

Support the Customs Business Fairness Act (H.R. 4816)

- Customs Brokers and Forwarders handle about 97% of all import transactions and nearly the same amount of export transactions with Customs and Border Protection (CBP) and approximately fifty (50) additional partner government agencies.
- The U.S. government licenses NCBFAA members who undergo continuing education to support compliance with U.S. laws. They also “pass through” payments of any duties, fees or penalties owed by importers or exporters.
- Current bankruptcy law, under Section 547 of the Bankruptcy Code, allows banks to seek refunds of payments made by a bankrupt company 90 days prior to filing for bankruptcy.
- Importers or exporters that may tender moneys owed to the U.S. government to brokers and forwarders face unfair exposure and liability for payments that are merely passed through their business to CBP.
- Payments to CBP have increased significantly over the past few years due in part due to additional tariffs levied under Sections 232, 301 and 201 as well as increased use of antidumping and countervailing duty orders and circumvention orders on imported goods.
- Duties passed through a broker or forwarder during a 90-day period could exceed six or seven figures.
- NCBFAA members must reach into their own pockets to pay money to the trustee equal to the payments remitted to CBP. The payments cannot be refunded to the broker/forwarder or the original company in bankruptcy.
- The CARES Act (P.L. 116-136) included a temporary provision that provided protection to brokers and forwarders for CBP duties/fees/penalties owed, but it sunset on December 31, 2021.
- The ongoing economic uncertainty and potential recession could cast a larger than normal number of companies into bankruptcy leaving NCBFAA members overly exposed to significant financial liability.

We ask for your support of H.R. 4816 in the House and for a companion measure to be introduced in the Senate.



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