

FREQUENTLY ASKED QUESTIONS
Inbound Truck Mode - Trade Act of 2002 Final Rule

Question 10 Modified and Question 13 deleted April 22, 2005

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Customs and Border Protection (CBP) has received numerous questions concerning the Trade Act of 2002 of which a final rule was established on December 5, 2003 (68 FR 68140). The final rule provides for advance manifest regulations for all modes of transportation both in and out of the United States. CBP has provided our response, for now, of the most frequently asked questions. CBP is hopeful that this document will assist the trade community in understanding the expectations of CBP concerning the advance manifest rules for inbound truck operations. The effective date of implementation for the final rule was January 5, 2004. Should you have additional questions that are not included in this document please feel free to write to Manifest.Branch@dhs.gov. CBP will continue to update this list, adding questions and answers. Please continue to monitor this document for changes and updates.

1. CBP-Approved Electronic Data Interchange System

A) What advanced electronic cargo information is required by this notice for trucks entering the United States?

Answer: This notice requires that current systems for providing information to U.S. Customs and Border Protection (CBP) be used as the approved electronic data interchanges to meet the requirements of the regulations. As a result, current providers of information through the Automated Broker Interface (ABI) and other formats will continue to provide necessary information. This notice provides mandatory standard electronic data interchanges and initiates the time frames for submission of the data as specified in the December 5, 2003, Federal Register notice.

B) What are the approved electronic data interchanges?

Answer: CBP has approved the following interchanges for transmission of advance cargo information in this interim phase:

- Pre-Arrival Processing System (PAPS) – A system that links electronic entry information supplied by a Customhouse broker through the Automated Broker Interface (ABI) with a Standard Carrier Alpha Code (SCAC) and unique identifier number (e.g., bill of lading, pro-bill or entry number) provided by a carrier. The shipment is identified at arrival by a barcode containing the SCAC code and unique identifier.
- ABI in-bond format (QP/WP) – An ABI based format that allows filers to submit in-bond information directly to CBP and receive movement authorization electronically. The shipment is identified at arrival by the CBP Form 7512 (in-bond document) that may also contain a barcode containing the in-bond serial number.

In addition to these two interchanges, CBP has made an exception to the advance cargo information time frames for two additional electronic data interchanges. These

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interchanges allow for the electronic transaction to occur at the time of arrival in the United States. These exceptions were made because of the enhanced security features inherent in their use. These interchanges are:

- Border Release Advance Screening and Selectivity (BRASS) – Pre-screened commercial parties importing pre-approved products are granted release at the time of arrival. The importer provides a barcode representing the transaction, a manifest and a commercial invoice that is presented by the driver. The information is verified and the shipment is released. There are additional new security measures added to BRASS to make it more compatible with the regulations.
- Customs Automated Forms Entry System (CAFES) – Allows in-bond transactions to be input directly into the CBP system by use of a 2-dimensional barcode. This barcode and the in-bond document are generated by a free software program made available by CBP on its web site.

C) Customhouse brokers and importers file entries, why does a rule directed at carriers require entry processes?

Answer: Until an electronic manifest process is available for truck cargo, CBP will use current reporting systems. The regulation providing for advance electronic submission for trucks (19 CFR 123.92) allows different commercial parties to transmit the information that they possess.

ABI filers will continue to provide PAPS information through ABI and carriers will provide the relevant movement information. In this interim phase movement information is limited to a couple of items but when a truck manifest system becomes available, more data elements will be required from the carriers.

2. Border Release Advance Screening and Selectivity (BRASS)

What changes have been made to BRASS to improve security and allow it to be used to meet the requirements?

Answer: Changes made to allow the continuation of paper based BRASS as an interim exception to the requirement to provide advance electronic submission of cargo information include:

- As of August 17, 2004, only current BRASS participants will be allowed to continue on the system.
- Minimum BRASS transaction standards will be increased and enforced.
- The truck carrier carrying the merchandise must only utilize drivers who are registered under the Free and Secure Trade (FAST) program and carrying a FAST Driver Card. This requirement does not currently apply at the ports of

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Eastport, Idaho; International Falls, Minnesota; Grand Portage, Minnesota; and Jackman, Maine, where FAST Driver Cards are not available but will be required by a separate Federal Register Notice when they become available.

- For processing along the southern border, the truck carrier participates in an approved industry partnership program, such as C-TPAT (Customs-Trade Partnership Against Terrorism).

3. Free and Secure Trade (FAST)

Will CBP Allow a Time Extension for the FAST Card Requirement for BRASS Shipments?

Answer: Due to a late surge in applications there is a sizeable backlog in the processing of applications at the FAST Processing Center. This backlog will take approximately 90 days to eliminate. As a result, the starting date for enforcement for the FAST driver identification requirement for all groups will be **May 1, 2005**.

4. Clarification Of Time Frame Requirements For Data Transmissions

How far in advance does the cargo information need to be submitted to CBP?

Answer: Cargo information must be received by CBP in its electronic systems at least one (1) hour prior to arrival. For shipments that qualify for the Free and Secure Trade (FAST) program the information must be received at least 30 minutes prior to arrival. Two systems, BRASS and CAFES allow for presentation of the information at the time of arrival.

5. Outlined Exceptions

A) Are there any exceptions to these requirements for arriving trucks?

Answer: The regulatory exceptions to advance electronic submission of information include:

- Cargo in transit from point to point in the United States. Domestic cargo transported by truck and arriving at one port from another in the United States after transiting Canada or Mexico (19 CFR 123.21; 123.41).
- Certain informal entries.
 - Merchandise that is informally entered on CBP Form (CBP) 368 or CBP Form 368A (cash collection or receipt).
 - Merchandise unconditionally or conditionally free, not exceeding \$2000 in value, eligible for entry on CBP Form 7523.
 - Products of the United States being returned, for which entry is prescribed on CBP Form 3311.

In addition, there are exceptions for this interim phase of the requirements including:

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- Other shipments currently entered and released on paper such as CBP Form 3299 (Declaration for Free Entry of Unaccompanied Articles), CBP Form 214 (Application for Foreign Trade Zone Admission), and Instruments of International traffic (empty racks, etc.) entered on a CBP Form 7533 and Sec. 321 releases.

B) Will the paper based Monthly Manifest program be discontinued as a result of this notice?

Answer: CBP intends to continue support for what is known as Monthly Manifest (which applies to automotive products), until the periodic summary reporting that Monthly Manifest supports is available electronically.

6. In-Transit Cargo

Merchandise in-transit through Canada traveling on a CBP Form 7512B (Canada 8½) is exempted by regulation. What about merchandise in-transit through the United States on the same form?

Answer: Merchandise in-transit through the U.S. is treated as a Transportation and Exportation in-bond movement. This information should be transmitted to CBP via either QP/WP (one hour in advance) or CAFES (at the time of arrival). The CBP Form 7512B (Canada 8 ½) may still be used at arrival but the information must be transmitted electronically.

7. Participant Procedures

A) What specific information is the carrier required to provide in order to meet these initial requirements?

Answer: For security purposes, to identify and link the carrier electronically to the entry transaction, PAPS, QP/WP and CAFES all require that the carrier possess a valid Standard Carrier Alpha Code (SCAC) and assign a unique number in combination with this code. The required identification number is created by identifying the four-character SCAC, plus adding up to 12 alphanumeric characters for a maximum of 16 total characters. These numbers may include an in-bond serial number or CBP entry number used in lieu of a carrier assigned pro-bill number.

B) What are the new requirements for ABI filers under the regulations?

Answer: There are no new requirements for brokers to follow. The process of filing entry has not changed and the ABI filers will still submit electronic information as currently required by law and regulation. The ABI filer shall input the SCAC and identifier number in the appropriate fields for the various transactions. It is important to remember that CBP must receive the information in their system one-hour (30 minutes for FAST) in advance of the carrier's arrival at the U.S port of entry.

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C) How does a carrier obtain a SCAC code?

Answer: A carrier may obtain a SCAC code by contacting the National Motor Freight Traffic Association, Inc., 2200 Mill Rd., Alexandria, VA 22314-4654 or www.nmfta.org. Carriers should FAX their NMFTA Letter of Notification to the CBP SCAC Registration Office at (703) 921-7173. The SCAC will remain valid through July 1 of the year following the year of assignment and must be renewed annually thereafter through the NMFTA to remain valid.

D) How does the carrier transmit the SCAC and number combination to CBP?

Answer: The carrier will provide this information to the Customhouse broker (or other ABI filer) in sufficient time to allow for electronic transmission to CBP 1 hour (or 30 minutes for FAST shipments) in advance. For PAPS shipments, this information is required to be placed on the manifest (CBP Form 7533) and invoice in a bar coded format for presentation to CBP at the time of arrival.

E) What if a carrier does not have a SCAC code or is crossing for the first (or only) time?

Answer: Commercial carriers that infrequently cross the border should still request a SCAC code and use it for border crossings as described above. On a limited case-by-case basis, CBP may allow a first time or one-time commercial carrier to arrive and release shipments without using a SCAC code. CBP Officers will exercise enforcement discretion in making these case-by-case determinations. The entry information must still be received by CBP one hour in advance of arrival. Examples of this may include but are not limited to:

- One-time importers bringing commercial goods for their own use.
- Commercial shipments such as sales samples and warranty replacements carried in personal or rental vehicles.
- Some movements of farm equipment across the border when entry is required.

F) If an owner operator or other small carrier is contracted to transport the merchandise across the border for a larger carrier that provides the pro-bill/bill of lading, which SCAC code should be provide?

Answer: Until the Automated Commercial Environment (ACE) manifest is able to identify the specific truck and driver for a shipment; the billing carrier should be identified in the transaction.

G) When using PAPS, can I provide more than one filer code on the same CBP Form 7533?

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Answer: Yes. The automation rule applies to the carrier; subsequently, there is no restriction on filer codes. However, the manifest must clearly designate filers on each PAPS label.

8. Remote Location Filing (RLF)

If I use remote location filing (RLF), will there be any changes that affect me?

Answer: There are two parts of this implementation that will affect RLF filers:

- All entries submitted for land border RLF shipments must be received by CBP at least one hour prior to arrival of the truck in the United States.
- The SCAC code and unique identifier (pro-bill or entry number) must be identified in the existing specific fields of the ABI transmission from the filer. No paper invoice will be required for RLF filers if the electronic invoice is available.
- The shipment may be released using either current RLF processes or PAPS. In lieu of the invoice, the carrier must note on the manifest that the shipment has been filed as an RLF entry and the invoice has been filed electronically.

9. Compliance Dates

When do these new rules become effective?

Answer: The rule became effective on November 15, 2004, in the first group of 40 ports of entry:

- | | |
|---------------------------------|---------------------------------|
| (1) Buffalo, NY (0901) | (21) Brownsville, TX (2301) |
| (2) Alexandria Bay, NY (0708) | (22) Progreso, TX (2309) |
| (3) Ogdensburg, NY (0701) | (23) Del Rio, TX (2302) |
| (4) Massena, NY (0704) | (24) Hidalgo/Pharr, TX (2305) |
| (5) Detroit, MI (3801) | (25) Roma, TX (2310) |
| (6) Port Huron, MI (3802) | (26) Rio Grande City, TX (2307) |
| (7) Sault Ste. Marie, MI (3803) | (27) El Paso, TX (2402) |
| (8) Algonac, MI (3814) | (28) Presidio, TX (2403) |
| (9) Blaine, WA (3004) | (29) Fabens, TX (2404) |
| (10) Sumas, WA (3009) | (30) Columbus, NM (2406) |
| (11) Lynden, WA (3023) | (31) Santa Teresa, NM (2408) |
| (12) Oroville, WA (3019) | (32) Douglas, AZ (2601) |
| (13) Frontier, WA (3020) | (33) Lukeville, AZ (2602) |
| (14) Laurier, WA (3016) | (34) Naco, AZ (2603) |
| (15) Point Roberts, WA (3017) | (35) Nogales, AZ (2604) |
| (16) Danville, WA (3012) | (36) Sasabe, AZ (2606) |
| (17) Ferry, WA (3013) | (37) San Luis, AZ (2608) |
| (18) Metaline Falls, WA (3025) | (38) Tecate, CA (2505) |
| (19) Laredo, TX (2304) | (39) Calexico, CA (2507) |
| (20) Eagle Pass, TX (2303) | (40) Otay Mesa, CA (2506) |

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On December 15, 2004, the rule became effective at the next group of 43 ports:

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| (41) Champlain, NY (0712) | (63) Baudette, MN (3424) |
| (42) Trout River, NY (0715) | (64) Pine Creek, MN (3425) |
| (43) Pembina, ND (3401) | (65) Roseau, MN (3426) |
| (44) Noyes, MN (3402) | (66) International Falls, MN (3604) |
| (45) Portal, ND (3403) | (67) Grand Portage, MN (3613) |
| (46) Neche, ND (3404) | (68) Richford, VT (0203) |
| (47) St. John, ND (3405) | (69) Derby Line, VT (0209) |
| (48) Northgate, ND (3406) | (70) Norton, VT (0211) |
| (49) Walhalla, ND (3407) | (71) Beecher Falls, VT (0206) |
| (50) Hannah, ND (3408) | (72) Highgate Springs, VT (0212) |
| (51) Sarles, ND (3409) | (73) Houlton, ME (0106) |
| (52) Ambrose, ND (3410) | (74) Bridgewater, ME (0127) |
| (53) Antler, ND (3413) | (75) Fort Fairfield, ME (0107) |
| (54) Sherwood, ND (3414) | (76) Limestone, ME (0118) |
| (55) Hansboro, ND (3415) | (77) Van Buren, ME (0108) |
| (56) Maida, ND (3416) | (78) Madawaska, ME (0109) |
| (57) Fortuna, ND (3417) | (79) Fort Kent, ME (0110) |
| (58) Westhope, ND (3419) | (80) Calais, ME (0115) |
| (59) Noonan, ND (3420) | (81) Vanceboro, ME (0105) |
| (60) Carbury, ND (3421) | (82) Eastport/Lubec, ME (0103) |
| (61) Dunseith, ND (3422) | (83) Jackman, ME (0104) |
| (62) Warroad, MN (3423) | |

On January 14, 2005, the rule became effective at the remaining 16 ports:

- | | |
|----------------------------|------------------------------|
| (84) Eastport, ID (3302) | (92) Opheim, MT (3317) |
| (85) Porthill, ID (3308) | (93) Roosville, MT (3318) |
| (86) Sweetgrass, MT (3310) | (94) Morgan, MT (3319) |
| (87) Raymond, MT (3301) | (95) Whitlash, MT (3321) |
| (88) Turner, MT (3306) | (96) Del Bonita, MT (3320) |
| (89) Scobey, MT (3309) | (97) Alcan, AK (3104) |
| (90) Whitetail, MT (3312) | (98) Skagway, AK (3103) |
| (91) Piegan, MT (3316) | (99) Dalton Cache, AK (3106) |

10. Enforced Compliance Dates

	Implementation Date	Ports as specified in the Trade Act
1	November 15, 2004	Group 1
2	December 15, 2004	Group 2
3	January 14, 2005	Group 3

Beginning on the dates established in the above schedule, CBP established the following procedures in each port for any truck that arrives in the United States, which is required to transmit information electronically to CBP. There are 3 phases, each phase focusing on one of the following three areas: IN-BOND, to include Customs Automated Forms Entry System (CAFES) and ABI in-bond format

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(QP/WP), Pre-Arrival Processing System (PAPS) and Border Release Advance Screening and Selectivity (BRASS). The implementation schedule is as follows:

Phase 1 (IN-BOND)	Phase 2 (PAPS)	Phase 3 (BRASS)
Group 1 Part 1: 11/15/04 - 01/02/05 Part 2: 01/03/05 - 02/21/05 Part 3: 02/22/05 - 05/15/05 Part 4: 05/16/05	Group 1 Part 1: 12/01/04 - 12/14/04 Part 2: 12/15/04 - 02/21/05 Part 3: 02/22/05 - 05/15/05 Part 4: 05/16/05	Group 1 Part 1: 12/16/04 - 04/30/05 Part 2: 05/01/05 - 05/15/05 Part 3: 05/16/05
Group 2 Part 1: 12/15/04 - 01/02/05 Part 2: 01/03/05 - 02/21/05 Part 3: 02/22/05 - 05/15/05 Part 4: 05/16/05	Group 2 Part 1: 01/04/05 - 01/18/05 Part 2: 01/19/05 - 02/21/05 Part 3: 02/22/05 - 05/15/05 Part 4: 05/16/05	Group 2 Part 1: 01/20/04 - 04/30/05 Part 2: 05/01/05 - 05/15/05 Part 3: 05/16/05
Group 3 Part 1: 01/14/05 - 01/31/05 Part 2: 02/01/05 - 02/20/05 Part 3: 02/21/05 - 05/15/05 Part 4: 05/16/05	Group 3 Part 1: 02/02/05 - 02/15/05 Part 2: 02/16/05 - 03/06/05 Part 3: 03/07/05 - 05/15/05 Part 4: 05/16/05	Group 3 Part 1: 02/17/05 - 04/30/05 Part 2: 05/01/05 - 05/15/05 Part 3: 05/16/05

Phase 1 (In-Bond) All Groups

For any truck arriving with in-bond shipments (QP/WP and CAFES) that have not been transmitted electronically to CBP, the following guidelines have been implemented:

Part 1: Ports will issue an Information Letter.

Part 2: A penalty will be issued for egregious violations, with the following guidelines: The driver (in care of the carrier) will be liable under 19 USC 1436.

Part 3: A penalty under 19 USC 1436 will be issued to the driver (in care of the carrier) who fails to provide CBP with electronic cargo information prior to arrival and do not have a QP barcode (or in-bond number). For carriers that can provide proof that the information was timely provided to the ABI filer prior to arrival, an information letter will be issued to the ABI filer and carrier. No penalty will be issued to the carrier. A penalty under 19 USC 1436 will be assessed to the driver (in care of the carrier) who does not have a valid CAFES barcode that transmits the required electronic cargo information.

Part 4: Denial of Entry of the conveyance (turning the truck around) will be issued to the driver who fails to provide CBP with electronic cargo information prior to arrival and does not have a QP barcode (or in-bond number). For carriers

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that can provide proof that the information was timely provided to the broker prior to arrival, a noncompliance letter will continue to be issued to the broker and carrier. No denial of entry will be issued to the carrier.

Denial of entry of the conveyance will be issued to a driver who does not have a valid CAFES barcode that transmits the required electronic cargo information.

Phase 2 (PAPS) All Groups

For any truck arriving with a PAPS entry that was not electronically received by CBP, the following guidelines will be implemented:

Part 1: Ports will issue an Information Letter.

Part 2: A penalty will be issued for egregious violations, with the following guidelines: The driver (in care of the carrier) will be liable under 19 USC 1436.

Part 3: A penalty under 19 USC 1436 will be issued to the driver (in care of the carrier) who fails to provide CBP with electronic cargo information prior to arrival and do not have a PAPS barcode (or entry number). For carriers that can provide proof that the information was timely provided to the ABI filer prior to arrival, an information letter will be issued to the ABI filer and carrier. No penalty will be issued to the carrier.

Part 4: Denial of Entry of the conveyance (turning the truck around) will be issued to the driver who fails to provide CBP with electronic cargo information prior to arrival and does not have a PAPS barcode (or entry number). For carriers that can provide proof that the information was timely provided to the broker prior to arrival, a noncompliance letter will continue to be issued to the broker and carrier. No denial of entry will be issued to the carrier.

Phase 3 (BRASS) All Groups

For BRASS entries where the driver does not present a valid FAST card, the following guidelines will be implemented:

Part 1: Ports will issue the BRASS Notice of Noncompliance.

Part 2: If a driver arrives at the border with a BRASS shipment but does not present a FAST ID card, the driver (in care of the carrier) will be liable to a penalty under 19 USC 1436. Having applied for a FAST ID card will not excuse the driver from the violation.

This requirement does not currently apply at the ports of Eastport, Idaho; International Falls, Minnesota; Grand Portage, Minnesota; and Jackman, Maine, where FAST Driver Cards are not available but will be required by a separate Federal Register Notice when they become available.

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Part 3: If a driver arrives at the border with a BRASS shipment but does not present a FAST ID card, the conveyance will be denied entry into the United States (turned around). Having applied for a FAST ID card will not excuse the driver from the violation.

This requirement does not currently apply at the ports of Eastport, Idaho; International Falls, Minnesota; Grand Portage, Minnesota; and Jackman, Maine, where FAST Driver Cards are not available but will be required by a separate Federal Register Notice when they become available.

Note: CBP recognizes that there are restrictions on how many hours a driver is allowed to drive before having to meet mandatory rest requirements. Subsequently, in trucks arriving with a BRASS shipment where there are two drivers, CBP only requires that the driver with the FAST ID card be the one who signs the BRASS manifest. CBP does not require that the driver with the FAST ID card be physically driving at the time of entry. However, he must be in the truck and present his FAST ID card at the time of entry.

11. Permit Ports

How do these changes impact processing at the permit ports listed on the Federal Register Notice?

Answer: Permit ports will continue to process only entries for which a permit has been granted for that port. These changes do not open permit ports to all arriving merchandise. The primary change to permit port processing will involve the replacement of current BREL processing with electronic entry procedures through ABI. The requirement for PAPS, BRASS, QP/WP and CAFES applies to permit ports.

12. ACS Down Time Procedures

For PAPS users, what procedures will be used during ACS down times?

Answer: In the event that an entry is presented for release using the (PAPS) when either the CBP system is down, or ABI is down, the driver will be sent to the entry filer to obtain the following:

- ABI System Down Letter
- CBP Form 3461Alt

Both must be attached to the release copy of the invoice in order for the cargo to move under the currently established down time procedures. This is necessary in part because with only a PAPS label on the paperwork, and nothing in the electronic systems, there is nothing to obligate the filing of an entry. Additionally, in the event that follow up is needed, CBP cannot call the filer with only a SCAC/Pro# combination to determine the status. An entry number is required for tracking purposes.

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If the release is at a "Permit" Port, the filer will be required to fax a signed letter, which includes the entry number, or a copy of the CBP Form 3461 that obligates the firm to file the subsequent entry documentation.