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### Alliance Position on Cross Border Trucking

It is necessary for the United States to fulfill our nation's commitments under NAFTA while staying competitive in the global economy. Through the NAFTA agreement, the U.S. and Mexico committed to grant access to U.S. and Mexican trucks to the Border States by 1995 and full access beginning in 2000. Regrettably these provisions did not begin until 2007 and only on a temporary basis through a pilot program. We have in the past, and will continue, to work towards the progression of the DOT pilot program as well as aiding our region in being at the forefront of the competitive global marketplace.

Some of the past successes in The Alliance's ongoing campaign are as follows:

- **2002** – Hosted Department of Transportation Cross-Border Trucking conference in San Antonio, Texas
- **February 16, 2005** – Cross border trucking pilot program drafted by the Free Trade *Alliance*.
- **June 1, 2006** – Joint Bilateral Cross Border Trucking Committee established and meets in Monterrey, N.L., Mexico to outline strategic plan for future action. Co-chaired by Mr. Eugenio Clariond, Chairman of COMCE and Mr. Tom Frost, Chairman Emeritus Free Trade *Alliance* San Antonio.
- **September 25, 2006** – Members of the Joint Bilateral Cross Border Trucking Committee meet in Washington, DC. Meetings held with Dept. of Transportation, International Trade Administration, and the White House National Security Council.
- **September 5-7, 2007** – Alliance visits Mexico City to meet with SCT to determine next actions to implement cross-border trucking and insure the success of the pilot program.
- **July-September 2008** – Alliance gathered the Cross Border Trucking Committee to formulate a plan of action in response to HR 6630. Alliance begins letter writing campaign to congressional members, recorded special cross border trucking video that is being used to reach out to voters virally, as well as use of e-blasts and media interviews to help raise awareness of the cross border trucking situation.

Opponents of a cross border trucking program with Mexico most often cite safety concerns as their reasoning for not supporting the commitment under NAFTA. Highway safety is a vital concern to all citizens, which is why we support a pilot program that provides a methodical and phased-in approach to full implementation, allowing both governments to adequately coordinate inspections and prove-out the viability of such a program. As of August 4, 2008, 27 Mexican carriers operating 100 vehicles and 10 U.S. carriers operating 55 vehicles are participating in the demonstration project. The Mexican carriers have made 1,287 trips into the U.S. interior and the U.S. carriers have made 2,311 trips into the Mexican interior. Today, evidence suggests that U.S. carriers have benefited more than their Mexican counterparts with 79.6% more cross-border deliveries. To date, there have been **zero (0) accidents and/or crashes** by trucks participating in this program.

The cross border trucking program creates an environment for foreign direct investment (FDI) and Texas leads the country in FDI. Over the past 5 years, FDI into the US has been steadily increasing and in Texas it supports 92,600 manufacturing jobs and 341,200 total jobs. Those jobs pay 32% more than the national average. Add to this the fact that China recently created a \$100B investment corporation with intent to invest those funds in countries like the US, a cross border trucking program will assist in attracting those companies to South Texas which can be used as a base of operations and distribution. Global changes with fuel costs, increasing wages in China, and concerns over quality assurance are leading many companies to move manufacturing back to the U.S. Cross border trucking will create an environment in which more companies can locate to San Antonio and Texas in general.

The continuation of the cross border trucking program is of great importance to the global competitiveness of the U.S. and it is imperative that the DOT pilot program continue.

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