



Opening Statement of Sen. Chuck Grassley  
Hearing, S.1631—The Customs Facilitation and Trade Enforcement  
Reauthorization Act of 2009  
October 20, 2009

Thank you, Mr. Chairman. We have worked together productively on customs oversight for many years. In 2002, we reauthorized the Customs Service as part of the Trade Act of 2002. Later that year, we worked to transition the Customs Service into the newly-established Department of Homeland Security. In 2006, we introduced a customs reauthorization bill, and our effort contributed to the development and enactment of the SAFE Port Act later that year. That effort also served as the basis for our work this year to produce the legislation that is the subject of today's hearing.

During our years of oversight, we've generally enjoyed a good working relationship with the dedicated personnel of U.S. Customs and Border Protection—also known as CBP, and U.S. Immigration and Customs Enforcement—also known as ICE. But in the 3 years since we enacted the SAFE Port Act, some new concerns have arisen and others remain.

One concern is that the balance at CBP between protecting our homeland security and safeguarding our economic security via trade facilitation is not quite right. So, our bill beefs up the trade facilitation mission of CBP by restructuring the Office of Trade and authorizing dedicated customs facilitation and trade enforcement personnel to the Office of Field Operations.

Another concern is that there hasn't been sufficient political accountability to Congress at CBP. So, our bill establishes a Senate-confirmed position of Principal Deputy Commissioner to oversee commercial operations within CBP.

More generally, our bill updates customs laws to reflect the existence of CBP and ICE within the Department of Homeland Security.

Another concern is that consultations between CBP and the public—as well as among CBP and other federal agencies—haven't been as robust as they should. So, our bill reconstitutes the Commercial Customs Operations Advisory Committee to provide for greater independence of the committee. And, our bill establishes a new interagency review board to ensure that changes in customs rules and regulations are consistent with our international trade obligations.

Separately, our bill strengthens the commercial targeting functions performed by CBP and ICE by authorizing commercial targeting groups and repealing the firewall between use of information for security purposes and commercial enforcement purposes. In particular, our bill contains provisions

intended to strengthen enforcement of intellectual property rights and import product safety measures.

We've continued to hear concerns that more can be done by CBP to facilitate trade. So, our bill disciplines the development and implementation of the Automated Commercial Environment computer system and the International Trade Data System for obtaining cargo clearance from other government agencies. Our bill also includes a duty drawback modernization provision to simplify drawback for both the government and the private sector.

In addition, our bill includes a number of miscellaneous provisions, the most significant of which is an update of the ban on importing goods made from convict labor. During the Finance Committee's consideration of legislation to implement our trade agreement with Oman in 2006, I committed to working with Senator Conrad and Senator Baucus on an update of this ban. Our bill reflects the product of our efforts to work together to expand the ban to prohibit the importation of goods made from convict labor, forced or indentured labor, coerced labor, or the labor of trafficked persons.

In sum, our bill beefs up the commercial operations at CBP without detracting from the agency's dual homeland security mission. And, it provides for greater cohesion between CBP, ICE, and the other federal agencies with a stake in the process of clearing cargo for entry into the United States. Those were our motivations in introducing this legislation. Now, I look forward to the hearing the views of our witnesses on the specifics of the bill—and, I invite public comment from any interested parties for inclusion in the record. Please note that Committee rules afford 10 days after today's hearing for the submission of any public comments. Such input will be helpful as we move to a markup of the legislation, which I hope will occur later this year. Thank you, Mr. Chairman.