

Customs Surety Association

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Ms Tracy Denning
Regulations and Ruling
Office of International Trade
U.S. Customs and Border Protection
90 K Street, NE, 10th Floor
Washington, D.C. 20229-1177

Re: Department of Homeland Security – U.S. Customs and Border Protection
FR Notice. 1651-0064
Agency Information Collection Activities: Importer ID Input Record

The Customs Surety Association (“the CSA”) respectfully submits these comments with regard to the above referenced Federal Register Notice (FRN) published on October 9, 2014.

The CSA is an association comprised of surety companies who execute a significant number of Customs bonds on a yearly basis and who, on a collective basis, secure a high percentage of all import entries as well as other Customs bonded transactions on a yearly basis. The CSA is also an active participant and contributor to the Customs/Surety Executive Committee (C/SEC), a chartered group comprised of associations with special interest of Customs bonds and Customs and Border Protection (CBP) executive personnel. The C/SEC has been under its current structure since 1995 and routinely discusses and makes recommendations with respect to Customs procedures and practices as they relate to Customs bonds.

The Customs form CF5106 is an important document in the Customs bond filing process. Our members have an intimate knowledge of the bond filing process and are able to provide meaningful input on this subject.

Comments:

Most bonds filed are for principals who previously filed a CF5106 with Customs. Historically, it has been found that the name and/or address information in the 5106 system of CBP is out of date, so it has, generally, become an accepted practice to file CF5106 forms with all new bond filings.

As CBP moves to the new eBond filing in ACE in January, the name and address will be decoupled from the bond. However, the need to keep CBP advised of any changes in name or address will be vitally important. A significant portion of the CF5106 forms filed are only for this purpose.

The new form requires much additional information over the name and address of the company filing the CF5106. It would be quite burdensome to CF5106 filers to fully complete the new form just to update its name and address. Much of the information in section 3 will not change for the entity, so inclusion of this data would be duplicative.

In earlier outreach to the trade in the development of this form, the C/SEC group discussed this very matter with Customs officials. It was our understanding that provisions would be made to submit a subset of the data being requested on the form if the filing of the form was for the purpose of updating a name and/or address only. Nothing in the referenced notice addresses this issue.

We submit that the instructions be amended to permit the completion of only items 1A through 1G and all of section 2 when checking Change of Name or Change of Address as the Type of Action. Other Types of Action should be considered to indicate when other sections of the form should be completed.

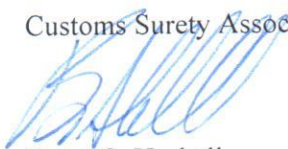
It is also unclear how to complete the form when used to report an additional location or division name. Based on our information approximately 40% of the users of continuous bonds are divisions or additional locations. Again, completing this entire form to provide duplicative data of section 3 for each division or additional location for this significant portion of CF5106 filers would be burdensome.

Further, there is a note in the Type of Action section which states "If a continuous bond is on file, a rider must accompany this change document." CBP should review the inclusion of this statement in light of the anticipated regulations supporting eBond. In the eBond environment there is no longer a need for the Name Change and Address Change riders. Therefore, CBP should remove this statement from the form.

As an organization comprised of members and individuals who are active on a day to day basis with the business of underwriting, executing, administering and monitoring Customs bonds, the CSA has extensive knowledge and experience dealing with Customs and Border Protection on such matters. We appreciate the opportunity to comment on this FRN and the impact the proposed changes to regulations may have. Based on our perspective and experience with respect to the Customs bond process, we trust that CBP will apply the appropriate weight to our comments and thoroughly consider the impact to the trade. We stand available to discuss any of our comments on a more detailed basis with representatives of CBP should a request be forthcoming.

Sincerely,

Customs Surety Association



Bruce S. Haskell
Executive Vice President