

NEWS IN BRIEF

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President Biden Requests Congressional Pressure to Resolve Potential Rail Strike

The votes on the union ratification of the proposed contract with the railroads have been submitted. 8 of the 12 unions ratified the contracts and 4 rejected the contract. This has set up a potential strike after December 9, 2022, which is when the cooling off period ends. President Biden has taken a decisive action to call on both Houses of Congress to codify the proposed contract from September to prevent major business interruptions that could devastate the U.S. economy if a strike happens.

Congress has the authority to take action to adopt the agreement and the House of Representatives is already working on a bill with no modifications or changes to the original proposed contract that they can send to the Senate. Both the House of Representatives and the Senate are hopeful the process can be completed before the December 9 deadline when the cooling off period ends.

China 301 Exclusions for Covid Items Will be Extended

The Office of the U.S. Trade Representative (USTR) has announced that the 301 tariff exclusions covering 81 medical-care products or COVID response items that are due to expire today, November 30, 2022, will be extended. The extension will run through February 28, 2023. As part of the battle against COVID, the USTR has determined that a 3-month extension is warranted.

The USTR issued a notice on November 29, 2022, that can be found by clicking [here](#).

Second Phase of Pocket Bag Fabric for Blue Denim Apparel Will go into Effect on January 1

U.S. Customs and Border Protection (CBP) issued a CSMS message to remind importers that the second phase of the USMCA requirements for pocket bag fabric in blue denim apparel will go into Chapters 61 or 62 that have pockets. The rule requires that the fabric for the pockets must be formed or finished in the territory of one of the USMCA members.

The pocket fabric is considered to be formed or finished in one of the USMCA member countries if the pocket fabric is made from yarn that was wholly formed or finished in the territory of one of the USMCA countries. The provisions for this requirement can be found in the General Notes of the HTSUS. General Note 11(o) Chapter note, Rule 5.

A copy of the CSMS message can be found by clicking [here](#).

CBP Issues WRO on Dominican Sugar Exporter

All forced labor withhold release orders (WRO) are not just from China or Southeast Asia. U.S. Customs and Border Protection (CBP) has issued a WRO on sugar cane and sugar-based products produced in the Dominican Republic by sugar producer Central Romana. Central Romana is the largest landowner in the Dominican Republic and has annually exported over 200 million pounds of sugar to the United States. The WRO was issued on November 23 and went into effect immediately.



By **Todd Boice**, *President*