

**Commercial Customs Operations Advisory
Committee (COAC)
Rapid Response Subcommittee**

October 7, 2020



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**Report of the Work of the COAC
Subcommittee on Rapid Response (RR)**

Co-Chairs

Brenda Barnes – Geo. S. Bush & Co., Inc.
Brian White – The J.M. Smucker Company
Kathy Wilkins – Alliance Operating Services

Rapid Response Subcommittee Members:

Cindy Allen, Brenda Barnes, Barry Baxter, Celeste Catano, Lenny Feldman, Lisa Gelsomino, Amy Magnus, Madeleine Veigel, Brian White, and Kathy Wilkins.

Background

The COAC Rapid Response Subcommittee was established October 2018, following the restructuring of COAC Subcommittees and underlying Working Groups to better align with CBP's Trade Strategy 2020. This strategy focuses on three areas aimed at modernizing import/export processes, improving trade intelligence, and maximizing efficiencies.

This past quarter, the Rapid Response Subcommittee received updates from the Broker Continuing Education Task Force, USMCA Working Group, and the Broker Exam Modernization Working Group.

All subcommittee objectives and scope are consistent with the official charter of COAC.

Summary of Work

The Rapid Response Subcommittee has focused on the three areas this past quarter. The members received an update from the Continuing Broker Education Task Force and discussed the feedback the members submitted to CBP regarding the top three reasons for Continuing Education for Brokers, and the status of the notice of proposed rulemaking. Further, the Broker Exam Modernization Working Group is working to get a pilot for the April 2021 test, while the USMCA Working group worked through implementation of USMCA entry into force on July 1, 2020, and subsequent opportunities that are beginning to surface.

Broker Exam Modernization Working Group (BEMWG):

Since the July 15th COAC public meeting, the BEMWG has held six (6) full working group conference calls. The discussions were focused on providing CBP with industry recommendations regarding planning for the October customs broker exam, which will be administered under COVID 19 precautions. The October exam will be the only exam offered in 2020, after the planned April exam was cancelled because of the pandemic restrictions. In order

to accommodate as many participants as possible, the October exam will be offered in two sessions in a single day and at an expanded number of locations. The group also provided an update on improvements to the Customs Broker examination by automating procedures and reviewing specific questions included in the proctored remote automated exam.

The Working group has now started to transition its focus to advancements for enhancing future brokers examinations to improve the overall quality and experience.

Continuing Broker Education Task Force: The consensus of the Task Force continues to be that the degree of ongoing change within the trade environment has created a higher level of receptivity and support for mandatory continuing education. The Task Force has worked with CBP on the potential requirements regarding such a program and is currently awaiting an anticipated release of an Advance Notice of Proposed Rulemaking (ANPRM).

United States-Mexico-Canada Agreement (USMCA) Working Group: The USMCA Working Group worked diligently with CBP on the implementation guidelines for the July 1, 2020 entry into force of the USMCA Protocol. While there are no formal recommendations at this time, the Working Group is focused on the progress and application of USMCA regarding the automotive sector and the impact on trade. As such, there is also focus on the Rules-of-Origin, specifically with regard to any potential changes as applicable to Foreign Trade Zones, as well as the process for applying for ruling requests and the timelines associated with such. Management of these areas, as lead by the USMCA Center, could potentially lead to recommendations in the future.

Conclusion

The Rapid Response Subcommittee looks forward to continued collaboration with CBP on the Continuing Broker Education Task Force objectives. Additionally, we stand ready to support CBP and their partnering government agencies in the modernization of the broker exam process and the evolution of USMCA and the impacts on trade.