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DEPARTMENT OF COMMERCE

Foreign-Trade Zones Board

[B-33-2020]

Foreign-Trade Zone (FTZ) 137 – Washington Dulles International Airport, Virginia; Notification of Proposed Production Activity; FN America, LLC (Disassembly of Machine Guns), Dulles, Virginia

CDS Air Freight Inc., an operator within FTZ 137 in Dulles, Virginia, submitted a notification of proposed production activity to the FTZ Board on behalf of FN America, LLC (FNA). The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on May 22, 2020.

The FNA facility is located within FTZ 137. The facility is currently used for the storage of firearms, but the company is requesting authority to remove parts from firearms stored at the facility. Pursuant to 15 CFR 400.14(b), FTZ activity would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt FNA from customs duty payments on the foreign-status components used in export production. On its domestic sales, for the foreign-status materials/components noted below, FNA would be able to choose the duty rates during customs entry procedures that apply to: moving parts assemblies consisting of non-reciprocating sled and charging handle assemblies, non-reciprocating sled assemblies, charging handle assemblies, bolt assemblies, bolt

carriers, bolt cam pins, firing pin retaining pin assemblies, return spring assemblies and firing pins; buttstock assemblies consisting of cap screw hexagonal socket heads, buttstock interface plates, buttstock rails, buttstock guide plates, large screw hexagonal countersunk heads, buttstock paddles, screw slotted pan heads, lock guide springs, lock springs, buttstock cheekrests, slotted spring type straight pins, buttstock plungers, buttstock interface pads and buttstock pads; takedown pin retaining clips; takedown pins; takedown hammers; automatic sears; automatic sear springs; cover plates; slotted spring type pins; magazine release buttons; magazine release springs; hammer spring guides; hammer springs; selector lever detents; selector lever spring detents; trigger module frames; locking plates; slotted spring type pins; bolt catch supports; bolt catch springs; bolt catches; magazine catch assemblies; magazine catches; magazine catch levers; trigger pins; hammer spring supports; and, drive rod indexes (duty-free). FNA would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The components and materials sourced from abroad are machine guns (duty-free). The request indicates that the machine guns are subject to duties under Section 301 of the Trade Act of 1974 (Section 301), depending on the country of origin. The applicable Section 301 decisions require subject merchandise to be admitted to FTZs in privileged foreign status (19 CFR 146.41).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: ftz@trade.gov. The closing

period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION
IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Elizabeth Whiteman at
Elizabeth.Whiteman@trade.gov or (202) 482-0473.

Dated: May 28, 2020.

Andrew McGilvray,

Executive Secretary.

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