

The Honorable Jim Nussle
Director
The Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

September 16, 2008

Dear Director Nussle:

We write to you to express our concern over the Customs and Border Protection (CBP) rule "10+2." We collectively represent businesses and importers from every industry, every sector and every business size in the United States and account for the vast majority of imports entering the United States each year. Our members depend heavily on imported parts, components and finished products to compete not only in the U.S. marketplace, but also in foreign markets as well. Our members are also dedicated to national security and have taken substantial steps to secure their supply chains and the U.S border.

As we expressed repeatedly during CBP rulemaking processing, we are very concerned that the 10+2 rule will decrease the competitiveness of United States by significantly increasing the cost of doing business, while also diverting attention away from the shipments that pose the greatest risk. We believe that CBP's initial cost-benefit analysis grossly underestimated the impact on industry and failed to consider many of the costs that manufacturers will have to shoulder to implement the proposed rule. Industry estimates that the rule will have a collective impact of over \$20 billion annually.

In particular, we believe CBP has not met the requirements of E.O. 12866 by failing to:

- Provide a cost estimate that represents the true impact on industry;
- Examine the impact on small businesses; and
- Consider other viable alternatives to achieve the mandate of the Safe Port Act of 2006.

We respectfully request the Office of Management and Budget (OMB) to review thoroughly the extent to which CBP evaluated the impact of and alternatives to the proposed rule. We believe that the proposed rule is not the most efficient and effective way to collect advanced data. We have continuously raised these concerns with CBP. Attached to this letter, we have provided information on each of the three concerns listed above.

We respectfully urge OMB to return the rule to DHS for further review. During your review of the 10+2 rule, we are available to provide any further information you may require to determine the impact on industry. We remain committed to increasing the national security of the country and have provided alternative methods to achieve that end goal without unduly burdening legitimate trade.

Thank you for your attention to this very important issue.

Respectfully,

The Adhesive and Sealant Council, Inc.
AeA (formerly American Electronics Association)
Air Movement and Control Association International
Alliance of Automobile Manufacturers
American Apparel & Footwear Association (AAFA)
American Architectural Manufacturers Association
American Association of Exporters and Importers (AAEI)
American Petroleum Institute (API)
American Trucking Association (ATA)
The Association for Manufacturing Technology (AMT)
The Association for Suppliers of Printing, Publishing and Converting Technologies (NPES)
Association of International Automobile Manufacturers, Inc.
Association of the Nonwoven Fabrics Industry (INDA)
Automotive Trade Policy Council (ATPC)
Coalition for Employment Through Exports (CEE)
Coalition of New England Companies for Trade (CONNECT)
Computing Technology Industry Association (CompTIA)
Consumer Electronics Association (CEA)
Detroit Regional Chamber
Distilled Spirits Council of the U.S.
Emergency Committee for American Trade (ECAT)
European-American Business Council (EABC)
The Guitar and Accessories Marketing Association (GAMA)
Information Technology Association of America (ITAA)
Information Technology Industry Council (ITI)
International Housewares Association
Joint Industry Group (JIG)
Metal Treating Institute
Motor and Equipment Manufacturers Association (MEMA)
National Marine Manufacturers Association
National Association of Manufacturers (NAM)
National Foreign Trade Council (NFTC)
Pacific Coast Council of Customs Brokers and Freight Forwarders (PCC)
Pacific Northwest Asia Shippers Association (PNASA)
Responsible Industry for a Sound Environment (RISE)
The Telecommunications Industry Association (TIA)
Travel Goods Association (TGA)
The U.S. Business Alliance for Customs Modernization (BACM)
U.S. Chamber of Commerce