

at the end of a journey with the development of the risk management building blocks, but just at the beginning of the journey, and the journey will be a long and hard one that requires significant continued effort from all parties. A key message was: "Get comfortable with change" and he provided a rule of thumb called the Rule of Three Positives. "When somebody suggests a change to you, don't say: 'No, that won't work. That's not the way I do it.' When somebody suggests something new, stop and think and make three positive comments about the new idea before you make one negative comment." He challenged the companies to be innovative, creative, and provide OPS with so many quality demonstration proposals that their selection process will be difficult.

Mr. Felder closed the conference by expressing appreciation to all those that attended and to all of his staff that made the public meeting possible. He and Stacey Gerard then handed out DOT certificates of appreciation to individuals outside the government, in industry, the public, and contractors, that have worked with the various Risk Assessment Quality Teams.

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BILLING CODE 4910-60-P

DEPARTMENT OF THE TREASURY

Customs Service

Announcement of National Customs Automation Program Test of Account-Based Declaration Prototype

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

ACTION: General notice.

SUMMARY: This notice announces Customs' plan to conduct an account-based declaration prototype (NCAP/P) under the National Customs Automation Program (NCAP), and invites eligible importers to participate. The NCAP/P will be initially applicable to merchandise imported by truck through the ports of Laredo, Texas (Colombia Bridge only), and Detroit and Port Huron, Michigan. This notice provides a description of the test, outlines the development and evaluation methodology to be used in the test, sets forth the eligibility requirements for participation in the test and invites public comment on any aspect of the planned test.

DATES: The account-based declaration prototype (NCAP/P) will commence no earlier than August, 1997 and will run for approximately eighteen months,

with evaluations of the prototype occurring periodically. All applications to participate in the test must be received on or before April 25, 1997. Public comments on any aspect of the planned test must be received on or before April 25, 1997.

ADDRESSES: Applications should be addressed to Ms. Margaret Fearon at U.S. Customs Service, 1301 Constitution Avenue, NW, Room 4139, Washington, DC 20229.

FOR FURTHER INFORMATION CONTACT: For inquiries regarding eligibility of specific importers: Margaret Fearon, Process Analysis and Requirements Team, at (202)927-1413. For questions on reconciliation: Shari McCann, Process Analysis and Requirements Team, at (202)927-1106. For questions on other aspects of the Account-Based Declaration Prototype: Daniel Buchanan, Process Analysis and Requirements Team, at (617)565-6236.

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 pertaining to Customs Modernization (the Mod Act). 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 in Subtitle B of the Act creates sections 411 through 414 of the Tariff Act of 1930 (19 U.S.C. 1411-1414), 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 remote location filing (section 414). Section 101.9(b) of the Customs Regulations (19 CFR 101.9(b)), concerns the testing of NCAP components. See, T.D. 95-21 (60 FR 14211, March 16, 1995).

A key element of Customs efforts to re-engineer its Trade Compliance process is a shift in emphasis from the traditional transaction-based approach of ensuring compliance with import laws and regulations to an account-based approach, which addresses an importer's overall compliance through account management, process reviews, and audits. One feature of this approach is a new account-based declaration process. Customs is also developing a new commercial processing system, the Automated Commercial Environment (ACE), which will be designed to support the new Trade Compliance

processes. An account-based declaration prototype (NCAP/P) is being developed to provide the first operational demonstration of ACE capabilities for processing imports, integrating the new account-based import declaration process with other aspects of the Trade Compliance process and with selected features of NCAP elements of the Mod Act.

I. Development Methodology

NCAP/P will be monitored by a Joint Prototype Team consisting of trade participants, the Customs Offices of Field Operations and Strategic Trade, the ACE Development Team, and other interested government agencies. This team will meet regularly throughout the prototype period in Detroit, Laredo and Washington, DC, to set development milestones, monitor progress, resolve issues and evaluate program effectiveness. The development effort will be coordinated with other on-going NCAP prototype programs such as Remote Location Filing and Reconciliation, and will be as consistent as possible with the overall direction of ACE development.

Potential participants should recognize that this is a prototype test of new processes. Data definitions and values and formats for electronic transmission of manifest, entry and commercial data will differ from those currently used in the Automated Commercial System (ACS). It is also important to note that development efforts undertaken for NCAP/P may not meet the eventual requirements for programs as they are finally implemented in ACE.

The public is invited to comment on any aspect of the NCAP/P test as described by this notice.

II. Eligibility Requirements

In order to be eligible for participation in the NCAP/P, an importer must:

1. Be designated as one of the top 350 U.S. importers in terms of entered value, while importing no less than 50% of their merchandise specified as Customs' Primary Focus Industries, which are as follows:

- (a) Advanced Displays
- (b) Agriculture
- (c) Auto/Truck Parts
- (d) Automobiles
- (e) Bearings
- (f) Circuit Boards
- (g) Fasteners
- (h) Footwear
- (i) Manufacturing Equipment
- (j) Steel Products
- (k) Telecommunications
- (l) Textiles and Flatgoods
- (m) Wearing Apparel

Importers who are originally selected to participate will be eligible to continue to participate throughout the prototype period, regardless of their subsequent eligibility in regard to this requirement.

2. Be scheduled for, participating in, or, in the application, agree to undergo and cooperate fully with a Customs Compliance Assessment;

3. For Southern border NCAP/P shipments, use carriers who participate in the Land Border Carrier Initiative Program (LBCIP). No importer may enter Southern border cargo transported by non-participant carriers;

4. Agree in the application to file or maintain a continuous bond which will be obligated upon release of each NCAP/P shipment;

5. Be capable and/or agree to arrange for timely and accurate electronic transmission to Customs of all data required in the NCAP/P declaration process, including manifest and pre-release shipment data, additional data required to support physical examinations of cargo, entry summary data, detailed commercial data when requested, and reconciliation data. If an importer does not transmit electronic data for a particular shipment, Customs may exclude that shipment from NCAP/P processing. Participants who are unable to reliably provide timely transmission of required data may be suspended from further participation in this prototype; and

6. Be capable and/or agree to arrange for electronic payment of duties, taxes and fees. Participants who are unable to reliably provide timely transmission of required payments may be suspended from further participation in this prototype.

For NCAP/P, the following restrictions will be placed upon importers:

1. Importers must enter merchandise identified in the application as being from their typical commodities in their established lines of business and coming from pre-identified sellers and shippers;

2. Importers must enter only the merchandise identified in the application as being within a range of pre-identified commodities (classified at the 6-digit HTS level);

3. Importers must enter merchandise conveyed on trucks operated by carriers pre-identified by participants in the application; and

4. Importers must enter merchandise for release into the commerce under a consumption entry at the port of arrival.

5. Importers must enter merchandise at the port of Laredo, Texas (Colombia

Bridge only), or at Detroit or Port Huron, Michigan;

Importers may not enter merchandise in the NCAP/P if it is subject to antidumping or countervailing duty, quota, trade preference level or visa requirements, or pre-release reporting requirements imposed by other federal agencies. No prohibited or embargoed merchandise will be permitted in prototype shipments. In addition, importers may not enter NCAP/P merchandise into a warehouse or Foreign Trade Zone, or as an in-bond entry.

Importers are responsible for ensuring that ineligible merchandise is not included in NCAP/P shipments, and that all shipments aboard a conveyance are eligible for NCAP/P processing. Customs will exclude ineligible shipments from NCAP/P processing. Customs will monitor participating importers' compliance with these restrictions; participants who are unable to maintain a high level of compliance may be suspended from further NCAP/P participation.

III. Application

Importers who wish to participate in NCAP/P must submit a written application including the following information:

1. Importer name;

2. Names and addresses of all their shippers for NCAP/P;

3. Names and addresses of all their seller/vendors for NCAP/P, and, for each seller/vendor identified, a listing of all the 6-digit HTS numbers in which the commodities to be imported are classified;

4. The issuer and number of the continuous surety bond which will cover all cargo processed under NCAP/P procedures;

5. Names and addresses of truck carriers who will be transporting NCAP/P shipments across the international borders;

6. Names and addresses of any customs brokers who will be filing declaration data;

7. The approximate total number of entries per month expected to be processed at each of the following locations: Colombia Bridge, Laredo; Ambassador Bridge, Detroit; Windsor Tunnel, Detroit; Blue Water Bridge, Port Huron;

8. Description of anticipated issues (from the eligible issues listed in Section VI of this Notice) and commodities for which the participant anticipates electing reconciliation;

9. For applicants not already scheduled for or participating in a Customs Compliance Assessment, a

statement in which the applicant indicates agreement to undergo and cooperate fully with a Customs Compliance Assessment.

Customs will make admissibility determinations on NCAP/P shipments based on any cargo examinations and the information supplied with the application, which shall serve as a pre-filed entry for NCAP/P purposes.

Any importers who have applied to become NCAP/P participants will be notified in writing of their acceptance or rejection. If an importer's application for NCAP/P participation is accepted, Customs will assign the importer an NCAP/P Authorization Code. If an applicant is denied participation based on deficiencies in the application, the notification letter will include the reasons for that denial. Eligible importers whose initial applications are rejected may re-apply after correcting any deficiencies in the initial application.

Customs expects to initially limit NCAP/P participation to ten (10) importers. Preference will be given to applicants who indicate that they plan to maintain an average of at least 25 entries per month throughout the prototype period. Eligible importers whose initial applications are rejected may re-apply if Customs subsequently opens participation to additional participants. Customs will publish a notice in the **Federal Register** if an expansion of participation is planned.

IV. Maintenance of Account Information

Following approval by Customs of an importer's application, each participating entry filer must provide Customs with a range of entry numbers to be reserved for assignment by Customs to NCAP/P shipments. Entry filers may not assign these numbers to other transactions, either for NCAP/P or for non-prototype entries.

Throughout the prototype period, participating importers must provide Customs with advance notification of any changes in the information provided in the application. This notification will be considered an amendment to the application. By notification of the participating importer, Customs may require that the participant not use a particular carrier, shipper, or seller, and not enter particular merchandise under this prototype.

V. Remote Location Filing

Some aspects of remote location filing will be supported in NCAP/P. Under the remote location filing component, importers will be able to electronically

file data with Customs from any place in the United States regardless of where the merchandise arrives. To qualify for remote location filing, a filer must be able to electronically transmit information on a shipment by shipment basis, including entry summary, invoice information (when required by Customs), and payment of duties, fees, and taxes. Use of the remote location filing component of the prototype is voluntary, but the same electronic data transmission requirements will apply for all prototype participants.

The designation of alternative locations for cargo examination will not be supported in NCAP/P. All cargo examinations will be conducted at the port where the cargo first arrives in the United States.

VI. Reconciliation

Currently there are two reconciliation prototypes in operation or being implemented, in addition to the NCAP/P. The reconciliation test of Antidumping and Countervailing duties was published on May 10, 1996 (61 FR 21534). The "manual" reconciliation test, which covers reconciliation of certain value issues, was published on February 6, 1997 (62 FR 5673). (In 1995 a notice was published in the **Federal Register** concerning a reconciliation prototype for related party importers making upward adjustments to the price of imported merchandise, pursuant to 26 U.S.C. 482. This prototype did not become operational.)

Importers are reminded that reasonable care is required for all phases of reconciliation, including, but not limited to, submitting information on the underlying entries, flagging the underlying entries for reconciliation, grouping the outstanding issue(s) from the range of entries onto the Reconciliation and providing the final information on the Reconciliation.

Reconciliation permits those elements of an entry, other than those related to admissibility, which are undetermined at the time of entry summary filing, to be provided at a subsequent time. For merchandise processed in the NCAP/P, reconciliation will allow participating importers to identify the following issues for which complete information is unavailable at the time of entry summary filing:

1. NAFTA
2. Value
3. 9802
4. Classification

Classification issues will be eligible for reconciliation only when such issues have been formally established as the subject of an administrative ruling,

protest, petition, or Court action. Reconciliations of classification issues may result in a tariff shift which falls within the pre-identified range of 6-digit HTS provisions. Generally, the exercise of reasonable care should ensure that reconciliations do not result in a tariff shift outside the pre-identified range of 6-digit HTS provisions; however, if special circumstances justify a tariff shift outside the pre-identified range of 6-digit HTS numbers contained in the application, a participant must submit an amended application requesting permission to continue to enter such merchandise in this prototype.

Reconciliations of NAFTA issues must be electronically filed within one year of the date of importation of the oldest entry which is flagged for the Reconciliation. Reconciliation is a vehicle which an importer can use to file post-importation refund claims under 19 U.S.C. 1520(d). Consequently, a failure to file a NAFTA reconciliation within one year of the date of importation will preclude the granting of NAFTA tariff treatment. As such, NAFTA reconciliations are subject to the obligations under 19 CFR part 181, subpart D. NAFTA reconciliations must be supported by importer possession of the documents required under 19 U.S.C. 1520(d) and 19 CFR 181.32(b). Presentation of the NAFTA Certificate of Origin to Customs is waived for the purposes of this prototype test, and the filer must retain these documents, which shall be provided to Customs upon request. Filers are reminded that interest shall accrue from the date on which the claim for NAFTA eligibility is made (the date of the Reconciliation) to the date of liquidation or reliquidation of the Reconciliation.

Reconciliations of classification, 9802 and/or value issues must be electronically filed within 15 months of the date of entry summary filing for the oldest entry flagged for the Reconciliation. In order to gain as much experience as possible from this prototype, Customs will work with the participants to determine whether an earlier time frame for filing of the Reconciliation is possible.

Entry summaries may be flagged for reconciliation until the close of the test period. It is important to note that, although the test period has concluded, Reconciliations may be filed and liquidated after the closing date of the test.

Only consumption entries may be filed in the NCAP/P system. Entries subject to reconciliation will be flagged at the header level with an electronic indicator specifying the issue(s) to be reconciled.

The flagging of an entry for reconciliation will serve as the Notice of Intent to File a Reconciliation ("Notice of Intent"), and will permit the liquidation of an entry as to all issues other than those which are flagged for reconciliation. By filing a Notice of Intent, the importer voluntarily requests and accepts that each issue flagged for reconciliation, and the liability for each issue, is separated from the entry, remains open and is transferred to the Reconciliation. The Notice of Intent opens an obligation for the importer to file the Reconciliation. This obligation also applies to NAFTA reconciliations even if the participant finally concludes it cannot file a valid 520(d) claim, in which instance, the NAFTA reconciliation would be filed as no change.

Importers who choose to participate in this prototype will recognize that the liquidation of the underlying entries pertains only to those issues not identified by the importer on the Notice of Intent. Upon liquidation of the entry, any decision by Customs entering into that liquidation, e.g., classification, may be protested pursuant to 19 U.S.C. 1514. When the outstanding information, e.g., value as determined by the actual costs, is later furnished on the Reconciliation, the Reconciliation will be liquidated upon review by Customs. The liquidation of the Reconciliation may be protested but the protest may only pertain to issues contained in the liquidated Reconciliation, i.e., the protest may not re-visit issues previously liquidated in the entry. Separate Bulletin Notices of Liquidation will be posted for the liquidation of the underlying entries and for the liquidation of the Reconciliation.

Under the statutory mandate of 19 U.S.C. 1484, the importer is responsible for using reasonable care in declaring at entry the proper value, classification and rate of duty applicable to imported merchandise. Inherent in the concept of reconciliation is the fact that, because certain issues are kept open pending filing of the Reconciliation, the information regarding these issues and the resulting liability for the duties, taxes and fees previously asserted by the importer may change when the Reconciliation is filed. Therefore, should any drawback claim or Certificate of Delivery for drawback be filed on import entries which are flagged for reconciliation, Customs will pay accelerated drawback only after the Reconciliation is filed. Upon filing of the Reconciliation, the importer is responsible for indicating whether any underlying entry could be subject to drawback. In the case of a drawback

claim and a reconciliation refund against the same underlying entries, the importer is responsible for ensuring that refunds in excess of the duties paid are not filed with Customs and for substantiating how the separate refund requests apply to different merchandise.

A Reconciliation may cover any combination of value, 9802 and classification. Should the issues of value, 9802 and classification be flagged for reconciliation on one entry, one Reconciliation covering all three issues will be filed. NAFTA Reconciliations will not be combined with other issues, because of NAFTA's unique nature, different due dates, and so that Customs may expedite the processing of such refunds. Issues will always be reconciled in their entirety, as opposed to partial Reconciliations. Each Reconciliation should cover no fewer than ten entries. Reconciliation is to be used to group entries together for a common, outstanding issue.

A Reconciliation is treated as a legal entry for purposes of liquidation, reliquidation and protest. For purposes of this prototype, each Reconciliation must be covered by one surety, i.e., two sureties cannot cover the same Reconciliation. The continuous bond obligated on the underlying entries will be used to cover the Reconciliation.

Payments due from the participant as a result of the Reconciliation will be reflected on the participant's monthly statement. Should the Reconciliation result in a refund due the participant, the refund will also appear on the monthly statement and will be used to offset existing or future payment obligations of the participant. Customs will calculate interest upon liquidation of the Reconciliation, and reflect such interest on the monthly statement.

The Reconciliation header will contain the Reconciliation number, the date of Reconciliation filing, the issue(s) being reconciled and the comments. In the comment field, the filer may provide pertinent information, to explain, for example, that the specific value issue within this Reconciliation is an assist declaration.

Following this summary information, there will be two parts of the Reconciliation. The first part will include a list of underlying entry numbers, entry summary dates, and the total duty, taxes and fees (reported by class code) which should have been paid for each of the underlying entries had the complete information been available to the importer at the time of filing of the entry summary. This part of the Reconciliation will also have a field to indicate entries being closed out on

the Reconciliation which did not change.

Part two of the Reconciliation will list all of the lines on the flagged entries which changed as a result of the reconciliation. Data elements for each line include entry number, SPI if applicable, HTS, country of origin, quantity if applicable, total value and the total duties, taxes and fees (reported by class code). The "total" figures will represent that which was reported on the underlying entry plus the change pursuant to the Reconciliation. In coordination with the Census Bureau, Customs is analyzing the assignment of a parameter, below which the reporting of reconciled lines (Part 2) would not be required.

The reporting of line items is an interim step being taken for the purposes of gaining experience in the short term. While the Reconciliation will capture line item details for this prototype, Customs is working toward capturing the reconciled information at an aggregate level for future prototypes, which will incorporate compensating controls as a means to ensure that financial safeguards are in place.

The following will serve as an example of the probable structure for the Reconciliation:

Reconciliation #557, Date: 2/1/97, Issue: NAFTA
Part 1:

Entry	Summary date	Total duties	Total taxes	Total fees [499]	No change
123	10/11/96	\$25	.....	\$2.89	.....
234	11/11/96	.....	.....	.....	X
345	12/11/96	\$200	.....	\$6.10	.....

Part 2:

Entry	SPI/HTS	Country of origin	Qty	Total value	Total duty	Total taxes	Total fees [499]
123	2222	MX	0	\$0	\$0	.....	\$0
123	MX2222	MX	700	\$1000	\$0	.....	\$1.90
123	3333	MX	500	\$250	\$25	.....	\$0.52
123	MX3333	MX	500	\$250	\$0	.....	\$0.47
345	2222	MX	750	\$1500	\$150	.....	\$3.15
345	MX2222	MX	250	\$500	\$0	.....	\$0.95
345	3333	MX	200	\$500	\$50	.....	\$1.05
345	MX3333	MX	200	\$500	\$0	.....	\$0.95

VII. Account-Based Import Declaration Process

The account-based declaration process is a fully electronic process that will, for NCAP/P participant importers, who must file consumption entries under NCAP/P:

1. Base cargo examination decisions primarily on pre-established account/

entry information, minimizing the transaction data that needs to be transmitted to Customs prior to release of cargo. Cargo examinations will also be performed on the basis of selectivity criteria and for random compliance measurement sampling;

2. Permit reporting of detailed entry summary data on a monthly cycle, and

3. Provide for payment of duties, taxes and fees on a monthly statement cycle employing semi-monthly estimated payments.

While various automatic notifications and back-up procedures will also be supported, the basic declaration flow for NCAP/P will be as follows:

1. The application will serve as a pre-filed entry for NCAP/P purposes.

2. Prior to arrival of cargo at the border, the carrier issuing the manifest or an authorized agent will electronically transmit to Customs basic manifest data: coded identification of the carrier; trip details; identification of drivers, the conveyance and other equipment; and an identifying number and the laden quantity for each shipment on the conveyance.

3. Also prior to arrival of the cargo at the border, data pertaining to each individual shipment must be electronically transmitted to Customs. This shipment data will include information generally found on freight bills, plus the NCAP/P Authorization Code assigned to the participating importer by Customs, and identification of the entry filer and the seller and buyer of the merchandise. This shipment data may be transmitted by the carrier issuing the manifest, an authorized agent acting on behalf of the carrier issuing the manifest, or the entry filer (i.e., either the importer of record or the importer of record's customs broker.)

4. Customs will assign an entry number to each shipment from the range of entry numbers provided in advance by each participating entry filer for that purpose. When a truck arrives at the border, shipments for which no physical examination of cargo is required will be released without additional data or documentation. For any shipment aboard that truck selected by Customs for physical examination of cargo, Customs will issue to the entry filer designated in the shipment data an electronic request for additional information. This request may be satisfied by transmission of either partial or complete entry summary and commercial data, as defined by Customs, plus packing data. The commercial data required for cargo examination, whether partial or complete, will be at the detailed item level. Cargo will not be examined until this data is received by Customs.

5. The date of entry will be the date on which merchandise is released by Customs. The release will obligate the continuous bond identified in the prototype application of the importer whose NCAP/P Authorization Code is present in the shipment data.

6. For each shipment released during a calendar month, the entry filer must electronically transmit complete entry summary data to Customs on or before the filing deadline for that month. The filing deadline for each month will be the 10th calendar day of the following month, or, if the 10th falls on a weekend

or holiday, the next business day. Entry summary data transmitted prior to this deadline will be considered provisional and may be replaced by the entry filer anytime before the deadline. All summaries filed on or before the deadline will be considered as filed on the deadline date. Any issues that may be the subject of a future reconciliation must be identified in the entry summary data.

7. For any entry summary selected by Customs for data review, unless complete commercial data was previously transmitted to support a cargo examination, Customs will issue to the entry filer an electronic request for complete commercial data. This request must be satisfied by electronic transmission of a complete set of commercial data, as defined by Customs, plus packing data if specifically requested.

8. By virtue of 19 CFR 101.9, the Customs Service may impose requirements different than those specified in the Customs Regulations; but only to the extent that such different requirements do not affect the collection of revenue. Consequently, in order to permit a different procedure to test the periodic deposit of estimated duties without adversely affecting the collection of revenue, the participant must agree to and abide by the following procedures. Each participating importer account will make semi-monthly preliminary estimated payments through an electronic medium. Preliminary estimated payments will be initiated electronically using ACH credit on the 15th and the last day of the month. If the 15th or the last day of the month falls on a weekend or holiday, the payment must be initiated the next business day. Under the prototype, special electronic payment procedures will be utilized. The preliminary estimated payments will be based upon the following percentages: (a) The payment initiated on the 15th will be 75% of the estimated amount due on all releases for the 1-15th of the month, (b) the payment initiated on the last day of the month will be 57% of the estimated amount due on all releases from the 16th to the last day of the month. These percentages will be reviewed and may have to be adjusted to maintain revenue neutrality. Payment for the remaining balance will be initiated electronically on the 15th of the following month, and it is this date which Customs and the participants agree will serve as the date of actual deposit of estimated duties and fees for purposes of assessing interest under 19 U.S.C. 1505. Customs will issue two statements each month, one before and one after the monthly filing

deadline. Each statement will list each importer account's NCAP/P activity at all locations for the reporting month, and will indicate whether entry summary data has been filed and, if it has, amounts due.

9. Within the period of time prescribed for each issue, the entry filer must transmit an electronic Reconciliation to resolve each issue identified for reconciliation in entry summary data. In general, one Reconciliation will resolve multiple issues for each of the underlying entries.

Cargo will be released and duties, taxes and fees assessed on the basis of data transmitted to the NCAP/P system. For shipments processed in NCAP/P, participants will not be required to provide parallel filing of ACS data or paper documents.

VIII. Suspension From Prototype

If a participant attempts to enter or submit data relating to prohibited merchandise, merchandise subject to quota or antidumping or countervailing duties, or other non-eligible merchandise; or if a participant files non-consumption entries; files erroneous or untimely data; fails to provide requested invoice data or sufficient supporting documentation for Reconciliations; makes late or inadequate payments; fails to exercise reasonable care in the execution of participant obligations; or otherwise fails to follow the procedures outlined herein, and applicable laws and regulations, then the participant may be suspended from the prototype, and/or be subject to penalties.

Any decision suspending participation may be appealed to the Trade Compliance Process Owner, within 15 days of the decision date.

IX. Regulatory Provisions Suspended

Certain provisions of parts 24, 111, 141, 142, 143 and 159 of the Customs Regulations (19 CFR parts 24, 111, 141, 142, 143 and 159) will be suspended during this prototype test to allow for monthly filing of entry summary data, periodic payment of duties, taxes and fees, reconciliation for NAFTA, classification, value and 9802 issues, liquidation, billing and remote filing by Customs brokers in ports where they currently do not hold permits.

Absent any specified alternate procedure, the current regulations apply.

X. Prototype Evaluation

Once the importers are selected for NCAP/P, the Joint Prototype Team will, during the initial six months of the test period, evaluate the effectiveness of the

automation involved. Subsequent reviews will additionally consist of evaluating the data received from the importers, along with the internal and external process operations of the NCAP/P.

Additional importers may become eligible during the prototype period, using the eligibility requirements cited above, thereby increasing the number of companies involved in the NCAP/P. The evaluation of the prototype as it pertains to these importers may occur separately from that which is done on the original participants. Regardless, the intention of the evaluations is to enhance operational procedures and to develop the detailed data requirements that are needed for NCAP.

Note that the fact of participation in the NCAP/P is not confidential information. Lists of participants will be made available to the public by means of the Customs Electronic Bulletin Board and the Customs Administrative Message System, and upon written request. We stress that all interested parties are invited to comment on the design, conduct, and evaluation of NCAP/P at any time during prototype.

Upon conclusion of the prototype the final results will be published in the **Federal Register** and the Customs Bulletin as required by § 101.9(b), Customs Regulations and reported to Congress.

Dated: March 21, 1997.

Audrey Adams,

Acting Assistant Commissioner, Office of Field Operations.

[FR Doc. 97-7733 Filed 3-26-97; 8:45 am]

BILLING CODE 4820-02-P

Bureau of the Public Debt

Proposed Collection: Comment Request

ACTION: Notice and request for comments.

SUMMARY: The Department of the Treasury, as part of its continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995, Public Law 104-13 (44 U.S.C. 3506(c)(2)(A)). Currently the Bureau of the Public Debt within the Department of the Treasury is soliciting comments concerning the Application For Issue Of United States Mortgage Guaranty Insurance Company Tax And Loss Bonds.

DATES: Written comments should be received on or before May 27, 1997, to be assured of consideration.

ADDRESSES: Direct all written comments to Bureau of the Public Debt, Vicki S. Thorpe, 200 Third Street, Parkersburg, WV 26106-1328.

FOR FURTHER INFORMATION CONTACT: Requests for additional information or copies of the form and instructions should be directed to Vicki S. Thorpe, Bureau of the Public Debt, 200 Third Street, Parkersburg, WV 26106-1328, (304) 480-6553.

SUPPLEMENTARY INFORMATION:

Title: Application For Issue Of United States Mortgage Guaranty Insurance Company Tax and Loss Bonds.

Form Number: PD F 3871.

Abstract: The information is used to establish and maintain Tax and Loss Bond Accounts.

Current Actions: The current collection is used to establish Tax and Loss Bond Accounts. The additional information will allow for Direct Deposit (ACH) for payments.

Type of Review: New.

Affected Public: Business or other for-profit.

Estimated Number of Respondents: 80.

Estimated Time Per Respondent: 15 minutes.

Estimated Total Annual Burden Hours: 20.

Request for Comments

Comments submitted in response to this notice will be summarized and/or included in the request for OMB approval. All comments will become a matter of public record. Comments are invited on: (a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility; (b) the accuracy of the agency's estimate of the burden of the collection of information; (c) ways to enhance the quality, utility, and clarity of the information to be collected; (d) ways to minimize the burden of the collection of information on respondents, including through the use of automated collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and costs of operation, maintenance, and purchase of services to provide information.

Dated: March 20, 1997.

Vicki S. Thorpe,

Manager, Graphics, Printing and Records Branch.

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