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BAUCUS, GRASSLEY INTRODUCE BILL TO STRENGTHEN CUSTOMS FACILITATION, ENFORCEMENT

Legislation reprioritizes trade within customs agencies

Washington, D.C. – Senate Finance Committee Chairman Max Baucus (D-Mont.) and Ranking Member Chuck Grassley (R-IA) today introduced legislation to strengthen customs facilitation and trade enforcement efforts within the Department of Homeland Security’s U.S. Customs and Border Protection (CBP) and U.S. Immigration and Customs Enforcement (ICE). The Customs Facilitation and Trade Enforcement Reauthorization Act of 2009 establishes new high-level trade positions within CBP and ICE, directs CBP and ICE to dedicate resources to customs facilitation and trade enforcement and creates tools to strengthen the agencies’ trade enforcement efforts.

"Customs facilitation and trade enforcement are vital to America’s economic security," said Baucus. **"CBP and ICE have not focused sufficient resources on their trade missions and this bill would direct them to do so. It would give these agencies the resources and tools they need to better enforce our customs and trade laws so legitimate goods enter our country quickly, and harmful goods or goods that infringe intellectual property rights stay out."**

"Chairman Baucus and I have been working since 2006 to reauthorize customs functions," Grassley said. **"We introduced a bill then that contributed to the enactment of the SAFE Port Act of 2006. Since then, we’ve directed the Finance Committee’s oversight of the commercial operations of the Department of Homeland Security and the Department of the Treasury. Today’s bill reflects the product of that oversight. The Customs and Border Protection and the Immigration and Customs Enforcement agencies do important work. This legislation will help them to accomplish their commercial missions by strengthening the accountability and prioritization of commercial customs functions, even as they continue to protect homeland security. I look forward to working with the Chairman to move this legislation through the Senate this year."**

The Customs Facilitation and Trade Enforcement Reauthorization Act of 2009 reauthorizes CBP and ICE and provides new tools and direction they need to significantly strengthen customs facilitation and trade enforcement efforts. The bill creates new high-level positions, including a Principal Deputy Commissioner and an Assistant Commissioner of Trade, devoted exclusively to CBP’s customs facilitation and trade enforcement efforts. It requires CBP and ICE to coordinate with other federal agencies to enforce U.S. trade laws at our borders and prevent unsafe or infringing goods from crossing our borders. The legislation also directs CBP to provide additional trade benefits to participants in voluntary trade compliance and supply chain security programs in order to facilitate the flow of legitimate goods across our borders.

The Finance Committee has sole jurisdiction over international trade.

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A staff summary of the legislation follows here:

The Customs Facilitation and Trade Enforcement Reauthorization Act of 2009

Senate Finance Committee Chairman Max Baucus (D-MT) and Ranking Member Chuck Grassley (R-IA) introduced the Customs Facilitation and Trade Enforcement Reauthorization Act of 2009 (Act) on August 6, 2009 to reprioritize the trade functions of the U.S. Customs and Border Protection Agency (CBP) and U.S. Immigration and Customs Enforcement Agency (ICE). Trade remains a cornerstone of the U.S. economy, and U.S. customs agencies must work harder to facilitate trade and enforce U.S. customs and trade laws. Provisions of the Act include:

- **Statutorily establishing CBP and ICE within DHS.** The bill establishes and fully authorizes CBP and ICE, which currently exist only as a function of discretionary authority under the Homeland Security Act. The bill also requires each agency to prioritize its customs facilitation and trade enforcement missions.
- **Creating New High-Level Trade Positions.** The bill creates a new Principal Deputy Commissioner and Office of Trade within CBP with primary responsibility for the agency's trade mission. It also creates a new division within the CBP's Office of Field Operations to improve customs facilitation and trade enforcement at U.S. ports, and a new Trade Advocate to act as a liaison between CBP and the private sector.
- **Strengthening Trade Enforcement.** The bill requires CBP and ICE to prepare a biennial Joint Strategic Plan outlining the agencies' plans to improve customs-related trade enforcement. It also requires CBP to develop risk assessment methodologies to better target cargo that may violate U.S. customs and trade laws while facilitating legitimate trade, and to use available import data collected by the agency in its commercial targeting. And the bill expands existing law to prohibit the importation of goods made with forced, convict, or indentured labor.
- **Ensuring Import Safety.** The bill establishes an interagency Import Safety Working Group, chaired by the Secretary of DHS with the Secretary of Health and Human Services serving as vice-chair, to ensure the safety of U.S. imports. The Working Group will assist the Secretary of Homeland Security in developing a Joint Import Safety Rapid Response Plan that describes CBP's coordination efforts with other Federal agencies to respond to imports that pose a threat to the health or safety of U.S. consumers. And it requires CBP and other federal, state, and local agencies to practice their response plans at U.S. ports of entry. The bill also requires CBP to train port personnel to respond to import health and safety threats.

- **Strengthening Intellectual Property Rights (IPR) Enforcement.** The bill establishes the National Intellectual Property Rights Coordination Center within ICE to coordinate federal efforts to prevent the importation or exportation of goods that violate IPR. It also strengthens CBP's targeting efforts to detect goods that violate IPR, and requires CBP to dedicate port personnel with primary responsibility for enforcing IPR. The bill also streamlines CBP's copyright recordation process, and provides CBP with the explicit authority to seize unlawful circumvention devices.

- **Improving Trade Facilitation.** The bill requires the Secretary of DHS to identify concrete trade benefits for participants in the Customs-Trade Partnership Against Terrorism Program. It also establishes a new Customs Facilitation Partnership Program that provides trade facilitation benefits for entities that have a history of complying with U.S. customs and trade laws.

- **Continuing Customs Modernization.** The bill directs the authorization of additional funding for the Automated Commercial Environment and International Trade Data System, and requires CBP to develop a timeline for completing the implementation of these systems. The bill also streamlines CBP's duty drawback process, requiring that drawback claims be filed electronically and imposing objective drawback eligibility requirements.

- **Improving Consultation, Interagency Cooperation, and Oversight.** The bill requires the Secretary to consult with Congress before proposing or finalizing any new trade-related policies or regulations. It also establishes a new interagency Customs Review Board to ensure that proposed changes to CBP's rules or regulations are consistent with U.S. international trade obligations. And the bill reforms the existing CBP and ICE Advisory Committee to improve consultations between the Agencies and the private sector.

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