

Dear Friends,

The Border Trade Alliance in 2017 continues its over-30-year history of advocating for North American borders that are properly equipped to facilitate trade and travel, and that contribute to the entire region's economic health.

Our three decades of work have been marked by numerous policy victories that have helped streamline inspection procedures at our ports, loosened bottlenecks and congestion, modernized infrastructure and have ultimately grown trade volumes.

Two thousand seventeen, however, represents a return to the BTA's foundational argument: that eliminating tariffs and non-tariff barriers to cross-border commerce is a driver of regional job creation, prosperity, and economic competitiveness.

While some corners seek to turn the clock back on the pro-growth policies that are responsible for over 5 million U.S. jobs, we proudly advocate on behalf of borders that are secure, efficient and outfitted to compete in a modern economy that is defined by integration and interdependency, not isolation.

The BTA continues to advocate for a well-resourced Customs and Border Protection, the elimination of redundant inspections at the land border ports of entry, and federal and state transportation policies designed to increase freight mobility and decrease shipping times.

On behalf of the BTA's board of directors, we invite you to review our policy positions that our public and private sector members have adopted. You will find an organization committed to the belief that our borders are integral components to North America's ability to compete in the global economy.

Russ Jones  
Chairman

## **BTA Security and Trade Committee**

Chairman  
Miguel Perez  
EP Logistics  
El Paso, Texas

### Committee Scope

The Security and Trade Committee oversees policies and procedures at the land border ports of entry, promoting policies that encourage and promote legitimate trade and travel while ensuring that border agencies – specifically Customs and Border Protection – have the tools necessary to carry out their important enforcement mission. The Committee also interacts with other North American custom agencies, the Canadian Border Services Agency and Mexican Aduanas.

The Committee has a Trusted Shipper Subcommittee, which is charged with monitoring and making recommendations for improving the Customs-Trade Partnership Against Terrorism and other trusted shipper programs in an ongoing effort to ensure that the programs are delivering benefits to its members that are commensurate with the expense necessary to remain in the programs.

### 2017 Goals

#### Achieving economic growth and security

**Promoting commerce and job growth** – The BTA’s support for cross-border tariff-free trade dates back to the organization’s vocal advocacy for the North American Free Trade Agreement over 20 years ago. As a result of NAFTA’s implementation, North America has experienced unprecedented economic growth. Over 38 million U.S. jobs depend on international trade, six million because of trade with Mexico and nine million because of trade with Canada. The North American manufacturing supply chain is highly integrated, making North America one of the world’s most competitive regions.

As North American leaders assess the next generation of trade agreements, the BTA continues to believe that removing tariffs and non-tariff barriers to trade is the wisest policy to pursue in international commerce.

The BTA also believes that devoting governmental resources to facilitating trade – human resources, technology, and infrastructure – also enhances national security. More resources devoted to facilitating trade means more resources devoted to the interdiction of contraband, and the prevention of smuggling and unlawful entries.

## Innovative trade processing solutions

**Trade-friendly public-private partnerships** – The BTA has played a leading role in advancing the concept of public-private partnerships between the federal government and border stakeholders to increase staffing resources and improve aging infrastructure. The BTA will continue to support the concept, as is encouraged by ongoing reimbursable fee agreements along the border to better align staffing levels with trade flows, as well as the deployment of the Donation Acceptance Program. The BTA supports shifting DAP submissions to a year-round process rather than limiting submissions to specific time period during the year

Any reforms to existing P3 programs and/or legislation must be trade friendly, however. The BTA's support for the P3 concept is not intended to imply support for passing any hikes in bridge tolls or other fees along to industry. More to the point, we believe free bridges should remain free. But the BTA supports reimbursable fee agreement where there are clear, measurable improvement goals in staffing and infrastructure, and we will assess each program during its operation accordingly.

**Cargo pre-processing/pre-clearance** – The security needs of the U.S. and our neighbors are better served when our borders are our last line of defense, not our first. To that end, the committee supports the joint demonstration project between CBP and the Canadian Border Services Agency at the U.S.-Canada border allowing U.S. CBP personnel to pre-process U.S.-bound shipments in Canada before the shipments reach the U.S. border. BTA will look to replicate the concept at other border ports and support legislation necessary to codify the programs.

The BTA also supports a pre-clearance program involving C-TPAT and FAST-approved shipments of computers manufactured in the FOXCONN facility in San Jeronimo. Under this program, a primary inspection booth is located on the manufacturer's campus or other secure location; if the shipment is cleared, it can proceed directly through a specially designated lane at the Santa Teresa port of entry. Any shipments requiring additional inspections will be processed at the port of entry. The BTA also supports similar programs where appropriate, such as an agricultural products pre-clearance program at the Otay Mesa Port of Entry.

Our support extends to a program underway in Laredo, Texas that allows Mexican Aduanas to pre-clear cargo in the U.S. bound for Mexico.

## Improving trade efficiencies

**Implement consistent metrics for border wait times** – As indicated in a July 2013 GAO study, a consistent and standardized measurement process for inbound and outbound wait times on both sides of the border is critical. Measurements should be compared to wait time goals and results should be made available to the trade community.

**Support account-based management in CBP Centers of Excellence and Expertise** – CBP's Centers of Excellence and Expertise represent a concerted effort by the agency to promote uniformity in import processes for specific industries in an effort to deliver greater consistency

and harmonization. The BTA supports the development of account-based management for importers within the centers to promote efficiency.

**Promote trade agreements that encourage economic growth in North America** – The BTA encourages policymakers in North America to work cooperatively to remove tariffs and non-tariff barriers that stymie economic growth and prosperity.

**Ensure Mexican and U.S. border agency schedules align** – Local port leadership for U.S. CBP and Mexican Aduanas should work together and with the trade community to align port operating schedules as best as possible to prevent shipping delays.

**Advocate for necessary resources for agribusiness trade** – U.S. ports of entry continue to struggle with obtaining adequate resources to process efficiently and securely U.S.-bound agricultural products. The BTA will advocate for an increased effort by CBP and USDA to train and deploy a sufficient number of CBP Agriculture Specialists and ensure they have the proper training as well as advocate for increased specialty functions such as entomologists for identification of invasive pests.

The BTA has also observed inconsistent processing from port to port of NARP-qualified products. NARP, the National Agriculture Release Program, is intended to provide a methodology for evaluating high-volume agriculture imports that are low-risk for the introduction of plant pests and plant diseases into the United States.

#### Promoting Cross-Border Travel

**Alleviating border delays for pedestrians, private vehicles** – Many border communities depend on the ability of pedestrians and private vehicles (POVs) to easily cross from Mexico into the U.S. to patronize local stores, restaurants and other attractions as an integral part of their city's economic health. As part of our commitment to efficient yet secure cross-border travel, BTA will, in cooperation with a member of Congress, request from GAO a study as a basis for understanding what is leading to increased reports of growing pedestrian and POV delays at the ports of entry and identify what policy changes can be implemented to alleviate those delays and prepare land border ports to accommodate increased demands on the ports.

**Strengthening trusted traveler programs** – The BTA will advocate for the continued growth and expansion of trusted traveler programs such as NEXUS, SENTRI and Viajero Confiable.

**Reforming visa policy** – The length of validity of Mexican visas for business purposes should be extended so as to better align with the needs of industry.

#### Strengthening Trusted Shipper Programs: C-TPAT, PIP and OEA

##### **Making trusted shipper programs more attractive to business:**

- Expanded hours of service where appropriate for C-TPAT traffic at ports of entry;

- Continue to pursue additional benefits, such as automatic in-bond release and Tier 3 for cross-border carriers.
- Support the North American Single Window objectives for entry and exit from all three NAFTA countries. Ensure inspection reports are made available and mutually recognizable.

## **BTA Transportation and Infrastructure Committee**

Chairman:  
Danny Rios  
S&B Infrastructure  
McAllen, Texas

### Committee Scope

The Transportation and Infrastructure Committee is responsible for developing the BTA's positions on issues regarding mobility, infrastructure and cross-border trucking and rail policy. The committee also assesses policies affecting the presidential permitting process and promotes efforts to increase private sector and local community participation in the development of border infrastructure.

The Committee supports policies and funding levels that improve transportation efficiency and that are aimed at developing infrastructure that is reflective of today's cross-border trade volumes.

### 2017 Goals

#### **Supporting a long-term, pro-trade transportation plan**

##### Ensuring a pro-trade, pro-border federal transportation plan

In 2015, the BTA was successful by including Coordinated Border Infrastructure (CBI) flexibility language in the FAST Act, the federal transportation reauthorization bill. The CBI Flex language allows governors of a border state to transfer up to five percent of that state's total federal allotment for projects under CBI-eligible projects as outlined by the SAFETEA-LU criteria. The BTA in 2017 will advocate that border governors continue to ensure their states take advantage of the ability to direct FAST Act dollars to the border, and we will look for opportunities to promote policies that allow states to supplement those federal dollars.

##### Freight mobility

The U.S. Department of Transportation is actively engaged in a national freight plan, as directed by Congress. One charge at a federal level is to help state-level freight advisory committees in the implementation of state freight plans as outlined in MAP-21. With the passage of FAST Act, a formula fund for states and local governments to plan and fund their freight mobility projects

was created and called the National Highway Freight Program. The BTA will continue to advocate with border state DOTs to ensure that border infrastructure remains a high priority.

### **Improving border infrastructure**

#### Unleashing the power of the private sector and border communities through public-private partnerships

The BTA will continue to work with Congress, Customs and Border Protection and the General Services Administration to ensure smooth implementation of an initiative to allow private sector dollars or available state, county or local dollars to be used to fund border infrastructure and land border port of entry projects or supplement federal appropriations.

The BTA will also seek ways to fund additional staffing beyond those positions already congressionally appropriated.

Nothing in BTA's advocacy for public-private or public-public partnerships is intended implicitly or explicitly to call for: the establishment of tolls where they do not currently exist; the increasing of current tolls; or increased user fees imposed by the federal government. The organization's support of these agreements is predicated by the belief that the trade-facilitating infrastructure of our nation's borders, including its land ports, is the responsibility firstly of the federal government. These agreements are intended to supplement the federal government's role at our ports, not supplant it. BTA's work in this area is merely intended to give border communities more available options to partner with the federal government to improve their port facilities.

#### Improving the permitting process

The BTA will also advocate intra-agency coordination between the U.S. Department of Transportation and the U.S. State Department to develop actionable means of dealing with the unique challenges of permitting and approving border-oriented projects. Through its international outreach, BTA will also advocate inter-governmental coordination between the United States, Mexico and Canada necessary to improve NAFTA trade flows between our nations, while encouraging a robust private sector role in the development of ports of entry. The permitting process should also indicate the justification for the construction of new ports of entry, including existing trade flows, congestion and other economic reasons, and should ensure that existing ports of entry are being utilized to the optimal degree.

#### The importance of a multi-modal freight strategy

BTA recognizes freight rail has a critical role in moving international goods to and from our borders. We were proud to have supported the construction of the West Rail Bridge in Cameron County, Texas, which finally opened in 2015, and was the first new rail port of entry to open in over 100 years. Freight rail can move a ton of freight 500 miles on a single gallon of fuel. Each train removes 300+ trucks from increasingly congested border bridges and access highways. Rail

points of entry are also efficient use of CBP resources used to monitor goods crossing our international borders.

The BTA recognizes that a multi-modal approach to freight transportation can help solve critical international infrastructure congestion with faster project delivery and lower costs to both shippers and governmental entities. BTA advocates that no mode – trucking, rail, maritime or aviation - is unfairly disadvantaged by border infrastructure, access, inspection levels, or allocation of CBP resources.

The development of new infrastructure financing options, such as increased capitalization for the North American Development Bank and a new national infrastructure bank

The BTA supports the development of new methods for facilitating the long-term planning and financing of large infrastructure projects. Such new methods could leverage public and private-sector dollars to help seed large projects, particularly those that span geographic regions.

As the governments of the three NAFTA nations contemplate revisiting the trade agreement, we recommend that all elements of the pact, including the NADBank, be subject to review. The BTA welcomes the opportunity to hear from the NADBank's administration its vision for the institution's role in a next generation NAFTA.

**Ensuring safe cross-border trucking**

Consistently applied, border-wide safety inspection regime

Cross-border trucking should be conducted in a safe environment. Shippers should choose ports based on the efficient movement of freight; truck safety inspections should not be a determining factor in which port a shipper chooses. Truck safety inspections should be applied consistently from port to port and not provide one port of entry a competitive advantage over another.

**Continuing safe and secure cross-border trucking in a next generation NAFTA**

Consistent with the organization's longstanding historic support of NAFTA, the BTA urges that continued safe and secure cross-border trucking access be included should the three nations enter into a renegotiation of the agreement.

## **Public Policy Committee**

Chairman: Sam F. Vale  
Starr-Camargo Bridge Co.  
Rio Grande City, Texas

### Committee Scope

The Public Policy Committee Serves as the main advocacy arm of the Border Trade Alliance, representing the organization's policy committees' priority issue positions before lawmakers and agencies.

### 2017 Goals

In 2017 the committee will continue to coordinate the BTA's interaction with decision-makers as we work to encourage border state governors to allocate transportation dollars to border infrastructure projects; ensure sufficient agricultural inspection resources at ports of entry; and continue the expansion of public-private partnerships to increase staffing levels at the ports and to improve infrastructure.

The committee in 2017 will also take the lead on working with inspection agencies, namely Customs and Border Protection, to investigate the development of a protocol for industry to share trade volume projections with border agencies in order to help ensure that the agencies are properly resourced to efficiently process future trade flows. The protocol will emphasize data security and anonymity to ensure that company data is not made public or used for any other reason except for agency resource allocation planning purposes.

## **Border Banking Task Force**

The BTA last year established a Border Banking Task Force charged with seeking solutions to the spate of bank branch and account closures in the US-Mexico border region.

The large number of closures has resulted in fewer banking options for border region business and their customers, which harms the economic climate of the region.

Over the last few years, BTA has offered its insight into cross-border affairs as a trusted source for regulators and Congress on the issue of border banking. Our task force will continue to examine options for developing bank regulations that can be crafted to ensure that US accounts are not used for illegal transactions, while encouraging a thriving banking market throughout the border region.