



**U.S. Customs and
Border Protection**

Broker Compliance Draft Presentation

Apparel, Footwear & Textiles (AFT)

Miami Broker Management Office (BMO)

US Customs and Border Protection (CBP)

Supervisory Customs Entry Officer Benito
Montero

Customs Entry Officer Andrew Vaz

Purpose of this Presentation.....

Our **purpose** for being here today is to make the *broker licensing process* clearer and to answer any questions you may have. From the **application form** to getting your **license** and **permits**, our **broker management team** is here to assist you at every step in the process.



IT'S A BROKER LICENSE TRIENNIAL YEAR

Save Time, Submit Online

The 2021 Customs Broker License Triennial Status Report Submission and Fee Payment cycle **opens** December 15, 2020.

The **last day** to submit fees and Status Reports is February 28, 2021.

VISIT
e.CBP.DHS.GOV

- ✓ Fill out the Triennial Status Report through the interactive eCBP portal
- ✓ Submit your electronic payment*







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CBP: Who are we?

US Customs and Border Protection (CBP) is the largest federal law enforcement agency within the US Department of Homeland Security (DHS). Our primary operation is border patrol, but we also regulate and facilitate international trade, collect import duties, and enforce U.S. regulations pertaining to trade, customs and immigration.

Our headquarters is in Washington D.C. with field offices across the country.

CBP has a workforce of over 58,000 employees, including officers and agents, agriculture specialists, aircraft pilots, trade specialists, mission support staff, and canine enforcement officers and agents.

- cbp.gov



CBP Mission and Vision Statement

Vision Statement

Enhancing the nation's security through innovation, intelligence, collaboration and trust.

Mission Statement

Protect the American people, safeguard our borders, and enhance the nation's economic prosperity.

- *cbp.gov*



CBP Field Offices



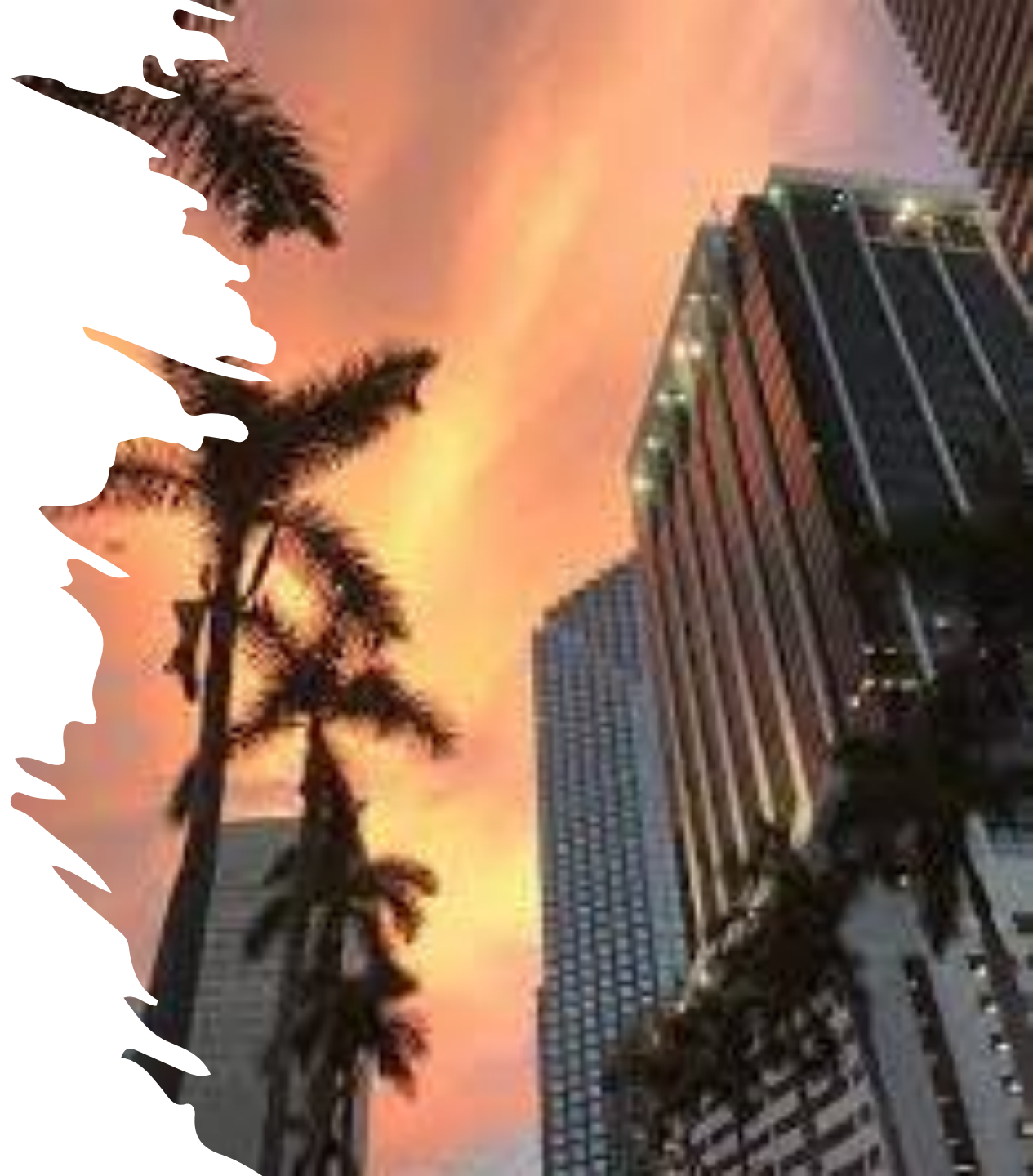
****Seattle, San Francisco, Los Angeles, Tucson, Chicago, New Orleans, Boston, NYC, DC, Atlanta, Miami, & San Juan PR**

Welcome to *Miami*

Greetings! Welcome to *Miami*...the sun, the beaches, and the weather make this Florida paradise the ideal destination for business and pleasure.

Here at US **Customs** and **Border Protection** (CBP), we are committed to **safety** and protection of **commerce** and **trade**.

Our **presentation** deals with a very important aspect of **commerce** and **trade**: **broker compliance**.





Miami Broker Management Operations

- Miami's BMO office is located near **Miami International Airport** (MIA). It is located within the **Cargo Clearance Center (CCC)** on NW 25th Street. Our office handles **broker compliance**, **licensing**, **fee payments**, and **national permits**.
- All forms, payments, and other issues can be addressed here in the CCC building, **Suite 236**.
- MIA BMO officers are **Andrew Vaz**, Customs Entry Officer (CEO) and **Benito Montero**, Supervisory Customs Entry Officer (SCEO).

Miami Broker Management Operations Cont.....

- Every year, our office collects **annual fee payments** for national permits. Fees are published in the **National register** every year and brokers **MUST submit payments to our office** to keep their permits.

- Also, brokers must pay their **tri-annual** fee to maintain their broker licenses. Payments are made via **pay.gov**. The triennial status report and its associated **\$100** fee are required under **19 CFR 111.30 (d)**.

- The next reporting period runs from **December 15, 2023, to February 28, 2024**.

- Our office maintains regular contact with the brokers in the servicing port – our **Miami** port is **45201**.

- But how does one become a **broker**?

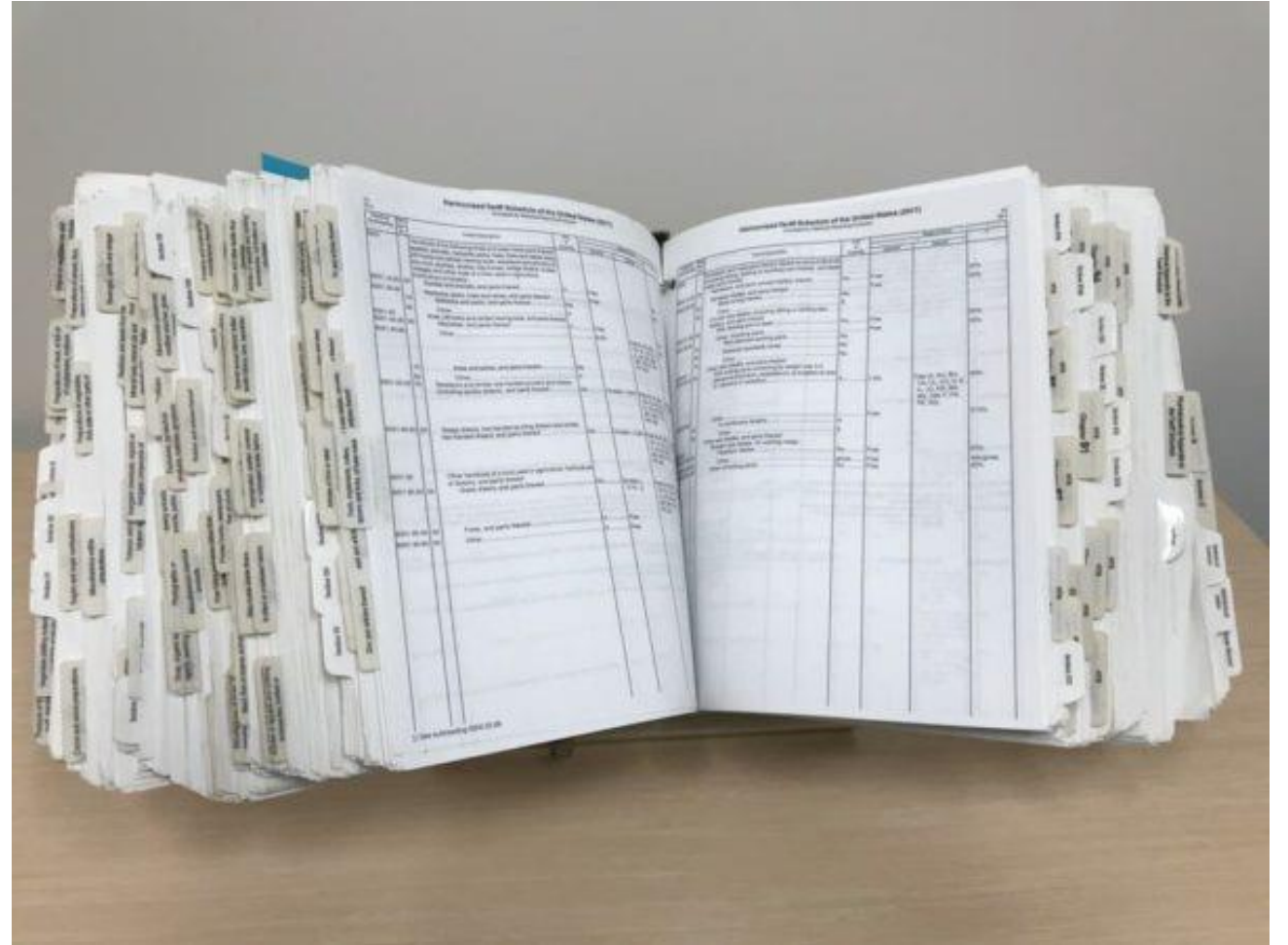


How to become a broker....

The first **task** one must do to become a broker is **pass** the written **Customs Brokers License Examination**.

After passing the **examination**, an application for an **individual** license must be submitted within the **three-year period** after the applicant took and passed the **written examination**.

The applicant must be a **citizen of the United States** and **twenty-one (21) years of age prior to the date of submission of the application** and **NOT** a federal employee of the **United States** Government.



How to become a broker continued.....

- CBP also issues broker licenses for **corporations**, **partnerships**, and **associations**. A licensed broker would act as the **qualifier** for the business and an application would be submitted using the same **CBP Form 3124**.
- The license qualifier **DOES** need to be an officer of a **corporation** or **association**, or member of a **partnership**.
- Failure to have a **qualifying officer** or **member (of a partnership)** for more than **120 days** will result in the **revocation of the broker license**.



CBP Form 3124

- **CBP Form 3124** (pictured right) is the standard form used by applicants to obtain a broker's license. **Individuals, Corporations, Partnerships,** and **Associations** may use this form and submit it to our office along with their application package.
- License application fees are **\$300 for an individual license application** and **\$500 for an organization license application**; plus, a **fingerprint processing fee** for an individual applicant or each **officer/member/owner** identified in an organization application. **The fingerprinting fee is \$11.25 for each individual.**



APPLICATION FOR CUSTOMS BROKER LICENSE

19 U.S.C. 1641; 19 CFR 111.12

1. APPLICANT'S NAME AND ADDRESS (Principal Office) (Indicate fictitious name, if applicable)												
LAST NAME		FIRST NAME		MI	STREET ADDRESS			CITY	STATE	ZIP		
INSTRUCTIONS: Applicants must be United States citizens. Pursuant to the requirements of 19CFR 111.12 (b) the information contained in Blocks 1, 2, 3, 22 and 23 may be released to the public and posted by appropriate electronic means. Submit application in duplicate to the Port Director of the Port name in Block 3. All additional continuation sheets, if required, and attachments should be in duplicate												
2. TYPE OF LICENSE APPLIED FOR												
<input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> CORPORATION <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> ASSOCIATION												
3. CBP PORT						4. HAVE YOU EVER APPLIED FOR A CUSTOMS BROKER'S LICENSE?						
						<input type="checkbox"/> NO <input type="checkbox"/> YES (Explain in Block 18)						
5. HAS THE APPLICANT (OR ANY OFFICER, MEMBER, OR PRINCIPAL THERE OF AS IDENTIFIED IN BLOCK 22) EVER HAD A LICENSE SUSPENDED, REFUSED, REVOKED, OR CANCELLED?						6. IS THE APPLICANT (OR ANY OFFICER, MEMBER OR PRINCIPAL THEREOF AS IDENTIFIED IN BLOCK 22) AN OFFICER OR EMPLOYEE OF THE UNITED STATES?						
<input type="checkbox"/> NO <input type="checkbox"/> YES (Explain in Block 18)						<input type="checkbox"/> NO <input type="checkbox"/> YES (Explain in Block 18)						
SECTION I - INDIVIDUALS ONLY												
7. DATE OF BIRTH		8. BIRTHPLACE (City & State)			9. SOCIAL SECURITY NO.		10. HOME PHONE NO.		11. BUSINESS PHONE NO.			
12. U.S. CITIZENSHIP												
<input type="checkbox"/> NATURAL-BORN <input type="checkbox"/> NATURALIZED: Give Date and Place →												
13. HAVE YOU EVER BEEN ARRESTED, CHARGED, CONVICTED OF OR FORFEITED COLLATERAL FOR, ANY FELONY, MISDEMEANOR, OR OTHER VIOLATION?												
<input type="checkbox"/> NO <input type="checkbox"/> YES (Explain in Block 18)												
14. RESIDENCE ADDRESS (If different from Block 1; if same, check "SAME")												
STREET ADDRESS						CITY		STATE		ZIP		
										<input type="checkbox"/> SAME		
15. IN THE LAST 5 YEARS, HAVE YOU, OR A COMPANY OVER WHICH YOU EXERCISED SOME CONTROL, FILED FOR BANKRUPTCY, BEEN DECLARED BANKRUPT, BEEN SUBJECT TO A TAX LIEN, OR HAD LEGAL JUDGEMENT RENDERED AGAINST YOU FOR A DEBT?												
<input type="checkbox"/> NO <input type="checkbox"/> YES (Explain in Block 18)												
16. DO YOU PROPOSE TO ENGAGE IN THE BUSINESS OF A CUSTOMS BROKER: (More than one may apply. Explain answers in Block 18.)												
(a) <input type="checkbox"/> ON YOUR OWN INDIVIDUAL ACCOUNT? (State name in which business is to be conducted; if trade name, state authority for use of the name and attach evidence of such authority.)												
(b) <input type="checkbox"/> AS A MEMBER OF A PARTNERSHIP? (State name of partnership and list names of all the partners.)												
(c) <input type="checkbox"/> AS AN OFFICER OF AN ASSOCIATION? (State name of the association, the title of the office you hold, and the general nature of your duties.)												
(d) <input type="checkbox"/> AS AN OFFICER OF A CORPORATION? (State name of the corporation, the title of the office you hold, and the general nature of your duties.)												
(e) <input type="checkbox"/> AS AN EMPLOYEE? (State name and address of your employer [if different from Block 1; write "SAME"] and the nature of your employment.)												
17. LIST THE NAMES, ADDRESSES, AND PHONE NUMBERS OF SIX REFERENCES												
1.												
LAST NAME		FIRST NAME		MI	PHONE NUMBER			STREET ADDRESS		CITY	STATE	ZIP
2.												
LAST NAME		FIRST NAME		MI	PHONE NUMBER			STREET ADDRESS		CITY	STATE	ZIP
3.												
LAST NAME		FIRST NAME		MI	PHONE NUMBER			STREET ADDRESS		CITY	STATE	ZIP
4.												
LAST NAME		FIRST NAME		MI	PHONE NUMBER			STREET ADDRESS		CITY	STATE	ZIP
5.												
LAST NAME		FIRST NAME		MI	PHONE NUMBER			STREET ADDRESS		CITY	STATE	ZIP
6.												
LAST NAME		FIRST NAME		MI	PHONE NUMBER			STREET ADDRESS		CITY	STATE	ZIP

Broker License Applications



- Potential applicants for a broker license may apply after they pass the **Customs Broker License Examination**. *The license application fee is **\$300 for individuals, \$500 for corporations, partnerships, and associations**.
- Each Broker license applicant must undergo a **background investigation** that includes a **fingerprint analysis and review of character references, credit reports, and arrest records**. Arrests and convictions do not necessarily preclude the issuance of a license. *The broker may pay a fingerprinting fee of **\$11.25 for the background investigation**.
- In **partnership, association, or corporation** applications, individuals identified as **principals** with controlling interest, **officers, partners, or members** will also **undergo a background investigation**.
- The processing Center may reject an application as improperly filed if the application, on its face, demonstrates that one or more of the basic requirements listed in **19 C.F.R. 111.11** for a license have not been met at the time of filing, in which case **the application and fee will be returned to the filer without further action**.

Broker License Certificates



*****Here are examples of what a customs broker's license will look like when you apply*****

Filer Codes and National Permits

- A **national permit** is required for the purpose of **transacting customs business** throughout the customs territory of the **United States** as defined in **§ 101.1** of this customs manual.
- A **national permit** issued under paragraph (a) is subject to the **permit application fee** specified in **§ 111.96(b)** and to the customs user permit fee specified in **§ 111.96(c)**. The fees must be paid at the **processing Center** (see **§ 111.1**) or through a CBP-authorized EDI system at the time the permit application is submitted.

DEPARTMENT OF THE TREASURY
UNITED STATES CUSTOMS SERVICE

Permit No.
99-10279

**CUSTOMS BROKER
NATIONAL PERMIT**

19 CFR 111.19

1. ISSUED THROUGH
IRELAND

2. LICENSE NO.
02857

3. ISSUED BY
HEADQUARTERS - WASHINGTON, DC

4. DIVISIONS OF SECTIONS 111.19 AND 111.96 HAVING BEEN MET AND ALL REQUISITE FEES HAVING BEEN PAID, THIS PERMIT AUTHORIZES THE PERSON, COMPANY, CORPORATION, OR OTHER ENTITY IDENTIFIED BELOW TO TRANSACT SELECTED CUSTOMS BUSINESS AS IDENTIFIED IN 111.20(a)(2)(i)

5. ADDRESS
WORLD SHIPPING SERVICE, INC.
BENCHMENS ROAD
C 795
COLUMBUS, OHIO 43267-0795

6. DATE
AUGUST 7, 2001

7. SIGNATURE OF AUTHORIZED U.S. CUSTOMS OFFICIAL
Bonnie M. Tiselle
Assistant Commissioner, Office of Field Operations

Customs Form 5024 (4/00)





U.S. DEPARTMENT OF HOMELAND SECURITY
U.S. Customs and Border Protection

**CUSTOMS BROKER
LOCAL PERMIT**

19 CFR 111.19

PERMIT FOR LICENSED CUSTOMS BROKER IN ACCORDANCE WITH SECTIONS 111.19 AND 111.96 CUSTOMS REGULATIONS			
1. PERMIT NUMBER 27-05-BTI	2. PERMIT DISTRICT LOS ANGELES, CA	3. LICENSE NUMBER 23049	4. PORT LOS ANGELES, CA
THE PROVISIONS OF SECTIONS 111.19 AND 111.96 HAVING BEEN MET AND ALL REQUISITE FEES HAVING BEEN PAID, THIS PERMIT AUTHORIZES THE PERSON, COMPANY, CORPORATION, OR OTHER ENTITY IDENTIFIED BELOW TO TRANSACT THE SELECTED CUSTOMS BUSINESS AS IDENTIFIED IN THE DISTRICT NAMED.			
5. NAME AND ADDRESS TOSHIBA LOGISTICS AMERICA, INC. 9740 IRVINE BOULEVARD IRVINE, CA 92618		6. DATE DEC 19 2005	
		7. SIGNATURE OF AUTHORIZED CBP OFFICIAL AILEEN SULIVERAS ACTING PORT DIRECTOR, LOS ANGELES, CA	

CBP Form 342 (04/04)



U.S. DEPARTMENT OF HOMELAND SECURITY
U.S. Customs and Border Protection

**CUSTOMS BROKER
NATIONAL PERMIT**

19 CFR 111.19

Permit No.
06-0040

PERMIT FOR LICENSED CUSTOMS BROKER IN ACCORDANCE WITH SECTIONS 111.19 AND 111.96 CUSTOMS REGULATIONS		
1. DELIVERED THROUGH LOS ANGELES	2. LICENSE NUMBER 23049	3. ISSUED BY HEADQUARTERS - WASHINGTON, DC
THE PROVISIONS OF SECTIONS 111.19 AND 111.96 HAVING BEEN MET AND ALL REQUISITE FEES HAVING BEEN PAID, THIS PERMIT AUTHORIZES THE PERSON, COMPANY, CORPORATION, OR OTHER ENTITY IDENTIFIED BELOW TO TRANSACT THE SELECTED CUSTOMS BUSINESS AS IDENTIFIED IN THE DISTRICT NAMED.		
4. NAME AND ADDRESS TOSHIBA LOGISTICS AMERICA, INC. 9740 IRVINE BOULEVARD IRVINE, CA 92618		5. DATE JANUARY 27, 2006
		6. SIGNATURE OF AUTHORIZED CBP OFFICIAL Assistant Commissioner, Office of Field Operations

CBP Form 342A (03/05)

Filer Codes and National Permits continued....

- Brokers seeking a **filer code**, must write a letter to the Port Director of the port where their entries are filed, to the attention of the **Broker Management Officer**. If you have operations at **more than one port**, make your request to the port where you conduct most of your business.
- The **broker** shall use this assigned **code** as the beginning three characters of the number for all **CBP entries**, regardless of where the entries are filed.
- The following information must be provided in the letter: **the company name**, **phone number**, **address**, **contact person**, **the company's federal tax ID**, and **the entity requesting a filer code (i.e. importer, exporter or carrier)**.
- **U.S. Customs and Border Protection (CBP)** will assign a **unique 3 character (alphabetic, numeric, or alpha numeric)** entry filer code to all licensed brokers **filing CBP entries**.

U.S. DEPARTMENT OF HOMELAND SECURITY
U.S. Customs and Border Protection

**CUSTOMS BROKER
LOCAL PERMIT**

19 CFR 111.19

PERMIT FOR LICENSED CUSTOMS BROKER IN ACCORDANCE WITH SECTIONS 111.19 AND 111.96 CUSTOMS REGULATIONS

1. PERMIT NUMBER 27-05-BTI	2. PERMIT DISTRICT LOS ANGELES, CA	3. LICENSE NUMBER 23049	4. PORT LOS ANGELES, CA
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THE PROVISIONS OF SECTIONS 111.19 AND 111.96 HAVING BEEN MET AND ALL REQUISITE FEES HAVING BEEN PAID, THIS PERMIT AUTHORIZES THE PERSON, COMPANY, CORPORATION, OR OTHER ENTITY IDENTIFIED BELOW TO TRANSACT THE SELECTED CUSTOMS BUSINESS AS IDENTIFIED IN THE DISTRICT NAMED.

5. NAME AND ADDRESS TOSHIBA LOGISTICS AMERICA, INC. 9740 IRVINE BOULEVARD IRVINE, CA 92618	6. DATE DEC 19 2005
---	------------------------

7. SIGNATURE OF AUTHORIZED CBP OFFICIAL
Aileen Suliveras
AILEEN SULIVERAS
ACTING PORT DIRECTOR, LOS ANGELES, CA
CBP Form 342 (04/04)



U.S. DEPARTMENT OF HOMELAND SECURITY
U.S. Customs and Border Protection

**CUSTOMS BROKER
NATIONAL PERMIT**

19 CFR 111.19

PERMIT FOR LICENSED CUSTOMS BROKER IN ACCORDANCE WITH SECTIONS 111.19 AND 111.96 CUSTOMS REGULATIONS

1. PERMIT NUMBER	3. ISSUED BY HEADQUARTERS - WASHINGTON
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THE PROVISIONS OF SECTIONS 111.19 AND 111.96 HAVING BEEN MET AND ALL REQUISITE FEES HAVING BEEN PAID, THIS PERMIT AUTHORIZES THE PERSON, COMPANY, CORPORATION, OR OTHER ENTITY IDENTIFIED BELOW TO TRANSACT THE SELECTED CUSTOMS BUSINESS AS IDENTIFIED IN THE DISTRICT NAMED.

5. DATE

Permit No. 06-0040



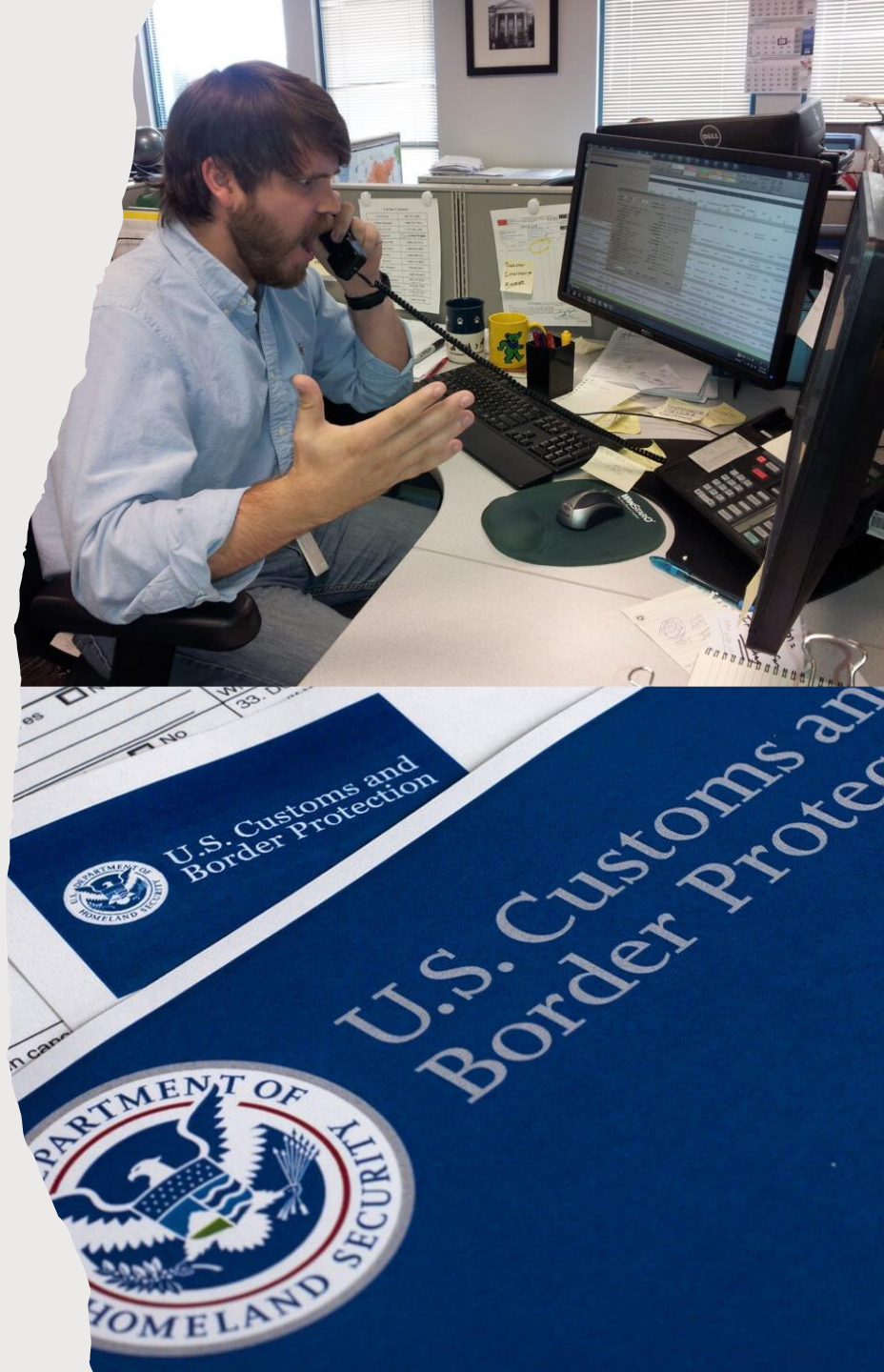
Broker Compliance

- Brokers are **responsible** to maintain compliance on their licenses and permits with **US Customs and Border Protection (CBP)**.
- Recently, CBP has identified activities in the brokerage community that warrant immediate corrective action:
- A **Customs broker license** may **NOT** be transferred among persons. *For example, an individually licensed Customs broker may not solicit and/or engage in "Customs business" as a corporate Customs broker without a corporate Customs broker's license.*
- **Unlicensed persons** may **NOT** use a Customs broker's **filer code, permit and/or license** for the purposes of soliciting and/or engaging in "Customs business." *For example, an unlicensed freight forwarder who employs and utilizes a Customs broker's license, permit, and/or filer code may not engage in "Customs business" or present itself as a Customs broker.*



Broker Compliance Continued...

- Pursuant to **19 U.S.C. 1641(b)(6)**, unlicensed persons who transact “*Customs business*” without holding a valid broker’s license are liable for a monetary penalty not to exceed **\$10,000** for each such transaction.
- In addition, a **licensed Customs broker** who allows an unlicensed person to use his or her **Customs broker’s license** or **filer code** for purposes of engaging in “*Customs business*” subjects the Customs broker to monetary penalties and refusal by the **Port Director** of the Customs broker’s use of his or her assigned entry filer code.
- Both **licensed and unlicensed** members of the trade community who are engaging in the above identified **illegal activities** must **cease and desist** such activity.





ACE: Modernized and Legacy

- CBP utilizes both **ACE (Automatic Commercial Environment) Legacy** and **Modernized** portals.
- **U.S. Customs and Border Protection (CBP)** is **modernizing** the Automated Commercial Environment Secure Data Portal (**ACE Portal**) over multiple phases in 2022 and 2023. *The modernization effort will entail the transition of existing functionality to an upgraded platform, offering easier use and better performance.*
- The **ACE Portal** offers users real-time access to trade data through features such as **ACE Reports**, **ACE account management**, and **electronic communication with CBP and Partner Government Agencies (PGA)**.



Future

- CBP plans to expand the **eCBP portal** to collect additional broker fees in the future.
- ACE has replaced the **Automated Commercial System (ACS)** and there are programming changes required in order to successfully transmit data to CBP via ABI.

Questions.....





Presenters

Supervisory Customs Entry Officer Benito Montero:
benito.montero@cbp.dhs.gov;

Customs Entry Officer Andrew Vaz:
Andrew.r.vaz@cbp.dhs.gov;

Broker Management Office (Miami)

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Suite 236, 2nd Floor
Miami, FL 33122

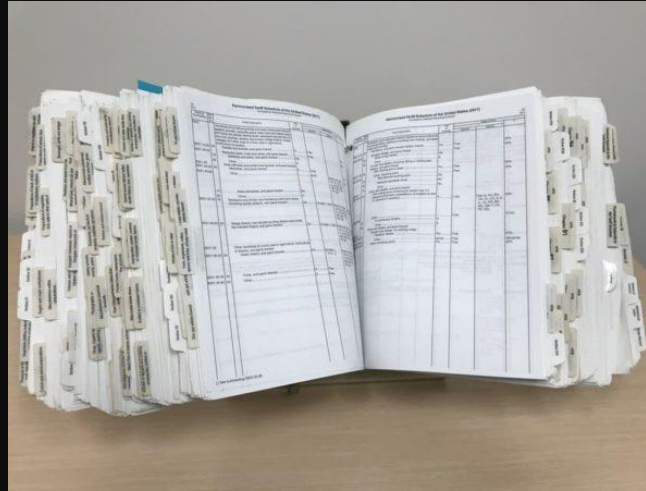
Broker Management Branch

1331 Pennsylvania Avenue, NW
9th Floor
Washington, DC 20229

To best contact Broker Management please send an email to brokermanagement@cbp.dhs.gov.

Please include the topic in the subject line to ensure proper handling.

Thank you!!



U.S. Customs and
Border Protection

