

**Commercial Customs Operations Advisory  
Committee  
Rapid Response Subcommittee**

September 2022

**COAC**

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COMMERCIAL CUSTOMS OPERATIONS  
ADVISORY COMMITTEE

**Commercial Customs Operations Advisory Committee (COAC)  
September 2022**

**Report of the Work of the COAC  
Subcommittee on Rapid Response**

**Co-Chairs**

Brian Barber - Willson International, Inc.

Julie Pojar - Kohler Co.

**Rapid Response Subcommittee Members**

David Corn, John Drake, Jose D. Gonzalez, Kerry Novak, Stephen Simmons, John Van Wallaghen, Erika Vidal-Faulkenberry, Brian White, and Kathy Wilkins.

**Background**

The Rapid Response Subcommittee consists of the Broker Modernization Working Group to cover all Broker issues, and the Domestic Manufacturing and Production Working group to represent trade enforcement concerns raised by domestic manufacturers under Customs and Border Protection's scope of authority. The U.S.-Mexico-Canada Agreement (USMCA) remained on hiatus during the third quarter, however CBP is planning to reconvene the USMCA Working Group in the fourth quarter.

All subcommittee objectives and scope are consistent with the official charter of COAC.

**Summary of Work**

The Rapid Response Subcommittee has the responsibility of aligning Working Groups with CBP's Trade Strategy 2020. This strategy focuses on three areas aimed at modernizing import/export processes, improving trade intelligence, and maximizing efficiencies.

This past quarter, the Rapid Response Subcommittee received updates from the CBP co-chairs regarding the next steps for the Broker Modernization Working Group and the Domestic Manufacturing and Production Working Group.

**Broker Modernization Working Group:**

Under the 16th term, the COAC has consolidated the Customs Broker Exam Modernization and Broker Continuing Education Working Groups with the previously-active Title 19 part 111 Re-write Working Group into a newly formed Broker Modernization Working Group.

This group met two times this quarter, during which it continued to define the group's purpose and reviewed the status of each of the focus areas. Both the continuing education and Part 111 re-write topics are in (Notice of Proposed Rulemaking) NPRM and comment review status; the group is restricted from discussing but will continue work on each when authorized. The group has spent considerable time reviewing the results of this year's April customs broker exam and offering input for the October exam. Additionally, the Broker Modernization Working Group

has begun the process of reviewing COAC recommendations that relate to the legacy working groups.

**Domestic Manufacturing and Production (DMAP) Working Group:**

The working group met four times during the third quarter, during which the primary topic of focus has been on addressing recommendations for improvements to Section 321 de minimus shipment processing. The working group is targeting Section 321 de minimus shipments as a protectionary measure in support of domestic manufacturers and producers. The current process may allow IPR violators an easier path to importing goods that compete with domestically manufactured goods, violate U.S. law, and pose risks to U.S. consumers. The DMAP Working Group has met with the COAC E-Commerce working group to collaborate with them on their efforts and is working on recommendations to support the enhancement of enforcement tools and data collection to mitigate these risks to domestic manufacturers and consumers.

The DMAP Working Group will continue to work with the Intellectual Property Rights Process Modernization Working Group and the E-Commerce Working Group to ensure these concerns are addressed either through a stand-alone recommendation in an upcoming public meeting, or through a recommendation via collaboration with the appropriate COAC Working Group.

**U.S. – Mexico – Canada Agreement (USMCA) Working Group:**

As announced at the June 29th public meeting, the USMCA Working Group is being reconvened, and will start to meet in the 4th quarter.

**Conclusion**

The Rapid Response Subcommittee will continue to work closely with CBP on all issues related to Brokers and Domestic Manufacturing and will support CBP with reconvening the USMCA Working Group when appropriate.