

U.S. Census Bureau

2005

# International Freight Forwarders A& Customs Brokers Association of New Orleans

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U S C E N S U S B U R E A U

*Helping You Make Informed Decisions*



## Topics

- Legal Authority
- Mandatory Filing
- Filing Time Frames
- Major Changes to the Foreign Trade Statistics Regulations (FTSR)
- Penalty Provisions
- Confidentiality Provisions
- Next Steps



## Legal Authority

Public Law 107-288 Security Assistance Act of 2002

- Requires full electronic filing of SED information through AES
- Paper SED is not an option
- Increase penalties
- Ability to delegation authority for enforcement to the Bureau of Customs and Border Protection and Office of Export Enforcement of the Bureau of Industry and Security



## Filing Time Frames

- State Department's United States Munitions List items (USML)
  - Air: 8 hours prior to departure
  - Truck: 8 hours prior to departure
  - Rail: 24 hours prior to attachment of engine before going foreign
  - Vessel: 24 hours prior to departure



## Filing Time Frames cont.

- Non-USML Items
  - Air: 2 hours prior to departure
  - Rail: 4 hours prior to attachment of engine before going foreign
  - Vessel: 24 hours prior to departure
  - Truck: 1 hour prior to border crossing



## Major Changes to FTSR

- No SEDs
- Name Change – Foreign Trade Regulations
- Eliminate the use of Shipper's Export Declaration information collected will be referred to as Electronic Export Information



## Major Changes to FTSR cont.

- Option 2 referred to as Predeparture filing
- Option 4 referred to as Postdeparture filing
- Changes in requirements for approval for Postdeparture filings
  - new letter of intent (LOI)
  - only USSPIs can submit the LOI
  - higher compliance standards
  - minimum volume of export shipments



## Major Changes to FTSR cont.

- Introduction of Proof of Filing Citations
- Provide instructions for reporting EEI when AES is unavailable
- Expand instructions regarding confidentiality
- Created separate subpart covering the penalty provision
- Created sections on definitions



## Penalty Provisions

- Criminal penalties (\$10,000 or imprisonment for not more than 5 years, or both for each violation)
  - Failure to file, submission of false or misleading information
  - Furtherance of illegal actions
  - Forfeiture penalties (any person convicted could forfeit goods or interest in, or security of claim against export of goods that was subject of the violation)



## Penalty Provisions cont.

- Civil penalties (\$1,000 each day to \$10,000 per per violation)
  - Delayed filing, filing false/misleading information, failure to file, furtherance of illegal activities
  - Penalties for other violations subject to 15 CFR Part 30



## Penalty Provisions cont.

- Civil penalty procedures
- Remission and mitigation
- Enforcement



## Confidentiality Provision

- Export information in AES is confidential
- Penalties for disclosure of the confidential information
- Export information disclosed for only official purposes
- Described official purposes uses



## Next Steps

- Review the notice of proposed rulemaking
- Comment period 60 days—ends April 18, 2005
- Review submitted comments
- Revised *Federal Register* notice
- Issue the Final Rule
- Effective date—the day the notice is published
- Implementation date 90 days after effective date



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