

§ 141.57(d)(2), Customs is not preventing importers of merchandise subject to quota or visa requirements from availing themselves of the benefits of the law. Under the procedure in § 141.57(d)(1), importers may still file a single entry under 19 U.S.C. 1484(j)(2) for a shipment of quota/visa merchandise which has been split by the incoming carrier. The procedure in § 141.57(d)(1) provides for the filing of a single entry after all portions of a split shipment have arrived. Under this procedure, the portions of the split shipment are not released incrementally, as each portion arrives, but are held until all portions have arrived and the single entry covering those portions has been filed.

Comment: With respect to proposed § 141.57(k)(2), a port director should not have the unfettered discretion to deny incremental release under proposed § 141.57(d)(2) as circumstances warrant. Also, the port director should not have the discretion to deny incremental release for purposes of examination, as provided in proposed § 141.57(f). In the alternative, an importer whose shipment is denied incremental release should be able to appeal such a denial.

Customs Response: Customs believes that there may be circumstances under which the incremental release procedure is inappropriate and should not be allowed. In such circumstances, Customs has the authority to examine all of the merchandise included on an entry before allowing the release of any portion of the shipment.

In addition, Customs does not believe that an appeals process for a denial of incremental release is practicable, for two reasons. First, most of the portions of a split shipment will have arrived before an appeals process could be completed. Second, importers who are denied the use of incremental release under § 141.57(d)(2) for a particular split shipment are not deprived of the benefit conferred by the statute, that is, they may still file one entry for portions of a shipment which arrive separately in accordance with the release procedure set forth in § 141.57(d)(1).

Additional Change

In addition, proposed § 141.57(e) is clarified in this final rule to provide that the carrier responsible for splitting a shipment must notify any other obligated entities (such as another carrier or a freight forwarder) that have submitted electronic manifest information to Customs about the shipment that was split so that these parties can update their manifest information to Customs.

Conclusion

After careful consideration of the comments received and further review of the matter, Customs has concluded that the proposed amendments should be adopted with the modifications discussed above.

Regulatory Flexibility Act and Executive Order 12886

This final rule implements the statutory law and engenders cost savings by reducing paperwork for importers, and by reducing the number of entries required for split shipments. As such, pursuant to the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), it is certified that this final rule will not have a significant economic impact on a substantial number of small entities. Accordingly, it is not subject to the regulatory analysis or other requirements of 5 U.S.C. 603 and 604. Nor do these final regulations result in a "significant regulatory action" under E.O. 12866.

Paperwork Reduction Act

The collections of information encompassed within this final rule have already been reviewed and approved by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) and assigned OMB Control Numbers 1515-0065 (Requirement to make entry unless specifically exempt; Requirement to file entry summary form); 1515-0167 (Statement processing and Automated Clearinghouse); 1515-0214 (General recordkeeping and record production requirements); and 1515-0001 (Transportation manifest; cargo declaration). This rule does not make any material change to the existing approved information collections. An agency may not conduct, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number assigned by OMB.

List of Subjects

19 CFR Part 141

Customs duties and inspection, Entry of merchandise, Release of merchandise, Reporting and recordkeeping requirements.

19 CFR Part 142

Computer technology, Customs duties and inspection, Entry of merchandise, Reporting and recordkeeping requirements.

Amendments to the Regulations

Parts 141 and 142, Customs Regulations (19 CFR parts 141 and 142), are amended as set forth below.

PART 141—ENTRY OF MERCHANDISE

1. The general authority citation for part 141 continues to read as follows:

Authority: 19 U.S.C. 66, 1448, 1484, 1624.

* * * * *

2. Section 141.51 is revised to read as follows:

§ 141.51 Quantity usually required to be in one entry.

All merchandise arriving on one conveyance and consigned to one consignee must be included on one entry, except as provided in § 141.52. In addition, a shipment of merchandise that arrives by separate conveyances at the same port of entry in multiple portions, as a split shipment, may be processed under a single entry, as prescribed in § 141.57.

3. Subpart D of part 141 is amended by adding a new § 141.57 to read as follows:

§ 141.57 Single entry for split shipments.

(a) *At election of importer of record.* At the election of the importer of record, Customs may process a split shipment, pursuant to section 484(j)(2), Tariff Act of 1930 (19 U.S.C. 1484(j)(2)), under a single entry, as prescribed under the procedures set forth in this section.

(b) *Split shipment defined.* A "split shipment", for purposes of this section, means a shipment:

(1) Which may be accommodated on a single conveyance, and which is delivered to and accepted by a carrier in the exporting country under one bill of lading or waybill, and is thus intended by the importer of record to arrive in the United States as a single shipment;

(2) Which is thereafter divided by the carrier, acting on its own, into different portions which are transported and consigned to the same party in the United States; and

(3) Of which the first portion and all succeeding portions arrive at the same port of entry in the United States, as listed in the original bill of lading or waybill; and all the succeeding portions arrive at the port of entry within 10 calendar days of the date of the first portion. If any portion of the shipment arrives at a different port, such portion must be transported in-bond to the port of destination where entry of the shipment is made.

(c) *Notification by importer of record.* The importer of record must notify Customs, in writing, that the shipment