

OFFICE OF TRADE

U.S. Customs Update

April 2022



U.S. Customs and
Border Protection

Pending Legislation

Currently, there are various provisions included in pending legislation that if enacted by Congress and signed into law, would impact the small package/*de minimis* environment.

America Creating Opportunities for Manufacturing, Pre-Eminence in Technology, and Economic Strength (COMPETES) Act of 2022

House Provisions

- Clarifies agency authority to permit or require (through regulations) the submission, transmission, or otherwise making available of documentation and information needed to determine Section 321 eligibility.
- Exempts *de minimis* shipments from standard 30-day admissibility determination timing requirements.
- Authorizes regulations to provide special rules for CBP to provide notice of detention for detained *de minimis* shipments, and provides for deemed abandonment, and disposition accordingly if no response is received within 15 days.
- Clarifies CBP's authority to exempt imports caused or facilitated by suspended and debarred persons from duty and tax administrative exemptions.

Pending Legislation - Continued

Currently, there are various provisions included in pending legislation that if enacted by Congress and signed into law, would impact the small package/*de minimis* environment.

United States Innovation and Competition Act of 2021 (USICA)

Senate Provisions

- Authorizes CBP to share information with any party with an interest in imported merchandise for the purpose of determining if the merchandise violates intellectual property rights.
- Authorizes CBP to share information that appears on packing materials and shipping containers.

CBP Regulatory Updates – Current Efforts

The development of new or updated regulations for the small package/*de minimis* environment will be informed by the results of the current CBP pilot programs below.

Type 86 Test

- Voluntary program for customs brokers and self-filers to provide additional information on *de minimis* shipments that have Partner Government Agency requirements for clearance
- Creation of a new informal entry type via electronic submission using a limited data set
- Provides an automated release mechanism
- Estimated \$2.5 billion in time and cost savings

Section 321 Data Pilot

- Made up of nine e-commerce participants
- Provides information on goods valued less than \$800
- Information includes seller information, product pictures, and other transactional details
- Improves CBP's ability to identify and target high-risk e-commerce shipments

CBP Regulatory Updates – Next Steps

Rulemaking will also be informed by continued engagement with key stakeholders such as private industry via advisory committees, regulatory public comment periods, and other engagement mechanisms.

Notice of Proposed Rulemaking (NPRM)

- Informed by results of 321 Data Pilot and Type 86 Test
 - Over 500 million filings received
- Driven by the continued growth of e-commerce/small packages entering the U.S

Potential Legislative Updates

- Provisions working through Congress would require CBP to promulgate rules related to *de minimis* shipments
- Updated authorities would allow CBP to better identify and segment risk in the small package/*de minimis* environment.



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