

Lacey Act Primer

**United States Department of Agriculture
Animal and Plant Health Inspection Service
Plant Protection and Quarantine**

Acknowledgements

- Department of Justice
- Office of the U.S. Trade Representative
- USDA
- Special thanks to George Balady

Presented by: Gary Lougee

February 2010

Objectives

- Give a brief history of the Lacey Act
- Summarize the Lacey Act
- State the Lacey Act purpose
- Introduce the Lacey Act declaration requirement implementation schedule
- List the exemptions to the declaration requirement
- Discuss violations, penalties, and enforcement
- What constitutes due care and give examples
- Introduce the Blanket Declaration program

Objectives (continued)

- Delineate the processes for paper, electronic and blanket declarations
- Declaration geographic analysis demonstration
- Introduce the APHIS Lacey Act Website

History of the Lacey Act



- Oldest wildlife protection statute in the US
- It was first enacted in 1900 to combat impact of:
 - hunting to supply commercial markets
 - interstate shipment of unlawfully killed game
 - introduction of harmful exotic species
 - killing of birds for feather trade

History of the Lacey Act



- Significantly amended in 1981 and 1988
- Amended again in 2008
- A tool to combat trafficking in “illegal” wildlife, fish or plants

History of the Lacey Act



The 2008 Farm Bill (the Food, Conservation and Energy Act of 2008)

- Section 8204. Prevention of Illegal Logging Practices expands Lacey protection to broader range of plants
- Now encompasses products, including timber, derived from illegally harvested plants
- New declaration requirement for plant products
- Effective May 22, 2008

Purpose of the Lacey Act Amendment



- Prevent trade in illegally harvested lumber
- Prevent trade in wood products made from illegally harvested lumber

The Lacey Act makes it . . .

- Unlawful to trade in any plant that is taken, possessed, transported, or sold in violation of the laws of the United States, a State, Indian Tribe, or any foreign law that protects plants.
 - Applies to interstate and foreign commerce
- Unlawful to falsify or submit falsified documents, accounts or records of any plant covered by the Act
- Unlawful to import certain plants and plant products without an import declaration

In Plain English . . .

- Make sure your shipments were obtained legally
 - Make sure your shipments' documentation and records are true and accurate
 - Make sure your shipment is properly declared under the Lacey Act declaration requirement
-
- Full text available in the Federal Register
Docket No. APHIS-2008-0119

PHASE-IN SCHEDULE OF ENFORCEMENT OF THE DECLARATION REQUIREMENT FOR GOODS OF, OR CONTAINING, PLANTS OR PLANT PRODUCTS*

Phase II April 1, 2009	Phase III October 1, 2009	Phase IV April 1, 2010
<p>HTS Chapters:</p> <p>Ch. 44 Headings (wood & articles of wood)</p> <ul style="list-style-type: none"> • 4401—(Fuel wood) • 4403—(Wood in the rough) • 4404—(Hoopwood; poles, piles, stakes) • 4406—(Railway or tramway sleepers) • 4407—(Wood sawn or chipped lengthwise) • 4408—(Sheets for veneering) • 4409—(Wood continuously shaped) • 4417—(Tools, tool handles, broom handles) • 4418—(Builders' joinery and carpentry of wood). 	<p>HTS Chapters:</p> <p>Ch. 44 Headings (wood & articles of wood)</p> <ul style="list-style-type: none"> • 4402—Wood charcoal • 4412—Plywood, veneered panels <ul style="list-style-type: none"> ○ except 44129906 and 44129957 • 4414—Wooden frames • 4419—Tableware & kitchenware of wood • 4420—Wood marquetry, caskets, statuettes. <p style="text-align: center;">PLUS PHASE II</p>	<p>HTS Chapters:</p> <p>Ch. 44 Headings (wood & articles of wood)</p> <ul style="list-style-type: none"> • 4421—Other articles of wood <p>Ch. 66 Headings (umbrellas, walking sticks, riding crops)</p> <ul style="list-style-type: none"> • 6602—Walking sticks, whips, crops <p>Ch. 82 Headings (tools, implements)</p> <ul style="list-style-type: none"> • 8201—Hand tools <p>Ch. 92 Headings (musical instruments)</p> <ul style="list-style-type: none"> • 9201—Pianos • 9202—Other stringed instruments <p>Ch. 93 Headings (arms and ammunition)</p> <ul style="list-style-type: none"> • 9302—Revolvers and pistols • 93051020—Parts and accessories for re-volvers and pistols <p>Ch. 94 Headings (furniture, etc.)</p> <ul style="list-style-type: none"> • 940169—Seats with wood frames <p>Ch. 95 Headings (toys, games, & sporting equipment)</p> <ul style="list-style-type: none"> • 950420—Articles and accessories for billiards <p>Ch. 97 Headings (works of art)</p> <ul style="list-style-type: none"> • 9703—Sculptures <p style="text-align: center;">PLUS PHASES II & III.</p>

* Declaration requirements were effective as of December 15, 2008. All declarations submitted must be accurate; false statements may be referred for enforcement. Failure to submit a declaration will not be prosecuted, and customs clearance will not be denied for lack of a declaration until after the phase-in date above.

Exemptions from the Declaration Requirement

- Currently only sections of HTS Chapters 44, 66, 82, 92, 93, 94, 95 & 97 are scheduled for enforcement of the declaration requirement
- Plants and plant products used exclusively as packing material to support, protect, or carry another item including (but not limited to):
 - Instruction manuals, labels, pallets and crating, etc.
- “Common cultivars” and “common food crops”
 - To be defined by APHIS and FWS in joint rulemaking
- Plants for planting

Lacey Act vs. Declaration Requirement

- The Declaration Requirement is only a small part of the entire Lacey Act
- Even if a shipment is exempt from the Declaration Requirement – the Lacey Act is still in force
- Example: Bagpipes with wooden pipes
 - HTS Section 92059020 – no declaration required
 - The Lacey Act itself still applies to the wooden pipes
 - If the pipes were made from illegally harvested trees then the bagpipe shipment is in violation of the Lacey Act



Lacey Act Violations and Penalties

- Forfeiture – strict liability
- Misdemeanors punishable by 1 year in prison and a fine of \$ 100,000 (\$200,000 for corporations)
 - In the exercise of due care, individual/corporation should have known the plant was illegally taken, possessed, transported or sold
 - Was aware of illegality, but the incident did not involve import or export or commercial conduct with plant value of more than \$350
 - Applicable only to substantive violations, NOT to declaration requirements

Lacey Act Violations and Penalties

- Felonies punishable by 5 years in prison and a \$250,000 fine (\$500,000 for corporations)
 - Knowing violation – knowledge of facts and illegality, not specific law violated
 - Involves import or export or commercial conduct with plant value of more than \$350



Enforcement Basics

- Fact based, not document based
- Government burden to prove to a jury of defendant's peers
- Information gained from
 - Foreign governments
 - NGOs
 - Private citizens
 - Anonymous tips
 - Data analysis - declarations
 - Industry members – whistle blowers & competitors
 - Agents on the border



Enforcement Basics

- The Federal Government will always evaluate and substantiate initial information before launching full investigation
- Enforcement/investigating agencies include USFWS, ICE, CBP, APHIS, USDA OIG, FBI, USFS



Due Care

- Ninth Circuit Pattern Jury Instructions
 - “Due care means that degree of care which a reasonably prudent person would exercise under the same or similar circumstances.”



Due Care

- Legislative History
 - “Due care simply requires that a person facing a particular set of circumstances undertakes certain steps which a reasonable man would take to do his best to insure that he is not violating the law.”



Due Care

- Due care “is applied differently to different categories of persons with varying degrees of knowledge and responsibility.
- For example, zoo curators, as professionals, are expected to apply their knowledge to each purchase of wildlife. If they know that a reptile is Australian and that Australia does not allow export of that reptile without special permits, they would fail to exercise due care unless they check for those permits.
- On the other hand, the airline company which shipped the reptile might not have the expertise to know that Australia does not normally allow that particular reptile to be exported. However, if an airline is notified of the problem and still transships the reptile, then it would probably fail to pass the due care test.”

Tools to Demonstrate Due Care



- Asking questions
- Compliance plans
- Industry standards
- Records of efforts
- Changes in above in response to practical experiences

Recent Case Example for Due Care

- United States v. Virginia Star, C.D. Ca.
- Purchasers not charged – reasonable claim of no reasonable knowledge (for example, new to industry, short term behavior, called and asked about discrepancy and was given a plausible, to a neophyte, explanation)
- Purchasers charged with misdemeanors – lack of due care in consideration of totality of the circumstances (for example, long time in industry, recognized bargain basement price, knew label was wrong, repeated such transactions, prior lack of due care violation involving illegal trade in same industry)
- Purchasers charged with felonies – those for whom it was believed there was affirmative evidence beyond a reasonable doubt that the person acted with personal knowledge of illegality

Some Examples of Common-Sense Red Flags

- Goods significantly below going market rate
- Cash only/lower price for goods without paperwork
- Paperwork facially invalid or otherwise suspect
- Unusual sales methods or practices
- Transactions fit the description of illegal transactions discussed in trade/industry publications
- Inability of suppliers to provide rational answers to routine questions



Other Lacey Act Basics

- The underlying foreign law violation does not have to be a criminal violation, nor one actively enforced in the foreign country.
- The underlying violation need not be committed by the person charged with violating the Lacey Act – a third party might have taken the product illegally.
- The underlying foreign law can be interpreted by U.S. Courts

Taxonomy and Scientific Names

- Kingdom
 - Phylum
 - Class
 - Order
 - » Family
 - » Genus
 - » Species

Example: Red Oak

- Kingdom
- Phylum
- Class
- Order
- » Family
- » Genus
- » Species
- Plantae
- Magnoliophyta
- Rosopsida
- Fagales
- » Fagaceae
- » *Quercus*
- » *rubra*

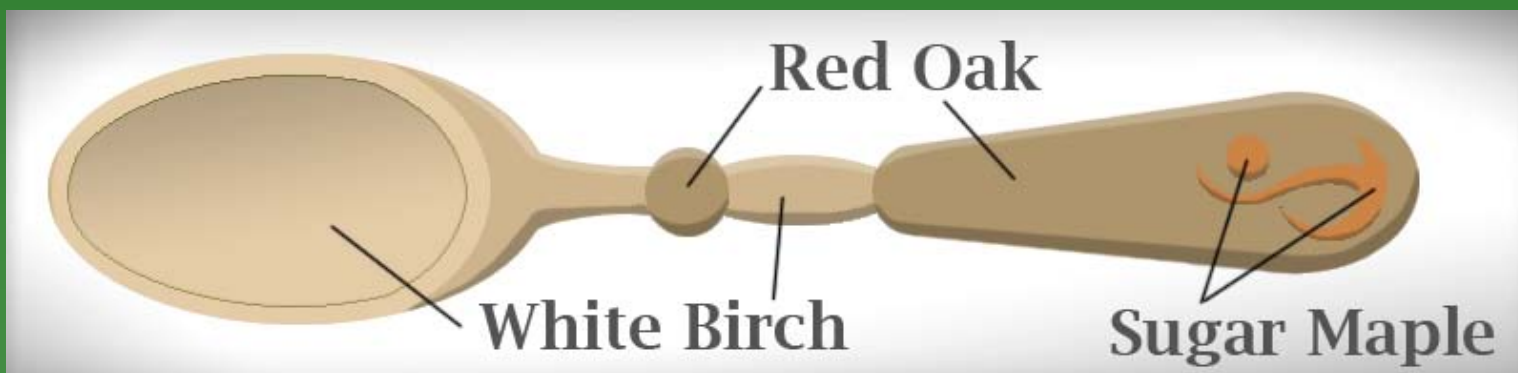
Quercus rubra

I Do Declare . . .

- Paper Declaration Process
- Electronic Declaration Process
- Blanket Declaration Process



Sample Declaration



Paper Declarations

- Make two copies of the Declaration, Mail one copy to APHIS
- Send other copy with shipment/documentation for CBP
- Envelope opened, importer noted, determination whether new, resubmitted, or Estimate.
- Declaration vetted for accuracy and compliance.
- Importer contacted if vetting reveals errors.
- Declaration entered into Excel by Data Entry Personnel.
- Entered data quality checked for completeness and accuracy.
- Data moved into master database.
- Analysis, etc.
- Paper declarations archived for 6 years.



Paper Declarations – How to? (Part 1)

- Download the PDF PPQ505 from the APHIS site
 - Save it to your computer hard drive
- Read the instructions
 - Pages 3 and 4
- Filling out the Declaration
 - Print out the PDF and fill the form by hand,
-OR-
– Fill in the PDF form using Acrobat, then print it out.



SECTION 1 - Shipment Information

1. ESTIMATED DATE OF ARRIVAL: (MM/DD/YYYY) 09/23/2009	
2. ENTRY NUMBER: ENT-00000000-0	3. CONTAINER NUMBER: CONT000000000
4. BILL OF LADING: 00000000	5. MID: MID0000000000
6. IMPORTER NAME: Importer Name	8. CONSIGNEE NAME: Consignee Name
7. IMPORTER ADDRESS: 000 Importer Rd Importer, IM 00000	9. CONSIGNEE ADDRESS: 000 Consignee Rd Consignee, CE 00000

I certify under penalty of perjury that the information furnished is true and correct:		
<i>Johnny Importer</i>	Johnny Importer	09/12/2009
Signature	Type or Print Name	Date

Knowingly making a false statement in this Declaration for Importation may subject the declarant to criminal penalties in accordance with 16 U.S.C. 3373(d).

Plant Protection and Quarantine

SECTION 2 - Compliance with Lacey Act Requirements (16 U.S.C. 3372(f))

10. DESCRIPTION OF MERCHANDISE:

1,250 Decorative Wooden Spoons

11. HTSUS NUMBER: (no dashes/symbols)

4	4	1	9	0	0	4	0		
---	---	---	---	---	---	---	---	--	--

12. ENTERED VALUE: (in U.S. Dollars)

1,000,000,000

For each article or component of an article, provide the following:

13. ARTICLE/ COMPONENT OF ARTICLE	14. PLANT SCIENTIFIC NAME: (Genus and Species)	15. COUNTRY OF HARVEST:	16. QUANTITY OF PLANT MATERIAL:	17. UNIT OF MEASURE:	18. % RECYCLED MATERIAL:
Red Oak handle - 1.2"x 2.3"	Quercus rubra	Canada	1,000	pcs.	
Red Oak handle - 1.2"x 2.3"	Quercus rubra	USA	250	pcs.	
Red Oak knob - 1.2" x 1.2"	Quercus rubra	Canada	1,250	pcs.	
White Birch bowl - 3" x 4.2"	Betula pubescens	Russian Federation	1,250	pcs.	
White Birch tang - 0.75" x 5"	Betula pubescens	Russian Federation	1,250	pcs.	
Sugar Maple Inlay - 0.1" thick	Acer saccharum	Guatemala	2,500	pcs.	
	Acer saccharum	USA	0	pcs.	
	Acer saccharum	Canada	0	pcs.	
	Acer saccharum	Mexico	0	pcs.	

Electronic Declaration

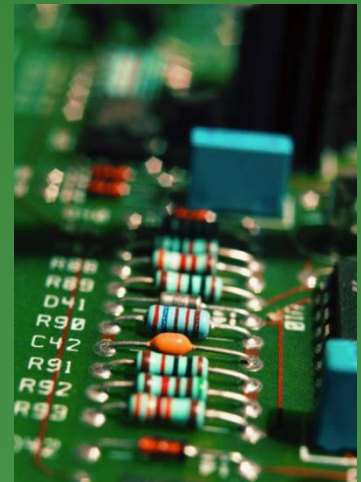
- Declaration entered into Customs Automated Broker Interface (ABI).
- CD of one weeks' worth of declarations mailed to APHIS.
- Data converted to Excel format.
- Declarations vetted for accuracy and compliance.
- Importer contacted if vetting reveals errors.
- Data moved into master database.
- Analysis, etc.
- Future data in ACE?



Electronic Declarations – How to? (Part 1)

- Electronic Declarations
 - **Are** submitted directly to USCBP via ABI
 - **Require** re-programming of the broker software
 - **Have** a very specific dataset and formatting requirements

- Electronic Declarations are **NOT** made
 - via a website
 - via PDF
 - Via email



Electronic Declarations – How to? (Part 2)

- Introducing the CATAIR*
- See the CBP website:
http://www.cbp.gov/xp/cgov/trade/automated/automated_systems/abi/catair/user_requirements.xml
- PGA Datasets
- Contact your Customs Client Representative for any questions regarding the CATAIR



Electronic Declarations – How to? (Part 3)

Record Identifier PG05 (Input)					
Data Element	Length/Class	Position	Status	Description	Note
Control Identifier	2A	1-2	M	Must always equal PG.	
Record Type	2N	3-4	M	Must always be 05.	
*Scientific Genus Name	22A	5-26	C	Scientific Genus Name of the PGA's merchandise being entered.	
*Scientific Species Name	22A	27-48	C	Scientific Species Name of the PGA's merchandise being entered.	
Scientific Sub Species Name	18A	49-66	C	Scientific Sub Species Name of the PGA's merchandise being entered.	
Scientific Species Code	7AN	67-73	C	This includes Fish and Wildlife Service (FWS) Wildlife Category codes.	
FWS Description Code	7AN	74-80	C	FWS Description Codes assigned by FWS.	

Example: PG05pinus radiata

Blanket Declaration

- Only open to certain group of importers (currently BRASS and ALR participants)
- Importer applies for membership to program.
- Application reviewed.
- Importer mails Estimated 505 by 1st of month to be declared.
- Importer sends Excel spreadsheet of reconciled data by 15th the following month.
- Declarations vetted for accuracy and compliance.
- Importer contacted if vetting reveals errors.
- Data moved into master database.
- Analysis, etc.
- Applications, Estimates, etc. archived.



Blanket Declaration – How to?

- Download the PDF PPQ505 from the APHIS site
 - Save it to your computer hard drive
- Read the instructions
 - Pages 3 and 4
 - Additional Estimated Form Instructions on website
- Filling out the Declaration
 - Print out the PDF and fill the form by hand,
 - OR-
 - Fill in the PDF form using Acrobat, then print it out.



SECTION 1 - Shipment Information

1. ESTIMATED DATE OF ARRIVAL: (MM/DD/YYYY) September 2009	
2. ENTRY NUMBER: ESTIMATED 505	3. CONTAINER NUMBER:
4. BILL OF LADING: C4 Code – ZZC4ZZC4112L01	5. MID:
6. IMPORTER NAME: Importer Name	8. CONSIGNEE NAME:
7. IMPORTER ADDRESS: 000 Importer Rd Importer, IM 00000	9. CONSIGNEE ADDRESS:

I certify under penalty of perjury that the information furnished is true and correct:

Johnny Importer

Signature

Johnny Importer

Type or Print Name

09/12/2009

Date

Knowingly making a false statement in this Declaration for Importation may subject the declarant to criminal penalties in accordance with 16 U.S.C. 3373(d).

Plant Protection and Quarantine

SECTION 2 - Compliance with Lacey Act Requirements (16 U.S.C. 3372(f))

10. DESCRIPTION OF MERCHANDISE:

1,250 Decorative Wooden Spoons

11. HTSUS NUMBER: (no dashes/symbols)

4	4	1	9	0	0	4	0		
---	---	---	---	---	---	---	---	--	--

12. ENTERED VALUE: (in U.S. Dollars)

1,000,000,000

For each article or component of an article, provide the following:

13. ARTICLE/ COMPONENT OF ARTICLE	14. PLANT SCIENTIFIC NAME: (Genus and Species)	15. COUNTRY OF HARVEST:	16. QUANTITY OF PLANT MATERIAL:	17. UNIT OF MEASURE:	18. % RECYCLED MATERIAL:
Red Oak handle - 1.2"x 2.3"	Quercus rubra	Canada	1,000	pcs.	
Red Oak handle - 1.2"x 2.3"	Quercus rubra	USA	250	pcs.	
Red Oak knob - 1.2" x 1.2"	Quercus rubra	Canada	1,250	pcs.	
White Birch bowl - 3" x 4.2"	Betula pubescens	Russian Federation	1,250	pcs.	
White Birch tang - 0.75" x 5"	Betula pubescens	Russian Federation	1,250	pcs.	
Sugar Maple Inlay - 0.1" thick	Acer saccharum	Guatemala	2,500	pcs.	
	Acer saccharum	USA	0	pcs.	
	Acer saccharum	Canada	0	pcs.	
	Acer saccharum	Mexico	0	pcs.	

Blanket Declaration – Reconciliation

DESCRIPTION_OF_MERCHANDISE	HTSUS_NUMBER	ENTERED_VALUE	ARTICLE_OR_COMPONENT_OF_ARTICLE	GENUS	SPECIES	COUNTRY_OF_HARVEST	QUANTITY_OF_PLANT_MATERIAL
1,150 Decorative Wooden Spoons	44190040	\$1,615,882	Red Oak handle - 1.2"x 2.3"	Quercus	rubra	Canada	900
1,150 Decorative Wooden Spoons	44190040	\$0.00	Red Oak handle - 1.2"x 2.3"	Quercus	rubra	USA	250
1,150 Decorative Wooden Spoons	44190040	\$0.00	Red Oak knob - 1.2" x 1.2"	Quercus	rubra	Canada	1150
1,150 Decorative Wooden Spoons	44190040	\$0.00	White Birch bowl - 3" x 4.2"	Betula	pubescens	Russian Federation	1150
1,150 Decorative Wooden Spoons	44190040	\$0.00	White Birch tang - 0.75" x 5"	Betula	pubescens	Russian Federation	1150
1,150 Decorative Wooden Spoons	44190040	\$0.00	Sugar Maple Inlay - 0.1" thick	Acer	saccharum	Guatemala	2300
1,150 Decorative Wooden Spoons	44190040	\$0.00	Sugar Maple Inlay - 0.1" thick	Acer	saccharum	USA	0
1,150 Decorative Wooden Spoons	44190040	\$0.00	Sugar Maple Inlay - 0.1" thick	Acer	saccharum	Canada	0
1,150 Decorative Wooden Spoons	44190040	\$0.00	Sugar Maple Inlay - 0.1" thick	Acer	saccharum	Mexico	0

*Represents actual shipments imported

Suggested Best Practices

- Ask your overseas supplier for Genus/species
- Check botanical resources (e.g. GRIN Taxonomy)
 - Confirm validity of scientific names
 - Confirm geographic distribution
- Check with Foreign Government Authorities
 - Confirm source companies operate legally (licensed/certified)
 - Request pertinent plant protection laws (country of harvest)
- Keep complete records of your efforts
- When in doubt – Call APHIS!

Dealing with the Rumor Mill . . .



February 2010

APHIS Lacey Act Website

- http://www.aphis.usda.gov/plant_health/lacey_act/index.shtml



The screenshot shows the APHIS Lacey Act website interface. At the top, the USDA logo and text "United States Department of Agriculture Animal and Plant Health Inspection Service" are displayed. Below this is a navigation bar with links for Home, About APHIS, Newsroom, Career Opportunities, Help, and Contact Us. The main content area features a search bar, a "Browse by Audience" dropdown menu, and a "Browse by Subject" list with categories like Animal Health, Animal Welfare, Biotechnology, Emergency Preparedness and Response, and Import and Export. The central focus is the "Lacey Act" section, which includes a sub-header "Plant Health" and a detailed text block explaining the act's purpose and implementation. To the right, a "Related Topics" sidebar lists links for Overview, Plant Pest Program Information, Pest Detection, Pest Identification, Plant Import and Export, Permits, Crop Biosecurity and Emergency Response, and Spotlights for PPQ.

USDA United States Department of Agriculture
Animal and Plant Health Inspection Service

Home About APHIS Newsroom Career Opportunities Help Contact Us

You are here: [Home](#) > [Plant Health](#) > [Lacey Act](#)

Plant Health

Lacey Act

The Lacey Act combats trafficking in "illegal" wildlife, fish, and plants. The 2008 Farm Bill (the Food, Conservation, and Energy Act of 2008), effective May 22, 2008, amended the Lacey Act by expanding its protection to a broader range of plants and plant products. The Lacey Act now, among other things, makes it unlawful, beginning December 15, 2008, to import certain plants and plant products without an import declaration. This page will serve as a clearinghouse for all information related to the implementation of the Lacey Act declaration requirement and will be updated promptly as new information becomes available.

Related Topics

- [Overview](#)
- [Plant Pest Program Information](#)
- [Pest Detection](#)
- [Pest Identification](#)
- [Plant Import and Export](#)
- [Permits](#)
- [Crop Biosecurity and Emergency Response](#)
- [Spotlights for PPQ](#)

What you will find there . . .

- Link to PPQ Form 505: Plant and Plant Product Declaration Form
- Links to Lacey Act Federal Register Notices
- Links to other Lacey Act related Documents
- Link to look up for plant genus and species
- Link to Lacey Act Declaration email address
- Link to PPQ Stakeholder Registry

Please refer Lacey Act inquiries to:



lacey.act.declaration@aphis.usda.gov