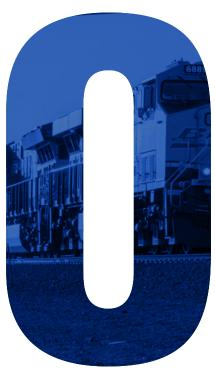


## Border Trade Alliance









POLICY AGENDA

#### Dear Friends,

Since our organization's founding nearly 40 years ago, the Border Trade Alliance has been the trade community's voice at the United States—Mexico and U.S.—Canada borders, promoting public policy that enhances these unique regions' economic competitiveness and quality of life. That essential work continues in 2024.

This year presents some familiar challenges and some new ones. We remain the most steadfast advocate for border inspection agencies that are properly resourced to keep pace with growing trade and travel volumes, and for modern infrastructure and technology to reduce delays and congestion at our ports of entry.

But in addition to our work in Congress and within the administration, we now must devote more attention to state capitols, where we unfortunately have recent examples of how poorly conceived state-level policies can disrupt trade and harm cross-border cooperation.

The BTA in 2024 is also preparing for the six-year review of the United States—Mexico—Canada Agreement. As we have since our inception, we'll be guided by a commitment to preserving free trade in North America.

There will be no shortage of issues affecting cross-border trade to confront in 2024, but we can't do it alone. Our advocacy is made stronger by your involvement. If your company or community is not yet a member of the BTA, we invite you to join our mission to make our borders better places to live, work, and invest.

Sincerely,





### Security and Trade Committee



**Jim Smith**, *Chairman* AO Smith Corp. Ashland City, Tennesse

#### **2024 GOALS**

#### Supporting inspection policies and procedures that promote economic growth and security

# Oppose duplicative state-level inspections that harm competitiveness, delay shipments

The committee strongly opposes statelevel truck inspection policies that are duplicative and cause congestion in and around ports of entry.

# Ensuring ports of entry are properly resourced to process trade and travel without interruption

More resources devoted to facilitating trade means more resources devoted to the interdiction of contraband and the prevention of smuggling and unlawful entries.

To that end, the BTA strongly urges the Department of Homeland Security to prepare ports of entry for sporadic but dramatic increases in migrants seeking asylum in the U.S. This includes:

- Taking all practicable steps to ensure that CBP Officers are not redeployed away from ports of entry in order to support Border Patrol, especially for administrative functions;
- Not using TDY assignments for CBP Officers to serve other agencies away from their regularly assigned ports of entry; and
- Acknowledging that there are critical functions within government that should be performed by highly trained individuals and that diverting these individuals from their jobs hurts agencies' core missions.

Such redeployments lead to increased delays in trade processing times, which increase costs that create a drag on the overall economy.

CBP should strive to streamline new officers' graduation from the academy to an assignment, and the agency should emphasize training specifically in the admissibility of goods, not just interdiction and enforcement.

Further, the BTA maintains its position that congressional appropriators should fund DHS and the agencies at U.S. ports of entry at levels commensurate with current and projected trade and travel volumes.

## Ensuring all work performed in FTZs qualifies for USMCA

The committee supports a policy reform that would ensure any manufacturing performed within a designated Foreign Trade Zone (FTZ) would qualify the resulting component or product for tariff-free treatment under USMCA. Doing so would increase the U.S.' competitiveness in the manufacturing sector.

## Congressional participation in and oversight of tariff policy, including Sec. 232 tariffs and Sec. 301

The BTA believes that Congress should be treated as an equal partner with the executive branch in policy surrounding tariffs, especially in the establishment of new tariffs. Congress should exercise robust oversight in determining tariffs' effect on particular industries and the overall economy.



## Innovative trade processing solutions

#### **21st Century Customs Framework**

The BTA supports CBP's 21st Century Customs Framework efforts to identify regulations and/or statutes that require modernization to reflect today's global trade environment, ensure supply chain continuity, and promote best practices. We urge CBP to minimize any negative impact on importers, however, including new data requests that risk slowing trade and commerce.

We believe a 21CCF legislative package should:

- Establish a true 1USG/Single window clearance and admissibility process
- Establish reasonable guidelines for additional data requests
- Develop PGA CTPAT programs with benefits
- Create additional benefits for CTPAT partners
- Establish pre-departure, pre-arrival release and/or resolution and minimize redundant data requirement for formal entries and de minimis informal entries
- Establish cargo pre-clearance process at foreign ports of departure and authorize preclearance of goods without the need to negotiate an international agreement or station CBP officers abroad
- Develop a process that allows release of merchandise unless recalled due to imminent threat and creating modification to allow for penalty mitigation when redelivery is not possible
- Treat manifest data of all transportation modes as private and confidential business information
- Require CBP to provide notification of data breaches to impacted parties

#### **Unified Cargo Processing**

The committee supports the continued rollout of Unified Cargo Processing (UCP) at ports of entry, which is a thoughtful use of limited inspection resources designed to promote greater efficiency, security, and agency cooperation. Further, we support UCP's expansion to the rail environment.

#### Technological pre-inspection

The BTA supports the continued rollout of pre-inspection processes at the northern and southern borders.

Thanks to Non-Intrusive Inspection technology, images can be conveyed electronically to technicians who can quickly assess whether a shipment can proceed following the primary inspection, or whether it should be referred to secondary inspection. Regardless of the technician's recommendation, final decision-making authority should rest with the CBP officer.

#### Trade-friendly public-private partnerships

The BTA continues to support the concept of public-private partnerships between the federal government and border stakeholders to increase staffing resources and improve aging infrastructure and is encouraged by ongoing reimbursable fee agreements along the border to better align staffing levels with trade flows.

#### **Promoting Cross-Border Travel**

#### 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.

## Supporting policies that encourage tourism

The BTA supports policies that promote tourism's importance to the U.S. economy and encourage the administration to resist policies that diminish the U.S.' standing as a desirable destination for leisure and business travel.

#### Reforming visa policy

The committee recommends negotiations with Mexico to allow visitors who enter Mexico to conduct business transactions to do so without a visa and to remove the requirement for an FMM permit, which is currently valid for only six months, does not permit multiple entries, and is required to visit manufacturing facilities in Mexico.

#### Ensuring strong diplomatic ties

## Continued strong diplomatic ties between the U.S. and its border neighbors

The BTA believes that the U.S. is extremely fortunate to count Mexico and Canada as neighbors, allies, and leading trade partners, with Mexico having ascended to the no. 1 position among U.S. trade partners.

The maintenance of fully staffed and resourced U.S. embassies and consulates in each country is apparent as countries work to align definitions of critical industries, public health protocols, and more.



#### Agribusiness Subcommittee



**Dante Galeazzi**, *Chairman*Texas International Produce
Association
Mission, Texas

#### **2024 GOALS**

#### Maintaining tariff- and dutyfree cross-border agricultural trade

#### Maintenance and timely renewal of the Tomato Suspension Agreement

The BTA strongly supports the collaborative effort between the Department of Commerce and Mexican tomato growers that since 1996 has regularly renegotiated and updated every five years a Tomato Suspension Agreement (TSA) for Mexican tomatoes sold in the U.S. The agreements result in the U.S. government suspending any anti-dumping investigations against Mexican tomatoes.

The BTA urges the administration to:

- Resist calls from protectionist special interests to terminate the 2019 TSA
- Promote a strengthened trading relationship with our neighbor Mexico
- Amid already high food prices, consider the interests of American consumers, who deserve the ability to shop for quality, affordable produce throughout the year.

As the sunset of the 2019 TSA approaches, the BTA urges a swift renegotiation process that ensures adoption of a new TSA and preservation of the estimated 49,000 full- and part-time U.S. jobs that are supported by the import and marketing of fresh tomatoes from Mexico, which contribute to a total economic impact of an estimated \$7.54 billion from the import and sale of the product.

#### Properly resourced ports of entry

# Work with administration and congressional appropriators to ensure federal personnel levels at ports of entry are commensurate with trade volumes

The Subcommittee strongly believes that for North American agricultural trade to remain competitive that the agencies charged with inspections and processing must be properly resourced. This includes CBP Agriculture Specialists and technicians, USDA entomologists, and FDA investigators. Every port with high volumes of agriculture imports should have entomologists on site, and we recommend an assessment of the potential for improving crossing efficiency by expanding the release authority for CBP Agriculture Specialists.

We also support the revitalization of the Agriculture Pest Exclusion Coordinator Specialist (APECS). This innovative program expands upon the scientific expertise of the CBP Agriculture Specialist position, expanding the specialist's Cargo Release Authority (CRA) and take on the additional responsibility of facilitating trade through the identification of less significant, non-reportable plant pests and organisms.

#### Support robust canine inspection capabilities

The BTA supports the authorization of the National Detector Dog Training Center, the primary training facility for the so-called "Beagle Brigade" and their CBP handlers.

## Cross-border cooperation and harmonization

#### Resist growth of technical barriers to trade

To ensure USMCA achieves its full economic potential, partner countries must adhere to both the letter and spirit of the agreement, resisting attempts to establish non-tariff barriers to free trade. That includes:

- Ensuring phytosanitary and quality inspections rely on scientifically based standards and not political pressures; and
- Consistently applying standards from port to port

## Advocate for reasonable packaging regulations

As Canada develops further P2 regulations, such as requiring that certain plastic packaging contain at least 50 percent recycled content or zero-waste for primary and secondary food packaging, the BTA will advocate for the unique packaging requirements of perishable agricultural products.

# Technology, policies and procedures that facilitate trade, reduce delays

#### Seek funding for additional NII (Non-Intrusive Inspection) equipment at the major perishable commodities-crossing land ports

Furthering the use of NII technology reduces wait times, discourages cargo doors from being opened and breaking the cold chain, frees up government agency personnel, and increases the flow of goods and services across the border to the benefit of all.

## Increasing refrigerated inspection capacity

GSA design plans should incorporate refrigerated inspection capacity in all import lots currently or considering allowing perishable agriculture or other food commodities to cross.

# Transportation and Infrastructure Committee



Danny Rios, Chairman RRP Consulting Engineers McAllen, Texas



#### **2024 GOALS**

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

## Implementation of Infrastructure Investment and Jobs Act

The implementation of the bipartisan Infrastructure Investment and Job Act should facilitate trade, investment in and around ports of entry, promote freight mobility, ensure maximum flexibility for border state departments of transportation, and move projects from concept to completion more quickly.

#### Improving border infrastructure

## Allow CBP to make repairs at GSA-owned ports of entry

GSA owns most land border ports of entry, where CBP carries out its important dual mission of interdiction and facilitation. Many ports require repairs, some simple and relatively inexpensive, but CBP as port tenant cannot make those repairs, leaving the responsibility solely to GSA in its role as landlord. CBP should be granted the authority to perform immediate and relatively low-cost repairs at ports of entry without the authorization of GSA to ensure operations at ports can continue without interruption.

#### Extending and improving the Donation Acceptance Program

The current Donation Acceptance
Program allows local governments and
private sector entities to donate capital
improvements to the federal government.
The program in 2021 was extended until
2026, offering lawmakers the opportunity to
work with trade stakeholders on additional
reforms to the program.

Reforms to DAP that BTA believes would improve the program and increase participation include:



- Allow a rental agreement between GSA and CBP that would allow the debt on capital improvements to be retired under a concession mechanism or some other method of revenue generation.
- While Congress increased the maximum total value of projects eligible for the program to \$75 million from the previous \$50 million, due to rising costs and inflationary pressures, the Committee recommends an additional increase in the eligible project value.
- CBP staff savings should be factored in by GSA and CBP when considering a potential DAP project.

#### **Updating GSA and CBP design standards**

GSA and CBP design standards should require agriculture and food inspection areas that are enclosed, refrigerated and temperature-controlled by the officer. Revised design standards would improve product integrity because, presently, most produce and fresh foods are inspected by CBP at open-air docks at the U.S.-Mexico border, at risk for contamination by animal and other hazards inherent with open-air inspections.

Revised standards should apply to new ports and ports being remodeled.

## Upgrading border region environmental infrastructure and technology

The quality of life in our border regions is enhanced when modern environmental infrastructure is available to facilitate water delivery, treat wastewater, and improve air quality.

The Committee is particularly concerned about the spillage of sewage from Mexico into U.S. border communities that has resulted in public health concerns as well as disruptions to the local tourist economy, port operations, and military readiness.

Following our support for \$300 million in the USMCA implementation bill for the Border Water Infrastructure Program, we support increasing funding for the Environmental Protection Agency's implementation of the BWIP at its fully authorized level of \$100 million in the next Interior and Environment Appropriations Bill.

## Enhancing technological infrastructure

## Dramatically increasing broadband access at ports of entry

Upgrading broadband availability at the ports of entry will lead to greater trade throughput by increasing the mobility of CBP officers around the port campus, preventing them from being tied to inspection booths.

#### Shift to a command center model

Improved broadband infrastructure and access will allow the development of a command center inspection model, whereby officers in off-site locations can remotely make determinations as to which conveyances require more thorough inspection, greatly diminishing the opportunity for corruption at the ports.

# Deploy leading-edge non-intrusive inspection equipment that can lead to 100 percent inspections

The committee supports the continued deployment of Non-Intrusive Inspection technology at ports of entry. This leading-edge inspection technology provides officers a clear picture of the contents of containers that, with the proper broadband technology, could be relayed to a remote command center where personnel can recommend further inspection.

#### A regulatory environment to encourage trade throughput and enhance border infrastructure

#### Improving the permitting process

The committee urges the administration to adhere to a process for issuing presidential permits like that outlined under Executive Order 13867, which designated the secretary of state to receive all applications for the issuance or amendment of presidential permits for the construction, connection, operation, or maintenance of international border crossings.

## The importance of a multi-modal freight strategy

The BTA believes 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.

BTA recognizes freight rail has a critical role in moving international goods to and from our borders. 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.

Further, the BTA believes the nation's seaports should be equipped to process increased trade volumes, and fully supports efforts to maintain existing seaports at authorized drafts and to support funding of congressionally authorized deepening projects to accommodate larger and higher capacity vessels.



### Seaports Subcommittee



Robert Vale, Chairman Starr Camargo Bridge Co. Rio Grande City, Texas

#### **2024 GOALS**

## Increasing freight capacity at seaports

Seaports are vital to North America's economic health. In the U.S., cargo activity at seaports accounts for 26 percent of the economy and they are responsible for more than 31 million jobs.

To ensure seaports are equipped to process increasing trade volumes, especially after the passage of USMCA, and to accommodate larger ships, the Subcommittee supports infrastructure improvements at seaports, including maintaining the authorized drafts and to support funding of congressionally authorized projects to deepen ship channels.

# Ensuring commercial operational support at seaports for CBP cargo clearance

The subcommittee supports the use of the Merchandise Processing Fee (MPF) collected at seaports as a source of funds that permit CBP to invest in projects that facilitate the execution of the agency's mission, including improvements that would allow seaports to host CBP officers on site.

#### Relieving backlogs at seaports

Delays in clearing cargo by CBP put upward pressure on the cost of goods. The BTA urges CBP to properly allocate staff resources to ensure the efficient processing of cargo and to work collaboratively with the trade community to develop strategies to process freight.

#### **Public Policy** Committee



Dave Panko, Chairman City of El Paso El Paso, Texas



#### **2024 GOALS**

#### Preventing supply chain disruptions

U.S. policymakers should actively seek to relieve supply chain disruptions and relevant agencies should work with affected stakeholders to develop solutions rather than rely on top-down mandates. Federal resources should be devoted to anticipating - and responding accordingly - to sectors of economic growth that will affect global trade flows, including by ensuring the proper allocation of resources geographically to meet demand. Government agencies should involve the trade community in their decision-making process.

#### Restoring service at ports of entry, minimizing disruptions to trade and travel

#### Reliable governance, a robust legislative process

Federal and state policies affecting crossborder trade and commerce should be crafted with input from both the executive and legislative branches. Duplicative and expensive state-level truck inspections, emissions policies to require the use of electric vehicles, strict environmental mandates, and new tariffs, have been instituted without proper consultation with the legislative branch, which severely limits stakeholder input on important issues.

Congress should strive to pass agency appropriations in a timely manner and avoid government shutdowns. CBP officers and Border Patrol agents are required to work during shutdowns but go without pay, which harms the agencies' recruitment and retention efforts and undermines morale.

#### Minimizing disruptions to trade and travel

#### Anticipating surges in asylum-seeking migrants at the U.S.-Mexico border

Migrant surges are occurring with increasing regularity, and the federal government must be prepared with a practical, humane,

and quick response that does not result in disruptions to lawful trade and travel. The border should not solely bear the brunt of the federal government's refusal to reform the nation's immigration system.

The BTA encourages CBP, as part of its overall recruitment efforts, to seek individuals who can also fulfill roles within the agency that might be more administrative in nature and do not necessarily require a highly trained CBP officer.

#### Policy that promotes free trade in North America

In its fourth year of implementation, it is paramount that all three partner countries strive to adhere to the letter and the spirit of USMCA. These principles should guide the work of the U.S., Canada, and Mexico in 2024 as discussions begin in anticipation of the 2026 sunset review period:

- · The member nations should focus on trade facilitation and resist efforts that attempt to circumvent USMCA's goals of tariff-free trade.
- USMCA's dispute resolution mechanism is the preferable method for settling disagreements between parties rather than unilateral actions by member governments.
- Manufacturing operations performed in a Foreign Trade Zone that meet the tariff shift or RVC rules should receive dutyfree treatment.
- · Continue efforts toward greater harmonization, such as in labeling.
- · Clear procedures should be established for the admission of a new country into the agreement.
- A mechanism to fund modernized border infrastructure should be included in a revised USMCA.
- Supply chain resilience should be an area of focus for the member countries.



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