



MEMORANDUM FOR: See Distribution List

FROM: John P. Leonard
Acting Executive Assistant Commissioner
Office of Trade

SUBJECT: INFORMATION: Revocation of Authority to Permit Use of
Continuous Bonds by Suspended or Debarred Persons

The attached signed memorandum from the Senior Official Performing the Duties of the Commissioner outlines important changes regarding U.S. Customs and Border Protection's (CBP) continuous bond policy. This memorandum defines key roles and responsibilities within the Office of Trade and Office of Finance in order to operationalize the direction from the Senior Official Performing the Duties of the Commissioner.

Effective May 11, 2021, the Senior Official Performing the Duties of the Commissioner revoked the authority of all CBP officials to permit a person who is suspended or debarred by CBP to meet the bond requirements of any customs activity using a continuous bond, for the duration of that person's suspension or debarment, unless a continuous bond is the only form of bond acceptable for that activity, such as operating a foreign trade zone.¹ For persons who are suspended or debarred by another Federal agency, the Office of Trade, Trade Policy and Programs, is authorized to evaluate and decide, either categorically or on a case-by-case basis, whether to permit such persons to use a continuous bond to secure their customs activities during the period of their suspension or debarment.

The Office of Trade, Suspension and Debarment Branch, will be responsible for ensuring that persons suspended or debarred by CBP are listed as excluded by CBP on the System for Award Management (SAM) website.² See the attachment, "Finding CBP Exclusions in SAM", for instructions on how to search for persons suspended or debarred by CBP on the SAM website.

The Office of Finance, Revenue Division, will be responsible for providing written notice to any person suspended or debarred by CBP or any person suspended or debarred by another Federal agency that CBP has decided not to permit use of a continuous bond to secure that person's customs activities, and that person's continuous bond surety (as applicable), at least 15 calendar days prior to the first customs activity that cannot be secured by a continuous bond under this policy.

¹ See, e.g., 19 C.F.R. § 113.73.

² www.SAM.gov.

Sureties and surety filers will be encouraged to ensure that new or replacement continuous bonds are not filed in the Automated Commercial Environment (ACE) eBond module and that any existing continuous bonds are terminated in ACE eBond for persons suspended or debarred by CBP and listed as excluded by CBP on the SAM website.

Sureties and surety filers will also be encouraged to work with their clients to ensure that new or replacement continuous bonds are not filed in the ACE eBond module and that any existing continuous bonds are terminated in ACE eBond for persons who have been suspended or debarred by another Federal agency and listed as excluded by that Federal agency on the SAM website, where written notice has been issued to the person and that person's continuous bond surety (as applicable) by the Office of Finance, Revenue Division, because CBP has decided not to permit use of a continuous bond to secure that person's customs activities.

The Office of Finance, Revenue Division, will continue to monitor continuous bonds and will ensure that any continuous bonds that are not terminated after issuance of the written notice described above are rendered insufficient, as necessary, for persons suspended or debarred by CBP or for persons suspended or debarred by another Federal agency that CBP has decided not to permit use of a continuous bond to secure that person's customs activities. In addition, any new or replacement continuous bonds will be rendered insufficient, as necessary, if filed for persons suspended or debarred by CBP or for persons suspended or debarred by another Federal agency that CBP has decided not to permit use of a continuous bond to secure that person's customs activities.

When a person's suspension and/or debarment terminates, use of a continuous bond to secure customs activities may resume.

Consistent with existing CBP regulations and policy, CBP officials are reminded that persons not permitted to use a continuous bond are still permitted to use single transaction bonds or cash in lieu of surety (for single transactions only) to engage in customs activities. CBP officials remain authorized to take additional actions as authorized by law, regulation, or agency policy when the circumstances so warrant, such as requiring additional bonding to protect the revenue or to ensure legal compliance.

The Offices of Field Operations, Trade, Finance, and Information & Technology will coordinate to the extent necessary to ensure this policy is carried out effectively.

This new policy will be included in the internal ACE Entry Summary Business Process Document posted on ACE Central.

Questions related to this new policy should be directed to Office of Trade, Trade Policy and Programs, Bond Policy at otbonds@cbp.dhs.gov.

Attachments

cc: Deputy Executive Assistant Commissioner, Office of Trade
Executive Director, Trade Policy and Programs, Office of Trade
Executive Director, Trade Remedy Law Enforcement Division, Office of Trade
Executive Director, Trade Transformation Office, Office of Trade
Executive Director, Regulations and Rulings, Office of Trade
Executive Director, Financial Operations, Office of Finance
Executive Director, Cargo Systems Program Directorate, Office of Information and
Technology
Executive Director, Cargo and Conveyance Security, Office of Field Operations
Directors, Field Operations, Office of Field Operations
Associate Chief Counsel (Trade and Finance), Office of the Chief Counsel