### MEMO TO CLIENTS

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#### **NEWS IN BRIEF**

## President Trump Nominates McAleenan for CBP Commissioner

President Trump has nominated acting Commissioner Kevin McAleenan for the position of Commissioner of U.S. Customs and Broker Protection (CBP). McAleenan has a long history with the agency, working several positions within throughout his career. appointment is unusual in that he is the first career member of CBP to be nominated for this, Senate approved, position. Industry groups have signaled positive responses on this nomination. McAleenan has always had strong commitments both trade to enforcement and trade facilitation.

### <u>CPSC Updates Rule on</u> <u>Projectile Toys</u>

The Consumer Protection and Safety Commission (CPSC) has issued a letter that corrects its original Safety Standard Mandating ASTM F963 for Toys – 16 CFR 1112, 16 CFR 1250. It updates the instructions on the limit of kinetic energy for projectiles launched from stored energy mechanisms for projectile toys.

A copy of this technical letter with the corrections to the original rule can be found on the CPSC website at: <a href="https://www.cpsc.gov/s3fs-public/TIA">https://www.cpsc.gov/s3fs-public/TIA</a> projectile%20toys let 3.31. 17.pdf.

# President Trump Issues Executive orders on AD/CVD, Violations of Trade Laws, and Assessment of Trade Deficits

On March 31. President Trump issued two executive orders dealing with trade. The first was an order addressing outstanding collections of antidumping duties and countervailing duties. It instructs U.S. Customs and Border Protection (CBP) to develop implementation plans to establish enhanced measures for collecting duties and a heightened enforcement posture for trade violations that threaten the safety and economic security of the United States. This includes developing plans to require importers who pose a risk to the revenue to have stricter bonding requirements and to use tools provided in the Customs enforcement bill that was enacted last year to deal with those who would evade trade laws. The order also instructs CBP to develop strategies for interdiction and disposal of inadmissible goods through methods other than seizure.

This executive order can be found at: <a href="https://www.whitehouse.gov/the-press-office/2017/03/31/presidential-executive-order-establishing-enhanced-collection-and">https://www.whitehouse.gov/the-press-office/2017/03/31/presidential-executive-order-establishing-enhanced-collection-and</a>

The second executive order calls for a review by the Commerce Secretary and the U.S. Trade Representative to review the U.S. trade deficit, identifying its main causes and the impact of the deficit. They are to look at each trading partner with whom the U.S. had a significant deficit in 2016 and asses causes such as; differential tariffs, non-tariff barriers, labor standards, and any other factors that may have contributed to the deficit. The report should asses if that trading partner is imposing, directly or indirectly, any unfair burdens on U.S. commerce that are a competitive disadvantage.

This executive order can be found at <a href="https://www.whitehouse.gov/the-press-office/2017/03/31/presidential-executive-order-regarding-omnibus-report-significant-trade">https://www.whitehouse.gov/the-press-office/2017/03/31/presidential-executive-order-regarding-omnibus-report-significant-trade</a>

Both executive orders demonstrate that the enforcement of trade and customs laws are a high priority for this administration.

#### **Another FSVP Reminder**

As part of the Food Safety Modernization Act (FSMA) of 2011, the U.S. Food & Drug Administration (FDA) will implement the Foreign Supplier Verification Program (FSVP). The program is intended to ensure that imported food products meet U.S. safety standards. Effective May 27, 2017, importers of food products must indicate who the U.S. based FSVP importer is for each product being imported. The information to be reported includes full name, address, contact information and the DUNS Number of the FSVP importer. This information will be transmitted as part of the entry filing in ACE.

The designated FSVP importer must have a financial interest in the transaction, be located in the U.S. and act as the importer or consignee if the goods are sold. If there is no buyer or consignee at the time of import, a U.S. agent or representative may act as the FSVP importer separate from the importer of record. The FSVP importer and importer of record for customs purposes may be different parties.

Additional information concerning the FSVP program, the role of the FSVP importer and possible exemptions is available on the FDA's website.

Click the following link for an explanation to the FSVP final rule that includes additional links to help explain the program including a page on "Am I subject to FSVP":

http://www.fda.gov/downloads/Food/GuidanceRegulation/FSMA/UCM502160.pdf

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## The Electronic Center of Excellence and Expertise Mailing Address has Changed

The Electronic Center of Excellence & Expertise Center has moved its location from One World Trade Center in Long Beach to their new location which is in the same building as the Los Angeles/Long Beach Seaport. This change is effective immediately. The new location is about 10 blocks south from the old location.

The new mailing address is:

U.S. Customs and Border Protection Customs c/o Electronics CEE 301 East Ocean Blvd, 6th Floor, Suite 600 Long Beach, CA 90802

While there is no change in the CEE Electronics email address, <a href="mailto:CEE-Electronics@cbp.dhs.gov">CEE-Electronics@cbp.dhs.gov</a>, we do expect to see an updated list of phone numbers posted on the CBP website sometime soon.

By **Todd Boice**, President