

Working Group on Border Infrastructure

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**Department of Transportation**

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26

DATE: 4/11/94

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BORDER TASK FORCE

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REMARKS:

Attached please find a draft whitepaper addressing proposed recommendations for improvement of border operations and a proposal for the conduct of our public outreach meetings during the month of May. I would ask that you come prepared to discuss these proposals at our meeting on Thursday, April 14. With respect to the schedule for outreach meetings, you will note that upon further consideration, we think it might be a more effective use of our collective time to split into two field visits - one each on to a northern & southern POE. If that proposal is acceptable to the group, we would propose that the meetings take place the week of May 15. Additionally, if you have and any specific names you think would be appropriate for the panels please bring these names as well to the April 14 meeting. I have attached one possible flight schedule for the group which would attend the West Coast meetings. I will be happy to provide possible flight schedules for the Brownsville/Detroit meetings as well, however, the logistics for these meetings will be easier since direct flights are available between both cities.

If you have any questions please give me a call.

WORKING GROUP ON BORDER INFRASTRUCTURE AND TRANSPORTATION**Contact List**

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Outreach Plan for the NEC Task Force on Border Efficiency

Sunday May 15, 1994

Fly from Washington D.C. to San Diego on Sunday evening.

Monday, May 16, 1994

Do border walk 7:30 a.m. - 9:30 a.m.

Conduct field hearing 10:00 a.m. - 3:00 p.m.

Tuesday, May 17, 1994

Depart San Diego 7:30 a.m. for Seattle.

Arrive Seattle, 10:14 a.m. transfer planes.

Depart Seattle, 10:35 a.m. for Bellingham, Washington

Arrive Bellingham 11:10 a.m.

Drive to Blaine (approx. 1 hour)

Do an evening border walk in Blaine. 4:00 p.m. - 6:00 p.m.

Wednesday, May 18, 1994

Conduct field hearing all day in Blaine.

Drive to Bellingham

Depart Bellingham 8:20 p.m. for Seattle

Arrive Seattle 8:59 p.m. - stay overnight

Thursday, May 19, 1994

Depart Seattle 8:20 a.m.

Arrive Washington, DC 4:00 p.m.

NOTES:

You can split the NEC Task Force into two separate groups. One group will visit San Diego and Blaine, the other will visit Brownsville and Detroit. This will give each group a flavor for both the Northern as well as the Southern border concerns. In addition, travel time will be reduced for each member of the group. Rather than travelling for two solid weeks, each member will be out of the office only 4 working days. - OR - If you decided not to split the group up - you would only be asking them to travel two separate weeks for 3 and 4 days each week, rather than two full weeks.

Field Hearing Structure

Devise a series of panels which reflect the concerns of each region.

Option I

Five panels, with five speakers each representing the following interest groups. Each panelist would be allowed to speak for 5 to 10 minutes. At the conclusion, questions and comments would be taken from the floor which can be directed at either the feds, or the panelists.

- Panel I freight forwarders and brokers
- Panel II state and local interests
 - governor
 - state office of economic development
 - state DOT
 - mayor
 - city manager
 - local county official
- Panel III trucking, rail and maritime interests
- Panel IV local business / tourism interests
 - bridge owners and operators
- Panel V local and state law enforcement

Working with national organizations such as the U.S. Conference of Mayors, National Association of Counties, AASHTO, American Trucking Associations, American Association of Railroads, AAA, Border Trade Alliance, Southwest Border Transportation Alliance, National Customs Brokers and Forwarders Association of America, etc. as well as local business and trade alliances, and the other federal agencies comprising the Task Force, identify appropriate panelists. Panelists will reflect the diversity of interest within each panel category as well as the diversity of interest within each area. For example, in Blaine, Washington the state and local panel might include the Mayor of Blaine, a representative from the state department of transportation, the Mayor of Sumas (a crossing just east of Blaine), a county official from Lynden (a crossing just east of Blaine) and a city manager - preferably representing another border crossing town.

General invitations would be widely extended to interested parties in the surrounding region. Everyone in attendance (i.e., audience) will be encouraged to comment. The intent is to be inclusive.

Option II

Use the panel structure mentioned above, however, divide them into regions. For example:

Brownsville (3 hours) 2-3 speakers on each panel, 10 minutes each

Panel I - freight forwarders and brokers -

Panel II - state and local interests

governor

state office of economic development

state DOT

mayor

city manager

local county official

Panel III - trucking, rail and maritime interests

Panel IV- local business / tourism interests

bridge owners and operators

Panel V- local and state law enforcement

Laredo, El Paso, St. Theresa, etc.

(3 hours) 2-3 speakers on each panel, 10 minutes each

Panel I - freight forwarders and brokers

Panel II - state and local interests

governor

state office of economic development

state DOT

mayor

city manager

local county official

Panel III - trucking, rail and maritime interests

Panel IV- local business / tourism interests

bridge owners and operators

Panel V- local and state law enforcement

Option III

General invitations are widely distributed throughout the region. Open microphone hearings are held in each city. People testify on a first come, first served basis.

**WHITEPAPER OF
THE NATIONAL ECONOMIC COUNCIL'S
TASK FORCE ON BORDER INFRASTRUCTURE AND FACILITATION
PRELIMINARY RECOMMENDATIONS FOR
IMPROVED U.S. BORDER OPERATIONS**

I. Statement of Purpose

This paper sets forth the preliminary recommendations of the National Economic Council's Task Force on Border Infrastructure and Facilitation for improvements in U.S. border activities. The principal objective of these recommendations is to effect a set of coordinated short and longer term changes in border planning, management, and operations, which will facilitate the movement of people and goods in a more efficient, cost-effective manner, while maintaining the existing high standards of safety and security.

II. Background

For many years it has been recognized that serious congestion and delays exist at our land border crossings. The reasons for the congestion and delay are many and complex. Those most often cited are inadequate or dated transportation facilities, inadequate staffing, incomplete, inaccurate, and delayed paperwork, inefficient inspection procedures, lack of coordinated infrastructure planning, traffic peaking at particular parts of the day.

The passage of NAFTA marks the beginning of a new phase in economic relations among the United States, Mexico and Canada. As trade among the three countries increases, there will be a pressing need to move people and cargo more efficiently across our borders, and to ensure the development of an integrated North American transportation system.

There are both infrastructure and border efficiency issues that must be addressed and creatively resolved if the United States, Canada, and Mexico are to develop smooth functioning transportation system that is capable of handling increased trade among the three nations.

There are numerous government agencies charged with various aspects of moving goods and people across our borders. Each has been working on the challenges and barriers to more efficient cross-border movements, consistent with their responsibilities to enforce safety, health, customs, and immigration laws and regulations.

These agencies--each with different goals and missions related to border infrastructure and facilitation--have independently undertaken actions to improve the efficiency of their operations, and recognize the continuing need to coordinate their efforts closely. Building on those efforts, to provide the senior level impetus to comprehensively evaluate and improve border operations, the Administration formed the Task Force on Border Infrastructure and Facilitation in January 1994.

III. BORDER TASK FORCE ON INFRASTRUCTURE AND FACILITATION

The interagency Task Force on Border Infrastructure and Facilitation was formed in January 1994. The Task Force functions under the direction of the White House National Economic Counsel, and includes officials of the U.S. Department of Transportation (DOT), the State Department, The General Services Administration (GSA), the Customs Service (USCS), the Immigration and Naturalization Service (INS), the Department of Agriculture (USDA), the Department of Commerce, the Office of Management and Budget (OMB), the Interstate Commerce Commission (ICC), the Environmental Protection Agency (EPA), the U.S. Trade Representative's Office (USTR), and the Council of Economic Advisors (CEA).

The Task Force, functioning under a 120-day time frame, has examined the nature of traffic congestion at major international U.S. land border crossings, and has met regularly since February. Each agency has provided proposals for changes to its operations for discussion and evaluation by the Task Force. The group's meetings enabled all participating agencies to develop a clearer understanding of each other's missions and problems, and to view border operations in a more comprehensive way.

As contained in this paper, the Task Force has drafted a set of recommendations for cost effective measures that could alleviate congestion. These recommendations are not exhaustive of all changes that might improve border operations generally; nor do they address specific solutions for problems at individual ports of entry. Anyone familiar with border operations would readily attest to the difficulty of composing such a list under the best of circumstances, and the impossibility of doing so in 120 days.

The recommendations contained herein do address those changes that, in the opinion of the Task Force, would generate the greatest benefits relative to the costs of the improvements. The draft recommendations are being presented to the public in advance of the Task Force's visits to selected border sites. During those visits, the Task Force will observe border crossings and meet with local, state, and regional officials, business interests, customs brokers, freight forwarders and the general public to discuss the draft recommendations, and to seek additional points of view. Following these discussions, the Task Force will finalize its recommendations and present them to the National Economic Council.

The Task Force has explored three major areas where improvements might alleviate some degree of border congestion and delay.

5

1. Operational Improvements: e.g., coordination of hours, staffing levels, paperwork processes, and use of automated systems and new technologies.
2. Infrastructure Improvements: including the need for smaller-scale infrastructure improvements, such as access roads and inspection compounds, which might provide considerable benefits for a modest investment. This area also includes improvements in border planning mechanisms.
3. Institutional and Regulatory/Legislative Improvements: e.g., changes in treaties, laws, and regulations that might facilitate the movement of traffic, as well as the implementation of user fees, tolls and other financial incentives to effect changes in the use of border resources.

Each of the areas discussed above can be divided into border-wide and port-specific categories. Some problems and solutions apply to all border crossings, while others should be applied on a port-by-port basis. While some steps could help all border crossings, each crossing should be looked at individually to determine what specific actions they require, including steps that may be completely unique to a single crossing. However, the immediate work of the Task Force is to take only the broad, system-wide view of border crossing problems. A more detailed review and recommendations for all border crossings is beyond the immediate scope of the Task Force.

Each of the recommendations below includes an estimated completion time. Three general time frames are used; short term (within one year), medium term (one to three years), and long term (more than three years).

Summary of Recommendations:

- Develop a new planning process for border crossings, including state, regional and border-wide master plans for the Mexican and Canadian borders.
- Amend the present permit process for new border crossings to include a systematic review of alternatives, a requirement for built-in delivery of support infrastructure, and evaluation of staffing needs of inspection agencies.
- Adopt a moratorium on new border crossing applications until January 1, 1995 to allow development of a new permit process and master plans.
- Develop measurable joint performance standards and indicators in cross-designated duties.
- Increase emphasis on joint basic and refresher training.
- Establish local quality improvement committees comprised of managers of federal agencies with a significant port presence to resolve problems at the local level.
- Coordinate shift scheduling of primary inspectors.
- Improve coordination and joint planning of special enforcement operations.
- Establish a firm policy on staffing that requires all stations to be fully staffed by inspection agencies, including necessary funding, before any project can be approved.
- Increase the number of part-time or seasonal employees at border stations and, where it is cost-effective, maximize use of contractors for non-sensitive positions involving data processing of commercial documents.
- Make greater use of security services provided by bridge/crossing sponsors in order to relieve federal inspection personnel of some existing duties.
- Draft legislation that standardizes staffing levels of inspection agencies, and equalizes pay of personnel who do comparable work.
- The Administration should recommend to the Congress that Congressional oversight responsibility for border inspection agency staffing and funding be consolidated in a single Congressional committee.

- Establish a user fee and/or toll system to create a fund dedicated to border staffing. This system should not create new burdens for inspection agencies, or additional processing time for vehicles. Higher fees or tolls during peak hours should be considered to encourage off-peak hour use.

- Owners of international bridges should be permitted to share toll revenues with inspection agencies to defray costs of inspection personnel.

- Standardize electronic data interchange (EDI), and make it a requirement for customs brokers. Requiring prefiling of paperwork should be considered.

- Inspection agencies should integrate databases to the extent possible.

- Develop a quantitative standard that defines "Border Efficiency", establish a time limit for vehicles in primary lanes.

- Evaluate more effective methods for evening out the distribution of border traffic during a 24-hour period.

- Adopt an aggressive policy for use of pilot programs to test innovative concepts and new technologies that might provide general benefits border-wide, including testing Radio Frequency Identification Technology (RFID), directing specific types of cargo to crossings equipped to inspect it, and opening experimental stations that combine inspections by all agencies.

- Draft legislation permitting the extension of pilot programs, such as Dedicated Commuter Lanes, into permanent features at all border crossings where they are needed.

- Permit bridge sponsors to provide border station facilities directly to the federal inspection agencies.

- A permanent interagency group should be formed, comprising the same federal agencies that make up the current Border Infrastructure and Facilitation Task Force, to conduct follow-up activities related to Task Force recommendations. The group should address infrastructure needs, and local conditions peculiar to individual ports of entry.

IV. Recommendations

A. DEVELOP COORDINATED PLANNING PROCEDURE AND BORDER MASTER PLAN

A1. Recommendation: Develop a new planning process for border crossings, including state, regional and border-wide master plans for the Mexican and Canadian borders.

Time Frame For Implementation: Long

A2. Recommendation: Amend the present permit process for new border crossings to include a systematic review of alternatives, a requirement for built-in delivery of support infrastructure, and evaluation of staffing needs of inspection agencies.

Time Frame For Implementation: Medium

A3. Recommendation: A moratorium on new border crossing applications should be adopted until January 1, 1995 to allow development of a new permit process and master plans.

Time Frame For Implementation: Short

Background: Existing planning procedures for border operations and development do not promote an optimum use of resources and therefore contribute significantly to congestion and delay. There is no agreed-upon approach leading to an overall plan that policy makers can use to prioritize the commercial importance of various crossings and determine when infrastructure capacity has been reached. The lack of comprehensive planning results in poor use of government resources. On the southwest border, for example, the lack of such a planning mechanism has resulted in many communities requesting new crossings, or improvements to existing ones, in a vacuum that does not look at the entire region.

The present permitting process for new border crossings confines application review to the specific project proposal only. For example, if a new international bridge is proposed, the review process does not include built-in delivery of support infrastructure, such as access roads. Nor does it require that the staffing needs of inspection agencies be evaluated, and funding for staffing be secured prior to construction of the bridge. The process does not include a systemic review of the general geographical area to consider existing, underutilized facilities that might provide an alternate crossing for heavily congested locations.

There is no master plan for either the northern or southern border against which requests for border infrastructure can be evaluated. Such a plan should be developed for each border in order to take a more systemic view of border crossing stress

points and the most cost effective means of relieving them. A border-wide master plan is a necessary first step in developing the comprehensive permitting process described above.

Implementation: Development of a new process should involve all groups that are impacted by planning decisions, including state and local officials, industry representatives, government inspection agencies, and appropriate foreign officials. The creation of state, regional, and border-wide infrastructure master plans would look at current capacity, traffic patterns and growth patterns. They would recommend methods of optimizing current infrastructure and the use of other potential solutions to congestion problems before considering new border infrastructure. Existing alternate facilities would be examined, and duplicative planned projects would be reconciled. A method for prioritizing projects would also be developed, possibly by using GSA's existing top ten process for evaluating border station projects.

A new, coordinated permitting process would assure adequacy of funding and completion of all necessary supporting facilities, and adequate inspection agency staffing, for any planned facility. This process would require time tables with scheduled completion dates for all parts of a new facility.

A voluntary, short-term moratorium on new border crossing applications would be adopted through mutual agreement of the master-planning groups themselves, and would further promote a more rationalized process for utilization of border resources.

Benefits to be Achieved: A far more efficient, cost effective way to assess border infrastructure needs. A systems approach would take account of traffic flows, and could disburse traffic concentrated at one crossing to several crossings, thus alleviating congestion for all. The needs of local communities could also be seen more clearly, and cost savings achieved for them as well. Coordinated planning would reflect views and needs of all concerned parties, governmental and private.

Resource Requirements: The task will require formation of a working group that includes officials from all federal inspection agencies and appropriate state government officials. The group should incorporate participation by the private sector, including shippers, carriers, and bridge owners, customs brokers, freight forwarders and officials of the Mexican and Canadian Governments.

10

B. IMPROVE COORDINATION OF CUSTOMS SERVICE AND IMMIGRATION AND NATURALIZATION SERVICE OPERATIONS AT LAND BORDER PORTS OF ENTRY

B1. Recommendation: Develop measurable joint performance standards and indicators in cross-designated duties.

Time Frame for Implementation: Medium

B2. Recommendation: Increase emphasis on joint basic and refresher training.

Time Frame for Implementation: Short

B3. Recommendation: Establish local quality improvement committees comprised of managers of federal agencies with a significant port presence to resolve problems at the local level.

Time Frame for Implementation: Short

B4. Recommendation: Coordinate shift scheduling of primary inspectors.

Time Frame for Implementation: Short

B5. Recommendation: Improve coordination and joint planning of special enforcement operations.

Time Frame for Implementation: Short

Background: Numerous studies have examined the effectiveness of dual management by the INS and Customs Service at land border ports of entry. Some, including the General Accounting Office, have recommended ending dual management in favor of consolidating these functions within one of the existing agencies or a new agency. Vice President Gore, in the National Performance Review, also addressed this concept favorably. The NPR also recommended however, that agencies be given the opportunity to improve operations before consolidation is considered. Following the NPR, a working group, headed by the Office of Management and Budget (OMB), agreed upon five main areas of cooperation to improve the operation of the inspection agencies at the border. Joint efforts are underway between INS and Customs to develop and implement these initiatives.

Implementation: INS and Customs are examining their current inspection procedures, and are completing detailed process maps to help identify overlapping functions and redundant steps in the process, and to streamline land border operations. Local community groups including Chambers of Commerce in affected cities and towns are being included in the process and their

11

views sought on how inspection operations could be further improved.

With the passage of NAFTA and its imminent phase-in of more liberal access to North American markets, the coordination of Customs and INS processes needs to be accelerated and improvements implemented. This should assure maximum relief from border congestion and delay problems currently associated with inefficient or duplicative practices of the two inspection agencies.

Benefits to be Achieved: A more coordinated, streamlined inspection process that should speed entry across the border and thus mitigate congestion.

Resource Requirements: Agency staff has already been committed for this effort and additional resources associated with an acceleration of the effort should be minimal.

C. REVISE STAFFING PROCEDURES AND FUNDING

C1. Recommendation: Establish a firm policy on staffing that requires all stations to be fully staffed by inspection agencies, including necessary funding, before any project can be approved.

Time Frame for Implementation: Short

C2. Recommendation: Increase the number of part-time or seasonal employees at border stations and, where it is cost-effective, maximize use of contractors for non-sensitive positions involving data processing of commercial documents.

Time Frame for Implementation: Short - Medium

C3. Recommendation: Make greater use of security services provided by bridge/crossing sponsors in order to relieve federal inspection personnel of some existing duties.

Time Frame for Implementation: Short - Medium

C4. Recommendation: Draft legislation that standardizes staffing levels of inspection agencies, and equalizes pay of personnel who do comparable work.

Time Frame for Implementation: Short - Medium

C5. Recommendation: The Administration should recommend to the Congress that Congressional oversight responsibility for border inspection agency staffing and funding be consolidated in a single Congressional committee.

Time Frame for Implementation: Short

C6. Recommendation: Establish a user fee and/or toll system to create a fund dedicated to border staffing. This system should not create new burdens for inspection agencies, or additional processing time for vehicles. Higher fees or tolls during peak hours should be considered to encourage off-peak hour use.

Time Frame for Implementation: Medium - Long

C7. Recommendation: Owners of international bridges should be permitted to share toll revenues with inspection agencies to defray costs of inspection personnel.

Time Frame for Implementation: Medium

Background: Each of the various agencies with border crossing responsibilities must plan and budget for itself, with little coordination among the several agencies. Staffing and funding, are made more problematic because different Congressional

committees have oversight of the various inspection agencies. Thus, while inspection agencies may have similar workloads and responsibilities, they do not receive equal staffing levels, nor do their staffs receive equal pay. More generally, agencies are constrained by Congressional funding and authorization levels, which for some agencies have not kept pace with the increased levels of traffic at land borders.

Implementation: Draft new staffing guidelines that require all stations to be fully staffed by inspection agencies, including necessary funding, before any project can be approved. Draft legislation that standardizes staffing levels of inspection agencies, and equalizes pay of personnel who do comparable work. The Administration should recommend to the Congress that Congressional oversight responsibility for border inspection agency staffing and funding be consolidated in a single Congressional committee.

Benefits to be Achieved: The planning and maximum utility of border crossings will be well served by a more comprehensive view of the border, with particular attention given to staffing needs of inspection agencies. Regardless of financial expenditures on infrastructure projects, border congestion will not be adequately addressed if there is not sufficient staff to serve border crossing facilities. Similarly, assessment of border staffing needs would be most effectively addressed by a single Congressional committee that would review funding levels and needs for all inspection agencies. Finally, maximum benefit from existing staff can be obtained by assigning inspectors to the busiest locations, and staggering schedules to match peak hours of traffic activity.

Resource Requirements: This effort will require staff time to draft new guidelines and regulations, and to draft and coordinate the required legislation. Senior level staff time will be needed to meet with the heads of the appropriate Congressional committees, and to work with them to streamline current Congressional staffing and funding reviews.

14

D. EXPAND AND STANDARDIZE USE OF ELECTRONIC DATA INTERCHANGE

D1. Recommendation: Standardize electronic data interchange (EDI), and make it a requirement for customs brokers. Requiring prefiling of paperwork should be considered.

Time Frame for Implementation: Medium

D2. Recommendation: Inspection agencies should integrate databases to the extent possible.

Time Frame for Implementation: Short - Medium

Background: A considerable amount of border crossing delay is caused by inadequate preparation and processing of documents. Improperly prepared or incomplete paperwork immediately causes delay in cargo processing by Customs, and processing of individuals by the INS. Better education of trucking companies and drivers regarding necessary documentation could help alleviate these problems. Greater improvement would result from standardized use of electronic data interchange (EDI), which enables customs brokers to complete and file all necessary documents electronically. The U.S. Customs Service has encouraged all customs brokers to file documents in this way. Even greater efficiency would be achieved if all data bases of this kind that are maintained by inspection agencies were integrated. Similarly, the requirements of other federal agencies, including safety enforcement measures set by DOT, could be integrated into the same system.

Considerable time has been saved when documents are filed electronically in advance of a cargo's arrival at the border. It should be possible to make such pre-filing standard procedure, and thus enable inspection officials to spot shortcomings in the documents prior to the arrival of the cargo.

Implementation: Existing computer operations of the border inspection agencies and those of customs brokers should be examined and a plan developed to standardize software, and combine key information needed by each agency into a single data base. The information should be available to border station inspection officials as soon as a cargo arrives at the border.

Benefits to be Achieved: Past experience indicates that a considerable amount of border delay could be avoided if cargo documentation ceased to be a problem. Coordinating this aspect of border clearance among all inspection agencies should make the work of each smoother and more routine without compromising enforcement responsibilities.

15

Resource Requirements: The costs of retaining a contractor, developing software, and deploying a new, integrated system will require funding from all of the agencies involved.

16

E. SET A STANDARD THAT DEFINES "BORDER EFFICIENCY"

E1. Recommendation: Develop a quantitative standard that defines "Border Efficiency"; establish a time limit for vehicles in primary lanes.

Time Frame for Implementation: Medium

E2. Recommendation: Evaluate more effective methods for evening out the distribution of border traffic during a 24-hour period.

Time Frame for Implementation: Medium

Background: Many agencies and private industry have complained that existing border clearance operations are not efficient, but no clear standard of "efficiency" has ever been offered. Such a standard would set an optimum time for vehicles to be cleared through primary lanes, and perhaps a time range for vehicles that undergo further clearance in secondary lanes, without compromising the enforcement missions of the federal inspection agencies. A measure of this kind would give agencies a benchmark against which to compare performance at different ports of entry, and at different times of the day and year. In addition to the actual processing time agencies need in order to adequately inspect and clear vehicles, cargoes, and drivers, the total waiting time for vehicles crossing the border should be examined. While many vehicles are cleared by inspection agencies very quickly, the vehicle may spend an hour or more waiting in line before reaching the inspection booth. Thus, a measure of efficiency should be established for the maximum total time a vehicle spends crossing the border. This should not be presented as a goal that inspection agencies must meet, but rather as a standard for evaluating the efficiency of border operations. If it is not met, the reasons for that, and possible solutions, should be sought. If all facilities are fully staffed at peak operating hours, and the efficiency standard cannot be met, additional facilities may be necessary. In such cases, incentives should also be implemented to encourage crossing during off-peak hours. These could include staggered tolls or user fees.

Before any quantitative standard is set, a measure of the existing level of compliance should be established by the inspection agencies. All elements that contribute to delay should be taken into account, including workload and staffing levels, and infrastructure shortcomings. Customs and INS have begun studying compliance levels, and have set an overall goal of having vehicles wait in primary lanes no more than 20 minutes.

Implementation: Data should be collected and analyzed at several busy border crossings, particularly during peak seasons and peak hours of the day, to record the waiting times for trucks crossing

the border. Staffing levels of federal inspection agencies should be measured and correlated with the waiting time. Time should be measured for both the processing of vehicles at the booths, and for the time a truck waits in line to arrive at the booth. A reasonable, optimum total time for border crossing should be established, and it should become the standard for an efficient border crossing.

Benefits to be Achieved: By measuring total crossing time, and breaking it down into waiting time and processing time, a more precise idea of "border delay and congestion" should be achievable. For example, if the average truck spends one hour waiting in line, but only ten minutes being cleared by inspection officials, the cause for delays is not processing practices, but most probably an inadequate number of inspection booths, or insufficient staff. Overcrowding might also result from sudden surges that quickly overwhelm an otherwise adequate staff and facility. In such cases, more even distribution of traffic could alleviate congestion.

Resource Requirements: Funding and staffing for data collection and analysis at the busiest border crossings. Communication with foreign governments, and permission to observe border clearance on their side of the border.

F. PILOT PROGRAMS

F1. Recommendation: Adopt an aggressive policy for use of pilot programs to test innovative concepts and new technologies that might provide general benefits border-wide. Examples would include testing Radio Frequency Identification Technology (RFID), computer chip technology that tracks vehicles and cargoes; directing specific types of cargo to crossings equipped to inspect it (hazardous materials, agricultural goods); and opening experimental stations that combine inspections by all agencies, including vehicle safety inspections by state officials.

Time Frame for Implementation: Short - Medium

F2. Recommendation: Draft legislation permitting the extension of pilot programs, such as Dedicated Commuter Lanes, into permanent features at all border crossings where they are needed.

Time Frame for Implementation: Short

F3. Recommendation: Permit bridge sponsors to provide border station facilities directly to the federal inspection agencies.

Time Frame for Implementation: Medium

Background: Border congestion has many causes, and federal agencies have experimented with different measures that offer the promise of alleviating some degree of congestion. These innovations include concepts such as dedicated commuter traffic lanes, separation of commercial and non-commercial traffic, and rapid clearance processing for frequent border-crossers, both commercial and private. Often, such innovations take the form of pilot programs that are tested at one or a few border crossings. In some cases, successful pilot programs are not converted into permanent procedures across the border due to a lack of legislative authority and/or funding.

Implementation: Aggressively seek and test new technologies that could expedite border crossing. A review of past and existing pilot programs should be undertaken, and an assessment made as to which of them have been successful in alleviating border congestion. Ideas that show promise include Dedicated Commuter Lanes, directing certain types of cargoes, including hazardous materials and agricultural goods, to specific ports for inspection, and the testing of Radio Frequency Identification Technology (RFID). Legislation should be drafted to arrange for funding that would permit pilot programs to become permanent practices.

Benefits to be Achieved: Each successful pilot program offers unique ways to alleviate border congestion to some degree.

19

Resource Requirements: Staff time to prepare and coordinate legislation. Funding for pilot programs as permanent ones.

G. FORM A FEDERAL INTERAGENCY GROUP TO FOLLOW-UP ON TASK FORCE WORK

G1. Recommendation: A permanent interagency group should be formed, comprising the same federal agencies that make up the current Border Infrastructure and Facilitation Task Force, to conduct follow-up activities related to Task Force recommendations. The group should formulate a set of more specific recommendations for each of the busiest ports of entry on the Mexican and Canadian borders. The group should address infrastructure needs, and local conditions peculiar to individual ports of entry, including institutional, legal, and regulatory regimes that impact border congestion.

Time Frame for Implementation: Short

Background: The work of the task force is designed to be short term, and the group was intended to complete its work within 120 days. Moreover, its mission was to make broad recommendations about the general condition of international land border crossings. Its mission, and limited timeframe, preclude the task force from taking an in-depth look at many factors peculiar to individual ports of entry that can contribute to congestion. That work is equally important, but can only be accomplished over a longer period of time that allows for many border site visits.

Implementation: The follow-up group should be formed immediately upon completion of the Task Force's work. The task force should prescribe a general program and list of objectives for the new group, focusing on the examination of individual ports of entry, and ensuring that all border crossings processing large volumes of traffic are evaluated. The new group should comprise officials from the same federal agencies that are on the task force. Border crossings handling significantly lower traffic volumes would be evaluated as time and resources permit. Such low-volume crossings, however, would be included in master plans to be developed under an earlier Task Force recommendation.

Benefits to be Achieved: Many long-standing problems at border crossings, particularly the busiest ones, can only be addressed through individual, in-depth examination. There are physical and institutional factors peculiar to specific ports of entry that contribute to congestion, and which must be addressed locally. It is possible to alleviate a considerable degree of congestion at these crossings through low-cost, relatively simple measures that apply to individual ports of entry.

Resource Requirements: Needs will vary with the type of action that is recommended. At some crossings, infrastructure improvements or modifications may be necessary, such as road construction, or relocation of obstacles. Other actions might involve simple changes in procedures, or traffic facilitation.

V. Summary

The Task Force has put forth a number of recommendations in this whitepaper, all designed to achieve a measure of improved efficiency to border crossing operations. These include a more coordinated planning and permit process for border improvements, including the designing of master plans, improvements to existing coordination of inspection agency operations, revisions and improvements to staffing procedures and funding, expansion and standardization of electronic data interchange (EDI), establishment of a standard to define "border efficiency," by which progress could be measured and causes of congestion identified, suggestion of several pilot programs and demonstration projects, and the formation of a longer-term interagency group to follow-up the work of the Task Force, and that would take a closer look at specific problems at individual ports of entry.

The Task Force welcomes comments and discussion of these recommendations and the issues that they seek to address. Comments may be sent directly to the Task Force at the following address:



Department of Transportation

Office of the Secretary
400 Seventh Street, S.W.
Washington, DC 20590

FAXED PAGES
(including cover)

14

DATE: 4-20-94

TIME SENT: _____

FROM: Dave DeCarne
U.S. DOT

PHONE: (202) 366-9506

FAX: (202) 366-7417

TO: Distribution

PHONE: _____

FAX: _____

REMARKS:

Attached for your review and information are changes which have been made to our draft whitepapers. Sections A, B & H are complete re-writes of the previous paper which were prepared by the State Dept, INS and GSA respectively. Sections C and F were modified by my office in response to comments made at last Thursday's meeting. Pages not included in this transmission either had no changes or were not discussed last Thursday.

Just a reminder that our meeting on Thursday will be in room 10236 from 1 o'clock to 5 PM. We will review the latest information on the public meetings and hopefully finish our discussions of the whitepaper. It remains our objective to try and have a paper suitable for distribution by April 27th or Thursday - Dave

WORKING GROUP ON BORDER INFRASTRUCTURE AND TRANSPORTATIONContact List

<u>Task Force Members</u>	<u>FAX NUMBER</u>	<u>PHONE NUMBER</u>
Michael Delich, NEC	456-2223	456-2801
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John Bauman, DOS	647-4088	647-3135
Peg Fearon, Customs	927-1171	927-1413
Buzz Fitzpatrick, USDA	690-0338	690-1300
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Chris Ulrich, OVP	456-6231	456-6222
Kiran Duwadi, OMB	395-7238	395-3388
Bernard Gaillard, ICC	927-5529	927-5500

III. BORDER TASK FORCE ON INFRASTRUCTURE AND FACILITATION

The interagency Task Force on Border Infrastructure and Facilitation was formed in January 1994. The Task Force functions under the direction of the National Economic Counsel, and includes officials of the U.S. Department of Transportation (DOT), the State Department, The General Services Administration (GSA), the Customs Service (USCS), the Immigration and Naturalization Service (INS), the Department of Agriculture (USDA), the Department of Commerce, the Office of Management and Budget (OMB), the Interstate Commerce Commission (ICC), the Environmental Protection Agency (EPA), the U.S. Trade Representative's Office (USTR), and the Council of Economic Advisors (CEA).

The Task Force, functioning under a 120-day time frame, has examined the nature of traffic congestion at major international U.S. land border crossings, and has met regularly since February. Each agency has provided proposals for changes to its operations for discussion and evaluation by the Task Force. The group's meetings enabled all participating agencies to develop a clearer understanding of each other's missions and problems, and to view border operations in a more comprehensive way.

As contained in this paper, the Task Force has drafted a set of recommendations for cost effective measures that could alleviate congestion. These recommendations are not exhaustive of all changes that might improve border operations generally; nor do they address specific solutions for problems at individual ports of entry.

The recommendations contained herein do address those changes that, in the opinion of the Task Force, would generate the greatest benefits relative to the costs of the improvements. The draft recommendations are being presented to the public in advance of the Task Force's visits to selected border sites. During those visits, the Task Force will observe border crossings and meet with local, state, and regional officials, business interests, customs brokers, freight forwarders and the general public to discuss the draft recommendations, and to seek additional points of view. Following these discussions, the Task Force will finalize its recommendations and present them to the National Economic Council.

The Task Force has explored three major areas where improvements might alleviate some degree of border congestion and delay.

1. Operational Improvements: e.g., coordination of hours, staffing levels, paperwork processes, and use of automated systems and new technologies.

2. Infrastructure Improvements: including the need for smaller-scale infrastructure improvements, such as access roads and inspection compounds, which might provide considerable benefits for a modest investment. This area also includes improvements in border planning mechanisms.

3. Institutional and Regulatory/Legislative Improvements: e.g., changes in treaties, laws, and regulations that might facilitate the movement of traffic, as well as the implementation of user fees, tolls and other financial incentives to effect changes in the use of border resources.

Each of the areas discussed above can be divided into border-wide and port-specific categories. Some problems and solutions apply to all border crossings, while others should be applied on a port-by-port basis. While some steps could help all border crossings, each crossing should be looked at individually to determine what specific actions they require, including steps that may be completely unique to a single crossing. However, the immediate work of the Task Force is to take only the broad, system-wide view of border crossing problems. A more detailed review and recommendations for all border crossings is beyond the immediate scope of the Task Force.

The effectiveness of Task Force recommendations will depend in large measure on the involvement of Mexico and Canada in the planning process, and the degree of cooperation obtained from those two governments. Steps taken by the United States can only be fully effective if comparable actions are taken on the Canadian and Mexican sides of our international land borders to facilitate traffic movement.

Each of the recommendations below includes an estimated completion time. Three general time frames are used; short term (within one year), medium term (one to three years), and long term (more than three years).

A. IMPROVE COORDINATION IN THE BORDER INFRASTRUCTURE PERMIT AND PLANNING PROCESSES.

- A.1 Recommendation:** Develop a more systematic process for coordination between the approval procedures for new or expanded border crossings and providing support infrastructure, especially access roads.

Time Frame For Implementation: Long

Background: While there has been some improvement in recent years, there are still too many gaps in coordination between the approval procedures for new or expanded border crossings and the delivery of support infrastructure, such as roads. Recent examples of this problem in the United States include the Colombia bridge in Laredo, the Santa Teresa crossing in New Mexico and the new Otay Mesa commercial crossing in California. The problem is not limited to the United States, however; similar problems exist in Mexico, with the lack of adequate highway infrastructure on the Mexican side of the Colombia bridge serving as a prime example. While it is obvious that you cannot build just half of a bridge or surface border crossing facility, it is entirely possible that adequate access facilities will exist on just one side of the border.

The coordination problem may be amenable to a more regional approach to planning and coordination, especially if that approach incorporates representatives from both sides of the border. The Federal Government can help provide the framework for improved planning, but project initiatives and primary responsibility for deciding between alternatives should be at the state and local levels. The decision making mix may differ in Mexico and Canada, but the attraction of more comprehensive planning should exist in all three countries.

Implementation: Ideally, development and implementation of an improved planning and coordination process should involve all groups that would be impacted by the outcome of the process, including state and local officials, industry representatives, federal inspection and transportation agencies, and foreign ministries. Rather than create a new international bureaucracy for this purpose, however, it may be possible to build on existing organizations, tasking them to expand their perspective and scope of work as necessary. Along the southern border, the newly-established Joint Working Committee on Border Transportation Planning would be a logical organization to develop coordinated proposals for regional transportation. The Committee is charged to:

-2-

- o Develop and implement coordinated border highway transportation plans and programs between the parties in two phases of action, short-range and long-range.
- o Evaluate transportation demand and infrastructure impacts resulting from future changes in border highway transportation traffic.

The Committee will be required to coordinate with other federal and state agencies concerned with border crossing activities such as customs, immigration, foreign relations, agriculture and law enforcement, as well as with existing federal and state government planning processes and studies.

In addition to existing guidance to the Committee, it would seem logical that the Committee would include the following factors in its thinking:

- o Improving the utilization of existing infrastructure.
- o The establishment of non-commercial crossings to serve local needs.
- o Innovative proposals for financing and sponsorship of new and improved infrastructure projects.

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B. IMPROVE COORDINATION OF CUSTOMS SERVICE AND IMMIGRATION AND NATURALIZATION SERVICE OPERATIONS AT LAND BORDER PORTS OF ENTRY

B1. Recommendation: Develop measurable joint performance standards and indicators in cross-designated duties. To evaluate the performance of cross-designated inspectors, job elements to be measured must be identified, and the means to measure the elements must be determined.

Time Frame for Implementation: Medium

B2. Recommendation: Increase emphasis on joint basic and refresher training to ensure uniformity in performance, augment awareness of the other agency's mission, and develop a closer working relationship early in the inspectors' careers.

Time Frame for Implementation: Short

B3. Recommendation: Establish local quality improvement committees comprised of managers of Federal agencies with a significant port presence to resolve problems at the local level. Consistent with resources, provide further management and problem resolution training for managers.

Time Frame for Implementation: Short

B4. Recommendation: Coordinate shift scheduling of INS and Customs inspectors who jointly staff primary inspection lanes, to provide better coverage, especially during peak periods.

Time Frame for Implementation: Short

B5. Recommendation: Improve coordination and joint planning of special enforcement operations. The INS and Customs should conduct joint planning sessions on related special enforcement operations to be conducted throughout the year, or develop local joint enforcement task forces.

Time Frame for Implementation: Short

Background: Numerous studies have examined the effectiveness of dual management by the INS and Customs Service at land border ports of entry. Some, including the General Accounting Office, have recommended ending dual management in favor of consolidating these functions within one of the existing agencies or a new agency. Vice President Gore, in the National Performance Review (NPR), also addressed this concept favorably. The NPR also recommended, however, that the agencies be given the opportunity to improve operations before consolidation is considered. Following these reports, a working group, headed by the Office of Management and Budget (OMB), agreed upon five main areas of cooperation to improve the operation of the inspection agencies at the land border.

C. REVISE STAFFING PROCEDURES

C1. Recommendation: Establish a firm policy on staffing that requires all stations to be adequately staffed by inspection agencies, including necessary funding. For new projects applications, adequate staffing by inspection agencies should be a requirement for final approval.

Time Frame for Implementation: Short

C2. Recommendation: Continue to use part-time or seasonal employees at border stations and, where it is cost-effective, maximize use of contractors to provide services that would free full-time inspectors to focus on inspection work.

Time Frame for Implementation: Short - Medium

* **C3. Recommendation:** Draft legislation that addresses recruitment and pay structure of personnel to promote greater continuity of work force.

Time Frame for Implementation: Short - Medium

* **C4. Recommendation:** The Administration should recommend to the Congress that Congressional oversight responsibility for border inspection agency staffing and funding be consolidated in a single Congressional committee.

Time Frame for Implementation: Short

[* Omit from public whitepaper; include in final recommendations to NEC]

Background: Each of the various agencies with border crossing responsibilities must plan and budget for itself, with little coordination among the several agencies. Staffing ceilings are often inadequate for inspection agencies to adequately staff inspection facilities. Congressional funding and authorization levels for some agencies have not kept pace with the increased levels of traffic at land borders.

Implementation: Draft new staffing guidelines that require all stations to be adequately staffed by inspection agencies, including necessary funding. Draft legislation that standardizes staffing levels of inspection agencies.

Benefits to be Achieved: The planning and maximum utility of border crossings will be well served by a more comprehensive view of the border, with particular attention given to staffing needs of inspection agencies. Regardless of financial expenditures on infrastructure projects, border congestion will not be adequately addressed if there is not sufficient staff to serve border

13

crossing facilities. Finally, maximum benefit from existing staff can be obtained by assigning inspectors to the busiest locations, and staggering schedules to match peak hours of traffic activity.

Resource Requirements: This effort will require staff time to draft new guidelines and regulations, and to draft and coordinate the required legislation.

F. PILOT PROGRAMS

F1. Recommendation: Adopt an aggressive policy for use of pilot programs to test innovative concepts and new technologies that might provide general benefits border-wide. Examples would include testing Radio Frequency Identification Technology (RFID), computer chip technology that tracks vehicles and cargoes; directing specific types of cargo to crossings equipped to inspect it (hazardous materials, agricultural goods); opening experimental stations that combine inspections by all agencies, including vehicle safety inspections by state officials; and installing electronic signs and AM radio reporting services that warn drivers of severe traffic delays, and recommends alternate routes and crossings.

Time Frame for Implementation: Short - Medium

F2. Recommendation: Draft legislation permitting the extension of pilot programs, such as Dedicated Commuter Lanes, into permanent features at all border crossings where they are needed.

Time Frame for Implementation: Short

Background: Border congestion has many causes, and federal agencies have experimented with different measures that offer the promise of alleviating some degree of congestion. These innovations include concepts such as dedicated commuter traffic lanes, separation of commercial and non-commercial traffic, and rapid clearance processing for frequent border-crossers, both commercial and private. Often, such innovations take the form of pilot programs that are tested at one or a few border crossings. In some cases, successful pilot programs are not converted into permanent procedures across the border due to a lack of legislative authority and/or funding.

Implementation: Aggressively seek and test new technologies that could expedite border crossing. A review of past and existing pilot programs should be undertaken, and an assessment made as to which of them have been successful in alleviating border congestion. Ideas that show promise include Dedicated Commuter Lanes, directing certain types of cargoes, including hazardous materials and agricultural goods, to specific ports for inspection, and the testing of Radio Frequency Identification Technology (RFID), and installation of electronic signs and radio reporting of severe traffic delays, including suggested alternate routes and crossings.

Benefits to be Achieved: Each successful pilot program offers unique ways to alleviate border congestion to some degree.

Resource Requirements: Staff time to prepare and coordinate legislation. Funding for pilot programs as permanent ones.

H. USE OF TOLLS, USER FEES, AND PRIVATE SECTOR FUNDING

H1. Recommendation: Establish a user fee and/or toll system to create a fund dedicated to border staffing to help relieve congestion. This system should not create new burdens for inspection agencies, or additional processing time for vehicles. As an adjunct, higher fees or tolls during peak hours should be considered to encourage off-peak hour use.

Time Frame for Implementation: Medium - Long

H2. Recommendation: Owners of international bridges should be permitted to share toll revenues with inspection agencies to provide additional personnel for administrative or inspection duties in order to increase the flow of people and traffic through border station facilities, particularly during rush periods.

Time Frame for Implementation: Medium

H3. Recommendation: Permit bridge sponsors, bridge owners, state and local governments, and private sector firms to pay for border crossing infrastructure. This would include the gifting of new border stations and major expansion of existing stations to the Federal Government.

Time Frame for Implementation: Medium

Background: Problems of adequate staffing and infrastructure are some of the causes identified as creating border congestion. When infrastructure problems outside the border station as well as staffing are identified as causing congestion a lack of funds can inhibit the implementation of viable solutions. The additional funds for alleviation of these problems can come from either; 1) user fees or tolls imposed by federal agencies for services that can be used for staffing, 2) a portion of the crossing tolls collected on toll bridges, and 3) local governments and the private sector.

Implementation: The use of tolls or user charges for staffing will require legislative changes. It would also require a change in approach. Federal, State and local governments, and private interests need to work in partnership and use their combined time, money, and expertise to find solutions to border congestion.

Benefits to be Achieved: Additional Staffing and infrastructure needed for alleviating border congestion will be provided.

Resource Requirements: The effort will require staff time to draft legislation. It will require the commitment of time and effort by Federal, state and local government officials, as well

21

as bridge owners and private sector interests to work out
effective solutions.

*WORKING GROUP ON
BORDER INFRASTRUCTURE
AND
TRANSPORTATION*

**PHOTOCOPY
PRESERVATION**

Mike Schmidt, DPC

WORKING GROUP ON BORDER INFRASTRUCTURE AND TRANSPORTATION

Contact List

<u>Task Force Members</u>	<u>FAX NUMBER</u>	<u>PHONE NUMBER</u>
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Peg Fearon, Customs	927-1171	927-1413
Buzz Fitzpatrick, USDA	690-0338	690-1300
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Steve Gibson, DOS	647-5752	647-8529
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Jonathan Silver, DOC	482-2741	482-5283
Ken Schwartz, OMB	395-7238	395-4892
Bernard Gaillard, ICC	927-5529	927-5500
David Gardiner, EPA	260-0275	260-4332
Steve Hurst, INS	616-7612	514-3223
William Lawson, GSA	501-3421	501-0638
Arnold Levine, DOT	366-7417	366-4368
Katherine Archuleta, DOT	366-3956	366-1100
Mark Mazur, CEA	395-6809	395-5147
Bryan Samuels, USTR	395-3911	395-5663
Mike Schmidt, DPC	456-7739	456-6586

01/12/94

Border Efficiency Task Force

Strawman Action Plan

Objective of Task Force: Provide specific recommendations of ways to improve the efficiency of U.S. border crossings and to better plan for future border infrastructure investments.

Timeframe for accomplishment of objective: 90 - 120 days

Membership: Task force is created under the auspices of the National Economic Council. Representatives on the task force will come from the Departments of Transportation, Treasury, Justice, Agriculture, State and Commerce as well as representatives of the General Services Administration, Office of Management and Budget, Environmental Protection Agency, Office of the U.S. Trade Representative, Council Of Economic Advisers and Domestic Policy Council.

Other participation: Input to be sought from independent agencies such as the Interstate Commerce Commission, Mexican/Canadian officials, state/regional representatives and user/public interest groups as appropriate.

General Approach: The issue of border congestion and facilitation has been dealt with on an on-going basis by various departments and agencies over an extended period of time. There is significant knowledge and expertise which already exists on border issues. Therefore, the general approach of the task force's work will be to 1) inventory and evaluate existing border issues, corrective actions/programs and impediments to change as experienced heretofore; 2) hypothecate a set of preliminary actions that might significantly improve border operations; 3) conduct a set of not more than six border site visits and concurrent public outreach sessions using actions derived in step 3) to focus discussions; 4) evaluate information from on-site visits and public outreach and derive a set of recommendations for future actions; 5) present recommendations to National Economic Council for consideration and further action.

Milestones: The task force will organize itself around 7 milestones as follows:

- 1) Organization
 - A. Designation of departmental/agency contact points
 - B. Approval of general approach to task force's work and work-sharing arrangements among members

- 2) Inventory Existing Experience
 - A. Outline major issues by Country, Department, Region
 - B. Outline recent or current programs designed to improve border operations and their results to date
 - C. Identify perceived impediments to further improvements
- 3) Formulate ~~Test~~ Recommendations for Additional Improvements
 - A. Evaluate information from item 2 and identify possible improvements related to:
 - 1) improved or additional infrastructure
 - 2) improved operational procedures
 - 3) improved coordination between federal/state/local/international authorities
 - 4) statutory/treaty or other legal changes
 - B. Evaluate fiscal and other resource impacts to achieve improvements
 - C. Formulate Preliminary or Test Recommendations
- 4) Conduct Series of Site Visits and Public Outreach Mtgs
 - A. Gain first hand experience with border operations
 - B. Evaluate border operations relative to test recommendations for improvements
 - C. Seek input from local government, private interests and international counterparts
- 5) Re-Evaluate Test Recommendations Vis a Vis Visits/Outreach
 - A. Factor into recommendations input derived from visits
 - B. Formulate final set of recommendations
- 6) Present Final Recommendations to National Economic Council

Time Schedule: The task force is committed to having its first meeting by the end of January. A rough schedule for accomplishment of the milestones within 90 and 120 days follows:

<u>Milestone</u>	<u>Time Schedule</u>	
	<u>90 days</u>	<u>120 days</u>
1. Organization		
a. first meeting	Jan 28	Jan 28
2. Inventory Previous Work	Feb 18	Feb 25
3. Preliminary Recommendations	Mar 04	Mar 18
4. Site visits/outreach	Mar 18	Apr 08
5. Re-evaluate Recommendations	Apr 01	May 06
6. Final Recommendations to NEC	Apr 29	Jun 03

WORKING GROUP ON BORDER INFRASTRUCTURE AND TRANSPORTATION

AGENDA

JANUARY 31, 1994

OEOB Room 180 1:00-2:00 PM

- I. INTRODUCTIONS AND OPENING REMARKS
- II. DISCUSSION OF THE STRAWMAN ACTION PLAN
- III. SCHEDULE OF FUTURE MEETINGS AND TOPICS TO BE DISCUSSED
- IV. OTHER BUSINESS

WORKING GROUP ON BORDER INFRASTRUCTURE AND TRANSPORTATION
SUGGESTED SCHEDULE OF MEETINGS AND TOPICS TO BE DISCUSSED*

January 31

Organization of the Working Group

Agency Prep Feb 14
~~February 14~~

Inventory of existing experience; overview by border/inspection agencies

17
~~February 17~~

Existing experience, continued; major issues; perceived major impediments; discuss site visit/outreach schedule

February 18

Return inventory summary forms (no meeting)

February 23

Review inventory; preliminary discussion of "test" cross-cutting initiatives/recommendations

March 2

Preliminary discussion of "test" site-specific initiatives/recommendations

March 7

Distribution of summary of "test" initiatives/recommendations (no meeting)

March 9

Finalize "test" initiatives/recommendations

March 13-19

Site visits/outreach

March 23

Reports on site visits/outreach; begin review of test initiatives/recommendations

March 30

Review initiatives/recommendations, continued

April 15

Circulate draft report to Working Group (no meeting)

April 20

Discussion on and clearance of draft report

April 29

Final report transmitted to the NEC (no meeting)

* Dates of meetings shown in boldface. Meetings to take place from 1:00-3:00 pm at OEOB.

1/21/94

Border Efficiency Task Force

Format for Inventory of:
Border Issues, Programs & Barriers to Further Improvements

1. Department/Agency: _____
2. Statement of Department/Agency Mission for Border Operations:
3. Description of principle programs in effect to achieve mission and current budgetary and personnel resource requirements:
4. Operational measures used to achieve mission (e.g., vehicle/driver processing times, percentage of vehicles inspected, etc.)
5. Current assessment of border congestion: Port of Entry specific
6. Existing or planned programs designed to improve operational efficiency (include impact on budgetary and personnel resources)
6. Realized or expected impact on congestion (in terms of operational measures if possible)

7. Identification of additional needed improvements

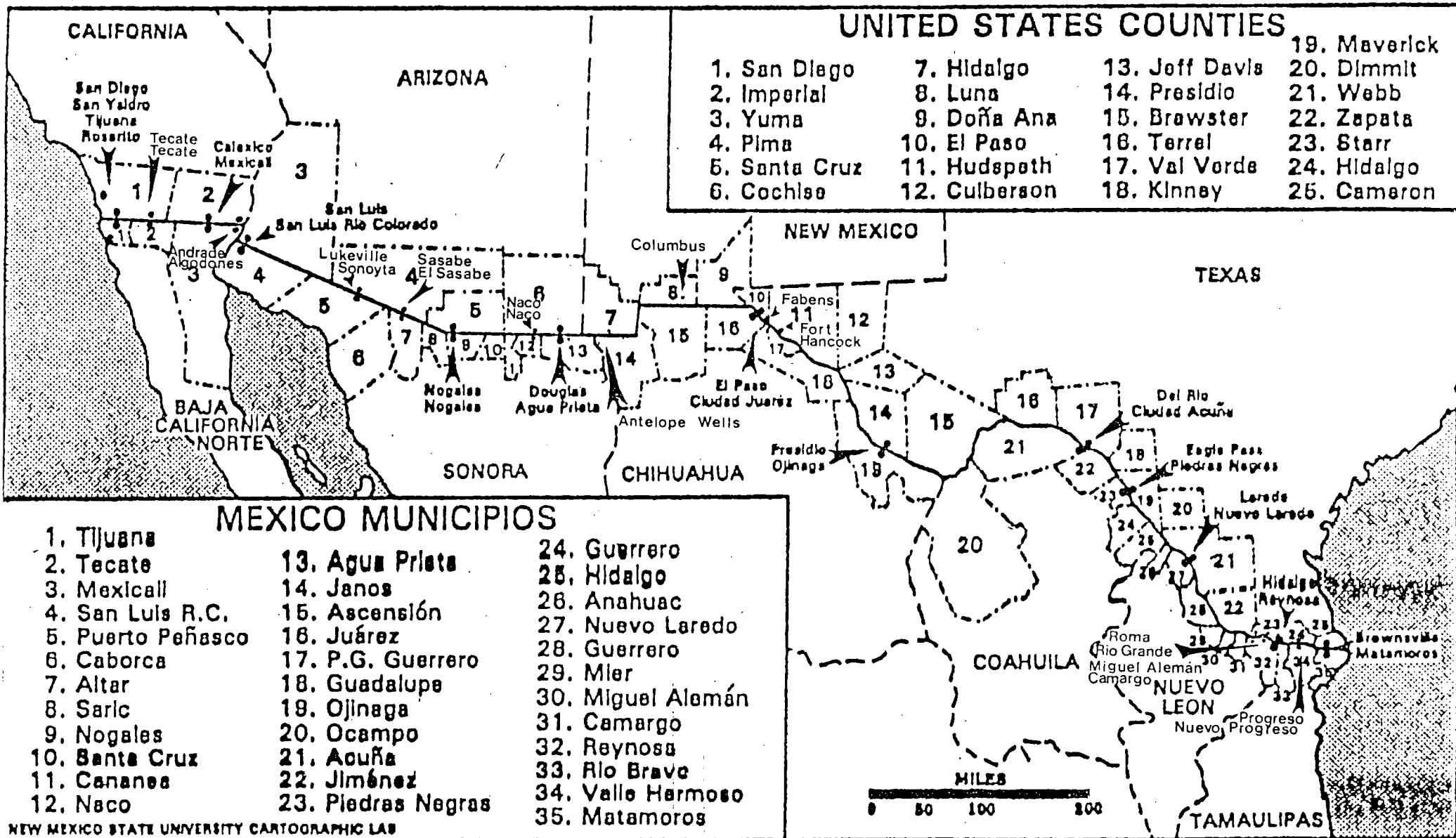
- a. Infrastructure
- b. Operational/procedural
- c. Statutory/Regulatory/Legal
- d. International

8. Coordination with other Departments/Agencies/international counterparts (Which departments/agencies are consulted regarding operational issues or planned changes, what forums are used for consultations, at what stage of the process are consultations started)

9. Identification of barriers to further improvements

10. Issues which have general applicability to border operations vs barriers which are port of entry specific (where specific to particular point of entry, please identify)

United States - Mexico Border Zone



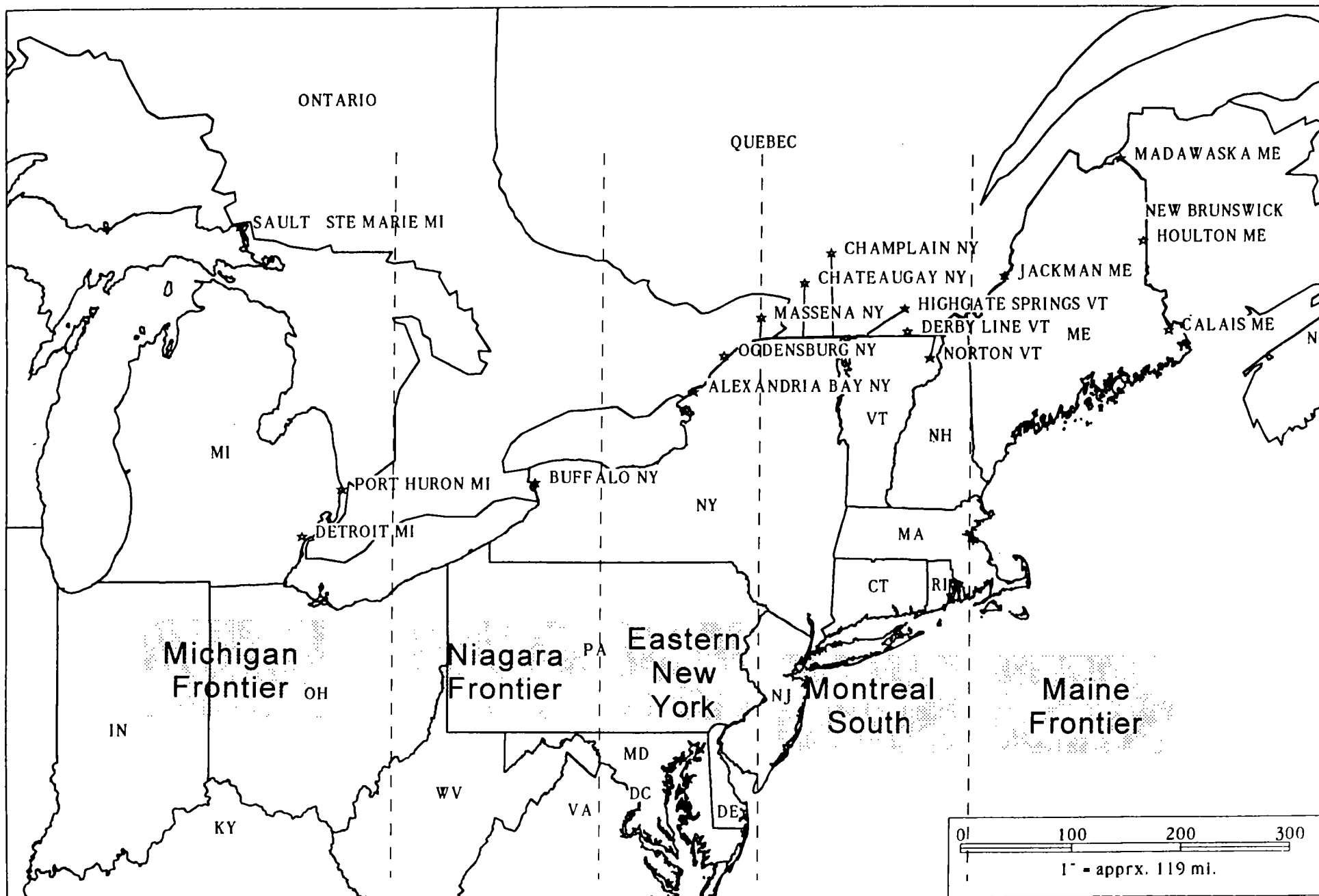
KEY TO NUMBERED BORDER CROSSINGS IN

	U.S.	CANADA
1	Point Roberts	Boundary Bay
2	Blaine	Douglas
3	Lynden	Aldergrove
4	Sumas	Huntington
5	Nighthawk	Chopaka
6	Oroville	Osoyoos
7	Ferry	Midway
8	Danville	Carson
9	Laurier	Cascade
10	Frontier	Paterson
11	Boundary	Waneta
12	Metalline Falls	Nelway
13	Porthill	Rykerts
14	Eastport	Kingsgate
15	Roosville	Grasmere
16	Chief Mountain	Chief Mountain
17	Piegán	Carway
18	Del Bonita	Del Bonita
19	Sweetgrass	Coutts
20	Whitlash	Aden
21	Wildhorse	Wildhorse
22	Willow Creek	Willow Creek
23	Turner	Climax
24	Morgan	Monchy
25	Opheim	West Poplar
26	Scobey	Coronach

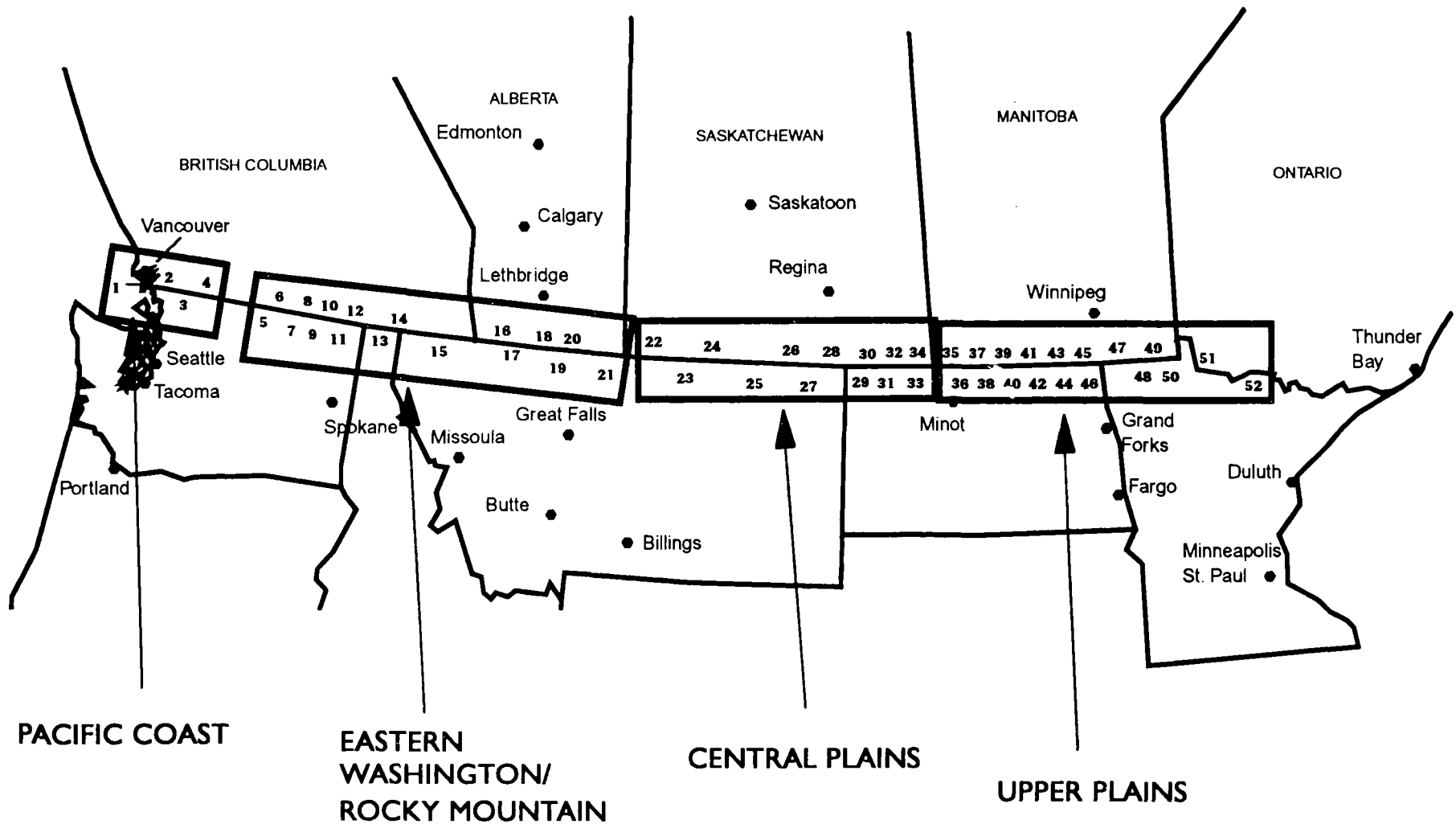
	U.S.	CANADA
27	Whitetail	Big Beaver
28	Raymond	Regway
29	Fortuna	Oungre
30	Ambrose	Torquay
31	Noonan	Estevan
32	Portal	North Portal
33	Northgate	Northgate
34	Sherwood	Carlevalle
35	Antler	Lyleton
36	Westhope	Coulter
37	Carbury	Goodlands
38	Dunselth	Boissevain
39	St. John	Lena
40	Hansboro	Cartwright
41	Sarles	Crystal City
42	Hannah	Snowflake
43	Malda	Windygat
44	Walhalla	Winkler
45	Neché	Gretna
46	Pembina	Emerson
47	Noyes	Emerson (East)
48	Pinécreek	Pinéy
49	Roseau	South Junction
50	Warroad	Sprague
51	Baudette	Rainy River
52	Intl. Falls	Fort Frances

Note: The Blaine border crossing consists of the Peace Arch and the Pacific Highway crossings.

NORTHEASTERN U.S.-CANADIAN FRONTIERS AND PORTS OF ENTRY



WESTERN U.S.-CANADIAN BORDER GATEWAY SUBREGIONS



Source: U.S. Customs Service and LCC, Inc.

Note: See next page for key to numbered crossings.

09 May 1994

To: Members Task Force on Border Infrastructure and Facilitation

From: Dave DeCarme, ^{Dave}Chief Maritime & Surface Division
Department of Transportation

Subject: Final Whitepaper of Preliminary Task Force Recommendations

Attached for your review and appropriate distribution is the final whitepaper of our preliminary recommendations for improved U.S. border operations. The whitepaper received interagency clearance on Friday, May 6th. Widespread distribution of the paper was also begun on Friday in preparation for the public hearing sessions to be conducted next week May 16th.

Final logistical preparations for the public meetings are being made by Marie Therese Dominguez in our Office of Intergovernmental Affairs. If you have any further questions on these arrangements, you may contact her directly at 366-5682 or you can contact me at 366-9506.

Thank you all for your cooperation last week. I realize this was not the only issue that anyone had to deal with but, despite the time constraint, we managed to get everything accomplished. Again my thanks for your personal attention to the work.

TO: All Interested Parties

FROM: The National Economic Council's Task Force on Border Infrastructure and Facilitation

SUBJECT: Regional Meetings - Detroit, MI and Brownsville, TX

The National Economic Council's Task Force on Border Infrastructure and Facilitation will be holding a series of regional meetings in Detroit, Michigan; Brownsville, Texas; San Diego, California; and Blaine, Washington. The purpose of these regional meetings is to hear directly from our customers in state and local government; community, business and tourism interests; freight, customs brokers and transportation interests - their views on how efficiency of operations at border crossings can be improved and the improvements in infrastructure needed. The Task Force is especially interested in hearing comments on a whitepaper, to be mailed to you shortly, which discusses preliminary recommendations for improved border operations in the United States. Members of the Task Force include senior officials from the Department of Transportation, the State Department, the General Services Administration, the Customs Service, the Immigration and Naturalization Service, the Department of Agriculture, the Department of Commerce, the Office of Management and Budget, the Interstate Commerce Commission, the Environmental Protection Agency, the U.S. Trade Representative's Office, and the Council of Economic Advisors. Katherine Archuleta, Deputy Chief of Staff, U.S. Department of Transportation will lead the meetings in both Detroit and Brownsville. Listed below are the dates and location of each regional meeting. The agenda will be as follows:

AGENDA

8:00 a.m.	-	Coffee and Informal Discussion
8:15 a.m.	-	Welcome by Katherine Archuleta, Deputy Chief of Staff, U.S. Department of Transportation
	-	Introduction of NEC Task Force Members
8:20 a.m.	-	State and Local Government
	-	Panel A: 5 panelists
9:20 a.m.	-	Break
9:30 a.m.	-	Panel B: 5 panelists
10:30 a.m.	-	Break
10:40 a.m.	-	Panel C: 5 panelists
12:00 p.m.	-	Lunch
1:00 p.m.	-	Transportation and Freight
	-	Panel D: 5 panelists
2:00 p.m.	-	Break
2:10 p.m.	-	Panel E: 5 panelists
3:10 p.m.	-	Break
3:20 p.m.	-	Community, Local Business and Tourism
	-	Panel F: 5 panelists
4:20 p.m.	-	Break
4:30 p.m.	-	Panel G: 5 panelists
5:30 p.m.	-	Adjournment

Dates and Locations of NEC Task Force Meetings

May 17, 1994 **Detroit, Michigan**
Cobo Conference and Exhibition Center
1 Washington Boulevard
Detroit, Michigan

May 19, 1994 **Brownsville, Texas**
Brownsville Golf & Recreation Center
1800 W. San Marcelo
Brownsville, Texas

**IF YOU WOULD LIKE TO ATTEND A REGIONAL MEETING, PLEASE R.S.V.P. TO
THE OFFICE OF GOVERNMENTAL AFFAIRS, U.S. DEPARTMENT OF
TRANSPORTATION (202) 366-4563.**

TO: All Interested Parties

FROM: The National Economic Council's Task Force on Border Infrastructure and Facilitation

SUBJECT: Regional Meetings - San Diego, CA and Blaine, WA

The National Economic Council's Task Force on Border Infrastructure and Facilitation will be holding a series of regional meetings in Detroit, Michigan; Brownsville, Texas; San Diego, California; and Blaine, Washington. The purpose of these regional meetings is to hear directly from our customers in state and local government; community, business and tourism interests; freight, customs brokers and transportation interests - their views on how efficiency of operations at border crossings can be improved and the improvements in infrastructure needed. The Task Force is especially interested in hearing comments on a whitepaper, to be mailed to you shortly, which discusses preliminary recommendations for improved border operations in the United States. Members of the Task Force include senior officials from the Department of Transportation, the State Department, the General Services Administration, the Customs Service, the Immigration and Naturalization Service, the Department of Agriculture, the Department of Commerce, the Office of Management and Budget, the Interstate Commerce Commission, the Environmental Protection Agency, the U.S. Trade Representative's Office, and the Council of Economic Advisors. Arnold Levine, Director, International Transportation and Trade, U.S. Department of Transportation will lead the discussion in both San Diego and Blaine. Listed below are the dates and location of each regional meeting. The agenda will be as follows:

AGENDA

8:00 a.m.	-	Coffee and Informal Discussion
8:15 a.m.	-	Welcome by Arnold Levine, Director, International Transportation and Trade, U.S. DOT and Introduction of NEC Task Force Members
8:20 a.m.	-	State and Local Government
	-	Panel A: 5 panelists
9:20 a.m.	-	Break
9:30 a.m.	-	Panel B: 5 panelists
10:30 a.m.	-	Break
10:40 a.m.	-	Panel C: 5 panelists
12:00 p.m.	-	Lunch
1:00 p.m.	-	Transportation and Freight
	-	Panel D: 5 panelists
2:00 p.m.	-	Break
2:10 p.m.	-	Panel E: 5 panelists
3:10 p.m.	-	Break
3:20 p.m.	-	Community, Local Business and Tourism
	-	Panel F: 5 panelists
4:20 p.m.	-	Break
4:30 p.m.	-	Panel G: 5 panelists
5:30 p.m.	-	Adjournment

Dates and Locations of NEC Task Force Meetings

May 17, 1994 **San Diego, California**
Otay Mesa Chamber of Commerce, Second Floor
2320 Paseo de las Americas
Otay Mesa, California 92173
619-661-6111

May 19, 1994 **Blaine, Washington**
Bellingham City Council Chambers, 2nd Floor
210 Lottie Street
Bellingham, Washington

**IF YOU WOULD LIKE TO ATTEND A REGIONAL MEETING, PLEASE R.S.V.P.
TO JOHN HORSLEY, DEPUTY ASSISTANT SECRETARY FOR GOVERNMENTAL
AFFAIRS, U.S. DEPARTMENT OF TRANSPORTATION (202) 366-4563.**

**PRELIMINARY STAFF RECOMMENDATIONS OF THE
TASK FORCE ON BORDER INFRASTRUCTURE AND FACILITATION
FOR IMPROVED U.S. BORDER OPERATIONS**

I. Statement of Purpose

This paper sets forth the preliminary staff recommendations of the Task Force on Border Infrastructure and Facilitation for improvements in U.S. border activities. The principal objective of these recommendations is to effect a set of coordinated short and longer term changes in border planning, management, and financing (affecting both operations and infrastructure), which will facilitate the movement of people and goods in a more efficient, cost-effective manner, while maintaining the existing high standards of safety and security.

II. Background

For many years it has been recognized that serious congestion and delays exist at our land border crossings. The reasons for the congestion and delay are many and complex. Those most often cited are inadequate or dated transportation facilities; inadequate staffing; incomplete, inaccurate, and delayed paperwork; inefficient inspection procedures; lack of coordinated infrastructure planning; and traffic peaking at particular times of the day.

The passage of NAFTA marks the beginning of a new phase in economic relations among the United States, Mexico and Canada. As trade among the three countries increases, there will be a pressing need to move people and cargo more efficiently across our borders, and to ensure the development of an integrated North American transportation system.

There are both infrastructure and border efficiency issues that must be addressed and creatively resolved if the United States, Canada, and Mexico are to develop a smooth functioning transportation system that is capable of handling increased trade among the three nations.

There are numerous government agencies charged with various aspects of moving goods and people across our borders. Each has been working on the challenges and barriers to more efficient cross-border movements, consistent with their responsibilities to enforce safety, health, customs, and immigration laws and regulations.

These agencies--each with different goals and missions related to border infrastructure and facilitation--have independently undertaken actions to improve the efficiency of their operations, and on some occasions have coordinated operations. They recognize the continuing need to coordinate their efforts closely. Building on those efforts, to provide the senior level impetus to comprehensively evaluate and improve border operations, the Administration formed the Task Force on Border Infrastructure and Facilitation in January 1994.

III. BORDER TASK FORCE ON INFRASTRUCTURE AND FACILITATION

The interagency Task Force on Border Infrastructure and Facilitation was formed in January 1994. The Task Force includes officials of the National Economic Council, the U.S. Department of Transportation (DOT), the State Department, the General Services Administration (GSA), the Customs Service (USCS), the Immigration and Naturalization Service (INS), the Department of Agriculture (USDA), the Department of Commerce, the Office of Management and Budget (OMB), the Environmental Protection Agency (EPA), the U.S. Trade Representative's Office (USTR), and the Council of Economic Advisers (CEA). The Interstate Commerce Commission (ICC) also participated in the work of the Task Force.

The Task Force, functioning under a 120-day time frame, has examined the nature of traffic congestion at major international U.S. land border crossings, and has met regularly since February. Each agency has provided proposals for changes to its operations for discussion and evaluation by the Task Force. The group's meetings enabled all participating agencies to develop a clearer understanding of each other's missions and problems, and to view border operations in a more comprehensive way.

As contained in this paper, the Task Force has drafted a set of recommendations for cost effective measures that could alleviate congestion. These recommendations are not exhaustive of all changes that might improve border operations generally; nor do they address specific solutions for problems at individual ports of entry.

The recommendations contained herein do address those changes that, in the opinion of the Task Force, would generate the greatest benefits relative to the costs of the improvements. Some of these changes are already underway. The draft recommendations are being presented to the public in advance of the Task Force's visits to selected border sites. During those visits, the Task Force will observe border crossings and meet with local, state, and regional officials, business interests, customs brokers, freight forwarders and the general public to discuss the draft recommendations, and to seek additional points of view. Following these discussions, the Task Force will finalize its recommendations and present them to the Administration.

The Task Force has explored three major areas where improvements might alleviate some degree of border congestion and delay.

1. Operational Improvements: e.g., coordination of hours of operation, staffing levels, paperwork processes, and use of automated systems and new technologies.

2. Infrastructure Improvements: including the need for smaller-scale infrastructure improvements, such as access roads and commercial inspection facilities, which might provide considerable benefits for a modest investment. This area also includes improvements in border planning mechanisms.

3. Institutional and Regulatory/Legislative Improvements: e.g., changes in laws, and regulations that might facilitate the movement of traffic, as well as the implementation of user fees, tolls and other financial incentives to effect changes in the use of border resources.

Each of the areas discussed above can be divided into border-wide and port-specific categories. Some problems and solutions apply to all border crossings, while others should be applied on a port-by-port basis. While some steps could help all border crossings, each crossing should be examined individually to determine what specific actions it requires, including steps that may be completely unique to a single crossing. However, the immediate work of the Task Force is to take only the broad, system-wide view of border crossing problems. While a more detailed review of, and recommendations for all border crossings is beyond the immediate scope of the Task Force, a future effort to examine port-specific operations is being considered.

The effectiveness of Task Force recommendations will depend in large measure on the involvement of Mexico and Canada in the planning process, and the degree of cooperation obtained from those two governments. Steps taken by the United States can only be fully effective if comparable actions are taken on the Canadian and Mexican sides of our international land borders to facilitate traffic movement.

Many of the recommendations outlined in this paper suggest improvements on the U.S. side of the northern and southern borders that will facilitate the movement of goods and people into the United States. Of equal importance under NAFTA, is the movement of U.S. exports and businesspeople north into Canada and south into Mexico. Without a major coordination effort with the Canadian and Mexican governments along our shared borders, many of the improvements outlined in this paper cannot achieve their full effect.

With this reality in mind, U.S. government agencies will work within all available binational and trinational forums to achieve mirror-image improvements in the operations of Mexican and Canadian border agencies. These groups include, but are not limited to: The United States-Mexico Bilateral Committee on Bridges and Border Crossings, the NAFTA Working Group on Customs Administration, the U.S.-Canadian Committee on Border Stations, and the proposed U.S.-Mexico Bilateral Customs Working Group. The U.S. delegations to these groups will regularly consult with

the port-specific quality improvement committees to identify and resolve problems with border efficiency on the Mexican and Canadian sides of the border as they arise.

Copies of the final version of this Whitepaper, and reports on U.S. progress toward implementing recommendations will be shared with the Mexican and Canadian governments in these forums as starting points for ongoing discussions on joint improvement.

Each of the recommendations below includes an estimated completion time. Three general time frames are used; short term (within one year), medium term (one to three years), and long term (more than three years).

Summary of Recommendations

- A. Set a standard that defines "Border Efficiency."**
- B. Improve coordination of Customs Service and Immigration and Naturalization Service operations at land border ports of entry.**
- C. Revise Staffing Procedures.**
- D. Use of tolls, user fees, and private sector funding.**
- E. Expand and standardize use of electronic data interchange.**
- F. Pilot Programs.**
- G. Improve Coordination Between Approvals for Border Crossings and Planning and Provision of Support Infrastructure.**
- H. Follow-up Task Force work.**

IV. Recommendations

A. SET A STANDARD THAT DEFINES "BORDER EFFICIENCY"

A1. Recommendation: Develop a quantitative standard that defines "Border Efficiency"; establish a goal for the average peak period queuing time for commercial and non-commercial routine border clearance.

Time Frame for Implementation: Short

A2. Recommendation: Strengthen linkage between the United States and both Canadian and Mexican border inspection agencies, local officials, and other local interests for purposes of exchanging information, developing standards, and defining common measures of border efficiency.

Time Frame for Implementation: Short

A3. Recommendation: Evaluate methods for more evenly distributing border traffic throughout the day.

Time Frame for Implementation: Short

Background: Many agencies and private industry have complained that existing border clearance operations are not efficient, but no clear standard of "efficiency" has ever been offered. Such a standard would set and define an acceptable value of average commercial and non-commercial vehicle delay for clearance through primary lanes, and perhaps a time range for vehicles or persons that must undergo certain additional regulatory, non-enforcement processing in secondary inspections, without compromising the enforcement missions of the federal inspection agencies. This value would be based (and routinely reevaluated) on the relative costs and benefits to be realized from further reductions in the average delay value. A measure of this kind would give agencies a benchmark against which to compare performance at different ports of entry, and at different times of the day and year. In addition to the actual processing time agencies need in order to adequately inspect and clear vehicles, cargoes, and drivers, the total waiting time for vehicles crossing the border should be examined. While many vehicles are cleared by inspection agencies very quickly, the vehicle may spend an hour or more waiting in line before reaching the inspection booth. Thus, a measure of efficiency should be established for the maximum total time a vehicle should ideally spend crossing the border. This should not be presented as a goal that inspection agencies must meet, but rather as a standard for evaluating the efficiency of border operations. If it is not met, the reasons for that, and possible solutions, should be sought. If all facilities are fully staffed at peak operating hours, and the efficiency standard cannot be met, additional facilities may be necessary. In such cases,

incentives should also be implemented to encourage crossing during off-peak hours. These could include staggered tolls or user fees.

Before any quantitative standard is set, a measure of the existing level of compliance should be established by the inspection agencies. All elements that contribute to delay should be taken into account, including workload and staffing levels, and infrastructure shortcomings. Customs and INS have begun studying compliance levels, and have set an overall goal of having vehicles wait in primary lanes no more than 20 minutes.

Implementation: Data should be collected and analyzed at several busy border crossings, particularly during peak seasons and peak hours of the day, to record the waiting times for vehicles crossing the border. Staffing levels of federal inspection agencies should be measured and correlated with the waiting time. Time should be measured for both the processing of vehicles at the booths, and for the time a vehicle waits in line to arrive at the booth. A reasonable, optimum total time for border crossing should be established, and it should become the standard for an efficient border crossing.

Benefits to be Achieved: By measuring total crossing time, and breaking it down into waiting time and processing time, a more precise idea of "border delay and congestion" should be achievable. For example, if the average commercial vehicle spends one hour waiting in line, but only ten minutes being cleared by inspection officials, the cause for delays may not be processing practices, but perhaps an inadequate number of inspection booths, or insufficient staff. Overcrowding might also result from sudden surges that quickly overwhelm an otherwise adequate staff and facility. In such cases, more even distribution of traffic could alleviate congestion.

Resource Requirements: Funding and staffing for data collection and analysis at the busiest border crossings. Communication with foreign governments, and permission to observe U.S. border clearance from their side of the border.

B. IMPROVE COORDINATION OF CUSTOMS SERVICE AND IMMIGRATION AND NATURALIZATION SERVICE OPERATIONS AT LAND BORDER PORTS OF ENTRY

B1. Recommendation: Develop measurable joint performance standards and indicators in cross-designated duties. To evaluate the performance of cross-designated inspectors, job elements to be measured must be identified and the means to measure the elements must be determined.

Time Frame for Implementation: Short

B2. Recommendation: Increase emphasis on joint basic and refresher training to ensure uniformity in performance, augment awareness of the other agency's mission, and develop a closer working relationship early in the inspectors' careers.

Time Frame for Implementation: Short

B3. Recommendation: Establish local quality improvement committees comprised of managers of Federal agencies with a significant port presence to resolve problems at the local level. Consistent with resources, provide further management and problem resolution training for managers.

Time Frame for Implementation: Short

B4. Recommendation: Coordinate shift scheduling of INS and Customs inspectors who jointly staff primary inspection lanes, to provide better coverage, especially during peak periods.

Time Frame for Implementation: Short

B5. Recommendation: Improve coordination and joint planning of special enforcement operations. The INS and Customs should conduct joint planning sessions on related special enforcement operations to be conducted throughout the year.

Time Frame for Implementation: Short

Background: Numerous studies have examined the effectiveness of dual management by the INS and Customs Service at land border ports of entry. Some, including the General Accounting Office, have recommended ending dual management in favor of a unified port management concept, which would place management of the port under a single agency. While this concept is being studied, inspection agencies have begun an effort to better coordinate and improve operations before consolidation is considered.

Implementation: Joint efforts are now underway between INS and Customs to develop means by which those agencies could coordinate their activities and thereby the operation of inspection stations. The agencies are examining their current inspection

procedures, and are completing detailed process maps to help identify problems/opportunities for improvement, and developing future primary processes to streamline land border operations. Local community groups in affected cities and towns were given the opportunity to contribute their views on how inspection operations could be further improved.

With the passage of NAFTA and its imminent phase-in of more liberal access to North American markets, the coordination of Customs and INS processes needs to be encouraged and improvements implemented. This should assure maximum relief from border congestion and delay problems.

Benefits to be Achieved: A more coordinated, streamlined inspection process that should speed entry across the border and thus mitigate congestion.

Resource Requirements: Agency staff has already been committed for this effort.

C. REVISE STAFFING PROCEDURES

C1. Recommendation: Require all stations to be staffed at levels that permit inspection agencies to meet the border efficiency standards developed in connection with Recommendation A1. Such a requirement would include identification of funding sources.

Time Frame for Implementation: Short

C2. Recommendation: New project applications, and plans to expand existing facilities, should include a plan for sharing the burden of funding to provide adequate staffing by inspection agencies.

Time Frame for Implementation: Medium

Background: Each of the various agencies with border crossing responsibilities must plan and budget for itself, with little coordination among the several agencies. Staffing ceilings are often inadequate for inspection agencies to adequately staff current inspection facilities, let alone those facilities that are in planning phases. Congressional funding and authorization levels for some agencies have not kept pace with the increased levels of traffic at land borders. Revenues generated by tolls and fees at border crossings have not traditionally been used for staffing purposes. Achieving the benefits realized by reduction of congestion at border crossings justifies such use of a portion of these revenues.

Implementation: Draft new staffing guidelines that require all stations to be adequately staffed by inspection agencies, including necessary funding.

Benefits to be Achieved: The planning and maximum utility of border crossings will be well served by a more comprehensive view of the border, with particular attention given to staffing needs of inspection agencies. Regardless of financial expenditures on infrastructure projects, border congestion will not be adequately addressed if there is not sufficient staff to serve border crossing facilities.

Resource Requirements: This effort will require staff time to draft new guidelines and regulations, and to draft and coordinate the required legislation.

D. USE OF TOLLS, USER FEES, AND PRIVATE SECTOR FUNDING

D1. Recommendation: Permit owners of international bridges to share toll revenues with inspection agencies to provide additional personnel for administrative or inspection duties in order to increase the flow of people and traffic through border station facilities, particularly during rush periods. Permit bridge sponsors, bridge owners, state and local governments, and private sector firms to pay for staffing and border crossing infrastructure. This would include permitting these entities to make gifts to the Federal Government of new or expanded border stations.

Time Frame for Implementation: Medium

D2. Recommendation: Consider expanding user fees dedicated to border staffing to help relieve congestion. Any system should avoid creating new burdens for inspection agencies, or additional delays for vehicles. As an adjunct, higher fees or tolls during peak hours, and at the more congested facilities, should be considered to encourage off-peak hour use.

Time Frame for Implementation: Medium - Long

Background: Problems of adequate staffing and infrastructure are some of the factors identified as creating border congestion. When infrastructure problems immediately adjacent to the border station, as well as staffing, are identified as causing congestion, a lack of Federal funds can inhibit the implementation of viable solutions. To supplement existing funding and improve services, alternative sources for additional funds to alleviate these problems can include: 1) user fees or tolls imposed by Federal agencies for services, 2) a portion of the crossing tolls collected on toll bridges, and 3) local governments and the private sector. Pricing of border crossing services will more closely reflect all of the social costs (including congestion) of those demanding the services.

Implementation: The use of tolls or user charges for staffing will require legislative changes. It would also require a change in approach. Federal, state and local governments, and private interests need to work in partnership and use their combined time, money, and expertise to find solutions to border congestion. For each of these recommendations, new funding from private, Federal, state, and local sources should augment existing Congressional appropriations for Federal inspection agencies.

Benefits to be Achieved: Additional staffing and infrastructure needed for alleviating border congestion will be provided. Congestion-pricing during periods of peak activity, and at the

most congested facilities, can shift demand for border crossing services to less-congested times and/or places.

Resource Requirements: The effort will require staff time to draft legislation. It will require the commitment of time and effort by Federal, state and local government officials, as well as bridge owners and private sector interests to work out effective solutions. Additional resources will be needed to:

- (1) formulate implementation plans for Federal inspection agencies;
- (2) hire toll collectors;
- (3) set up accountability mechanisms;
- (4) build sufficient infrastructure to facilitate toll collection and still maintain traffic movement.

E. EXPAND AND STANDARDIZE USE OF ELECTRONIC DATA INTERCHANGE

E1. Recommendation: Standardize electronic data interchange (EDI), require customs brokers to use it. Consider requiring prefiling of paperwork.

Time Frame for Implementation: Medium

E2. Recommendation: Inspection agencies should further integrate databases to the extent possible.

Time Frame for Implementation: Medium

Background: A considerable amount of border crossing delay is caused by inadequate preparation and processing of documents. Improperly prepared or incomplete paperwork immediately causes delay in cargo processing by Customs, and processing of individuals by the INS. Better education of trucking companies and drivers regarding necessary documentation could help alleviate these problems. Greater improvement would result from standardized use of electronic data interchange (EDI), which enables customs brokers to complete and file all necessary documents electronically. The U.S. Customs Service has encouraged all customs brokers to file documents in this way. Even greater efficiency would be achieved if all data bases of this kind that are maintained by inspection agencies were integrated. Similarly, the requirements of other federal agencies, including safety enforcement measures set by DOT, could be integrated into the same system.

Considerable time has been saved when documents are filed electronically in advance of a cargo's arrival at the border. It should be possible to make such pre-filing standard procedure, and thus enable inspection officials to spot shortcomings in the documents prior to the arrival of the cargo.

Implementation: Existing computer operations of the border inspection agencies and those of customs brokers should be examined and a plan developed to standardize software, and combine key information needed by each agency into a single data base. The information should be available to border station inspection officials as soon as a cargo arrives at the border.

Benefits to be Achieved: Past experience indicates that a considerable amount of border delay could be avoided if cargo documentation ceased to be a problem. Coordinating this aspect of border clearance among all inspection agencies should make the work of each smoother and more routine without compromising enforcement responsibilities.

Resource Requirements: The costs of retaining a contractor, developing software, and deploying a new, integrated system will require funding from all of the agencies involved.

F. PILOT PROGRAMS

F1. Recommendation: Adopt an aggressive policy for use of pilot programs to test innovative concepts and new technologies that might provide general benefits border-wide.

Time Frame for Implementation: Short - Medium

F2. Recommendation: Draft legislation where necessary to permit the extension of successful pilot programs into permanent features at other border crossings as appropriate.

Time Frame for Implementation: Short

Background: Border congestion has many causes, and federal agencies have experimented with different measures that offer the promise of alleviating some degree of congestion. These innovations include concepts such as dedicated commuter traffic lanes, separation of commercial and non-commercial traffic, rapid clearance processing for frequent border-crossers, both commercial and private, and use of pricing to reallocate traffic from more to less congested times and places. Often, such innovations take the form of pilot programs that are tested at one or a few border crossings. In some cases, successful pilot programs are not converted into permanent procedures across the border due to a lack of legislative authority and/or funding.

Implementation: Aggressively seek and test new technologies that could expedite border crossing. A review of past and existing pilot programs should be undertaken, and an assessment made as to which of them have been successful in alleviating border congestion. Ideas that show promise include testing Radio Frequency Identification Technology (RFID), computer chip technology that tracks vehicles and cargoes; directing specific types of cargo to crossings equipped to inspect it (hazardous materials, agricultural goods); opening experimental stations that combine inspections by all agencies, including vehicle safety inspections by state officials; and installing electronic signs and AM radio reporting services that warn drivers of severe traffic delays, and recommends alternate routes and crossings.

Benefits to be Achieved: Each successful pilot program offers unique ways to alleviate border congestion to some degree.

Resource Requirements: Staff time to prepare and coordinate legislation. Funding for pilot programs as permanent ones.

G. IMPROVE COORDINATION BETWEEN APPROVALS FOR BORDER CROSSINGS AND PLANNING AND PROVISION OF SUPPORT INFRASTRUCTURE

G1. Recommendation: Develop a more systematic process for coordination between approvals for new or expanded border crossings and providing support infrastructure, especially access roads. In the process of authorizing the construction of new border crossings or significant expansion of existing ones, require the sponsor of the undertaking 1) to show commitments to provide adequate support infrastructure, including access roads, consistent with state and regional plans; 2) to coordinate with Canadian and Mexican development plans and priorities; and 3) to propose a viable financing plan for inspection facilities and inspection agency staffing, as well as for the crossing itself.

Time Frame For Implementation: Medium

Background: While there has been some improvement in recent years, there are still too many gaps in coordination between the approval procedures for new or expanded border crossings and the delivery of support infrastructure, such as roads. A recent example of this problem in the United States is the Colombia bridge in Laredo. The problem is not limited to the United States, however; similar problems exist in Mexico. The lack of adequate highway infrastructure on the Mexican side of the Colombia bridge serves as a prime example. Current procedures do not encourage geographic planning by states or regions that would allow prioritization of prospective projects in a much broader context.

Current shortcomings should be addressed through a more systematic regional planning approach. State organizations should develop regional plans that identify and prioritize development needs. States should coordinate their planning with the appropriate foreign government entity in Canada or Mexico to ensure consensus on priorities. Several important binational groups already exist that should be used in an improved planning and coordination process, expanding their perspective and scope of work as necessary. However, while the Federal Government can help provide the framework for improved planning, project initiatives and primary responsibility for deciding between alternatives must be at the state level. Planning of this kind would provide border improvements with the greatest social benefits.

Finally, the present authorization process for new border crossings or for improvement of existing ones does not require sponsors to show commitments to provide necessary support infrastructure. Nor does it require sponsors to propose financing plans to cover the costs of the inspection facilities as well as of inspection agency staffing.

Implementation: In coordination with their Canadian and Mexican neighbors, states should develop regional plans for the international border areas within their jurisdiction. These plans should consider the entire border, including large, small, commercial and non-commercial crossings, and prioritize the most effective measures to alleviate cross-border congestion. In this way, the needs of local communities could be taken into account within a broader planning context. Plans should also consider measures that would improve use of existing infrastructure.

At the Federal level, evaluation of new bridge and crossing proposals should, in addition to current criteria, emphasize a need for effective provision of all necessary supporting infrastructure (particularly the access roads that will connect the facility to major highways), and innovative plans for financing that address both infrastructure needs and, as permitted, the cost of providing necessary inspection agency staff.

Development and implementation of an improved regional planning approach should involve all groups on both sides of the border that would be impacted by the outcome of the process, including state and local officials, private sector representatives, federal inspection and transportation agencies, and foreign ministries. While free to develop their own planning relationships with foreign entities, to the extent possible states should work within existing binational and trinational forums. On the northern border, an example of such a group is the U.S.-Canadian Committee on Border Stations. Along the southern border, the newly-established Joint Working Committee on Border Transportation Planning should become the forum for developing coordinated proposals for regional transportation. This Committee has been charged through a Memorandum of Understanding between the Transportation Departments of the United States and Mexico to:

- o Develop and implement coordinated border highway transportation plans and programs between the parties in two phases of action, short-range and long-range.
- o Evaluate transportation demand and infrastructure impacts resulting from future changes in border highway transportation traffic.

The Committee will be required to coordinate with other Federal and state agencies concerned with border crossing activities such as customs, immigration, foreign relations, agriculture and law enforcement, as well as with existing Federal and state government planning processes and studies.

Benefits to be Achieved: A far more efficient, cost effective way to assess border infrastructure needs. A systems approach

would take account of traffic flows, and could disburse traffic concentrated at one crossing to several crossings, thus alleviating congestion for all. The needs of local communities could also be seen within the broader context of regional cross-border transportation, and cost savings could be achieved. Coordinated planning would reflect views and needs of all concerned parties, governmental and private.

Resource Requirements: The task will require adapting existing Federal, state and local planning groups to include officials from all Federal inspection agencies and appropriate state, regional, and foreign government officials.

H. FOLLOW-UP TASK FORCE WORK

H1. Recommendation: The existing Task Force should continue a monitoring function for a period of two years. The Task Force should maintain a broader perspective on general border issues and problems, which locally-oriented implementation groups may not focus on.

Time Frame for Implementation: Short

Background: The work of the task force is designed to be short term, and the group was intended to complete its work within 120 days. Moreover, its mission was to make broad recommendations about the general condition of international land border crossings. Its mission, and limited timeframe, preclude the task force from taking an in-depth look at many factors peculiar to individual ports of entry that can contribute to congestion. That work is equally important, but can only be accomplished over a longer period of time that allows for many border site visits.

Implementation: The Task Force should identify existing binational and trinational forums and working groups that address border issues. These groups should be used to implement the recommendations contained in this paper, and should communicate any problems encountered to the Task Force. The same groups should take a closer, in-depth look at individual conditions that contribute to border congestion at specific border crossings. The Task Force should consider information generated by these groups in both a local and border-wide context, and make additional recommendations accordingly.

Benefits to be Achieved: Many long-standing problems at border crossings, particularly the busiest ones, can only be addressed through individual, in-depth examination. There are physical and institutional factors peculiar to specific ports of entry that contribute to congestion, and which must be addressed locally. It may be possible to alleviate a considerable degree of congestion at these crossings through low-cost, relatively simple measures that apply to individual ports of entry.

Resource Requirements: Needs will vary with the type of action that is recommended. At some crossings, infrastructure improvements or modifications may be necessary, such as road construction, or relocation of obstacles. Other actions might involve simple changes in procedures, or traffic facilitation.

V. Summary

The Task Force has put forth a number of recommendations in this Whitepaper, all designed to achieve a measure of improved efficiency to border crossing operations. These include a more coordinated planning process for border improvements, improvements to existing coordination of inspection agency operations, revisions and improvements to staffing procedures and funding, expansion and standardization of electronic data interchange (EDI), establishment of a standard to define "border efficiency," by which progress could be measured and causes of congestion identified, suggestion of several pilot programs and demonstration projects, and follow-up monitoring work for the Task Force.

The Task Force welcomes comments and discussion of these recommendations and the issues that they seek to address. Comments should be no more than four pages, and may be sent directly to the Task Force at the following address:

Mr. John Horsley
Deputy Assistant Secretary
Office of Governmental Affairs
U.S. Department of Transportation
400 7th Street, S.W.
Washington, D.C. 20590

THE WHITE HOUSE
WASHINGTON

January 25, 1994

MEMORANDUM FOR DISTRIBUTION

FROM: Michael Deich MD
NEC

SUBJECT: Meeting of Working Group on Border Infrastructure

The working group on border infrastructure and transportation will hold its first meeting on Monday, January 31. At the meeting, I hope that we will be able to reach consensus on a workplan and agency assignments. To help focus the discussion, DOT kindly prepared the attached "action plan." Please come to the meeting prepared to discuss any changes that you wish to make in the plan.

The working group will meet at 1-2 p.m. in room 180 OEOB. If you need to be cleared into the building, please call Sandy Mancini at 456-2801 by c.o.b. Friday. I look forward to seeing you.

DISTRIBUTION:

	FAX	Phone
Sam Banks, Customs	927-1380	927-1010
John Bauman, DOS	647-3135	647-4088
Peg Fearon, Customs	927-1171	927-1413
Buzz Fitzpatrick, USDA	690-0338	690-1300
Bernard Gaillard, ICC	927-5529	927-5500
David Gardiner, EPA	260-0275	260-4332
Steve Gibson, DOS	647-5752	647-8529
Steve Hurst, INS	616-7612	514-8223
William Lawson, GSA	501-3421	501-0638
Glen Lee, APHIS	690-0472	xxx-xxxx
Arnold Levine, DOT	366-7417	366-4368
Mark Mazur, CEA	395-6809	395-5147
Geoff Ogden, DOS	647-4324	647-5840
Bryan Samuels, USTR	395-3911	395-5663
Mike Schmidt, DPC	456-7739	456-6586
Ken Schwartz, OMB	395-7238	395-4892
Jonathan Silver, DOC	482-2741	482-5283

01/12/94

Border Efficiency Task Force

Strawman Action Plan

Objective of Task Force: Provide specific recommendations of ways to improve the efficiency of U.S. border crossings and to better plan for future border infrastructure investments.

Timeframe for accomplishment of objective: 90 - 120 days

Membership: Task force is created under the auspices of the National Economic Council. Representatives on the task force will come from the Departments of Transportation, Treasury, Justice, Agriculture, State and Commerce as well as representatives of the General Services Administration, Office of Management and Budget, Environmental Protection Agency, Office of the U.S. Trade Representative, Council Of Economic Advisers and Domestic Policy Council.

Other participation: Input to be sought from independent agencies such as the Interstate Commerce Commission, Mexican/Canadian officials, state/regional representatives and user/public interest groups as appropriate.

General Approach: The issue of border congestion and facilitation has been dealt with on an on-going basis by various departments and agencies over an extended period of time. There is significant knowledge and expertise which already exists on border issues. Therefore, the general approach of the task force's work will be to 1) inventory and evaluate existing border issues, corrective actions/programs and impediments to change as experienced heretofore; 2) hypothecate a set of preliminary actions that might significantly improve border operations; 3) conduct a set of not more than six border site visits and concurrent public outreach sessions using actions derived in step 3) to focus discussions; 4) evaluate information from on-site visits and public outreach and derive a set of recommendations for future actions; 5) present recommendations to National Economic Council for consideration and further action.

Milestones: The task force will organize itself around 7 milestones as follows:

1) Organisation

- A. Designation of departmental/agency contact points
- B. Approval of general approach to task force's work and work-sharing arrangements among members

- 2) Inventory Existing Experience
 - A. Outline major issues by Country, Department, Region
 - B. Outline recent or current programs designed to improve border operations and their results to date
 - C. Identify perceived impediments to further improvements
- 3) Formulate Test Recommendations for Additional Improvements
 - A. Evaluate information from item 2 and identify possible improvements related to:
 - 1) improved or additional infrastructure
 - 2) improved operational procedures
 - 3) improved coordination between federal/state/local/international authorities
 - 4) statutory/treaty or other legal changes
 - B. Evaluate fiscal and other resource impacts to achieve improvements
 - C. Formulate Preliminary or Test Recommendations
- 4) Conduct Series of Site Visits and Public Outreach Mtgs
 - A. Gain first hand experience with border operations
 - B. Evaluate border operations relative to test recommendations for improvements
 - C. Seek input from local government, private interests and international counterparts
- 5) Re-Evaluate Test Recommendations Vis a Vis Visits/Outreach
 - A. Factor into recommendations input derived from visits
 - B. Formulate final set of recommendations

6) Present Final Recommendations to National Economic Council

Time Schedule: The task force is committed to having its first meeting by the end of January. A rough schedule for accomplishment of the milestones within 90 and 120 days follows:

<u>Milestone</u>	<u>Time Schedule</u>	
	<u>90 days</u>	<u>120 days</u>
1. Organization		
a. first meeting	Jan 28	Jan 28
2. Inventory Previous Work	Feb 18	Feb 25
3. Preliminary Recommendations	Mar 04	Mar 18
4. Site visits/outreach	Mar 18	Apr 08
5. Re-evaluate Recommendations	Apr 01	May 06
6. Final Recommendations to NEC	Apr 29	Jun 03

THE WHITE HOUSE
WASHINGTON

January 10, 1994

MEMORANDUM FOR THE SECRETARY OF STATE
THE SECRETARY OF THE TREASURY
THE ATTORNEY GENERAL
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF TRANSPORTATION
THE DIRECTOR OF THE OFFICE OF
MANAGEMENT AND BUDGET
THE UNITED STATES TRADE REPRESENTATIVE
THE ADMINISTRATOR OF THE ENVIRONMENTAL
PROTECTION AGENCY
THE CHAIR OF THE COUNCIL OF ECONOMIC ADVISORS
THE ASSISTANT TO THE PRESIDENT FOR DOMESTIC POLICY
ADMINISTRATOR OF GENERAL SERVICES

FROM: Robert E. Rubin
Assistant to the President for Economic Policy

SUBJECT: NEC Working Group on Border Infrastructure and Transportation

As you well know, passage and implementation of the North American Free Trade Agreement marks a new phase in economic relations between the United States, Canada and Mexico. As trade between our countries increases, there will be a pressing need to move people and cargo more efficiently across our borders.

A number of federal Departments and Agencies share responsibility for ensuring expeditious cross-border transportation. Each Department has been working to meet the challenges of increased border transportation in a fashion consistent with their additional responsibilities to enforce laws and regulations governing other areas such as customs and immigration. In order to coordinate the efforts of these Departments and Agencies, and to improve the formulation and implementation of policies affecting cross-border transportation, it was decided to form an NEC Working Group on Border Infrastructure and Transportation.

At a press conference tomorrow Secretary Peña will announce plans for meeting with the Transportation Ministers of Mexico and Canada, and also will note the formation of this Working Group. The first staff-level meeting of the Working Group will occur by the end of this month.

THE WHITE HOUSE
WASHINGTON

January 10, 1994

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BORDER INFRASTRUCTURE AND FACILITATION TASK FORCE

Background

The passage of NAFTA marks the beginning of a new phase in economic relations between the United States, Mexico, and Canada. As trade among the three countries increases, there will be a pressing need to move people and cargo more efficiently across our borders and to ensure the development of an integrated North American transportation system.

There are both infrastructure and border efficiency issues that must be addressed and creatively resolved if the United States, Canada, and Mexico are to develop an integrated transportation system that is capable of handling increased trade among the three nations.

There are numerous government agencies charged with various aspects of moving goods and people across our borders. Each has been working on the challenges and barriers to more efficient cross-border movements, consistent with their responsibilities to enforce safety, health, customs, and immigration laws and regulations.

On the U.S. side, the key federal agencies active in border infrastructure and facilitation are: the Department of State, which chairs the United States-Mexico Binational Committee on Bridges and Border Crossings and ultimately provides the presidential permit needed to build any international bridge or border crossing; the General Services Administration, which builds the government inspection facilities and determines personnel needs generally; the U.S. Customs Service, which processes all movements of freight across the borders; the Immigration and Naturalization Service (INS), which checks the status of persons entering the United States; the Department of Agriculture's Animal and Plant Health Inspection Service (APHIS), which checks the safety of agricultural products shipped into the United States; and the Department of Transportation, which has responsibility for assessing multimodal infrastructure needs and methods of funding those needs, works with Mexico and Canada to improve border infrastructure planning, and chairs the interagency Transportation Facilitation Committee.

These agencies -- each with different goals and missions related to border infrastructure and facilitation -- have already undertaken actions to improve the efficiency of their operations and recognize the continuing need to coordinate their efforts closely. The Vice President's National Performance Review and the Department of Transportation's study of trade corridors further highlight the importance of cooperative and coordinated measures to improve the management of border infrastructure and operations.

The Task Force

Charter: The Task Force is established under the auspices of the National Economic Council and will: 1) examine existing domestic and cross-border mechanisms for infrastructure planning; 2) determine what, if any, new mechanisms or modifications to existing mechanisms are needed to improve coordination, promote an integrated North American transportation system, and streamline current processes; 3) review existing information about key border crossing points between the United States and Canada and Mexico; for example, distribution of traffic through the day/year, volume of traffic, time to clear passengers and freight, innovative techniques being employed, methods of measuring system productivity and efficiency; 4) evaluate capital and non-capital intensive methods of facilitating cross border traffic; for example, additional facilities, sampling techniques, use of electronic data interchange, in-bond shipments to inland ports of entry, improved traffic management, modified working hours for inspectors; and 5) make recommendations on the most cost effective measures to be undertaken.

The need for infrastructure improvements, changes in institutional arrangements, and the introduction of new technologies would be reviewed. Canada and Mexico would be invited to participate.

Task Force Composition:

- Department of Transportation
- Department of the Treasury (U.S. Customs Service)
- Department of Justice (Immigration and Naturalization Service -- INS)
- Department of Agriculture (Animal and Plant Health Inspection Service -- APHIS)
- Department of State
- General Services Administration
- Department of Commerce
- Interstate Commerce Commission
- Office of Management and Budget
- National Economic Council

Task Force Work Program:

The Task Force would prepare a report including recommendations within 90 days of its establishment. Following is a proposed work program:

January 11

Secretary Peña, joined by representatives of other agencies, announces the creation of the Task Force

January 24	Task Force officially launches its work with principals meeting to agree on work program and schedule
January 24- March 18	Task Force gathers information, holds "hearings," makes site visits
February 1- March 18	Investigate and evaluate measures to improve <u>infrastructure planning and border crossing efficiency</u>
February 25	Task Force principals meet to hear progress report
March 21- April 8	Draft report and recommendations
April 11- April 22	Interagency clearance of report and recommendations
April 25	Task Force principals meet to clear report and recommendations and to transmit them to the National Economic Council

**ASSESSMENT OF BORDER CROSSINGS AND
TRANSPORTATION CORRIDORS
FOR NORTH AMERICAN TRADE**

FACT SHEET

OVERVIEW

- The Intermodal Surface Transportation Efficiency Act of 1991 called for a report to Congress of an assessment of physical and institutional systems and for discretionary funding programs for border crossings and transportation corridors to facilitate North American trade.
- The two studies, Sections 6015, *Border Crossings*, and 1089, *Feasibility of International Border Highway Infrastructure Discretionary Program*, respectively, were conducted in 1992 and 1993. The studies cost approximately \$2.1 million.
- The Section 6015 study focuses on ways to facilitate transportation to support trade in North America at border crossings and corridors for each transportation mode, multimodal and intermodal transportation issues, and economic development and transportation improvements needed to support economic growth.
- The report also includes the Section 1089 study of the need for a discretionary funding program for border crossing infrastructure using data and information developed in the Section 6015 study.

PRINCIPAL FINDINGS

- Volumes of trade and traffic will increase among the three North American countries. The traffic growth rate at both the U.S.-Canadian and U.S.-Mexican borders has been increasing at rates significantly higher than average national growth rates, particularly at the southern border.
 - With ratification of the NAFTA, the projected increase in trade between the United States and Mexico will be much larger. U.S. exports to Mexico are projected to increase between 65 and 70 percent by 2000.
- The facilities immediately at the border crossings, principally bridges and tunnels plus facilities housing Federal inspection agencies are adequate and will remain so for the foreseeable future, even with the anticipated increased in trade.

- Arterials leading to and from border crossing sites are part of the border approach infrastructure. Today, they are under stress and will be hard pressed to handle significantly greater amounts of cross-border traffic. These arterials connect border crossings to the main interstate and interregional transportation system within the United States. They are badly in need of repair and upgrading.
- In addition to needed improvements in access to the border crossing points, some incremental improvements to transportation systems in the United States may be necessary to handle increases in both domestic and international trade, including improvements in access to inland ports, seaports, airports, and intermodal transfer facilities.
- Communities that adjoin busy international border crossings face special problems resulting from the concentration of trade-related traffic, including congestion of local arterials with accompanying delays in travel times for local residents and deterioration of air quality, safety risks associated with heavy vehicle traffic, and increased deterioration of highway infrastructure.
- Border states, in distributing Federal highway funds, seem not to have allotted sufficient funds to border communities for improvements to border crossing approaches. New sources of infrastructure funding and improved methods for its allocation appear necessary.
- A significant proportion of the delays at border crossings are not due to a lack of adequate infrastructure, but is caused by volume of trade, by complexities of inspection requirements, and by less than optimal traffic management and cargo clearance procedures. Improvements appear to be needed in a combination of partnerships and technology applications to resolve some delay problems.
- Inspection agency staffing shortages can lead to excessive waiting time at border crossings. More efficient use of border facilities could spread traffic over a longer period during the day, and thus alleviate some congestion.
- A need exists for increased coordination among the stakeholders which include the FIS, other Federal agencies, local and regional planners, facility operators, carriers and shippers. Cooperation must be binational and it should include broader representation from the public sector.
- Infrastructure and facilitation planning for major border crossings is fragmented and inadequate.

- There is insufficient linkage between available data on trade and transportation to permit the establishment of a firm definition of what constitutes an existing or emerging international trade corridors for all modes of transportation.

RECOMMENDATIONS

- Overall, our transportation infrastructure is mostly in good shape for increased trade crossing at our borders in the near future. But, strategic investment is needed to address deficiencies in highway approaches to international ports of entry and intermodal facilities crossings. The study estimates \$8 billion to \$12 billion may be needed over the next decade to fund these improvements.
- The ISTEA put new and greater emphasis on statewide and metropolitan planning efforts. The study does not favor a discretionary program for an international border highway infrastructure because of earmarking which works counter to enhanced statewide and local planning efforts.
- The study does recommend a number of alternative actions to the discretionary program. The Department of Transportation will review these alternatives:
 - Fully fund the ISTEA to provide needed resources for states to allocate to trade-related and other high priority projects.
 - Working with state and local governments, private financial institutions, carriers, and other private interests, develop a range of funding options for infrastructure improvements, emphasizing non-Federal, existing Federal, and potential sources. Identify, and cut red tape wherever possible in Federal programs to stimulate innovative collaborative efforts.
 - As part of a future surface transportation authorization bill, develop Federal-aid program options to improve transportation infrastructure related to international trade, including border approaches and access roads, and connections to port, airport, and intermodal facilities.
- The Department of Transportation and other Federal agencies should establish binational planning zones to engage in an integrated binational planning process.
- The Department recommends the development and implementation of a program for improving methods of collecting and analyzing data on cross-border trade and traffic flows.

NORTH AMERICAN TRANSPORTATION SUMMIT

BACKGROUND

There are both infrastructure and institutional challenges that must be addressed and creatively resolved if the United States, Canada, and Mexico are to develop a seamless North American transportation network that is capable of handling increased trade among the three nations in the post-NAFTA era. Implementation of the NAFTA itself will require close coordination and communication among the three countries. Closer technical cooperation among Canada, Mexico, and the United States can also help the three nations' transportation systems become more efficient and compatible. The North America Transportation Summit would be the first ever meeting among the heads of the three countries' national transport agencies to address these key issues.

NAFTA Implementation

The NAFTA calls for the gradual liberalization of cross border trucking services and regular route intercity bus services, and creates a timetable for efforts to make the three countries' technical standards (e.g., those relating to vehicle construction and operation, driver licensing, rail operations and safety, and hazardous materials). The secretaries/minister may discuss the broad issues involved in implementing the NAFTA and prepare the way for collaborative efforts to work together through the Land Transport Standards Subcommittee and the Transportation Working Group to make certain that economic liberalization deadlines are met and to make the three countries' technical standards as compatible as possible in order to improve the efficiency and safety of cross border operations.

The NAFTA makes provision for discussions to liberalize land transport further. Secretary Peña has already suggested to Secretary Gamboa the potential benefits that could result from further liberalization. The summit may be used to broach this subject and to set the stage for future discussions among the three countries.

Infrastructure and Facilitation Issues

Developing adequate and efficient highway, waterway/port, rail and air transportation systems within and between the United States, Canada, and Mexico requires a degree of planning and coordination on several levels -- between federal, state and local governments; between government and industry; and between the three countries.

Additional efforts need to be undertaken on all of these levels to adequately address and resolve the infrastructure challenges that

inhibit fuller integration of the North American transportation system. International bridges have been built without full consideration of the connecting intermodal facilities that are needed on both sides of the borders; highways have been built that do not fully take account of the need to move cargo over local arterials from railheads and ports onto those highways; planning processes and responsibilities on the local, state/provincial, and federal levels differ from country to country.

Commercial traffic congestion and delay on the United States' borders with Canada and Mexico are chronic problems. Congestion is heavy during peak operating hours, but is less serious at other times. Border communities complain of increased costs that they must bear as a result of international commercial traffic in their areas. They cite increased safety risks resulting from large numbers of trucks, increased costs for road repairs, risks of hazardous materials spills, increased levels of pollution, and other impacts. The southwest border communities in particular have indicated that existing programs do not give sufficient priority to addressing these unique problems.

In addition, a frequent complaint on the part of those sponsoring bridges or border crossings is that the permit process takes too long and that they have to work with too many agencies all with different requirements and criteria for approval. In addition, shippers complain of the costly delays and congested transborder traffic at the Mexican border as goods are unloaded and reloaded for inspections.

The summit may be used to explore the establishment of two bi-national (U.S.-Mexico and U.S.-Canada) mechanisms to coordinate infrastructure planning more closely. It may also be used to identify the top priorities for improving infrastructure and review the key measures that might be taken singly and jointly to facilitate cross border movements.

Innovative Methods of Financing Transportation Infrastructure

Each of our three countries face difficulties in financing transportation projects using traditional (i.e., government) sources of funds. Much research has been done in recent years to investigate innovative methods of financing infrastructure improvements. There are examples in all three countries of some of these methods being put to use. The summit could be used to identify several promising candidate projects for innovative financing and to explore the prospects for jointly funding them, with an emphasis on those projects that would improve the efficiency of cross border trade.

Technical Cooperation

As the three North American economies and transportation systems become more integrated, opportunities for sharing technological advancements and research will grow. Fuller technical cooperation among the three countries can contribute to the efficiency and compatibility of the North American transport system. The U.S. DOT and Transport Canada already have an agreement on technical cooperation; we have no such agreement with Mexico. The summit could be used to explore the creation of a three-nation technical cooperation agreement designed to introduce promising technologies more rapidly, exchange information, and conduct joint research as appropriate.

FORMAT

There will be a three-nation summit session to discuss the broad issues noted above. The secretaries/minister may also take advantage of their being together to schedule bilateral sessions to discuss issues of mutual interest.

Secretary Peña would want to discuss and come to some agreement on priority projects/issues with his Mexican and Canadian counterparts. Priority projects for the proposed Border Infrastructure and Facilitation Initiative could be established by focusing on particular cities/gateways/trade corridors or by developing particular pilot projects which would eventually be applicable to all border crossings or to some generic problem affecting all border crossings. The ministers may also discuss infrastructure financing issues, including public-private partnerships.

TOPICS FOR DISCUSSION

A final agenda for the summit will be worked out in consultations with the Secretariat of Communications and Transportation and Transport Canada. Secretary Peña has suggested to his counterparts that their discussions could focus on the following topics.

1) NAFTA Implementation

- measures needed to implement the agreement
- accelerated/further liberalization

2) Infrastructure and Facilitation Issues

- preview of the Border Infrastructure and Facilitation Task Force's findings

- establishment of infrastructure planning coordination bodies
- improving local transit and border community planning
- Avenue of the Americas Initiative to make fuller use of water transport
- review of current planned developments

3) Innovative Methods of Financing Infrastructure

4) Technical Cooperation

- Exhibit of new technologies that can help facilitate cross border movements while maintaining enforcement objectives
- discussion of potential joint projects on high-technology improvements to border movements (e.g., IVHS)
- improving technical cooperation between and among the three countries

Infrastructure Border Mtg 1-31

- Mexico & US both have interagency committees on border crossings & Transport meet frequently -- chaired by State Dept. Meetings include public input/comment

March 8-10 - Joint Meeting Scheduled

with Canadian side, more of an ad-hoc approach -- no formal process in many cases.

✓ Pacific NW Group Canada-US meets regularly on facility requirements

GSA - 5-year plan for facilities/customs Hauer. Report feels that current structure is adequate along southern border

- Commerce wants section on Am business participation in facilities building

- need some communication strategy to businesses along border on what our plans mean for them

- Specific local ^{conditions} concerns must also be examined.
- site-specific recommendations needed.

- must also inventory existing measures of efficiency

- fee structures/pricing issues must also be examined.

- inventory of new Admin Initiatives that relate to this issue

- Jan 1882 DOT Report on similar issues
~~sent out~~ - DOT will send out

- Feb 18 - agencies dump info

- Feb 18 - 1-3 mtg