

National Association of Foreign-Trade Zones
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March 14, 2025

Via email to CBP_PRA@cbp.dhs.gov

Mr. Seth D. Renkema
Branch Chief, Economic Impact Analysis Branch
U.S. Customs and Border Protection
90 K Street NE, 10th Floor
Washington, DC, 20229

Mr. Renkema,

On behalf of the National Association of Foreign-Trade Zones (NAFTZ) and its members, I am writing in response to the Federal Register Notice of January 14, 2025, from U.S. Customs and Border Protection regarding the Request for Comments on Foreign Trade Zones Annual Reconciliation and recordkeeping Requirement [OMB Control Number 1651-0051] (Docket number FR Doc. 2025-00521).

NAFTZ is the collective voice of all constituents of the U.S. Foreign-Trade Zones (FTZ) program, representing grantees, users, operators, and service providers (collectively - FTZ constituents) engaged in the program, which is a vital component of the U.S. economy.

Utility of the Reporting

The requirement that each U.S. FTZ Operator submit a letter to a CBP port director certifying that an annual system reconciliation is available for review is an archaic holdover from a time when inventory systems worked much differently. Operators reconcile their systems much more frequently to maintain compliant reporting. The resulting reporting is reviewed by CBP more frequently than an annual basis, and there is no need to send a letter to CBP announcing that a reconciliation report is available when the report can be produced on demand during a review. This yearly letter, and the yearly process of CBP responding to it, is not necessary to the proper performance of CBP, nor does it have practical utility.

Assessment of Time and Cost Estimates for Proposed Data Collection: Methodology and Assumptions Analysis

In the Agency's assessment, the time and cost estimates for information collection have been substantially underestimated due to the exclusion of a significant number of respondents. The Agency's methodology relies on an estimate of only 276 respondents. However, FTZ operators bear the responsibility of collecting, compiling, and reporting most of the information requested by the Department.

In the 2023 Annual Report to Congress, the FTZ Board noted the 1,300 *active* zone operations. It's important to highlight that *both active and inactive zone operators* are mandated to report annually for this information collection, yet they have not been factored into the Agency's data estimates. Thus, to accurately reflect the estimated number of respondents, time per response, and total annual burden hours, both active and inactive foreign trade zone operators should be considered in the assumptions for both the Record Keeping Requirements and the Certification Letter.

We are available to further discuss the FTZ structure and our reasoning behind these comments if desired.

Sincerely,

Handwritten signature of Jeffrey J. Tafel, CAE in black ink.

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