

**National Association of Foreign-Trade Zones**  
National Press Building  
529 14<sup>th</sup> Street NW, Suite 1071  
Washington, DC 20045  
202.331.1950



FOR IMMEDIATE RELEASE

## **NAFTZ APPLAUDS INTRODUCTION OF THE AMERICAS ACT**

Contact: Jeffrey J. Tafel, CAE, President  
National Association of Foreign-Trade Zones  
[jtafel@naftz.org](mailto:jtafel@naftz.org)

[WASHINGTON, DC] Today, March 6, Senators Bill Cassidy (R-LA) and Michael Bennet (D-CO) introduced **The Americas Trade and Investment Act**, more commonly referred to as the "Americas Act", alongside Representatives Adriano Espaillat (D-NY-13) and Maria Elvira Salazar (R-FL-27) with the endorsement and co-sponsorship from House Select China Committee Chairman Mike Gallagher (R-WI-8). The legislation aims to substantially increase investment in the Western Hemisphere to improve trade, create jobs and ensure regional stability while simultaneously decoupling dependence on China through the creation of a comprehensive set of tools including loans, grants, and tax incentives to help finance business re-shoring and near-shoring.

The spirit of the Americas Act embodies the founding principles of the U.S. Foreign-Trade Zone (U.S. FTZs) program. Created by Congress in 1934, U.S. FTZs exist to expedite and encourage U.S. economic activity, boost exports, and create jobs through special duty benefits and customs procedures reserved for America's most trusted importers that have been separately approved for FTZ activity by the Department of Commerce's Foreign-Trade Zones Board and U.S. Customs and Border Protection ("CBP"), with U.S. FTZs operating under the supervision of, and with complete accountability to CBP.

U.S. FTZs employ more than 500,000 American workers across 1,200 active zone operations in all fifty states and Puerto Rico. The U.S. FTZ program is a bright spot in the U.S. economy, with both production and distribution operations having significantly grown over the past decade, resulting in a 35% increase in employment. Exports from zones have increased in total by 132% (236% from distribution and 98% from production), exemplifying the program's continued success. Members of the National Association of

Foreign-Trade Zones ("NAFTZ") met last week with nearly 40 Congressional offices as part of the Association's annual Legislative Summit to raise awareness of the positive economic impact the U.S. FTZ program has across the United States. NAFTZ is the voice of Grantees, Users, Operators, Service Providers, and the associated jobs within its eco-system.

The Americas Act is built upon five pillars: (1) The Americas Partnership; (2) E-Governance; (3) Trade; (4) Investment; and (5) People-to-People. Together, these pillars create a comprehensive platform for the Western Hemisphere to strengthen economic, political, and cultural ties.

Most notably for U.S. FTZs, included in the Senate version is language that makes products distributed from zones - provided all other criteria are met - eligible for de minimis entry. NAFTZ, as a member of the Ship Safe Coalition, has been advocating for this urgently needed parity to eliminate the perverse disadvantage U.S. companies confront in distributing e-commerce items from zones as compared to those distribution operations based offshore. With the establishment of parity, American jobs will be preserved, and further offshoring of these operations stayed.

Current law prohibits goods distributed from U.S. FTZs from utilizing the de minimis provision due to nuanced statutory language put into place in 1938 by an amendment to the Smoot-Hawley Tariff Act. De minimis eligibility is determined at the time of import, NOT at the time goods are entered into U.S. Commerce. CBP interprets the time of import to mean the time when goods physically arrive within the United States' border. Because products stored within U.S. FTZs physically arrive well before they "enter" U.S. Commerce, they are currently not eligible for de minimis entry. The Americas Act modifies existing law by adding explicit eligibility language for goods withdrawn from a U.S. foreign-trade zones.

De minimis parity for U.S. FTZs will not expand the volume of de minimis shipments. It simply alters where such shipments originate from foreign entities for which the chain of custody of each package is not disclosed, to trusted U.S. facilities that operate with complete transparency to CBP. Such management of de minimis also helps alleviate existing compliance concerns with U.S. health, safety, intellectual property, and labor laws arising from these shipments.

In Senator Cassidy's home state of Louisiana, there are 35 different companies operating within the program, employing more than 20,000 U.S. workers. In Senator Bennet's home state of Colorado, there are 5 companies employing approximately 250 American workers. For both states, de minimis parity for U.S. FTZs is critical in preventing e-commerce fulfillment from moving to non-U.S. locations.

**PARTNERSHIP. PRIDE. PROSPERITY**

NAFTZ welcomes comments or questions from the trade that may be used to further the Association's advocacy efforts. Please direct all communications on this and other U.S. FTZ activities to the NAFTAZ's President, Jeff Tafel, at [jtafel@naftz.org](mailto:jtafel@naftz.org).

###

**About the National Association of Foreign-Trade Zones (NAFTZ)**

The National Association of Foreign-Trade Zones (NAFTZ) is a non-profit trade association comprising nearly 800 members spanning across the United States and Puerto Rico. NAFTAZ serves as a pivotal resource hub, offering essential tools, informative webinars, and organizing four major events that unite hundreds of U.S. Foreign-Trade Zone (FTZ) program professionals each year. NAFTAZ aims to promote, educate, and advocate for the U.S. FTZ program. Founded in 1973, NAFTAZ continues to be the premiere voice of the FTZ community.