

The fee exemption provision under section 58c(b)(1)(A)(iv) provides that no fee under section 58c(a)(5) applies to passengers arriving aboard commercial vessels traveling only between ports that are within the customs territory of the United States. The one-time only fee provision of section 58c(b)(4)(B) applies where a fee under section 58c(a)(5) is applicable to passengers arriving aboard a commercial vessel and the voyage is a single voyage involving two or more United States ports. In other words, if a vessel proceeds coastwise to one or more United States ports after its initial arrival from a place outside the United States, the applicable fee is charged only once for each passenger.

The NPRM also proposed to amend § 24.22(g) in order to reflect in § 24.22(g)(1)(iii) the definition of the term “adjacent islands” set forth in 8 U.S.C. 1101(b)(5). Under section 58c(b)(1)(A)(i)(I)(dd), the term “adjacent islands” is given meaning by reference to 8 U.S.C. 1101(b)(5).

Changes Regarding Administrative Practices

The NPRM proposed to amend various provisions of the regulation to reflect current fee payment and other practices, including clarification of the proper addresses for the mailing of payments, requirements for obtaining and using the user fee decal, and use of electronic and credit card payment options. These amendments were proposed for the following sections of the regulation: § 24.22(b)(3) which concerns the procedure for prepayment of the fee for the arrival of commercial vessels (that is, vessels of 100 net tons or more as well as barges and other bulk carriers arriving from Canada or Mexico); § 24.22(c)(3) which concerns the procedure for prepayment of the fee for the arrival of commercial vehicles; § 24.22(d) which concerns the fee for the arrival of railroad cars and includes, in paragraph (d)(3), procedures for prepayment of the fee and, in paragraph (d)(4)(ii), procedures for monthly statement filing and fee remittance; § 24.22(e)(1) and (2), which concern, respectively, payment of the fee at the time of arrival of private vessels and private aircraft and prepayment of the fee; § 24.22(g)(4) which covers the procedure for payment of fees for the arrival of passengers aboard commercial vessels and commercial aircraft; § 24.22(h) which concerns the annual customs broker permit fee; and § 24.22(i) which concerns procedures for remittance of, and for submitting information relative to, the fees provided for under § 24.22.

Changes To Make a Technical Correction

The NPRM proposed to correct several erroneous references to § 142.13(c) (19 CFR 142.13(c)) found in paragraphs (a), (c)(2), and (d) of § 24.25, which pertains to statement processing and automated clearinghouse procedures. Section 142.13(c) is currently reserved, and the reference in the above paragraphs of § 24.25 should instead be to § 142.13(b), which pertains to special classes of merchandise.

Conforming Changes to Part 111

Lastly, the NPRM proposed to amend certain sections of Part 111 of the Customs Regulations (19 CFR part 111) which pertains to customs brokers. Specifically, it was proposed to amend §§ 111.19 and 111.96 to conform to the change made to § 24.22(h) referred to above and to clarify the payment procedure in connection with a national customs broker permit application. In §§ 111.19 and 111.96, there are references to the payment of the annual customs broker permit user fee referred to in § 24.22(h).

Comments

One comment was received in response to the NPRM.

Comment: The commenter recommended the removal from the regulations of the exception found under § 24.22(e)(3)(i) which excepts private vessels less than 30 feet in length (and not carrying any goods that must be declared to CBP) from the fee imposed on private vessels under § 24.22(e)(1). The commenter based the recommendation on the grounds that the regulations require that all private vessels, regardless of tonnage or length, must report their arrival in the United States (see § 123.1(c)) and thus these vessels, including those under 30 feet in length, should not be exempt from the fee.

CBP response: CBP, at this time, is not adopting the commenter's recommendation to remove from the regulations the fee exception for private vessels of less than 30 feet in length. These vessels have been excepted from the fee because CBP incurred no processing costs in clearing them. Now, however, CBP requires the operators of these vessels to call when they arrive but does not inspect all of them. CBP will evaluate the matter and consider whether the exception should be retained, removed, or modified.

Conclusion

Based on analysis of the comment received and further review of the matter, CBP believes that the proposed

regulatory amendments should be adopted without change.

Executive Order 12866

This document does not meet the criteria for a “significant regulatory action” as specified in E.O. 12866.

Regulatory Flexibility Act

This amendment to the Customs Regulations will conform the regulations to already enacted statutory provisions concerning the collection of fees and will enhance the efficiency of the fee payment and collection process to the advantage of the public. Thus, it is certified, pursuant to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), that the regulatory amendments set forth in this document will not have a significant economic impact on a substantial number of small entities. Moreover, the new reporting requirements in this document impose an insignificant amount of additional annual burden on small businesses. Accordingly, the amendments are not subject to the regulatory analysis or other requirements of 5 U.S.C. 603 and 604.

Paperwork Reduction Act

The collections of information contained in § 24.22 have previously been approved by the Office of Management and Budget (OMB) under OMB control number 1515-0154 (User Fees). An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information that lacks a valid control number.

The collections of information in this final rule are in § 24.22(g)(5)(iv) and (v), pertaining to information required in the statement that must accompany a quarterly fee payment relative to passenger fees. This information is necessary to allow CBP to track and account for the two passenger fees mandated in the Miscellaneous Trade and Technical Corrections Act of 1999. These collections of information are mandatory. The likely respondents and recordkeepers are small businesses or organizations.

The estimated average annual burden associated with the collections of information in this final rule is four hours per respondent/recordkeeper.

Comments concerning the accuracy of this burden estimate and suggestions for reducing this burden should be directed to the OMB, Attention: Desk Officer for the Department of Homeland Security/ Bureau of Customs and Border Protection, Office of Information and Regulatory Affairs, Washington, DC 20503. A copy should also be sent to the Regulations Branch, Office of