

Option five: prior notice received by noon of the calendar day prior to the day of crossing; electronic submission of information; allow changes to the prior notice submission up to two hours prior to entry (proposed option).

We now take the estimates in option 4 and adjust them to account for the effects of allowing changes to the prior notice submission. Since prior notice must be submitted by noon on the calendar day prior to U.S. entry, it is reasonable to expect that not all the information required on a prior notice will be final. Allowing changes to the original submission, in the form of electronic product identity amendments and arrival updates, should improve the flow of import traffic by reducing the number of prior notice resubmissions and thereby reducing the loss of value for perishable foods, since they will not have to wait much extra time, if any at all, before crossing the U.S. border.

The prior notice screen will have required fields for the addresses of the submitter, importer, owner, and consignee, as well as transporter,

manufacturer, and grower if known. Required information would also include the identity of the article of food, its originating country, the country from which the food was shipped, its U.S. Customs entry number, and the date, time, and expected port of entry.

Increasing the number of required fields that can be changed on the prior notice screen prior to entry reduces the likelihood that the information would have to be completely resubmitted by importers. This change would lessen the time burden, and therefore the cost, of having to submit prior notice. Allowing a 2 hour amendment and updates to prior notice would provide some flexibility for importers in industries where pieces of information, such as the quantity of the product being imported, time to port of arrival, and the anticipated port may change or is not known until just before shipping.

Assuming that prior notice can be amended and updated would reduce the number of resubmissions that would normally occur. For this option then, with amendment and updates, we will

assume that the number of prior notice resubmissions necessitated by changes in information on the notice will be reduced from 40 percent (as in option 4) to 5 percent.

This option lowers the prior notice costs to importers (as compared to option 4) and therefore to Mexican and Canadian fresh produce growers and seafood processors, because they will not have to resubmit their prior notices when importing food to the United States as frequently. Instead they can amend or update the notices. Option 5 would save a minimum of 10 hours wait time per entry that can be amended or updated for the prior notice over the time used in option 4; the maximum time products would have to wait at the border would be 2 hours, or 1.2 percent of the fresh produce life span (2 hours out of 168 hours) and 4.2 percent of the fresh seafood life span (2 hours out of 48 hours). Table 14 shows the costs of submitting prior notice for a 12-hour minimum time, with a 2-hour amendment and updates, for Canadian and Mexican fresh produce and seafood.

TABLE 14.—LOSS IN VALUE CAUSED BY RESUBMITTED PRIOR NOTICE UNDER OPTION FIVE

Perishable Produce	
2001 Imported Mexican Produce Total Retail Value	\$3,458,525,000
1.2% reduction in value for 25% of Mexican produce	\$2,075,115
2001 Imported Canadian Produce Total Retail Value	\$401,826,000
1.2% reduction in value for 25% of Canadian produce	\$241,096
Perishable Seafood	
2001 Imported Mexican Seafood Total Retail Value	\$112,277,406
4.2% reduction in value for 25% of Mexican seafood	\$235,783
2001 Imported Canadian Seafood Total Retail Value	\$1,863,217,894
4.2% reduction in value for 25% of Canadian seafood	\$3,912,771

Table 15 compares the reduction in the costs of this rule if an amendment and update to prior notice is allowed

(option 5) as opposed to the no-amendment option 4.

TABLE 15.—COMPARISON OF OPTION FOUR WITH OPTION FIVE

Perishable Mexican Produce Value loss	
Option 4—12 hour minimum notice	\$98,222,110
Option 5—12 hour notice with changes	\$2,075,115
Savings with amendment and update	\$96,146,995
Perishable Canadian Produce Value loss	
Option 4—12 hour minimum notice	\$11,411,858
Option 5—12 hour notice with changes	\$241,096