

## CPB looks to close security gaps on rail exports to Canada, Mexico

New rule proposed by CBP includes penalties of \$5,000 to \$100,000 for each noncompliance violation

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Feds want more export data from rails to boost security. (Photo: Jim Allen/FreightWaves)

WASHINGTON — Federal regulators will attempt to close security gaps on the U.S. rail system for exports destined for Mexico and Canada through a new rulemaking by U.S. Customs and Border Protection.

The [proposed rule](#), posted Wednesday, would require the electronic transmission of rail export cargo manifest data, including an initial filing 24 hours prior to departure and a final transmission of remaining data at least two hours prior to departure.

“CBP does not presently require the pre-departure electronic submission of data for all exported cargo as it does for imported cargo. This can result in a threat to cargo and broader U.S. national security because CBP has no regulation prescribing any method or means of review for cargo being exported by rail,” according to the agency.

“CBP is proposing this rule to reduce the data gaps existing under current regulations, and to address important cargo security concerns resulting from incomplete data ... while providing efficiencies to the trade.”

Boosting requirements for electronic export information (EEI) data in CPB’s Automated Commercial Environment (ACE) system will allow the agency to review and examine cargo “such that high risk shipments such as narcotics, weapons or ammunition, including any that may not be subject to EEI filing requirements ... have a means of being discovered and withheld thereby enhancing the security of the United States,” the agency stated.

According to the proposed rule, any rail cargo identified by CBP as requiring a review will be held until additional information related to the shipment is submitted. Rail carriers will be prohibited from moving cargo across the border that has a hold until the issues are resolved.

CBP is proposing penalties in the new rule of \$5,000 to \$100,000 per departure violation.

“Although there is the possibility for liquidated damages, compliance is CBP’s goal and CBP aspires to work alongside rail carriers and other parties to ensure that trade members provide the proper data in a timely manner, so that CBP can properly review the data, conduct risk assessment of high-risk shipments, and enforce U.S. export laws and regulations on U.S. rail exports,” CBP stated.

Rail carriers and others that provide data on their behalf, such as customs agents, could incur costs to meet the proposed rule’s requirements, CBP stated, including having someone available 24/7 to respond to issues that may arise from CBP’s review of transmitted cargo data.

However, “CBP anticipates that any additional staffing costs to participants would be negligible because they typically have someone working at all times for other business operations that can respond to CBP questions and issues.”

FreightWaves has reached out to the Association of American Railroads for comment.