

the line has been rerouted; (3) no formal complaint filed by a user of rail service on the line (or by a state or local government entity acting on behalf of such user) regarding cessation of service over the line either is pending with the Board or with any U.S. District Court or has been decided in favor of complainant within the 2-year period; and (4) the requirements at 49 CFR 1105.7 (environmental reports), 49 CFR 1105.8 (historic reports), 49 CFR 1105.11 (transmittal letter), 49 CFR 1105.12 (newspaper publication), and 49 CFR 1152.50(d)(1) (notice to governmental agencies) have been met.

As a condition to use of this exemption, any employee adversely affected by the abandonment shall be protected under *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979). To address whether this condition adequately protects affected employees, a petition for partial revocation under 49 U.S.C. 10502(d) must be filed.

Provided no formal expression of intent to file an offer of financial assistance (OFA) has been received, this exemption will be effective on October 10, 1996, unless stayed pending reconsideration. Petitions to stay that do not involve environmental issues,² formal expressions of intent to file an OFA under 49 CFR 1152.27(c)(2),³ and trail use/rail banking requests under 49 CFR 1152.29⁴ must be filed by September 20, 1996. Petitions to reopen or requests for public use conditions under 49 CFR 1152.28 must be filed by September 30, 1996, with: Office of the Secretary, Case Control Branch, Surface Transportation Board, 1201 Constitution Avenue, N.W., Washington, DC 20423.

A copy of any petition filed with the Board should be sent to applicant's representative: James R. Paschall, General Attorney, Norfolk Southern Corporation, Three Commercial Place, Norfolk, VA 23510.

If the verified notice contains false or misleading information, the exemption is void *ab initio*.

NS has filed an environmental report which addresses the abandonment's

effects, if any, on the environment and historic resources. The Section of Environmental Analysis (SEA) will issue an environmental assessment (EA) by September 13, 1996. Interested persons may obtain a copy of the EA by writing to SEA (Room 3219, Surface Transportation Board, Washington, DC 20423) or by calling Elaine Kaiser, Chief of SEA, at (202) 927-6248. Comments on environmental and historic preservation matters must be filed within 15 days after the EA becomes available to the public.

Environmental, historic preservation, public use, or trail use/rail banking conditions will be imposed, where appropriate, in a subsequent decision.

Decided: September 4, 1996.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 96-23073 Filed 9-9-96; 8:45 am]

BILLING CODE 4915-00-P

DEPARTMENT OF THE TREASURY

Customs Service

Announcement of National Customs Automation Program Test Regarding Presentation of Electronic Cargo Declarations

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: General notice.

SUMMARY: This notice announces a Customs plan to conduct a test program to allow the electronic submission of certain inward vessel manifest information. This notice invites public comments concerning any aspect of the test, informs interested members of the public of the eligibility requirements for voluntary participation in the test, and describes the requirements required to be met in order to participate in the test.

EFFECTIVE DATE: The test will commence no sooner than December 9, 1996, and will run for approximately one year. Comments concerning the eligibility standards, selection criteria, or information submission requirements must be received on or before October 10, 1996. To participate in the test, the necessary information as outlined in this notice must be filed with Customs on or before October 10, 1996.

ADDRESSES: Written comments regarding this notice and letters requesting participation in the test program should be addressed to Cargo Control and Entry, U.S. Customs Service, 1301 Constitution Avenue,

NW., Room 1328, Washington, DC 20229.

FOR FURTHER INFORMATION CONTACT:

For operational or policy matters: William Scopa (202) 927-3112.

For systems or automation matters: Kim Santos (202) 927-0651.

For legal matters: Larry L. Burton (202) 482-7040.

SUPPLEMENTARY INFORMATION:

Background

Title VI of the North American Free Trade Agreement Implementation Act (the Act), Public Law 103-182, 107 Stat. 2057 (December 8, 1993), contains provisions which pertain to Customs Modernization (107 Stat. 2170). Subtitle B of title VI establishes the National Customs Automation Program (NCAP), an automated and electronic system for the processing of commercial importations. Section 631 of the Act created sections 411 through 414 of the Tariff Act of 1930 (19 U.S.C. 1411 through 1414), which define and list the existing and planned components of the NCAP (section 411), promulgate program goals (section 412), provide for the implementation and evaluation of the program (section 413), and provide for the remote location filing of entries (section 414). Actual testing procedures for both existing and planned components were established by the publication of Treasury Decision 95-21 in the Federal Register of March 16, 1995 (60 FR 14211), which appear as section 101.9, Customs Regulations (19 CFR 101.9).

I. Description of Proposed Test

The Concept of Electronically Filing the Cargo Declaration

The filing of the Customs Form 1302 Cargo Declaration electronically allows an importing carrier to transmit one cargo declaration to all Customs ports for review and for enforcement purposes. It also allows for the electronic release of cargo to carriers and other participating parties, as well as facilitating the process of many other Customs regulatory requirements related to the control and processing of cargo. For many years now, Customs has been accepting electronic cargo data from importing carriers, while simultaneously requiring the same information to be submitted on the Customs Form 1302 (Cargo Declaration). This test program will eliminate the requirement for participating Automated Manifest System (AMS) vessel carriers who qualify for the test to submit a Customs Form 1302 Cargo Declaration to Customs, so long as they

² The Board will grant a stay if an informed decision on environmental issues (whether raised by a party or by the Board's Section of Environmental Analysis in its independent investigation) cannot be made before the exemption's effective date. See *Exemption of Out-of-Service Rail Lines*, 5 I.C.C.2d 377 (1989). Any request for a stay should be filed as soon as possible so that the Board may take appropriate action before the exemption's effective date.

³ See *Exempt. of Rail Abandonment—Offers of Finan. Assist.*, 4 I.C.C.2d 164 (1987).

⁴ The Board will accept late-filed trail use requests so long as the abandonment has not been consummated and the abandoning railroad is willing to negotiate an agreement.

remain proficient in meeting the electronic standards established by Customs.

Since August of 1995, Customs has been working in partnership with the trade through the Customs Electronic Systems Advisory Committee (CESAC) and other parties in developing the standards for this test program as well as identifying necessary enhancements to the AMS. Although electronic cargo data has been received by Customs from importing carriers for many years, there were many technical omissions in the AMS system which made the paper collection of cargo information more useful for enforcement and control purposes. Customs is now confident that the standards developed and enhancements being made to the AMS will make it possible to eliminate the need to submit the Customs Form 1302 simultaneously with the transmission of the cargo data electronically, and hopes to verify this through the test program. Since many importing carriers have been transmitting the cargo data to Customs nationally for many years now, the test will run nationally.

Description of the Test

Customs objectives are: (1) To work with the trade community, other agencies, and other parties impacted by this program in the design, implementation and evaluation of the test; and,

(2) To use the experience gained by the test in designing operational procedures, automated systems, and regulations that are supportive of and compatible with the Customs Reorganization, the ongoing effort to improve the Trade Compliance Process, and the Automated Commercial System Redesign (ACE).

All procedures and processes will be closely coordinated with all participating and affected parties. The intent of this program is to test such operational issues as communication, cargo movement and release, as well as whether participants can meet the requirements of transmitting timely, complete and accurate cargo data.

Regulatory Provisions Suspended

Provisions in sections 4.7 and 4.7a of the Customs Regulations (19 CFR 4.7 and 4.7a), relating to the presentation of a cargo declaration with a vessel manifest, will be suspended during this test. Participants will not be required to submit a Customs Form 1302 to Customs or have a copy on board a vessel, including the "dock copy" or the "traveler", but must be able to download or otherwise produce required information for Customs, or

Coast Guard officers who may board. Participants will not be required by Customs to provide a paper Customs Form 1302 as an additional copy. There is no suspension of the requirements contained in the cited regulatory provisions to submit the other forms to be presented with a vessel manifest, such as the Customs Forms 1300 and 1301.

II. Eligibility Criteria

Participation in this testing will not be considered confidential information, and the identity of participants will be made available to the public upon written request. In order to qualify for participation in the test program it will be necessary that a party either be a qualified Automated Manifest System (AMS) carrier, or that a qualified AMS Service Center(s) be designated to submit required information to Customs. In order to be considered AMS-qualified, vessel operators and other entities must have been tested by Customs and determined to possess full technical capability to transmit and receive all types of AMS data. Customs authorizes Automated Manifest System (AMS) service centers to assist carriers in the submission of required electronic information. Such AMS centers may include Port Authorities and other interested parties who act on behalf of carriers who either cannot or choose not to develop the required electronic capabilities for direct participation. Service centers are selected by Customs only if they demonstrate that they possess the full technical capacity and necessary facilities to receive and transmit data for requesting carriers. If these conditions are met, such entities are officially recognized as "Designated Service Centers." Any participating carrier that is using a Designated Service Center is reminded that the carrier is responsible for all electronic submission requirements incorporated in the test. User requirements for qualifying carriers will be governed by those published in the handbook entitled "Customs Automated Manifest Interface Requirements-Intermodal" (CAMIR). A list of Designated Service Centers can be obtained from the U.S. Customs Service, Office of Information Technology, 1301 Constitution Avenue, NW., Washington DC 20229. All test participants, whether participating directly or through the services of a Designated Service Center or Centers, must submit required information electronically in all ports in which business is conducted. Electronic submissions will be required for all cargo and/or vessel types, including containerized, bulk, and break-bulk.

In order to qualify for participation in the program, an applicant is subject to and must have the electronic capabilities to meet additional requirements and conditions as follows:

1. Except as further specified in this paragraph, any carrier participating in this test program must electronically transmit complete cargo declaration information to Customs no less than 48 hours prior to actual arrival of a vessel in a port of the United States. Such transmissions will be considered certified for manifesting purposes at 48 hours prior to actual vessel arrival. For voyages from the last foreign port of departure of less than 48 hours duration, the complete cargo declaration must be transmitted no later than the actual time of vessel arrival in a United States port. Such transmissions will be considered certified for manifesting purposes at time of vessel arrival. The presentation of complete and accurate cargo information is essential to Customs enforcement mission. Therefore, each time a participating carrier fails to transmit complete and accurate cargo declaration information in a timely manner, the port director may require the presentation of the paper Customs Form 1302 for the relevant voyage. All test participants are required to transmit into AMS the actual time and date of vessel arrival in a United States port.

In any instance where a participant whose vessel is on a voyage of longer than 48 hours duration fails to transmit the necessary electronic cargo data at or before 48 hours before a vessel arrival, the port director retains the discretion to delay the unloading of the vessel. Unloading may also be delayed with respect to those voyages of less than 48 hours in duration if the port director requires additional time to review the data transmitted. Alternatively, with respect to all participants, the port director may allow the unloading to proceed but require the cargoes to be maintained and controlled by the test participant at the place of unloading in a manner as directed. In no instance, unless otherwise notified by the port director, shall cargo be removed from the place of unloading until the cargo declaration transmission has been received by Customs, an entry has been filed, and the carrier receives electronic releases for the cargo or electronic authorizations from Customs to transfer the cargo.

2. The electronic cargo declaration information submitted under this program at the first port of arrival in the United States must list all foreign cargo on board the vessel, regardless of the intended port of discharge. In addition

to the current inventory of AMS data elements, participants using CAMIR and ANSI ASCX12 standards will be required to transmit the five following new data elements:

- Place of Receipt of Cargo;
- Container Dimensional Data:

Height, Width, Length, equipment type;

- Container Seal Number;

• Type of Container Movement (e.g., House-to-House, Container Station-to-Container Station, etc.);

- Remaining on Board Indicator.

For AMS participants using the CAMIR format, the above data elements must be provided as follows:

Place of Receipt: B02 record, columns 16–32;

Remaining on Board: B01 record, column 48;

Container Information: C01 record, Length (columns 50–54), Height (columns 55–62), Width (columns 63–70), Type (columns 71–74 ISO Code);

Container Seal Number: C01 record, columns 18–32 (Seal 1), columns 33–47 (Seal 2);

Type of Container Move: C01 record, columns 76–77.

System participants should refer to the CAMIR handbook issued in August of 1995 for detailed record layouts and additional instructions.

For participants using the American National Standards Institute, Accredited Standards Committee X12 (ANSI, ASC X12) formats, the data should be sent as follows:

Place of Receipt: M11 segment, data element M1110;

Remain on Board: M11 segment, data element M1109;

Container Information: VID segment, Length = DE VID06, Height = DE VID07, Width = DE VID08, Type = DE VID09 ISO Code;

Container Seal Numbers: VID segment, Seal 1 = DE VID04, Seal 2 = DE VID05;

Type of Cont. Service Code: VID segment, DE = VID11.

Also, it is required that the following data elements be included in electronic transmissions under this test:

- Foreign port of lading;
- Place of receipt by the carrier of all cargoes. This means the first place the participating carrier took possession of the cargo, whether it be a port city or other location;
- Container number (s), length, height, width, and equipment type;
- Container seal number;
- Type of container movement (e.g., House-to-House, Container Station-to-Container Station, etc.);
- Bill of Lading number(s);
- Total quantity and unit type of merchandise in a shipment (quantity of

pallets or cargo containers is not sufficient; smallest external packaging unit must be used);

- Complete shipper, consignee, and notify party names and addresses. If both notify party and consignee information is available to the participant, both shall be transmitted, including such information as "to order" or similar language if that is all that is supplied to the participant by the shipper;

- Indications of presence of hazardous materials;

- Marks and numbers, including in that data field when available;

- Country and/or other place of origin information;

- Consignee or other name listed;

- Other conveyance information,

such as identification of feeder vessels;

- Purchase order, style and other identifying numbers;

- Description of merchandise. In the case of consolidated shipments, merchandise descriptions must be distinguished by quantity, weight and identifying characteristics for each shipment within a consolidated batch.

3. When a vessel is being operated under the terms of a vessel sharing or slot charter arrangement, each test participant carrier with cargo aboard the vessel is responsible for filing required information with Customs regarding their particular electronic cargo declaration. Test participant parties who provide required data to Customs electronically must do so for their portion of the cargo within the time limits established in this document.

Test participant carriers operating under a vessel sharing or slot charter arrangement shall transmit an identical vessel name and the true, accurate, and identical date and time of vessel arrival. The vessel name shall be identified with the Lloyd's Register of Ships vessel code, as submitted by the vessel owner/operator. The owner/operator of a vessel operating under a vessel sharing or slot charter arrangement shall be responsible for noting on the Customs Form 3171 (Application-Permit-Special License-Unloading-Lading-Overtime Services), each of the carriers sharing or chartering space aboard the vessel. The Customs Form 3171 shall be submitted at least 48 hours prior to a vessel's arrival. If the participant has been granted a term permit (CF 3171), the participant shall always notify the port director at least 48 hours prior to arrival of a vessel, of any changes in parties or slot charterers as well as any other changes made after the granting of the term permit. This should be accomplished by submitting an amended copy of the original term permit.

4. Beginning with records created as of the date of first participation by a carrier and continuing for a period of 6 months after the actual date of arrival of a particular shipment, participants must maintain for immediate examination by Customs upon demand, all electronic or paper records kept in the normal course of business which relate to any particular bill of lading. After 6 months from the date of arrival, unless in an unreconciled status, any such records must be produced for examination by Customs within 5 business days following any demand for their production. Records of any bill of lading which remains in an unreconciled status must always be available for immediate examination by Customs.

Electronically maintained records may be furnished to Customs either in the form of a computer-generated report, or in screen prints of relevant electronic data. Regardless of presentation form, submissions must clearly identify, for each shipment, the vessel name and voyage number, date of arrival, port of discharge, bill of lading and container number(s), total quantity of goods, full identity of shipper and consignee, and all bill of lading transactions posted against a bill during the period when the party was responsible for the proper safekeeping and delivery of the merchandise.

5. Test participants shall not remove merchandise from Customs custody until the cargo declaration transmission has been received by Customs, an entry has been filed, and an electronic release notice has been received from Customs. Removing merchandise without proper electronic notice from Customs will subject a participant to full penalty liability and no such penalty will be mitigated to less than \$500. This mitigation limitation does not apply in the case of any bill of lading which is in an unreconciled status at the time of the effective date of this test program.

6. Electronically reported cargo may not be transferred on a Permit-to-Transfer (PTT) unless the participating carrier has received an electronic authorization from Customs.

7. If for any reason the electronic system becomes inoperative or Customs is unable to receive electronic Customs Form 1302 information transmitted by test participants, it will be required that parties submit the paper Customs Form 1302 to Customs. The port director may require up to three copies.

If for any reason the Automated Manifest System, cargo selectivity, or other entry-related automated system is inoperative and electronic cargo release and selectivity is not possible, a Customs port director will, after a 2-hour

waiting period, implement procedures to allow for the non-electronic release of all cargo until such time as electronic systems are again operative. The port director will ensure that any of the appropriate information on entries released under these manual procedures is properly entered into the electronic system as soon as possible.

8. All empty containers aboard a vessel will be manifested for discharge at the first United States port of arrival, indicating the foreign port of loading of each container. If the vessel is proceeding coastwise, within 24 hours after time of arrival and at least two hours prior to time of arrival at the next United States port, the test participant will retransmit the empty container list indicating the empty containers remaining on board and any containers which were loaded at preceding ports which are to be discharged domestically.

All empty containers discharged are to be held at the place of unloading until the carrier transmits, in AMS, the actual list of containers discharged at the place of unloading. Upon such transmission, all empty containers shall be considered automatically released from Customs custody unless it is otherwise indicated by Customs that any or all are to be held. Since the AMS Empty Container Module does not allow electronic holds to be placed, any necessary holds will be placed through physical means. These requirements apply equally to domestic and foreign carriers.

9. In the case of Foreign Freight Remaining On Board (FROB) a vessel entering the United States and not intended for discharge in this country, test participants are required to transmit all bill of lading cargo data pertaining to such shipments at the first U.S. port of arrival. Such bills of lading shall be automatically released in AMS upon transmission of the data unless placed on hold with the test participant by Customs through electronic or other means. FROB bill of lading cargo data is subject to all of the same requirements and standards set forth in this document which apply to other bill of lading cargo data.

10. The penalties provided in law and regulations with respect to any discrepancy between the cargo described and identified to Customs and the cargo actually found to be aboard a

vessel continue to remain in full force and effect during the test program.

11. The enormous reliance placed upon the vessel cargo declaration by Customs in its mission to interdict the flow of illegal narcotics into the United States cannot be overstated. Therefore, if the Director, Trade Compliance, Customs Headquarters, determines that a test participant's electronic transmissions of the cargo declaration are deficient to the extent that they compromise that mission in any manner, he may require that participant to submit a Customs Form 1302 Cargo Declaration for all or a portion of that party's vessel arrivals during the pendency of the test period. Such participant must submit the paper Customs Form 1302 in accordance with the requirements of Part 4 of the Customs Regulations (19 CFR Part 4).

Application Process

Parties desiring to participate in this test program must submit a written statement to the United States Customs Service, Cargo Control & Entry, 1301 Constitution Avenue, NW., Room 1328, Washington, D.C. 20229-0002, on or before 30 days from publication in the Federal Register. The document, signed by an authorized official of the carrier, must state that the carrier meets all qualifications as outlined in this document and wishes to voluntarily participate in the test. The statement must acknowledge that all submissions made to Customs as part of the test are required to be accomplished electronically. The document must also designate a national point of contact and telephone number, and shall also identify local contacts and telephone numbers for the use of Customs personnel at individual ports.

Bases for Participant Selection

Eligible importing carriers will be considered for participation in this test. Customs is looking for a variety of circumstances and participants in this test. We stress that those not selected for participation will be invited to comment on the test and to participate in its evaluation. Selection will be based on the depth of an applicant's electronic interface capabilities and the ability to meet all the user requirements in the CAMIR and in this notice. Participants selected will be notified by means of the Customs Electronic Bulletin Board.

III. Test Evaluation Criteria

Once participants are selected, Customs will meet to review all public comments received concerning any aspect of the test program or procedures, amend procedures as necessary in light of those comments, form problem-solving teams, and establish baseline measures and evaluation methods and criteria. Six months after implementation of the program, evaluations of the program will be commenced with the final results published in the Federal Register and Customs Bulletin as required by section 101.9(b), Customs Regulations (19 CFR 101.9(b)). The following evaluation methods and criteria have been suggested:

1. Establish baseline measurements through questionnaires to the trade and Customs port officials.

2. Use the results obtained through various Compliance Measurement programs related to vessel manifesting to determine the efficiency of electronic transmissions of the cargo data.

Preliminary choices of evaluation criteria for Customs and other government agencies include workload impact (workload shifts, cycle time, etc. * * *), policy and procedural accommodation, and trade compliance impact. Possible criteria for the trade participants are cost benefits, system efficiency, operational efficiency, and other items identified by the group.

In conclusion, it is emphasized that if a company is interested in participating in the test program, it must first be tested by Customs and become a qualified AMS carrier, or it may use a qualified AMS service center. It is also emphasized that a participant must transmit the electronic cargo declaration for all of its arrivals in all Customs ports, for all types of cargo. Upon arrival of a vessel at its first U.S. port, an electronic cargo declaration for all cargo aboard the vessel must be transmitted, regardless of the intended port of discharge.

Dated: September 5, 1996.

Samuel H. Banks,

Assistant Commissioner, Office of Field Operations.

[FR Doc. 96-23084 Filed 9-9-96; 8:45 am]

BILLING CODE 4820-02-P