Commercial Customs Operations Advisory Committee Government Issue Paper Next Generation Facilitation Subcommittee Broker Modernization Working Group

March 2024



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Office of Trade/Trade Policy and Programs Next Generation Facilitation Subcommittee Broker Modernization Working Group March 2024

Action Required: Informational

Background:

- The Commercial Customs Operations Advisory Committee (COAC) Broker Modernization Working Group focus is on modernization efforts across the brokerage industry, including the broker exam and updated broker regulations with primary focus on broker continuing education regulations.
- The COAC Broker Modernization Working Group provides critical feedback and input to ensure the success of these regulatory and exam changes.
- The Final Rule on Continuing Education for Licensed Customs Brokers published June 23, 2023, amends regulations to now require continuing education for individually licensed customs brokers and provides the framework for administering this requirement.
 - This updated regulation is intended to ensure that individual brokers remain knowledgeable about recent developments in customs and related laws as well as international trade and supply chain issues.

Issue:

- U.S. Customs and Border Protection (CBP) is engaging with the Broker Modernization Working Group on CBP's implementation of the Broker Continuing Education Final Rule and how CBP can most effectively ensure every individually licensed broker is aware of the new requirement.
- A focus of CBP and the Broker Modernization Working Group's partnership is on improving the Customs Broker License Exam (CBLE) experience for exam candidates and overall exam administration.

Current Status:

Broker Continuing Education

- CBP published on February 8, 2024 a Request for Proposals for entities that would like to be considered for selection by CBP as accreditors for industry-provided education opportunities for Broker Continuing Education. Proposals are due to CBP by March 7, 2024.
- CBP will review the applications, select at least one accreditor, and announce: (a) the selected accreditors, and (b) the number of credit hours individually licensed brokers will need in the initial 2024-2027 Triennial Status Period. Announcements will be made in the Federal Register, on CBP.gov, and in the Cargo Systems Messaging Service.
- A fact sheet and other resources on broker continuing education are now available on CBP.gov. CBP updates the website content to include responses to "Questions of the Week" received in the Continuing Education mailbox.

Re-envisioning the Customs Broker License Exam (CBLE)

• In November 2023, CBP kicked off consultations with the COAC Broker Modernization Working Group on CBP's effort to re-envision the CBLE, with the intent of developing and

- providing consistent and reliable exam content across administrations and ensuring an efficient exam process from exam creation through delivery.
- Because the COAC Broker Modernization Working Group's input is integral to the successful re-envisioning of the CBLE, CBP and the working group have initiated focus sessions on the future state of the CBLE. Those sessions are broken down into key challenge areas, including exam creation, exam administration, and post exam.

October 2023 and May 2024 CBLE

- A total of 1,141 individuals took the exam on October 25, 2023. Of this total, 932 took the exam at on-site test centers and 209 took the exam remotely. The pass rate for the October 2023 exam was 34 percent.
- For the October 2023 exam, CBP initiated a change from five (5) answer choices to four (4) answer choices per question. CBP initiated this change to better align the CBLE with exam industry best practices.
- On December 13, 2023, CBP published a Federal Register public notice that the Spring 2024 CBLE date is May 1, 2024 (88 FR 86351). The change was necessary as April 24, 2024 is a religious holiday.
- Registration for the May 1, 2024 CBLE opens on February 20, 2024 and closes on March 21, 2024.

Next Steps:

Broker Continuing Education

- o Set up an accreditation process for industry-provided qualifying education.
- o Hold public webinars as the implementation process moves forward.

Re-envisioning CBLE

 CBP and the COAC Broker Modernization Working Group will continue meeting in focus sessions covering these three identified challenge areas: exam creation, exam administration, and post exam delivery.

Submitted by: Shari McCann, Trade Policy and Programs, Office of Trade

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