



May 25, 2011

Submitted via email to: www.regulations.gov

Mr. Andrew McGilvray
Executive Secretary
Foreign-Trade Zones Board
U.S. Department of Commerce
1401 Constitution Avenue NW, Room 2111
Washington D.C. 20230

Re: Comments to Proposed Changes to Foreign-Trade Zone Regulations
Docket No. ITA-2010-0012, RIN 0625-AA81

Dear Mr. McGilvray:

The Port of Tacoma functions as the Grantee of the Tacoma Foreign-Trade Zone, FTZ No. 86. The Zone Project has been an integral part of the Port's economic development program and has been used on a continuous basis for the past 25 years. The Port of Tacoma is a member of the National Association of Foreign-Trade Zones (NAFTZ) and has reviewed the comments submitted by the Association. The Port fully supports and endorses the comments filed by the NAFTZ, particularly with regard to the subjects of (1) expedited Foreign-Trade Zones Board (FTZB) approval for all applications; (2) uniform treatment under public utility principles; (3) Grantee liability; and (4) fines, penalties and mitigation of same.

The NAFTZ suggested the addition of new terms which we believe will provide more clarity as to the intent and goals of the provisions of the proposed FTZB Regulations. We believe it is imperative that the definitions section of any Regulation be as all-encompassing and authoritative as possible.

We fully support the NAFTZ suggestion that the time frame for approval by the FTZB of all applications be reduced by 50% so that Grantees will be in a position to get potential zone users into the zone program in a much more expeditious manner. The Port of Tacoma unequivocally supports the concept of equal treatment for all zone participants and the need for Grantees to function under public utility principles. However, we believe that the Regulations as proposed by the NAFTZ are much more practical and viable than those contained in the Regulations as proposed by the FTZB.

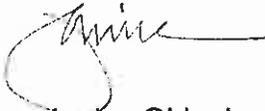
With regard to the proposed Section 400.47 dealing with Grantee liability, we believe additional language should be added to clarify that the offending Operator is to be the sole recipient of a penalty in those cases where a Grantee files a partially completed Annual Report in a timely fashion and notifies the FTZB that a specific Operator failed to provide its portion of the Annual Report to the Grantee. The Grantee should have absolutely no liability if a violation occurs as a result of the actions or inactions of a specific

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Operator/User without the Grantee's participation. With regard to proposed Subpart G dealing with fines, penalties and mitigation of the fines and penalties, we fully support the proposals put forth by the NAFTAZ and believe that the sections as proposed by the FTZB would have a chilling effect on the use of the FTZ program by both Grantees and potential Operators and Users.

The Port of Tacoma fully supports the FTZB endeavor of modifying the FTZB Regulations that have been in existence for almost 20 years. We trust that you will give serious consideration and adopt many of the suggestions contained in the comments filed by the NAFTAZ. Thank you for your ongoing efforts to make the FTZ program a more flexible and useful program for economic development in the United States.

Sincerely,



Janice Oldenburg
FTZ Manager – FTZ #86
Port of Tacoma, Washington

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