

not always be able to present exemption information to exporting carriers at the time cargo is first tendered to the exporting carrier, especially when the carrier assumes responsibility for cargo at an inland port and provides intermodal transportation to the port of exportation. In some situations, the USPPI or forwarding agent may not have produced export documentation on which exemption information is required to be shown, at the time goods are tendered to the first carrier.

The Census Bureau agrees that the USPPI or its authorized agent does not always have exemption information available to provide to the carrier when cargo is initially tendered to a carrier for export. This is especially true in cases where the USPPI or agent arranges transportation that involves more than one carrier. The intent of § 30.12(d) of the FTSR is to require AES filers to deliver exemption information to the *exporting carrier*. To clarify the intent of this section, the Census Bureau is amending § 30.12(d) to emphasize that the USPPI or forwarding agent is required to deliver the AES exemption legend to the exporting carrier, that is, the carrier that will transport the goods to the foreign country.

3. *Clarify filing responsibilities of the USPPI and its authorized freight forwarder.* Commentors are concerned about the documentation responsibilities of the USPPI and the authorized forwarding agent in reporting information on export transactions. Responsibilities of the USPPI and authorized agent, including those involving routed export transactions, are specifically described in sections 30.4(b) and (c) of the FTSR. The Census Bureau does not intend to imply that any provision of section 30.4 is being revised by amending any other section of Title 15, Code of Federal Regulations, part 30 (the FTSR).

Two commentors proposed the institution of a joint filing system to be used by the USPPI and the authorized agent as a means to reduce liability on the parties and to alleviate the dependency of each party on the other to file complete data on export transactions. The Census Bureau considered establishing a method of filing export information that would allow the USPPI and the authorized forwarding agent to submit information jointly to CBP via the AES. However, the Census Bureau did not go forward with this filing option because of the cost of implementation and the potential risks associated with matching information from two different parties.

4. *Explain the need for reporting additional address information for the*

*USPPI.* Several commentors expressed concern that by amending § 30.7(d)(3) of the FTSR, the Census Bureau is requiring additional address information from the USPPI. Some commentors indicated that the new address requirement would be difficult to comply with because of the lack of information on the origin of shipments for multiunit establishments. Many commentors also questioned the reason for the amendment. In amending § 30.7(d)(3) of the FTSR, the Census Bureau is not requiring an additional address for the USPPI, but is merely defining the address required for the USPPI as the location where the goods began their journey to the port of export. For shipments handled by freight forwarders, it is the responsibility of the USPPI to provide forwarding agents addresses that reflect the origin of goods for export reporting purposes.

The address should correspond to the two-digit state code reported for the state of origin. However, the Census Bureau requires the entire address, including ZIP Code, to develop and compile substate data or metropolitan area export data to replace the discontinued exporter location series. Substate data are used by local and State governments, among other parties, to gauge the impact of trade legislation on the economy of local jurisdictions as well as to monitor local area trade development programs. Since about 90 percent of AES transactions currently have transaction-level addresses reported, the Census Bureau does not expect to add significantly to the reporting burden of AES filers with this requirement.

5. *Amend the proposed rule requiring reporting of the Transportation Reference Number (TRN) to reflect current trade practices.* Commentors are concerned that filers of export data will not have the information to comply, in a timely manner, with the requirements of §§ 30.7(j) and 30.63(b)(11) of the FTSR, specifically for shipments sent by air and truck. After consideration of comments received concerning reporting of the TRN, the Census Bureau has determined that documents specified in the NPR, namely, the master air waybill for air shipments, the bill of lading for rail shipments, and the Freight or Pro Bill for truck shipments, are not usually available to the USPPI or the authorized agent at the time cargo is given to air, rail, and truck carriers. Currently, the TRN is a conditional field in the AES except for shipments made by vessel where the information is required. The Census Bureau has made the TRN an optional reporting requirement for other than vessel

shipments filed through the AES or via the SED. The Census Bureau amended language contained in §§ 30.7(j) and 30.63 (c) of the FTSR to reflect these revisions.

6. *Clarify the responsibilities of exporting carriers relative to presentation of the exemption legend to the CBP.* Several commentors indicated concern about the proposed language in FTSR §§ 30.21, 30.22, and 30.65 regarding requirements for annotating and transmitting exemption statements for export shipments and filing of manifests by exporting carriers. Some commentors think that the language could imply responsibility on the part of exporting carriers for properly annotating the exemption legend. This is not the case. The USPPI or the authorized agent is responsible for properly annotating the exemption legend.

Further, there is concern that references to carriers exempt from filing manifests as detailed in § 30.21(f) of the regulations do not include carriers for all modes of transportation. It is not the Census Bureau's intent to institute a change in carrier responsibility with regard to the annotation and presentation of proof of filing citations or exemption legends for shipments filed through the AES or shipments for which SEDs are not required. When required, it is the responsibility of the USPPI or the authorized agent to provide the exemption legend or proof of filing citation on bills of lading, air waybills or other commercial loading documents for presentation to the carrier prior to export.

The Census Bureau does not propose to hold exporting carriers liable for the content of exemption legends presented by USPPIs or authorized agents for transactions reported through the AES or by way of the paper SED. The Census Bureau is revising the language contained in § 30.22(a) and (b) and § 30.65(b) of the FTSR to clarify the responsibility of exporting carriers with regard to the content and submission of exemption legends. The Census Bureau also is revising the language contained in § 30.21(4) to include references to all modes of transportation exempt from filing manifests with the CBP.

Also, commentors expressed concern about the lack of availability of the International Traffic in Arms Regulations (ITAR) applicable to shipments filed through the AES and mentioned in these and other sections of the FTSR. The State Department will issue a final rule concerning time of filing and proof of filing citations prior to the Census Bureau's implementation of the final rule.