



CUSTOMS TRADE FACILITATION AND ENFORCEMENT ACT OF 2012 (Chairman Brady):

ENHANCING ECONOMIC GROWTH AND JOB CREATION

The Customs Trade Facilitation and Enforcement Act of 2012, introduced today by Ways & Means Trade Subcommittee Chairman Kevin Brady, provides direction on how to allocate resources, streamline trade, improve enforcement, and measure progress within the Bureau of Customs and Border Protection (CBP) in order to move the ever-increasing volume of legitimate trade more efficiently and halt trade that doesn't comply with U.S. laws. The bill focuses on three critical aspects of CBP's mission, as well as authorizing funding for U.S. trade agencies and enhancing transparency and accountability:

- **Facilitating and streamlining the flow of legitimate trade:** Streamlining legitimate trade processing and providing benefits to trusted traders will increase U.S. competitiveness in the global marketplace and create jobs here at home. The bill would:
 - Address organizational issues to highlight and better coordinate the customs revenue functions of CBP and provide better accountability.
 - Reduce paperwork burdens for e-commerce transactions and drawback, a key job-supporting export program.
 - Establish Centers for Excellence and Expertise within CBP to speed up processing of legitimate entry transactions and address specific industry uniformity issues.
 - Improve consultations between CBP and Congress and the trade community.
 - Establish performance measures for key CBP programs.
 - Require the establishment of a Certified Importer Program for importers certified as the most compliant and a report on facilitation benefits to reduce costs for moving highly compliant cargo.
 - Raise the informal entry and *de minimis* amounts to reduce paperwork burdens and facilitate the movement of cargo (H.R. 1653, Rep. Schock).

- **Modernization of CBP's automated systems:** Continued modernization of CBP's automated systems is essential to supporting the increase in trade volume and the successful pre-screening of cargo. The bill would:
 - Continue authorization for the development of the Automated Commercial Environment (ACE), which will eventually process all imports and exports; establish performance measures for program accountability and require CBP objectives, plans, and deadlines on ACE to justify any change in funding levels.

- Set requirements and establish deadlines for agencies with border responsibility to share information electronically so that all U.S. government import (and ultimately export) requirements are fulfilled at one window, reducing costs.
- **Enforcement of U.S trade laws:** Enforcing U.S. intellectual property rights and antidumping and countervailing duties laws, as well as preventing textile transshipment, prevents competitors from gaining an edge by cheating. The bill would:
 - Require reporting and accountability of revenue protection and enforcement measures, including review by GAO and the DHS Inspector General.
 - Establish much-needed trade enforcement training, using industry expertise, for port personnel to improve appraisal, valuation, and classification.
 - Enhance targeting of high-risk shipments through requiring broker information, strengthening internal controls over new importers, and collecting information and levying financial requirements on nonresident importers.
 - Require development of a joint strategic plan for enforcement of Priority Trade Issues.
 - Provide CBP with the authority to provide IPR rights holders with samples to determine if imported products are counterfeit.
 - Include H.R. 5708 (Rep. Charles Boustany), bipartisan legislation to address evasion and underpayment of antidumping and countervailing duties.
- **Authorization of funding for important U.S trade agencies and enhanced transparency measures:** The bill authorizes funding for the U.S. International Trade Commission (ITC) and the Office of the U.S. Trade Representative (USTR). The bill would:
 - Ensure adequate funds for the ITC to carry out its statutory functions of administering the U.S. trade laws, supporting the U.S. government's trade functions, and maintaining the Harmonized Tariff Schedule.
 - Provide sufficient resources for the USTR to undertake its statutory duties to seek market access for U.S. goods, services, and investment and monitor and secure U.S. trade rights and benefits abroad.
 - Enhance transparency and accountability by establishing reporting requirements regarding:
 - USTR-led interagency programs, including the Interagency Trade Enforcement Center; and
 - USTR's staffing and budgetary requirements.