director, has the authority to permit the filing of one entry summary for merchandise the subject of separate entries if certain delineated circumstances are met.

Section 142.17a(a) is amended to provide that the Center director, rather than the port director, may permit a broker as nominal consignee to file a consolidated entry summary in his own name under his own bond covering shipments of like or similar merchandise consigned to various ultimate consignees as long as certain delineated circumstances are met.

Section 142.18(a) is amended to provide that an authorized CBP official (a CBP employee working for either the port director or the Center director) will demand return to CBP custody of merchandise released at time of entry that is later found to be prohibited in accordance with § 141.113.

Section 142.28(a) is amended to provide that that an authorized CBP official (a CBP employee working for either the port director or the Center director) will demand return to CBP custody if merchandise released under a special permit for immediate delivery later is found to be prohibited.

Q. Part 143—Special Entry Procedures

Section 143.22 is amended to provide that CBP may require a formal consumption or appraisal entry for any merchandise if deemed necessary for import admissibility enforcement purposes; revenue protection; or the efficient conduct of customs business. This means that either port director or Center director personnel may require a formal consumption or appraisal entry in these circumstances. While the handling of informal entries will be transitioned to the Center directors, in this case, personnel working for either the port director or the Center director need to have the authority to require formal entry to ensure that the trade mission is met regardless of the hour of operation for either of the personnel.

Section 143.23 is amended to provide that except for the types of merchandise listed in § 143.23 which may be entered on the forms indicated, merchandise to be entered informally must be entered on a CBP Form 368 or 368A, (serially numbered) or CBP Form 7501, or its electronic equivalent or, if authorized by the Center director, rather than the port director, upon the presentation of a commercial invoice

which contains the declaration noted in § 143.23, signed by the importer or his agent. This function is being transitioned to the Center directors because it involves informal entry.

R. Part 144—Warehouse and Rewarehouse Entries and Withdrawals

Section 144.5 is amended to provide that merchandise must not remain in a bonded warehouse beyond 5 years from the date of importation or such longer period of time as the Center director, rather than the port director, may at his discretion permit upon proper request being filed and good cause shown. While the Center directors will be responsible for the duty impact and entry summary aspects of the bonded warehouses, the port directors will remain responsible for the physical control and supervision of the bonded warehouses.

Section 144.12 is amended to provide that the entry summary, Customs Form 7501, or its electronic equivalent shall show the value, classification, and rate of duty as approved by the Center director, rather than the port director, at the time the entry summary is filed.

Section 144.13 is amended to provide that a bond on Customs Form 301, containing the bond conditions set forth in § 113.62 shall be filed in the amount required by the Center director, rather than the port director, to support the entry documentation. The reason that the Center director will be determining the amounts for these bonds is because the bond is for the purpose of protecting the revenue.

Section 144.38 concerns withdrawals for consumption. Section 144.38(d) is amended to provide that the Center director, rather than the port director, may increase or decrease the amount of estimated duties to be deposited on the final withdrawal to bring the aggregate amount of duties deposited into balance with the amount which he estimates will be finally due upon liquidation.

Section 144.41(h) is amended to provide that a protest may be filed with CBP, either at the port of entry or electronically, against a liquidation made under § 159.7(a) or (b) of this chapter, or against a refusal to liquidate pursuant to said sections. In all other cases, any protest shall be filed against the original warehouse entry. The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of submission currently permitted; however, the authority to collect the protest is being extended to personnel working for either the port director or the Center director.

S. Part 145—Mail Importations

Section 145.12(a) is amended to provide that CBP, meaning personnel working for either the Center director or the port director, may require formal entry of any mail shipment regardless of value if it is necessary to protect the revenue. The reason that the Center director personnel and the port director personnel will have joint authority for requiring formal entry is to ensure that the trade mission is met regardless of the hour of operation for either of the personnel.

Section 145.14(b) is amended to provide that since there is no provision for post office supervision of these special marking requirements, such as those contained in the Textile Fiber Products Identification Act, the Wool Products Labeling Act, and the Trademark Act, CBP shall require compliance with the law and regulations (see parts 11 and 133 of this chapter). Currently, the regulatory language provides that the “port director shall require compliance”, but the language is being amended in this document to note that “CBP” shall require compliance since both Center director and port director personnel will be enforcing the applicable laws and regulations.

T. Part 146—Foreign Trade Zones

Section 146.65(b)(3) is amended to provide that an allowance in the dutiable value of foreign trade zone merchandise may be made by the Center director, rather than by the port director, in accordance with the provisions of subparts B and C of part 158 (19 CFR part 158, subparts B and C), for damage, deterioration, or casualty while the merchandise is in the zone.

Section 146.65(c) is amended to provide that the Center director, rather than the port director, is authorized to provide an extension of liquidation.

U. Part 147—Trade Fairs

Section 147.32 is amended to provide that the Center director, rather than the port director, will detail an officer to act as his representative at the fair and shall station inside the buildings as many additional Custom officers and employees as may be necessary to properly protect the revenue.

Section 147.33 is amended to read as follows: [a]ll actual and necessary charges for labor, services, and other expenses in connection with the entry, examination, appraisement, custody, abandonment, destruction, or release of articles entered under the regulations of this part, together with the necessary charges for salaries of Customs officers and employees in connection with the accounting for, custody of, and supervision over, such articles, shall be reimbursed by the fair

operator to the Government, payment to be made to CBP, either at the port of entry or electronically, on the port director's or Center director's demand made before January 19, 2017 or on the Center director's demand made on or after January 19, 2017, for deposit to the appropriation from which paid. The language "CBP, either at the port of entry or electronically" here means that the importer may use the means of submission currently permitted; however, the authority to collect the payment is being extended to personnel working for either the port director or the Center director. This section is being amended to include date ranges because the demands made prior to the effective date of these regulatory amendments will have been made by the port director or Center director (pursuant to the Delegation Order described in section I.B. of the Background section of this document) and the demands made on or after the effective date of these regulatory amendments will be made by the Center director.

Section 147.41 is amended by noting that the Center director, rather than the port director, may demand payment of any unpaid duty, tax, fees, charges, or exaction due on any article removed from the trade fair premises or disposed of contrary to subpart E of part 147, including any article lost or stolen regardless of the fair operator's fault. The section is also amended to provide that the payment must be made to CBP, either at the port of entry or electronically. The language "CBP, either at the port of entry or electronically" here means that the importer may use the means of submission currently permitted; however, the authority to collect the payment is being extended to personnel working for either the port director or the Center director.

V. Part 151—Examination, Sampling, and Testing of Merchandise

Section 151.10 is amended to provide that when necessary, an authorized CBP official, which includes personnel working for either the port director or the Center director, may obtain samples of merchandise for appraisement, classification, or other official purposes.

Section 151.11 is amended to provide that if an authorized CBP official (a CBP employee working for either the port director or the Center director) requires samples or additional examination packages of merchandise which has been released from CBP custody, an authorized CBP official (either the CBP official that made the initial requestor a different CBP official) will send the importer a written request, on Customs Form 28, or its electronic equivalent, Request for Information, or other appropriate form, to submit the necessary samples or packages. If the request is not promptly complied with, that same authorized CBP official or a different authorized CBP

official may make a demand under the bond for the return of the necessary merchandise to CBP custody in accordance with § 141.113 of this chapter.

Section 151.12(c)(5) is amended to provide that a commercial laboratory accredited by Customs agrees to promptly investigate any circumstance which might affect the accuracy of work performed as an accredited laboratory, to correct the situation immediately, and to notify the port director, the Executive Director, and the Center director of such matters, their consequences, and any corrective action taken or that needs to be taken. The amendment adds “Center director” to the list of persons who must be provided notification.

Section 151.12(c)(6) is amended to provide that a commercial laboratory accredited by Customs agrees to immediately notify the port director, the Executive Director, and the Center director of any attempt to impede, influence, or coerce laboratory personnel in the performance of their duties, or of any decision to terminate laboratory operations or accredited status. The amendment adds “Center director” to the list of persons who must be provided notification.

Section 151.13(b)(5) is amended to provide that a commercial gauger approved by Customs agrees to promptly investigate any circumstance which might affect the accuracy of work performed as an approved gauger, to correct the situation immediately, and to notify the port director, the Executive Director, and the Center director of such matters, their consequences, and any corrective action taken or that needs to be taken. The amendment adds “Center director” to the list of persons who must be provided notification.

Section 151.13(b)(6) is amended to provide that a commercial gauger approved by Customs agrees to immediately notify the port director, the Executive Director, and the Center director of any attempt to impede, influence, or coerce gauger personnel in the performance of their duties, or of any decision to terminate gauger operations or approval status. The amendment adds “Center director” to the list of persons who must be provided notification.

Section 151.51(b) is amended to provide that when, on the basis of invoice information, the nature of any available sample, knowledge of prior importations of similar materials, and other data, the Center director, rather than the port director, is satisfied that metal-bearing ores entered under heading 2617, HTSUS, as containing less than 1 percent of metals dutiable under headings 2603, 2607, and 2608, HTSUS, are properly entered, he may liquidate the entry on the basis of the assay information contained in the entry papers.

Section 151.52(c) is amended to provide that where no commercial samples have been taken, an authorized CBP official (a CBP em-

ployee working for either the port director or the Center director) shall take representative samples from different parts of the shipment.

Section 151.54 is amended to provide that an authorized CBP official (a CBP employee working for either the port director or the Center director) may secure from the importer a certified copy of the commercial settlement tests for moisture and for assay which shall be transmitted with the commercial samples to the Custom laboratory.

Section 151.55 is amended to provide that deductions for the loss of copper, lead, or zinc content during processing, as authorized by Chapter 26, Additional U.S. Note 1, Harmonized Tariff Schedule of the United States (19 U.S.C. 1202), shall be made by the Center director, rather than the port director, in the liquidation of any entry only if the importer has followed the procedures set forth in that headnote.

Section 151.65 is amended to provide that duties on wool or hair subject to duty at a rate per clean kilogram may be estimated at the time of filing the entry summary on the basis of the clean yield shown on the entry summary if the Center director, rather than the port director, is satisfied that the revenue will be properly protected. Liquidated duties shall be based upon the Center director's, rather than the port director's, final determination of clean yield. Moreover, the section is amended to provide that this adjustment shall be made by increasing or decreasing such estimated percentage clean yield of each lot by the difference between the percentage clean yield of the related sampling unit, as determined by the Center director, rather than the port director, and the weighted average percentage clean yield for the sampling unit, as computed from the estimated percentages clean yield and net weights shown on the entry summary for the lots included in the sampling unit.

Section 151.68(c) is amended to provide that an authorized CBP official (a CBP employee working for either the port director or the Center director) may designate other imported wool or hair to be weighed, sampled, and tested for clean yield, unless such sampling or testing is not feasible.

Section 151.69(b) is amended to provide that when part of an original sampling unit, which has been weighed, sampled, and tested in accordance with subpart E of part 151, is exported from continuous Customs custody without having been manipulated as provided for in section 562, Tariff Act of 1930, as amended (19 U.S.C. 1562), the percentage clean yield of the part not exported shall be determined, at the discretion of the Center director, rather than the port director, either on the basis of a new determination by reweighing, resampling,

and retesting, or by a computation as described in § 151.69(a), for either the exported or the remaining part.

Section 151.70 is amended to provide that the Center director or chief chemist, rather than the port director, may desire a second test for clean yield of wool or hair.

Section 151.71(a) is amended to provide that a report of the percentage clean yield of each general sample as established by test in a Customs laboratory, or a statement of the reason for not testing a general sample, shall be forwarded to the Center director, rather than to the port director.

Section 151.71(b) is amended to provide that where samples of wool or hair have been tested in a Customs laboratory and the Center director, rather than the port director, has received a copy of the Laboratory Report, Customs Form 6415, the Center director, rather than the port director, shall promptly provide notice of the test results by mailing a copy of that report to the importer.

Section 151.71(c) is amended to provide that if the importer is dissatisfied with the port director's or Center director's finding of clean yield, made before January 19, 2017, or the Center director's finding of clean yield made on or after January 19, 2017, he may file with CBP, either at the port of entry or electronically, a written request in duplicate for another laboratory test for percentage clean yield. Such request shall be filed within 14 calendar days after the date of mailing of the notice of the port director's or Center director's finding of clean yield. The request shall be granted if it appears to the Center director to be made in good faith and if a second general sample as provided for in § 151.70 is available for testing, or if all packages or, in the opinion of the Commissioner of Customs, an adequate number of the packages represented by the general sample are available and in their original imported condition. This section is being amended to include date ranges because the decisions made prior to the effective date of these regulatory amendments will have been made by the port director or Center director (pursuant to the Delegation Order described in section I.B. of the Background section of this document) and the decisions made on or after the effective date of these regulatory amendments will be made by the Center director. The language "CBP, either at the port of entry or electronically" here means that the importer may use the means of submission currently permitted; however, the authority to collect the written request for another laboratory test for percentage clean yield is being extended to personnel working for either the port director or the Center director.

Section 151.73(b) is amended to provide that the importer's request shall be filed in writing with the Center director within 14 calendar

days after the date of mailing of the notice of the port director's or Center director's findings based on the retest mailed before January 19, 2017, or within 14 calendar days after the date of mailing of the notice of the Center director's findings based on the retest mailed on or after January 19, 2017. This provision is amended to include reference to mailings sent before and after the effective date of this document in the **Federal Register** because before the effective date of this document, the port director or Center director (pursuant to the Delegation Order described in section I.B. of the Background section of this document) will have issued the findings and the findings issued on or after the effective date of this document, will be issued by the Center director.

Section 151.73(c) is amended to provide that the Center director, rather than the port director, shall cause a representative quantity of the wool or hair in dispute to be selected and tested by a commercial method approved by the Commissioner of Customs. Moreover, the paragraph is amended to note that such test shall be made under the supervision and direction of the Center director, rather than the port director, at an establishment approved by him, and the expense thereof, including the actual expense of travel and subsistence of Customs officers but not their compensation, shall be paid by the importer.

Section 151.74 is amended to provide that if the Center director, rather than the port director, is not satisfied with the results of any test provided for in § 151.71 or § 151.73, he may, within 14 calendar days after receiving the report of the results of such test, proceed to have another test made upon a suitable sample of the wool or hair at the expense of the Government. When the Center director, rather than the port director, is proceeding to have another test made, he shall, within the 14-day period specified in this paragraph, notify the importer by mail of that fact.

Section 151.75 is amended to provide that the Center director, rather than the port director, has the authority to make a final determination on clean yield and must base that determination upon a consideration of all the tests made in connection with the wool or hair concerned.

Section 151.76(a) is amended to provide that the Center director, rather than the port director, shall cause wool dutiable at a rate per clean kilogram to be examined for grade.

Section 151.76(b) is amended to provide that if classification of the wool at the grade or grades determined on the basis of the examination will result in the assessment of duty at a rate higher than the

rate provided for wool of the grade stated in the entry, the Center director, rather than the port director, shall promptly notify the importer by mail.

Section 151.76(c) is amended to provide that if the importer is dissatisfied with the port director's or Center director's findings as to the grades of wool, made before January 19, 2017, or the Center director's findings as to the grade or grades of the wool made on or after January 19, 2017, he may, within 14 calendar days after the date of mailing of the notice of the port director's or Center director's findings, file in duplicate a written request with the Center director for another determination of grade or grades, stating the reason for the request. Notice of the Center director's findings on the basis of the reexamination of the wool shall be mailed to the importer. This section is being amended to include date ranges because the decisions made prior to the effective date of these regulatory amendments will have been made by the port director or Center director (pursuant to the Delegation Order described in section I.B. of the Background section of this document) and the decisions made on or after the effective date of these regulatory amendments will be made by the Center director. The language "CBP, either at the port of entry or electronically" here means that the importer may use the means of submission currently permitted; however, the authority to collect the written request for another determination of grade or grades of wool is being extended to personnel working for either the port director or the Center director.

Section 151.84 is amended to provide that the Center director, rather than the port director, shall have one or more samples of each sampled bale of cotton stapled by a qualified Customs officer, or a qualified employee of the Department of Agriculture designated by the Commissioner of Customs for the purpose, and shall promptly mail the importer a notice of the results determined.

Section 151.85 is amended to provide that if the importer is dissatisfied with the port director's or Center director's determination, made before January 19, 2017, or the Center director's determination made on or after January 19, 2017, he may file with the Center director, within 14 calendar days after the mailing of the notice, a written request in duplicate for a redetermination of the staple length. Each such request shall include a statement of the claimed staple length for the cotton in question and a clear statement of the basis for the claim. The request shall be granted if it appears to the Center director to be made in good faith. In making the redetermination of staple length, the Center director may obtain an opinion of a board of cotton examiners from the U.S. Department of Agriculture,

if he deems such action advisable. This section is being amended to include date ranges because the decisions made prior to the effective date of these regulatory amendments will have been made by the port director or Center director (pursuant to the Delegation Order described in section I.B. of the Background section of this document) and the decisions made on or after the effective date of these regulatory amendments will be made by the Center director.

W. Part 152—Classification and Appraisalment of Merchandise

Section 152.1(c) is amended to provide that if there is no positive evidence at hand as to the actual date of exportation, the Center director, rather than the port director, shall ascertain or estimate the date of exportation by all reasonable ways and means in his power, and in so doing may consider dates on bills of lading, invoices, and other information available to him.

Section 152.2 is amended to provide that if the Center director, rather than the port director, believes that the entered rate or value of any merchandise is too low, or if he finds that the quantity imported exceeds the entered quantity, and the estimated aggregate of the increase in duties on that entry exceeds \$15, he shall promptly notify the importer on Customs Form 29, or its electronic equivalent, specifying the nature of the difference on the notice. Liquidation shall be made promptly and shall not be withheld for a period of more than 20 days from the date of mailing of such notice unless in the judgment of the Center director, rather than the port director, there are compelling reasons that would warrant such action.

Section 152.13(a) is amended to provide that the Center director, rather than the port director, will give written notice to the importer as promptly as possible after any commingling of merchandise is discovered.

Section 152.13(c)(1) is amended to provide that to obtain the benefit of General Note 3(f), HTSUS, the importer shall, within 30 days after the date of mailing or personal delivery of the notice provided for in § 152.13(a), file with the Center director, rather than the port director, evidence showing performance of the commercial settlement tests specified in General Note 3(f), HTSUS.

Section 152.13(c)(3) is amended to provide that to obtain the benefit of General Note 3(f), HTSUS, the importer shall, within 30 days after the date of mailing or personal delivery of the notice provided for in § 152.13(a), file with the Center director, rather than the port director, documentary proof which will satisfy him that the merchandise is entitled to the lower rate of duty under General Note 3(f), HTSUS.

Section 152.13(d) is amended to provide that the 30-day limit for filing the evidence specified in General Note 3(f) or for performing the segregation specified in General Note 3(f), Harmonized Tariff Schedule of the United States, may be extended by the Center director, rather than the port director, for additional periods of 30 days each, but not beyond 6 months from the date of mailing or personal delivery of the notice provided for in paragraph (a) of this section, if the importer makes written application for each extension and gives satisfactory reasons for its allowance. The paragraph is also amended to provide that the written application must be filed with the Center director, rather than the port director.

Section 152.16(c) is amended to provide that if a court decision overruling a protest contains a definite statement that a higher rate than that assessed by the port director or Center director before January 19, 2017, or the Center director on or after January 19, 2017, was properly chargeable, such higher rate shall be applied to all merchandise, whether identical or similar to that passed on by the court, which is affected by the principles of the court's decision and which is entered or withdrawn for consumption after 30 days from the date of the publication of the court's decision in the Customs Bulletin. The Center director is included for the dates prior to the effective date of this document because under the Center test, the assessments for the Center test participants may have been made by the Center director. Moreover, pursuant to the Delegation Order (noted in section I.B. of the Background section of this document) the assessments may have been made by the Center director as well. However, the assessments made on or after the effective date of these regulatory amendments will be made by the Center director.

Section 152.26 is amended to provide that the Center director, rather than the port director, shall furnish to importers the latest information as to values in his possession, subject to certain conditions. This document amends the conditions by removing the words "port director" or "port director's" where they appear and replacing them with "Center director" or "Center director's" so as to note that the information shall be given only in regard to merchandise to be appraised by, or under the jurisdiction of, the Center director who receives the request, and only with respect to merchandise for which there is presented evidence of a firm commitment or intent to import such merchandise into the United States. Also, the section is amended to provide that value information shall be given by the Center director only with an understanding and agreement in each case that the information is in no sense an appraisal and is not binding upon the Center director's action when he appraises the

merchandise. Moreover, the section is amended to provide that the Center director shall not be required to reply to a written request for value information after a value for the merchandise has been declared on entry unless he has information indicating a probable appraised value different from such entered value.

Section 152.101(c) is amended to provide that the importer's request for the application of the computed value method before the deductive value method must be made at the time the entry summary for the merchandise is filed with CBP, either at the port of entry or electronically (see § 141.0a(b) of this chapter). The language "CBP, either at the port of entry or electronically" here means that the importer may use the means of submission currently permitted; however, the authority to collect the entry summary is being extended to personnel working for either the port director or the Center director.

Section 152.101(d) is amended to provide that upon receipt of a written request from the importer within 90 days after liquidation, the Center director, rather than the port director shall provide a reasonable and concise written explanation of how the value of the imported merchandise was determined.

Section 152.103(a)(5)(iii) is amended to provide that a sale for export and placement for through shipment to the United States under § 152.103(a)(5)(ii) shall be established by means of a through bill of lading to be presented to CBP, either at the port of entry or electronically. The paragraph is also amended to provide that only in those situations where it clearly would be impossible to ship merchandise on a through bill of lading (*e.g.*, shipments via the seller's own conveyance) will other documentation satisfactory to the Center director, rather than the port director, showing a sale for export to the United States and placement for through shipment to the United States be accepted in lieu of a through bill of lading. The language "CBP, either at the port of entry or electronically" here means that the importer may use the means of submission currently permitted; however, the authority to collect the bill of lading is being extended to personnel working for either the port director or the Center director.

Section 152.103(d) is amended to provide that if the value of an assist is to be added to the price actually paid or payable, or to be used as a component of computed value, the Center director, rather than the port director, shall determine the value of the assist and appportion that value to the price of the imported merchandise in one of the manners delineated in § 152.103(d)(1)–(d)(2).

Section 152.103(l) is amended to provide that the Center director, rather than the port director, shall not disregard a transaction value solely because the buyer and seller are related.

Section 152.103(l)(2)(iii) is amended to provide that if one of the test values provided in § 152.103(j)(2)(i) has been found to be appropriate, the Center director shall not seek to determine if the relationship between the buyer and seller influenced the price. If the Center director already has sufficient information to be satisfied, without further detailed inquiries, that one of the test values is appropriate, he shall not require the importer to demonstrate that the test value is appropriate.

Section 152.103(m) is amended to provide that when CBP has grounds for rejecting the transaction value declared by an importer and that rejection increases the duty liability, the Center director, rather than the port director, shall inform the importer of the grounds for the rejection. The importer will be afforded 20 days to respond in writing to the Center director, rather than the port director, if in disagreement.

Section 152.105(h)(3)(i)(2) is amended to provide that the Center director, rather than the port director, will review on its merits each case involving the following issues: If the imported merchandise loses its identity as a result of further processing, the method specified in § 152.105(c)(3) will not be applicable unless the value added by the processing can be determined accurately without unreasonable difficulty for either importers or Customs; and if the imported merchandise maintains its identity but forms a minor element of the merchandise sold in the United States, the use of § 152.105(c)(3) will be unjustified.

Section 152.106(f)(2) is amended to provide that, if not contrary to domestic law regarding disclosure of information, and if information other than that supplied by or on behalf of the producer is used to determine computed value, the Center director, rather than the port director, shall inform the importer, upon written request, of: (i) The source of the information, (ii) the data used, and (iii) the calculation based upon the specified data.

X. Part 158—Relief From Duties on Merchandise Lost, Damaged, Abandoned, or Exported

Section 158.3 is amended to provide that allowance shall be made in the assessment of duties for lost or missing packages of merchandise included in an entry summary whenever it is established to the satisfaction of the Center director, rather than the port director, before the liquidation of the entry summary becomes final that the merchandise claimed to be lost or missing was not “permitted.”

Section 158.5(a) is amended to provide that an allowance shall be made in the assessment of duties for deficiencies in the contents of

packages when, before the liquidation of the entry becomes final, the importer files in the case of a concealed shortage, a Customs Form 5931, in triplicate, executed by the importer alone, and the Center director, rather than the port director, is satisfied as to the validity of the claim.

Section 158.13(b) is amended to provide that if the port director is satisfied after any necessary investigation that the merchandise contains moisture or impurities as described in § 158.13(a), the Center director, rather than the port director, will make allowance for the amount thereof in the liquidation of the entry. The reason that the term “port director” is being maintained the first time it appears in this provision is because entry and condition of release issues will continue to be handled by the personnel working for the port directors. The word “he” in the provision originally meant “the port director”; however, the words “he shall” is being removed and replaced with “the Center director will” because the authority to make liquidation determinations is being transitioned to the Center directors.

Y. Part 159—Liquidation of Duties

Section 159.7(b) is amended by removing the words “at the port where the merchandise is held in CBP custody” and replacing them with the words “by the Center director” to specifically provide that the Center director personnel will effectuate on the effective date of the change any necessary reliquidations of customs duty or tax on merchandise covered by a rewarehouse entry which may be required by reason of a change in rate of customs duty or tax made by an act of Congress or a proclamation of the President.

Section 159.7(c) is amended by removing the words “port director of the port where the merchandise is entered for rewarehouse” and replacing them with “Center director” to provide that the Center director, rather than the port director where the merchandise is entered for rewarehouse, has the authority to determine that circumstances that make it advisable to follow the liquidation of the original warehouse entry and to make an appropriate adjustment in the amount of duties to be assessed under the rewarehouse entry.

Section 159.12(a)(1) is amended to provide that the Center director, rather than the port director, may extend the one (1)-year statutory period for liquidation for an additional period not to exceed one (1)-year under certain circumstances, including if the importer requests an extension in writing before the statutory period expires and shows good cause why the extension should be granted.

Section 159.12(a)(1)(ii) is amended by stating that “good cause” is demonstrated when the importer satisfies the Center director, rather

than the port director, that more time is needed to present to CBP information which will affect the pending action, or there is a similar question under review by CBP.

Section 159.12(b) is amended by noting that if the Center director, rather than the port director, extends the time for liquidation, as provided in § 159.12(a)(1), he promptly will notify the importer or the consignee and his agent and surety on CBP Form 4333–A, appropriately modified, that the time has been extended and the reasons for doing so.

Section 159.12(c) is amended to provide that if the liquidation of an entry is suspended as required by statute or court order, as provided in § 159.12(a)(2), the Center director, rather than the port director, promptly will notify the importer or the consignee and his agent and surety on CBP Form 4333–A, appropriately modified, of the suspension.

Section 159.12(d)(1) is amended to provide that if an extension has been granted because CBP needs more information and the Center director, rather than the port director, thereafter determines that more time is needed, he may extend the time for liquidation for an additional period not to exceed 1 year provided he issues the notice required by § 159.12(b) before termination of the prior extension period.

Section 159.12(d)(2) is amended to provide that if the Center director, rather than the port director, finds that good cause (as defined in § 159.12(a)(1)(ii)) exists, he will issue a notice extending the time for liquidation for an additional period not to exceed 1 year.

Section 159.12(e) is amended to provide that the total time for which extensions may be granted by the Center director may not exceed 3 years. Currently, the regulation states that the extension granted by the port director may not exceed 3 years. This provision is being amended because the authority to make liquidation determinations is being transitioned to the Center directors.

Section 159.22(d)(2) is amended to provide that if the Center director, rather than the port director, is of the opinion that the invoice or schedule tare does not correctly represent the tare of the merchandise the actual tare shall be ascertained and in so doing the weigher shall empty and weigh as many casks, boxes, and other coverings as he may deem necessary.

Section 159.36(b) is amended to provide that when multiple rates have been certified for a foreign currency, the rate to be used for Customs purposes shall be the type of certified rate which the Center director, rather than the port director, is satisfied, from information in his own files, information obtained and presented to him by the

importer, or information obtained from other sources, is uniformly applicable under the laws and regulations of the country of exportation to the particular class of merchandise on the date of exportation.

Section 159.36(c) is amended to provide that if the Center director, rather than the port director, has credible information that a type of rate or combination of types of rates which would otherwise be applicable under § 159.36(b) were not required or permitted, as the case may be, under the laws and regulations of the country of exportation to be used uniformly during any period in connection with the payment for all merchandise of the class involved, he shall immediately submit a detailed report to the Commissioner of Customs, and shall suspend appraisement and liquidation as to all merchandise of the class involved exported to the United States during the period involved, until instructions are received from the Commissioner of Customs.

Section 159.36(d) is amended to provide that if the Center director, rather than the port director, has credible information that a type of rate or combination of types of rates not applicable to payment for the merchandise was required or permitted in payment of costs, charges, or expenses, the currency conversions for the exchange covering payment for the merchandise and for the exchange covering such costs, charges, or expenses shall be calculated separately. Moreover, the paragraph is amended to provide that in the event that any type of rate uniformly applicable to payment of such dutiable costs, charges, or expenses for merchandise of the class involved was a type of rate not certified in accordance with § 159.34 or § 159.35, the Center director, rather than the port director, shall immediately submit a detailed report to the Commissioner of Customs, and shall suspend appraisement and liquidation as to all merchandise of the class involved exported to the United States during the period involved, until instructions are received from the Commissioner.

Section 159.38 is amended to provide that for purposes of calculating estimated duties, the Center director, rather than the port director, shall use the rate or rates appearing to be applicable under the instructions in this subpart to the merchandise involved. When it is not yet known what certified rate or rates are applicable or no rate has been certified, the Center director, rather than the port director, shall take into account all the information in his possession and shall use the highest rate or combination of rates (*i.e.*, the rate or combination of rates showing the highest amount of United States money), certified or uncertified as the case may be, which could be applicable.

Section 159.44 is amended to provide that whenever it appears that imported articles may be subject to the special duties provided for in

section 802, Act of September 8, 1916 (15 U.S.C. 73), the Center director, rather than the port director, shall report the matter to the Commissioner of Customs and await instructions with respect to the imposition of such duties.

Section 159.58(a) is amended to provide that upon receipt of notification from the Commissioner, the Center director will suspend liquidation on merchandise entered, or withdrawn from warehouse, for consumption, on or after the date of publication of the “Notice of Preliminary Affirmative Antidumping Determination,” “Notice of Final Affirmative Antidumping Determination” or “Notice of Violation of Agreement” as provided by part 353, chapter III, of this title. The Center director will immediately notify the importer, consignee, or agent of each entry of merchandise in question with respect to which liquidation is suspended.

Section 159.58(b) is amended to provide that upon receipt of notification from the Commissioner, the Center director will suspend liquidation on merchandise entered, or withdrawn from warehouse, for consumption, on or after the date of publication of the “Notice of Preliminary Affirmative Countervailing Duty Determination,” “Notice of Final Affirmative Countervailing Duty Determination” or “Notice of Violation of Agreement,” as provided by part 355, Chapter III, of this title. The Center director will immediately notify the importer, consignee, or agent of each entry of merchandise in question with respect to which liquidation is suspended.

Z. Part 161—General Enforcement Provisions

Section 161.16 concerns the filing of a claim for informant compensation. Paragraph (b) is amended to provide that the Special Agent in Charge, U.S. Immigration and Customs Enforcement, Homeland Security Investigations will forward the form to the Center director (rather than the port director), who will make a recommendation on the form as to approval and the amount of the award. The Center director, rather than the port director, will forward the form to CBP Headquarters for action. If for any reason a claim has not been transmitted by the Center director, the claimant may apply directly to CBP Headquarters.

AA. Part 162—Inspection, Search, and Seizure

Section 162.74(c) is amended to provide that concerning prior disclosures, after Headquarters reviews the actual loss of duties, taxes and fees and renders its decision, the concerned Fines, Penalties, and Forfeitures Officer will be notified and the concerned Center director,

rather than the CBP port, will recalculate the loss, if necessary, and notify the disclosing party of any actual loss of duties, taxes or fees increases.

Section 162.80(a)(1) is amended to provide that when an entry is the subject of an investigation for possible violation of section 592, Tariff Act of 1930, as amended (19 U.S.C. 1592), or of a penalty action established under that section, the Center director, rather than the port director, subject to the provisions of paragraph (a)(2) of this section, may liquidate the entry and CBP, either at the port of entry or electronically, may collect duties before the conclusion of the investigation or final disposition of the penalty action if the Center director, rather than the port director, determines that liquidation would be in the interest of the Government. The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of submission currently permitted; however, the authority to collect the duties is being extended to personnel working for either the port director or the Center director.

Section 162.80(a)(2)(i) is amended to provide that an entry not liquidated within one (1)-year from the date of entry or final withdrawal of all merchandise covered by a warehouse entry shall be deemed liquidated at the rate of duty, value, quantity, and amount of duties asserted at the time of entry by the importer, his consignee, or agent unless the time for liquidation is extended by the Center director (rather than the port director) because of certain circumstances delineated in § 162.80(a)(2)(i)(A)–(C).

Section 162.80(a)(2)(iii) is amended to provide that the Center director, rather than the port director, promptly shall notify the importer or consignee concerned and any authorized agent and surety of the importer or consignee in writing of any extension or suspension of the liquidation period.

BB. Part 163—Recordkeeping

Section 163.1(a)(2)(vii) is amended to provide that the maintenance of any documentation that the importer may have in support of a claim for preferential tariff treatment under the United States-Singapore Free Trade Agreement (SFTA), including a SFTA importer’s supporting statement if previously required by the port director or Center director before January 19, 2017, or the Center director on or after January 19, 2017. This section is being amended to include date ranges because the decision to require a SFTA importer’s supporting statement made prior to the effective date of these regulatory amendments will have been made by the port director or Center director (pursuant to the Delegation Order described in section I.B. of

the Background section of this document) and the decision made on or after the effective date of these regulatory amendments will be made by the Center director.

Section 163.7(a) is amended by including Center directors to the list of individuals, who may in certain noted situations, issue a summons requiring a person within a reasonable period of time to appear before the appropriate CBP officer and to produce records or give relevant testimony under oath or both.

The appendix to part 163 is amended at section 10.512 of part IV to add the Center director to the port director regarding importer's supporting statements related to Singapore Free Trade Agreement claims before the effective date of this document and changing port director to Center director for importer's supporting statements on or after the effective date of this document.

CC. Part 173—Administrative Review in General

Section 173.1 is amended to provide that Center directors, rather than port directors, have broad responsibility and authority to review transactions to ensure that the rate and amount of duty assessed on imported merchandise is correct and that the transaction is otherwise in accordance with the law.

Section 173.2 is amended to provide that the Center director, rather than the port director, may review transactions for correctness, and take appropriate action under his general authority to correct errors, including those in appraisement where appropriate, at the time of: (a) Liquidation of an entry; (b) Voluntary reliquidation completed within 90 days after liquidation; (c) Voluntary correction of an exaction within 90 days after the exaction was made; (d) Reliquidation made pursuant to a valid protest covering the particular merchandise as to which a change is in order; or (e) Modification, pursuant to a valid protest, of a transaction or decision which is neither a liquidation or reliquidation.

Section 173.3(a) is amended to provide that the Center director, rather than the port director, may reliquidate on his own initiative a liquidation or a reliquidation to correct errors in appraisement, classification, or any other element entering into the liquidation or reliquidation, including errors based on misconstruction of applicable law. A voluntary reliquidation may be made even though a protest has been filed, and whether the error is discovered by the Center director or is brought to his attention by an interested party.

Section 173.4(a) is amended to provide that even though a valid protest was not filed, the Center director, rather than the port director, upon timely application and for entries of merchandise made, or

withdrawn from warehouse for consumption, before December 18, 2004, may correct pursuant to section 520(c)(1), Tariff Act of 1930, as amended, a clerical error, mistake of fact, or other inadvertence meeting the requirements of § 173.4(a)(1), by reliquidation or other appropriate action.

Section 173.4(a)(2) is amended to provide that a clerical error, mistake of fact, or other inadvertence meeting the requirements of § 173.4(a)(1) must be brought to the attention of the Center director or other appropriate CBP officer within 1 year after the date of liquidation or exaction. The term “other appropriate CBP officer” includes personnel working for the port director.

Section 173.4a is amended to provide that pursuant to section 520(a)(4), Tariff Act of 1930, as amended (19 U.S.C. 1520(a)(4)), the Center director, rather than the port director may, prior to liquidation of an entry, take appropriate action to correct a clerical error that resulted in the deposit or payment of excess duties, fees, charges, or exactions.

DD. Part 174—Protests

Section 174.0 is amended to provide that part 174 deals with the administrative review of decisions of the both the port director and Center director.

Section 174.3(b)(1) states that a corporate power of attorney to file protests shall be signed by a duly authorized officer or employee of the corporation. Paragraph (b)(1) is amended to provide that if the Center director, rather than the port director, is otherwise satisfied as to the authority of such corporate officer or employee to grant such power of attorney, compliance with the requirements of § 141.37 of this chapter may be waived with respect to such power.

Section 174.3(c) is amended to provide that powers of attorney issued by a partnership shall be limited to a period not to exceed 2 years from the date of receipt thereof by the Center director. The date on which the power of attorney information is input into CBP’s authorized electronic data interchange system will be considered the date of receipt by the Center director.

Section 174.3(d) is amended to provide that any power of attorney shall be subject to revocation at any time by written notice given to and received by CBP, either at the port of entry or electronically. The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of submission currently permitted; however, the authority to collect the notice is being extended to personnel working for either the port director or the Center director.

Section 174.12(d) is amended by removing the words “port director whose decision is protested” and replacing it with “CBP, either at the port of entry or electronically”. The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of submission currently permitted; however, the authority to receive the protest is being extended to personnel working for either the port director or the Center director.

Section 174.13(b) is amended to provide that a single protest may be filed with respect to more than one entry with CBP, either at any port or electronically, if all such entries involve the same protesting party, and if the same category of merchandise and a decision or decisions common to all entries are the subject of the protest. The language “with CBP, either at any port or electronically” here means that the importer may choose the means of submission; however, the authority to receive the protest is being extended to personnel working for either the port director or the Center director.

Section 174.14(e) is amended to provide that rather than the amendment to a protest being filed with the port director with whom the protest was filed, an amendment to a protest shall be filed with CBP, either at the port of entry or electronically. The language “CBP, either at the port of entry or electronically” here means that the importer may use the means of submission currently permitted; however, the authority to receive the protest is being extended to personnel working for either the port director or the Center director.

Section 174.15(b)(2) is amended to provide that consolidation of protests under § 174.15(a) may be done by the port director or Center director, before January 19, 2017, or the Center director on or after January 19, 2017. The Center director is included for the dates prior to the effective date of this document because under the Center test, protests for the test participants were processed and decided upon by the Center director. Moreover, pursuant to the Delegation Order (described in section **I.B.** of the **Background** section of this document) protests may have been processed and decided upon by the Center director as well. Therefore, before the effective date of this document, the consolidation of protests may be done by the port director or Center director, and on or after the effective date of this document, any consolidation of protests covered by this provision will be handled by the Center director, rather than by the port director.

Section 174.16 is amended to provide that a protest shall not be filed against the reliquidation decision of the port director or Center director made before January 19, 2017, or the reliquidation decision of the Center director made on or after January 19, 2017, upon any question not involved in the reliquidation. The Center director is included for the dates prior to the effective date of this document

because under the Center test, reliquidation determinations for the test participants were made by the Center director and pursuant to the Delegation Order (described in section **I.B.** of the **Background** section of this document), reliquidation determinations for others may have been made by the Center director as well. Moreover, on or after the effective date of this document, reliquidation determinations will be made by the Center director, rather than by the port director.

Section 174.21(a) is amended to provide that, except as provided in § 174.21(b), the Center director, rather than the port director, shall review and act on a protest filed in accordance with section 514, Tariff Act of 1930, as amended (19 U.S.C. 1514), within 2 years from the date the protest was filed.

Section 174.21(b) is amended to provide that if the protest relates to an administrative action involving exclusion of merchandise from entry or delivery under any provision of the Customs laws, the Center director, rather than the port director, shall review and act on a protest filed in accordance with section 514(a)(4), Tariff Act of 1930, as amended (19 U.S.C. 1514(a)(4)), within 30 days from the date the protest was filed.

Section 174.22(a) is amended to provide that written requests for accelerated disposition of protests may be filed with the port director, Center director, or other CBP officer with whom the protest was filed. Accordingly, the authority to receive the written requests for accelerated disposition of protests resides with personnel working for either the port director or the Center director.

Section 174.22(c) is amended to provide that the Center director shall review the protest which is the subject of the request for accelerated disposition within 30 days from the date of mailing of a request for accelerated disposition filed in accordance with the provisions of § 174.22, and may allow or deny the protest in whole or in part.

Section 174.22(d) is amended to provide that the Center director, rather than the port director, will be responsible for allowing or denying a protest which is the subject of a request for accelerated disposition. As amended, it will be the Center director's, rather than the port director's, failure to do so within thirty days from the date of mailing such request that will result in the protest being deemed to have been denied at the close of the thirtieth day following such date of mailing.

Section 174.23 is amended to provide that a protesting party may seek further review of a protest in lieu of review by the Center director by filing, on the form prescribed in § 174.25, an application for such review within the time allowed and in the manner prescribed by § 174.12 for the filing of a protest. The filing of an application for further review shall not preclude a preliminary examination by the

Center director for the purpose of determining whether the protest may be allowed in full. If such preliminary examination indicates that the protest would be denied in whole or in part by the Center director in the absence of an application for further review; however, he shall forward the protest and application for consideration in accordance with § 174.26.

Section 174.24 is amended to provide that a further review of a protest which would otherwise be denied by the Center director, rather than the port director, shall be accorded a party filing an application for further review which meets the requirements of § 174.25 when the decision against which the protest was filed meets one of the listed criteria in § 174.24.

Section 174.24(a) is amended to state that further review shall be accorded when a decision against which the protest was filed is alleged to be inconsistent with a ruling of the Commissioner of CBP or his designee, or with a decision made by CBP with respect to the same or substantially similar merchandise.

Section 174.24(b) is amended to state that further review shall be accorded when a decision against which the protest was filed is alleged to involve questions of law or fact which have not been ruled upon by the Commissioner of CBP or his designee or by the Customs courts.

Section 174.24(c) is amended to state that further review shall be accorded when a decision against which the protest was filed involves matters previously ruled upon by the Commissioner of CBP or his designee or by the Customs courts but facts are alleged or legal arguments presented which were not considered at the time of the original ruling.

Section 174.24(d) is amended to state that further review shall be accorded when a decision against which the protest was filed is alleged to involve questions which the Headquarters Office, U.S. Customs and Border Protection, refused to consider in the form of a request for internal advice pursuant to § 177.11(b)(5).

Section 174.26(a) is amended to provide that if upon examination of a protest for which an application for further review was filed the Center director, rather than the port director, is satisfied that the claim is valid, he shall allow the protest.

Section 174.26(b) is amended to provide that if upon examination of a protest for which an application for further review was filed the Center director, rather than the port director, decides that the protest in his judgment should be denied in whole or in part, the Center director, rather than the port director, will forward the application

together with the protest and appropriate documents to be reviewed as delineated in § 174.26(b)(1)–(2).

Section 174.26(b)(2) is amended to provide that all other protests shall be reviewed by a designee of the Center director (rather than by a designee of the port director) who did not participate directly in the decision which is the subject of the protest.

Section 174.27 is amended to provide that upon completion of further review, the protest and appropriate documents forwarded for review shall be returned to the Center director, rather than the port director, together with directions for the disposition of the protest.

Section 174.29 is amended to provide that the Center director, rather than the port director, shall allow or deny in whole or in part a protest filed in accordance with section 514, Tariff Act of 1930, as amended, (19 U.S.C. 1514) within 2 years from the date the protest was filed. If the protest is allowed in whole or in part the Center director, rather than the port director, shall remit or refund any duties, charge, or exaction found to have been collected in excess, or pay any drawback found due. Moreover, the section is amended to provide that if the protest is denied in whole or in part the Center director, rather than the port director, shall give notice of the denial in the form and manner prescribed in § 174.30.

Section 174.30(b) is amended to provide that the importer of record or consignee may give notice to CBP, either at the port of entry or electronically, instructing that notice of denial of any protest involving merchandise imported in his name or on his behalf shall be mailed to a person other than the person filing such protest or the designee of such person. This document also amends the provision to note that notice of denial of a protest shall be mailed to the substituted person so designated only if the notice of substitution is received by CBP prior to a denial by him of such protest. The language “CBP, either at the port of entry or electronically” here means that the importer of record or consignee may use the means of submission currently permitted; however, the authority to receive the notice is being extended to personnel working for either the port director or the Center director.

Section 174.30(c) is amended to provide that the Center director, rather than the port director, shall note on the notice of denial of a protest the payment of all liquidated duties, charges, or exactions, if he has actual knowledge of such payment at the time that the protest is denied.

EE. Part 176—Proceedings in the Court of International Trade

Section 176.1 is amended to provide that when an action is initiated in the Court of International Trade a copy of the summons shall be served in the manner prescribed by the Court of International Trade upon the CBP official(s) who denied the protest(s), and an additional copy shall be served upon the Assistant Chief Counsel for Court of International Trade Litigation, United States Customs and Border Protection, 26 Federal Plaza, New York, N.Y. 10007. The term “CBP official(s)” is added here in place of “director of each port where a protest cited in the summons was denied” because the protest may have been denied by either a CBP employee working for either the Center director or the port director depending on the date on which the protests were denied.

FF. Part 181—North American Free Trade Agreement

Section 181.12(b)(1) is amended by noting that for purposes of determining compliance with the provisions of part 181 (19 CFR part 181), the records required to be maintained under § 181.12 shall be made available for examination and inspection by the Center director or other appropriate Customs officer in the same manner as provided in part 163 of this chapter in the case of U.S. importer records.

Section 181.22(b) is amended to provide that an importer who claims preferential tariff treatment on a good under § 181.21 shall provide, at the request of the Center director, rather than the port director, a copy of each Certificate of Origin pertaining to the good which is in the possession of the importer.

Section 181.22(b)(3) is amended to provide that a Certificate of Origin submitted to CBP under § 181.22(b) or under § 181.32(b)(3) shall be completed either in the English language or in the language of the country from which the good is exported. If the Certificate is completed in a language other than English, the importer shall also provide to the Center director (rather than the port director), upon request, a written English translation thereof.

Section 181.22(c) is amended to provide that a Certificate of Origin shall be accepted by the Center director, rather than the port director, as valid for the purpose set forth in § 181.11(a), provided that the Certificate is completed, signed and dated in accordance with the requirements of § 181.22(b). The paragraph is also amended to provide that if the Center director, rather than the port director, determines that a Certificate is illegible or defective or has not been completed in accordance with § 181.22(b), the importer shall be given a period of not less than five working days to submit a corrected Certificate. Acceptance of a Certificate will result in the granting of

preferential tariff treatment to the imported good unless, in connection with an origin verification initiated under subpart G of part 181 (19 CFR part 181) or based on a pattern of conduct within the meaning of § 181.76(c), the Center director determines that the imported good does not qualify as an originating good or should not be accorded such treatment for any other reason as specifically provided for elsewhere in part 181 (19 CFR part 181). A Certificate shall not be accepted in connection with subsequent importations during a period referred to in § 181.22(b)(5)(ii) if, based on an origin verification under subpart G of part 181 (19 CFR part 181), the Center director, rather than the port director, determined that a previously imported identical good covered by the Certificate did not qualify as an originating good.

Section 181.22(d)(1)(i) is amended to provide that except as otherwise provided in § 181.22(d)(2), an importer shall not be required to have a Certificate of Origin in his possession for an importation of a good for which the port director or Center director before January 19, 2017, or the Center director on or after January 19, 2017, has in writing waived the requirement for a Certificate of Origin because the port director or Center director is otherwise satisfied that the good qualifies for preferential tariff treatment under the NAFTA. This provision is amended to include reference to dates before and after the effective date of this document in the **Federal Register** because the port director or the Center director (pursuant to the Center test or the Delegation Order described in section I.B. of the Background section of this document), may have waived the Certificate of Origin before the effective date of this document in the **Federal Register** and only the Center director may waive the Certificate of Origin on or after the effective date of this document in the **Federal Register**.

Section 181.22(d)(1)(iii) is amended to provide that except as otherwise provided in § 181.22(d)(2), an importer shall not be required to have a Certificate of Origin in his possession for a commercial importation for which the total value of originating goods does not exceed US\$2,500, provided that, unless waived by the Center director (rather than the port director), the producer, exporter, importer or authorized agent includes on, or attaches to, the invoice or other document accompanying the shipment the signed statement as noted in § 181.22(d)(1)(iii).

Section 181.22(d)(2) is amended to provide that if the Center director, rather than the port director, determines that an importation described in § 181.22(d)(1) forms part of a series of importations that may reasonably be considered to have been undertaken or arranged for the purpose of avoiding a certification requirement set forth in part 181 (19 CFR part 181), the Center director, rather than the port

director, shall notify the importer in writing that for that importation the importer must have in his possession a valid Certificate of Origin to support the claim for preferential tariff treatment.

Section 181.23(a) is amended to note that if the importer fails to comply with any requirement under part 181 (19 CFR part 181), including submission of a Certificate of Origin under § 181.22(b) or submission of a corrected Certificate under § 181.22(c), the Center director, rather than the port director, may deny preferential tariff treatment to the imported good.

Section 181.23(b) is amended to provide that where the requirements for preferential tariff treatment set forth elsewhere in part 181 (19 CFR part 181) are met, the Center director, rather than the port director, nevertheless may deny preferential tariff treatment to an originating good if the good is shipped through or transshipped in a country other than the United States, Canada or Mexico and the importer of the good does not provide, at the request of the Center director, copies of the customs control documents that indicate to the satisfaction of the Center director that the good remained under customs control while in such other country.

Section 181.32(a) is amended to require that a post-importation claim for a refund under § 181.31 be filed with CBP, either at the port of entry or electronically. The language “CBP, either at the port of entry or electronically” here means that the means of submission currently permitted may be used; however, the authority to receive the post-importation claim for a refund is being extended to personnel working for either the port director or the Center director.

Section 181.33(a) is amended to provide that after receipt of a post-importation claim under § 181.32, the Center director, rather than the port director, shall determine whether the entry covering the good has been liquidated and, if liquidation has taken place, whether the liquidation has become final.

Section 181.33(b) is amended to provide that if the Center director, rather than the port director, determines that any protest or any petition or request for reliquidation relating to the good has not been finally decided, the Center director, rather than the port director, shall suspend action on the claim filed under this subpart until the decision on the protest, petition or request becomes final. If a summons involving the tariff classification or dutiability of the good is filed in the Court of International Trade, the Center director, rather than the port director, shall suspend action on the claim filed under this subpart until judicial review has been completed.

Section 181.33(c)(1) is amended to provide that if the Center director, rather than the port director, determines that a claim for a refund

filed under this subpart should be allowed and the entry covering the good has not been liquidated, the Center director, rather than the port director, shall take into account the claim for refund under this subpart in connection with the liquidation of the entry.

Section 181.33(c)(2) is amended to provide that if the Center director, rather than the port director, determines that a claim for a refund filed under subpart D of part 181 (19 CFR part 181, subpart D) should be allowed and the entry covering the good has been liquidated, whether or not the liquidation has become final, the entry must be reliquidated in order to effect a refund of duties pursuant to this subpart. If the entry is otherwise to be reliquidated based on administrative review of a protest or petition for reliquidation or as a result of judicial review, the Center director, rather than the port director, shall reliquidate the entry taking into account the claim for refund under this subpart.

Section 181.33(c)(3) is amended to provide that if any information is provided to Customs pursuant to § 181.32(b)(4) or (5) of part 181 (19 CFR part 181), that information, together with notice of the allowance of the claim and the amount of duty refunded pursuant to this subpart, shall be provided by the Center director, rather than the port director, to the customs administration of the country from which the good was exported.

Section 181.33(d)(1) is amended to provide that the Center director, rather than the port director, may deny a claim for a refund filed under this subpart if the claim was not filed timely, if the importer has not complied with the requirements of this subpart, if the Certificate of Origin submitted under § 181.32(b)(3) of part 181 (19 CFR part 181) cannot be accepted as valid (see § 181.22(c)), or if, following initiation of an origin verification under § 181.72(a), the Center director, rather than the port director, determines either that the imported good did not qualify as an originating good at the time of importation or that a basis exists upon which preferential tariff treatment may be denied under § 181.72(d), § 181.74(c) or § 181.76(c).

Section 181.33(d)(2) is amended to provide that if the Center director, rather than the port director, determines that a claim for a refund filed under this subpart should be denied and the entry covering the good has not been liquidated, the Center director, rather than the port director, shall deny the claim in connection with the liquidation of the entry, and written notice of the denial and the reason therefor shall be given to the importer and, in the case of a denial on the merits, to any person who completed and signed a Certificate of Origin relating to the good.

Section 181.33(d)(3) is amended to provide that if the Center director, rather than the port director, determines that a claim for a refund filed under subpart D of part 181 (19 CFR part 181, subpart D) should be denied and the entry covering the good has been liquidated, whether or not the liquidation has become final, the claim may be denied without reliquidation of the entry. If the entry is otherwise to be reliquidated based on administrative review of a protest or petition for reliquidation or as a result of judicial review, such reliquidation may include denial of the claim filed under this subpart. In either case, the Center director, rather than the port director, shall give written notice of the denial and the reason therefor to the importer and, in the case of a denial on the merits, to any person who completed and signed a Certificate of Origin relating to the good.

Section 181.64(c)(2) is amended to provide that Center director, rather than the port director, may require such additional documentation as is deemed necessary to prove actual exportation of the goods from the United States for repairs or alterations, such as a foreign customs entry, a foreign customs invoice, a foreign landing certificate, bill of lading, or airway bill.

Section 181.64(c)(3) is amended to provide that if the Center director, rather than the port director, is satisfied, because of the nature of the goods or production of other evidence, that the goods are imported under circumstances meeting the requirements of § 181.64, he may waive submission of the declarations provided for in § 181.64(c)(1).

Section 181.64(c)(4) is amended to provide that for goods returned after having been repaired or altered in Canada other than pursuant to a warranty, the Center director, rather than the port director, shall require a deposit of estimated duties based upon the full cost or value of the repairs or alterations. The paragraph is also amended to provide that the duties must be deposited with CBP, either at the port of entry or electronically. The language “CBP, either at the port of entry or electronically” here means that the means of submission currently permitted may be used; however, the authority to collect the duties is being extended to personnel working for either the port director or the Center director.

Section 181.112(a) is amended to provide that the term “*Adverse marking decision*” means a decision made by the port director or Center director before January 19, 2017, or the Center director on or after January 19, 2017, which an exporter or producer of merchandise believes to be contrary to the provisions of Annex 311 of the NAFTA and which may be protested by the importer pursuant to § 514, Tariff Act of 1930, as amended (19 U.S.C. 1514), and part 174 of this chapter. The paragraph is also amended to provide that examples of

adverse marking decisions include determinations by the port director or Center director before January 19, 2017, or the Center director on or after January 19, 2017: that an imported article is not a good of a NAFTA country, as determined under the Marking Rules, and that it therefore cannot be marked “Canada” or “Mexico”; that a good of a NAFTA country is not marked in a manner which is sufficiently permanent; and that a good of a NAFTA country does not qualify for an exception from marking specified in Annex 311 of the NAFTA. The Center director is included for the dates prior to the effective date of this document because under the Center test this provision was waived to the extent to allow adverse marking decisions for the test participants to be made by the Center director. Moreover, before the effective date of this document, the Center director may have made adverse marking decisions pursuant to the Delegation Order (described in section I.B. of the Background section of this document). However, on and after the effective date of this document, any adverse marking decisions concerning this provision will be handled by the Center director, rather than by the port director.

Section 181.113(a) is amended to provide that the exporter or producer of the merchandise which is the subject of an adverse marking decision may request a statement concerning the basis for the decision by filing a typewritten request, in English, with CBP, either at the port of entry or electronically. The language “CBP, either at the port of entry or electronically” here means that the means of submission currently permitted may be used; however, the authority to receive the petition is being extended to personnel working for either the port director or the Center director and the request may be submitted electronically.

Section 181.114(a) is amended to provide that the Center director, rather than the port director, will issue a written response to the requestor within 30 days of receipt of a request containing the information specified in § 181.113. If the request is incomplete, such that the transaction in question cannot be identified, the Center director, rather than the port director, will notify the requestor in writing within 30 days of receipt of the request regarding what information is needed.

Section 181.114(b) is amended to reflect that the Center director, rather than the port director, will be providing the response noted in § 181.114(a).

Section 181.115(b) is amended by removing the words “port director with whom the protest was filed” and adding in their place the words “Center director” to reflect that if an exporter or producer of merchan-

dise want to intervene in an importer's protest of an adverse marking decision, the party must file their intervention with the Center director.

Section 181.115(e) is amended to provide that if final administrative action has already been taken with respect to the importer's protest at the time the intervention is filed, the Center director, rather than the port director, shall so advise the exporter or producer and, if the importer has filed a civil action in the Court of International Trade as a result of a denial of the protest, the Center director, rather than the port director, shall advise the exporter or producer of that filing and of the exporter's or producer's right to seek to intervene in such judicial proceeding. If final administrative action has not been taken on the protest, the Center director, rather than the port director, shall forward the intervention letter to the CBP office which has the importer's protest under review for consideration in connection with the protest.

Section 181.116(a) is amended to provide that if the importer filed a protest on which final administrative action has not been taken and notice of the pending protest was not provided to the exporter or producer under § 181.114, a petition filed under § 181.116 shall be treated by the Center director, rather than the port director, as an intervention under § 181.115.

Section 181.116(b) is amended to provide that a petition under § 181.115 shall be typewritten, in English, and shall be filed, in triplicate, with the port of entry or filed electronically with CBP.

Section 181.116(d)(1) is amended to provide that within 60 days of the date of receipt of the petition, the Center director, rather than the port director, shall determine if the petition is to be granted or denied, in whole or in part. The paragraph is also amended to provide that if, after reviewing the petition, the Center director, rather than the port director, agrees with all of the petitioner's claims and determines that the initial adverse marking decision was not correct, a written notice granting the petition shall be issued to the petitioner. The paragraph is also amended to provide that a description of the merchandise, a brief summary of the issue(s) and the Center director's findings shall be forwarded to the Director, Tariff Classification Appeals Division, Customs Headquarters, for publication in the Customs Bulletin. The paragraph is further amended to provide that if, after reviewing the petition, the Center director, rather than the port director, determines that the initial adverse marking decision was correct in its entirety, a written notice shall be issued to the petitioner advising that the matter has been forwarded to the Director, Tariff Classification Appeals Division, Customs Headquarters, for further review and

decision. Finally, the paragraph is amended to provide that all relevant background information, including available samples, a description of the adverse marking decision and the reasons for the decision, and the Center director's recommendation shall be furnished to Headquarters.

Section 181.121 is amended by removing the words "port director or other Customs officer" and adding in their place the words "port director, Center director, or other CBP officer" to specify that Center directors, in addition to port directors and other CBP officers who have possession of confidential business information collected pursuant to part 181 (19 CFR part 181) shall, in accordance with part 103 (19 CFR part 103), maintain its confidentiality and protect it from any disclosure that could prejudice the competitive position of the persons providing the information.

IV. Statutory and Regulatory Requirements

A. Executive Order 13563 (Improving Regulation and Regulatory Review) and Executive Order 12866 (Regulatory Planning and Review)

Executive Orders 13563 and 12866 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This rule has not been designated a "significant regulatory action," under section 3(f) of Executive Order 12866. Accordingly, the rule has not been reviewed by the Office of Management and Budget.

1. Purpose of the Rule

Prior to the launch of the Centers test, CBP port directors overseeing imports were solely responsible for facilitating lawful importation; protecting U.S. revenue by assessing and collecting customs duties, taxes and fees; and detecting, interdicting, and investigating illegal international trafficking in arms, munitions, counterfeit goods, currency, and acts of terrorism at their U.S. port of entry. Historically, when a shipment reached the United States, the importer of record (*i.e.*, the owner, purchaser, or licensed customs broker designated by the owner, purchaser, or consignee) would file entry documents and a bond for the imported goods with the director of the port where the merchandise was entered. If necessary, CBP staff working under the port director would then hold or examine the shipment or validate the entry documents to ensure the merchandise's safety, security, and

customs compliance with U.S. importing guidelines, or its general admissibility. The port director would release the shipment from CBP custody if no legal or regulatory violations occurred, allowing post-cargo release (hereafter, post-release) processing to commence. Within 10 working days of the merchandise's entry at a designated customhouse, CBP would require the importer to file entry summary documentation consisting of a return of the entry package to the importer, broker, or his authorized agent after merchandise is permitted release and an entry summary (CBP Form 7501), and to deposit any estimated duties on the shipment. In some cases, CBP would send a formal request for other invoices and documents (via a CBP Form 28: Request for Information) to the importer to assess duties, collect statistics, or determine that import requirements have been satisfied prior to processing the entry summary. Before completing the importation process, CBP Import Specialists and Entry Specialists working under the port director would review and process all entry summary and related documentation; classify and appraise the merchandise; collect final duties, taxes, and fees on the goods entered; and liquidate entry summaries. If necessary, these CBP trade personnel would also review and process protests, perform importer interviews, initiate monetary trade penalties, and initiate liquidated damages cases. Due to CBP's port-by-port trade processing authority and scope, the length, holds, exams, document submission requirements, and determinations of cargo entry and release vary widely among ports of entry. Importers often claim to receive disparate processing treatment for similar goods entered at different ports of entry, causing trade disruptions, increased transaction costs, and information lapses for not only the importer but also CBP. With an intent to facilitate trade, provide consistent import processing treatment, reduce transaction costs, and strengthen the agency's trade knowledge and enforcement posture, CBP began testing an organizational concept in 2011 that grouped agency trade expertise and operational responsibilities by industry and related import accounts into designated Centers of Excellence and Expertise.

Since their test implementation, the Centers have successfully met their trade enhancement goals. Based on such success, CBP would like to discontinue the Centers test and establish the Centers as permanent organizational components of CBP through regulatory amendments.

With this rule, CBP will formally transition certain trade enforcement responsibilities in addition to the majority of post-release trade

functions from the purview of port directors to Center directors.¹ Port directors will continue to retain singular authority over regulations pertaining to the control, movement, examination, and release of cargo. The Centers will focus on nationwide entry summary processing and other trade oversight on a per-importer account basis through a virtual means, which will replace traditional post-release import processing *per* entry at *each* port of entry with processing by a single assigned Center according to the importer account. To conduct such national, industry-focused processing, CBP will permanently staff the Centers with personnel specializing in trade matters through an internal realignment, which will impose no costs onto CBP. All Centers personnel will remain at their current location, primarily at ports of entry, to stay accessible to the trade community and to continue to assist with enforcement and compliance issues that arise at ports of entry with the physical importation of cargo. CBP will remotely manage employees through multidisciplinary teams located across the nation, thereby enabling CBP to extend the Centers' hours of service to trade members, maintain a high level of industry expertise in major port cities, and staff Centers with industry experts from across the country.

2. Costs and Benefits of Rule

In this regulatory impact analysis, CBP discusses the costs and benefits that CBP and trade members will experience with the regulatory implementation of the Centers of Excellence and Expertise in qualitative and, when possible, quantitative terms. CBP excludes any sunk costs already incurred during the Centers test phase from this assessment as such costs are not a result of this rule. The document "Program Assessment of the Centers of Excellence and Expertise," available in the docket for this rulemaking, assesses certain impacts of the Centers test phase.

a. Costs

This rule will introduce minimal costs to CBP and the trade community because it largely meets its objectives through low- to no-cost internal organization changes. The transition of post-release import processing and trade-related responsibilities from ports of entry to Centers will not affect the duties, taxes, and fees payment and entry summary submission process for importers, nor will it adversely impact other post-release activities (*e.g.*, processing duty refund claims, reviewing protests). Even with the Centers, importers may

¹ See the "Explanation of Amendments" section for a detailed list of trade function transitions occurring with this rule.

continue to file payments and paper entry summary documentation to CBP either at the port of entry or electronically. All payments from the trade community, whether submitted to a Center, at a port of entry, or electronically, will continue to go directly to CBP's Office of Administration. If trade enforcement or post-release processing issues emerge, CBP will maintain its formal importer notification and remedy process. Upholding these administrative processes will generate no related costs to the agency. CBP will only experience costs from this rule with regards to entry summary document rerouting and Center assignment appeals.

Following this rule's implementation, if an importer or broker submits paper entry summary documentation at a port of entry without an appropriate Center representative on site, CBP staff at the port will reroute the documents internally by electronic means to the Center assigned to manage the importer's account. This electronic rerouting system will not introduce costs to CBP because the agency created such necessary technological capabilities during the Centers test phase. However, document rerouting will create time, or opportunity, costs. CBP estimates that it will need to reroute 9,000 entry summary documents each year based on historical paper documentation rerouting needs and an anticipated lack of physical Center representation at certain ports of entry.² This estimate does not take into account CBP system enhancements recently completed and in development that would minimize document rerouting costs. Each document will take a CBP port employee an average of 8 minutes (0.13 hours) to reroute electronically to the appropriate Center.³ Multiplying this time burden by the projected number of forms rerouted per year, CBP finds that CBP will incur an annual time burden of 1,200 hours to reroute paper documentation for post-release processing.

In addition to sustaining document rerouting costs on account of the Centers, CBP will experience costs from processing (*i.e.*, reviewing and making a determination on) Center assignment appeals. Generally, CBP will assign each importer to a specific Center based on the HTSUS classification and industry sector corresponding to the predominant number of goods they import.⁴ If an importer is dis-

² Source: CBP's Office of Field Operations, January 15, 2015.

³ Source: CBP's Office of Field Operations, January 15, 2015.

⁴ The list of HTSUS numbers that will be used by CBP for the importer's placement in a Center is the same list of HTSUS numbers that are referenced in the definition for Centers (*see* § 101.1). Factors that may cause CBP to place an importer in a Center not based on the HTSUS classification of the predominant number of goods imported include the importer's associated business practices within an industry, the intended use of the predominant number of goods imported, or the high relative value of goods imported.

pleased with their Center assignment, they may appeal it at any time by submitting a written appeal to CBP by mail or email. Appeals must include the following information: (1) Current Center assignment; (2) Preferred Center assignment; (3) All affected IOR numbers and associated bond numbers; (4) Written justification for the change in Center assignment; and (5) Import data, as described in the “Finalization of the Centers of Excellence and Expertise Test” section. CBP projects that importers will file a total of 60 Center assignment appeals each year.⁵ Each appeal will take an estimated 60 minutes (1 hour), on average, for CBP Headquarters staff to process.⁶ CBP will generally notify trade members of its Center appeal decisions by electronic means, thus imposing no additional cost to the agency.⁷ Based on the expected number of Center appeals submitted annually and CBP’s time burden to manage each appeal, CBP will sustain a yearly time burden of 60 hours from this rule’s Center assignment appeals process.

As outlined throughout this rule, the responsibilities of the trade community will remain largely unchanged after the Centers’ regulatory implementation. Importers may continue to file pre- and post-cargo release documentation and payments where their merchandise is entered. CBP personnel, who may work for either a Center director or a port director will accept all paper import documents from trade members. When necessary, CBP will internally route documentation to the appropriate Center for review and processing. Importers and brokers who file electronically will continue to use CBP’s automated systems, such as ABI, to submit required import data and payments to CBP. Meanwhile, CBP will maintain a consistent formal notification and remedy process with importers regarding post-release and other trade-related issues following the Centers’ establishment. Trade members will only incur costs from this rule when appealing a Center assignment.

Importers may choose to appeal their Center assignment for a number of reasons, including the expectation of better service or product knowledge at another Center. As previously discussed, if an importer chooses to appeal their Center assignment, they must submit a written appeal to CBP by mail or email that includes information about their current and preferred Center assignments (see “Finalization of the Centers of Excellence and Expertise Test” for specific appeal requirements). CBP estimates that each appeal will take 60

⁵ Source: CBP’s Office of Field Operations, January 15, 2015.

⁶ Source: CBP’s Office of Field Operations, January 15, 2015.

⁷ Source: CBP’s Office of Field Operations, January 15, 2015.

minutes (1 hour) for an importer to complete,⁸ at an opportunity cost of \$30.05 based on an importer's \$30.05 hourly value of time.^{9 10} Due to the relative affordability of submitting a Center assignment appeal via email rather than mail, CBP believes that the vast majority of importers will file appeals electronically. Therefore, CBP does not consider the printing or mailing costs for an importer to submit a Center assignment appeal in this analysis. By applying the cost for importers to complete and submit a Center assignment appeal to the previously mentioned expected number of Center assignment appeals filed annually, CBP finds that this rule's appeals process will generate \$1,803 in yearly costs to the trade community.

Certain trade members, particularly Customs-accredited laboratories and Customs-approved gaugers, may incur added costs with this rule's amendments to their obligations outlined in 19 CFR 151.12(c)(5)-(6) and 19 CFR 151.13(b)(5)-(6). As amended, CBP will require Customs-accredited laboratories to notify an additional CBP representative, the Center director, of "any circumstance which might affect the accuracy of work performed as an accredited laboratory, . .

⁸ Source: CBP's Office of Field Operations, January 26, 2015.

⁹ CBP bases the \$30.05 wage rate on the Bureau of Labor Statistics' (BLS) 2014 median hourly wage rate for Cargo and Freight Agents (\$19.89), which CBP assumes best represents the wage for importers, multiplied by the ratio of BLS' average 2014 total compensation to wages and salaries for Office and Administrative Support occupations (1.4813), the assumed occupational group for importers. CBP then rounded and adjusted this figure, which was in 2014 U.S. dollars, to 2016 U.S. dollars using a 1.0 percent annual growth rate, as recommended by the U.S. Department of Transportation's value of travel time guidance. Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment Statistics, "May 2014 National Occupational Employment and Wage Estimates, United States-Median Hourly Wage by Occupation Code: Occupation Code 43-5011." Updated March 25, 2015. Available at <http://www.bls.gov/oes/2014/may/oes435011.htm>. Accessed June 15, 2015. Source of total compensation to wages and salaries ratio: U.S. Bureau of Labor Statistics. Employer Costs for Employee Compensation. *Employer Costs for Employee Compensation Historical Listing March 2004—December 2015*, "Table 3. Civilian workers, by occupational group: Employer costs per hours worked for employee compensation and costs as a percentage of total compensation, 2004–2015 by Respondent Type: Office and administrative support occupations." June 10, 2015. Available at <http://www.bls.gov/ncs/ect/sp/eceecqrtn.pdf>. Accessed June 15, 2015. The total compensation to wages and salaries ratio used is equal to the average of the 2014 quarterly estimates (shown under Mar., June, Sep., Dec.) of the total compensation cost per hour worked for Office and Administrative Support occupations (\$24.66) divided by the calculated average of the 2014 quarterly estimates (shown under Mar., June, Sep., Dec.) of wages and salaries cost per hour worked for the same occupation category (\$16.6475). Source of suggested growth rate: U.S. Department of Transportation, Office of Transportation Policy. *The Value of Travel Time Savings: Departmental Guidance for Conducting Economic Evaluations Revision 2 (2015 Update)*, "Table 4 (Revision 2-corrected): Recommended Hourly Values of Travel Time Savings." April 29, 2015. Available at <http://www.transportation.gov/sites/dot.gov/files/docs/Revised%20Departmental%20Guidance%20on%20of%20Valuation%20of%20Travel%20Time%20in%20Economic%20Analysis.pdf>. Accessed June 15, 2015.

¹⁰ The opportunity cost estimate is equal to the median hourly wage of an importer (\$30.05) multiplied by the hourly time burden for an importer to complete and submit a Center assignment appeal (1 hour), and then rounded.

. their consequences, and any corrective action taken or that needs to be taken” and “. . . of any attempt to impede, influence, or coerce laboratory personnel in the performance of their duties, or of any decision to terminate laboratory operations or accredited status.”¹¹ Similarly, CBP will require Customs-approved gaugers to notify an additional CBP representative, the Center director, of “any circumstance which might affect the accuracy of work performed as an approved gauger, . . . their consequences, and any corrective action taken or that needs to be taken” and “. . . of any attempt to impede, influence, or coerce gauger personnel in the performance of their duties, or of any decision to terminate gauger operations or approval status.”¹² Under current regulations, CBP mandates Customs-accredited laboratories and Customs-approved gaugers to contact the port director and Executive Director on these matters described. Given that CBP has not received any notifications currently required under 19 CFR 151.12(c)(5)–(6) and 19 CFR 151.13(b)(5)–(6) in the past 20 years, CBP assumes in this analysis that the Centers rule’s additional CBP notification step for Customs-accredited laboratories and Customs-approved gaugers will not introduce any costs to these parties.¹³

In all, the Centers rule will introduce a time burden of 1,260 hours to CBP each year and an annual cost of \$1,803 to trade members.

b. Benefits

This rule will likely produce valuable benefits to CBP and the trade community. This section of the analysis largely discusses the benefits of the rule qualitatively due to quantitative data limitations. Based on the success of the Centers test, CBP believes that as permanent organizational components, the Centers will continue to provide uniform post-release processing and trade-related decision-making, strengthen critical agency knowledge of industry practices and products, heighten CBP’s trade enforcement skills, and improve trade communication, though on a much grander scale than observed during the test phase because of the expansion of the Centers concept to all importers. The Centers allow CBP to conduct uniform entry summary processing and trade-related decision-making nationwide on an industry-specific, importer account basis by transitioning the post-release processing of an importer’s goods from a transactional level at each port of entry to one assigned Center. Such organization has

¹¹ See 19 CFR 151.12(c)(5) and 151.12(c)(6).

¹² See 19 CFR 151.13(b)(5) and 151.13(b)(6).

¹³ Based on the number of notifications received by CBP’s Laboratories and Scientific Services as of January 2015. Source: CBP’s Office of Field Operations, January 15, 2015.

already benefited at least one Center test participant, who claims that they have gained numerous administrative efficiencies since joining the Center, including time and cost savings from reduced paperwork submission requirements.¹⁴ Once established as permanent CBP components, the Centers will presumably require fewer information requests and conduct better informed trade compliance actions than in the current environment, leading to time and cost savings to CBP and trade members. Currently, when a non-Center test participating importer enters similar merchandise at different U.S. ports of entry that requires supplemental information for entry summary processing, CBP personnel at each port of entry will generally submit a CBP Form 28: Request for Information to the importer. In this case, the importer must respond to each request, even if the responses are identical, and CBP personnel at each port of entry must review the duplicative information received from the importer. With the Centers, the importer will receive only one CBP Form 28 for the merchandise's entry summary processing, requiring CBP personnel to review the importer's supplemental information only once. For each avoidance of a CBP Form 28, CBP will save 10 minutes (0.17 hours) of time in issuing the request and reviewing the requested information.¹⁵ Importers can expect to save an estimated 120 minutes (2 hours) in preparation time for each avoided CBP Form 28 response¹⁶ and \$60.10 in averted opportunity costs.¹⁷ CBP and some importers may experience additional printing and mailing cost savings through reduced CBP Form 28 submissions, though the extent of these savings is unknown.

With a single Center conducting all post-release processing for a particular importer, determinations on protests, marking, and classification matters will also now be consistent rather than sometimes contrasting as in the current environment, where importers occasionally receive different determinations on similar trade compliance issues depending on the port of entry where their merchandise is

¹⁴ Source: Teleconference with CBP's Pharmaceuticals, Health & Chemicals Center test participant on December 19, 2013.

¹⁵ Source: U.S. Office of Management and Budget, Office of Information and Regulatory Affairs. *RegInfo.gov*. "Supporting Statement Request for Information 1651-0023." June 20, 2014. Available at <http://www.reginfo.gov/public/do/PRAViewDocument?refnbr=201403-1651-004>. Accessed January 20, 2015.

¹⁶ Source: U.S. Office of Management and Budget, Office of Information and Regulatory Affairs. *RegInfo.gov*. "Supporting Statement Request for Information 1651-0023." June 20, 2014. Available at <http://www.reginfo.gov/public/do/PRAViewDocument?refnbr=201403-1651-004>. Accessed January 20, 2015.

¹⁷ The opportunity cost estimate is equal to the previously-discussed median hourly wage of an importer (\$30.05) multiplied by the hourly time burden for an importer to complete a CBP Form 28 response (2 hours), and then rounded.

processed that sometimes requires duplicative action on behalf of CBP and the importer. This consistency may enhance importers' awareness of CBP's positions on trade compliance issues, which may lead to improved compliance and an unknown amount of subsequent savings to both parties in the future. To the extent that this rule's uniform processing and determinations also decrease post-entry amendments, post-summary corrections, exams, hold times, and other trade obstacles, the benefits of this rule will be higher.

In addition to creating uniform post-release processing and determinations, the Centers will strengthen CBP trade personnel's industry knowledge by concentrating their expertise into a specific import industry set as opposed to the entire range of import industries. According to outreach conducted while evaluating this rule, such focused expertise has already enriched CBP-Trade relations, as demonstrated through a Centers test participant's claim that Center account managers are very knowledgeable of their industry and are now more familiar with their imports and trade issues.¹⁸ As Centers staff increase their awareness of importers and their merchandise, they may issue fewer requests for information, exams, or holds, which would provide significant time and cost savings to CBP and trade members. The Centers' industry focus has also enriched trade enforcement. Using knowledge gathered through processing solely entry summaries for the electronics industry, Electronics Center employees uncovered a counterfeit electronic adapter import operation. Since discovering the counterfeiting operation, the Electronics Center has worked with the rights holder to add a trademark onto their electronic device to prevent future intellectual property rights (IPR) violations and subsequent economic losses.¹⁹ Based on the benefits of enhanced industry knowledge gained during the Centers test phase, the permanent establishment of the Centers will likely enhance CBP-Trade relations, facilitate trade, and result in an improved ability to identify high-risk commercial importations that could enhance import safety, increase revenue protection, and reduce economic losses associated with trade violations.

Furthermore, the Centers will improve communication among CBP and the entire U.S. importing universe by replacing communication with each port of entry with communication with one Center. The Centers will serve as a single source for trade members to contact regarding such subjects as importing requirements, IPR infringement or other trade violations, merchandise holds, and PGA issues,

¹⁸ Source: Teleconference with CBP's Pharmaceuticals, Health & Chemicals Center test participant on December 19, 2013.

¹⁹ Source: Teleconference with CBP's Electronics Center test on December 3, 2013.

eliminating the need for trade members to contact multiple CBP employees and for multiple CBP employees to share duplicative information with members of the trade. Such a decrease in redundant information requests and sharing will produce time and cost savings to the trade community and CBP. The Centers will also allow for enhanced communication with importers by offering extended hours of service compared to port of entry service hours, which may expedite trade. Without information on the amount of duplicative communication eliminated with the emergence of the Centers or the volume of trade expedited through the Centers' extended hours of service, the overall value of these communication benefits is unknown.

c. Net Impact of Rule

In summary, this rule's formal establishment of the Centers of Excellence and Expertise will introduce costs and benefits. CBP will sustain 1,260 added work hours each year from rerouting paper documentation and reviewing Center assignment appeals, while trade members will bear an annual cost of \$1,803 attributable to Center assignment appeals. CBP and trade members will also experience benefits from this rule's decreased import costs and time burdens, streamlined trade processing, broadened industry and trade compliance knowledge, enhanced trade enforcement posture, and improved communication, though the overall value of these benefits is unknown. Although not fully quantified, CBP believes this rule's benefits to CBP and the trade community will be considerable, while its costs to these parties will be relatively negligible. For these reasons, CBP asserts that the benefits of this rule will outweigh its costs, thus providing an overall net benefit to the agency and members of the trade community.

B. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et. seq.*), as amended by the Small Business Regulatory Enforcement Fairness Act of 1996, requires agencies to assess the impact of regulations on small entities. A small entity may be a small business (defined as any independently owned and operated business not dominant in its field that qualifies as a small business concern per the Small Business Act); a small not-for-profit organization; or a small governmental jurisdiction (locality with fewer than 50,000 people). CBP is issuing this rule as an interim final rule under the agency management and personnel and procedural rule exceptions of the Administrative Procedure Act.

Thus, a Regulatory Flexibility Act analysis is not required. *See* 5 U.S.C. 553. Nonetheless, CBP considered the economic impact of this rule on small entities.

Through this rule, CBP will formally transition certain trade enforcement responsibilities in addition to the majority of post-release trade functions from the purview of port directors to Center directors.²⁰ Port directors will continue to retain singular authority over regulations pertaining to the control, movement, examination, and release of cargo. Because the Centers will introduce a new post-release processing method for all U.S. imports, this rule's regulatory changes will affect all importers and related members of the trade who enter goods into the United States, including those considered "small" under the Small Business Administration's (SBA) size standards.²¹ For this reason, CBP believes that this rule will impact a substantial number of small entities.

This rule will generate costs and benefits to importers and related members of the trade. As outlined throughout this rule, the responsibilities of the trade community remain largely unchanged after the Centers' regulatory implementation. However, trade members may experience costs when filing a Center assignment appeal and when notifying a Center under amended 19 CFR 151.12(c)(5)–(6) and 19 CFR 151.13(b)(5)–(6) requirements.

As previously mentioned in the "Executive Order 13563 (Improving Regulation and Regulatory Review) and Executive Order 12866 (Regulatory Planning and Review)" section, importers will incur an opportunity cost of \$30.05 per Center assignment appeal. With 60 appeals expected each year, the annual cost of Center assignment appeals to the entire trade community will equal \$1,803. It is likely that some small entities will file Center assignment appeals, though the exact number is unknown. Regardless of the number of small entities impacted by this requirement, CBP does not believe that a cost of \$30.05 to file a Center assignment appeal will amount to a "significant" level to these entities.

Under current regulations, CBP mandates Customs-accredited laboratories and Customs-approved gaugers to contact the port director and Executive Director on the matters described in 19 CFR 151.12(c)(5)–(6) and 19 CFR 151.13(b)(5)–(6). Given that CBP has not received any such notifications in the past 20 years, CBP assumes that this rule's added requirement to contact a Center director per 19 CFR 151.12(c)(5)–(6) and 19 CFR 151.13(b)(5)–(6)'s amendments will

²⁰ *See* the "Explanation of Amendments" section for a detailed list of trade function transitions occurring with this rule.

²¹ *See* 13 CFR 121.101–13 CFR 121.201.

not impact a substantial number of small entities. In the event that a Customs-accredited laboratory or Customs-approved gauger considered “small” has to notify an additional CBP representative according to these regulatory changes, CBP does not believe that requiring one more phone call, letter, or email will cause a significant economic impact to the entity.

Besides costs, importers and related members of the trade will experience benefits from this rule, though the value of these benefits is unknown due to data limitations. The trade community will likely benefit from this rule’s uniform post-release processing and decision-making, increased agency knowledge of industry practices and products, and improved communication with CBP, based on observations from the Centers test. CBP expects the Centers’ uniform post-release processing and trade-related determinations to decrease administrative burdens on the trade, resulting in time and cost savings. This uniformity may also enhance the trade community’s awareness of CBP’s position on trade compliance issues, which may improve compliance and generate an unknown amount of subsequent savings to trade members in the future. The Centers’ strengthened industry focus will likely enhance CBP-Trade relations, facilitate trade, and result in an improved ability to identify high-risk commercial importations that could increase import safety, increase revenue protection, and reduce economic loss associated with trade violations. By replacing port-by-port communication with communication with one Center, the Centers will serve as a single source for trade members to contact regarding such subjects as importing requirements, IPR or other trade violation reports, merchandise holds, and PGA issues. This sole communication source will eliminate the need for trade members to contact multiple CBP resources, which will likely produce additional time and cost savings. The Centers will also allow for enhanced communication between CBP and the trade community by offering extended hours of service compared to port of entry service hours, which may expedite trade. Despite their unknown value, CBP notes that the economic impact of these changes on small entities, if any, will be entirely beneficial.

Although CBP presumes that this rule will affect a substantial number of small entities, CBP does not believe that the economic impact of this rule on small entities will be significant. Accordingly, CBP believes that this regulation will not have a significant economic impact on a substantial number of small entities.

C. Paperwork Reduction Act

The Paperwork Reduction Act of 1995 (44 U.S.C. 3507(d)) requires that CBP consider the impact of paperwork and other information collection burdens imposed on the public. As this document does not involve any collections of information under the Act, the provisions of the Act are inapplicable.

V. Administrative Procedure Act

The Administrative Procedure Act (APA) requires agencies to provide advance public notice and seek public comment on substantive regulations. *See* 5 U.S.C. 553. The APA, however, provides several exceptions to these requirements.

Pursuant to 5 U.S.C. 553(a)(2), public notice and the opportunity to provide public comment are inapplicable to matters relating to “agency management or personnel.” This interim final rule relates to agency management and personnel because it involves the transitioning of certain work functions from the port directors and the port director personnel to the Center directors and the Center director personnel.

Pursuant to 5 U.S.C. 553(b)(A), rules of “agency organization, procedure, and practice” are also exempted from the notice-and-comment requirements of the APA. This interim final rule permanently creates the Centers, which have been operating under a test period that began in 2012 and have been implemented through **Federal Register** Notices and a CBP Delegation Order. Through this interim final rule, CBP is ending the test period and establishing the Centers as a permanent organizational component of the agency.

Finally, 5 U.S.C. 553(b)(B) of the APA authorizes CBP to dispense with notice and comment requirements when CBP for good cause finds that notice and comment is “impracticable, unnecessary, or contrary to the public interest.” CBP has been operating the Centers as a test for several years pursuant to 19 CFR 101.9(a), which authorizes CBP to conduct test programs or procedures to evaluate the effectiveness of certain operational procedures. The Centers have been staffed with CBP employees who facilitate trade by providing account management for members in the identified industries; engaging in risk segmentation; and strengthening trade outreach. This interim final rule codifies CBP personnel adjustments and internal agency procedures that reflect a realignment of certain trade functions within CBP, rather than a substantive change in policy. Therefore, advance notice and comment is unnecessary.

VI. Signing Authority

This document is being issued in accordance with 19 CFR 0.2(a), which provides that the authority of the Secretary of the Treasury with respect to CBP regulations that are not related to customs revenue functions was transferred to the Secretary of Homeland Security pursuant to section 403(1) of the Homeland Security Act of 2002. Accordingly, this interim final rule to amend such regulations may be signed by the Secretary of Homeland Security (or his delegate).

List of Subjects

19 CFR Part 4

Customs duties and inspection, Exports, Freight, Harbors, Maritime carriers, Oil pollution, Reporting and recordkeeping requirements, Vessels.

19 CFR Part 7

American Samoa, Coffee, Cuba, Customs duties and inspection, Guam, Guantanamo Bay Naval Station, Kingman Reef, Liquors, Midway Islands, Puerto Rico, Wake Island, Wine.

19 CFR Part 10

Caribbean Basin initiative, Customs duties and inspection, Exports, Reporting and recordkeeping requirements.

19 CFR Part 11

Customs duties and inspection, Labeling, Packaging and containers.

19 CFR Part 12

Customs duties and inspection, Reporting and recordkeeping requirements.

19 CFR Part 24

Accounting, Claims, Customs duties and inspection, Harbors, Reporting and recordkeeping requirements, Taxes.

19 CFR Part 54

Customs duties and inspection, Metals, Reporting and recordkeeping requirements.

19 CFR Part 101

Customs duties and inspection, Harbors, Organization and functions (Government agencies), Seals and insignia, Vessels.

19 CFR Part 102

Canada, Customs duties and inspection, Imports, Mexico, Reporting and recordkeeping requirements, Trade agreements.

19 CFR Part 103

Administrative practice and procedure, Confidential business information, Courts, Freedom of information, Law enforcement, Privacy, Reporting and recordkeeping requirements.

19 CFR Part 113

Common carriers, Customs duties and inspection, Exports, Freight, Laboratories, Reporting and recordkeeping requirements, Surety bonds.

19 CFR Part 132

Customs duties and inspection.

19 CFR Part 133

Copyright, Customs duties and inspection, Reporting and recordkeeping requirements Trade names, Trademarks.

19 CFR Part 134

Customs duties and inspection, Labeling, Packaging and containers.

19 CFR Part 141

Customs duties and inspection, Reporting and recordkeeping requirements.

19 CFR Part 142

Canada, Customs duties and inspection, Mexico, Reporting and recordkeeping requirements.

19 CFR Part 143

Customs duties and inspection, Reporting and recordkeeping requirements.

19 CFR Part 144

Customs duties and inspection, Reporting and recordkeeping requirements, Warehouses.

19 CFR Part 145

Mail importations.

19 CFR Part 146

Administrative practice and procedure, Customs duties and inspection, Exports, Foreign trade zones, Penalties, Petroleum, Reporting and recordkeeping requirements.

19 CFR Part 147

Customs duties and inspection, Fairs and expositions, Reporting and recordkeeping requirements, Surety bonds.

19 CFR Part 151

Cigars and cigarettes, Cotton, Customs duties and inspection, Fruit juices, Laboratories, Metals, Oil imports, Reporting and recordkeeping requirements, Sugar, Wool.

19 CFR Part 152

Customs duties and inspection.

19 CFR Part 158

Customs duties and inspection, Exports, Freight, Reporting and recordkeeping requirements.

19 CFR Part 159

Antidumping, Countervailing duties, Customs duties and inspection, Foreign currencies.

19 CFR Part 161

Customs duties and inspection, Exports, Law enforcement.

19 CFR Part 162

Administrative practice and procedure, Customs duties and inspection, Drug traffic control, Exports, Law enforcement, Marihuana, Penalties, Reporting and recordkeeping requirements, Search warrants, Seizures and forfeitures.

19 CFR Part 163

Administrative practice and procedure, Customs duties and inspection, Exports, Imports, Penalties, Reporting and recordkeeping requirements.

19 CFR Part 173

Administrative practice and procedure, Customs duties and inspection.

19 CFR Part 174

Administrative practice and procedure, Customs duties and inspection.

19 CFR Part 176

Courts, Customs duties and inspection.

19 CFR Part 181

Administrative practice and procedure, Canada, Customs duties and inspection, Exports, Imports, Mexico, Reporting and recordkeeping requirements, Trade agreements.

Amendments to the Regulations

■ For the reasons given above and under the authority of 19 U.S.C. 2, 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), and 1624, CBP amends parts 4, 7, 10, 11, 12, 24, 54, 101, 102, 103, 113, 132, 133, 134, 141, 142, 143, 144, 145, 146, 147, 151, 152, 158, 159, 161, 162, 163, 173, 174, 176, and 181 of the CBP regulations (19 CFR Parts 4, 7, 10, 11, 12, 24, 54, 101, 102, 103, 113, 132, 133, 134, 141, 142, 143, 144, 145, 146, 147, 151, 152, 158, 159, 161, 162, 163, 173, 174, 176, and 181) as set forth below: Also, for the reasons given above and under the authority of 19 U.S.C. 2, 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), and 1624, those parts of Chapter I of the CBP regulations (chapter I) listed below are amended as set forth below:

PART 4—VESSELS IN FOREIGN AND DOMESTIC TRADES

■ 1. The general authority citation for part 4 and the specific authority citation for section 4.94a continue to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1431, 1433, 1434, 1624, 2071 note; 46 U.S.C. 501, 60105.

* * * * *

Section 4.94a also issued under 19 U.S.C. 1484b;

* * * * *

■ 2. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
4.94a(d)	appropriate port director	Center director.

PART 7—CUSTOMS RELATIONS WITH INSULAR POSSESSIONS AND GUANTANAMO BAY NAVAL STATION

■ 3. The authority citation for part 7 continues to read as follows:

Authority: 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), 1623, 1624; 48 U.S.C. 1406i.

■ 4. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
7.3(e)(1)(iii)(B)	port director	Center director.
7.3(e)(2)	port director	Center director.
7.3(f)(1)	port director	Center director.
7.3(f)(2)	port director	Center director.

PART 10—ARTICLES CONDITIONALLY FREE, SUBJECT TO A REDUCED RATE, ETC.

■ 5. The general authority citation for part 10 and the specific authority citations for §§ 10.804, 10.864, 10.866, 10.906, 10.1006, and 10.3006 continue to read as follows:

Authority: 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States (HTSUS)), 1321, 1481, 1484, 1498, 1508, 1623, 1624, 3314.

* * * * *

Sections 10.801 through 10.829 also issued under 19 U.S.C. 1202 (General Note 30, HTSUS) and Pub. L. 109–169, 119 Stat. 3581 (19 U.S.C. 3805 note).

* * * * *

Sections 10.861 through 10.890 also issued under 19 U.S.C. 1202 (General Note 31, HTSUS) and Pub. L. 109–283, 120 Stat. 1191 (19 U.S.C. 3805 note).

* * * * *

Sections 10.1001 through 10.1034 also issued under 19 U.S.C. 1202 (General Note 33, HTSUS), 19 U.S.C. 1520(d), and Pub. L. 112–41, 125 Stat. 428 (19 U.S.C. 3805 note).

* * * * *

Sections 10.3001 through 10.3034 also issued under 19 U.S.C. 1202 (General Note 34, HTSUS), 19 U.S.C. 1520(d), and Pub. L. 112–42, 125 Stat. 462 (19 U.S.C. 3805 note).

* * * * *

■ 6. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
10.1(b)	port director	Center director.
10.1(d)	port director	Center director.
10.3(a)	port director	Center director.
10.3(c)(3)	port director	Center director.
10.8(b)	port director	Center director.
10.8(c)	port director	Center director.
10.8(d)	port director	port director or Center director.
10.8a(c)	port director	Center director.
10.9(b)	port director	Center director.
10.9(c)	port director	Center director.
10.9(d)	port director	port director or Center director.
10.21	port director	Center director.
10.24(b)	port director	Center director.
10.24(c)	port director	Center director.
10.24(d)	port director	Center director.
10.24(e)	port director	Center director.
10.31(a)(3)(ii)	port director	Center director.
10.31(f)	port director	Center director.
10.37	director of the port where the entry was filed	Center director.

Section	Remove	Add
10.37	CBP form 3173,	CBP form 3173, which may be submitted to CBP, either at the port of entry or electronically.
10.39(a)	port director	Center director.
10.39(b)	port director	Center director.
10.41a(a)(2)	port director	Center director.
10.41a(e)	the port director	CBP, either at the port of entry or electronically.
10.43(a)	port director	Center director.
10.48(c)	port director	Center director.
10.48(d)	port director	Center director.
10.49(b)	port director	Center director.
10.49(d)	director of the port of entry ..	CBP, either at the port of entry or electronically.
10.52	port director	Center director.
10.53(g)	port director	Center director.
10.56(e)	port director	Center director.
10.70(a)	port director	Center director.
10.71(c)	the port director	CBP, either at the port of entry or electronically.
10.83(a)	port director	Center director.
10.84(d)	port director	Center director.
10.84(e)	director of the port where entry was made	CBP, either at the port of entry or electronically.
10.91(a)(2)(i)	port director	Center director.
10.91(a)(2)(ii) introductory text	port director	Center director.
10.91(a)(2)(ii)(A)	port director	Center director.
10.91(e)(1)	port director	Center director.
10.91(f)(2)(ii)	port director	Center director.
10.102(d)	port director	Center director.
10.104	port director	Center director.
10.108	port director	Center director.
10.121(b)	the port director	CBP, either at the port of entry or electronically.

Section	Remove	Add
10.134	port director	Center director.
10.172	port director	Center director.
10.173(a)	port director	Center director.
10.173(b)	port director	Center director.
10.173(c)	port director	Center director.
10.174(a)	port director	Center director.
10.174(b)	port director	Center director.
10.175(d)(2)	port director	Center director.
10.177(b)	port director	Center director.
10.179(b)(1)	the director of the port where the original entry was made.	CBP, either at the port of entry or electronically.
10.183(e)	port director	Center director.
10.183(g)	port director	Center director.
10.192	port director	Center director.
10.193(c)(2)	port director	Center director.
10.194(a)	port director	Center director.
10.194(b)	port director	Center director.
10.196(b)	port director	Center director.
10.198(a)(1)(i)	port director	Center director.
10.198(a)(1)(ii)	port director	Center director.
10.198(b)	port director	Center director.
10.198(c)	port director	Center director.
10.199(c)(1)(iii)(B)	port director	Center director.
10.199(d)(1)	port director	Center director.
10.199(d)(2)	port director	Center director.
10.199(e)(2)(i)	port director	Center director.
10.199(e)(2)(ii)	port director	Center director.
10.199(f)(1)	port director	Center director.
10.199 (f)(2)	port director	Center director.
10.199(h)	port director	Center director.
10.206(d)(2)	port director	Center director.
10.207(b)(1)(i)	port director	Center director.
10.207(b)(1)(ii)	port director	Center director.
10.207(c)	port director	Center director.
10.207(d)(1)	port director	Center director.
10.207(d)(2)	port director	Center director.
10.207(e)	port director	Center director.
10.213(d)(3)(ii)	port director	Center director.
10.216(b)	port director	Center director.

Section	Remove	Add
10.216(c)	port director	Center director.
10.216(d)(1)(i)	port director	Center director.
10.216(d)(1)(iii)	port director	Center director.
10.216(d)(2)	port director	Center director.
10.217(a)	port director	Center director.
10.223(d)(3)(ii)	port director	Center director.
10.226(b) introductory text	port director	Center director.
10.226(c)	port director	Center director.
10.226(d)(1)(i)	port director	Center director.
10.226(d)(1)(iii)	port director	Center director.
10.226(d)(2)	port director	Center director.
10.227(a)	port director	Center director.
10.233(d)(3)(ii)	port director	Center director.
10.235(b)	the Customs port where the declaration was originally filed.	CBP, either at the port of entry or electronically.
10.236(b) introductory text	port director	Center director.
10.236(c)	port director	Center director.
10.236(d)(1)(i)	port director	Center director.
10.236(d)(1)(iii)	port director	Center director.
10.236(d)(2)	port director	Center director.
10.237(a) introductory text	port director	Center director.
10.243(d)(3)(ii)	port director	Center director.
10.245(b)	the CBP port where the dec- laration was originally filed.	CBP, either at the port of entry or electronically.
10.246(b) introductory text	port director	Center director.
10.246(c)	port director	Center director.
10.246(d)(1)(i)	port director	Center director.
10.246(d)(1)(iii)	port director	Center director.
10.246(d)(2)	port director	Center director.
10.247(a)	port director	Center director.
10.253(b)(3)(ii)	port director	Center director.
10.256(b) introductory text	port director	Center director.
10.256(c)	port director	Center director.
10.256(d)(1)(i)	port director	Center director.
10.256(d)(1)(iii)	port director	Center director.

Section	Remove	Add
10.256(d)(2)	port director	Center director.
10.257(a) introductory text	port director	Center director.
10.307(c)	port director	Center director.
10.307(e) introductory text	port director	Center director.
10.307(e)(2)	port director	Center director.
10.309	port director	Center director.
10.411(a) introductory text	port director	Center director.
10.411(d)	port director	Center director.
10.413	port director	Center director.
10.414(b)	port director	Center director.
10.416(a)	port director	Center director.
10.416(b)	port director	Center director.
10.422(a) introductory text	port director	Center director.
10.422(c)	port director	Center director.
10.423(b)	port director	Center director.
10.424(a)	port director	Center director.
10.424(b)	port director	Center director.
10.430(c)(3)	port director	Center director.
10.431	port director	Center director.
10.441(a)	the director of the port at which the entry covering the good was filed.....	CBP, either at the port of entry or electronically.
10.442(a)	port director	Center director.
10.442(b)	port director	Center director.
10.442(c)(1)	port director	Center director.
10.442(c)(2)	port director	Center director.
10.442(d)(1)	port director	Center director.
10.442(d)(2)	port director	Center director.
10.442(d)(3)	port director	Center director.
10.470(a) introductory text	port director	Center director.
10.511(a) introductory text	port director	Center director.
10.513(b)	port director	Center director.
10.515(a)	port director	Center director.
10.515(b)	port director	Center director.
10.550(a) introductory text	port director	Center director.

Section	Remove	Add
10.584(a) introductory text	port director	Center director.
10.584(c)	port director	Center director.
10.586(b)	port director	Center director.
10.588(a)	port director	Center director.
10.588(b)	port director	Center director.
10.589(c)(3)	port director	Center director.
10.591(a)	the director of the port at which the entry covering the good was filed.....	CBP, either at the port of entry or electronically.
10.592(a)	port director	Center director.
10.592(b)	port director	Center director.
10.592(c)(1)	port director	Center director.
10.592(c)(2)	port director	Center director.
10.592(d)(1)	port director	Center director.
10.592(d)(2)	port director	Center director.
10.592(d)(3)	port director	Center director.
10.610(a)	port director	Center director.
10.610(b)	port director	Center director.
10.616(a) introductory text	port director	Center director.
10.704(a) introductory text	port director	Center director.
10.706(b)	port director	Center director.
10.708(a)	port director	Center director.
10.708(b)	port director	Center director.
10.710(c)(2)(iii)	port director	Center director.
10.712	port director	Center director.
10.764(a) introductory text	port director	Center director.
10.766(b)	port director	Center director.
10.768(a)	port director	Center director.
10.768(b)	port director	Center director.
10.781(a)	port director	Center director.
10.781(b)	port director	Center director.
10.784(a)	port director	Center director.
10.806(b)	port director	Center director.
10.808(a)	port director	Center director.
10.808(b)	port director	Center director.
10.821(a) introductory text	port director	Center director.

Section	Remove	Add
10.823(a)	port director	Center director.
10.823(b)	port director	Center director.
10.824(a)	port director	Center director.
10.847(c)	the CBP port where the claim was originally filed. ...	CBP, either at the port of entry or electronically.
10.868(a)	port director	Center director.
10.868(b)	port director	Center director.
10.870(a)	the director of the port at which the entry covering the good was filed.....	CBP, either at the port of entry or electronically.
10.871(a)	port director	Center director.
10.871(b)	port director	Center director.
10.871(c)(1)	port director	Center director.
10.871(c)(2)	port director	Center director.
10.871(d)(1)	port director	Center director.
10.871(d)(2)	port director	Center director.
10.871(d)(3)	port director	Center director.
10.884(a) introductory text	port director	Center director.
10.886(a)	port director	Center director.
10.886(b)	port director	Center director.
10.887(a)	port director	Center director.
10.904(a) introductory text	port director	Center director.
10.904(c)	port director	Center director.
10.908(a)	port director	Center director.
10.908(b)	port director	Center director.
10.909(c)(3)	port director	Center director.
10.911(a)	the director of the port at which the entry covering the good was filed.....	CBP, either at the port of entry or electronically.
10.912(a)	port director	Center director.
10.912(b)	port director	Center director.
10.912(c)(1)	port director	Center director.
10.912(c)(2)	port director	Center director.
10.912(d)(1)	port director	Center director.
10.912(d)(2)	port director	Center director.
10.912(d)(3)	port director	Center director.
10.926(a) introductory text	port director	Center director.

Section	Remove	Add
10.1004(a) introductory text	port director	Center director.
10.1004(c)	port director	Center director.
10.1004(d)(2)	port director	Center director.
10.1008(a)	port director	Center director.
10.1008(b)	port director	Center director.
10.1009(c)(3)	port director	Center director.
10.1011(a)	the director of the port at which the entry covering the good was filed.....	CBP, either at the port of entry or electronically.
10.1012(a)	port director	Center director.
10.1012(b)	port director	Center director.
10.1012(c)(1)	port director	Center director.
10.1012(c)(2)	port director	Center director.
10.1012(d)(1)	port director	Center director.
10.1012(d)(2)	port director	Center director.
10.1012(d)(3)	port director	Center director.
10.1026(a) introductory text	port director	Center director.
10.2004(a) introductory text	port director	Center director.
10.2004(c)	port director	Center director.
10.2004(d)(2)	port director	Center director.
10.2006(b)	port director	Center director.
10.2008(a)	port director	Center director.
10.2008(b)	port director	Center director.
10.2009(c)(3)	port director	Center director.
10.2011(a)	the director of the port at which the entry covering the good was filed.....	CBP, either at the port of entry or electronically.
10.2012(a)	port director	Center director.
10.2012(b)	port director	Center director.
10.2012(c)(1)	port director	Center director.
10.2012(c)(2)	port director	Center director.
10.2012(d)(1)	port director	Center director.
10.2012(d)(2)	port director	Center director.
10.2012(d)(3)	port director	Center director.
10.2026(a) introductory text	port director	Center director.
10.3004(a) introductory text	port director	Center director.
10.3004(c)	port director	Center director.

Section	Remove	Add
10.3004(d)(2)	port director	Center director.
10.3008(a)	port director	Center director.
10.3008(b)	port director	Center director.
10.3009(c)(3)	port director	Center director.
10.3011(a)	the director of the port at which the entry covering the good was filed.....	CBP, either at the port of entry or electronically.
10.3012(a)	port director	Center director.
10.3012(b)	port director	Center director.
10.3012(c)(1)	port director	Center director.
10.3012(c)(2)	port director	Center director.
10.3012(d)(1)	port director	Center director.
10.3012(d)(2)	port director	Center director.
10.3012(d)(3)	port director	Center director.
10.3026(a) introductory text	port director	Center director.

■ 7. Section 10.40(b) is revised to read as follows:

§ 10.40 Refund of cash deposits.

* * * * *

(b) If any article entered under Chapter 98, subchapter XIII, Harmonized Tariff Schedule of the United States, is not exported or destroyed within the period of time during which articles may remain in the customs territory of the United States under bond (including any lawful extension), the Center director shall notify the importer in writing that the entire cash deposit will be transferred to the regular account as liquidated damages unless a written application for relief from the payment of the full liquidated damages is filed with the Center director within 60 days after the date of the notice. If such an application is timely filed, the transfer of the cash deposit to the regular account as liquidated damages shall be deferred pending the decision of the Headquarters, U.S. Customs and Border Protection or, in appropriate cases, the Center director on the application.

§ 10.91 [Amended]

■ 8. Section 10.91(c)(2) is amended by removing the words “the port director where the entry or withdrawal of the prototype was made” in the first sentence and adding in their place the words “CBP, either at the port of entry or electronically” and by removing the words “port director” in the last sentence and adding in their place the words “Center director”.

§ 10.102 [Amended]

■ 9. Section 10.102(a) is amended by removing the words “port director” and adding in their place the words “Center director” and by removing the words “upon the receipt” and adding in their place the words “upon the receipt, either at the port of entry or electronically,”.

§ 10.804 [Amended]

■ 10. Section 10.804(a) introductory text is amended by removing the words “to CBP” and by removing the words “port director” and adding in their place the words “Center director”.

§ 10.864 [Amended]

■ 11. Section 10.864(a) introductory text is amended by removing the words “to CBP” and by removing the words “port director” and adding in their place the words “Center director”.

§ 10.866 [Amended]

■ 12. Section 10.866(b) is amended by removing the words “port director” each place that it appears and adding in their place the words “Center director” and by removing the words “to CBP”.

§ 10.906 [Amended]

■ 13. Section 10.906(b) is amended by removing the words “port director” each place that it appears and adding in their place the words “Center director” and by removing the words “to CBP”.

§ 10.1006 [Amended]

■ 14. Section 10.1006(b) is amended by removing the words “port director” each place that it appears and adding in their place the words “Center director” and by removing the words “to CBP”.

§ 10.3006 [Amended]

■ 15. Section 10.3006(b) is amended by removing the words “port director” each place that it appears and adding in their place the words “Center director” and by removing the words “to CBP”.

PART 11—PACKING AND STAMPING; MARKING

■ 16. The authority citation for part 11 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1202 (General Note 3(i) and (j), Harmonized Tariff Schedule of the United States), 1624.

■ 17. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
11.12(b)	port director	Center director.
11.12(c).....	port director	Center director.
11.12(d)	port director	Center director.
11.12(e).....	port director	Center director.
11.12(f)	port director	Center director.
11.12a(b)	port director	Center director.
11.12a(c).....	port director	Center director.
11.12a(d)	port director	Center director.
11.12a(e).....	port director	Center director.
11.12a(f)	port director	Center director.
11.12b(b)	port director	Center director.
11.12b(c).....	port director	Center director.
11.12b(d)	port director	Center director.
11.12b(e).....	port director	Center director.
11.12b(f)	port director	Center director.

PART 12—SPECIAL CLASSES OF MERCHANDISE

■ 18. The general authority citation for part 12 and the specific authority citations for § 12.73 continue to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States (HTSUS)), 1624.

* * * * *

Sections 12.73 and 12.74 also issued under 19 U.S.C. 1484, 42 U.S.C. 7522, 7601;

* * * * *

■ 19. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
12.26(f)	the port director	an authorized CBP official.
12.39(b)(2)(i)	the port director	CBP.
12.39(b)(3)	Port directors	CBP.
12.39(b)(4)	under bond, port directors	under bond, CBP.
12.39(b)(4)	20436 by port directors	20436.
12.39(c)(1)(iii)	the port director of the port in which the entry was attempted.	CBP.

Section	Remove	Add
12.39(e)(2)	The port director	CBP.
12.121(a)(2)(ii) introductory text	port director	Center director.
12.121(a)(2)(ii)(A)	port director	CBP, either at the port of entry or electronically.
12.121(a)(2)(ii)(B)	port director	Center director.

■ 20. Section 12.73(j) is revised to read as follows:

§ 12.73 Motor vehicle and engine compliance with Federal antipollution emission requirements.

* * * * *

(j) *Release under bond.* If a declaration filed in accordance with paragraph (i)(2) of this section states that the entry is being filed under circumstances described in either paragraph (c)(4), (h)(1), (h)(2), (h)(3) or (h)(4) of this section, the entry shall be accepted only if the importer or consignee gives a bond on Customs Form 301, containing the bond condition set forth in § 113.62 of this chapter for the production of an EPA statement that the vehicle or engine is in conformity with Federal emission requirements. Within the period in paragraph (h)(2), (h)(3) or (c)(4) of this section, or in the case of paragraph (h)(1) or (h)(4) of this section, the period specified by EPA in its authorization for an exemption, or such additional period as the Center director may allow for good cause shown, the importer or consignee shall deliver to CBP, either at the port of entry or electronically, the prescribed statement. If the statement is not delivered to CBP within the specified period, the importer or consignee shall deliver or cause to be delivered to the port director those vehicles which were released under a bond required by this paragraph. In the event that the vehicle or engine is not redelivered within five days following the date specified in the preceding sentence, liquidated damages shall be assessed in the full amount of the bond, if it is a single entry bond, or if a continuous bond is used, the amount that would have been taken under a single entry bond.

* * * * *

PART 24—CUSTOMS FINANCIAL AND ACCOUNTING PROCEDURE

■ 21. The general authority citation for part 24 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 58a–58c, 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), 1505, 1520, 1624; 26 U.S.C. 4461, 4462; 31 U.S.C. 3717, 9701; Pub. L. 107–296, 116 Stat. 2135 (6 U.S.C. 1 *et seq.*).

* * * * *

■ 22. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
24.1(a)(3)(ii)	the port director	authorized CBP official.
24.4(a)	director of each port at which he wishes to defer payment. .	Center director, either at a port of entry or electronically.
24.4(a)	a port director	the Center director.
24.4(b)	port director	Center director.
24.4(d)(1)	port director	Center director.
24.14(c)	port director's	CBP's.

■ 23. Section 24.1(a)(3)(i) is revised to read as follows:

§ 24.1 Collection of Customs duties, taxes, fees, interest, and other charges.

* * * * *

(a) * * *

(3)(i) An uncertified check drawn by an interested party on a national or state bank or trust company of the United States or a bank in Puerto Rico or any possession of the United States if such checks are acceptable for deposit by a Federal Reserve bank, branch Federal Reserve bank, or other designated depository shall be accepted if there is on file with CBP a bond to secure the payment of the duties, taxes, fees, interest, or other charges, or if a bond has not been filed, the organization or individual drawing and tendering the uncertified check has been approved by an authorized CBP official to make payment in such manner. In determining whether an uncertified check shall be accepted in the absence of a bond, an authorized CBP official shall use available credit data obtainable without cost to the Government, such as that furnished by banks, local business firms, better business bureaus, or local credit exchanges, sufficient to satisfy

him of the credit standing or reliability of the drawer of the check. For purposes of this paragraph, a customs broker who does not have a permit for the district (see the definition of “district” at § 111.1 of this chapter) where the entry is filed, is an interested party for the purpose of CBP’s acceptance of such broker’s own check, provided the broker has on file the necessary power of attorney which is unconditioned geographically for the performance of ministerial acts. CBP may look to the principal (importer) or to the surety should the check be dishonored.

* * * * *

■ 24. Section 24.2 is revised to read as follows:

§ 24.2 Persons authorized to receive Customs collections.

Center directors, port directors, CBP cashiers, CBP officers, CBP dock tellers, and such other officers and employees as the Center director or port director will designate will receive Customs collections.

■ 25. Section 24.4(c) and (i) are revised to read as follows:

§ 24.4 Optional method for payment of estimated import taxes on alcoholic beverages upon entry, or withdrawal from warehouse, for consumption.

* * * * *

(c) *Content of application and supporting documents.* (1) An importer must state his estimate of the largest amount of taxes to be deferred in any semimonthly period based on the largest amount of import taxes on alcoholic beverages deposited with CBP in such a period during the year preceding his application. He must also identify any existing bond or bonds that he has on file with CBP and shall submit in support of his application the approval of the surety on his bond or bonds to the use of the procedure and to the increase of such bond or bonds to such larger amount or amounts as may be found necessary by the Center director.

(2) Each application must include a declaration in substantially the following language:

I declare that I am not presently barred by CBP from using the deferred payment procedure for payment of estimated taxes upon imports of alcoholic beverages, and that if I am notified by a Center director to such effect I shall advise any future Center director where approval has been given to me to use such procedure.

* * * * *

(i) *Duration of deferred payment privilege.* The deferred payment privilege once approved by the port director or Center director before January 19, 2017, or the Center director on or after January 19, 2017, will remain in effect until terminated under the provisions of paragraph (h) or the importer or surety requests termination.

* * * * *

PART 54—CERTAIN IMPORTATIONS TEMPORARILY FREE OF DUTY

■ 26. The authority citation for part 54 continues to read as follows:

Authority: 19 U.S.C. 66, 1202 (General Note 3(i); Section XV, Note 5, Harmonized Tariff Schedule of the United States), 1623, 1624.

■ 27. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
54.5(b)	port director	Center director.
54.6(c)(4)	port director	Center director.

§ 54.6 [Amended]

■ 28. Section 54.6(c) introductory text is amended by removing the words “the director of the port of entry” and adding in their place the words “CBP, either at the port of entry or electronically.”

PART 101—GENERAL PROVISIONS

■ 29. The general authority citation for part 101 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 2, 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), 1623, 1624, 1646a.

* * * * *

■ 30. In § 101.1:

■ a. Add in alphabetical order, definitions of *Center director*, *Centers of Excellence and Expertise* or *Centers*, and *Port director*.

■ b. Revise the definitions of *Port* and *port of entry*

The additions and revision read as follows:

§ 101.1 Definitions.

* * * * *

Center director. The term “Center director” means the person who manages their designated Center and is responsible for certain trade decisions and functions concerning that Center and the importers that are processed by that Center.

* * * * *

Centers of Excellence and Expertise or Centers. The terms “Centers of Excellence and Expertise” or “Centers” refer to national CBP offices that are responsible for performing certain trade functions and making certain determinations as set forth in particular regulatory provisions regarding importations by importers that are considered by CBP to be in the industry sector, regardless of the ports of entry at which the importations occur. Industry sectors are categorized by the Harmonized Tariff Schedule of the United States (HTSUS) numbers representing an industry sector. The list of HTSUS numbers will be published in a **Federal Register** document and any change made to that list will be announced in a subsequent **Federal Register** document.

* * * * *

Port and port of entry. The terms “port” and “port of entry” refer to any place designated by Executive Order of the President, by order of the Secretary of the Treasury, or by Act of Congress, at which a U.S. Customs and Border Protection (“CBP”) officer is authorized to accept entries of merchandise to collect duties, and to enforce the various provisions of the customs and navigation laws. The terms “port” and “port of entry” incorporate the geographical area under the jurisdiction of a port director. (The customs ports in the Virgin Islands, although under the jurisdiction of the Secretary of the Treasury, have their own customs laws (48 U.S.C. 1406(i)). These ports, therefore, are outside the customs territory of the United States and the ports thereof are not “ports of entry” within the meaning of these regulations).

* * * * *

Port director. The term “port director” means the person who has jurisdiction within the geographical boundaries of their port of entry unless the regulations provide that particular trade functions or determinations are exclusively within the purview of a Center Director or other CBP personnel.

* * * * *

■ 31. Add § 101.10 to read as follows:

§ 101.10 Centers of Excellence and Expertise.

(a) *Center Management Offices.* The Centers of Excellence and Expertise (Centers) (see definition in § 101.1) are managed out of the following locations:

Centers of Excellence and Expertise (Centers)	Management offices
Agriculture & Prepared Products.	Miami, Florida.
Apparel, Footwear & Textiles.	San Francisco, California.
Automotive & Aerospace.	Detroit, Michigan.
Base Metals	Chicago, Illinois.
Consumer Products & Mass Merchandising.	Atlanta, Georgia.
Electronics	Long Beach, California.
Industrial & Manufacturing Materials.	Buffalo, New York.
Machinery	Laredo, Texas.
Petroleum, Natural Gas & Minerals.	Houston, Texas.
Pharmaceuticals, Health & Chemicals.	New York, New York.

(b) *Assignment of importers to the Centers.* Generally, each importer will be assigned to an industry-category administered by a specific Center based on the tariff classification in the HTSUS of the predominant number of goods imported. The list of HTSUS numbers that will be used by CBP for the importer's placement in a Center is the same list of HTSUS numbers that are referenced in the definition for Centers (see § 101.1). Factors that may cause CBP to place an importer in a Center not based on the tariff classification of the predominant number of goods imported include the importer's associated business practices within an industry, the intended use of the predominant number of goods imported, or the high relative value of goods imported.

(c) *Appeal of Center assignment.* An importer may appeal the Center assignment at any time by submitting a written appeal, with a subject line identifier reading "Appeal Regarding Center Assignment", to U.S. Customs and Border Protection, Office of Field Operations, Executive Director, Cargo and Conveyance Security (CCS), 1300 Pennsylvania Ave. NW., Suite 2.3D, Washington, DC 20229-1015 or by email to CEE@cbp.dhs.gov. Appeals must include the following information:

- (1) Current Center assignment;
- (2) Preferred Center assignment;

(3) All affected Importer of Record (IOR) numbers and associated bond numbers;

(4) Written justification for the change in Center assignments; and

(5) Import data:

(i) *For new importers.* Projected importations at the four (4) digit HTSUS heading level during the current year; or

(ii) *For importers with less than one year of prior import history.* Projected importations and prior import data with entry summary lines and value at the four (4) digit HTSUS heading level; or

(iii) *For importers with more than one year of prior import history.* One year of prior import data with entry summary lines and value at the four (4) digit HTSUS heading level.

PART 102—RULES OF ORIGIN

■ 32. The authority citation for part 102 continues to read as follows:

Authority: 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), 1624, 3314, 3592.

■ 33. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
102.23(a)	port director	Center director.
102.23(b)	port director	Center director.
102.25	port director.....	Center director.

PART 103—AVAILABILITY OF INFORMATION

■ 34. The general authority citation for part 103 continues to read as follows:

Authority: 5 U.S.C. 301, 552, 552a; 19 U.S.C. 66, 1624; 31 U.S.C. 9701.

* * * * *

■ 35. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
103.32	port directors and other CBP officers	port directors, Center directors, and other CBP officers.

§ 103.26 [Amended]

¶ 36. Section 103.26 is amended by removing the words “Port directors” and adding in their place the words “Center directors, port directors”.

PART 113—CBP BONDS

¶ 37. The general authority citation for part 113 is revised to read as follows:

Authority: 19 U.S.C. 66, 1623, 1624.

* * * * *

¶ 38. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
Appendix B to Part 113	port director of CBP	CBP.
Appendix B to Part 113	port director’s	CBP’s.
Appendix C to Part 113	the port director of customs ..	CBP.

PART 132—QUOTAS

¶ 39. The general authority citation for part 132 continues to read as follows:

Authority: 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States (HTSUS)), 1623, 1624.

* * * * *

¶ 40. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
132.11a(c)	port director	Center director.
132.12(a)	port director	Center director.
132.13(a)(1)(i)	port director	Center director.
132.13(a)(1)(ii)	presented	presented to CBP, either at the port of entry or electronically.
132.13(a)(2)	at a port of entry	to CBP, either at the port of entry or electronically.

■ 41. Section 132.14 is amended by revising paragraphs (a)(4)(i)(A) and (B) and (a)(4)(ii)(A) to read as follows:

§ 132.14 Special permits for immediate delivery; entry of merchandise before presenting entry summary for consumption; permits of delivery.

* * * * *

(a) * * *

4) * * *

(i) * * *

(A) An authorized CBP official may demand the return to Customs custody of the released merchandise in accordance with § 141.113 of this chapter;

(B) The Center director shall require the timely presentation to CBP, either at the port of entry or electronically, of the entry summary for consumption, or a withdrawal for consumption, with the estimated duties attached;

* * *

(ii) * * *

(A) The Center director shall require the timely presentation to CBP, either at the port of entry or electronically, of the entry summary for consumption, or a withdrawal for consumption, with estimated duties attached;

* * * * *

PART 133—TRADEMARKS, TRADE NAMES, AND COPYRIGHTS

■ 42. The authority citation for part 133 continues to read as follows:

Authority: 15 U.S.C. 1124, 1125, 1127; 17 U.S.C. 101, 601, 602, 603; 19 U.S.C. 66, 1202, 1499, 1526, 1624; 31 U.S.C. 9701. Sections 133.21 through 133.25 also issued under 18 U.S.C. 1905; Sec. 818(g), Pub. L. 112–81 (10 U.S.C. 2302).

■ 43. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column;:

Section	Remove	Add
133.26	the port director	an authorized CBP official.
133.46	the director of the port of entry	an authorized CBP official.

PART 134—COUNTRY OF ORIGIN MARKING

■ 44. The authority citation for part 134 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), 1304, 1624.

■ 45. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
134.26(c)	port director	Center director.
134.34(a) introductory text	port director	Center director.
134.34(b)	port director	Center director.
134.51(a)	port director	Center director.
134.51(a)	port director's office	Center director's office.
134.51(b)	port director	Center director.
134.51(c)	port director	Center director.
134.52(a)	Port directors	Center directors.
134.52(c)	port director	Center director.
134.52(d)	port director	Center director.
134.52(e)	port director	Center director.
134.53(a)(2)	port director	Center director.

§ 134.25 [Amended]

■ 46. Section 134.25(a) is amended by:

■ a. Removing the words “port director having custody of the article,” and adding in their place the words “Center director”;

■ b. Removing the words “the port director” and adding in their place the words “the Center director”; and

■ c. Removing the words “at each port where the article is entered” and adding their place the words “with CBP, either at the port of entry or electronically”.

§ 134.26 [Amended]

■ 47. Section 134.26(a) is amended by:

■ a. Removing the words “port director having custody of the article,” and adding in their place the words “Center director”;

■ b. Removing the words “the port director” and adding in their place the words “the Center director”; and

■ c. Removing the words “at each port where the article(s) is entered” and adding their place the words “with CBP, either at the port of entry or electronically”.

§ 134.52 [Amended]

¶ 48. Section 134.52(b) is amended by removing the words “the port director” in the first sentence and adding in their place the words “CBP, either at the port of entry or electronically” and by removing “The port director” in the second sentence and adding in their place the words “The Center director”.

§ 134.54 [Amended]

¶ 49. Section 133.54(a) is amended by removing the words “port director” in the first instance and adding in their place the words “Center director”.

PART 141—ENTRY OF MERCHANDISE

¶ 50. The general authority citation for part 141 and the specific authority citations for §§ 141.83 and 141.105 continue to read as follows:

Authority: 19 U.S.C. 66, 1448, 1484, 1498, 1624.

* * * * *

Subpart F also issued under 19 U.S.C. 1481;
Subpart G also issued under 19 U.S.C. 1505;

* * * * *

¶ 51. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
141.20(a)(1)	the port director	CBP, either at the port of entry or electronically.
141.20(a)(2)	the port director	CBP, either at the port of entry or electronically.
141.35.....	the port director	CBP, either at the port of entry or electronically.
141.38.....	the port director	CBP.
141.45.....	port director	Center director or port director.
141.46.....	a port director	CBP.
141.52 introductory text ..	port director	Center director.
141.52(i)	port director	Center director.

Section	Remove	Add
141.56(a)	Port directors may accept	CBP may accept, either at the port of entry or electronically.
141.61(e)(2) introductory text	port director	Center director.
141.61(e)(2)(ii)	port director	Center director.
141.61(e)(4)	port director	Center director.
141.63(a) introductory text	port director	Center director.
141.63(b)	port director	Center director.
141.69(c)	the port director	CBP.
141.83(c)(2)	The port director	CBP.
141.85.....	Advices of the Port Director ..	Advice by CBP.
141.85.....	file it with the Port Director .	file it with an authorized CBP official.
141.86(a)(11)	port director	Center director.
141.88.....	port director	Center director.
141.91(a)	The port director	CBP.
141.91(d)	port director	Center director.
141.92(a) introductory text	The port director	CBP.
141.92(b)(4)	port director	Center director.
141.113(a)(2)	port director may	Center director may.
141.113(a)(2)	port director	port director or Center director.
141.113(b)		
141.113(d)	the port director	an authorized CBP official.
141.113(d)	he	an authorized CBP official.
141.113(e)	the port director	an authorized CBP official.
141.113(g)	the port director	an authorized CBP official.
141.113(i)	the port director	an authorized CBP official.

■ 52. Section 141.44 is revised to read as follows:

§ 141.44 Designation of Center and Customs ports in which power of attorney is valid.

Unless a power of attorney specifically authorizes the agent to act thereunder at the appropriate Center and at all CBP ports, the name of the appropriate Center or each port where the agent is authorized

to act thereunder shall be stated in the power of attorney. The power of attorney shall be filed with CBP, either at the port of entry or electronically, in a sufficient number of copies for distribution to the appropriate Center and each port where the agent is to act, unless exempted from filing by § 141.46. The Center director or port director with whom a power of attorney is filed, irrespective of whether his Center or port is named, shall approve it, if it is in the correct form and the provisions of this subpart are complied with, and forward any copies intended for other ports or another Center as appropriate.

§ 141.105 [Amended]

■ 53. Section 141.105 is amended by:

■ a. Removing the words “from the port director” and adding in their place the words “from the Center director”;

■ b. Removing the words “with the port director” and adding in their place the words “with CBP, either at the port of entry or electronically”; and

■ c. Removing the words “To the Port Director” and adding in their place the words “To CBP”.

§ 141.113 [Amended]

■ 54. Section 141.113(c)(3) is amended by removing the words “CBP port director who will demand the redelivery of the product to CBP custody” and adding in their place the words “Center director. An authorized CBP official will demand the redelivery of the product to CBP custody”.

PART 142—ENTRY PROCESS

■ 55. The authority citation for part 142 continues to read as follows: Authority: 19 U.S.C. 66, 1448, 1484, 1624.

■ 56. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
142.3(c)	port director	CBP.
142.11(b)	port director	CBP.
142.17(a) introductory text	port director	Center director.
142.17a(a) introductory text	port director	Center director.
142.18(a) introductory text	the port director	an authorized CBP official.

Section	Remove	Add
142.28(a) introductory text	the port director	an authorized CBP official.

§ 142.13 [Amended]

■ 57. Section 142.13(a) is amended in its heading and in its introductory text by removing the words “port director” and adding in their place “CBP”.

PART 143—SPECIAL ENTRY PROCEDURES

■ 58. The authority citation for part 143 continues to read as follows:

Authority: 19 U.S.C. 66, 1321, 1414, 1481, 1484, 1498, 1624, 1641.

■ 59. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
143.22	The port director	CBP.
143.23 introductory text ..	port director	Center director.

PART 144—WAREHOUSE AND REWAREHOUSE ENTRIES AND WITHDRAWALS

■ 60. The general authority citation for part 144 continues to read as follows:

Authority: 19 U.S.C. 66, 1484, 1557, 1559, 1624.

* * * * *

■ 61. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
144.5	port director	Center director.
144.12	port director	Center director.
144.13	port director	Center director.
144.38(d)	port director	Center director.

■ 62. Section 144.41(h) is revised to read as follows:

§ 144.41 Entry for rewarehouse.

* * * * *

(h) *Protest*. A protest may be filed with CBP, either at the port of entry or electronically, against a liquidation made under § 159.7(a) or (b) of this chapter, or against a refusal to liquidate pursuant to said sections. In all other cases, any protest shall be filed against the original warehouse entry.

PART 145—MAIL IMPORTATIONS

¶ 63. The general authority citation for part 145 and the sectional authority for § 145.12 continue to read as follows:

Authority: 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States, 1624.

* * * * *

Section 145.12 also issued under 19 U.S.C. 1315, 1484, 1498;

* * * * *

¶ 64. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
145.12(a)(1)	The port director	CBP.
145.12(a)(1)	if in his opinion	if
145.14(b)	port director	CBP.

PART 146—FOREIGN TRADE ZONES

¶ 65. The authority citation for part 146 continues to read as follows:

Authority: 19 U.S.C. 66, 81a–81u, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), 1623, 1624.

¶ 66. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
146.65(b)(3)	port director	Center director.
146.65(c)	port director	Center director.

PART 147—TRADE FAIRS

¶ 67. The authority citation for part 147 continues to read as follows:

Authority: 19 U.S.C. 66, 1623, 1624, 1751–1756, unless otherwise noted.

■ 68. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
147.32	port director	Center director.
147.41	on demand by the port director	on the Center director's demand to CBP, either at the port of entry or electronically.

■ 69. Section 147.33 is revised to read as follows:

§ 147.33 **Reimbursement by fair operator.**

All actual and necessary charges for labor, services, and other expenses in connection with the entry, examination, appraisalment, custody, abandonment, destruction, or release of articles entered under the regulations of this part, together with the necessary charges for salaries of Customs officers and employees in connection with the accounting for, custody of, and supervision over, such articles, shall be reimbursed by the fair operator to the Government, payment to be made to CBP, either at the port of entry or electronically, on the port director's or Center director's demand made before January 19, 2017 or on the Center director's demand made on or after January 19, 2017, for deposit to the appropriation from which paid.

PART 151—EXAMINATION, SAMPLING, AND TESTING OF MERCHANDISE

■ 70. The general authority citation for part 151 continues to read as follows:

Authority: 19 U.S.C. 66, 1202 (General Note 3(i) and (j), Harmonized Tariff Schedule of the United States (HTSUS)), 1624;

* * * * *

■ 71. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
151.1.....	the port director	an authorized CBP official.
151.11.....	the port director	an authorized CBP official.

Section	Remove	Add
151.11.....	he shall	an authorized CBP official will.
151.12(c)(5)	both the port director and the Executive Director.	the port director, the Executive Director, and the Center director.
151.12(c)(6)	both the port director and the Executive Director.	the port director, the Executive Director, and the Center director.
151.13(b)(5)	both the port director and the Executive Director.	the port director, the Executive Director, and the Center director.
151.13(b)(6)	both the port director and the Executive Director.	the port director, the Executive Director, and the Center director.
151.51(b)	port director	Center director.
151.52(c)	the port director	an authorized CBP official.
151.54.....	The port director	An authorized CBP official.
151.55.....	port director	Center director.
151.65.....	port director	director.
151.65.....	port director's	Center director's.
151.68(c)	the port director	an authorized CBP official.
151.69(b)	port director	Center director.
151.7.....	port director	Center director.
151.71(a)	port director	Center director.
151.71(b)	port director	Center director.
151.73(c)	port director	Center director.
151.75.....	port director	Center director.
151.76(a)	port director	Center director.
151.76(b)	port director	Center director.

■ 72. Section 151.71(c) is revised to read as follows:

§ 151.71 Laboratory testing for clean yield.

* * * * *

(c) *Importer's request for retest.* If the importer is dissatisfied with the port director's or Center director's finding of clean yield, made before January 19, 2017, or the Center director's finding of clean yield made on or after January 19, 2017, he may file with CBP, either at the port of entry or electronically, a written request in duplicate for

another laboratory test for percentage clean yield. Such request shall be filed within 14 calendar days after the date of mailing of the notice of the port director's or Center director's finding of clean yield. The request shall be granted if it appears to the Center director to be made in good faith and if a second general sample as provided for in § 151.70 is available for testing, or if all packages or, in the opinion of the Commissioner of Customs, an adequate number of the packages represented by the general sample are available and in their original imported condition.

* * * * *

■ 73. Section 151.73(b) is revised to read as follows:

§ 151.73 Importer's request for commercial laboratory test.

* * * * *

(b) *Time for filing request.* The importer's request shall be filed in writing with the Center director within 14 calendar days after the date of mailing of the notice of the port director's or Center director's findings based on the retest mailed before January 19, 2017, or within 14 calendar days after the date of mailing of the notice of the Center director's findings based on the retest mailed on or after January 19, 2017.

* * * * *

■ 74. Section 151.74 is revised to read as follows:

§ 151.74 Retest at Center director's request.

If the Center director is not satisfied with the results of any test provided for in § 151.71 or § 151.73, he may, within 14 calendar days after receiving the report of the results of such test, proceed to have another test made upon a suitable sample of the wool or hair at the expense of the Government. When the Center director is proceeding to have another test made, he shall, within the 14-day period specified in this paragraph, notify the importer by mail of that fact.

■ 75. Section 151.76(c) is revised to read as follows:

§ 151.76 Grading of wool.

* * * * *

(c) Importer's request for reexamination. If the importer is dissatisfied with the port director's or Center director's findings as to the grade or grades of the wool, made before January 19, 2017, or the Center director's findings as to the grade or grades of wool made on or after January 19, 2017, he may, within 14 calendar days after the date of mailing of the notice of the port director's or Center director's

findings, file in duplicate a written request with the Center director for another determination of grade or grades, stating the reason for the request. Notice of the Center director’s findings on the basis of the reexamination of the wool shall be mailed to the importer.

■ 76. Section 151.85 is revised to read as follows:

§ 151.85 Importer’s request for redetermination.

If the importer is dissatisfied with the port director’s or Center director’s determination made before January 19, 2017, or the Center director’s determination made on or after January 19, 2017, he may file with the Center director, within 14 calendar days after the mailing of the notice, a written request in duplicate for a redetermination of the staple length. Each such request shall include a statement of the claimed staple length for the cotton in question and a clear statement of the basis for the claim. The request shall be granted if it appears to the Center director to be made in good faith. In making the redetermination of staple length, the Center director may obtain an opinion of a board of cotton examiners from the U.S. Department of Agriculture, if he deems such action advisable. All expenses occasioned by any redetermination of staple length, exclusive of the compensation of CBP officers, shall be reimbursed to the Government by the importer.

PART 152—CLASSIFICATION AND APPRAISEMENT OF MERCHANDISE

■ 77. The general authority citation for part 152 and the specific authority citation for § 152.26 continue to read as follows:

Authority: 19 U.S.C. 66, 1401a, 1500, 1502, 1624;

* * * * *

Subpart C also issued under 19 U.S.C. 1503;

* * * * *

■ 78. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
152.1(c)	port director	Center director.
152.2.....	port director	Center director.
152.13(a)	port director	Center director.
152.13(c)(1)	port director	Center director.
152.13(c)(3)	port director	Center director.

Section	Remove	Add
152.13(d)	port director	Center director.
152.13(d)	application	application to the Center director.
152.101(c)	the port director	CBP, either at the port of entry or electronically.
152.101(d)	port director	Center director.
152.103(d) introductory text	port director	Center director.
152.103(l)(1) introductory text	port director	Center director.
152.103(l)(2)(iii)	port director	Center director.
152.105(i)(2)	port director	Center director.
152.106(f)(2) introductory text	port director	Center director.

■ 79. Section 152.16(c) is revised to read as follows:

§ 152.16 Judicial changes in classification.

* * * * *

(c) Higher rate. If a court decision overruling a protest contains a definite statement that a higher rate than that assessed by the port director or Center director before January 19, 2017, or the Center director on or after January 19, 2017, was properly chargeable, such higher rate shall be applied to all merchandise, whether identical or similar to that passed on by the court, which is affected by the principles of the court’s decision and which is entered or withdrawn for consumption after 30 days from the date of the publication of the court’s decision in the Customs Bulletin.

* * * * *

■ 80. Section 152.26 is revised to read as follows:

§ 152.26 Furnishing value information to importer.

The Center director will furnish to importers the latest information as to values in his possession, subject to the following conditions:

(a) *Before appraisement.* Value information will be given before appraisement only in response to a specific oral or written request by the importer, supported by an adequate reason for the request, or where required by CBP purposes, such as in determining proper estimated duties to be deposited or notification of increased duties in accordance with § 152.2.

(b) *Only for merchandise under Center director’s jurisdiction.* The information will be given only in regard to merchandise to be ap-

praised by, or under the jurisdiction of, the Center director who receives the request, and only with respect to merchandise for which there is presented evidence of a firm commitment or intent to import such merchandise into the United States.

(c) *Information by importer.* Each request must be accompanied by the latest information as to the values in question which the importer has or can reasonably obtain.

(d) *Information not binding.* Value information will be given by the Center director only with an understanding and agreement in each case that the information is in no sense an appraisal and is not binding upon the Center director's action when he appraises the merchandise.

(e) *No reply required after entry.* The Center director will not be required to reply to a written request for value information after a value for the merchandise has been declared on entry unless he has information indicating a probable appraised value different from such entered value.

§ 152.103 [Amended]

■ 81. In § 152.103:

■ a. Paragraph (a)(5)(iii) is amended by removing “the port director” in the first sentence and adding in their place the words “CBP, either at the port of entry or electronically” and by removing the words “port director” in the second sentence and adding in their place the words “Center director”; and

■ b. Paragraph (m) is amended by removing the word “Customs” each place it appears and adding in its place the term “CBP” and by removing the words “port director” each place it appears and adding in their place the words “Center director”.

PART 158—RELIEF FROM DUTIES ON MERCHANDISE LOST, DAMAGED, ABANDONED, OR EXPORTED

■ 82. The authority citation for part 158 continues to read as follows:

Authority: 19 U.S.C. 66, 1624, unless otherwise noted. Subpart C also issued under 19 U.S.C. 1563.

■ 83. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
158.3	port director	Center director.
158.5(a)	port director satisfies himself .	Center director is satisfied.

■ 84. Section 158.13(b) is revised to read as follows:

§ 158.13 Allowance for moisture and impurities.

* * * * *

(b) *Allowance by Center director.* If the port director is satisfied after any necessary investigation that the merchandise contains moisture or impurities as described in paragraph (a) of this section, the Center director will make allowance for the amount thereof in the liquidation of the entry.

PART 159—LIQUIDATION OF DUTIES

■ 85. The general authority citation for part 159 continues to read as follows: Authority: 19 U.S.C. 66, 1500, 1504, 1624.

* * * * *

■ 86. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
159.7(b)	at the port where the merchandise is held in CBP custody.	by the Center director.
159.7(c)	port director of the port where the merchandise is entered for rewarehouse.	Center director.
159.12(a)(1) introductory text	port director	Center director.
159.12(a)(1)(ii)	port director	Center director.
159.12(b)	port director	Center director.
159.12(c)	port director	Center director.
159.12(d)(1)	port director	Center director.
159.12(d)(2)	port director	Center director.
159.12(e)	port director	Center director.
159.22(d)(2)	port director	Center director.
159.36(b)	port director	Center director.
159.36(c)	port director	Center director.
159.36(d)	port director	Center director.
159.38.....	port director	Center director.
159.44.....	port director	Center director.

■ 87. Section 159.58 is revised to read as follows:

§ 159.58 Dumping and countervailing duties; action by Center director.

(a) *Antidumping matters.* Upon receipt of notification from the Commissioner, the Center director will suspend liquidation on merchandise entered, or withdrawn from warehouse, for consumption, on or after the date of publication of the “Notice of Preliminary Affirmative Antidumping Determination,” “Notice of Final Affirmative Antidumping Determination” or “Notice of Violation of Agreement” as provided by part 353, chapter III, of this title. The Center director will immediately notify the importer, consignee, or agent of each entry of merchandise in question with respect to which liquidation is suspended. The notice will indicate the relevant ascertained and determined or estimated antidumping duty.

(b) *Countervailing matters.* Upon receipt of notification from the Commissioner, the Center director will suspend liquidation on merchandise entered, or withdrawn from warehouse, for consumption, on or after the date of publication of the “Notice of Preliminary Affirmative Countervailing Duty Determination,” “Notice of Final Affirmative Countervailing Duty Determination” or “Notice of Violation of Agreement,” as provided by part 355, Chapter III, of this title. The Center director will immediately notify the importer, consignee, or agent of each entry of merchandise in question with respect to which liquidation is suspended. The notice will indicate the relevant ascertained and determined or estimated countervailing duty.

PART 161—GENERAL ENFORCEMENT PROVISIONS

■ 88. The general authority citation for part 161 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1600, 1619, 1624.

* * * * *

■ 89. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
161.16(b)	port director	Center director.

PART 162—INSPECTION, SEARCH, AND SEIZURE

■ 90. The general authority citation for part 162 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1592, 1593a, 1624, 6 U.S.C. 101, 8 U.S.C. 1324(b).

* * * * *

¶ 91. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
162.74(c)	CBP port	Center director.
162.80(a)(2)(i)	port director	Center director.
162.80(a)(2)(iii)	port director	Center director.

§ 162.80 [Amended]

¶ 92. Section 162.80(a)(1) is amended by:

¶ a. Removing the words “port director” and adding in their place the words “Center director”;

¶ b. Removing the words “and collect duties” and adding in their place the words “and CBP, either at the port of entry or electronically, may collect duties”; and

¶ c. Removing the word “he” and adding in its place the words “the Center director”.

PART 163—RECORDKEEPING

¶ 93. The general authority citation for part 163 continues to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 66, 1484, 1508, 1509, 1510, 1624.

* * * * *

¶ 94. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
163.7(a) introductory text .	port director, field director of regulatory audit	port director, Center director, field director of regulatory audit.

¶ 95. Section 163.1(a)(2)(vii) is revised to read as follows:

§ 163.1 Definitions.

* * * * *

- (a) * * *
- (2) * * *

(vii) The maintenance of any documentation that the importer may have in support of a claim for preferential tariff treatment under the United States-Singapore Free Trade Agreement (SFTA), including a SFTA importer’s supporting statement if previously required by the port director or Center director before January 19, 2017, or the Center director on or after January 19, 2017.

* * * * *

■ 96. The Appendix to Part 163 is amended under section IV by revising the entry for “§ 10.512” to read as follows:

Appendix to Part 163—Interim (a)(1)(A) List

* * * * *

IV. * * *

§ 10.512 SFTA records that the importer may have in support of a SFTA claim for preferential tariff treatment, including an importer’s supporting statement if previously required by the port director or Center director before January 19, 2017 or the Center director on or after January 19, 2017.

* * * * *

PART 173—ADMINISTRATIVE REVIEW IN GENERAL

■ 97. The authority citation for part 173 continues to read as follows:
 Authority: 19 U.S.C. 66, 1501, 1520, 1624.

■ 98. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
173.1	Port directors	Center directors.
173.2 introductory text ...	port director	Center director.
173.3(a)	port director	Center director.
173.4(a) introductory text .	port director	Center director.
173.4(a)(2)	director of the port of entry ..	Center director.
173.4a	port director	Center director.

PART 174—PROTESTS

■ 99. The general authority citation for part 174 and the specific authority citation for § 174.21 continue to read as follows:

Authority: 19 U.S.C. 66, 1514, 1515, 1624. Section 174.21 also issued under 19 U.S.C. 1499.

■ 100. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
174.....	port director	port director and Center director.
174.12(d)	the port director whose decision is protested	CBP, either at the port of entry or electronically.
174.13(b)	at any port	with CBP, either at any port or electronically,.
174.21(a)	port director	Center director.
174.21(b)	port director	Center director.
174.22(a)	the port director or other CBP officer with whom the protest was filed.	the port director, Center director, or other CBP officer with whom the protest was filed.
174.22(c)	port director	Center director.
174.22(d)	port director	Center director.
174.24 introductory text ..	port director	Center director.
174.24(a)	Commissioner of Customs	Commissioner of CBP.
174.24(a)	at any port	by CBP.
174.24(b)	Commissioner of Customs	Commissioner of CBP.
174.24(c)	Commissioner of Customs	Commissioner of CBP.
174.24(d)	United States Customs Service	U.S. Customs and Border Protection.
174.26(a)	port director	Center director.
174.26(b) introductory text	port director	Center director.
174.26(b) introductory text	he shall	the Center director will.
174.26(b)(2)	port director	Center director.
174.27	port director	Center director.
174.29	port director	Center director.
174.29	19 U.S.C. 1514)	(19 U.S.C. 1514).

§ 174.3 [Amended]

■ 101. In § 174.3:

■ a. Paragraph (b)(1) is amended by removing the words “port director” and adding in their place the words “Center director”;

■ b. Paragraph (c) is amended by removing the words “port director” and adding in their place the words “Center director”; and

■ c. Paragraph (d) is amended by removing the words “the port director” and adding in their place the words “CBP, either at the port of entry or electronically”.

§ 174.14 [Amended]

■ 102. Section 174.14(e) is amended by removing the words “the port director with whom the protest was filed” and adding in their place the words “CBP, either at the port of entry or electronically”, and by removing the words “with whom it is required to be filed”.

§ 174.15 [Amended]

■ 103. Section 174.15(b)(2) is amended by removing the words “port director” and adding in their place the words “port director or Center director, before January 19, 2017, or the Center director on or after January 19, 2017,”.

■ 104. Section 174.16 is revised to read as follows:

§ 174.16 Limitation on protests after reliquidation.

A protest shall not be filed against the reliquidation decision of the port director or Center director made before January 19, 2017, or the reliquidation decision of the Center director made on or after January 19, 2017, upon any question not involved in the reliquidation.

■ 105. Section 174.23 is revised to read as follows:

§ 174.23 Further review of protests.

A protesting party may seek further review of a protest in lieu of review by the Center director by filing, on the form prescribed in § 174.25, an application for such review within the time allowed and in the manner prescribed by § 174.12 for the filing of a protest. The filing of an application for further review shall not preclude a preliminary examination by the Center director for the purpose of determining whether the protest may be allowed in full. If such preliminary examination indicates that the protest would be denied in whole or in part by the Center director in the absence of an application for further review; however, he shall forward the protest and application for consideration in accordance with § 174.26.

§ 174.30 [Amended]

■ 106. In § 174.30:

■ a. Paragraph (b) is amended by removing “the port director” the first time it appears and adding in their place the words “CBP, either at the port of entry or electronically,”, and by removing the words “the port director” the second time it appears and adding in their place the term “CBP”; and

■ b. Paragraph (c) is amended by removing the words “port director” and adding in their place the words “Center director”.

PART 176—PROCEEDINGS IN THE COURT OF INTERNATIONAL TRADE

■ 107. The authority citation for part 176 continues to read as follows:

Authority: R.S. 251, as amended, sec. 624, 46 Stat. 759; 19 U.S.C. 66, 1624, unless otherwise noted.

■ 108. Section 176.1 is revised to read as follows:

§ 176.1 Service of summons.

When an action is initiated in the Court of International Trade a copy of the summons will be served in the manner prescribed by the Court of International Trade upon the CBP official(s) who denied the protest(s), and an additional copy will be served upon the Assistant Chief Counsel for Court of International Trade Litigation, United States Customs and Border Protection, 26 Federal Plaza, New York, N.Y. 10007.

PART 181—NORTH AMERICAN FREE TRADE AGREEMENT

■ 109. The general authority citation for part 181 continues to read as follows: Authority: 19 U.S.C. 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), 1624, 3314;

* * * * *

■ 110. In the table below, for each section indicated in the left column, remove the words indicated in the middle column from wherever they appear in the section, and add, in their place, the words indicated in the right column:

Section	Remove	Add
181.12(b)(1)	port director	Center director.
181.22(b) introductory text	port director	Center director.
181.22(b)(3)	port director	Center director.
181.22(c)	port director	Center director.
181.22(d)(1)(iii)	port director	Center director.
181.22(d)(2)	port director	Center director.
181.23(a)	port director	Center director.
181.23(b)	port director	Center director.
181.32(a)	the director of the port at which the entry covering the good was filed.....	CBP, either at the port of entry or electronically.
181.33(a)	port director	Center director.

Section	Remove	Add
181.33(b)	port director	Center director.
181.33(c)(1)	port director	Center director.
181.33(c)(2)	port director concerned	Center director.
181.33(c)(3)	port director	Center director.
181.33(d)(1)	port director	Center director.
181.33(d)(2)	port director	Center director.
181.33(d)(3)	port director	Center director.
181.64(c)(2)	port director	Center director.
181.64(c)(3)	port director	Center director.
181.64(c)(4)	port director	Center director.
181.64(c)(4)	duties	duties to CBP, either at the port of entry or electronically.
181.113(a)	the port director who issued the decision	CBP, either at the port of entry or electronically.
181.114(a)	port director	Center director.
181.114(b) introductory text	port director	Center director.
181.115(b)	port director with whom the protest was filed	Center director.
181.116(a)	port director	Center director.
181.116(b)	the port director who issued the adverse marking decision.	with the port of entry or filed electronically with CBP.
181.121	port director or other Customs officer	port director, Center director, or other CBP officer.

■ 111. Section 181.22(d)(1)(i) is revised to read as follows:

§ 181.22 Maintenance of records and submission of Certificate by importer.

* * * * *

(d) * * *

(1) * * *

(i) An importation of a good for which the port director or Center director before January 19, 2017, or the Center director on or after January 19, 2017, has in writing waived the requirement for a Certificate of Origin because the port director or Center director is otherwise satisfied that the good qualifies for preferential tariff treatment under the NAFTA;

* * * * *

■ 112. Section 181.112(a) is revised to read as follows:

§ 181.112 Definitions.

* * * * *

(a) *Adverse marking decision* means a decision made by the port director or Center director before January 19, 2017, or the Center director on or after January 19, 2017, which an exporter or producer of merchandise believes to be contrary to the provisions of Annex 311 of the NAFTA and which may be protested by the importer pursuant to § 514, Tariff Act of 1930, as amended (19 U.S.C. 1514), and part 174 of this chapter. Notification of an adverse marking decision is given to an importer in the form of a CBP Form 4647, or its electronic equivalent, (Notice to Mark and/or Notice to Redeliver) and/or by assessing marking duties on improperly marked merchandise. Examples of adverse marking decisions include determinations by the port director or Center director before December 20, 2016, or the Center director on or after January 19, 2017: That an imported article is not a good of a NAFTA country, as determined under the Marking Rules, and that it therefore cannot be marked “Canada” or “Mexico”; that a good of a NAFTA country is not marked in a manner which is sufficiently permanent; and that a good of a NAFTA country does not qualify for an exception from marking specified in Annex 311 of the NAFTA. Adverse marking decisions do not include: Decisions issued in response to requests for advance rulings under subpart I of this part or for internal advice under part 177 of this chapter; decisions on protests under part 174 of this chapter; and determinations that an article does not qualify as an originating good under General Note 12, HTSUS, and the appendix to this part.

* * * * *

§ 181.115 [Amended]

■ 113. Section 181.115(e) is amended by removing the words “port director”, in its heading and in its text, each place that they appear and adding in their place the words “Center director”.

§ 181.116 [Amended]

■ 114. Section 181.116(d)(1) is amended by removing the words “port director”, in its heading and in its text, each place that they appear and adding in their place the words “Center director”, and by removing the words “port director’s” each place that they appear and adding in their place the words “Center director’s”.

Dated: December 7, 2016.

JEH CHARLES JOHNSON,
Secretary.

[Published in the Federal Register, December 20, 2016 (81 FR 92978)]

**8 CFR PARTS 1, 210, 212, 214, 215, 231, 235, 245, 245A, 247,
253, 264, 274A, AND 286**

CBP DEC. NO. 16-27

RIN 1651-AA96

**DEFINITION OF FORM I-94 TO INCLUDE ELECTRONIC
FORMAT**

AGENCY: U.S. Customs and Border Protection, DHS.

ACTION: Final rule.

SUMMARY: This final rule adopts, without change, interim amendments to the Department of Homeland Security (DHS) regulations which were published in the **Federal Register** on March 27, 2013, as CBP Dec. No. 13-06. These amendments enabled DHS to transition the issuance of the Form I-94 (Arrival/Departure Record) to an automated process. In the automated process, DHS creates a Form I-94 in an electronic format based on passenger, passport and visa information DHS obtains electronically from air and sea carriers and the Department of State (DOS) as well as through the inspection process. This document addresses the comments received in response to the interim rule and discusses some operational modifications to the Form I-94 process that were implemented after publication of the interim rule.

DATES: This final rule is effective January 18, 2017.

FOR FURTHER INFORMATION CONTACT: Suzanne Shepherd, U.S. Customs and Border Protection Office of Field Operations by telephone (202) 344-2073 or by email, *Suzanne.M.Shepherd@dhs.gov*.

SUPPLEMENTARY INFORMATION:

Abbreviations and Terms Used in This Document

ACI-A Airports Council International-North America

ACIP American Council on International Personnel

ADIS Arrival and Departure Information System
AILA American Immigration Lawyers Association
APA Administrative Procedure Act
APIS Advance Passenger Information Systems
CBP U.S. Customs and Border Protection
CBSA Canadian Border Services Agency
CCD Consular Consolidated Database
CFR Code of Federal Regulations
DHS Department of Homeland Security
DIS Deferred Inspection Site
DMV Departments of Motor Vehicles
DOS Department of State
DOT Department of Transportation
ESTA Electronic System of Travel Authorization
FAQ Frequently Asked Question
FNU First Name Unknown
FOIA Freedom of Information Act
ICAO International Civil Aviation Organization
ICE U.S. Immigration and Customs Enforcement
IFR Interim Final Rule
INA Immigration and Nationality Act
INM Instituto Nacional de Migración
INS Immigration and Naturalization Service
LNU Last Name Unknown
MRZ Machine Readable Zone

- NAFSA NAFSA: Association of International Educators
- OIS Office of Immigration Statistics
- OMB Office of Management and Budget
- OTTI Office of Travel and Tourism Industries
- PIA Privacy Impact Assessment
- PII Personally Identifiable Information
- POE Port of Entry
- SAVE USCIS's Systematic Alien Verification for Entitlements program
- SEVIS Student and Exchange Visitor Information System
- SEVP Student and Exchange Visitor Information Program
- SHRM Society for Human Resource Management
- SSA Social Security Administration
- USCIS U.S. Citizenship and Immigration Services
- USDA U.S. Department of Agriculture
- VWP Visa Waiver Program

Executive Summary

The Form I-94 (Arrival/Departure Record) is issued by DHS to certain nonimmigrant foreign nationals upon arrival in the United States or when they change status in the United States. The Form I-94 is used to document arrival and departure and provides evidence of the terms of admission or parole. The Form I-94 is also used by individuals granted asylum in the United States as a proof of their grant of asylum and by refugees as proof of their refugee status. CBP, a component of DHS, generally issues the Form I-94 to nonimmigrants at the time they lawfully enter the United States. Nonimmigrant travelers use the Form I-94 for various purposes such as completing the Form I-9 to verify employment eligibility, applying for immigration benefits, or presenting to a university to verify eligibility for enrollment.

On March 27, 2013, CBP published an interim final rule (IFR) in the **Federal Register** (78 FR 18457) that added to the regulations a definition of “Form I-94” to allow the Form I-94 to be in either paper or electronic format. Prior to the effective date of the IFR, the Form I-94 was a paper form only. The IFR made necessary changes to the regulations to enable CBP to transition from only paper to allow for an electronic form. In the case of air and sea ports of entry, the regulation allowed CBP to transition to an automated process whereby CBP creates an electronic Form I-94 based on information collected via the Advance Passenger Information System (APIS) along with visa information transmitted to CBP by the Department of State. The automated process applies only to nonimmigrants arriving at air and sea ports of entry because APIS data is currently collected only for air and sea. The automation of the Form I-94 process for nonimmigrants arriving by air or sea eliminates duplicative information collections and saves time and money for the traveling public, carriers, and CBP.

CBP makes the electronic Form I-94 available through a Web site. To access the Form I-94 through the Web site the traveler inputs information from his/her passport. If needed, nonimmigrants may print out a copy of the Form I-94 from the Web site and present it to third parties in lieu of the paper form. CBP continues to provide a paper Form I-94 to certain classes of aliens, such as asylees, certain parolees, and others upon request or whenever CBP determines the issuance of a paper form is appropriate.¹

This regulation also is consistent with CBP’s enhancements to the I-94 Web site to enable travelers arriving at a land port of entry to submit the Form I-94 information to CBP and pay the required fee prior to arrival. Unlike the automated process for air and sea where CBP creates an electronic Form I-94 based on information collected via APIS and other sources, this I-94 land border process enables travelers to provide the Form I-94 information to CBP electronically prior to arrival to facilitate the land border issuance process. The enhanced I-94 Web site launched on September 29, 2016.

DHS received eighteen submissions in response to the IFR. Most of these submissions contained comments providing support, voicing concerns, highlighting issues, or offering suggestions for modifications to the automation process. After review of the comments, CBP has decided to finalize the interim final rule without change. However, CBP has made some operational changes, primarily to the I-94 Web site, in response to the comments. These changes, which are

¹ As of September 2015, CBP has automated the Form I-94 process for refugees. Refugees can now access their Form I-94 from the I-94 Web site. CBP no longer provides a paper Form I-94 to refugees unless one is requested or CBP determines that it is appropriate to issue one.

described in the comment responses, are intended to help travelers retrieve their Form I-94 information and travel history more easily.

CBP has completed an updated economic assessment analyzing the effects of the automation of the Form I-94. This rule affects CBP, air and sea carriers that transport foreign nationals to the United States, and the foreign nationals themselves. CBP will incur costs associated with linking its data systems and building and maintaining the I-94 Web site. CBP benefits through lower printing, storage, and contract costs. CBP estimated a net benefit of \$15.5 million for CBP in 2013. Carriers benefit as a result of lower printing and storage costs. CBP estimated a net benefit of \$1.3 million for carriers in 2013. Foreign nationals traveling to the United States incur opportunity costs associated with logging onto the Web site to access their electronic Form I-94, printing their Form I-94, and, for some travelers, the cost to drive to a location with internet access so they can access and print their electronic Form I-94. Foreign nationals benefit from a reduced opportunity cost associated with filling out a paper Form I-94 and reduced opportunity and fee costs associated with filing a Form I-102 to replace a lost Form I-94. CBP estimates a net benefit of between \$4141.1 million and \$6565.9 million in 2013 for foreign travelers. In total, CBP estimates that net benefits to all parties ranged from \$5757.9 million to \$8282.7 million in 2013. Net benefits to U.S. entities (carriers and CBP) totaled \$16.8 million in 2013. Net benefits are summarized in table ES-1 below.

Exhibit ES-1—Net Benefits
[Undiscounted 2012\$] *

	2012	2013	2014	2015	2016	2017
CBP.....	-1,321,000	15,461,360	15,461,360	15,461,360	16,167,798	20,447,110
Carriers.....	0	1,344,450	1,344,450	1,344,450	1,344,450	1,344,450
Travelers—Low	0	41,109,614	76,986,391	80,597,880	85,173,424	93,439,507
Travelers— Primary.....	0	51,503,032	96,140,493	100,696,430	106,131,707	115,548,989
Travelers—High.....	0	65,882,967	122,641,373	128,504,014	135,128,784	146,138,820
Grand Total— Low	-1,321,000	57,915,424	93,792,201	97,403,690	102,685,671	115,231,067
Grand Total— Primary	-1,321,000	68,308,842	112,946,303	117,502,240	123,643,955	137,340,549
Grand Total— High	-1,321,000	82,688,777	139,447,183	145,309,824	152,641,032	167,930,380

* Estimates may not total due to rounding.

Background

The Form I-94

Prior to the implementation of the IFR, the Form I-94 was generally issued to foreign nationals at ports of entry (POEs) at the time they lawfully enter the United States. *See* 8 CFR 235.1(h). The Form I-94 is also issued when a foreign national changes immigration status within the United States. The Form I-94 is used to document status in the United States, the authorized length of stay, and departure. The Form I-94 collects biographical information, visa and passport information, and the address and phone number where the traveler can be reached while in the United States.

The Form I-94 has been used for approximately 50 years by DHS, its predecessor agencies, and external stakeholders for a variety of purposes. CBP and U.S. Immigration and Customs Enforcement (ICE), components of DHS, use the form to document arrival and departure, as well as class of admission or duration of parole. U.S. Citizenship and Immigration Services (USCIS), also a component of DHS, issues Forms I-94 to foreign nationals extending their authorized length of stay or changing their immigration status while in the United States and to individuals granted asylum or refugee status in the United States as proof of their grant of asylum or refugee status. USCIS also uses Form I-94 information to verify lawful admission or parole when adjudicating immigration benefit requests, confirming employment authorization for employers participating in USCIS's E-Verify program, or verifying immigration status for benefit granting state and federal government agencies participating in USCIS's Systematic Alien Verification for Entitlements (SAVE) program. The Form I-94 is also used by the Social Security Administration (SSA), state agencies, such as Departments of Motor Vehicles (DMV), and public assistance agencies and organizations, to verify eligibility for benefits. The form is used by certain foreign nationals for evidence of lawful admission or parole, as well as, where applicable, employment eligibility and eligibility for public benefits. For more complete information on the Form I-94, its uses, and the automation, please refer to the background section of the IFR.

Automation of the Form I-94 at Airports and Seaports

Nearly all of the traveler information collected on the Form I-94 is also collected by CBP in advance of the traveler's arrival via the Advance Passenger Information System (APIS). Using information collected via APIS along with visa information transmitted to CBP by

DOS, CBP is now able to generate Forms I-94 electronically, which reduces paperwork burdens for travelers and reduces costs for air and sea carriers and CBP.

On March 27, 2013, CBP published an IFR in the **Federal Register** (78 FR 18457) amending the DHS regulations to include new definitions at 8 CFR 1.4 for the term “Form I-94” and other terms when used in relation to the Form I-94. The IFR became effective on April 26, 2013, and on that date, CBP began the transition to an automated Form I-94 process whereby CBP creates an electronic Form I-94 for travelers arriving by air or sea based on the information in its databases. CBP continues to provide a paper Form I-94 to those who request such form, as well as to certain classes of aliens, such as asylees, certain parolees, and whenever CBP determines the issuance of a paper form is appropriate. For these individuals arriving by air and sea carriers, an electronic Form I-94 is also created.

Travelers are able to access and print their electronic Form I-94 via the Web site CBP has established for this purpose: www.cbp.gov/I94.² Travelers to whom an electronic Form I-94 has been issued may log on to the Web site using identifying information and print a copy of the electronic Form I-94. In order to access the Form I-94 from the Web site, the traveler is required to enter information from his or her passport; thus, a third party without access to the traveler’s passport is not able to access the Form I-94 from the Web site. The printout from the Web site is the equivalent of the departure portion of the paper form and contains the same information as the departure portion of the paper form. CBP continues to stamp the traveler’s passport at the time of inspection and will annotate the stamp with the class of admission or parole and duration of admission or parole.

Enhanced Form I-94 Land Border Process

In addition to the automation of the Form I-94 at air and sea ports of entry, on September 29, 2016, CBP modified the process by which a traveler arriving at the land border can provide Form I-94 information and pay the related fee by adding an electronic option. Specifically, CBP enhanced the I-94 Web site to enable travelers arriving at a land port of entry to submit the Form I-94 information to CBP and pay the required fee prior to arrival. CBP expects that these enhancements will result in time savings to travelers who choose this option.

Before September 29, 2016, when a traveler requiring a Form I-94 arrived at the land border, he/she provided the I-94 information to a CBP officer who input the data into a CBP computer system. After

² The direct link is: <https://i94.cbp.dhs.gov/I94/request.html>.

determining the traveler's admissibility, the CBP officer printed a Form I-94A³ for the traveler and referred him/her to the cashier to pay the \$6 fee.⁴

Under the new process, a traveler who requires an I-94 and intends to enter the United States at a land port of entry will have the option to either follow the above process or to apply for an I-94 and pay the \$6 fee up to seven days in advance of arrival. Using the I-94 Web site, the traveler enters all of the necessary data for I-94 processing that would be collected by CBP at the port of entry. Upon paying the fee, the traveler will receive a "provisional I-94". This "provisional I-94" will become effective after the traveler presents it to a CBP officer at a land port of entry and completes the issuance process with a CBP officer. If the "provisional I-94" is not processed within 7 days of submitting the application, it will expire and the fee will be forfeited.

The I-94 Web site will instruct the traveler to appear at the land port of entry for an interview and biometric collection. When the traveler arrives at the port of entry, he/she completes the issuance process with a CBP officer. The CBP officer will locate the traveler's information by swiping the traveler's passport or other travel document in CBP's database. This will verify that the fee was paid and pre-populate the data fields from the document swipe and the information provided by the traveler in the Web site. If the CBP officer determines that the traveler is admissible, the CBP officer will print out a Form I-94A to give to the traveler.

Discussion of Comments

Overview

Although CBP promulgated the IFR without first soliciting public comment, CBP provided a thirty-day post-promulgation comment period soliciting public comments that CBP would consider before adopting the interim regulations as final. CBP received eighteen submissions in response to the IFR. Commenters included individuals, the American Immigration Lawyers Association (AILA), the American Council on International Personnel (ACIP), the Society for Human Resource Management (SHRM), Feld Entertainment, Inc., the Intel Corporation, NAFSA: Association of International Educators (NAFSA), and the Airports Council International-North America (ACI-NA). Many commenters raised multiple issues, and several issues were raised by numerous commenters. Of the eighteen sub-

³ The Form I-94A is the version of the Form I-94 that CBP issues at land ports of entry.

⁴ The amount of fee for the issuance of the Form I-94 at a land border port of entry is provided for in 8 CFR 103.7(b)(1)(ii)(D).

missions, most included comments seeking clarification of specific issues, highlighting concerns or issues with the Form I-94 automation, or offering solutions to issues or alternatives. Several of the operational issues raised by commenters have already been addressed by CBP, which our responses reflect. CBP has grouped the issues by topic and provides responses below.

Benefits of Automation

Comment: Many commenters were supportive of the change to an electronic Form I-94, saying that it will provide increased efficiency for passengers, airlines, and CBP. Commenters said that no longer requiring passengers to fill out the paper form on the plane while en route to the United States would not only save passengers time, but would also save air carriers time and money and would free up airline staff to perform other duties. Commenters also anticipated reduced wait times at the POEs, and increased officer efficiency.

Response: CBP appreciates this feedback and agrees that the automation of the Form I-94 benefits the traveling public, air and sea carriers, and CBP.

Comment: One commenter requested that the Form I-94 be automated for the land ports as well as air and sea, as this will help reduce wait times and improve commerce at the land border.

Response: CBP agrees that automating the Form I-94 at land POEs would provide benefits to travelers and is exploring expanding automation to include land border POEs. However, the electronic Form I-94 relies in large part on information collected via APIS, and APIS data is currently collected only for air and sea. Therefore, CBP cannot fully automate the Form I-94 process at land border POE's at this time. CBP's enhanced Form I-94 land border process, however, is expected to increase the efficiency of the entry process and reduce administrative duties for CBP officers, ultimately resulting in shorter wait times for travelers requiring a Form I-94.

Regulatory Amendments

Comment: One commenter requested that the Form I-94 printout from the I-94 Web site be added to the list of evidence of registration for purposes of Immigration and Nationality Act (INA) section 264(e).

Response: The list of acceptable registration documents for purposes of INA 264(e) is found in 8 CFR 264.1(b). The Form I-94, Arrival-Departure Record, is already included in the list of evidence of registration in 8 CFR 264.1(b). The IFR added a new provision to the regulations to define "Form I-94" and related terms. The new definition makes clear that the Form I-94 now includes information

collected electronically, and also defines “original Form I–94” to include the printout from the I–94 Web site. Due to the new definition provided for the Form I–94, CBP believes it is clear that the printout constitutes evidence of registration and no further change is needed.

Comment: One commenter requested that the definition of “original document” in 8 CFR 274a.2(b)(1)(v) be amended to include a Form I–94 printout.

Response: CBP believes that the definition of “original Form I–94” included in the IFR accomplishes the desired result, and, therefore, it is not necessary to amend 8 CFR 274a.2(b)(1)(v). That definition provides that the term ‘original Form I–94’ includes, but is not limited to, any printout or electronic transmission of information from DHS systems containing the electronic record of admission or arrival/departure. *See* 8 CFR 1.4(d). 8 CFR 274a.2 concerns the Form I–9, which is a USCIS form. USCIS agrees that a printout of the Form I–94 from the Web site constitutes an “original document” under this regulation.

Comment: One commenter, NAFSA, requested that paragraph (e) of section 1.4 be amended to add “or electronic transmission” after the word “printout.” The commenter states that the revision would clarify that a traveler may present an electronic version of the Form I–94, such as a PDF or image scan.

Response: CBP believes that such amendment is unnecessary and could cause confusion as to what can be presented or submitted in various situations. For example, at this time, a printout of the Form I–94 is still necessary in a number of situations, including the completion of the USCIS Form I–9. However, the current definition specifically states that the terms in question “are not limited to” providing a printout, and thus, could be applied more broadly as appropriate by stakeholders. Although CBP is hopeful that the Form I–94 in electronic form will be accepted in the future by all stakeholders to whom these regulations apply and that a printout will not always be required, that is not the case now.

Administrative Procedure Act

Comment: One commenter, Feld Entertainment, Inc., disagreed that the rulemaking is procedural. The commenter states that because the rule was promulgated without prior notice and comment, it violates the Administrative Procedure Act (APA). The commenter was also concerned that the comments received in response to the IFR would be disregarded.

Response: The IFR enabled CBP to transition to an automated process whereby CBP creates a Form I–94 in an electronic format.

CBP has not changed the substantive regulations relating to the Form I-94, but only the operational means by which CBP issues the form. Thus, the rule is a procedural rule exempt from prior notice-and-comment requirements under the APA. CBP already has adopted a number of the commenters' operational suggestions, which are described in many of the responses below. Many of the commenters' questions have been addressed on the FAQs page of the I-94 Web site for easy reference.

Web Site and Printouts

Comment: One commenter noted that the Web site option is helpful for those who lose or misplace their Forms I-94, or when the paper form becomes so worn that it is no longer accepted by agencies.

Response: CBP appreciates this feedback, and agrees that the Web site makes it easier for travelers to obtain copies of their Forms I-94 when necessary. Since the implementation of the Form I-94 automation, CBP has expanded the Web site to provide additional benefits, including allowing nonimmigrants to access their five-year travel history.

Comment: A few commenters requested that the Web site be updated to reflect changes in status granted by USCIS. Commenters said that, if this is done, nonimmigrants who have had a change of status will not have to file a Form I-102 for a replacement Form I-94 if needed.

Response: CBP agrees that providing this information through the Web site would be helpful and would reduce the number of Forms I-102 that would be filed. The Form I-102 is the USCIS form nonimmigrants use to apply for a new or replacement Form I-94. Adding information about changes of status granted by USCIS to the Web site is not currently possible. However, CBP is looking into whether USCIS information can be reliably added to the Web site in the future. Any updates on this issue will be included in the FAQs page of the I-94 Web site.

Comment: A few commenters, including AILA, disagreed with the assumption in the economic analysis that B-1/B-2 visa holders would not access the Web site. Commenters said that these visa holders, especially those in the United States for at least six months, would have reason to obtain their Form I-94 records or may wish to obtain a record of their admission for future use.

Response: CBP agrees that some B-1/B-2 visa holders, including those who are given a year to stay as a B-1/B-2 visa holder, may have a need to access the I-94 Web site. Accordingly, CBP has revised the assumption in the economic analysis. Based on Web site query history

since the interim rule went into effect, we now assume that one percent of B-1/B-2 visa holders will access the I-94 Web site. In addition, CBP agrees that some travelers may wish to obtain a record of their admission for future use. CBP has made changes to the I-94 Web site to allow travelers to access their most recent Form I-94 record as well as a five-year travel history. This can now be accessed by travelers who have already left the United States in addition to those present in the United States.

Comment: Some commenters noted that CBP is assuming all travelers will have access to a printer. The commenters stated that it is not as easy as CBP assumes for a foreign national to access public libraries soon after arrival in the United States. They would have to learn that public libraries offer internet, that one can print from them, that there is a library nearby, that public transportation is available, how to navigate public transportation, and explain what library resources are needed.

One commenter, the Intel Corporation, was concerned that employees would not be able to access the Web site before they must start work in the United States, which is problematic because the Form I-94 is required to complete the Form I-9. The commenter stated that it has a company policy to complete the Form I-9 during new employee orientation, which requires the employee to have his or her Form I-94 in hand. The company does not allow new hires access to company computers until after the new employee orientation, and due to data privacy protection protocol, the company cannot allow employees to access Personally Identifiable Information (PII) on a computer assigned to someone else. The commenter suggests CBP provide a way for the employer to access the new hire's Form I-94 number directly.

Several commenters suggested that CBP print a copy of the departure portion for the traveler and include instructions on how to print more copies, or alternatively, that CBP provide kiosks at the airports where foreign nationals can inspect and print the Form I-94.

Response: CBP recognizes that access to the internet and printers is a barrier to many travelers who need their electronic Form I-94, including those who need to present their Form I-94 when completing the Form I-9. For this reason employers, or third parties, may access Form I-94 records when consent is obtained from the record holder. For more information on third party consent visit: <https://i94.cbp.dhs.gov/I94/request.html>.

In the regulatory assessment for the interim final rule, CBP discussed the difficulties some foreign nationals face when they need to access the I-94 Web site to print their electronic Form I-94. The

analysis estimated that approximately 1,028,876 travelers would need to drive 20 miles and that it would take 60 minutes of a traveler's time to access and print their electronic Form I-94. CBP estimated that this cost aliens about \$21 million in 2013. We have updated these estimates for this final rule in the economic assessment. For more information, see the below section entitled *Executive Order 12866 (Regulatory Planning and Review) and Executive Order 13563 (Improving Regulation and Regulatory Review)*. CBP now estimates that it cost \$17 million in 2014 (the first full year the rule is in effect). CBP acknowledges that this represents a significant negative impact to these travelers and strives to minimize this burden to the extent possible. To that end, CBP continues to provide paper Forms I-94 upon request when the individual arrives in the United States at the port's secondary inspection station and at Deferred Inspection Sites (DISs) once the traveler is in the United States.

CBP recognizes the potential usefulness of placing kiosks at ports where foreign nationals could inspect and print their Forms I-94 and has evaluated the merits of placing such kiosks at the busiest 20 airports and the busiest 20 seaports. Based on this analysis, for travelers' benefits to exceed the kiosks costs, greater than one percent of the subset of travelers who would otherwise need to travel to access and print their electronic Form I-94 would instead need to use a kiosk. Based on the few travelers who currently request paper Forms I-94, CBP does not believe there are enough foreign nationals who would take advantage of the kiosks to offset CBP's costs of installing them. In addition, due to budget constraints, CBP does not have the funds to acquire these kiosks at this time. See the *Regulatory Alternatives* section of the economic assessment below for more information.

Comment: One commenter had concerns about what a traveler would do if he or she loses his or her passport and cannot access the necessary information to retrieve the Form I-94 from the Web site.

Response: CBP believes that making the Form I-94 available on the Web site will not put travelers who lose their passports in a worse position than they were in prior to the automation of the Form I-94. Paper Forms I-94 were typically stored or stapled into a traveler's passport; thus, prior to automation, loss of a passport would have required the traveler to obtain a new Form I-94 as well. With automation, if the traveler loses his or her passport, but has the passport information documented elsewhere, he or she will be able to obtain the Form I-94 from the Web site. CBP has made various updates to the I-94 Web site to address some of the comments. One of these

updates is that a traveler no longer needs to enter the date and class of admission, which will make accessing the Form I-94 record easier for travelers.

Comment: Many commenters encouraged CBP to make archival records of Form I-94 records available indefinitely, as this will reduce the administrative burden placed on CBP to respond to Freedom of Information Act (FOIA) requests.

Response: CBP has made changes to the I-94 Web site to allow travelers to access their most recent Form I-94 record, even if the traveler has already departed the United States. Although CBP is not able to make the Form I-94 records available on the Web site indefinitely, CBP has updated the Web site so that Form I-94 records are available dating back five years. The Web site also now allows travelers to request their five-year U.S. border crossing history. Travelers frequently request their five-year travel history from DHS, as this history is often required when they apply for certain benefits. CBP agrees that providing this information through the Web site will help reduce FOIA requests regarding travel history. More details about the benefits CBP anticipates from this change can be found in the economic assessment below, entitled “*Executive Order 12866 (Regulatory Planning and Review) and Executive Order 13563 (Improving Regulation and Regulatory Review)*.”

Comment: One commenter asked whether nonimmigrants who received paper Forms I-94 would be able to get replacements from the Web site.

Response: The Web site now provides access to Forms I-94 issued up to five years prior to the query date. Currently, nonimmigrants who have received paper Forms I-94 since 2009 are able to access their Form I-94 information via the Web site.

Comment: Several commenters were concerned that foreign nationals may not be able to access their records on the Web site due to typographical or biographical errors that occur during the creation of the electronic Form I-94 record. In particular, a few commenters noted that information is frequently entered incorrectly on visas, especially incorrect name spellings. Information drawn from visas would then be incorrect, and travelers would not be successful when querying their Form I-94 record.

Response: Most of the biographical information CBP uses in creating the electronic Form I-94 is drawn from the traveler’s passport. The only information drawn from the visa for the Form I-94 is the visa classification and issuance date. The exact format of the name used in the electronic Form I-94 is found in the Machine Readable Zone (MRZ) of the passport, found at the bottom of the biographical

page of the passport. A traveler having trouble finding his or her Form I-94 record should look at the way his or her name is formatted in the passport MRZ. The MRZ shows the traveler's name immediately following the three letter country code, as last/surname and given name separated by chevrons (<<<<). A traveler should not include the country code when querying his or her Form I-94 record. The MRZ does not use punctuation such as hyphens or apostrophes. In some cases, a traveler's name might be truncated in the MRZ; in such cases, the traveler should query the truncated version of the name. CBP has included guidance on this issue on the FAQs page of the I-94 Web site, along with an example passport page for reference.

Comment: A few commenters requested that CBP ensure that the Web site is accessible on a variety of platforms and browsers, including mobile devices. Commenters also requested that both www.cbp.gov/I-94 and www.cbp.gov/I-94 [note the hyphen in I-94] direct users to the proper Web site.

Response: Although CBP does not have the resources to conduct testing on multiple platforms, CBP has not received any feedback concerning a lack of functionality on any platform. Due to updates that CBP has made to www.cbp.gov as a whole, the full address for the Form I-94 retrieval Web site is now: <https://i94.cbp.dhs.gov/I-94/request.html>. Both web addresses www.cbp.gov/I-94 and www.cbp.gov/I-94 direct users to a Web site with information about the Form I-94, and includes a link to the Form I-94 retrieval page.

Comment: Several commenters, including AILA, ACIP, SHRM, and Feld Entertainment, suggested adding an endorsement or other information on the printout to help educate those stakeholders who are not accustomed to seeing Form I-94 printouts from the Web site, and might be reluctant to accept the printout. Some commenters also suggested including a phone number or email address on the printout.

Response: CBP agrees that additional language on the printout would help educate stakeholders, and has added language to the printout indicating that the Form I-94 has now been automated for most nonimmigrants. While CBP has decided not to add a phone number or email to the printout, there is a link on the I-94 retrieval Web site that directs users to the CBP help desk.

Comment: A few commenters stated that it was unclear how CBP would prevent fraudulent printouts.

Response: CBP does not believe that the printout creates a greater risk of fraud than the paper Forms I-94, which did not contain any security features. CBP continues to encourage stakeholders to verify

a traveler's information through SAVE or E-Verify, when registered or enrolled, respectively, in these services, and only as authorized.

The SAVE program is a USCIS service that helps federal, state, and local benefit-issuing agencies, institutions, and licensing agencies determine the immigration status of benefit applicants so only those entitled to benefits receive them. More information on SAVE can be found at: <http://www.uscis.gov/save>.

E-Verify is a web-based system that allows businesses to confirm the eligibility of their employees to work in the United States. More information on E-Verify can be found at: <http://www.uscis.gov/e-verify>.

Comment: A few commenters had privacy concerns related to the Web site. One commenter was concerned that CBP will automatically collect information on those persons attempting to access the Form I-94 information from the Web site. Another commenter was concerned that the personal information available on the Web site could be accessed by unauthorized parties, which put refugees or those seeking asylum in the United States at risk.

Response: DHS/CBP has issued a Privacy Impact Assessment (PIA), which describes the I-94 Web site, and posted it online at: <https://www.dhs.gov/sites/default/files/publications/privacy/PIAs/pia-cbp-16-I-94-automation-20130227.pdf>. DHS/CBP has also updated and reissued the System of Records Notice (SORN) for the Nonimmigrant and Immigrant Information System (NIIS) at 80 FR 13398, a system for maintaining the arrival and departure records of nonimmigrants, and for APIS at 80 FR 13407. CBP is in the process of updating the PIA, which will discuss how the I-94 Web site will retain information about attempts to access the I-94 Web site (*i.e.* the search history) for only three months and as part of the Web site's audit log. The search history, as part of the audit log, is part of the Web site's infrastructure. The audit log is only maintained in the Web site's infrastructure, and the search history is retained for only three months, to reduce the risk of improper use or disclosure of the search history. The benefits of keeping an audit log of searches conducted on the I-94 Web site include preventing improper and unauthorized use of the Web site, and holding accountable anyone who uses the I-94 Web site improperly or without authorization.

CBP believes that the benefits of having an audit log outweigh the small and limited risks of improper use and disclosure of search histories. The log of search histories allows CBP to conduct audits and uncover when an unauthorized party is attempting to obtain information from the I-94 Web site. For example, if a single access point conducts multiple searches for different individuals, CBP will inves-

tigate whether someone or something is conducting searches without the travelers' consent. CBP has included a new security consent page to the Form I-94 retrieval Web site that users must read and accept before querying an Form I-94 record. The security page requires users to affirm that they are authorized to obtain that traveler's history, and to understand that unauthorized or improper use could result in criminal and civil penalties. With respect to information pertaining to persons whose asylee status is prohibited from public disclosure pursuant to 8 CFR 208.6, CBP is taking the added precaution of requiring asylees to manually submit verifiable identity information before they may access their Form I-94 information. Asylees will continue to receive a paper Form I-94. Refugees and certain parolees may access their Form I-94 via the Web site.

Automatic Revalidation

Comment: Numerous commenters were concerned about how the automation of the Form I-94 would affect automatic revalidation.⁵ Commenters noted that nonimmigrants seeking to use the automatic revalidation provisions will have to demonstrate to carriers that they are legally allowed to board the plane or vessel with an expired visa and a passport stamp that reflects a change or extension of status. Thus, commenters encourage CBP to require air and sea carriers to provide instructions to their personnel regarding the documentation for such persons.

Specifically, commenters suggested that CBP officers would need to override a nonimmigrant's automated departure record when a nonimmigrant seeks readmission under 22 CFR 41.112(d). Commenters also recommended that CBP emphasize in training that CBP officers will be expected to reactivate previously closed Form I-94 records for automatic revalidation.

Commenters were concerned that admission errors are common in automatic revalidation and that nonimmigrants without a paper Form I-94 may experience challenges during the inspection process. Commenters additionally noted that for nonimmigrants to print Forms I-94 to retain in the event they go to Canada or Mexico and wish to use the automatic revalidation provisions upon return to the United States would be very burdensome on those with limited internet and printing capabilities.

⁵ Automatic revalidation allows certain persons to seek readmission to the United States for the duration of an unexpired period of a previous admission. Pursuant to 8 CFR 214.1 and 22 CFR 41.112, automatic revalidation allows readmittance of certain aliens who have been out of the United States for thirty days or less in a contiguous territory and who have an unexpired nonimmigrant visa.

Response: The IFR expanded the definition of a Form I-94 to include electronic means. It did not change the requirements for the issuance and use of the Form I-94. Automatic revalidation requirements are outlined in 8 CFR 214.1(b) and 22 CFR 41.112(d). Under the automatic revalidation provisions, certain temporary visitors holding expired nonimmigrant visas who seek to return to the United States may be admitted at a U.S. port of entry by CBP if they meet certain requirements including, but not limited to certain nonimmigrants with a valid, unexpired admission stamp on the Form I-94 or an electronic Form I-94. CBP maintains the electronic Form I-94 record in CBP systems and will use the electronic format to revalidate a previous, unexpired admission or extension of stay if all other revalidation requirements are met.

CBP has provided guidance to CBP officers at POEs regarding automatic revalidation. The primary processing system allows a CBP officer to re-use an existing Form I-94 when automatic revalidation requirements are met. CBP has also conducted outreach with the travel industry about the new documentary requirements. CBP has updated the Carrier Information Guide to assist carriers in recognizing acceptable documents and to ensure that carriers are informed of the Form I-94 automation. The Carrier Information Guide now includes an example of the electronic Form I-94 Web site printout and guidance to carriers on automatic revalidation.

An air carrier or vessel may require evidence of an unexpired admission by a traveler prior to embarkation. The Form I-94 Web site printout is evidence of that admission and can be presented to a carrier if requested. CBP has made changes to the I-94 Web site to allow travelers to access their Form I-94 records after departure. This allows travelers who have already departed the United States, but who may need the printout for automatic revalidation purposes to obtain the printout to present to a carrier.

CBP has included guidance on automatic revalidation in the FAQs on the I-94 Web site.

Departure

Comment: Some commenters stated that it was unclear what procedures were to be followed at the time of departure. Commenters were particularly concerned about the procedures that should be followed in the case of a nonimmigrant arriving by air or sea but departing by land. The commenters were concerned that CBP's database would record the arrival information, but would not record the departure, which could create difficulties for nonimmigrants seeking to travel to the United States in the future. Commenters wanted to

know whether nonimmigrants departing by land have any affirmative duties to ensure that departures by land are recorded correctly.

Response: CBP has added information concerning departure by land to the FAQs page of the I-94 Web site. CBP and the Canadian Border Services Agency (CBSA) have partnered to create an entry/exit system that exchanges entry information at land border ports of entry for certain individuals. Information collected on entry to one country is shared in order to electronically record as exit from the other. Thus, entry into Canada from the United States now creates a departure record for the United States.

CBP does not currently have a system for automatically recording departures by land to Mexico. If a traveler departs the United States by land to Mexico, the traveler may wish to retain evidence of departure to Mexico. Evidence of departure can include, but is not limited to, entry stamps in a passport, transportation tickets, pay stubs and/or other receipts. A traveler can request an entry stamp from the Instituto Nacional de Migración (INM) when entering Mexico. CBP is not, however, placing any affirmative duty on the travelers to carry such evidence.

Travelers departing the United States by air or sea will have their departures recorded automatically when the air or sea carrier sends CBP departure manifests.

Comment: One commenter was concerned that airlines do not always timely update their departure manifests when travelers cancel and rebook flights. Where CBP relies on carrier data, CBP might document inaccurate departure data, which could result in denial of benefits. The traveler would have no means to seek redress.

Response: APIS reports whether a person is “on board” or “not on board” in order to accurately reflect changes in reservations. CBP relies on confirmed departure information, and has updated the I-94 Web site to ensure that only confirmed departures are reflected. DHS is able to independently verify departures through DHS law enforcement databases, and overstay records are reviewed before any adverse action is taken.⁶

The DHS TRIP program is an established means for a traveler to inquire to seek resolution to any difficulties experienced during travel into or departure from the United States. A traveler can submit evidence of a timely departure in DHS TRIP. If a traveler believes that CBP maintains incorrect departure information, the traveler can apply for redress at <http://www.dhs.gov/dhs-trip>.

⁶ According to confirmation studies conducted by CBP and outside studies conducted by contractors and GAO, CBP estimates that 99% of APIS departure data is accurate. CBP also confirms departure data independently by using information travelers send from outside the U.S., visa information from the State Department, or subsequent arrival data.

Visa Classification

Comment: A number of commenters requested clarification on how visa classification data will populate an automated Form I-94 when a nonimmigrant has more than one visa.

Response: CBP receives visa information from DOS. There may be instances where a traveler has multiple eligible visa classifications. In these cases, the CBP officer determines at the time of entry which visa classification the traveler qualifies for and admits the traveler under that class of admission. The electronic Form I-94 record will reflect the class of admission chosen by the CBP officer at the time of entry. This process is substantially the same as the process followed during issuance of a paper Form I-94.

Comment: Commenters asked how nonimmigrants seeking to enter the United States from Visa Waiver Program (VWP) countries would be handled in view of the Form I-94 automation.

Response: Travelers entering the United States under the VWP used to receive a Form I-94W, which is different than the Form I-94. The Form I-94W was automated by the Electronic System for Traveler Authorization (ESTA) in August 2010. VWP visitors no longer receive a Form I-94W when arriving in the United States by air or sea, but rather must apply for and receive an ESTA prior to travel to the United States. For further information about ESTA, see 8 CFR 217.5 and www.cbp.gov/esta/. Upon arrival in the United States, VWP visitors receive an annotated stamp in their passports. This process is not affected by the automation of the Form I-94.

Errors and CBP Officer Training

Comment: A few commenters were concerned that frequently there are errors in admission records due to CBP officer error or misapplication of periods of stay for the various nonimmigrant visa categories. Commenters believe that more training is necessary for CBP officers on visa categories, automatic revalidation, and creation of the automated Form I-94.

Response: CBP officers are trained in all aspects of the inspection process. CBP conducts ongoing training in the form of field guidance, musters, on-the-job training, and online training modules. CBP has provided field guidance and musters to CBP officers at the Ports of Entry (POEs) regarding the Form I-94 automation process. CBP has issued additional guidance to CBP officers to help the officers properly create the electronic Form I-94. CBP continues to instruct officers to verify information and make any needed corrections prior to creating the electronic Form I-94.

Comment: Some commenters were concerned that the regulations do not require CBP to stamp the passport, and state that CBP does not currently stamp passports consistently. Thus, there is no way for some travelers to review their admission information at the time of entry.

Response: It is CBP's policy to stamp the passport of visitors to the United States, or provide them a receipt, as in the case of Global Entry members.⁷ CBP has provided extensive guidance and training to CBP officers at POEs regarding the documentation of a lawful admission into the United States with a CBP admission stamp. CBP will continue to provide guidance and training to CBP officers at the POEs to ensure that officers are stamping passports consistently. CBP notes, however, that a traveler will be able to find his or her admission record on the I-94 retrieval Web site regardless of whether the passport contains an admission stamp.

Comment: Some commenters noted that variations on naming conventions and other data occur in travel documents and records. These commenters stated that there are often variations due to inconsistent rules for transliterating non-Latin alphabets, and inconsistent rules for non-standard characters or naming conventions. The systems must be configured so that travelers are not harmed by variations in names and systems. Commenters prefer that CBP use information from the biographical page of the passport rather than information from the visa, as the visa name is often incorrect. The commenters indicated that DOS naming conventions are often not compatible with the conventions of other agencies. In particular, the First Name Unknown (FNU) or Last Name Unknown (LNU) designations create problems for nonimmigrants when the U.S. visa is used as the primary source for an official name.

Response: CBP has met with USCIS, DOS, and representatives from ICE's Student and Exchange Visitor Program (SEVP) to discuss naming conventions and to attempt to resolve inconsistencies. Currently, CBP creates the Form I-94 admission record using the name found in the MRZ of the passport, not the visa. APIS and CBP use standard International Civil Aviation Organization (ICAO) naming conventions. CBP will use FNU or LNU only when a traveler does not have both a given and surname.

Comment: A few commenters suggested that CBP establish additional resources to help address questions and correct errors. Specific suggestions included creating an ombudsman for the electronic Form I-94, creating a Web site with guidance, and establishing dedicated

⁷ Nonimmigrant Global Entry members receive a printed Form I-94 from the Global Entry kiosk, and can also retrieve the Form I-94 from the I-94 Web site.

help lines and email addresses for use by travelers, employers, and other government agencies. Commenters were concerned that there was not a mechanism established for correcting errors in the electronic records and no access to the Web site at the time of entry into the United States.

Response: Although CBP does not have the resources to create a dedicated helpline or ombudsman, CBP has included additional guidance on the I-94 Web site under the FAQs tab. Travelers can check the passport admission stamp obtained at the time of entry into the United States to verify the correct date and class of admission, and ask the CBP officer to make corrections if needed.

CBP will correct any errors in Form I-94 records that originated with CBP at CBP's Deferred Inspection Sites (DISs). DISs, located at most major airports, will provide assistance to travelers requiring Form I-94 corrections or modifications. In many cases, corrections can be completed through a telephone call to a DIS. However, in some cases, the traveler may be required to appear in person in order to verify identity or to provide additional documentation to CBP. CBP has provided guidance and training to the CBP officers at the DISs about Form I-94 corrections. A list of all DISs can be found at <http://www.cbp.gov/document/forms/deferred-inspection-sites>.

Travelers may also visit the CBP INFO Center at <https://help.cbp.gov> for assistance. The INFO Center has staff dedicated to responding to Form I-94 issues. CBP has included a link to the CBP INFO Center on the Form I-94 retrieval Web site.

Coordination With Other Agencies

Comment: Some commenters complained of disparate guidance from various government agencies concerning the automated Form I-94. For example, some commenters stated that the SSA published guidance indicating that either an unexpired admission stamp or a printout from the Form I-94 Web site will be accepted as proof of nonimmigrant status. USCIS, however, has published guidance on its Web site stating that USCIS and state DMVs will require a printout of the Form I-94. Further, one commenter noted that at least one DMV office still required a stamp on the Form I-94 and had not heard of the change to the automated Form I-94.

Response: CBP has conducted extensive outreach to other agencies and to DMVs regarding the automation of the Form I-94. The requirements of various federal and state agencies may differ for practical or legal reasons, resulting in some agencies being able to accept the admission stamp while others may still require a printout of the Form I-94. Per commenters' suggestions, CBP has added the follow-

ing language on the Form I-94 printout to aid in educating stakeholders not familiar with the electronic Form I-94:

Effective April 26, 2013, DHS began automating the admission process. An alien lawfully admitted or paroled into the United States is no longer required to be in possession of a preprinted Form I-94. A record of admission printed from the CBP Web site constitutes a lawful record of admission. *See* 8 CFR 1.4(d).

Comment: Some commenters had particular concerns about completing USCIS's Form I-9, as that form requests the Form I-94 number. Commenters suggested that either the period of admission or the passport number and country of issuance serve as the required data fields on the Form I-9. Otherwise, workers without internet access will have trouble completing the Form I-9.

Response: USCIS, the owner of the Form I-9 (Employment Eligibility Verification), is reviewing its forms and applicable regulations and policies, but at this time, it is not able to change the required information on Section 1 of the Form I-9. For completion of Section 2 of Form I-9, employees who are aliens authorized for employment with a specific employer incident to their nonimmigrant status may choose to present their foreign passport together with Form I-94 in paper format (which includes a printout from the Web site); admission stamps are not acceptable for Form I-9 purposes. Refugees and asylees may also choose to present Forms I-94 for completion of Section 2 and Section 3 of the Form I-9, although they also have the option to present other documents instead. Refugees may choose to present a Form I-94 printout or a paper Form I-94 with a refugee stamp as an acceptable receipt for Form I-9 purposes that does not need to be paired with any other document. Asylees who wish to show a Form I-94 may present their paper Form I-94 as a List C document in combination with a valid List B document.

Comment: A few commenters, including AILA and the Intel Corporation, were concerned that inconsistent rules regarding when a Form I-94 printout is acceptable will materially affect foreign nationals' access to employment and benefits, such as Social Security cards, driver's licenses and extensions or changes of nonimmigrant status. Commenters also said that inconsistent rules could adversely affect U.S. businesses; for example, if DHS continues to require printouts bearing an admission number, employers could be fined by DHS for failure to record this number on the Form I-9. A delay or grace period in any enforcement actions related to the I-9 regarding the entry of admission numbers is encouraged.

Response: The requirements to record document numbers on Section 2 of the Form I-9 have not changed. DHS regulations require

employers to record the necessary information from documents the employee presents to complete Form I-9 within three days from the date of hire. Section 1 of Form I-9 requires employees who attest to being aliens authorized to work in the United States to record either their alien number (or USCIS number) or Form I-94 admission number. Section 1 of Form I-9 must be completed by the employee at the time of hire (*i.e.*, first day of work for pay). The Form I-94 number can be found on the Form I-94 printout; there is no requirement that the number must come from the Form I-94 itself. The timing requirements for Form I-9 completion are regulatory. DHS may provide more flexibility in the timing requirements in a future rulemaking.

Employees are still required to present documents of their choice from the Lists of Acceptable Documents specified in the Form I-9 to show identity and employment authorization on Form I-9. To satisfy 8 CFR 274a.2, original documents must be presented to employers, which employers must examine to make a determination regarding whether the documents appear to be genuine and to reasonably relate to the person presenting them. According to USCIS, which issues the Form I-9, if an employee chooses to present a Form I-94 along with their foreign passport to show identity and employment authorization in Section 2 of the Form I-9, he or she will need to present to his or her employer a Form I-94 in paper format, which includes a Form I-94 printed out from the CBP Web site. If an employee provides the Form I-94 he or she obtained from the CBP Web site with his or her foreign passport as a List A document, the employer should accept these documents if they appear to be genuine and reasonably relate to the person presenting them. Form I-9 rules permit employees to present certain receipts in lieu of the original document(s): 1. A receipt for a replacement of a lost, stolen, or damaged document; 2. the arrival portion of the Form I-94 or Form I-94A containing a Temporary I-551 stamp and photograph; and 3. the departure portion of Form I-94 or I-94A with an unexpired refugee admission stamp. 8 CFR 274a.2(b). USCIS has determined that a Form I-94 printed out from the CBP Web site by a refugee is acceptable for Form I-9 purposes without an unexpired refugee admission stamp as long as the printout provides the class of admission as "RE" and duration of admission as "D/S [duration of status]."

In the benefits-granting context, DHS will continue its outreach to other federal, State, and local agencies to indicate that when a Form I-94 is required as proof of valid admission to the United States, a Form I-94 in either paper or print-out format is acceptable.

Comment: Commenters encouraged CBP to continue education outreach to agencies, employers, and other stakeholders that might

remain unaware of the change to electronic Forms I-94. Commenters specifically urged education to improve access to and use of DHS verification tools, such as SAVE and E-Verify.

Response: CBP has conducted extensive outreach to local, state, and federal agencies, scholarly organizations, and other non-governmental entities both before and after automation. CBP involved all DHS components, DOS, SSA, and the Department of Commerce in the automation process through working groups. CBP in conjunction with USCIS provided guidance and support to all major DMVs that participate in the SAVE program. CBP coordinated with NAFSA and other student organizations to inform academic institutions. CBP has met with the U.S. Chamber of Commerce, the travel and tourism industry, refugee and asylum groups, local law enforcement representatives, and other interested organizations during planning and development of the electronic Form I-94.

Employers seeking employment eligibility verification can do so through the E-Verify program offered by USCIS. Government agencies have access to status verification or other inquiries through a variety of sources, including law enforcement channels and the SAVE program offered by USCIS.

SEVIS

Comment: One commenter, NAFSA, suggested that CBP should include the SEVIS number in the electronic Form I-94 record for nonimmigrants who are monitored through SEVIS. The commenter stated that this would further DHS's fulfillment of its responsibility to notify educational institutions and exchange program sponsors that the student has been properly admitted into the United States. The commenter noted that CBP officers often write the SEVIS number on the paper Form I-94 of F and M students and J exchange visitors, and that this notation is used by Designated School Officials and Responsible Officers to ensure that the POE information is associated with the correct SEVIS record.

Another commenter asked how the admission record will be tied to the proper SEVIS number, if a student has more than one SEVIS record. The commenter stated that this is of particular concern because CBP is no longer stamping the Form I-20 or DS-2019 upon entry in the United States, and there is no way that the student can make sure the correct SEVIS I-20 is getting mapped to the admission number.

Response: The Student and Exchange Visitor Information System (SEVIS) is utilized to track and monitor schools, exchange visitor programs, and F, M and J nonimmigrants while they visit the United

States and participate in the U.S. education system. The SEVIS number is the number generated when a Form I-20 or Form DS-2019 is issued to an individual to participate in a specific educational or cultural exchange program at a specific institution. CBP currently verifies SEVIS numbers prior to admission into the United States. CBP now requires officers to document SEVIS numbers, if applicable, in the electronic Form I-94 record, but these numbers are not accessible to the public or academic institution. The SEVIS number is not currently documented on the Form I-94 Web site or printout, as it is not a data element required or collected on the paper version of the Form I-94. CBP will explore the feasibility of including the SEVIS number on the Web site and printout. CBP has provided guidance to the field to include the SEVIS number on the foreign travel document with the CBP admission stamp when practical.

CBP has updated its systems to help ensure that the correct SEVIS record is mapped to the proper arrival/departure record. The SEVIS information is stored in CBP systems, and the Arrival and Departure Information System (ADIS) feeds information to SEVP for each student. CBP is continuing to work to enhance its systems to do a real-time query of the SEVIS number to prevent admission on an invalid SEVIS number.

Comment: One commenter requested that CBP establish a mechanism for Designated School Officials to request a review when there is a problem with a SEVIS record.

Response: If there is a problem with the SEVIS record, the Designated School Official should contact SEVP, which oversees SEVIS. SEVP would then work with CBP if SEVP determines that the problem relates to the electronic Form I-94 or is otherwise CBP-related. More information about SEVIS can be found on the SEVIS Web site: www.ice.gov/sevis/.

Additional Comments

Comment: A few commenters requested that CBP include additional information on the tear sheet that is handed out to travelers at the POEs to include the purposes of the Form I-94 and a help line phone number or email address. Commenters stated that not all foreign nationals understand the importance of the Form I-94 or how soon they might need to print one.

Response: CBP designed the tear sheet to fit into the traveler's passport and inform travelers, in 12 languages, how to access their Form I-94 records. Due to the size of the tear sheet and the desirability of including any information in multiple languages, CBP is not able to add additional information. Additionally, as the traveling

public becomes more familiar with the Form I-94 automation, CBP plans to phase out distribution of the tear sheets.

Comment: One commenter asked when all nonimmigrants arriving in the United States by air or sea will be processed electronically.

Response: CBP rolled out the Form I-94 automation over the weeks following the effective date of the IFR, April 26, 2013. The Form I-94 automation for air and sea passengers is now complete.

Comment: One commenter asked if the 11 digit admission number from the Form I-94 will continue to be used in the electronic Form I-94 format and whether it will be provided to the traveler at the time of admission.

Response: The 11 digit number has not changed and will continue to be issued electronically to travelers. Travelers can use the I-94 Web site to find their Form I-94 number.

Comment: One commenter was concerned about travelers having notice of the option to request a paper Form I-94 from CBP. The commenter stated that requesting a paper form is not in the regulations and it is not clear if the traveler should make the request on the plane or at the POE.

Response: Travelers may request the paper form at the POE from the CBP officer. CBP has updated information on the Web site, www.cbp.gov/I94, to indicate that a paper form may be requested at the time of inspection. If someone requests a paper form, the person will be given the card stock form, properly annotated, with their electronic Form I-94 number written on the card. Due to the extra time this process takes, issuance of a paper Form I-94 will be completed in the secondary inspection area. Conclusion

Based on the analysis of the comments received, DHS is adopting the interim regulations as a final rule. In response to the comments, CBP has made some operational changes regarding the issuance of the Form I-94 that are described below.

Operational Changes to the Form I-94 Process

In response to some public comments received, and after studying usage and common problems of the I-94 Web site, CBP has made some changes to the I-94 Web site since the initial rollout of the Form I-94 automation, including the addition of new features. These changes and new features are summarized below. As described in several of the comment responses, CBP believes these changes make the Web site a better resource for the public and address user concerns.

First, the Web site now allows a traveler to retrieve his or her most recent Form I-94 even if he or she has departed the United States. A traveler may retrieve a Form I-94 issued up to five years prior to the request date.

Second, a traveler may now retrieve his or her five-year United States border crossing history from the Web site. The border crossing history information is drawn from Form I-94 records. If a traveler has entered and departed the United States with more than one travel document during the five years, for example an old and new passport, he or she will need to query each document to retrieve the complete five-year history. CBP expects that this update to the Web site will provide a convenient alternative to the filing of a FOIA request when a traveler needs his or her five-year border crossing history when applying for certain benefits.

Third, the date and class of admission are no longer required to retrieve a Form I-94, as these data points were commonly problematic for travelers attempting to retrieve their Form I-94. This change also allows travelers to input the same information to retrieve both the Form I-94 and the travel history.

Additional operational changes include a new security consent page that addresses both privacy and security issues, an endorsement added to the Form I-94 printout indicating that the Form I-94 has been automated, and updates to the FAQs page of the I-94 Web site to reflect these changes and to address additional common questions.

Statutory and Regulatory Requirements

Executive Order 13563 and Executive Order 12866 (Regulatory Planning and Review) and (Improving Regulation and Regulatory Review)

Executive Orders 13563 and 12866 direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributive impacts, and equity). Executive Order 13563 emphasizes the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This rule is an “economically significant regulatory action” under section 3(f)(1) of Executive Order 12866. Accordingly, the Office of Management and Budget has reviewed this regulation.

1. Purpose of the Rule

This rule amends the definition of the Form I-94, Arrival/Departure Record, to include an electronic format. This revision en-

ables DHS to transition to an automated process for air and sea ports of entry whereby DHS creates a Form I-94 in an electronic format based on passenger, passport, and visa information DHS obtains electronically from air and sea carriers and the Department of State as well as through the inspection process. This rule also is consistent with CBP's transition to accepting I-94 submissions online for use at the land border.

This rule results in substantial cost savings (benefits) for travelers, carriers, and CBP. CBP estimates the total net benefits to both domestic and foreign entities in 2013 ranged from \$57.9 million to \$82.7 million.⁸ Separately, CBP estimates a net benefit in 2013 of between \$41.1 million and \$65.9 million for foreign travelers, \$1.3 million for carriers, and \$15.5 million for CBP. Net benefits to U.S. entities (carriers and CBP) in 2013 totaled \$16.8 million. In the following regulatory assessment, we present the costs and benefits to CBP, carriers, and travelers from Form I-94 automation using a six-year period of analysis beginning in year 2012.

2. Baseline Condition and Affected Parties

a. Automation at the Air and Sea Ports of Entry

Prior to the implementation of the interim final rule CBP published on March 27, 2013 in the **Federal Register** (78 FR 18457), CBP required any alien traveling to the United States, other than under the Visa Waiver Program, to complete a paper Form I-94 prior to arrival. When arriving by air and sea, the carrier provided the form to the alien while en route to the United States. The alien typically completed the form while en route to the United States, spending approximately 8 minutes filling out the form.⁹ Upon arrival at the U.S. airport or seaport, the alien presented the completed Form I-94 to the CBP officer for inspection. If permitted to enter the United States, the officer tore the form at the perforation, stamped the lower portion, and returned it to the alien. The officer sent the top portion of the form to a centralized facility where all Forms I-94 were entered into CBP's data systems. Generally, the alien later returned the lower portion of the Form I-94 to the carrier upon departure from the United States, who in turn returned it to CBP.

In addition to acting as an arrival and departure record, the Form I-94 also serves as evidence of admission or parole into the United

⁸ OMB Circular A-4 states regulatory analyses should focus on benefits and costs that accrue to citizens and residents of the United States (http://www.whitehouse.gov/sites/default/files/omb/assets/regulatory_matters_pdf/a-4.pdf); see "Scope of Analysis" section on page 15). In order to make this distinction clear, CBP has shown the costs and benefits to foreign travelers as well as impacts to U.S. entities.

⁹ See 78 FR 70570 (November 26, 2013) for the latest burden estimate for the Form I-94's information collection.

States for nonimmigrants. Some third parties, such as universities or local or state government benefit-granting agencies, may require an alien to present evidence of admission or parole to the United States. Prior to the interim final rule, in these cases, the alien could present the bottom portion of the Form I-94, which was returned to them when they were admitted, paroled, or adjusted to an immigration status. Aliens could also choose to present Form I-94 to establish employment eligibility and identity or eligibility for certain public benefits.

If an alien loses the bottom portion of the Form I-94, he or she may file Form I-102, Application for Replacement/ Initial Nonimmigrant Arrival-Departure Document, with USCIS to request a replacement. The form has a Paperwork Reduction Act burden of 25 minutes per form and a fee of \$330. According to the USCIS, prior to the implementation of this rule, 17,700 Forms I-102 were filed each year. At the time the interim final rule was published, USCIS estimated that the rule would result in a decrease in the number of Forms I-102 filed to 8,804 in 2013 and 5,771 in later years.¹⁰ Following the implementation of the rule in April 2013, the total number of Forms I-102 filed in 2013 was 13,715. USCIS now expects 6,782 Forms I-102 to be filed each year.¹¹ This is a reduction of 10,918 each year due to this rule.

According to the Office of Immigration Statistics (OIS),¹² about 53.9 million aliens entered the United States using a Form I-94 or equivalent (*i.e.* using a Form I-94W or obtaining an electronic travel authorization when entering under the Visa Waiver Program) in 2012. Of these, about 20.3 million entered under the Visa Waiver Program (VWP). These aliens do not use a Form I-94 and are therefore unaffected by this rule,¹³ so we exclude them from this analysis. Additionally, OIS figures include all modes of transportation. I-94 automation affects only aliens arriving by air and sea, so we must exclude those arriving by land. We therefore subtract the number of aliens entering the U.S. at land border ports using a Form I-94 in 2012. According to

¹⁰ Communication with USCIS on February 8, 2013.

¹¹ Supporting Statement for Form I-102. Available at http://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=201402-1615-001. Accessed September 28, 2016.

¹² 2012 Yearbook of Immigration Statistics. Table 28. <https://www.dhs.gov/yearbook-immigration-statistics>. Accessed October 26, 2016.

¹³ In addition to automating the Form I-94, this final rule adds a valid, unexpired nonimmigrant DHS admission or parole stamp to the list of documents that constitute evidence of registration. Thus, such a stamp can serve as evidence of registration for Visa Waiver Program travelers and for travelers arriving by land who would otherwise be required to comply with any registration requirement under the INA. However, the addition of the passport stamp to the list of documents that constitute evidence of registration does not have an economic impact on travelers. Therefore, this analysis focuses on the changes to the Form I-94.

CBP's Office of Field Operations, about 15.4 million aliens arriving from Mexico and 1.2 million arriving from Canada entered the United States at the land border using a Form I-94 in 2012. We subtract these from the admission total, leaving 16,952,996 non-VWP aliens who arrived in the U.S. by air or sea using a Form I-94 in 2012.

We next estimate the number of Form I-94 travelers to the United States in the rest of the period of analysis.¹⁴ For 2013 and 2014, we again use actual data from the Office of Immigration statistics. For 2015 through 2017, we use the traveler projections developed by the Office of Travel and Tourism Industries (OTTI) within the U.S. Department of Commerce.¹⁵ The OTTI forecasts travel growth through 2020 for the 20 countries with the highest 2014 travel volume. Since the vast majority of travelers from most countries arrive in the United States by air and sea, we assume that OTTI's travel growth rates best reflect air and sea travel growth. For Mexico and Canada, we subtract the number of Form I-94 travelers arriving by land in 2012 before applying the OTTI growth rates.¹⁶ We apply the OTTI projected growth rates to the number of Forms I-94 by country we obtained from OIS. For countries not separately forecasted by OTTI, we use OTTI's average growth rate for overseas travel for each year to determine overseas travel from these countries. We present the total number of projected Forms I-94 for each year from 2012-2017 absent the rule in Exhibit 1 below.

**Exhibit 1—Projected Form I-94 Respondents Traveling
by Air and Sea**
[*denotes projection]

2012	16,952,996
2013	16,832,602
2014	20,680,611
2015	21,700,329
2016	22,628,579
2017	23,871,524

¹⁴ 2013 and 2014 Yearbook of Immigration Statistics. Table 28. <https://www.dhs.gov/yearbook-immigration-statistics>. Accessed October 26, 2016.

¹⁵ U.S. Department of Commerce, Office of Travel and Tourism Industries "Forecast of International Travelers to the United States by Top Origin Countries." October 2015. Available at <http://travel.trade.gov/view/f-2000-99-001/forecast/Forecast-COUNTRIES.pdf>.

¹⁶ For the purposes of these projections, we assume that aliens arriving from Mexico and Canada at land borders are Mexican and Canadian citizens. There are a small number of citizens of other countries who enter the U.S. at land borders. Because the number for each country is small, the effect on the projections is minimal.

b. Electronic Implementation at the Land Border

This rule affects the process of obtaining a Form I-94 for travelers arriving by air and sea and is consistent with CBP's transition to accepting I-94 submissions online for use at the land border. In addition to the automation at air and sea ports of entry, CBP modified the process by which a traveler arriving at the land border can provide Form I-94 information and pay the related fee by adding an electronic option. The enhanced I-94 Web site launched on September 29, 2016.

Due to the differences in documentary requirements for land border entries, the Form I-94 issuance process varies slightly at a land border port of entry than at an air or sea port of entry. Currently when a traveler requiring a Form I-94 arrives at the land border, he/she goes to secondary inspection where he/she provides the I-94 information to a CBP officer who inputs the data into a computer. The process takes approximately 8 minutes in addition to the time of the actual inspection. After determining the traveler's admissibility, the CBP officer then prints a Form I-94 for the traveler and refers him/her to the cashier to pay the associated \$6 fee.¹⁷ It takes approximately 20 minutes to wait in line to pay the fee and approximately 2 minutes to pay the fee.

3. Costs

We next estimate the costs and benefits of this rule for all affected parties. For the interim final rule, we assumed that the rule would go into effect on January 1, 2013. The rule actually went into effect on April 22, 2013. Because certain key data on arrivals by class of admission is only available publicly on an annual basis, we incorporate some prorated arrivals estimates into this analysis. For the purpose of this analysis, we assume that the rule went into effect on May 1, 2013 and we prorate the 2013 estimates to reflect that the rule was in effect for 8 months of the year. To the extent that travel among various classes of admission is not consistent throughout the year, the 2013 estimates may be overstated or understated.

The costs of this rule are borne by both CBP and aliens traveling to the United States.

¹⁷ The amount of fee for the issuance of the Form I-94 at a land border port of entry is provided for in 8 CFR 103.7(b)(1)(ii)(D).

a. Costs to CBP of Automation at the Air and Sea Ports of Entry

This rule allows for the automation of the paper Form I-94 in the air and sea environments.¹⁸ Almost all of the traveler information collected on the Form I-94 prior to the implementation of this rule was redundant in the air and sea environments because CBP already obtained the same information electronically from other sources. In advance of the implementation of this rule, CBP linked its data systems to use the information from these alternate sources to create an electronic Form I-94 during the admission process. CBP creates the electronic Form I-94 by pulling information from the traveler's Advance Passenger Information System (APIS) record and any Consular Consolidated Database (CCD) record and then by entering any additional data obtained during the inspection process. This electronic process allows stakeholders that have access to CBP's databases to continue to have access to traveler information electronically. CBP's Office of Information Technology estimates the cost to link data systems and to fully automate the Form I-94 was about \$1 million in calendar year 2012. In addition, it estimates the cost to develop the secure Web site was about \$321,000 in 2012. CBP anticipates spending \$92,000 per year in operations and maintenance costs for these systems. In total, CBP incurred costs of \$1,321,000 in 2012 and will incur costs of \$92,000 in following years.

b. Costs of Electronic Implementation at the Land Border

CBP's Office of Information Technology estimates that it cost approximately \$540,000 in 2016 to develop the Web site and create the online payment capabilities. CBP will not bear any additional costs to process travelers as a result of this process.

Travelers will not face new costs or time burdens under the new optional process at the land border. Under this process, travelers will have the option to use a new CBP Web site to answer the Form I-94 questions and to pay the \$6 fee in advance of travel. As the Form I-94 questions are not changing, the time burden to submit the information is not changing. Similarly, we estimate that it will take the traveler 2 minutes to pay the fee online, which is the same as the time it takes if the traveler pays at the border, and the fee itself is not changing.

¹⁸ A small number of paper Forms I-94 are still being used for certain aliens such as aslyees, certain parolees, and those who request a paper Form I-94.

c. Costs Borne by Travelers to the United States From Automation at Air and Sea Ports of Entry

Although most travelers do not use the Form I-94 for any reason once they are admitted or paroled to the United States, some aliens do make use of the form to demonstrate lawful admission or parole to the United States to the Social Security Administration, universities, state agencies such as Departments of Motor Vehicles, public assistance agencies and organizations, or some other party.

Aliens may also choose to present a Form I-94 to establish employment eligibility and identity, or eligibility for certain public benefits. To accommodate this need for the Form I-94, CBP has made an electronic Form I-94 available to aliens on the secure I-94 Web site. Travelers receive written information on how to access the Web site upon their arrival to the United States. Aliens may log into the Web site using 5 pieces of basic identifying information that is either known to the traveler (*e.g.* their first name, last/surname, and date of birth) or readily available on their passport (*e.g.* passport number, country of issuance). CBP estimates that it takes the traveler 4 minutes to log into the Web site using identifying information and to print the electronic form. This is less time than the paper Form I-94's 8 minute time burden for entering 17 data elements. This 4 minute estimate does not include the time it takes to travel to a location with computer and internet access; that cost is treated separately later in this section.

In addition, CBP makes the paper Form I-94 available to certain classes of aliens and upon request at the secondary inspection station at ports of entry and at CBP Deferred Inspection Sites (DIS), which are located at most ports of entry and are largely open during regular business hours. Since the interim final rule went into effect, very few travelers have requested the paper form.

To estimate the costs to travelers to access their Form I-94 electronically, we must first determine the number of aliens who access the Web site, the number who do not have ready access to the internet, the distance they have to travel to access the internet, and the average wage rate for all aliens entering the United States by air or sea. First, we assess the number of aliens who access the Web site. Exhibit 2 shows the number of travelers who entered the United States by air or sea in 2012 sorted by various categories of admission.¹⁹ The majority of Form I-94 visitors to the United States—about 76 percent—are tourists and business travelers entering on B-1/B-2 visas. In most cases, these travelers do not have a need for

¹⁹ CBP analysis of data from 2012 Yearbook of Immigration Statistics. Table 28. <http://www.dhs.gov/files/statistics/publications/yearbook.shtm>. Accessed June 4, 2014.

their Form I-94 now that the passport stamp serves as evidence of alien registration. While in the U.S., these B-1/B-2 visa travelers may use their foreign driver's license, so there is generally no need for them to apply for a U.S. driver's license. They are ineligible for employment or enrollment in a university while traveling on a B-1/B-2 visa. They are generally not eligible for public benefits without a change in status. For these reasons, for the analysis for the interim final rule, we assumed that no B-1/B-2 visa holders would need to access the Web site to obtain their electronic Form I-94. However, public comments stated that some B-1/B-2 travelers do in fact need their Form I-94. According to the Web site's query history, approximately 1 percent of B-1/B-2 travelers access the Web site.²⁰ Therefore, for this analysis, we assume that 1 percent of these travelers will continue to access the Web site in the future.

Exhibit 2—2012 Air and Sea Form I-94 Respondents by Class of Admission *

	Number	Percentage
Tourists and Business Travelers (B-1/B-2) ...	12,938,329	76.3
Temporary workers	1,631,683	9.6
Students	1,594,816	9.4
Other/Unknown	461,935	2.7
Diplomats	326,233	1.9
Total	16,952,996	.....

* Estimates may not total due to rounding.

Because so many parties at various levels of government and outside of the government use the Form I-94, prior to the implementation of the interim final rule CBP could not estimate the number of non-B-1/B-2 travelers that would access the Web site. For the analysis of the interim final rule, we assumed that all travelers, other than B-1/B-2 travelers, who previously received a paper Form I-94 would log into the Web site to print off their electronic Form I-94. According to the Web site's query history since the implementation of the interim final rule, approximately 75 percent of non-B-1/B-2 travelers access the Web site. Exhibit 3 shows the number of travelers we estimate will access their electronic Form I-94 via the CBP Web site during the period of analysis. We note that those with a need for a Form I-94 who face obstacles to accessing their Form I-94 electronically may request a paper Form I-94 at the secondary inspection station upon their arrival at the port or at a DIS during their stay in the United States. However, according to CBP subject matter experts,

²⁰ Communication with CBP's Office of Field Operations on June 10, 2014.

very few aliens have requested paper Forms I-94 at the ports of entry and those who have requested them at DIS have done so primarily to correct erroneous information on their electronic Form I-94.

**Exhibit 3—Estimated Travelers Needing to Access
Electronic Form I-94**

	B-1/B-2	Other *	Total
2012	0	0	0
2013 **	85,622	1,994,663	2,080,285
2014	157,793	3,675,979	3,833,772
2015	165,574	3,857,233	4,022,807
2016	172,656	4,022,230	4,194,886
2017	182,140	4,243,163	4,425,303

* Other includes temporary workers, students, diplomats, and others/unknowns.

** 2013 travelers are estimated based on the rule being in effect for two thirds (8 months) of the year.

We next estimate the number of aliens who do not have ready access to the internet while in the United States and would need to travel to access their electronic Form I-94. We assume that students and diplomats have ready access to the internet at their schools or places of business respectively. The 1 percent of B-1/B-2 travelers who access their electronic Form I-94 typically need it when staying in the United States for over 6 months. These people likely have other uses for the internet during their stay and could access their electronic Form I-94 when using the internet for another purpose. Therefore, we assume they do not need to travel to access their electronic Form I-94. Also, as noted above, CBP will continue to make the paper Form I-94 available upon request at the secondary inspection station at ports of entry or at DIS to those with a need for a Form I-94 and who face obstacles to accessing their electronic Form I-94.

Temporary workers come to the United States for varying lengths of time to fill positions where there is a shortage of labor in the United States. These positions can be in very highly technical occupations, such as computer programming, but they can also be in less technical occupations such as agricultural labor.

Because this category of admission includes such a wide range of workers, we cannot say with certainty that all temporary workers have ready access to the internet while in the United States. Similarly, we do not know how accessible the internet is for those in the "Other/Unknown" category. The aliens least likely to have internet access are those working as temporary agricultural laborers.

According to the U.S. Department of Agriculture (USDA), approximately 67 percent of farms have internet access.²¹ The primary use for the electronic Form I-94 for these temporary workers is to demonstrate employment eligibility to their employers. Generally, this document will be the only acceptable evidence of employment authorization that such workers will have to satisfy the Employment Eligibility Verification (Form I-9) requirements. Because of the Form I-9 requirements, many employers do not allow their employees to begin working for pay until the workers have presented them with the print-out of their electronic Form I-94. The employers have spent a considerable amount of money bringing these foreign workers to the United States to work. By offering internet access to employees, employees and employers can complete the employment eligibility verification process timely, which allows the employee to begin working sooner. Because this incremental use of the internet is virtually costless to the employer and the employer would benefit from their employee's prompt access to their electronic Form I-94, we assume that employers with internet access allow their employees to use their internet connection to access their electronic Forms I-94.²² As stated previously, 67 percent of farms have internet access. For the purposes of this analysis, we assume that 33 percent (100 percent-67 percent) of travelers in the "Temporary Workers" and "Other/Unknown" categories (for example, 690,894 in 2012) would need to travel to access their electronic Form I-94.

CBP received several public comments regarding the ability of travelers to obtain their printed electronic Form I-94 before they need it. One employer of temporary workers commented that according to their company policy, employees cannot use company computers to access the internet until they have demonstrated their legal admission to the United States by presenting a copy of their Form I-94.

While CBP believes that most employers with internet access allow their employees to use a company computer to access their Form I-94, we acknowledge that a small number of employers may choose not to do so, or company policy may prohibit non-employees from accessing

²¹ United States Department of Agriculture National Agricultural Statistics Service. "Farm Computer Usage and Ownership." August 2013. Available at: <http://usda.mannlib.cornell.edu/usda/current/FarmComp/FarmComp-08-20-2013.pdf>. Accessed June 4, 2014.

²² It is also possible that some employers without internet access help transport their employees to a location with internet access. Employers have expended considerable effort to sponsor temporary workers and they may view this as part of the cost of using foreign temporary workers. However, as the burden of demonstrating employment eligibility is on the worker, we assume that the worker must bear any travel costs to obtain their electronic Form I-94. To the extent that the employer is able to provide more efficient access to the internet, costs to workers will be lower.

company equipment. These travelers are included in the 33 percent of temporary workers who we assume have to travel to access the internet.

One commenter noted that employees sometimes need to start work very soon after arrival and do not have time to travel to a location where they can print their electronic Form I-94. Once again, CBP notes that any traveler, but particularly travelers with an immediate need for their Form I-94 may request a paper Form I-94 at the secondary inspection station at ports of entry or at CBP DIS. Another commenter said that travelers often do not know they need a Form I-94 until after they have left the airport, so requesting a paper Form I-94 at the port is not a practical option. CBP acknowledges that many people may not know that they need their Form I-94 until it is asked of them. As such, CBP has made access to the I-94 Web site as easy as possible and will continue to provide paper Forms I-94 upon request at CBP DIS. Another commenter suggested that CBP provide kiosks at the ports of entry where travelers could print their electronic Form I-94 prior to leaving the airport. CBP has explored the possibility of placing kiosks at the largest airports and seaports to give travelers the opportunity to print their Form I-94 prior to leaving the port of entry. CBP has determined that the benefits to the public do not outweigh the cost to CBP, so it is not proceeding with kiosks at this time. *See* the Regulatory Alternatives section for more information.

Now that we have estimated the number of aliens who do not have ready access to the internet, we need to develop an assumption for how long it takes to travel to a location where they can access the internet. Based on our online review of internet services provided by public libraries, we found that virtually all public libraries provide public access to computers and the internet, though many charge a nominal fee for printing. There are 16,766 public libraries in the United States.²³ According to the Department of Education, 94 percent of households live within 10 miles of a public library and 83 percent live within 5 miles of one.²⁴ Given the large number of library locations nationwide that provide access to the internet and the fact that CBP makes the paper Form I-94 available upon request at ports and DIS, we believe most aliens who travel to access the internet to print their electronic Form I-94 only need to travel a short distance

²³ American Library Association. "Quotable Facts about America's Libraries." September 2012. <http://www.ala.org/offices/ola/quotablefacts/quotablefacts/>. Accessed Jun 13, 2014.

²⁴ Department of Education: Households' Use of Public and Other Types of Libraries: 2002. Derived from Table 19. Available at <https://harvester.census.gov/imls/pubs/Publications/2007327.pdf>. Accessed June 4, 2014.

to do so. We estimate that round-trip distance required to access a computer terminal and printing station at a public library is 20 miles. We also assume that traveling to and from a library takes 60 minutes of an alien's time, which includes travel time and the time to enter the library, locate an available computer, wait to access the computer and print a Form I-94. In this analysis, we assume that users pay \$0.25 to print their electronic Form I-94 based on a review of available online printing fees charged at public libraries.

We next estimate the value of time for those travelers affected by this rule. Federal agencies typically estimate a monetary value of time used or saved as a result of their regulatory actions. This allows agencies to estimate the additional costs and benefits of their regulatory actions on affected parties. The U.S. Department of Transportation (DOT) provides guidance on the value of time to use for economic analysis.²⁵ This guidance provides point estimates as well as ranges for values of time for travelers based on average wage rate analysis for different categories of travel.

According to DOT estimates, the value of travel time is more than twice as high for air travelers than for those traveling by surface modes, which can be explained by the relatively high cost of air travel. We note that the DOT estimates are intended to be used to analyze actions that will reduce the time spent traveling. A person's value of time while traveling may differ from their value of reducing travel time. In most instances, this rule does not reduce the time spent traveling because an alien typically completes the Form I-94 while en route to the United States, but rather reduces the time spent on paperwork while traveling. The traveler is now able to spend this time on leisure or business activities such as reading or drafting documents. CBP believes that using the DOT values of travel time in this situation is the most appropriate estimate because it reflects the higher values of time for air travelers. Further, we note that to the extent a person's value of time while traveling is different than their value of reducing travel time, this difference is likely encompassed in the DOT plausible range for the value of travel time. The DOT estimates are in 2009 dollars, but the DOT provides a methodology to inflate its estimates for future years. We have inflated the estimates to 2012 dollars, which is the first year of our period of analysis.²⁶

²⁵ U.S. Department of Transportation: "Revised Departmental Guidance on Valuation of Travel Time in Economic Analysis." September 28, 2011. Table 5. Available at http://www.dot.gov/sites/dot.dev/files/docs/vot_guidance_092811c.pdf. Accessed June 4, 2014.

²⁶ To determine the hourly value of travel time savings in 2012 U.S. dollars, we applied the DOT's suggested growth rate of 1.6 percent per year to the hourly time values listed in 2009 U.S. dollars.

As a primary estimate, we use the DOT's point estimate for the value of time for all-purpose air travel, which includes both personal and business travel. This point estimate is \$44.15, when inflated to 2012 dollars. We also use the DOT's range for all-purpose travel to show a range of low and high estimates. This range is from \$36.50 to \$54.75 when inflated to 2012 dollars. We apply these low, primary, and high values of time to the travelers in our analysis. We use this travel value of time framework to estimate the costs and savings of this rule, since affected aliens previously completed the paper Form I-94 while traveling.

We recognize that those who must travel to access the internet are a special case of travelers and probably have different values of time than the average air traveler. As previously discussed, the aliens least likely to have internet access are those working as temporary agricultural laborers. To estimate the value of time for these aliens, we use the wage rate for H-2A seasonal (temporary) agricultural workers.

According to the Department of Labor, H-2A temporary agricultural workers have an average wage rate of 9.79 per hour.²⁷ We recognize that there are other classes of temporary workers, notably H-1B visa holders, who likely have higher wage rates; however, these workers are predominantly in specialized occupations such as medicine and computer programming and are likely to have ready access to the internet. Employers of these employees have an incentive to provide this access as it is virtually costless and would allow workers to start working earlier. We note that, notwithstanding the benefits to the employer of providing this access, we received public comments indicating that some employers of H-1B employees may not allow their workers to access computers to print their electronic Form I-94. CBP does not believe this represents a large number of employers.

Further, workers in occupations such as medicine and computer programming are likely to have internet access from other sources, such as their hotel or other place of lodging. Finally, as discussed above, we have assumed that all temporary workers would access their electronic Form I-94 and that 33 percent of them would have to travel to do so. Any H-1B worker who must travel to access their electronic Form I-94 is included in these estimates. But because we do not believe the H-1B workers make up a large portion of the temporary workers who must travel to access their electronic Form

²⁷ Calculated from the Office of Foreign Labor Certification's FY 2012 Annual Report using the weighted average of state average wage rates. Available at: http://www.foreignlaborcert.doleta.gov/pdf/OFLC-2012_Annual_Report-11-29-2013-Final%20Clean.pdf. Accessed on June 16, 2014.

I-94, we use the estimated wage of H-2A workers as our estimate for the value of time for those who must travel to access their electronic Form I-94.

Now that we have estimated the number of aliens who log into CBP's Web site to print their electronic Form I-94, the time it takes to access that Web site, the number of people who need to travel to access the internet, the time it takes to travel to and from an internet access site, and the values of time for these groups, we can calculate this rule's cost to these travelers. We first address the cost to log into CBP's electronic Form I-94 Web site. Once again, CBP estimates that it takes travelers 4 minutes to access and print their electronic Form I-94, and that it costs them \$0.25 per page to print their electronic Form I-94. Exhibit 4 shows the 2013 to 2017 travelers' costs for accessing and printing their electronic Forms I-94.²⁸ As shown, in 2013, traveler costs of time to access electronic Forms I-94 and their cost to print them ranged from \$5.5 million to \$8.1 million with a primary estimate of \$6.6 million.

**Exhibit 4—Traveler Costs of Time to Access and Cost
to Print Electronic Form I-94
[Undiscounted 2012\$] ***

	2013	2014	2015	2016	2017
Forms I-94.....	2,080,285	3,833,772	4,022,807	4,194,886	4,425,303
DOT—Low (\$).....	36.50	36.50	36.50	36.50	36.50
DOT—Primary (\$).....	44.15	44.15	44.15	44.15	44.15
DOT—High (\$).....	54.75	54.75	54.75	54.75	54.75
Time Cost—Low (\$).....	5,061,648	9,328,146	9,788,098	10,206,792	10,767,432
Time Cost— Primary (\$).....	4,730,513	8,147,564	7,990,003	7,786,713	7,677,030
Time Cost—High (\$).....	4,914,222	8,792,673	8,957,496	9,068,603	9,288,081
Printing Cost (\$)....	520,071	958,443	1,005,702	1,048,722	1,106,326
Total Cost—Low (\$).....	5,581,720	10,286,589	10,793,800	11,255,514	11,873,758
Total Cost— Primary (\$).....	6,643,502	12,243,356	12,847,050	13,396,594	14,132,443
Total Cost— High (\$).....	8,112,544	14,950,663	15,687,848	16,358,910	17,257,474

* Estimates may not total due to rounding.

²⁸ The annual estimates of Forms I-94 in Exhibit 4 are based on projections for all visa categories using growth rate estimates developed OTTI. We adjust these estimates using our assumptions that 1 percent of B-1/B-2 travelers and 75 percent of 29 non-B-1/B-2 travelers access the I-94 Web site.

We next address the travel costs for those aliens who do not have ready access to the internet. Once again, we assume that 33 percent of travelers in the “Temporary Workers” and “Other/Unknown” categories (approximately 12 percent of the total, *see* exhibit 2) would need to travel 20 miles roundtrip and spend 60 minutes of time to access their electronic Form I–94. We also assume that these travelers have a value of time best characterized by the average H–2A wage rate of \$9.79 per hour. For the cost of travel, we use the 2012 IRS

standard mileage rate for business travel of \$0.555 per mile.²⁹ Exhibit 5 shows the 2013 to 2017 aliens’ travel costs to access the internet. As shown we estimate that the total travel costs were \$9.3 million in 2013.

Exhibit 5—Travel Costs *

	2013	2014	2015	2016	2017
Affected Aliens	444,381	818,952	859,333	896,092	945,312
H2A Wage Rate (\$).	9.79	9.79	9.79	9.79	9.79
Time Cost (\$)	4,350,487	8,017,542	8,412,870	8,772,738	9,254,608
Mileage Cost (\$).....	4,932,626	9,090,369	9,538,597	9,946,618	10,492,967
Total Travel Cost (\$)	9,283,113	17,107,912	17,951,467	18,719,357	19,747,575

* Estimates may not total due to rounding. Undiscounted dollars.

To summarize, both CBP and aliens bear costs as a result of this rule. CBP bore the costs to link its data systems and to build a Web site so aliens can access their electronic Forms I–94. CBP continues to incur annual costs to operate and maintain the I–94 Web site. Temporary workers and aliens in the “Other/Unknown category (see Exhibit 2) bear costs when logging into the Web site, traveling to a location with public internet access and printing a paper copy of their electronic Form I–94. The costs averaged \$24.08 per traveler in 2013 for those in the temporary worker and “Other/Unknown” categories who have to travel to access their electronic Form I–94. Aliens arriving as B–1/B–2 travelers, diplomats, students, and those temporary workers and aliens in the “Other/Unknown” category who do not need to travel to access their Form I–94 bear costs when logging into the Web site and printing electronic Forms I–94. Using the primary estimate for a traveler’s value of time, these costs for these groups averaged \$3.19 per person.

²⁹ Internal Revenue Service. IR–2011–116, December 9, 2011. Available at <http://www.irs.gov/newsroom/article/0,,id=250882,00.html>.

Exhibit 6 summarizes the 2012–2017 costs of this rule. As shown, costs for this rule in 2013 ranged from \$15.0 million to \$17.5 million. In our primary estimate, costs for this rule are \$16.0 million in 2013. Less than one percent of these costs are incurred by the U.S. entities. These are CBP's costs for automating the electronic Form I–94 and developing the Web site travelers use to access their electronic Form I–94. In 2013, CBP's costs were \$92,000.

Exhibit 6—Cost Summary
[Undiscounted 2012\$] *

	2012	2013	2014	2015	2016	2017
CBP Costs						
I-94 Air/Sea Systems Costs	1,321,000	92,000	92,000	92,000	92,000	92,000
I-94 Land Systems Costs .....	.....	.....	.....	.....	540,000	0
Total CBP Costs	1,321,000	92,000	92,000	92,000	632,000	92,000
Traveler Costs						
Website Access Costs—Low	0	5,061,648	9,328,146	9,788,098	10,206,792	10,767,432
Website Access Costs—Primary	0	6,123,431	11,284,913	11,841,348	12,347,872	13,026,117
Website Access Costs—High	0	7,592,473	13,992,220	14,682,147	15,310,188	16,151,148
Travel Time Costs	0	4,350,487	8,017,542	8,412,870	8,772,738	9,254,608
Mileage Costs	0	4,932,626	9,090,369	9,538,597	9,946,618	10,492,967
Printing Costs	0	520,071	958,443	1,005,702	1,048,722	1,106,326
Total Traveler Costs—Low	0	14,864,832	27,394,501	28,745,266	29,974,870	31,621,333
Total Traveler Costs—Primary	0	15,926,615	29,351,267	30,798,517	32,115,950	33,880,018
Total Traveler Costs—High	0	17,395,656	32,058,574	33,639,315	35,078,266	37,005,049
Grand Total Costs—Low	1,321,000	14,956,832	27,486,501	28,837,266	30,606,870	31,713,333
Grand Total Costs—Primary	1,321,000	16,018,615	29,443,267	30,890,517	32,747,950	33,972,018
Grand Total Costs—High	1,321,000	17,487,656	32,150,574	33,731,315	35,710,266	37,097,049

* Estimates may not total due to rounding.

4. *Benefits*

a. Benefits of Automation at Air and Sea Ports of Entry

This rule has benefits for CBP, carriers, and travelers to the United States. Prior to the implementation of the interim final rule, CBP returned the bottom portion of the Form I–94 to the traveler and retained the top portion of the form. The information on the top portion of the form was entered into CBP systems for use by CBP and other agencies. CBP also received this information electronically from

other sources. In 2012, CBP linked its data systems to create an electronic Form I-94, thus eliminating the need to continue entering the data from the paper Form I-94 for air and sea travelers into CBP systems. Prior to the implementation of the interim final rule, CBP spent approximately \$17.8 million per year on contract support for manual Form I-94 data entry. CBP still must spend approximately \$2.4 million in contract expenses to enter data from the paper Forms I-94 collected at the land border and the few that continue to be collected at airports and seaports. We therefore estimate that this rule saves CBP \$15.4 million each year in contract costs. It is possible that these savings could grow in future years if large numbers of travelers at the land border opt for the voluntary electronic option.

CBP processing has also become more efficient as a result of this rule. Prior to the implementation of the interim final rule, when the traveler gave the completed Form I-94 to the CBP officer during the inspection, the officer reviewed the form for errors and made corrections as needed. The officer then stamped the top and bottom portions of the form with the admission or parole stamp, notated the alien's classification and duration of admission or parole and stapled it to the traveler's passport. The interim final rule eliminated this process.

A study of the processing times at three major U.S. airports immediately following the implementation of the interim final rule yielded mixed results; one airport showed a decrease in processing time following the change in process, another showed an increase, and the third showed no statistically significant difference in processing times. We note that CBP has since resolved some technical issues with the user interface design of the system used by CBP officers during primary inspection that arose with the automated process. CBP has anecdotal evidence that processing times have now dropped nationwide as a result of the transition to the automated Form I-94 process.

CBP is conducting a more comprehensive time study that will examine the entire time period following the implementation of the automated process, but results of this study are not yet available. Accordingly, for the purposes of this analysis, we assume that this rule will not affect CBP processing times. To the extent that eliminating the paper Form I-94 reduced processing times, CBP was able to focus its resources on other areas, improving security and expediting the processing of passengers.

We next examine the printing savings this rule generates for CBP and carriers. Prior to the implementation of the interim final rule, both CBP and carriers printed and stored Forms I-94. CBP printed forms for use in primary and secondary passenger inspections when

the traveler did not fill out a form in advance or when the traveler made an error in filling out the form. Prior to this rule, CBP spent \$153,360 each year printing the Form I-94 for air and sea travelers. Since the interim final rule's implementation, CBP no longer needs to print the Form I-94 for most of these travelers,³⁰ which eliminates this expense.

Before the implementation of the interim final rule, carriers printed the Forms I-94 for their passengers to complete before their arrival in the United States. To estimate printing costs for carriers, CBP obtained an estimate of total Form I-94 printing and storage costs from a major airline. We increased this cost proportionally based on annual international inbound passenger volumes to estimate the entire industry's cost to print and store paper Forms I-94. Based on this methodology, CBP estimates that carriers spent \$1,344,450 annually to print and store the Form I-94. Since the interim final rule's implementation, carriers no longer need to print or store the Form I-94, which eliminates these expenses.

We next estimate the value of air and sea travelers' time savings resulting from the elimination of the paper Form I-94. Prior to the implementation of the interim final rule, travelers spent 8 minutes filling out the Form I-94 while in transit to the United States. This rule eliminates the paper Form I-94 for air and sea travelers and, with it, the 8-minute burden.³¹ We again apply the DOT range of plausible values of time for air travelers, as well as their point estimate for this value, to these aliens to determine the time savings from the Form I-94 automation. Exhibit 7 shows the 2013 to 2017 travelers' reduction in time burden resulting from no longer needing to fill out the paper Form I-94. As shown, in 2013, the value of the reduction in time burden ranged from \$54.6 million to \$81.9 million. In our primary estimate, the reduction in time burden was \$66.1 million in 2013.

Exhibit 7—Reduction in Time Burden*

	2013	2014	2015	2016	2017
Forms I-94.....	11,221,734	20,680,611	21,700,329	22,628,579	23,871,524
DOT—Low (\$).....	36.50	36.50	36.50	36.50	36.50
DOT—Primary (\$).....	44.15	44.15	44.15	44.15	44.15
DOT—High (\$).....	54.75	54.75	54.75	54.75	54.75

³⁰ CBP still prints a small number of forms for use at airports and seaports for certain aliens such as asylees, certain parolees, and those who request a paper Form I-94.

³¹ For those with a need to access their electronic Form I-94, this burden relief is partially offset by the 4 minute time burden to access the Web site. The costs for this access are discussed in the costs section above.

	2013	2014	2015	2016	2017
Benefit—Low (\$)....	54,608,355	100,638,110	105,600,365	110,117,513	116,166,058
Benefit—Primary (\$).....	66,063,556	121,748,978	127,752,166	133,216,876	140,534,225
Benefit—High (\$)...	81,912,532	150,957,166	158,400,547	165,176,269	174,249,087

* Estimates may not total due to rounding.

We next examine the savings to aliens who need a replacement Form I-94. Prior to the implementation of the interim final rule, if aliens lost the bottom portion of their Form I-94, they could file Form I-102, Application for Replacement/Initial Nonimmigrant Arrival-Departure Document, with USCIS to request a replacement. The form has a Paperwork Reduction Act burden of 25 minutes per response and a fee of \$330. As stated earlier, prior to the implementation of the interim final rule, 17,700 Forms I-102 were filed annually. In 2013, 13,715 Forms I-102 were filed and USCIS expects 6,782 to be filed each year starting in 2014, a reduction of 10,918 each year due to this rule. Now these travelers are able to access their electronic Form I-94, which saves these individuals 25 minutes and \$330.³² We calculate the value of this time savings using USCIS's hourly wage estimate for Form I-102 filers of \$30.74.³³ Exhibit 8 shows the time and fee cost savings for those who would otherwise have needed to file a Form I-102 from 2013 to 2017. As shown, in 2013 the value of this time and fee savings was \$1.4 million.

Exhibit 8—I-102 Cost Savings *

	2013	2014	2015	2016	2017
I-102 Reduction.....	3,985	10,918	10,918	10,918	10,918
Time Burden.....	25	25	25	25	25
USCIS hourly wage (\$).....	30.44	30.44	30.44	30.44	30.44
Time Savings (\$)....	51,041	139,841	139,841	139,841	139,841
Fee Savings (\$).....	1,315,050	3,602,940	3,602,940	3,602,940	3,602,940
Total Savings (\$).	1,366,091	3,742,781	3,742,781	3,742,781	3,742,781

* Estimates may not total due to rounding. Undiscounted dollars.

³² As discussed in the costs section, we estimate a 4 minute time burden for travelers who need to access their electronic Form I-94. See the cost section for a complete discussion of the costs of accessing the Web site as well as the cost to travel to a location where they can access the Web site, where necessary.

³³ USCIS estimates are based on U.S. Bureau of Labor data for occupational employment statistics. The latest supporting statement for the I-102 is available at: http://www.reginfo.gov/public/do/PRAViewDocument?ref_nbr=201206-1615-003. Accessed June 4, 2014. This supporting statement uses a wage estimate of \$30.74.

Following the enactment of the interim final rule, travelers could only access their current electronic Form I-94 until they departed the United States. In response to public comments on the interim final rule, CBP has enhanced the Web site to allow travelers to access their most recent Form I-94 for 5 years from the date of issuance. In addition, the Web site now provides foreign travelers with a 5 year record of their travel history. Doing so has reduced Freedom of Information Act requests received by CBP by approximately 2 percent.

Accessing the information via the Web site can be done within minutes rather than the months it can take to receive information from a FOIA request, which is a benefit to the traveler. In addition, this saves the CBP FOIA office time, which it can spend processing other FOIA requests. CBP is exploring whether it can expand the Web site to include travel history dating back farther than 5 years. CBP is also considering whether the Web site can be set up to include travel history for non-Form I-94 users such as U.S. citizens and legal permanent residents. CBP estimates that expanding the travel history past 5 years has reduced the number of FOIA requests received by approximately 6 percent and expanding it to include travel history for U.S. citizens and legal permanent residents will reduce FOIA requests by an additional 20 percent.

In summary, CBP, carriers, and aliens accrue benefits as a result of this rule. CBP saves on contract and printing costs as well as FOIA processing burdens. Carriers save on printing costs. All aliens save the 8 minute time burden for filling out the paper Form I-94 and certain aliens who lose their Form I-94 save the \$330 fee and 25 minute time burden for filling out the Form I-102; and, certain aliens save processing time from the elimination of the FOIA process. Because we only expect one percent of B-1/B-2 travelers to use the Web site to access their electronic Form I-94, the benefits associated with the Form I-102 accrue primarily to non-B-1/B-2 travelers. Using the primary estimate for a traveler's value of time, the time burden savings for all travelers is \$5.89 per traveler. In addition, those non-B-1/B-2 travelers who no longer need to use a Form I-102 would achieve an additional time and fee savings of \$343.81 per traveler. Exhibit 9 summarizes the benefits of air and sea automation to each party. As shown, total benefits for this rule ranged from \$72.9 million to \$100.2 million in 2013. In our primary estimate, the benefits of this rule were \$84.3 million in 2013.

Exhibit 9—Benefit Summary
[Undiscounted 2012\$] *

	2013	2014	2015	2016	2017
CBP Benefits:					
CBP Contract Savings	15,400,000	15,400,000	15,400,000	15,400,000	15,400,000
CBP Printing Savings	153,360	153,360	153,360	153,360	153,360
Total CBP Benefits	15,553,360	15,553,360	15,553,360	15,553,360	15,553,360
Carrier Printing Savings	1,344,450	1,344,450	1,344,450	1,344,450	1,344,450
Traveler Benefits: ..					
Form I-94 Time Savings—Low	54,608,355	100,638,110	105,600,365	110,117,513	116,166,058
Form I-94 Time Savings—Primary	66,063,556	121,748,978	127,752,166	133,216,876	140,534,225
I-94 Time Savings—High	81,912,532	150,957,166	158,400,547	165,176,269	174,249,087
Form I-102 Time Savings	51,041	139,841	139,841	139,841	139,841
Form I-102 Fee Savings	1,315,050	3,602,940	3,602,940	3,602,940	3,602,940
Total Traveler Benefits—Low	55,974,446	104,380,892	109,343,146	113,860,294	119,908,839
Total Traveler Benefits—Primary	67,429,647	125,491,760	131,494,947	136,959,658	144,277,007
Total Traveler Benefits—High	83,278,624	154,699,947	162,143,329	168,919,051	177,991,868
Grand Total Benefits—Low	72,872,256	121,278,702	126,240,956	130,758,104	136,806,649
Grand Total Benefits—Primary	84,327,457	142,389,570	148,392,757	153,857,468	161,174,817
Grand Total Benefits—High	100,176,434	171,597,757	179,041,139	185,816,861	194,889,678

* Estimates may not total due to rounding.

b. Benefits From Electronic Implementation at the Land Border

Under the new voluntary electronic I-94 submission process at the land border, once the traveler arrives at the port, he/she will go through secondary inspection, as they do under the paper process, where the CBP officer will locate the traveler's information through a document swipe in CBP's database. This will indicate that the fee was paid and pre-populate the data fields from the document swipe and the information provided by the traveler in the Web site. Once the CBP officer has determined the traveler's admissibility, the CBP officer will print out a paper I-94 to give to the traveler. The traveler will already have paid the fee, so once he/she has cleared the secondary inspection he/she will be able to enter the United States.

This voluntary process is purely beneficial to any traveler who opts into it. By paying the fee online, the traveler avoids an average 20 minute wait to do so at the port of entry. Using our primary estimate for the value of travel time of \$44.15, the value of this time savings is \$14.72 per traveler. As this process is just a few months old, CBP does not have data on how many travelers will opt to answer the Form I-94 questions and pay the fee online. CBP is engaging in public outreach to notify the public of the option, but only travelers who have access to a computer or other device with internet connectivity will be able to participate. In 2015, nearly 7 million travelers arrived in the United States at the land border using a Form I-94. CBP does not yet have sufficient data on how many travelers will opt for the online fee payment option. For the purposes of this analysis, CBP estimates that 5 percent of these travelers, or approximately 350,000, will opt for the advance I-94 information submission and payment process, for a total savings to travelers of \$5,152,000. To the extent that the reduction in CBP officer time inputting data and processing fees results in shorter wait times, travelers would have additional time savings benefits.

This process would save CBP 8 minutes of data input time and 2 minutes of fee processing time, a total of 10 minutes of CBP officer time per traveler. Based on the estimate that 350,000 travelers will opt for the advance I-94 information submission and payment, and using the fully loaded wage rate of a CBP Officer of \$85.47 per hour,³⁴ we estimate that this process would save CBP officers 58,333 hours and \$4,985,750. We note that this is a time savings that is monetized for analytical purposes and not a budgetary savings. This time savings could be spent on other priorities including reducing wait times. In addition, this rule would reduce the amount of cash being handled at ports of entry, which would simplify port of entry oversight and auditing.

c. Aggregate Benefits

Exhibit 10 shows the total benefits of the rule—both the benefits of air and sea automation and the land border implementation.

³⁴ Source: CBP Position Model.

Exhibit 10—Benefit Summary
[Undiscounted 2012\$] *

	2013	2014	2015	2016	2017
CBP Benefits:					
CBP Contract Savings	15,400,000	15,400,000	15,400,000	15,400,000	15,400,000
CBP Printing Savings	153,360	153,360	153,360	153,360	153,360
CBP Time Savings	0	0	0	1,246,438	4,985,750
Total CBP Benefits.	15,553,360	15,553,360	15,553,360	16,799,798	20,539,110
Carrier Printing Savings	1,344,450	1,344,450	1,344,450	1,344,450	1,344,450
Traveler Benefits:					
Form I-94 Time Savings—Low	54,608,355	100,638,110	105,600,365	110,117,513	116,166,058
Form I-94 Time Savings—Primary	66,063,556	121,748,978	127,752,166	133,216,876	140,534,225
I-94 Time Savings—High	81,912,532	150,957,166	158,400,547	165,176,269	174,249,087
Form I-102 Time Savings	51,041	139,841	139,841	139,841	139,841
Form I-102 Fee Savings	1,315,050	3,602,940	3,602,940	3,602,940	3,602,940
Land Process Time Savings	0	0	0	1,288,000	5,152,000
Total Traveler Benefits—Low	55,974,446	104,380,892	109,343,146	115,148,294	125,060,839
Total Traveler Benefits—Primary.	67,429,647	125,491,760	131,494,947	138,247,658	149,429,007
Total Traveler Benefits—High	83,278,624	154,699,947	162,143,329	170,207,051	183,143,868
Grand Total Benefits—Low	72,872,256	121,278,702	126,240,956	133,292,542	146,944,399
Grand Total Benefits—Primary.	84,327,457	142,389,570	148,392,757	156,391,905	171,312,567
Grand Total Benefits—High	100,176,434	171,597,757	179,041,139	188,351,298	205,027,428

* Estimates may not total due to rounding.

5. Net Benefits

Exhibit 11 compares the costs of this rule to the benefits, both in total and for each party affected. As shown, in 2013, CBP had a net benefit of \$15.5 million, carriers had a net benefit of \$1.3 million, and travelers had a net benefit of between \$41.1 and \$65.9 million. In our primary analysis, the net benefit to travelers was \$51.3 million in 2013. Total 2013 net benefits ranged from \$57.9 million to \$82.7 million. In our primary analysis, the total net benefits were \$68.3 million in 2013.

Exhibit 11—Net Benefits
[Undiscounted 2012\$] *

	2012	2013	2014	2015	2016	2017
CBP	-1,321,000	15,461,360	15,461,360	15,461,360	16,167,798	20,447,110
Carriers.....	0	1,344,450	1,344,450	1,344,450	1,344,450	1,344,450
Travelers—Low	0	41,109,614	76,986,391	80,597,880	85,173,424	93,439,507
Travelers— Primary	0	51,503,032	96,140,493	100,696,430	106,131,707	115,548,989
Travelers—High	0	65,882,967	122,641,373	128,504,014	135,128,784	146,138,820
Grand Total—Low	-1,321,000	57,915,424	93,792,201	97,403,690	102,685,671	115,231,067
Grand Total— Primary	-1,321,000	68,308,842	112,946,303	117,502,240	123,643,955	137,340,549
Grand Total— High	-1,321,000	82,688,777	139,447,183	145,309,824	152,641,032	167,930,380

* Estimates may not total due to rounding.

Exhibits 12 and 13 present the present value net benefits of this rule, discounted at the 3 and 7 percent discount rates. Exhibit 14 presents annualized net benefits at the 3 and 7 percent discount rates. Total annualized net benefits range from \$73.4 million to \$111.8 million. In the primary analysis, annualized net benefits range from \$88.1 million to \$90.9 million, depending on the discount rate used.

Exhibit 12—Net Benefits Discounted at a 3 Percent Rate
[2012 \$] *

	2012	2013	2014	2015	2016	2017
CBP	-1,321,000	15,011,029	14,573,815	14,149,335	14,364,879	17,637,857
Carriers.....	0	1,305,291	1,267,273	1,230,362	1,194,526	1,159,734
Travelers—Low	0	39,912,246	72,567,057	73,758,478	75,675,484	80,601,739
Travelers— Primary	0	50,002,944	90,621,635	92,151,498	94,296,647	99,673,573
Travelers—High	0	63,964,046	115,601,256	117,599,376	120,060,175	126,060,630
Grand Total—Low	-1,321,000	56,228,567	88,408,145	89,138,174	91,234,889	99,399,330
Grand Total— Primary	-1,321,000	66,319,264	106,462,723	107,531,195	109,856,052	118,471,164
Grand Total— High	-1,321,000	80,280,366	131,442,344	132,979,073	135,619,580	144,858,221

* Estimates may not total due to rounding.

Exhibit 13—Net Benefits Discounted at a 7 Percent Rate
[2012 \$] *

	2012	2013	2014	2015	2016	2017
CBP.....	-1,321,000	14,449,869	13,504,551	12,621,075	12,334,335	14,578,507
Carriers.....	0	1,256,495	1,174,295	1,097,472	1,025,674	958,574
Travelers—Low	0	38,420,200	67,242,895	65,791,878	64,978,397	66,621,077
Travelers— Primary.....	0	48,133,675	83,972,830	82,198,282	80,967,371	82,384,832
Travelers—High....	0	61,572,866	107,119,725	104,897,553	103,089,103	104,194,959
Grand Total—Low..	-1,321,000	54,126,564	81,921,741	79,510,425	78,338,407	82,158,158
Grand Total— Primary.....	-1,321,000	63,840,039	98,651,675	95,916,829	94,327,381	97,921,913
Grand Total— High.....	-1,321,000	77,279,231	121,798,570	118,616,100	116,449,112	119,732,040

* Estimates may not total due to rounding.

**Exhibit 14—Annualized Net Benefits Discounted at
3 Percent and 7 Percent**
[2012 \$] *

	3 Percent	7 Percent
CBP.....	13,336,885	12,973,485
Carriers.....	1,103,496	1,080,843
Travelers—Low	61,385,839	59,420,140
Travelers—Primary	76,481,844	74,047,524
Travelers—High.....	97,368,099	94,285,410
Grand Total—Low	75,826,220	73,474,468
Grand Total—Primary	90,922,226	88,101,852
Grand Total—High.....	111,808,481	108,339,738

* Estimates may not total due to rounding.

While this rule has a large net benefit to travelers as a whole, it is important to note that the net benefits do not accrue uniformly across all travelers. We next examine the effect of this rule on each type of traveler. Exhibit 14 summarizes the costs and benefits per traveler for each class of alien discussed in this analysis. With this rule, no traveler needs to fill out the paper Form I-94 while en route to the United States, saving all travelers 8 minutes, an estimated \$5.89 per traveler. The 1 percent of B-1/B-2 travelers and 75 percent of other foreign travelers who need to access the Web site experience a cost of \$2.95 per person because of the 4 minute time burden to access the Web site. In addition, those who need to print their Form I-94 incur a \$0.25 printing cost. Those temporary workers and aliens in the “Other/Unknown” category who need to travel to access the Web site and print their Form I-94 have an additional travel cost. They need to travel an estimated 20 miles and 60 minutes round-trip to reach a

location with internet access, at a cost of \$20.89 per traveler. We reiterate that those with obstacles to accessing their electronic Forms I-94 may request a paper Form I-94 at secondary inspection stations at ports of entry or at CBP DIS. In addition, any travelers who would otherwise need to file a Form I-102 and pay the \$330 fee to obtain a replacement Form I-94 receive an additional benefit of \$342.81 as a result of this rule. Travelers who opt for the electronic filing option receive an additional benefit of \$14.72.

**Exhibit 15—Annual Effect of Rule by Class of Alien
[Undiscounted 2012\$] ***

	8 minute time cost savings	Cost of time to access & cost to print electronic Form I-94	Travel costs	Net impact **
Travelers who do not Access Website.....	5.89	0	0	5.89
1 percent of Tourists and Business Travelers (B-1/B-2)	5.89	-3.19	0	2.70
75 percent of Students	5.89	-3.19	0	2.70
75 percent of Temporary workers	5.89	-3.19	-20.89	-18.21
75 percent of Other/Unknown.....	5.89	-3.19	-20.89	-18.21
75 percent of Diplomats.....	5.89	-3.19	0	2.70

* Estimates may not total due to rounding.

** In addition to this net impact, a small number of travelers experience savings resulting from no longer needing to file a Form I-102. The primary estimate of Form I-102 cost savings to travelers is \$342.81 per traveler. We do not include the Form I-102 cost savings in the net impact column of Exhibit 14 because few travelers benefit from this compared to the overall population of travelers impacted by the rule. Based on data from USCIS, we estimate that 10,918 Form I-102s per year are no longer need to be filed as a result of this rule. This is far less than one percent of the annual population of travelers affected by the rule (10,918 Form I-102s ÷ 20,815,527 travelers in 2014 <1%).

Annualized costs and benefits to all entities affected by the rule, whether domestic or foreign, are presented in the following accounting statement.

**Accounting Statement: Classification of Expenditures
for U.S. Entities, 2012-2017
[2012 \$]**

	3% Discount rate	7% Discount rate
U.S. Costs:.....		
Annualized monetized costs.....	\$23.5 million	\$21.0 million.

	3% Discount rate	7% Discount rate
Annualized quantified, but non-monetized costs.	None	None.
Qualitative (non-quantified) costs	None	None.
U.S. Benefits:		
Annualized monetized benefits.....	\$104.1 million	\$101.1 million.
Annualized quantified, but non-monetized benefits.	None	None.
Qualitative (non-quantified) benefits	Reduced primary inspection processing times	Reduced primary inspection processing times.

We estimate annualized costs to all entities affected by this rule to range from \$21.0 million to \$23.5 million. Monetized benefits of this rule range from \$101.9 million to \$104.1 million to all entities. Non-quantified benefits of this rule include the reduced processing time that could result because of the automation of the Form I-94.

Annualized costs and benefits to U.S. entities are presented in the following accounting statement, as required by OMB Circular A-4.

**Accounting Statement: Classification of Expenditures
for U.S. Entities, 2012-2017
[2012 \$]**

	3% Discount rate	7% Discount rate
U.S. Costs:.....		
Annualized monetized costs.....	\$0.454 million	\$0.466 million.
Annualized quantified, but non-monetized costs.	None	None.
Qualitative (non-quantified) costs	None	None.
U.S. Benefits:		
Annualized monetized benefits.....	\$13.5 million	\$13.3 million.
Annualized quantified, but non-monetized benefits.	None	None.
Qualitative (non-quantified) benefits	Reduced primary inspection processing times	Reduced primary inspection processing times.

We estimate annualized costs to U.S. entities as a result of this rule to range from \$0.454 million to \$0.466 million. These are CBP's costs for automating the electronic Form I-94 and developing the Web site travelers use to access their electronic Form I-94. Monetized benefits of this rule of \$13.3 million to \$13.5 million to U.S. entities (CBP and carriers) represent reduced Form I-94 printing and storage costs, reduced data entry contract costs, and reduced time costs for CBP officers. Non-quantified benefits of this rule include the reduced processing time that could result because of the automation of the Form I-94.

6. Regulatory Alternatives

In the analysis for the interim final rule, we considered two alternatives to the rule: (1) Eliminating the paper Form I-94 in the air and sea environments entirely and (2) providing the paper Form I-94 to all travelers who are not B-1/B-2 travelers. As a result of public comments on the interim final rule, we add a third alternative to our analysis: (3) Providing kiosks at major ports of entry where travelers have the option to print their electronic Form I-94 prior to leaving the airport.

Under alternative one, if CBP were to eliminate the paper Form I-94 entirely in the air and sea environments, there are certain classes of vulnerable aliens who would be harmed. Under the rule, asylees and certain parolees are provided a paper Form I-94. These aliens have an immediate need for the Form I-94 and cannot wait to access their electronic Form I-94 from the Web site. These aliens represent a very small portion of overall international travel and providing them with a paper Form I-94 and entering the information into CBP data systems is not a significant cost to CBP. In addition, under this rule, CBP has continued to make the paper Form I-94 available to those travelers who request it at secondary inspection stations and at DIS. CBP provides this flexibility as a way to minimize the effect on those who face obstacles to accessing their electronic Form I-94.

CBP does not have statistics on the number of travelers who request a paper Form I-94. Anecdotal evidence suggests that few, if any, travelers go to a secondary inspection station or a DIS for the purpose of obtaining a paper Form I-94. This may be because the travelers who need a paper Form I-94 do not know they need it when at the airport or because they find it more efficient to access the I-94 Web site and print the form than to go to secondary inspection or a DIS. Requesting a paper Form I-94 at one of these locations can take longer than the 4 minutes we estimate it takes to access the I-94 Web

site and the 60 minutes in travel time we estimate that those with obstacles to internet access spend to obtain their Form I-94. As few aliens request a paper Form I-94 at secondary inspection stations or DIS, the cost to CBP for printing and data entry for these forms is minimal. Eliminating the paper Form I-94 option for asylees, certain parolees, and those travelers who request one would not result in a significant cost savings to CBP and would burden travelers who have an immediate need for an electronic Form I-94 or who face obstacles to accessing their electronic Form I-94.

Under alternative two, all non-B-1/B-2 travelers required to complete a Form I-94 would receive and complete the paper Form I-94 during their inspection when they arrive in the United States. The electronic Form I-94 would still be automatically created during inspection, but the CBP officer would need to verify that the information appearing on the form matches the information in CBP's data systems. In addition, CBP would need to write the Form I-94 number on each paper Form I-94 so that their paper form matches the electronic record. As noted earlier, over four million, or 23.7 percent, aliens were non-B-1/B-2 travelers in 2012. Filling out and processing this many paper Forms I-94 at airports and seaports would increase processing times considerably and it would only provide at best small savings to the individual traveler. As noted in the "Net Benefits" section, the net cost of this rule to the 75 percent of temporary workers and those in the "Other/Unknown" category of aliens who need a printed Form I-94 is only \$18.20 per traveler. Conversely, this rule provides net benefits to travelers who do not need a printed Form I-94 and those arriving as students or diplomats.

CBP received several public comments related to the obstacles travelers face in accessing a computer to print their electronic Form I-94. Commenters said that many travelers need their Form I-94 very soon after arrival, sometimes within hours of arrival, and they may have difficulty learning that public libraries offer internet access, where public libraries are, and how to travel to a public library. An employer submitted a comment stating that company privacy standards prevent it from allowing new hires to access the internet in order to access the I-94 Web site. Separately, commenters pointed out problems with the accuracy of the Form I-94 information that prevent them from logging into the Web site. Others noted that there is no way to check their Form I-94 for accuracy at time of entry into the United States. One commenter suggested a solution to these problems: That CBP provide kiosks at the airports where foreign nationals can inspect and print their electronic Form I-94. CBP considered this suggestion and made it an additional alternative to the rule.

Under alternative three, we consider the costs and benefits of placing kiosks at the busiest U.S. airports and seaports to allow travelers to inspect and print their electronic Form I-94 before leaving the port of entry. For the purposes of this alternative analysis, we examine the impact of placing dedicated kiosks at the busiest 20 airports and the busiest 20 seaports. These locations account for 92 percent of international air travelers and 95 percent of international sea travelers.³⁵

CBP uses kiosks at many major airports for the Global Entry program. These kiosks are dedicated for use by members of that program, but similar kiosks could be purchased to allow travelers to access the I-94 Web site and print their Form I-94. According to CBP's Office of Field Operations, kiosks would cost \$20,000 each and have an annual operations and maintenance cost of \$8,732. Placing a kiosk at each of the busiest 20 airports and the busiest 20 seaports would cost \$800,000 the first year and \$349,280 in each subsequent years.

The benefit of placing kiosks at the busiest airports and seaports depends on the number of people who would use the kiosks if they were available. CBP has no data on the extent to which travelers would choose to use the kiosks if they were available to them. As stated previously, few travelers request paper Forms I-94 upon their arrival in the United States, but that might be because doing so means going to the secondary inspection station, which can take a considerable amount of time. We also do not know how many people find errors on their electronic Forms I-94 that they could correct immediately if they were already at an airport or seaport rather than visiting a Deferred Inspection Site at a later time, though data suggests this could be a large number. In 2013, according to an analysis of data provided by CBP's Office of Field Operations, about 14 percent of unique visitors to the I-94 Web site were not able to locate their electronic Form I-94. This may have been because of erroneous data on their Form I-94, but it could also be because they did not actually have an Form I-94 on the Web site (for example, if they are a U.S. citizen or if they already departed the country prior to accessing the Web site).

Accessing the Web site via a kiosk would take 4 minutes of a traveler's time, the same amount of time as via a personal computer. Therefore, we do not believe that those who do not currently access their electronic Forms I-94 (as stated earlier, this includes the 99 percent of B-1/B-2 travelers and 25 percent of non-B-1/B-2 travelers) would now access them via the kiosks. Similarly, those with easy computer access would experience no time savings by accessing their

³⁵ CBP's Operations Management Reporting database. Accessed June 30, 2014.

Form I-94 via the kiosk instead of via the Web site, so we do not include their benefits in the analysis. The travelers who would benefit from the availability of kiosks to access their electronic Form I-94 are those who would otherwise need to travel to access the internet. These travelers would no longer incur the opportunity cost of traveling 60 minutes or the mileage cost of driving 20 miles roundtrip. In our analysis above, we have estimated that 33 percent of travelers in the “Temporary Workers” and “Other/Unknown” categories of travelers would need to travel to access the internet. In 2014 (the first full year the interim final rule is in effect) this represents approximately 819,000 travelers. Since we do not know how many of these travelers would choose to use the kiosks, we present the costs and benefits (using the primary estimates for travel and mileage costs) that would accrue to these travelers under a wide range of assumptions of their kiosk use. The benefits reflect the total travel costs, including travel time and mileage, derived earlier in the analysis (See Exhibit 5). We present the reduction in travel costs (which is a benefit) that would result if different percentages of travelers use a kiosk rather than travel to a location where they can access the internet. The results of our analysis are presented in Exhibit 16.

Exhibit 16—Comparison of Kiosk Costs and Potential Benefits
[Undiscounted 2012\$] *

	Kiosk use rate * (%)	2013	2014	2015	2016	2017
Benefits	100	9,283,113	17,107,912	17,951,467	18,719,357	19,747,575
	75	6,962,334	12,830,934	13,463,600	14,039,517	14,810,681
	50	4,641,556	8,553,956	8,975,733	9,359,678	9,873,788
	25	2,320,778	4,276,978	4,487,867	4,679,839	4,936,894
	10	928,311	1,710,791	1,795,147	1,871,936	1,974,758
	5	464,156	855,396	897,573	935,968	987,379
	1	92,831	171,079	179,515	187,194	197,476
CBP Costs .....	.....	.....	800,000	329,280	329,280	329,280

* Note that Kiosk Use Rate represents the percentage of those who would otherwise need to travel to access a computer, not total Form I-94 travelers. Only approximately 4 percent of total Form I-94 travelers need to travel to access the Web site (12 percent of travelers in the “Temporary Worker” or “Other/Unknown” categories times 33 percent of those categories who would need to travel to access the internet = 4 percent).

As shown in Exhibit 15, kiosks have a large potential for benefits if they are used by a substantial number of travelers. If 100 percent of travelers who would otherwise need to travel to access a computer used the kiosks instead, benefits would outpace the costs of the kiosks by a margin of \$17.2 million to \$0.8 million in 2014 and by more in later years. Even if only 5 percent of travelers who would otherwise need to travel to access a computer use the kiosks, benefits would exceed costs. However, based on CBP’s experience with travelers

requesting paper Forms I-94 at the ports of entry, CBP does not believe enough travelers would use the kiosks to merit the expense. Further, due to budget constraints, CBP does not have funds to acquire these kiosks at this time.

The Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), as amended by the Small Business Regulatory Enforcement and Fairness Act of 1996, requires an agency to prepare a regulatory flexibility analysis that describes the effect of a proposed rule on small entities when the agency is required to publish a general notice of proposed rulemaking. A small entity may be a small business (defined as any independently owned and operated business not dominant in its field that qualifies as a small business per the Small Business Act); a small not-for-profit organization; or a small governmental jurisdiction (locality with fewer than 50,000 people). Since a notice of proposed rulemaking was not necessary, a regulatory flexibility analysis was not required. Nonetheless, DHS has considered the impact of this rule on small entities.

This rule primarily regulates individuals and individuals are not considered small entities. In addition, the individual travelers may obtain a paper Form I-94 upon request, which would eliminate the impacts of this rule for those travelers. Employers who have internet access may choose to allow their employees to use their internet connection to access the employee's electronic Form I-94, but they are not required to do so and are therefore not directly regulated by this rule. To the extent an employer chooses to assist an employee with accessing the internet and printing a Form I-94, this impact would not rise to being an economically significant impact under the Regulatory Flexibility Act.

This rule also regulates air and sea carriers by eliminating the need for them to provide the paper Form I-94 to their passengers. This rule would impact all small carriers that transport passengers to the United States. We therefore conclude that this rule has an impact on a substantial number of small entities.

As stated in the economic impact analysis above, we estimate that carriers spend \$1.3 million a year printing and storing forms for their passengers, based on 2011 passenger volumes. In 2011, 16,586,753 Forms I-94 provided by carriers were filed at airports and seaports. Dividing these figures, we estimate that carriers spent 8 cents per form on printing and storage costs.

Under this rule, carriers would no longer need to print and store the Forms I-94, thus eliminating these costs. According to a 2013 study

by the Department of Commerce's Office of Travel and Tourism Industries,³⁶ the average airline ticket price for an international traveler traveling to the United States is \$1,588. The cost to the carrier of printing a Form I-94 is less than one hundredth of one percent of the revenue a carrier receives from the average passenger. We therefore do not believe that this rule has a significant economic impact on small entities. We also note that any impact to small carriers would be purely beneficial.

Privacy

CBP will ensure that all Privacy Act requirements and policies are adhered to in the implementation of this rule, and will be updating the Privacy Impact Assessment (PIA) for the I-94 Web site. CBP will outline in the updated PIA how CBP will ensure compliance with Privacy Act protections. In the updated PIA, CBP will explain the privacy risks and mitigations CBP has implemented during this phase of the Form I-94 automation process. DHS/CBP will post the updated PIA online at: <http://www.dhs.gov/privacy-documents-us-customs-and-border-protection>. The PIA that covers the earlier phase of Form I-94 automation, and describes how CBP complies with the Privacy Act, is available at: <https://www.dhs.gov/sites/default/files/publications/privacy/PIAs/pia-cbp-16-I-94-automation-20130227.pdf>.

Paperwork Reduction Act

The collection of information regarding the CBP Form I-94 (Arrival/Departure Record) was previously reviewed and approved by OMB in accordance with the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) under OMB Control Number 1651-0111. This OMB Control Number also includes the Electronic System for Travel Authorization (ESTA), ESTA fee, and Form I-94W, all of which are unaffected by this rule. In addition, information for the electronic Form I-94 is comprised of information already collected for APIS under approval 1651-0088. An agency may not conduct, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number assigned by OMB.

The burden hours associated with the collections of information contained in this Final Rule were previously reviewed and approved by OMB. The automation of the paper Form I-94 for commercial

³⁶ Department of Commerce, National Travel and Tourism Office. "Profile of Overseas Travelers to the United States: 2013 Inbound." Available at http://travel.trade.gov/outreachpages/download_data_table/2013_Overseas_Visitor_Profile.pdf. Accessed July 10, 2014.

aircraft and vessel passengers in accordance with this Final Rule results in a reduction of 1,278,456 annual burden hours under OMB control number 1651-0111.

Also in accordance with this Final Rule, the electronic Form I-94 is available to aliens on a secure Web site. Passengers may log into the Web site using 7 pieces of basic identifying information that is either known to the traveler (their first name, last name and date of birth) or readily available on their passport (passport number, country of issuance, date of entry, and class of admission). The estimated annual burden associated with this Web site, is 254,680 hours under OMB control number 1651-0111.

The automation of the paper Form I-94 for commercial aircraft and vessel passengers in accordance with this Final Rule results in an estimated reduction of 10,918 Forms I-102, Application for Replacement/Initial Nonimmigrant Arrival-Departure Document, filed, and an estimated reduction of 4,541.89 burden hours under OMB control number 1615-0079.

Exhibit 16 summarizes the difference in the burden for the previous process and the process under this rule. As OMB Control Number 1651-0111 includes ESTA and Form I-94W, we include those burden hours for informational purposes. We note that these burden hours are unaffected by this rule.

Exhibit 16—PRA Burden Effects of the Rule

	Collection	Respondents	Burden Hours
Pre-IFR.....	I-94.....	14,000,000	1,862,000
	Website.....	0	0
	I-102.....	17,700	7,363
	ESTA.....	19,140,000	4,785,000
	I-94W.....	100,000	333,147
Final Rule.....	I-94.....	4,387,550	583,544
	Website.....	3,858,782	254,680
	I-102.....	6,782	2,821
	ESTA.....	19,140,000	4,785,000
	I-94W.....	100,000	13,333
Difference.....	I-94.....	-9,612,450	-1,278,456
	Website.....	3,858,782	254,680
	I-102.....	-10,918	-4,542
	ESTA.....	0	0
	I-94W.....	0	0

Amendments to the Regulations

For the reasons set forth above, the interim final rule amending 8 CFR parts 1, 210, 212, 214, 215, 231, 235, 245, 245a, 247, 253, 264, 274a, and 286, published at 78 FR 18457 on March 27, 2013, is adopted as a final rule without change.

JEH CHARLES JOHNSON,
Secretary.

[Published in the Federal Register, December 19, 2016 (81 FR 91646)]



ACCREDITATION AND APPROVAL OF INTERTEK USA, INC. AS A COMMERCIAL GAUGER AND LABORATORY

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of accreditation and approval of Intertek USA, Inc., as a commercial gauger and laboratory.

SUMMARY: Notice is hereby given, pursuant to CBP regulations, that Intertek USA, Inc., has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes for the next three years as of March 15, 2016.

DATES: The accreditation and approval of Intertek USA, Inc., as commercial gauger and laboratory became effective on March 15, 2016. The next triennial inspection date will be scheduled for March 2019.

FOR FURTHER INFORMATION CONTACT: Approved Gauger and Accredited Laboratories Manager, Laboratories and Scientific Services Directorate, U.S. Customs and Border Protection, 1300 Pennsylvania Avenue NW., Suite 1500N, Washington, DC 20229, tel. 202-344-1060.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to 19 CFR 151.12 and 19 CFR 151.13, that Intertek USA, Inc., 109 Sutherland Dr., Chickasaw, AL 36611, has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes, in accordance with the provisions of 19 CFR 151.12 and 19 CFR 151.13. Intertek USA, Inc., is approved for the following gauging procedures for petroleum and certain petroleum products from the American Petroleum Institute (API):

API Chapters	Title
3	Tank Gauging.
5	Metering.
7	Temperature Determination.
8	Sampling.
12	Calculations.
14	Natural Gas Fluids Measurements.
17	Maritime Measurement.

Intertek USA, Inc., is accredited for the following laboratory analysis procedures and methods for petroleum and certain petroleum products set forth by the U.S. Customs and Border Protection Laboratory Methods (CBPL) and American Society for Testing and Materials (ASTM):

CBPL No.	ASTM	Title
27-01.....	D287	Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method).
27-02.....	D1298	Standard Test Method for Density, Relative Density (Specific Gravity), or API Gravity of Crude Petroleum and Liquid Petroleum Products by Hydrometer Method.
27-03.....	D4006	Standard Test Method for Water in Crude Oil by Distillation.
27-04.....	D95	Standard Test Method for Water in Petroleum Products and Bituminous Materials by Distillation.
27-06.....	D473	Standard Test Method for Sediment in Crude Oils and Fuel Oils by the Extraction Method.
27-07.....	D4807	Standard Test Method for Sediment in Crude Oil by Membrane Filtration.
27-08.....	D86	Standard Test Method for Distillation of Petroleum Products.
27-11.....	D445	Standard Test Method for Kinematic Viscosity of Transparent and Opaque Liquids.
27-13.....	D4294	Standard Test Method for Sulfur in Petroleum and Petroleum Products by Energy-Dispersive X-ray Fluorescence Spectrometry.
27-14.....	D2622	Standard Test Method for Sulfur in Petroleum Products.
27-46.....	D5002	Standard Test Method for Density and Relative Density of Crude Oils by Digital Density Analyzer.
27-48.....	D4052	Standard Test Method for Density and Relative Density of Liquids by Digital Density Meter.

CBPL No.	ASTM	Title
27-50.....	D93	Standard Test Methods for Flash-Point by Pensky-Martens Closed Cup Tester.
27-53.....	D2709	Standard Test Method for Water and Sediment in Middle Distillate Fuels by Centrifuge.
27-54.....	D1796	Standard Test Method for Water and Sediment in Fuel Oils by the Centrifuge Method.

Anyone wishing to employ this entity to conduct laboratory analyses and gauger services should request and receive written assurances from the entity that it is accredited or approved by the U.S. Customs and Border Protection to conduct the specific test or gauger service requested. Alternatively, inquiries regarding the specific test or gauger service this entity is accredited or approved to perform may be directed to the U.S. Customs and Border Protection by calling (202) 344-1060. The inquiry may also be sent to *CBPGaugersLabs@cbp.dhs.gov*. Please reference the Web site listed below for a complete listing of CBP approved gaugers and accredited laboratories. <http://www.cbp.gov/about/labs-scientific/commercial-gaugers-and-laboratories>.

Dated: December 9, 2016.

IRA S. REESE,
Executive Director,
Laboratories and Scientific Services
Directorate.

[Published in the Federal Register, December 21, 2106 (81 FR 93692)]

ACCREDITATION AND APPROVAL OF INTERTEK USA, INC., AS A COMMERCIAL GAUGER AND LABORATORY

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of accreditation and approval of Intertek USA, Inc. as a commercial gauger and laboratory.

SUMMARY: Notice is hereby given, pursuant to CBP regulations, that Intertek USA, Inc. has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes for the next three years as of May 25, 2016.

EFFECTIVE DATE: The accreditation and approval of Intertek USA, Inc. as commercial gauger and laboratory became effective on May 25, 2016. The next triennial inspection date will be scheduled for May 2019.

FOR FURTHER INFORMATION CONTACT: Approved Gauger and Accredited Laboratories Manager, Laboratories and Scientific Services Directorate, U.S. Customs and Border Protection, 1300 Pennsylvania Avenue NW, Suite 1500N, Washington, DC 20229, tel. 202-344-1060.

SUPPLEMENTARY INFORMATION: Notice is hereby given pursuant to 19 CFR 151.12 and 19 CFR 151.13, that Intertek USA, Inc., 1211 Belgrove Drive, St. Louis, MO 63137 has been approved to gauge petroleum and certain petroleum products and accredited to test petroleum and certain petroleum products for customs purposes, in accordance with the provisions of 19 CFR 151.12 and 19 CFR 151.13. Intertek USA, Inc. is approved for the following gauging procedures for petroleum and certain petroleum products from the American Petroleum Institute (API):

API Chapters	Title
3	Tank Gauging.
7	Temperature Determination.
8	Sampling.
12	Calculations.
17	Marine Measurement.

Intertek USA, Inc. is accredited for the following laboratory analysis procedures and methods for petroleum and certain petroleum products set forth by the U.S. Customs and Border Protection Laboratory Methods (CBPL) and American Society for Testing and Materials (ASTM):

CBPL No.	ASTM	Title
27-03.....	D 4006	Standard Test Method for Water in Crude Oil by Distillation.
27-04.....	D 95	Standard Test Method for Water in Petroleum Products and Bituminous Materials by Distillation.
27-05.....	D 4928	Standard Test Method for Water in Crude Oils by Coulometric Karl Fischer Titration.
27-06.....	D 473	Standard Test Method for Sediment in Crude Oils and Fuel Oils by the Extraction Method.

CBPL No.	ASTM	Title
27-08.....	D 86	Standard Test Method for Distillation of Petroleum Products at Atmospheric Pressure.
27-11.....	D 445	Standard Test Method for Kinematic Viscosity of Transparent and Opaque Liquids (and Calculation of Dynamic Viscosity).
27-13.....	D 4294	Standard Test Method for Sulfur in Petroleum and Petroleum Products by Energy Dispersive X-ray Fluorescence Spectrometry.
27-46.....	D 5002	Standard Test Method for Density and Relative Density of Crude Oils by Digital Density Analyzer.
27-48.....	D 4052	Standard Test Method for Density and Relative Density of Liquids by Digital Density Meter.
27-50.....	D 93	Standard Test Methods for Flash Point by Pensky-Martens Closed Cup Tester.
27-53.....	D 2709	Standard Test Method for Water and Sediment in Middle Distillate Fuels by Centrifuge.
27-54.....	D 1796	Standard Test Method for Water and Sediment in Fuel Oils by the Centrifuge Method (Laboratory Procedure).
27-58.....	D 5191	Standard Test Method For Vapor Pressure of Petroleum Products (Mini Method).

Anyone wishing to employ this entity to conduct laboratory analyses and gauger services should request and receive written assurances from the entity that it is accredited or approved by the U.S. Customs and Border Protection to conduct the specific test or gauger service requested. Alternatively, inquiries regarding the specific test or gauger service this entity is accredited or approved to perform may be directed to the U.S. Customs and Border Protection by calling (202) 344-1060. The inquiry may also be sent to *CBPGaugersLabs@cbp.dhs.gov*. Please reference the Web site listed below for a complete listing of CBP approved gaugers and accredited laboratories. <http://www.cbp.gov/about/labs-scientific/commercial-gaugers-and-laboratories>.

Dated: December 5, 2016.

IRA S. REESE,
Executive Director,
Laboratories and Scientific Services
Directorate.

AGENCY INFORMATION COLLECTION ACTIVITIES:**Electronic Visa Update System**

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: 60-Day notice and request for comments; extension of an existing collection of information.

SUMMARY: U.S. Customs and Border Protection (CBP) of the Department of Homeland Security will be submitting the following information collection request to the Office of Management and Budget (OMB) for review and approval in accordance with the Paperwork Reduction Act: Electronic Visa Update System (EVUS). CBP is proposing that this information collection be extended with no change to the burden hours or to the information collected. This document is published to obtain comments from the public and affected agencies.

DATES: Written comments should be received on or before February 21, 2017 to be assured of consideration.

ADDRESSES: All submissions received must include the OMB Control Number 1651-0139 in the subject line and the agency name. To avoid duplicate submissions, please use only *one* of the following methods to submit comments:

(1) *Email.* Submit comments to: (CBP_PRA@cbp.dhs.gov). The email should include the OMB Control number in the subject line.

(2) *Mail.* Submit written comments to CBP PRA Officer, U.S. Customs and Border Protection, Office of Trade, Regulations and Rulings, Economic Impact Analysis Branch, 10th Floor, 90 K St NE., Washington, DC 20229-1177.

FOR FURTHER INFORMATION CONTACT: Requests for additional PRA information should be directed to Paperwork Reduction Act Officer, U.S. Customs and Border Protection, Regulations and Rulings, Office of Trade, 90 K Street NE., 10th Floor, Washington, DC 20229-1177, or via email (CBP_PRA@cbp.dhs.gov). Please note that the contact information provided here is solely for questions regarding this notice. Individuals seeking information about other CBP programs should contact the CBP National Customer Service Center at 877-227-5511, (TTY) 1-800-877-8339, or CBP Web site at <https://www.cbp.gov/>. For additional help: <https://help.cbp.gov/app/home/search/1>.

SUPPLEMENTARY INFORMATION: CBP invites the general public and other Federal agencies to comment on proposed and/or continuing information collections pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507). The comments should address: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimates of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden including the use of automated collection techniques or the use of other forms of information technology; and (e) the annual cost burden to respondents or record keepers from the collection of information (total capital/startup costs and operations and maintenance costs). The comments that are submitted will be summarized and included in the CBP request for OMB approval. All comments will become a matter of public record. In this document, CBP is soliciting comments concerning the following Information collection:

Title: Electronic Visa Update System.

OMB Number: 1651-0139.

Form Number: N/A.

Abstract: The Electronic Visa Update System (EVUS) provides a mechanism through which visa information updates can be obtained from certain nonimmigrant aliens in advance of their travel to the United States. This provides CBP access to updated information without requiring aliens to apply for a visa more frequently. The EVUS requirements apply to nonimmigrant aliens who hold a passport issued by an identified country containing a U.S. nonimmigrant visa of a designated category. EVUS enrollment is currently limited to nonimmigrant aliens who hold unrestricted, maximum validity B-1 (business visitor), B-2 (visitor for pleasure), or combination B-1/B-2 visas, which are generally valid for 10 years, contained in a passport issued by the People's Republic of China.

EVUS provides for greater efficiencies in the screening of international travelers by allowing DHS to identify nonimmigrant aliens who may be inadmissible before they depart for the United States, thereby increasing security and reducing traveler delays upon arrival at U.S. ports of entry. EVUS aids DHS in facilitating legitimate travel while also enhancing public safety and national security.

Current Actions: This submission is being made to extend the expiration date. There are no changes to the information collected.

Type of Review: Extension without change to the burden hours.

Affected Public: Individuals.

Estimated Number of Respondents: 3,595,904.

Estimated Number of Responses per Respondent: 1.

Estimated Total Annual Responses: 3,595,904.

Estimated Time per Response: 25 minutes.

Estimated Total Annual Burden Hours: 1,499,492.

Dated: December 14, 2016.

SETH RENKEMA,
Branch Chief,
Economic Impact Analysis Branch,
U.S. Customs and Border Protection.

[Published in the Federal Register, December 20, 2016 (81 FR 92835)]