



## NEWS IN BRIEF

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### **Increase on 301 Duties to 25%** **Effective March 2, 2019**

The Office of the United States Trade Representative (USTR) has published the advance document for a Federal Register Notice (FRN). This document announces that the date for the 3rd list of classifications under 301 which were scheduled to change from 10% to 25% on January 1, 2019 has been postponed.

Last week we sent out a special memo based on a White House Press Release stating that the change was taking place on March 1, 2019. The notice from the USTR has specified the date for the increase to go into as March 2, 2019. Once the FRN comes out, CBP will program the duty rates in ACE back to 10% for January 1 to March 2.

This notice can be found on the [USTR's website](#).

### **More Information on Importing Composite Wood Products**

Full enforcement of the Environmental Protection Agency's (EPA) toxic formaldehyde emissions standards under the EPA's Toxic Substances Control Act (TSCA) will go into effect on March 22, 2019. These standards apply to three types of composite wood products: 1. Hardwood Plywood, 2. MDF (medium density fiberboard), and 3. Particleboard. These woods fall under these regulations whether the wood is imported in unfinished panels or incorporated into a component part or finished goods.

The regulations require that the foreign producer must have the products tested and certified for compliance by an approved third-party certifier. Importers of these products will be responsible to certify that the wood product is compliant with TSCA or to certify that the product is not in compliance. The certification must include the name, telephone number, and email

address of the individual who is signing the certification.

Importers will be responsible for recordkeeping for three years, as required by TSCA. The records to be kept include an invoice and a bill of lading or comparable document stating that the product is TSCA compliant. Also, upon request by the EPA, importers must be able to provide records identifying the panel producer, the date produced, the supplier, and the date the product was purchased within 30 days of the request. These records requested by the EPA are not required to be kept by the importer, but the importer will be required to obtain them from the supplier and/or producer.

CBP has issued a [Cargo Systems Messaging Service \(CSMS\) message](#) on the importation of composite wood products.

The EPA regulations for composite wood products can be found by [clicking here](#).

The EPA has also published a very helpful [Small Entity Compliance Guide for Importers, Distributors and Retailers](#).

### **Possible Government Shutdown on Friday?**

President Trump and Democrats are at odds over the financing of the wall at the southern border. The President has threatened to not approve a continuing resolution on the federal budget if it does not include funds for building the wall. If the continuing resolution is not passed, the government will face another shutdown beginning on December 21.

What does it mean for the clearance of imported goods at the ports, airports and border crossings? When the federal government shuts down, not all federal employees are furloughed. Essential services will be maintained, and essential employees

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will be working. This includes U.S. Customs and Border Protection (CBP) officers that process passengers and cargo, man Radiation Portal Monitors (RPM's), and other important commercial services.

### **Christmas Eve and the Government**

This year, Christmas will fall on a Tuesday. U.S. Customs and Border Protection (CBP) employees are usually allowed to go home very early on Christmas Eve. The expense of opening up all systems on the Monday after a weekend before Christmas and then closing down so early has usually outweighed the value of opening for just the half day. Traditionally, many past Presidents have closed the Monday before Christmas and declared a national holiday. Do not be surprised by a last-minute announcement if the government is not shutdown on December 21.



By **Todd Boice**, President