

106TH CONGRESS
1ST SESSION

S. 219

To authorize appropriations for the United States Customs Service.

IN THE SENATE OF THE UNITED STATES

JANUARY 19, 1999

Mr. MOYNIHAN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To authorize appropriations for the United States Customs Service.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Northern Border
5 Trade Facilitation Act”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—Congress makes the following find-
8 ings:

9 (1) The United States and Canada share the
10 longest undefended border in the world.

1 (2) The United States and Canada enjoy the
2 world's largest bilateral trading relationship, and
3 that relationship is continuing to expand. Two-way
4 trade between the United States and Canada has
5 more than doubled since the United States-Canada
6 Free Trade Agreement was implemented, increasing
7 from \$153,000,000,000 in 1988 to
8 \$320,000,000,000 in 1997.

9 (3) On February 24, 1995, the United States
10 and Canada agreed to the Canada/United States of
11 America Accord on Our Shared Border (in this Act
12 referred to as the "Shared Border Accord") to pro-
13 mote common objectives along the border,
14 including—

15 (A) facilitating the movement of commer-
16 cial goods and people between both countries;

17 (B) reducing the costs of border manage-
18 ment; and

19 (C) enhancing protections against drugs,
20 smuggling, and the illegal and irregular move-
21 ment of people.

22 (4) The Shared Border Accord has already re-
23 sulted in increased harmonization, shared training,
24 and joint facilities between United States and Cana-
25 dian customs agencies.

1 (5) Increased trade has resulted in a significant
2 increase in merchandise entries and cross-border
3 traffic between the United States and Canada. For
4 example—

5 (A) formal entries of merchandise on the
6 Northern border have increased sixfold from
7 1,000,000 in 1980 to 6,000,000 in 1997;

8 (B) the number of individuals crossing the
9 Northern border has more than doubled from
10 54,000,000 in 1989 to 112,000,000 in 1997;
11 and

12 (C) approximately 40,000,000 privately-
13 owned vehicles cross the Northern land border
14 annually.

15 (6) The staffing and technology acquisitions of
16 the Customs Service have not kept pace with the in-
17 creased trade and traffic along the Northern border.
18 For example—

19 (A) the current number of authorized
20 United States Customs inspectors along the
21 United States-Canadian border is essentially
22 the same as the number employed in 1980;

23 (B) United States Customs understaffing
24 is the primary cause of congestion at border
25 crossings;

1 (C) Customs Service acquisitions of new
2 technology for border management have been
3 principally deployed on the Southern border de-
4 spite the enormous growth in trade and traffic
5 across the United States-Canadian border; and

6 (D) outmoded technologies and inadequate
7 equipment have increased congestion along the
8 Northern border.

9 (7) Since 1952, the Customs Service has per-
10 formed preclearance activities in Canada, inspecting
11 passengers and baggage prior to their departure
12 from Canada rather than upon arrival in the United
13 States. Such preclearance activities have facilitated
14 the movement of people and merchandise across the
15 United States-Canadian border.

16 (8) The Customs Service has stated that it is
17 eliminating the preclearance positions because it be-
18 lieves that it no longer has the statutory authority
19 to fund the positions.

20 (9) Loss of these positions would increase con-
21 gestion and delays at United States ports as the
22 Customs Service would require inspections to be per-
23 formed in the United States, rather than abroad.

24 (b) PURPOSE.—The purpose of this Act is to facili-
25 tate commerce and the movement of people and traffic

1 across the United States-Canadian border, while maintain-
2 ing enforcement, by—

3 (1) authorizing the funds necessary to open all
4 of the Customs Service's primary inspection lanes
5 along the United States-Canadian border during
6 peak hours;

7 (2) authorizing the funds necessary to supply
8 the Customs Service with the appropriate advanced
9 technology to conduct inspections along the United
10 States-Canadian border and to participate fully in
11 the Shared Border Accord;

12 (3) authorizing the Customs Service to pay for
13 preclearance positions in Canada out of the funds al-
14 ready being collected from passenger processing fees;
15 and

16 (4) authorizing the Customs Service to use a
17 portion of the funds collected from the merchandise
18 processing fee to develop automated commercial sys-
19 tems to facilitate the processing of merchandise.

1 **TITLE I—AUTHORIZATION OF**
 2 **APPROPRIATIONS FOR THE**
 3 **UNITED STATES CUSTOMS**
 4 **SERVICE FOR ENHANCED IN-**
 5 **SPECTION AND TRADE FA-**
 6 **CILITATION ALONG THE**
 7 **UNITED STATES-CANADIAN**
 8 **BORDER**

9 **SEC. 101. AUTHORIZATION OF ADDITIONAL APPROPRIA-**
 10 **TIONS.**

11 In order to reduce commercial delays and congestion,
 12 open all primary lanes during peak hours at ports on the
 13 northern border, and enhance the investigative resources
 14 of the Customs Service, there are authorized to be appro-
 15 priated for salaries, expenses, and equipment for the
 16 United States Customs Service for purposes of carrying
 17 out this title—

18 (1) \$75,896,800 for fiscal year 2000; and

19 (2) \$43,931,790 for fiscal year 2001.

20 **SEC. 102. PEAK HOURS AND INVESTIGATIVE RESOURCE EN-**
 21 **HANCEMENT FOR THE UNITED STATES-CAN-**
 22 **ADA BORDER.**

23 Of the amounts authorized to be appropriated under
 24 section 101, \$49,314,800 in fiscal year 2000 and
 25 \$41,273,590 in fiscal year 2001 shall be for—

1 (1) a net increase of 375 inspectors for the
2 United States-Canadian border, in order to open all
3 primary lanes during peak hours and enhance inves-
4 tigative resources;

5 (2) a net increase of 125 inspectors to be dis-
6 tributed at large cargo facilities on the United
7 States-Canadian border as needed to process and
8 screen cargo (including rail cargo) and reduce com-
9 mercial waiting times; and

10 (3) a net increase of 40 special agents, and 10
11 intelligence analysts to facilitate the activities of the
12 additional inspectors authorized by paragraphs (1)
13 and (2).

14 **SEC. 103. CARGO INSPECTION EQUIPMENT FOR THE**
15 **UNITED STATES-CANADA BORDER.**

16 (a) FISCAL YEAR 2000.—Of the amounts authorized
17 to be appropriated in fiscal year 2000 under section 101,
18 \$26,582,000 shall be available until expended for acquisi-
19 tion and other expenses associated with implementation
20 and deployment of cargo inspection equipment along the
21 United States-Canadian border as follows:

22 (1) \$3,000,000 for 4 Vehicle and Container In-
23 spection Systems (VACIS).

24 (2) \$8,800,000 for 4 mobile truck x-rays with
25 transmission and backscatter imaging.

1 (3) \$3,600,000 for 4 1–MeV pallet x-rays.

2 (4) \$250,000 for 50 portable contraband detec-
3 tors (busters) to be distributed among ports where
4 the current allocations are inadequate.

5 (5) \$300,000 for 25 contraband detection kits
6 to be distributed among ports based on traffic vol-
7 ume.

8 (6) \$240,000 for 10 portable Treasury Enforce-
9 ment Communications Systems (TECS) terminals to
10 be moved among ports as needed.

11 (7) \$400,000 for 10 narcotics vapor and par-
12 ticle detectors to be distributed to each border cross-
13 ing based on traffic volume.

14 (8) \$600,000 for 30 fiber optic scopes.

15 (9) \$250,000 for 50 portable contraband detec-
16 tors (busters) to be distributed among ports where
17 the current allocations are inadequate;

18 (10) \$3,000,000 for 10 x-ray vans with particle
19 detectors.

20 (11) \$40,000 for 8 AM loop radio systems.

21 (12) \$400,000 for 100 vehicle counters.

22 (13) \$1,200,000 for 12 examination tool trucks.

23 (14) \$2,400,000 for 3 dedicated commuter
24 lanes.

1 (15) \$1,050,000 for 3 automated targeting sys-
2 tems.

3 (16) \$572,000 for 26 weigh-in-motion sensors.

4 (17) \$480,000 for 20 portable Treasury En-
5 forcement Communication Systems (TECS).

6 (b) FISCAL YEAR 2001.—Of the amounts made avail-
7 able for fiscal year 2001 under section 101, \$2,658,200
8 shall be for the maintenance and support of the equipment
9 and training of personnel to maintain and support the
10 equipment described in subsection (a).

11 (c) ACQUISITION OF TECHNOLOGICALLY SUPERIOR
12 EQUIPMENT; TRANSFER OF FUNDS.—

13 (1) IN GENERAL.—The Commissioner of Cus-
14 toms may use amounts made available for fiscal year
15 2000 under section 101 for the acquisition of equip-
16 ment other than the equipment described in sub-
17 section (a) if such other equipment—

18 (A)(i) is technologically superior to the
19 equipment described in subsection (a); and

20 (ii) will achieve at least the same results at
21 a cost that is the same or less than the equip-
22 ment described in subsection (a); or

23 (B) can be obtained at a lower cost than
24 the equipment described in subsection (a).

1 (2) TRANSFER OF FUNDS.—Notwithstanding
 2 any other provision of this section, the Commissioner
 3 of Customs may reallocate an amount not to exceed
 4 10 percent of the amount specified in any of para-
 5 graphs (1) through (17) of subsection (a) for equip-
 6 ment specified in any other of such paragraphs (1)
 7 through (17).

8 **TITLE II—ADDITIONAL** 9 **PRECLEARANCE ACTIVITIES**

10 **SEC. 201. CUSTOMS USER FEES.**

11 (a) ADDITIONAL PRECLEARANCE ACTIVITIES.—Sec-
 12 tion 13031(f)(3)(A)(iii) of the Consolidated Omnibus
 13 Budget Reconciliation Act of 1985 (19 U.S.C.
 14 58c(f)(3)(A)(iii)) is amended to read as follows:

15 “(iii) to the extent funds remain avail-
 16 able after making reimbursements under
 17 clause (ii), in providing salaries for up to
 18 50 full-time equivalent inspectional posi-
 19 tions to provide preclearance services.”.

20 (b) COLLECTION OF FEES FOR PASSENGERS ABOARD
 21 COMMERCIAL VESSELS.—Section 13031 of the Consoli-
 22 dated Omnibus Budget Reconciliation Act of 1985 (19
 23 U.S.C. 58c) is amended—

24 (1) in subsection (a), by amending paragraph
 25 (5) to read as follows:

1 “(5)(A) Subject to subparagraph (B), for the
 2 arrival of each passenger aboard a commercial vessel
 3 or commercial aircraft from a place outside the
 4 United States (other than a place referred to in sub-
 5 section (b)(1)(A)(i)), \$5.

6 “(B) For the arrival of each passenger aboard
 7 a commercial vessel from a place referred to in sub-
 8 section (b)(1)(A)(i), \$1.75”; and

9 (2) in subsection (b)(1)(A), by striking “(A) No
 10 fee” and inserting “(A) Except as provided in sub-
 11 section (a)(5)(B), no fee”.

12 (c) USE OF MERCHANDISE PROCESSING FEES FOR
 13 AUTOMATED COMMERCIAL SYSTEMS.—Section 13031(f)
 14 of the Consolidated Omnibus Budget Reconciliation Act
 15 of 1985 (19 U.S.C. 58c(f)) is amended by adding at the
 16 end the following:

17 “(6) Of the amounts collected under para-
 18 graphs (9) and (10) of subsection (a), \$50,000,000
 19 shall be available to the Customs Service, subject to
 20 appropriations Acts, for automated commercial sys-
 21 tems. Amounts made available under this paragraph
 22 shall remain available until expended.”.

1 (d) EFFECTIVE DATE.—The amendments made by
2 this section take effect 30 days after the date of enactment
3 of this Act.

