

Subject: OMB Finished Review of 10+2

Braumiller Schulz LLP Announcement

10+2 Notice of Proposed Rulemaking Is Next

The office of Management and Budget (OMB) has completed their review of Customs and Border Protection's (CBP) proposed "10+2" security filing rule. The notice of proposed rulemaking is anticipated to be published in the Federal Register by the end of the year. After it is published, the 60-day comment period will commence, then the final rule will be published. 10+2 will be phased in over the course of a twelve month period to enable industry to comply with the new requirements.

OMB's analysis determined that the rule will cost industry from \$390 million to \$690 million per year. The costs will come from security filing transaction costs/fees charged to importers by their cargo and broker agents, as well as anticipated supply chain delays and the cost of carriers for transmitting the additional data to CBP. There is no firm understanding of how much terrorist risk reduction the rule will provide.

10+2 will require the following 10 additional commercial data elements for ocean shipments prior to loading at the foreign port to be transmitted to CBP:

1. Manufacturer name and address
2. Seller name and address
3. Container stuffing location
4. Consolidator name and address
5. Buyer name and address
6. Ship to name and address
7. Importer of record number
8. Consignee number
9. Country of origin of the goods
10. Commodity HTS number to the 6th digit

In addition, CBP will require ocean carriers to provide the following two data sets:

1. Container status message
2. Vessel stow plan

Initially 10+2 will be ocean only, additional modes of transportation will be included eventually.

****If you have comments on the proposed rule that you would like to have us present to CBP on your behalf, please do not hesitate to contact us. One of our partners, Adrienne Braumiller, is a current member of COAC (Commercial Operations Advisory Committee) a 20-member advisory council that represents importers, carriers, customs brokers and port authorities, that provides advice to the Department of Homeland Security on trade compliance and facilitation. Please email us at info@globaltradelaw.net with your 10+2 comments.****