

## CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

**SECTION 301 OF THE CUSTOMS PROCEDURAL REFORM  
AND SIMPLIFICATION ACT OF 1978**

SEC. 301. (a) **[(1)** For the fiscal year beginning October 1, 1979, and each fiscal year thereafter, there are authorized to be appropriated to the Department of the Treasury for the United States Customs Service only such sums as may hereafter be authorized by law.

**[(2)** The authorization of the appropriations for the United States Customs Service for each fiscal year after fiscal year 1987 shall specify—

**[(A)** the amount authorized for the fiscal year for the salaries and expenses of the Service in conducting commercial operations; and

**[(B)** the amount authorized for the fiscal year for the salaries and expenses of the Service for other than commercial operations.]

*(1) For the fiscal year beginning October 1, 2004, and each fiscal year thereafter, there are authorized to be appropriated to the Department of Homeland Security for the Bureau of Customs and Border Protection and the Bureau of Immigration and Customs Enforcement only such sums as may hereafter be authorized by law.*

**[(3)]** (2) By not later than the date on which the President submits to Congress the budget of the United States Government for a fiscal year, the Commissioner of Customs *and the Assistant Secretary for United States Immigration and Customs Enforcement, respectively*, shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate the projected amount of funds for the succeeding fiscal year that will be necessary for the operations of the **[(Customs Service] Bureau of Customs and Border Protection and the Bureau of Immigration and Customs Enforcement** as provided for in subsection (b).

**[(b) AUTHORIZATION OF APPROPRIATIONS.—**

**[(1) FOR NONCOMMERCIAL OPERATIONS.—**There are authorized to be appropriated for the salaries and expenses of the Customs Service that are incurred in noncommercial operations not to exceed the following:

**[(A)** \$1,365,456,000 for fiscal year 2003.

**[(B)** \$1,399,592,400 for fiscal year 2004.

**[(2) FOR COMMERCIAL OPERATIONS.—(A)** There are authorized to be appropriated for the salaries and expenses of the Customs Service that are incurred in commercial operations not less than the following:

**[(i)** \$1,642,602,000 for fiscal year 2003.

[(ii) \$1,683,667,050 for fiscal year 2004.]

[(B) The monies authorized to be appropriated under subparagraph (A) for any fiscal year, except for such sums as may be necessary for the salaries and expenses of the Customs Service that are incurred in connection with the processing of merchandise that is exempt from the fees imposed under section 13031(a) (9) and (10) of the Consolidated Omnibus Budget Reconciliation Act of 1985, shall be appropriated from the Customs User Fee Account.]

[(3) FOR AIR INTERDICTION.—There are authorized to be appropriated for the operation (including salaries and expenses) and maintenance of the air interdiction program of the Customs Service not to exceed the following:

[(A) \$170,829,000 for fiscal year 2003.]

[(B) \$175,099,725 for fiscal year 2004.]

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) BUREAU OF CUSTOMS AND BORDER PROTECTION.—

(A) *There are authorized to be appropriated for the salaries and expenses of the Bureau of Customs and Border Protection not to exceed the following:*

(i) *\$6,203,000,000 for fiscal year 2005.*

(ii) *\$6,469,729,000 for fiscal year 2006.*

(B)(i) *The monies authorized to be appropriated under subparagraph (A) with respect to customs revenue functions for any fiscal year, except for such sums as may be necessary for the salaries and expenses of the Bureau of Customs and Border Protection that are incurred in connection with the processing of merchandise that is exempt from the fees imposed under paragraphs (9) and (10) of section 13031(a) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)), shall be appropriated from the Customs User Fee Account.*

(ii) *In clause (i), the term “customs revenue function” means the following:*

(I) *Assessing and collecting customs duties (including antidumping and countervailing duties and duties imposed under safeguard provisions), excise taxes, fees, and penalties due on imported merchandise, including classifying and valuing merchandise for the purposes of such assessment.*

(II) *Processing and denial of entry of persons, baggage, cargo, and mail, with respect to the assessment and collection of import duties.*

(III) *Detecting and apprehending persons engaged in fraudulent practices designed to circumvent the customs laws of the United States.*

(IV) *Enforcing section 337 of the Tariff Act of 1930 and provisions relating to import quotas and the marking of imported merchandise, and providing Customs Recordations for copyrights, patents, and trademarks.*

(V) *Collecting accurate import data for compilation of international trade statistics.*

(VI) *Enforcing reciprocal trade agreements.*

*(VII) Functions performed by the following personnel, and associated support staff, of the United States Customs Service prior to the establishment of the Bureau of Customs and Border Protection: Import Specialists, Entry Specialists, Drawback Specialists, National Import Specialists, Fines and Penalties Specialists, attorneys of the Office of Regulations and Rulings, Customs Auditors, International Trade Specialists, and Financial System Specialists.*

*(VIII) Functions performed by the following offices, with respect to any function described in any of subclauses (I) through (VII), and associated support staff, of the United States Customs Service prior to the establishment of the Bureau of Customs and Border Protection: the Office of Information and Technology, the Office of Laboratory Services, the Office of the Chief Counsel, the Office of Congressional Affairs, the Office of International Affairs, and the Office of Training and Development.*

(2) BUREAU OF IMMIGRATION AND CUSTOMS ENFORCEMENT.—There are authorized to be appropriated for the salaries and expenses of the Bureau of Immigration and Customs Enforcement not to exceed the following:

(A) \$4,011,000,000 for fiscal year 2005.

(B) \$4,335,891,000 for fiscal year 2006.

\* \* \* \* \*

## SECTION 334 OF THE CUSTOMS AND BORDER SECURITY ACT OF 2002

### ISEC. 334. ESTABLISHMENT AND IMPLEMENTATION OF COST ACCOUNTING SYSTEM; REPORTS.

#### [(a) ESTABLISHMENT AND IMPLEMENTATION.—

[(1) IN GENERAL.—Not later than September 30, 2003, the Commissioner of Customs shall, in accordance with the audit of the Customs Service's fiscal years 2000 and 1999 financial statements (as contained in the report of the Office of the Inspector General of the Department of the Treasury issued on February 23, 2001), establish and implement a cost accounting system for expenses incurred in both commercial and non-commercial operations of the Customs Service.

[(2) ADDITIONAL REQUIREMENT.—The cost accounting system described in paragraph (1) shall provide for an identification of expenses based on the type of operation, the port at which the operation took place, the amount of time spent on the operation by personnel of the Customs Service, and an identification of expenses based on any other appropriate classification necessary to provide for an accurate and complete accounting of the expenses.

[(b) REPORTS.—Beginning on the date of the enactment of this Act and ending on the date on which the cost accounting system described in subsection (a) is fully implemented, the Commissioner

of Customs shall prepare and submit to Congress on a quarterly basis a report on the progress of implementing the cost accounting system pursuant to subsection (a).】

**SEC. 334. ESTABLISHMENT AND IMPLEMENTATION OF COST ACCOUNTING SYSTEM; REPORTS.**

*(a) ESTABLISHMENT AND IMPLEMENTATION; CUSTOMS AND BORDER PROTECTION.—*

*(1) IN GENERAL.—Not later than September 30, 2005, the Commissioner of Customs shall, in accordance with the audit of the Customs Service's fiscal years 2000 and 1999 financial statements (as contained in the report of the Office of Inspector General of the Department of the Treasury issued on February 23, 2001), establish and implement a cost accounting system—*

*(A) for expenses incurred in both commercial and non-commercial operations of the Bureau of Customs and Border Protection of the Department of Homeland Security, which system should specifically identify and distinguish expenses incurred in commercial operations and expenses incurred in noncommercial operations; and*

*(B) for expenses incurred both in administering and enforcing the customs laws of the United States and the Federal immigration laws, which system should specifically identify and distinguish expenses incurred in administering and enforcing the customs laws of the United States and the expenses incurred in administering and enforcing the Federal immigration laws.*

*(2) ADDITIONAL REQUIREMENT.—The cost accounting system described in paragraph (1) shall provide for an identification of expenses based on the type of operation, the port at which the operation took place, the amount of time spent on the operation by personnel of the Bureau of Customs and Border Protection, and an identification of expenses based on any other appropriate classification necessary to provide for an accurate and complete accounting of expenses.*

*(b) ESTABLISHMENT AND IMPLEMENTATION; IMMIGRATION AND CUSTOMS ENFORCEMENT.—*

*(1) IN GENERAL.—Not later than September 30, 2005, the Assistant Secretary for United States Immigration and Customs Enforcement shall, in accordance with the audit of the Customs Service's fiscal years 2000 and 1999 financial statements (as contained in the report of the Office of Inspector General of the Department of the Treasury issued on February 23, 2001), establish and implement a cost accounting system—*

*(A) for expenses incurred in both commercial and non-commercial operations of the Bureau of Immigration and Customs Enforcement of the Department of Homeland Security, which system should specifically identify and distinguish expenses incurred in commercial operations and expenses incurred in noncommercial operations;*

*(B) for expenses incurred both in administering and enforcing the customs laws of the United States and the Federal immigration laws, which system should specifically identify and distinguish expenses incurred in administering and enforcing the customs laws of the United*

*States and the expenses incurred in administering and enforcing the Federal immigration laws.*

*(2) ADDITIONAL REQUIREMENT.—The cost accounting system described in paragraph (1) shall provide for an identification of expenses based on the type of operation, the amount of time spent on the operation by personnel of the Bureau of Immigration and Customs Enforcement, and an identification of expenses based on any other appropriate classification necessary to provide for an accurate and complete accounting of expenses.*

*(c) REPORTS.—*

*(1) DEVELOPMENT OF THE COST ACCOUNTING SYSTEMS.—Beginning on the date of the enactment of the Customs Border Security and Trade Agencies Authorization Act of 2004 and ending on the date on which the cost accounting systems described in subsections (a) and (b) are fully implemented, the Commissioner of Customs and the Assistant Secretary for United States Immigration and Customs Enforcement, respectively, shall prepare and submit to Congress on a quarterly basis a report on the progress of implementing the cost accounting systems pursuant to subsections (a) and (b).*

*(2) ANNUAL REPORTS.—Beginning one year after the date on which the cost accounting systems described in subsections (a) and (b) are fully implemented, the Commissioner of Customs and the Assistant Secretary for United States Immigration and Customs Enforcement, respectively, shall prepare and submit to Congress on an annual basis a report itemizing the expenses identified in subsections (a) and (b).*

*(3) OFFICE OF THE INSPECTOR GENERAL.—Not later than March 31, 2006, the Inspector General of the Department of Homeland Security shall prepare and submit to Congress a report analyzing the level of compliance with this section and detailing any additional steps that should be taken to improve compliance with this section.*

**TARIFF ACT OF 1930**

\* \* \* \* \*

**TITLE III—SPECIAL PROVISIONS**

\* \* \* \* \*

**Part II—United States Tariff Commission**

**SEC. 330. ORGANIZATION OF THE COMMISSION.**

(a) \* \* \*

\* \* \* \* \*

(e) **AUTHORIZATION OF APPROPRIATIONS.—(1)** \* \* \*

(2)(A) There are authorized to be appropriated to the Commission for necessary expenses (including the rental of conference rooms in the District of Columbia and elsewhere) not to exceed the following:

[(i) \$54,000,000 for fiscal year 2003.

[(ii) \$57,240,000 for fiscal year 2004.]  
(i) \$61,700,000 for fiscal year 2005.  
(ii) \$65,278,000 for fiscal year 2006.

\* \* \* \* \*

**TITLE IV—ADMINISTRATIVE PROVISIONS**

**PART I—DEFINITIONS AND NATIONAL CUSTOMS  
AUTOMATION PROGRAM**

**Subpart A—Definitions**

**SEC. 401. MISCELLANEOUS.**

When used in this title or in Part I of Title III—

(a) \* \* \*

\* \* \* \* \*

(i) **OFFICER OF THE CUSTOMS; CUSTOMS OFFICER.**—The terms “officer of the customs” and “customs officer” mean any officer of the Bureau of Customs of the Treasury Department (also hereinafter referred to as the “Customs Service”) or any commissioned, warrant, or petty officer of the Coast Guard, or any agent or other person, *including foreign law enforcement officers*, authorized by law or designated by the Secretary of the Treasury to perform any duties of an officer of the Customs Service.

\* \* \* \* \*

(t) **RECONFIGURED ENTRY.**—*The term “reconfigured entry” means an entry filed on an import activity summary statement which substitutes for all or part of 1 or more entries filed under section 484(a)(1)(A) or filed on a reconciliation entry that aggregates the entry elements to be reconciled under section 484(b) for purposes of liquidation, reliquidation, or protest.*

\* \* \* \* \*

**Part III—Ascertainment, Collection, and Recovery of Duties**

\* \* \* \* \*

**SEC. 484. ENTRY OF MERCHANDISE.**

(a) **REQUIREMENT AND TIME.**—

(1) Except as provided in sections 490, 498, 552, and 553, one of the parties qualifying as “importer of record” under paragraph (2)(B), either in person or by an agent authorized by the party in writing, shall, using reasonable care—

(A) \* \* \*

(B) complete the entry, or substitute 1 or more reconfigured entries on an import activity summary statement, by filing with the Customs Service the declared value, classification and rate of duty applicable to the merchandise, and such other documentation or, pursuant to an electronic data interchange system, such other information as is necessary to enable the Customs Service to—

(i) \* \* \*

\* \* \* \* \*

(2)(A) The documentation or information required under paragraph (1) with respect to any imported merchandise shall be filed or transmitted in such manner and within such time periods as the Secretary shall by regulation prescribe. Such regulations shall provide for the filing of import activity summary statements, *and permit the filing of reconfigured entries*, covering entries or warehouse withdrawals made during a calendar month, within such time period as is prescribed in regulations but not to exceed the 20th day following such calendar month. *Entries filed under paragraph (1)(A) shall not be liquidated if covered by an import activity summary statement, but instead each reconfigured entry in the import activity summary statement shall be subject to liquidation or reliquidation pursuant to section 500, 501, or 504.*

\* \* \* \* \*

(b) RECONCILIATION.—

(1) IN GENERAL.—A party may elect to file a reconciliation with regard to such entry elements as are identified by the party pursuant to regulations prescribed by the Secretary. If the party so elects, the party shall declare that a reconciliation will be filed. The declaration shall be made in such manner as the Secretary shall prescribe and at the time the documentation or information required by subsection (a)(1)(B) or the import activity summary statement is filed with, or transmitted to, the Customs Service, or at such later time as the Customs Service may, in its discretion, permit. The reconciliation shall be filed by the importer of record at such time and in such manner as the Secretary prescribes but not later than ~~15 months~~ *21 months* after the date the importer declares his intent to file the reconciliation. In the case of reconciling issues relating to the assessment of antidumping and countervailing duties, the reconciliation shall be filed not later than 90 days after the date the Customs Service advises the importer that the period of review for antidumping or countervailing duty purposes has been completed. Before filing a reconciliation, an importer of record shall post bond or other security pursuant to such regulations as the Secretary may prescribe.

\* \* \* \* \*

**SEC. 501. VOLUNTARY RELIQUIDATIONS BY THE CUSTOMS SERVICE.**

A liquidation made in accordance with section 500 *or 504* or any reliquidation thereof made in accordance with this section may be reliquidated in any respect by the Customs Service, notwithstanding the filing of a protest, within ninety days from the date on which notice of the original liquidation is given or transmitted to the importer, his consignee or agent. Notice of such reliquidation shall be given or transmitted in the manner prescribed with respect to original liquidations under section 500(e).

\* \* \* \* \*

**SEC. 504. LIMITATION ON LIQUIDATION.**

(a) LIQUIDATION.—Unless an entry is extended under subsection (b) or suspended as required by statute or court order, ex-

cept as provided in section 751(a)(3), an entry of merchandise not liquidated within one year from:

(1) \* \* \*

\* \* \* \* \*

(3) the date of withdrawal from warehouse of such merchandise for consumption where, pursuant to regulations issued under section 505(a) of this Act, duties may be deposited after the filing of an entry or withdrawal from warehouse; [or]

(4) if a reconciliation is filed, or should have been filed, the date of the filing under section 484 or the date the reconciliation should have been [filed;] *filed, whichever is earlier; or*

(5) *if a reconfigured entry is filed under an import activity summary statement, the date the import activity summary statement is filed or should have been filed, whichever is earlier;*

shall be deemed liquidated at the rate of duty, value, quantity, and amount of duties asserted [at the time of entry] by the importer of record. Notwithstanding section 500(e) of this Act, notice of liquidation need not be given of an entry deemed liquidated.

(b) EXTENSION.—The Secretary may extend the period in which to liquidate an entry if—

(1) \* \* \*

\* \* \* \* \*

The Secretary shall give notice of an extension under this subsection to the importer of record and the surety of such importer of record. Notice shall be in such form and manner (which may include electronic transmittal) as the Secretary shall by regulation prescribe. Any entry the liquidation of which is extended under this subsection shall be treated as having been liquidated at the rate of duty, value, quantity, and amount of duty asserted [at the time of entry] by the importer of record at the expiration of 4 years from the applicable date specified in subsection (a).

\* \* \* \* \*

(d) REMOVAL OF SUSPENSION.—Except as provided in section 751(a)(3), when a suspension required by statute or court order is removed, the Customs Service shall liquidate the entry, unless liquidation is extended under subsection (b), within 6 months after receiving notice of the removal from the Department of Commerce, other agency, or a court with jurisdiction over the entry. Any entry (other than an entry with respect to which liquidation has been extended under subsection (b)) not liquidated by the Customs Service within 6 months after receiving such notice shall be treated as having been liquidated at the rate of duty, value, quantity, and amount of duty asserted [at the time of entry] by the importer of record.

**SEC. 505. PAYMENT OF DUTIES AND FEES.**

(a) DEPOSIT OF ESTIMATED DUTIES AND FEES.—Unless the entry is subject to a periodic payment *referred to in this subsection* or the merchandise is entered for warehouse or transportation, or under bond, the importer of record shall deposit with the Customs Service at the time of entry, or at such later time as the Secretary may prescribe by regulation (but not later than [10 working days]

12 working days after entry or release) the amount of duties and fees estimated to be payable on such merchandise. As soon as a periodic payment module of the Automated Commercial Environment is developed, but no later than October 1, 2004, [a participating importer of record, or the importer's filer, may deposit estimated duties and fees for entries of merchandise no later than the 15th day of the month following the month in which the merchandise is entered or released, whichever comes first.] *the Secretary shall promulgate regulations, after testing the module, permitting a participating importer of record to deposit estimated duties and fees for entries of merchandise, other than merchandise entered for warehouse, transportation, or under bond, no later than the 15 working days following the month in which the merchandise is entered or released, whichever comes first.*

\* \* \* \* \*

**SEC. 514. PROTEST AGAINST DECISIONS OF THE CUSTOMS SERVICE.**

(a) **FINALITY OF DECISIONS.**—Except as provided in subsection (b) of this section, section 501 (relating to voluntary reliquidations), section 516 (relating to petitions by domestic interested parties), and section 520 [(relating to refunds and errors) of this Act] *(relating to refunds), any clerical error, mistake of fact, or other inadvertence, whether or not resulting from or contained in an electronic transmission, adverse to the importer, in any entry, liquidation, or reliquidation, and, decisions of the Customs Service, including the legality of all orders and findings entering into the same, as to—*

(1) \* \* \*

\* \* \* \* \*

(5) the liquidation or reliquidation of an entry, or reconciliation as to the issues contained therein, or any modification thereof, *including the liquidation of an entry, pursuant to either section 500 or section 504;*

\* \* \* \* \*

(7) the refusal to reliquidate an entry under subsection [(c) or] (d) of section 520 of this act;

\* \* \* \* \*

(c) **PROTESTS.**—

(1) **IN GENERAL.**—A protest of a decision made under subsection (a) shall be filed in writing, or transmitted electronically pursuant to an electronic data interchange system, in accordance with regulations prescribed by the Secretary. A protest must set forth distinctly and specifically—

(A) \* \* \*

\* \* \* \* \*

Only one protest may be filed for each entry of merchandise, except that where the entry covers merchandise of different categories, a separate protest may be filed for each category. In addition, separate protests may be filed for each category. In addition, separate protests filed by different authorized persons with respect to any one category of merchandise, or with respect to a determination of origin under section 202 of the North American Free Trade Agreement Implementation Act,

that is the subject of a protest are deemed to be part of a single protest. [A protest may be amended,] Unless a request for accelerated disposition is filed under section 515(b), a protest may be amended, under regulations prescribed by the Secretary, to set forth objections as to a decision or decisions described in subsection (a) which were not the subject of the original protest, in the form and manner prescribed for a protest, any time prior to the expiration of the time in which such protest could have been filed under this section. New grounds in support of objections raised by a valid protest or amendment thereto may be presented for consideration in connection with the review of such protest pursuant to section 515 of this Act at any time prior to the disposition of the protest in accordance with that section.

\* \* \* \* \*

(3) TIME FOR FILING.—A protest of a decision, order, or finding described in subsection (a) shall be filed with the Customs Service within [ninety days] 180 days after but not before—

- (A) [notice of] date of liquidation or reliquidation, or
- (B) in circumstances where subparagraph (A) is inapplicable, the date of the decision as to which protest is made.

A protest by a surety which has an unsatisfied legal claim under its bond may be filed within [90 days] 180 days from the date of mailing of notice of demand for payment against its bond. If another party has not filed a timely protest, the surety's protest shall certify that it is not being filed collusively to extend another authorized person's time to protest as specified in this subsection.

\* \* \* \* \*

SEC. 515. REVIEW OF PROTESTS.—

(a) \* \* \*

(b) REQUEST FOR ACCELERATED DISPOSITION OF PROTEST.—A request for accelerated disposition of a protest filed in accordance with section 514 of this Act may be mailed by certified or registered mail to the appropriate customs officer any time [after ninety days] concurrent with or following the filing of such protest. For purposes of section 1581 of title 28 of the United States Code, a protest which has not been allowed or denied in whole or in part within thirty days following the date of mailing by certified or registered mail of a request for accelerated disposition shall be deemed denied on the thirtieth day following mailing of such request.

\* \* \* \* \*

SEC. 520. REFUNDS AND ERRORS.

(a) \* \* \*

\* \* \* \* \*

[(c) Notwithstanding a valid protest was not filed, the Customs Service may, in accordance with regulations prescribed by the Secretary, reliquidate an entry or reconciliation to correct—

[(1) a clerical error, mistake of fact, or other inadvertence, whether or not resulting from or contained in electronic transmission, not amounting to an error in the construction of a law, adverse to the importer and manifest from the record or established by documentary evidence, in any entry, liquidation, or other customs transaction, when the error, mistake, or inadvertence is brought to the attention of the Customs Service within one year after the date of liquidation or exaction; or

[(2) any assessment of duty on household or personal effects in respect of which an application for refund has been filed, with such employee as the Secretary of the Treasury shall designate, within one year after the date of entry.]

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**SEC. 629. INSPECTIONS AND PRECLEARANCE IN FOREIGN COUNTRIES.**

(a) IN GENERAL.—When authorized by treaty or executive agreement, the Secretary may station customs officers in foreign countries for the purpose of examining persons and merchandise prior to their arrival in, or subsequent to their exit from, the United States.

\* \* \* \* \*

(c) COMPLIANCE.—The Secretary may by regulation require compliance with the customs laws of the United States in a foreign country and, in such a case the customs laws and other civil and criminal laws of the United States relating to the importation or exportation of merchandise, filing of false statements, and the unlawful removal of merchandise from customs custody shall apply in the same manner as if the foreign station is a port of entry or exit within the customs territory of the United States.

\* \* \* \* \*

[(e) STATIONING OF FOREIGN CUSTOMS OFFICERS IN THE UNITED STATES.—The Secretary of State, in coordination with the Secretary, may enter into agreements with any foreign country authorizing the stationing in the United States of customs officials of that country (if similar privileges are extended by that country to United States officials) for the purpose of insuring that persons and merchandise going directly to that country from the United States comply with the customs and other laws of that country governing the importation of merchandise. Any foreign customs official stationed in the United States under this subsection may exercise such functions and perform such duties as United States officials may be authorized to perform in that foreign country under reciprocal agreement.]

(e) STATIONING OF FOREIGN CUSTOMS AND AGRICULTURE INSPECTION OFFICERS IN THE UNITED STATES.—The Secretary of State, in coordination with the Secretary and the Secretary of Agriculture, may enter into agreements with any foreign country authorizing the stationing in the United States of customs and agriculture inspection officials of that country (if similar privileges are extended by that country to United States officials) for the purpose of insuring that persons and merchandise going directly to that country from the United States, or that have gone directly from that country

*to the United States, comply with the customs and other laws of that country governing the importation or exportation of merchandise. Any foreign customs or agriculture inspection official stationed in the United States under this subsection may exercise such functions, perform such duties, and enjoy such privileges and immunities as United States officials may be authorized to perform or are afforded in that foreign country by treaty, agreement, or law.*

\* \* \* \* \*

*(g) PRIVILEGES AND IMMUNITIES.—Any person designated to perform the duties of an officer of the Customs Service pursuant to section 401(i) of this Act shall be entitled to the same privileges and immunities as an officer of the Customs Service with respect to any actions taken by the designated person in the performance of such duties.*

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**SECTION 1453 OF THE TARIFF SUSPENSION AND TRADE ACT OF 2000**

**SEC. 1453. DESIGNATION OF SAN ANTONIO INTERNATIONAL AIRPORT FOR CUSTOMS PROCESSING OF CERTAIN PRIVATE AIRCRAFT ARRIVING IN THE UNITED STATES.**

(a) DESIGNATION.—For the **[2-year period]** *6-year period* beginning on the date of the enactment of this Act, the Commissioner of the Customs Service shall designate the San Antonio International Airport in San Antonio, Texas, as an airport at which private aircraft described in subsection (b) may land for processing by the Customs Service in accordance with section 122.24(b) of title 19, Code of Federal Regulations.

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**SECTION 127 OF THE TREASURY DEPARTMENT APPROPRIATIONS ACT, 2003**

**[SEC. 127. AUTHORITY FOR THE CREATION OF INTEGRATED BORDER INSPECTION AREAS AND DESIGNATION OF FOREIGN LAW ENFORCEMENT OFFICERS. (a) CREATION OF INTEGRATED BORDER INSPECTION AREAS.—**

**[(1)** The Commissioner of Customs, in consultation with the Canadian Customs and Revenue Agency (CCRA), shall seek to establish Integrated Border Inspection Areas (IBIAs), i.e., areas on either side of the United States-Canada border in which the United States Customs officers can inspect vehicles entering the United States from Canada before they enter the United States, or Canadian officers can inspect vehicles entering Canada from the United States before they enter Canada. This may include, where appropriate, employment of reverse inspection techniques.

**[(2)** The Commissioner of Customs, in consultation with the Administrator of the General Services Administration

when appropriate, shall endeavor to carry out the IBIA program in a manner that minimizes adverse impacts on the surrounding community.

[(b) Section 1401(i) of title 19, United States Code, is amended by inserting “, including foreign law enforcement officers,” after “or other person”.

[(c) Section 1629 of title 19, United States Code, is amended—

[(1) in paragraph (a) by inserting “, or subsequent to their exit from,” after “prior to their arrival in”;

[(2) in paragraph (c) by inserting “or exportation” after “relating to the importation” and by inserting “or exit” after “port of entry”;

[(3) in paragraph (e), by—

[(A) inserting “and agriculture inspection” after “customs” in each instance where reference is currently made to “customs officers” or “customs officials” in this subsection;

[(B) inserting “and the Secretary of Agriculture” after “in coordination with the Secretary”;

[(C) inserting “or that have gone directly from that country to the United States” after “to that country from the United States”;

[(D) inserting “or exportation” after “governing the importation”;

[(E) deleting “and” and inserting a comma (“,”) after “such functions”;

[(F) inserting “, and enjoy such privileges and immunities” after “such duties”;

[(G) inserting “or are afforded” after “authorized to perform”; and

[(H) deleting “under reciprocal agreement” and inserting “by treaty, agreement or law”.

[(4) by adding at the end the following:

[(“g) Persons designated to perform the duties of an officer of the Customs Service pursuant to section 1401 (i) of this title shall be entitled to the same privileges and immunities as an officer of the Customs Service with respect to any actions taken by the designated person in the performance of such duties.”.]

\* \* \* \* \*

**SECTION 13031 OF THE CONSOLIDATED OMNIBUS BUDGET RECONCILIATION ACT OF 1985**

**SEC. 13031. FEES FOR CERTAIN CUSTOMS SERVICES.**

(a) \* \* \*

(b) LIMITATIONS ON FEES.—(1) \* \* \*

\* \* \* \* \*

(9)(A) With respect to the processing of letters, documents, records, shipments, merchandise, or any other item that is valued at an amount that is [less than \$2,000] *\$2,000 or less* (or such higher amount as the Secretary of the Treasury may set by regula-

tion pursuant to section 498 of the Tariff Act of 1930), except such items entered for transportation and exportation or immediate exportation at a centralized hub facility, an express consignment carrier facility, or a small airport or other facility, the following reimbursements and payments are required:

(i) \* \* \*

[(ii) Subject to the provisions of subparagraph (B), in the case of an express consignment carrier facility or centralized hub facility, \$.66 per individual airway bill or bill of lading.]

*(ii) Notwithstanding subsection (e)(6) and subject to the provisions of subparagraph (B), in the case of an express consignment carrier facility or centralized hub facility—*

*(I) \$.66 per individual airway bill or bill of lading; and*

*(II) if the merchandise is formally entered, the fee provided for in subsection (a)(9), if applicable.*

(B)(i) Beginning in fiscal year 2004, the Secretary of the Treasury may adjust (not more than once per fiscal year) the amount described in subparagraph (A)(ii) to an amount that is not less than \$.35 and not more than \$1.00 per individual airway bill or bill of lading. The Secretary shall provide notice in the Federal Register of a proposed adjustment under the preceding sentence and the reasons therefor and shall allow for public comment on the proposed adjustment.

(ii) Notwithstanding section 451 of the Tariff Act of 1930, the payment required by [subparagraph (A)(ii)] *subparagraph (A)(ii) (I) or (II)* shall be the only payment required for reimbursement of the Customs Service in connection with the processing of an individual airway bill or bill of lading in accordance with such subparagraph and for providing services at express consignment carrier facilities or centralized hub facilities, except that the Customs Service may require such facilities to cover expenses of the Customs Service for adequate office space, equipment, furnishings, supplies, and security.

(iii)(I) The payment required by subparagraph (A)(ii) and clause (ii) of this subparagraph shall be paid on a quarterly basis by the carrier using the facility to the Customs Service in accordance with regulations prescribed by the Secretary of the Treasury.

(II) 50 percent of the amount of payments received under subparagraph (A)(ii) and clause (ii) of this subparagraph shall, in accordance with section 524 of the Tariff Act of 1930, be deposited in the Customs User Fee Account and shall be used to directly reimburse each appropriation for the amount paid out of that appropriation for the costs incurred in providing services to express consignment carrier facilities or centralized hub facilities. Amounts deposited in accordance with the preceding sentence shall be available until expended for the provision of customs services to express consignment carrier facilities or centralized hub facilities.

(III) Notwithstanding section 524 of the Tariff Act of 1930, the remaining 50 percent of the amount of payments received under subparagraph (A)(ii) and clause (ii) of this subparagraph shall be

paid to the Secretary of the Treasury, which is in lieu of the payment of fees under subsection (a)(10) of this section.

\* \* \* \* \*

(e) PROVISION OF CUSTOMS SERVICES.—

[(1) Notwithstanding section 451 of the Tariff Act of 1930 (19 U.S.C. 1451) or any other provision of law (other than paragraph (2)),]

(1) IN GENERAL.—

(A) SCHEDULED FLIGHTS.—Notwithstanding section 451 of the Tariff Act of 1930 (19 U.S.C. 1451) or any other provision of law (other than subparagraph (B) and paragraph (2)), the customs services required to be provided to passengers upon arrival in the United States shall be adequately provided in connection with scheduled airline flights at customs serviced airports when needed and at no cost (other than the fees imposed under subsection (a)) to airlines and airline passengers.

(B) CHARTER FLIGHTS.—If a charter air carrier (as defined in section 40102(13) of title 49, United States Code) specifically requests that customs border patrol services for passengers and their baggage be provided for a charter flight arriving after normal operating hours at a customs border patrol serviced airport and overtime funds for those services are not available, the appropriate customs border patrol officer may assign sufficient customs employees (if available) to perform any such services, which could lawfully be performed during regular hours of operation, and any overtime fees incurred in connection with such service shall be paid by the charter air carrier.

\* \* \* \* \*

(f) DISPOSITION OF FEES.—(1) There is established in the general fund of the Treasury a separate account which shall be known as the “Customs User Fee Account”. Notwithstanding section 524 of the Tariff Act of 1930 (19 U.S.C. 1524), there shall be deposited as offsetting receipts into the Customs User Fee Account all fees collected under subsection (a) except—

(A) \* \* \*

(B) amounts deposited into the Customs Commercial and Homeland Security Automation Account under paragraph (5).

\* \* \* \* \*

**SECTION 141 OF THE TRADE ACT OF 1974**

**SEC. 141. OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE.**

(a) \* \* \*

\* \* \* \* \*

(g)(1)(A) There are authorized to be appropriated to the Office for the purposes of carrying out its functions the following:

[(i) \$32,300,000 for fiscal year 2003.

[(ii) \$33,108,000 for fiscal year 2004.]

*(i) \$39,552,000 for fiscal year 2005.*  
*(ii) \$39,552,000 for fiscal year 2006.*

\* \* \* \* \*