

IMPORTANT INFORMATION ABOUT ZONE SCHEDULES

This zone schedule is being made available pursuant to 15 CFR 400.44(e), which states: “The Board shall make copies of zone schedules available on its Web site.”

Availability of this zone schedule on the FTZ Board’s website does not imply that the FTZ Board has approved any rate/charge, policy or other content of this zone schedule. In particular, while the FTZ Board staff intends to conduct spot checks over time, zone schedules are not reviewed for compliance with the public utility requirement (19 U.S.C. 81n, 15 CFR 400.42) prior to making the zone schedules available via the Board’s website.

Pursuant to 15 CFR 400.44(b)(4), a grantee may not assess any specific rate or charge for which the amount – or formula for calculating the amount – does not appear in the zone schedule that the grantee has submitted to the FTZ Board.

Complaints about a grantee’s compliance with statutory and regulatory requirements related to public utility and uniform treatment – including rate or charge amounts/formulas, a grantee assessing a rate or charge amount/formula that does not appear in its zone schedule, and a grantee not affording uniform treatment under like conditions – may be presented to the FTZ Board under 15 CFR 400.45 (which also allows for complaints to be made on a confidential basis, if necessary).

Questions or concerns may be addressed to the FTZ Board staff at (202) 482-2862 or ftz@trade.gov.

Zone Schedule

Foreign-Trade Zone No. 297

City of Lufkin

Policies, Processes, and Fee Schedule

Applicable at

Foreign-Trade Zone No. 297

Operating Under Grant of Authority
from the
United States Foreign-Trade Zones Board
To the
City of Lufkin

Issued: September 1, 2020

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CONTACT INFORMATION

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DEFINITIONS

"Act" means the Foreign Trade Zones Act of 1934, 19 U.S.C. § 81 et. seq., as amended from time to time.

"Activate" or "Activation" means the process of obtaining Customs approval to use foreign trade zone procedures at a particular location as detailed in 19 C.F.R. § 146.6.

"Activated" refers to space in the Site so approved.

"Customs" means United States Customs and Border Protection.

"Foreign Trade Zones Board" means the board established by the Act to carry out the provisions of the Act, presently consisting of the Secretary of Commerce and the Secretary of the Treasury.

"Site" means the premises which is designated by the Foreign Trade Zones Board as a Usage-Driven Site of the Zone.

"Zone" means Foreign Trade Zone No. 297

POLICIES

BACKGROUND

The legal authority for Foreign Trade Zone No. 297 is provided by The Foreign Trade Zone Act of 1934 (19 U.S.C. 81a-u) and its implementing Foreign Trade Zone Regulations (15 CFR Part 400). U.S. Customs and Border Protection (“CBP”) Regulations (19 CFR Part 146) govern operational activities occurring within FTZ No. 297. The Texas state enabling legislation permitting foreign trade zones in Lufkin is provided in Texas Business and Commerce Code, Ch. 681.152.

CBP Port Arthur Port of Entry has oversight responsibilities for FTZ No. 297. The City of Lufkin (“Lufkin”) has responsibility for the day-to-day management of FTZ No. 297 and the sponsorship of all applications that are submitted to the Foreign Trade Zones Board.

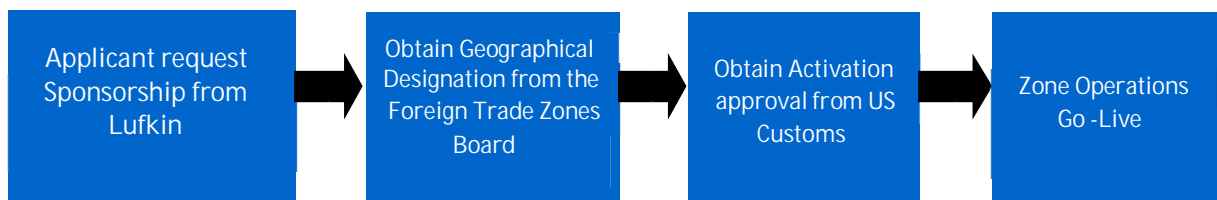
Lufkin is organized under the Foreign Trade Zones Board’s Alternative Site Framework (“ASF”) program, which allows a grantee to designate a Service Area (for example a Service Area could encompass several counties), which allows for expedited approval of Foreign Trade Zone designation anywhere in the Service Area. Lufkin submitted an ASF application to the Foreign Trade Zones Board in September 2018 and was approved in December 2019. See Attachment A for a copy of the Board Order from the FTZ Board. The service area for FTZ No. 297 covers the City of Lufkin and a portion of its Extra Territorial Jurisdiction. See Attachment B for a map of the area.

FTZ No. 297’s OBJECTIVE

The goal of the FTZ No. 297 is to promote economic development in the Lufkin region, including job retention, job creation and increased capital investment in the community. Lufkin will operate FTZ No. 297 under public utility principles. Lufkin shall ensure that the reasonable zone needs of the business community are served by its zone project.

PROCEDURES

KEY FTZ STEPS FOR ZONE APPLICATIONS



REQUESTING SPONSORSHIP FROM LUFKIN

To obtain geographical designation within FTZ No. 297, an applicant can apply to Lufkin to sponsor a usage driven/subzone application under the ASF procedures. This type of application takes 30 days for approval by the FTZ Board once a formal and complete application is submitted to the FTZ Board. Alternatively, Lufkin may determine that a traditional subzone application is required if the amount of acreage being requested for FTZ designation is over (100 acres) or if the site/s is outside of the Service area. A traditional subzone application will generally take between 3 - 5 months to be approved.

Any business which wishes to have an application filed to designate its property as a zone site must provide Lufkin with the following:

- A written request to Lufkin for the designation, including • The full name of the company • A short description of the business to be conducted at the site • Address of the site/s • Map showing site/s boundaries (preferably a survey).
- Payment of a non-refundable fee of \$4,000.
- Support letters from all the applicable taxing jurisdiction (e.g. City, County and School District) within which the site is located. It is the sole responsibility of the business to obtain these letters. Many companies find it beneficial for Lufkin to be involved in providing information to the impacted taxing authorities. Contact Lufkin Staff if you would like to discuss options for assistance.

Upon receipt of the materials referenced above, Lufkin Staff will review them for sufficiency. Provided the materials are sufficient, Lufkin will finalize and submit an application to the Foreign Trade Zones Board requesting the Usage-Driven/Subzone Foreign Trade Zone Site designation.

As part of the submission process, Lufkin may directly request the concurrence of the US Bureau of Customs and Border Protection (“CBP”) Port Director for the Port of Port Arthur prior to the formal submission to the Foreign Trade Zones Board. Alternatively, the Foreign Trade Zones Board will make a request for CBP’s concurrence after formal submission of the application. Note that this is request for geographical designation of a site/s, not for activation of the site. Activation must be separately requested by the business.

GEOGRAPHICAL DESIGNATION – TYPES OF APPLICATIONS

ASF Usage-Driven/Subzone Site

- Designations are tied to a specific use of the property.
- Once approved, there is no limitation on the duration of the foreign trade zone designation. If the site is not active for a three-year period, however, the designation will terminate.
- Designated sites are immediately available for distribution activities. Manufacturing or processing activities may require additional approval from the Foreign Trade Zones Board. Lufkin staff can help you determine the specific approvals for production activity are necessary.
- To use an approved foreign trade zone site and access Foreign Trade Zone benefits, the business is required to activate the site with the US Bureau of Customs and Border Protection. Each business is responsible for its own activation.

Traditional Subzone site

- If the total acreage being requested is more than (100) acres or if the site/s is outside of the service area, a traditional subzone application may be required. The Grantee reserves the right to use a usage driven/subzone ASF application where the acreage is more than (100) acres.

- A traditional subzone application will require the use of a specific application and the payment of a fee to the Foreign Trade Zones Board.
- Once activated, the subzone authority under a TSF will not terminate.
- If the proposed acreage is not subject to FTZ No. 297's activation limit, the application will have a 5-month approval timeframe versus 3 months if the acreage is subject to FTZ No. 297's activation limit. When the application is formally submitted to the FTZ Board and deemed complete by the FTZ Board, the FTZ staff will "docket" the request with a Federal Register notice to be published with a public comment period. The applicant will have the responsibility to post notice of the application in a local newspaper. The Grantee will not incur the cost of the local publication.

PRODUCTION AUTHORITY

Production authority is outside the scope of FTZ No.297. Any request for production authority must be submitted by a separate application by the FTZ Operator to the Foreign Trade Zones Board. Lufkin must be copied on the draft and formal submission to the Foreign Trade Zones Board.

ACTIVATION PROCEDURES

Before any operation in FTZ No. 297 may begin, the zone site must be activated. Activation takes place under the supervision of the Port Arthur, Texas, Port Director for U.S. Customs. Activation procedures include a review of the operator, zone procedures, inventory control & recordkeeping systems, and security. Once the zone site is activated, users may begin admitting merchandise under zone status. The area to be activated may include all or any portion of the zone approved by the Foreign Trade Zones Board.

FTZ No. 297 is operated under the general management of the Grantee, Lufkin (15 CFR §400.41). Lufkin does not serve as operator of individual zone sites. Each user may elect to either operate its own zone site directly or to engage the services of a third-party operator. As part of the management of FTZ No. 297, Lufkin requires each operator to execute an Operating Agreement with Lufkin. If a company hires a third party to act as the foreign trade zone operator of the site, then the company and the third-party company must execute a Third-Party Operator Addendum document with Lufkin.

Activation Steps

The operator/user directly requests activation from U.S. Customs. A potential operator/user must also submit a request for Lufkin's concurrence with activation of its zone site. U.S. Customs will not approve an activation request from an operator/user without written consent of Lufkin.

Prior to Lufkin's concurrence letter being provided, the following items must be completed:

- Execution of an FTZ Operator/Grantee Agreement (due before activation with US Customs).
- Copy of activation request packet to be submitted to U.S. Customs (i.e. activation request letter and FTZ Manual) must be provided to Lufkin.

Concurrence Letter

Upon approval of a new zone site or operator for activation, the Administrator of Lufkin will execute a concurrence letter to the Lufkin Port Director for U.S. Customs.

Denials

Lufkin will provide reasonable notice of a denial to any operator/user that seeks activation within FTZ No. 297.

ANNUAL REPORT GUIDELINES

As Grantee of FTZ No. 297, Lufkin is required to submit an annual report on general purpose zone and subzone activity to the Foreign Trade Zones Board, pursuant to the Foreign-Trade Zones Act (19 U.S.C. 81a-u) and the FTZ Board's Regulations (15 CFR Part 400). Failure to submit a report can be considered a violation of the Act, resulting in the revocation of a zone grant.

The following should be noted with respect to the Annual Report:

- The reporting period for the annual report is based on the calendar year (January 1 through December 31).
- Each FTZ operator must submit its report to Lufkin through the Online FTZ Information System (OFIS). Reports are due by February 28. See <http://ita-web.ita.doc.gov/FTZ/OFISLogin.nsf>.
- Lufkin in turn will use OFIS to submit its zone's report to the FTZ Board.
- Lufkin will coordinate with operators and the Foreign Trades Zones Board to have operator accounts set up for each operator.
- Lufkin will review and, if needed, edit operator submissions prior to submitting the full zone's report to the FTZ Board. Lufkin may request clarification or additional information based on information provided by an operator.
- An operator can indicate that submitted data is "business proprietary."

RECORDKEEPING REQUIREMENTS

In accordance with its recordkeeping policy, Lufkin maintains the following records indefinitely, unless a destruction decision is made specifically for the record in question.

- Grant of Authority for Foreign Trade Zone No. 297
- All FTZ applications filed with the Foreign Trade Zones Board
- Legal descriptions and maps of zone boundaries
- Grantee/Operator Agreements for all operators/users

Lufkin shall also keep copies of the following records:

- Current FTZ Schedule
- Current FTZ Annual Reports
- Contact information for all operators/users

FEE SCHEDULE

Application Fee

Application Fee (per site) \$4000
· Application for Usage Driven/Subzone, traditional Subzone, and the creation of a magnet site

Modification of an existing site (ASF usage driven/subzone, traditional subzone or magnet) \$1,600

Grantee Annual User Fees*

Traditional Subzone sites \$10,000

All other sites \$6,000

· Includes Usage Driven/subzone ASF sites and Magnet sites

** A company with multiple sites will only be charged one annual fee*

The annual fee is due as stated in the executed Grantee /Operator Agreement with Lufkin. Unless otherwise stated in the agreement, the annual fee for each fiscal year is due on January 15th of that fiscal year or within 40 days of activation (the annual fee shall be prorated according to the number of months in that calendar year during which the agreement is in effect). Lufkin will forward the Operator an invoice one month before the annual fee is due.

For purposes of the application, the application fee is due before Lufkin will provide its written concurrence for the submission of the Application to the Foreign Trade Zones Board. Lufkin will forward an invoice to the user for payment of the application fee.

In addition to these fees, all application costs will accrue to the party requesting FTZ designation.

Lufkin charges no operational fee to users. If a zone user elects to utilize the services of a third-party operating company, the operator rates and charges should be independently negotiated between the user and third-party operating company.

FEDERAL CHARGES (FOREIGN TRADE ZONES BOARD)

The Foreign Trade Zones Board charges a fee for certain applications.

1. Traditional Subzones:
 - a. Non-manufacturing/processing or less than 3 products: \$4,000
 - b. Manufacturing/processing 3 or more products: \$6,500
2. Expansions: \$1,600

CBP currently does not charge any fees to obtain FTZ designation.

ATTACHMENT A: FTZ Board Order

Notices

Federal Register

Vol. 84, No. 250

Tuesday, December 31, 2019

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[Order No. 2088]

Grant of Authority; Establishment of a Foreign-Trade Zone Under the Alternative Site Framework; Lufkin, Texas

Pursuant to its authority under the Foreign-Trade Zones Act of June 18, 1934, as amended (19 U.S.C. 81a–81u), the Foreign-Trade Zones Board (the Board) adopts the following Order:

Whereas, the Foreign-Trade Zones (FTZ) Act provides for “. . . the establishment . . . of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes,” and authorizes the Foreign-Trade Zones Board to grant to qualified corporations the privilege of establishing foreign-trade zones in or adjacent to U.S. Customs and Border Protection ports of entry;

Whereas, the Board adopted the alternative site framework (ASF) (15 CFR Sec. 400.2(c)) as an option for the establishment or reorganization of zones;

Whereas, the City of Lufkin (the Grantee) has made application to the Board (B–56–2018, docketed September 5, 2018) requesting the establishment of a foreign-trade zone under the ASF with a service area of the City of Lufkin and a portion of its Extra Territorial Jurisdiction, adjacent to the Port Arthur-Beaumont port of entry;

Whereas, notice inviting public comment has been given in the **Federal Register** (83 FR 45879–45880, September 11, 2018) and the application has been processed pursuant to the FTZ Act and the Board’s regulations; and,

Whereas, the Board adopts the findings and recommendations of the examiner’s report, and finds that the

requirements of the FTZ Act and the Board’s regulations are satisfied;

Now, therefore, the Board hereby grants to the Grantee the privilege of establishing a foreign-trade zone, designated on the records of the Board as Foreign-Trade Zone No. 297, as described in the application, and subject to the FTZ Act and the Board’s regulations, including Section 400.13, and to the Board’s standard 2,000-acre activation limit.

Dated: December 17, 2019.

Wilbur L. Ross, Jr.,

Secretary of Commerce, Chairman and Executive Officer, Foreign-Trade Zones Board.

[FR Doc. 2019–28208 Filed 12–30–19; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[S–191–2019]

Approval of Subzone Status; United Furniture Industries, Inc.; Nettleton and Amory (Monroe County), Mississippi

On September 23, 2019, the Executive Secretary of the Foreign-Trade Zones (FTZ) Board docketed an application submitted by the Greater Mississippi Foreign-Trade Zone, Inc., grantee of FTZ 158, requesting subzone status subject to the existing activation limit of FTZ 158, on behalf of United Furniture Industries, Inc., in Nettleton and Amory, Mississippi.

The application was processed in accordance with the FTZ Act and Regulations, including notice in the **Federal Register** inviting public comment (84 FR 51109, September 27, 2019). The FTZ staff examiner reviewed the application and determined that it meets the criteria for approval.

Pursuant to the authority delegated to the FTZ Board Executive Secretary (15 CFR Sec. 400.36(f)), the application to establish Subzone 158H was approved on December 26, 2019, subject to the FTZ Act and the Board’s regulations, including Section 400.13, and further subject to FTZ 158’s 2,000-acre activation limit.

Dated: December 26, 2019.

Andrew McGilvray,

Executive Secretary.

[FR Doc. 2019–28264 Filed 12–30–19; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[S–220–2019]

Approval of Subzone Status; The Lobster Trap Co.; Bourne, Massachusetts

On October 29, 2019, the Executive Secretary of the Foreign-Trade Zones (FTZ) Board docketed an application submitted by the City of New Bedford, grantee of FTZ 28, requesting subzone status subject to the existing activation limit of FTZ 28, on behalf of The Lobster Trap Co., in Bourne, Massachusetts.

The application was processed in accordance with the FTZ Act and Regulations, including notice in the **Federal Register** inviting public comment (84 FR 59351, November 4, 2019). The FTZ staff examiner reviewed the application and determined that it meets the criteria for approval. Pursuant to the authority delegated to the FTZ Board Executive Secretary (15 CFR 400.36(f)), the application to establish Subzone 28H was approved on December 23, 2019, subject to the FTZ Act and the Board’s regulations, including Section 400.13, and further subject to FTZ 28’s 22.5-acre activation limit.

Dated: December 23, 2019.

Andrew McGilvray,

Executive Secretary.

[FR Doc. 2019–28226 Filed 12–30–19; 8:45 am]

BILLING CODE 3510–DS–P

DEPARTMENT OF COMMERCE

Bureau of Industry and Security

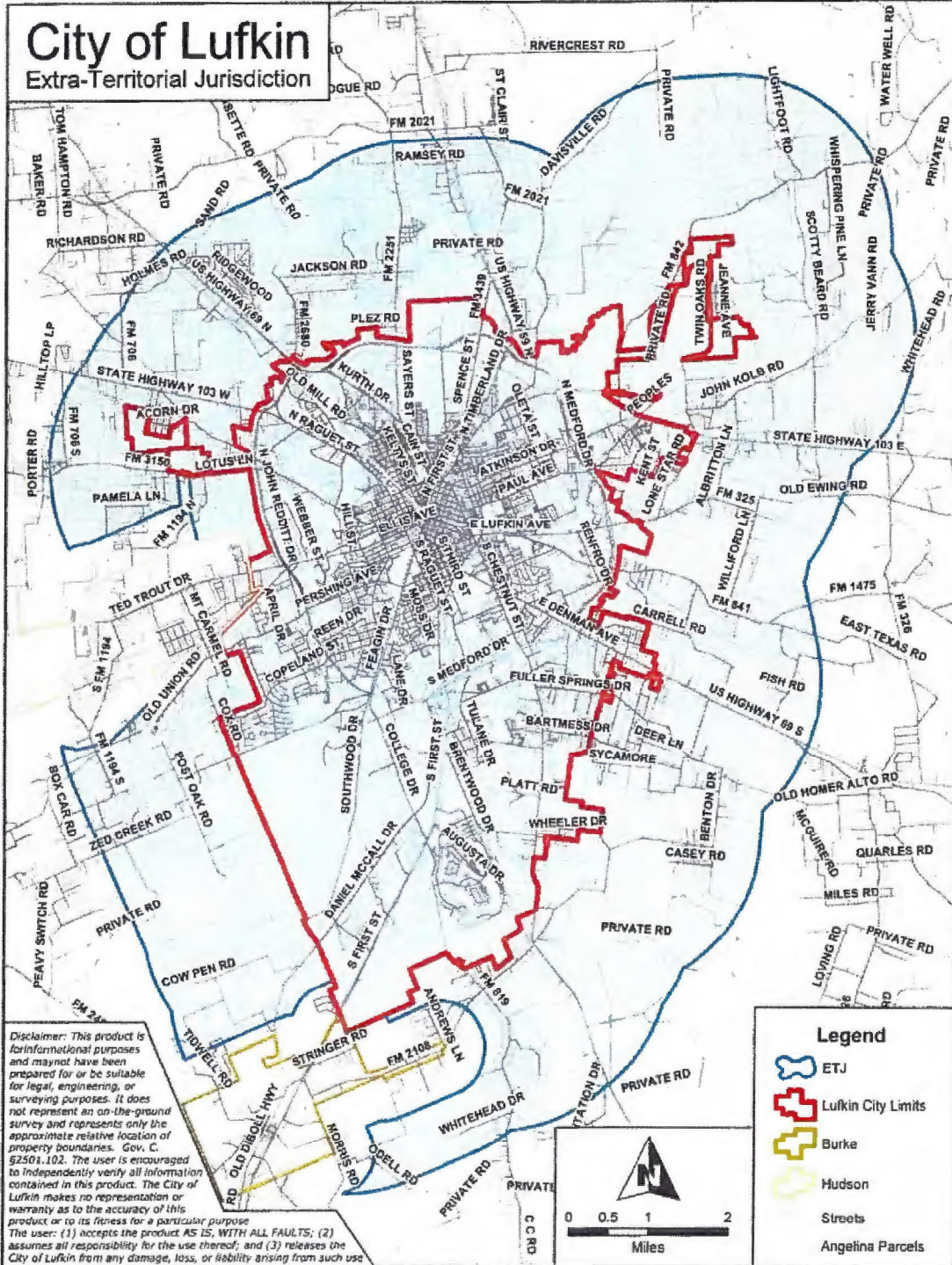
Technical Advisory Committees; Notice of Recruitment of Members

The Bureau of Industry and Security (BIS), Department of Commerce is announcing its recruitment of candidates to serve on one of its seven Technical Advisory Committees (“TACs” or “Committees”). TAC members advise the Department of

ATTACHMENT B: Map of FTZ No. 297

City of Lufkin

Extra-Territorial Jurisdiction



Disclaimer: This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. Gov. C. 92501.102. The user is encouraged to independently verify all information contained in this product. The City of Lufkin makes no representation or warranty as to the accuracy of this product or to its fitness for a particular purpose. The user: (1) accepts the product AS IS, WITH ALL FAULTS; (2) assumes all responsibility for the use thereof; and (3) releases the City of Lufkin from any damage, loss, or liability arising from such use.