



July 13, 2020

Ms. Valerie Neuhart, Acting Executive Director
Office of Trade Relations
1300 Pennsylvania Ave NW, Room 3.5A
Washington, DC 20229

<http://www.regulations.gov>

RE: Department of Homeland Security Docket Number USCBP-2020-0033

Dear Ms. Neuhart,

We respectfully submit the following public comment to be read and discussed during the COAC public meeting on July 15, 2020. Roanoke Insurance Group Inc. is a surety agent and has provided customs bonds to the international trade community since 1935.

Bond Working Group – FTZ Operator Bond Calculation

The discussion on setting a standard bond calculation for foreign trade zone operator bonds has been on the Bond Working Group's agenda since 2019. It is imperative that this issue be resolved without further delay.

We have seen an increase in the number for FTZ bond requests in the past year. Many importers are looking for ways to defer duty payment, especially during these hard economic times. One way is to enter imported goods into a foreign trade zone for future formal entry and distribution. A current request is for a company planning to move its manufacturing back to the U.S. and perform light manufacturing in an FTZ. Not only does this boost the economy in the FTZ location and adds jobs, they are following the intent of the Administration by bringing manufacturing back to the U.S. The only obstacle is determining the bond amount.

By not standardizing a reasonable bond amount formula, CBP is impeding these companies' ability to save money during hard economic times. Furthermore, CBP is also hindering the goal of the Administration to promote or restart U.S. manufacturing and add jobs because companies are holding back implementing their FTZ plans. Further inaction by CBP may drive FTZ activity away from the United States.

Respectfully,


Colleen Clarke
Vice President


Matthew Zehner
Vice President