

January 31, 2006

TO: All Interested Trade Participants

FROM: CBP, Office of Field Operations

SUBJECT: Supplementary Instructions for Annual User Fee Program

In a message dated December 15, 2005, you were advised that beginning with calendar year 2006, the user fee decal issued to trucks arriving at land border ports of entry would be replaced by a transponder that allows for the automated validation of user fees. This message further advised that the U.S. Customs and Border Protection (CBP) contractor for the collection and issuance of user fee decals has developed an internet based process for the payment of 2006 decals that is intended to ease the transition to transponders and facilitate the issuance process.

As of January 31, 2006, the functionality that allows for the automated validation of the payment of annual user fees has been deployed to all land border ports of entry. This validation occurs even when transponders fail to read or where no transponder technology is deployed. These systems query the user fee databases by license plate number as well as transponder and return the payment status to the Officer's screen.

Due to continuing database errors, the Office of Field Operations has established procedures to allow for the validation of user fees when electronic validation is not possible. Effective February 1, 2006:

- **In those instances when an officer is unable to validate the user fees, the CBP officer will accept a receipt, issued to the purchaser by the contractor or the National Finance Center, identifying that the annual user fee has been paid. Any truck driver unable to provide proof that the annual user fee has been paid will be assessed the applicable per crossing user fee.**

There have been concerns raised by the trucking industry regarding the required method of affixing the transponder to the truck windshield and the frequent need to replace damaged transponders. **No enforcement action should be taken when the transponder assigned to that truck is affixed to the windshield by tape or some other temporary process, placed in a clear plastic pouch, or affixed to a permanent holder attached to the dashboard of the truck cab.** In the case of the use of either the tape or pouch, the transponder must be placed on the lower left side of the windshield or, in the case of the permanent holder, in close proximity to the lower left side. Transponders not permanently affixed to the windshield will not be seized unless they are being intentionally misused. Because the automated process allows for conveyance information to be displayed from the transponder and account record, CBP Officers can quickly determine if a transponder is assigned to a specific conveyance and take appropriate enforcement action.