



Tuesday, May 24, 2011

Mr. Andrew McGilvray
Executive Secretary
Foreign-Trade Zones Board
Herbert Clark Hoover Building
14th Street and Constitution Avenue, NW
Washington, DC 20230

Re: Foreign-Trade Board Proposed Rule
75 *Federal Register* 82340-82362, December 30, 2010
Docket # ITA-2010-0012, RIN 0625-AA81

Dear Mr. McGilvray:

Please accept this letter as official comment for the proposed regulatory changes of the Foreign-Trade Zone Board (RIN 0625-AA81). The proposed regulations as currently written stand to threaten the capacity in which we serve as administrator of the federal program.

The Erie County Industrial Development Agency (ECIDA) located in Buffalo, New York serves as administrator of Foreign-Trade Zone (FTZ) #23 on behalf of the County of Erie, New York. The ECIDA, as a public benefit corporation created in 1970 by act of the New York State Legislature, is vested to promote and assist private sector industrial/business development thereby advancing job opportunities and economic well-being to the people of Erie County.

In Section 400.43 UNIFORM TREATMENT PROVISIONS, the new regulatory provision states in summation: *Any agreement related to a grantee function must be in writing between grantee and zone participant (that is, not between agent and zone participant)*. The inclusion of this provision, stressing more importantly the section in parenthesis, would have drastic effects on the way in which the ECIDA serves as administrator. Under the proposed language, all agreements and contracts between the zone participant and the grantee (Government of Erie County) would become an act of the Erie County Legislature and subsequently signed into law (or vetoed) by the Erie County Executive. This would in effect turn the approval of agreements and contracts between zone participants and the grantee into a political battle that zone participants would have no way of circumventing.

The ECIDA respectfully requests a change to allow us in our role of serving as administrator on behalf of the County be permitted to enter into agreement with zone operators. A similar stipulation is in place under Section 400.42(a) PUBLIC UTILITY PROVISIONS that states in summation: *Any fees related to grantee functions must be paid directly to the grantee (or, where applicable, to another entity that has a legal/contractual relationship with the grantee)*. The addition of this language permitting us as the legal/contractual relationship with the grantee to enter into agreements with the zone participant will allow the quarter-century relationship between the ECIDA and County of Erie to continue for the benefit of the zone participants and the residents of the county.

Thank you for the time and effort that was placed in the Foreign-Trade Zone regulatory changes. They will provide needed structure and enhanced Economic Development benefits to the FTZ Program. The ECIDA appreciates your dedication to the Foreign-Trade Zone program and looks forward to continuing our professional relationship as administrator of Foreign-Trade Zone #23 in Erie County, New York.

Respectfully,

Maryann K. Stein
Director of International Programs