

DEPARTMENT OF HOMELAND SECURITY**Bureau of Customs and Border Protection****19 CFR Part 123****Required Advance Electronic Presentation of Cargo Information for Truck Carriers: ACE Truck Manifest**

AGENCY: Customs and Border Protection, Department of Homeland Security.

ACTION: Notice.

SUMMARY: Pursuant to section 343(a) of the Trade Act of 2002 and implementing regulations published in December, 2003, truck carriers and other eligible parties were directed to transmit advance electronic truck cargo information to the Bureau of Customs and Border Protection (CBP) through a CBP-approved electronic data interchange (EDI). This notice announces that CBP is designating the Automated Commercial Environment (ACE) Truck Manifest System as the approved EDI for the transmission of the required data and that the requirement that advance electronic truck cargo information be transmitted through ACE will be phased in by groups of ports of entry identified in this document.

DATES: Trucks entering the United States through all ports of entry in the states of Washington and Arizona and through the ports of Pembina, Neche, Walhalla, Maida, Hannah, Sarles and Hansboro in North Dakota will be required to transmit the advance information through the ACE Truck Manifest system effective January 25, 2007. ACE will be phased in as the mandatory transmission system for the other ports identified in this notice in the sequential order that they are listed, following publication of 90 days notice in the **Federal Register** for each group of ports.

FOR FURTHER INFORMATION CONTACT: James Swanson, Field Operations, (202) 344-2576.

SUPPLEMENTARY INFORMATION:**Background**

Section 343(a) of the Trade Act of 2002, as amended (the Act; 19 U.S.C. 2071 note), required that CBP promulgate regulations providing for the mandatory transmission of electronic cargo information by way of a CBP-approved electronic data interchange (EDI) system before the cargo is brought into or departs the United States by any mode of commercial transportation (sea, air, rail or truck). The cargo information required is that which is reasonably

necessary to enable high-risk shipments to be identified for purposes of ensuring cargo safety and security and preventing smuggling pursuant to the laws enforced and administered by CBP.

On December 5, 2003, CBP published in the **Federal Register** (68 FR 68140) a final rule to effectuate the provisions of the Act. In particular, a new § 123.92 (19 CFR 123.92) was added to the regulations to implement the inbound truck cargo provisions. Section 123.92 describes the general requirement that, in the case of any inbound truck required to report its arrival under § 123.1(b), if the truck will have commercial cargo aboard, CBP must electronically receive certain information regarding that cargo through a CBP-approved EDI system no later than 1 hour prior to the carrier's reaching the first port of arrival in the United States. For truck carriers arriving with shipments qualified for clearance under the FAST (Free and Secure Trade) program, § 123.92 provides that CBP must electronically receive such cargo information through the CBP-approved EDI system no later than 30 minutes prior to the carrier's reaching the first port of arrival in the United States.

ACE Truck Manifest Test

On September 13, 2004, CBP published a general notice in the **Federal Register** (69 FR 55167) announcing a test allowing participating Truck Carrier Accounts to transmit electronic manifest data for inbound cargo through ACE, with any such transmissions automatically complying with advance cargo information requirements as provided in section 343(a) of the Trade Act of 2002. Truck Carrier Accounts participating in the test have the ability to electronically transmit the truck manifest data and obtain release of their cargo, crew, conveyances, and equipment via the ACE Portal or electronic data interchange messaging.

A series of notices have announced additional deployments of the test, with deployment sites being phased in as clusters. Clusters were announced in subsequent notices published in the **Federal Register** including: 70 FR 30964, published on May 31, 2005; 70 FR 43892, published on July 29, 2005; 70 FR 60096, published on October 14, 2005; 71 FR 3875, published on January 24, 2006; and 71 FR 23941, published on April 25, 2006.

The use of ACE to transmit advance electronic truck cargo information will not be required in any port in which CBP has not first conducted the test. ACE will be phased in as the required transmission system at some ports even

while it is still being tested at other ports. CBP will continue, as necessary, to announce in subsequent notices in the **Federal Register** the deployment of the ACE truck manifest system test at additional ports.

Designation of ACE Truck Manifest System as the Approved Data Interchange System

Throughout the deployment process, CBP and system users from the trade have expended considerable resources in a collaborative effort to test the ACE Truck Manifest System. This collaboration has helped correct operational difficulties, improve processing times, and develop system enhancements not present in the original configuration. Full implementation of the enhancements will occur over the next few months. Accordingly, CBP has determined that the ACE Truck Manifest System should be mandated for all and is the approved EDI system for transmission of the advance information required pursuant to section 343(a) of the Trade Act of 2002 and the implementing regulations.

Section 123.92(e) of the regulations (19 CFR 123.92(e)) requires CBP, 90 days prior to mandating advance electronic information at a port of entry, to publish notice in the **Federal Register** informing affected carriers that the EDI system is in place and fully operational. Effective 90 days from the date of publication of this notice, truck carriers entering the United States through all ports of entry in the states of Washington and Arizona and through the ports of Pembina, Neche, Walhalla, Maida, Hannah, Sarles and Hansboro in North Dakota, will be required to present advance electronic cargo information regarding truck cargo through the ACE Truck Manifest. CBP will be publishing notice in the **Federal Register** as it phases in the requirement that truck carriers utilize the ACE system to present advance electronic truck cargo information at other ports.

Although other systems that have been deemed acceptable by CBP for transmitting advance truck manifest data will continue to operate and may still be used in the normal course of business for purposes other than transmitting advance truck manifest data, use of systems other than ACE will no longer satisfy advance electronic cargo information requirements at a particular port of entry once the 90-day notice for that port has been published and the 90-day period has elapsed.

Compliance Sequence

At all ports of entry in the states of Washington and Arizona, and the ports

of Pembina, Necho, Walhalla, Maida, Hannah, Sarles, and Hansboro in North Dakota, ACE will be the mandatory truck cargo information transmission system as of January 25, 2007.

Subsequently, ACE will continue to be phased in as the mandatory EDI system, at the ports identified below in the sequential order of the group in which they are listed. As mandatory ACE is phased in at these remaining ports, CBP will provide 90 days' notice through publication in the **Federal Register** prior to requiring the use of ACE for the transmission of advance electronic truck cargo information at a particular group of ports.

The remaining ports at which the mandatory use of ACE will continue to be phased in are divided into 5 groups, listed in sequential order, as follows:

1. All ports of entry in the states of Michigan, Texas, California, New Mexico, and New York.
2. All ports of entry in the states of Vermont and Alaska.
3. All ports in the states of Maine, Idaho, and Montana.
4. All remaining ports in the state of North Dakota (those not identified as having a specific compliance date).
5. All ports in the state of Minnesota.

Dated: October 23, 2006.

Deborah J. Spero,

Acting Commissioner, Customs and Border Protection.

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SOCIAL SECURITY ADMINISTRATION

20 CFR Part 418

RIN 0960-AG11

Medicare Part B Income-Related Monthly Adjustment Amount

AGENCY: Social Security Administration (SSA).

ACTION: Final rules.

SUMMARY: We are adding to our regulations a new subpart, Medicare Part B Income-Related Monthly Adjustment Amount, to contain the rules we will follow for Medicare Part B income-related monthly adjustment amount determinations. The monthly adjustment amount represents the amount of decrease in the Medicare Part B premium subsidy, i.e. the amount of the Federal Government's contribution to the Federal Supplementary Medical Insurance (SMI) Trust Fund. This new subpart implements section 811 of the Medicare Prescription Drug, Improvement, and Modernization Act of

2003 (the Medicare Modernization Act or MMA) and contains the rules for determining when, based on income, a monthly adjustment amount will be added to a Medicare Part B beneficiary's standard monthly premium. These final rules describe: What the new subpart is about; what information we will use to determine whether you will pay an income-related monthly adjustment amount and the amount of the adjustment when applicable; when we will consider a major life-changing event that results in a significant reduction in your modified adjusted gross income; and how you can appeal our determination about your income-related monthly adjustment amount.

DATES: These final rules are effective December 26, 2006.

FOR FURTHER INFORMATION CONTACT:

Craig Streett, Team Leader, Office of Income Security Programs, Social Security Administration, 252 Altmeyer Building, 6401 Security Boulevard, Baltimore, MD 21235-6401, 410-965-9793 or TTY 1-800-966-5609, for information about this **Federal Register** document. For information on eligibility or filing for benefits, call our national toll-free number, 1-800-772-1213 or TTY 1-800-325-0778, or visit our Internet site, Social Security Online, at <http://www.socialsecurity.gov>.

SUPPLEMENTARY INFORMATION:

Electronic Version

The electronic file of this document is available on the date of publication in the **Federal Register** at <http://www.gpoaccess.gov/fr/index.html>.

Statutory Provisions

Section 811 of the MMA (Pub. L. 108-173), which was enacted into law on December 8, 2003, added subsection (i) to section 1839 of the Social Security Act (the Act), and established a Medicare Part B premium subsidy reduction (referred to in these final rules as "the income-related monthly adjustment amount") effective January 1, 2007, which will be added to the standard monthly Medicare Part B premium amount for certain beneficiaries. Section 1839(i) of the Act was subsequently amended by section 5111 of the Deficit Reduction Act of 2005, Public Law 109-171. The Centers for Medicare & Medicaid Services (CMS), in the Department of Health and Human Services (HHS), has overall responsibility for determining the annual Medicare Part B standard monthly premium amounts and premium increases for late enrollment or reenrollment. CMS regulations at 42 CFR part 408 describe the rules that

CMS uses to determine those amounts. As explained in these final rules, we are responsible only for making initial determinations and reconsidered determinations about income-related monthly adjustment amounts. Any subsequent levels of appeal will be provided by HHS under its regulations at 42 CFR part 405.

Section 702(a)(5) of the Act allows us to make the rules and regulations necessary or appropriate to carry out the functions of SSA. Other provisions in section 811 of the MMA provide us with additional specific authorization to make rules and regulations to determine the income-related monthly adjustment amount. For example, sections 1839(i)(4)(B) and (i)(4)(C)(ii)(II) of the Act authorize us to promulgate regulations necessary for our determinations about income-related monthly adjustment amounts. Section 1839 of the Act requires the Secretary of HHS to determine annually the Medicare Part B standard monthly premium amount. Section 1839 of the Act also authorizes the Secretary of HHS to establish a premium increase for late enrollment and for reenrollment under certain circumstances and provides for a limitation on increases in the Medicare Part B standard monthly premium for some beneficiaries.

The new section 1839(i) requires us to determine the income-related monthly adjustment amount for Medicare beneficiaries with modified adjusted gross income above an established threshold. The income-related monthly adjustment amount is added to the Medicare Part B standard monthly premium and any applicable premium increase for late enrollment or reenrollment. The MMA provides that in 2007 the modified adjusted gross income threshold is \$80,000 for individuals who file their Federal income taxes with a filing status of single, married filing separately, head of household, or qualifying widow(er) with dependent child and \$160,000 for married individuals who file a joint tax return. Section 811(c)(1) of the MMA enacted a new section 6103(1)(20) of the Internal Revenue Code authorizing the Internal Revenue Service (IRS) to provide certain income information to us to use in determining the income-related monthly adjustment amount. The MMA requires that the threshold amount be adjusted yearly based on the Consumer Price Index.

Section 811(b)(1)(C) of the MMA also amended section 1839(f) of the Act, so that the limitation on increases in the Medicare Part B standard monthly premium for some beneficiaries will not apply to beneficiaries who are