

December 16, 2020

# TO: Jaime Chamberlain, Chairman

FROM: Luis Ramirez, President, Ramirez Advisors Inter-National

SUBJECT: Monthly Report of Activities – November 2020

On behalf of Ramirez Advisors Inter-National, LLC ("RAI-N") allow me to present our activity report to you and the Board of Directors of the Greater Nogales Santa Cruz County Port Authority ("GNSCCPA"). As always, we request and welcome your continued comments and suggestions as to how we can improve on our services, our communications and on our activities on your behalf. With your feedback, we will make every effort to improve our response to your directives and ensure an effective implantation of the initiatives at hand.

Our recent activities on behalf of the GNSCCPA have focused on the following key areas:

- 1. Mariposa Cold Room Project Update;
- 2. Extension of Border Crossing Restrictions
- Meetings with ADEQ to Discuss Heavy Metal Discharges in Nogales Wastewater Flows
- 4. Letter to Pima County in Support of Workforce Grant Application
- 5. Unisource Presentation to FPAA on Rio Rico-Harshaw Transmission Line Project
- 6. Announcement by Tucson Airport of major improvements;
- 7. CBP Announcement of year-round Sunday service
- 8. SR189 Project Newsletter by ADOT
- 9. Congressional support for BCC Extension for all of Arizona
- 10. Mexico Infrastructure Investment Package Includes Project for Altar-Sasabe
- 11. Revamp of the Port Authority Website Completed.

This report is not intended to be a full description of all activities but rather, provides highlights and information on the direction of our activities to keep the Board of Directors informed and to ensure adherence to the vision and guidance imparted to RAI-N by the GNSCCPA and its leadership. Throughout this period, RAI-N has maintained active and frequent communications with Ms. Allison Moore, Mr. Bruce Bracker and various other members of the Board of Directors in order to ensure that we have a fully coordinated approach to our efforts. RAI-N stands ready to address any issue, concern or suggestion that may arise from this report and from our on-going dialogue with the leadership and the Board of Directors.

#### 1. Mariposa Cold Room Project Update

- Work with the General Services Administration (GSA) continues on the project.
- GSA has provided initial response to changes suggested by Technical Team on the Revocable License Agreement.

## 2. EXTENSION OF BORDER CROSSING RESTRICTIONS



- The governments of the United States, Mexico and Canada have once again agreed to extend the border crossing restrictions for another 30 days, as of this report, it has been extended through December 21, 2020.
- We anticipate that, until COVID-19 contagion numbers start to decrease that these restrictions will continue for the foreseeable future.
- Who is considered an "essential" traveler?
  - Citizens and lawful permanent residents returning to the United States.
  - Individuals traveling for medical purposes (e.g., to receive medical treatment in the United States).
  - Individuals traveling to attend educational institutions.
  - Individuals traveling to work in the United States (e.g., individuals working in the agriculture industry who must travel between the United States and Canada or Mexico in furtherance of such work).
  - Individuals traveling for emergency response and public health purposes (e.g., government officials or emergency responders entering the United States to support federal, state, local, tribal, or territorial government efforts to respond to COVID-19 or other emergencies).
  - Individuals engaged in lawful cross-border trade (e.g., truck drivers supporting the movement of cargo between the United States and Canada and Mexico).
  - o Individuals engaged in official government travel or diplomatic travel.
  - Individuals engaged in military-related travel or operations.

#### 3. MEETINGS WITH ADEQ ON HEAVY METALS DISCHARGES IN NOGALES WASTEWATER FLOWS

- On November 2, 2020, and in response to a request from the Arizona Department of Environmental Quality, a meeting was arranged to discuss heavy metals in Nogales wastewater through the International Outfall Interceptor.
- ADEQ stressed that there the situation is not critical at this time, but they are trying to work with industry and get ahead of what could possibly happen in the future, that it is better to be proactive than to react to a situation later on.
- A second meeting was scheduled for November 12 that included leadership from the manufacturing sector in Nogales, Sonora.
  - The second meeting focused on sharing of information and opening a channel for communications on issues, requests for information and possible assistance on compliance.
  - One principal topic of discussion was that there are differences in the enforcement provisions between Mexico and Arizona on permissible levels and while there may be compliance on one side, it may not be in compliance in the other.
- Special thanks to Board Member Josh Rubin for helping to facilitate an informational dialogue between ADEQ and the manufacturing sector in Nogales, Sonora.
- Below are notes from the meetings that have taken place with manufacturing industry leaders on both sides of the border.

#### **NOTES**

# **Nogales Wastewater Discussion**

Monday, November 2, 2020

### Participants:

- Josh Rubin
- Jaime Chamberlain
- Edna Mendoza
- Luis Ramirez
- Martin Rodriguez

#### **ACTION ITEMS:**

- Gather 2019 and 2020 quarterly data on metal discharges in wastewater.
- Indicate in graphs the SEMARNAT and ADEQ allowable levels for metal discharges in wastewater.
- Schedule a follow-up meeting next week.

## NOTES:

 According to recent data, higher presence of heavy metals such as cyanide, zinc, copper, etc. that is beyond the allowable levels for AZ Department of Environmental Quality.

- IBWC conducts 30 days of water sampling each quarter at Manhole 1 near the border and at the Nogales Wastewater Treatment Plant.
- Higher levels could be coming from metal plating activities, but the source is unknown.
- Presence of cyanide contaminants may require a separate conversation with the City of Nogales.
- Nogales Wastewater Treatment Plant is not equipped to handle heavy metals.
  - Untreated wastewater can damage the plant and wildlife in the Santa Cruz River, Rio Rico and Nogales watersheds.
  - Heavy metal contaminants can kill the bacteria used to treat the wastewater.
- ADEQ is requesting to partner with industry to identify the source of the
  contaminants and resolve the issue without a heavy-handed approach and
  before it becomes a major issue.
- INDEX Nogales board members have expressed interest in meeting with ADEQ and resolving the issue together.
  - Josh noted that a majority of the maquila operators do not use water in their production process or have stricter environmental protocols than what is government-mandated.
  - A possible source may be smaller mom-and-pop shops that do plating in their homes/small businesses.
  - o COFEPRIS should be a part of the conversation as well.
- SEMARNAT and ADEQ have different levels of allowable heavy metal contaminants.





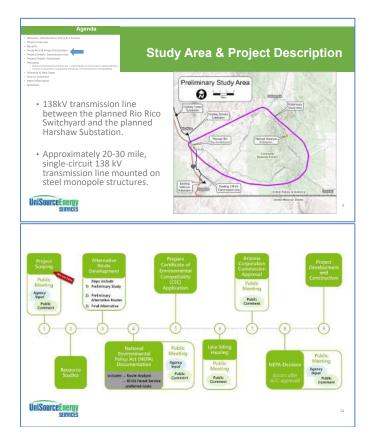
## 4. LETTER TO PIMA COUNTY IN SUPPORT OF WORKFORCE GRANT APPLICATION

 On November 5, 20202, with the guidance from Board Member Nils Urman, the Port Authority sent a letter to Pima County Administrator, C.H. Huckelberry in support of a grant application designed to help the manufacturing sector meet their human resource needs in the future.

- In the letter, the Port Authority offers to help out in the placement of up to 15 interns with companies that could benefit from this added workforce.
- A copy of the letter is provided in Attachment #1.

#### 5. UNISOURCE PRESENTATION TO FPAA ON RIO RICO-HARSHAW ROAD TRANSMISSION LINE PROJECT

- On November 9, 2020, Unisource gave a presentation to the Fresh Produce Association members on the proposed Rio Rico-Harshaw transmission line that they are planning to build in order to provide service to the South32 mine. During the meeting, questions were asked about the proposed route and the possible impacts the siting of the line could have on both residential and commercial/industrial property.
- A copy of the presentation and additional information on the proposed project can be found at https://www.uesaz.com/rio-rico-to-harshaw/
- Below you will find two slides identifying the study area and project description as well as the sequence of events and benchmarks for the project.
- For additional information or questions please contact Unisource at:
  - o RR2Harshaw@uesaz.com
  - o Call (833) 783-0396 and leave a voice mail



#### 6. Announcement by Tucson International Airport of Major Improvements

- On November 11, 2020, the Tucson International Airport Authority announced a \$300 million renovation of the airport.
- Based on news articles, the project includes the demolition of a general aviation runway and the construction of a full-length commercial runway, greatly increasing the capacity of the airport for commercial traffic.
- An article with a project overview is provided below:

# Tucson airport finally getting \$300M makeover

AZ Big Media and Arizona Chamber news

<u>BUSINESS NEWS</u> | 11 Nov | <u>VICTORIA HARKER-CHAMBER BUSINESS NEWS</u>
Tucson International Airport, one of the largest commercial airports in the country, is undergoing a \$300 million remodel for the first time in 60 years.

The project is primarily to modernize and configure the runways to make flying in and out much safer. Included will be construction of a new full-length commercial runway.

It will usher in a new era of safety on the airfield and encourage new investment in the region, said Danette Bewley, president and CEO of the nonprofit <u>Tucson</u> Airport Authority that operates the airport and nearby general aviation airport Ryan Field. Planes will be able to depart and land faster, and the airfield will be less confusing for pilots, Bewley said.

"It really is exciting for Tucson and the region because it brings our airport up to the next level," Bewley said. "When we're improving our facilities, our infrastructure, and our operation, it really has a multiplier effect for the entire region. More jobs are created, and more businesses may want to locate or expand here."

# Largest project in airport's history

The project, which is being funded almost entirely by the Federal Aviation Administration, is the largest in the airport's 72-year-history. Although there have been modifications over the years, the airport's airfield was designed almost 60 years ago.

It will take about five years to complete the project and is expected to support 1,000 jobs.

# **Project highlights:**

- Demolish the existing general aviation runway and construct relocated full length commercial runway
- Construct center taxiway between existing and new parallel runway
- Construct outer taxiway and construct end-around taxiway
- Modify lighting connectors throughout the airfield
- Install new barrier cable and expand pavement for Air National Guard
- Demolish and replace structures where ammunition and explosives are stored.
- Conduct a sound insulation program for select homes

# Plenty of room for new industry

This project is very important to Tucson's economic growth and there's plenty of room for new tenants at both TUS and Ryan Airfield, said Laura Shaw, senior vice president of Sun Corridor, Inc., an economic development partner with the airport authority.

<u>Sun Corridor</u> acts as a "one stop shop" ready to assist companies in their efforts to relocate or grow within Southern Arizona, Shaw said.

At 8,282 acres, TUS is one of the 10 largest commercial airports in the country. Within 10 miles of Tucson's central business district, the airport serves as a catchment area of more than 1.4 million residents in southern Arizona and northern Sonora, Mexico.

Near interstates 10 and 19, the airport is less than 9 miles from the Port of Tucson, a 770-acre full-service inland port offering unrivaled logistics and warehousing opportunities, including more than 1.8 million square feet of improved space, refrigerated storage and distribution.

"The Tucson International Airport is a critical employment area in the region, with more than 100 tenants in MRO, FBO, Aerospace, Aviation Services and Air Cargo," Shaw said. "With a \$7.4 billion economic impact, the Tucson Airport Employment Zone supports more than 43,000 jobs and includes employers such as Raytheon Missiles & Defense, Bombardier, Ascent Aviation, FedEx, HomeGoods, Skywest Airlines, Universal Avionics and others."

To learn more about the project, Tucson International Airport and Ryan Airfield, visit <u>Tucson Airport Authority</u>.

## 7. CBP ANNOUNCEMENT OF SUNDAY SERVICE YEAR ROUND



- During the Port Authority Board meeting on November 19, 2020, CBP Port Director Michael Humphries announced that starting on January 31, 2021, the Mariposa port of entry will be open for commercial service.
- It is imperative that the new addition to commercial service be promoted throughout the entire Arizona-Mexico Corridor.
- It is a new tool in the efforts to recruit companies to invest in the region.
- The Port Authority issued a press release that was covered by at least two news/media outlets in Arizona.
- A copy of the press release is provided in Attachment

#2.

#### 8. SR-189 PROGRESS

- On November 23, 2020, ADOT released another newsletter with updates on the progress being made on the SR-189 modernization project.
- This issue featured Allison Moore, of the Fresh Produce Association on the impacts of the project particularly for the fresh produce industry. Thank you, Allison, for making the time to participate in the effort.
  - "The SR-189 improvements allow for trade growth without negatively impacting the community with increased traffic, and they eliminate unnecessary supply chain delays. Those kinds of investments attract companies looking to establish a presence near the border," stated Allison in the newsletter.
- A copy of the newsletter is provided in Attachment #3.
- Some key highlights from the newsletter as of the date of its release:

Project design: 100% completeConstruction: 43% complete

Less than a year left in construction

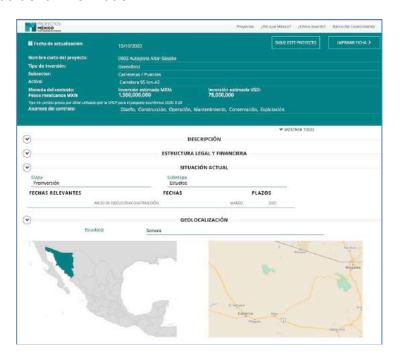
### 9. CONGRESSIONAL SUPPORT FOR BCC EXTENSION TO ALL OF ARIZONA

- In a letter dated November 23, 2020, Senator Kyrsten Sinema, and Congressmen Greg Stanton and David Schweikert sent a letter to the leadership of the Appropriations Committee, including the Sub-Committee on Homeland Security, urging that they include provisions that would allow Border Crossing Card (BCC) holders traveling from Mexico into Arizona, to be able to travel throughout Arizona without having to secure any additional documentation.
- Traditionally, when BCC holders want to travel beyond the border zone, they are required to secure an I-94.
- Tis proposal would allow travelers to travel anywhere in Arizona without securing an I-94.
- A copy of the letter is provided in Attachment #4.

#### 10. MEXICO INFRASTRUCTURE PACKAGE INCLUDES PROJECT FOR ALTAR-SASABE

- On November 30, 2020, President Lopez Obrador announced a series of infrastructure projects that would be funded by the private sector.
- Among the 207 projects listed, a project to build a new highway connecting the towns of Altar and Sasabe, Sonora was listed at a cost of over \$78 million.

- Promoters of the project are indicating that this project would serve to offer an alternative to the crossing at Nogales. During the October Board meeting, the new website was demonstrated.
- This project, while it was included int eh original Arizona-Sonora Border
   Master Plan from 8 years ago, it has not garnered any additional attention or priority ranking since.
- The information that has been provided indicates that this project could start construction as early as march of 2021.
- Now that the project is included in the official list of projects, we hope to get additional information.



#### 11. PORT AUTHORITY WEBSITE REVAMP COMPLETED

- The updating of the Port Authority website has been completed.
- Additional updates to the information contained will be provided as warranted or needed.
- Please visit www.nogalesport.org.

# Attachment #1 Copy of letter to Pima County on Grant Application



November 5, 2020

C. H. Huckelberry Pima County Administrator 130 West Congress Street, 10<sup>th</sup> Floor Tucson, AZ 85701

Re: FOA-ETA-20-13 H-1B Advanced Manufacturing One Workforce Grant Opportunity

Dear Mr. Huckelberry:

The Greater Nogales Santa Cruz County Port Authority is pleased to partner with you and Pima County in the application for a grant from the US Department of Labor's Employment and Training Administration to help expand the pipeline of skilled technology workers in Southern Arizona. This grant will help provide skills and training for individuals to progress in advanced manufacturing, logistics and information technology, all areas of great need in our community and in southern Arizona.

We will work with our member organizations to place up to 15 interns, in order to offer these individuals, the opportunity of gaining direct hands-on experience. We will also work with Innovation Frontier Arizona on the training programs and the development of the appropriate curricula to ensure the best possible experience for the interns as well as the needs of our members. More importantly, we will work with our members to help identify qualified individuals to hire and promote as long as they meet the educational, training, and certification requirements of open positions.

The Nogales Port of Entry system is among the most modern and busiest in the nation, responsible for facilitating \$30 billion of trade between the US and Mexico each year. The Port Authority plays a key role in helping ensure that these goods can cross the border in an effective, predictable and safe manner, in full compliance with all appropriate international regulatins. Industries that are part of a just-in-time international supply chain require a skilled, often bi-cultural, workforce, with the necessary training and credentials, making this grant application a critical part of our efforts to promote the binational megaregion.

The Port Authority's members include, the Fresh Produce Association of the Americas, the Nogales U.S. Custom House Brokers Association, and INDEX or the Maquila Association of Sonora, among various others.

P.O. Box 4518 Rio Rico, AZ 85648

www.nogalesport.org

Page 2 of 2

C. H. Huckelberry Pima County November 4, 2020

This is an exciting opportunity to build the workforce of Southern Arizona. We look forward to working with you on this grant and helping local companies meet their skilled workforce needs.

Respectfully,

Jaime Chamberlain Chairman

# **Attachment #2**

# Port Authority news release on Sunday Service



#### CBP Announces Sunday Service for Commercial Operations at Nogales

For Immediate Release

November 23, 2020 Nogales, Arizona

On Thursday, November 19, during a meeting of the Board of Directors of the Greater Nogales Santa Cruz County Port Authority, Mike Humphries, Nogales Port Director for US Customs and Border Protection, announced that starting on January 31, 2021, CBP would be offering Sunday service at the Mariposa port of entry for commercial operations on a year-round basis.

"We are very excited with the news. Being able to offer Sunday service means that Nogales is on equal footing with any of the major ports along the US-Mexico border that have been offering Sunday service for a long time", said Jaime Chamberlain, Chairman of the Port Authority. "For companies that operate on a just-in-time structure, being able to schedule shipments on Sundays offers greater flexibility. It also makes the Arizona-Mexico Corridor more competitive," added Mr. Chamberlain.

"For fresh produce, with products that are perishable, having Sunday service means that we gain shelf-life for our products. It is a big win for our producers, but it is also a big win for our customers and consumers all over the nation," added Scott Vandervoet, past Chairman of the Fresh Produce Association of the Americas.

The Mariposa Port of Entry is one of the nation's largest commercial ports with 349,377 northbound trucks crossing in 2019, and CBP is reporting double digit growth rates in truck traffic over the past 2 months at Nogales. The US Department of Commerce estimates that close to \$30 billion worth of goods cross at Nogales each year.

"The Maquila industry will benefit greatly from this extended service. Our manufacturing sector competes globally and having the option of shipping 7-days a week gives us greater flexibility in our planning and delivery into global supply chains," stated Josh Rubin, Board member of INDEX-Maquila Association of Nogales, Sonora.

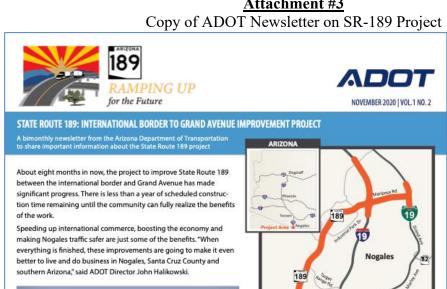
"We are bullish on the future of our community and more trade means more investment and more jobs. Sunday service helps Nogales and the Arizona-Sonora region remain as a top-of-mind location for all sorts of new projects. We are working with the Office of the Governor, various state agencies and the State of Sonora in getting the word out that 7-day operations are now supported by 7-day customs service at Nogales," added Mr. Chamberlain.

The Greater Nogales Santa Cruz County Port Authority is a non-profit organization dedicated to the promoting the development of the port of entry system at Nogales and to fostering the economic development and the quality of life for the residents of the region. For more information please visit <a href="https://www.nogalesport.org">www.nogalesport.org</a>.

P.O. Box 4518 Rio Rico, AZ 85648

www.nogalesport.org

# **Attachment #3**









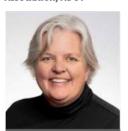
#### **PROJECT PROGRESS UPDATE**

The U-Channel at SR 189 and Grand Avenue, as well as all three driveways, are more than 50 percent complete. All of the drilled shafts and columns, and nearly all of the pier caps for the individual flyover bridges (northeast and southwest ramps) are complete. The contractor is scheduled to start setting the girders for these flyover bridges in mid-November. Both sides of the Mariposa Wash bridge widening are also nearly complete. In October, the contractor shifted traffic to the south side of SR 189 near Frank Reed Road to allow crews to start construction on the combination bridge (where the two flyover ramps will meet on SR 189 heading south).

# PERCENTAGE COMPLETION PROJECT CONSTRUCTION 100% **PROJECT DESIGN** 25% 50% 75% 100%

#### **COMMUNITY MEMBER PROFILE**

SR 189 improvements are the next step in a fruitful partnership between Fresh Produce Association, ADOT



ALLISON MOORE



For Allison Moore, the improvements underway on State Route 189 in Nogales are the latest accomplishment in her nearly 20 years of working with all levels of government to build the regional economy and ensure produce grown in Mexico arrives fresh at its destinations

As vice president of the Fresh Produce Association of the Americas, Moore works with officials at the local, state and federal levels to ensure the nearly five billion pounds of Mexican produce that enters the United States through the Mariposa Port

"My areas of responsibility include working on transportation issues and identifying community needs for infrastructure upgrade projects," Moore said. "I worked closely with a coalition of area entities to push for improvements to the Mariposa Port of Entry that were completed in 2014. After that project was complete, we turned our attention to the much-needed improvements on the SR 189 corridor."

ADOT's project to improve SR 189 between the international border and Grand Avenue will help advance her organization's mission to transport fresh produce from Mexico to stores, restaurants and family dining tables throughout North America.

"All commercial truckloads of fresh fruits and vegetables entering the U.S. in Nogales must travel along SR 189 to reach area warehouses, U.S. trucks then drive south to these warehouses to pick up and deliver fresh produce across North America. Improvements to SR 189 are crucial in alleviating traffic bottlenecks from the Mariposa Port to these warehouse distribution hubs, reducing transit times to maintain the shelf life and freshness of perishable items.

#### ALLISON MOORE

The improvements also will help ensure efficient use of trucks needed to support the industry that provides 39 percent of all imported fruits and vegetables consumed in the U.S. and generates \$3 billion worth of revenue annually.

The safety of all motorists and the community is also an important factor in the project to improve SR 189, particularly in the vicinity of Nogales High School. There, new ramps connecting Mariposa Road with Interstate 19 will take commercial truck traffic away from traffic going to and from the school.

"This project will help maintain the orderly, safe flow of traffic as it travels from the port and reaches the SR 189-I-19 intersection," she noted.

Long-term, the work now taking place on SR 189 will benefit the state and local economy, Moore said.

"The SR 189 improvements allow for trade growth without negatively impacting the community with increased traffic, and they eliminate unnecessary supply chain delays," she said. "Those kinds of investments attract companies looking to establish a presence near the border."

#### **MEET THE TEAM**

Major project experience brings learned hand to SR 189 project



Paul Arnold's 22 years with Ames Construction have included supporting ADOT with the largest highway improvement project in the state's history: the Loop 202 South Mountain Freeway in Phoenix.

Over the course of four years, the firm's vice president for the Southwest Region served as a project executive on the \$1.1 billion effort to design and construct the new

Now Arnold brings that valuable experience to the project to improve State Route 189 between the international border and the intersection with Grand Avenue in Nogales.

"SR 189 is a very exciting project," Arnold said. "Design-build is always challenging, in that the design, utility and stakeholder coordination and construction all occur simultaneously – while the clock (for contract time) is ticking. The structures portion of the project is a challenge technically, which Ames loves, and will provide very unique aesthetics for the region upon completion."

Having successfully juggled all those elements of a design-build project the scale of the South Mountain Freeway, Arnold brings tremendous experience and perspective to a project that might pale in size and cost but rivals the South Mountain Freeway in importance for the city, state and nation.

The improvements, while limited to just less than 4 miles of SR 189 and linking it to I-19, are designed to improve travel for current and future levels of commercial traffic that includes delivering the bulk of winter produce consumed in the western United States.

Arnold joined Ames straight out of Arizona State University, starting as a junior cost estimator before advancing to project manager, chief estimator, operations manager, and ultimately a vice president of the firm.

With a demanding job, "a beautiful wife" and four children ranging from 13 to 24 years old, Arnold finds his relaxation angling on Lake Powell. "I'm a really good fisherman and an even better liar about the fish I catch - or don't," he said. On the job, Arnold supports Ames' project manager Chris Kane in managing the challenges identified by ADOT and the SR 189

"It is yet another opportunity to work with ADOT on a design-build project. As a team, we have overcome quite a few hurdles, all while dealing with a pandemic," he said, noting the challenge presented by COVID-19. "The team has really worked well together."

> **HOW TO CONTACT THE ADOT PROJECT TEAM** EMAIL: SR189@AZDOT.GOV • 24-7 HOTLINE: 1.833.613.0496 • WEB: AZDOT.GOV/SR189





# Attachment #4

# Copy of Delegation letter regarding BCC statewide access

# Congress of the United States Washington, DC 20515

November 24, 2020

The Honorable Richard Shelby Chairman Committee on Appropriations Washington, D.C. 20510

The Honorable Shelley Moore Capito Chair Subcommittee on Homeland Security U.S. Senate Washington, D.C. 20510

The Honorable Nita Lowey Chairwoman Committee on Appropriations Washington, D.C. 20515

The Honorable Lucille Roybal-Allard Chairwoman Subcommittee on Homeland Security Washington, D.C. 20515 The Honorable Patrick Leahy Vice Chairman Committee on Appropriations Washington, D.C. 20510

The Honorable Jon Tester Ranking Member Subcommittee on Homeland Security U.S. Senate Washington, D.C. 20510

The Honorable Kay Granger Ranking Member Committee on Appropriations Washington, D.C. 20515

The Honorable Chuck Fleischmann Ranking Member Subcommittee on Homeland Security Washington, D.C. 20515

Dear Chairman Shelby, Vice Chairman Leahy, Chairwoman Lowey, Ranking Member Granger, Chair Capito, Ranking Member Tester, Chairwoman Roybal-Allard, and Ranking Member Fleischmann:

As you begin negotiations on the Fiscal Year 2021 appropriations bills, we ask that you include Sections 108 and 109 from the House Homeland Security Appropriations bill in the final agreement.

Sections 108 and 109 modify provisions in sections 212.1 and 235.1 of Title 8, Code of Federal Regulations that allows vetted Mexican citizens to obtain a Border Crossing Card (BCC) at a U.S. consulate. Currently, the BCC allows the cardholder entry to travel 75 miles inside Arizona for tourism and retail commerce purposes and 55 miles for New Mexico.

The new provisions in Sections 108 and 109 extend the travel zone in Arizona (and New Mexico) to the entire state as a five-year pilot program. BCC holders would now be able to travel to Phoenix, the Grand Canyon, and the Native American reservations. This provision has strong support from local governments, chambers of commerce, and Tribal governments. Also, this language does not change the eligibility for a visa or BCC, nor the duration of each visit or the entry method.

PRINTED ON RECYCLED PAPER

This proposal would reduce administrative costs for U.S. Customs and Border Protection (CBP) by eliminating the additional paperwork CBP officers must process for individuals traveling past the 75-mile limit. Additionally, a 2015 study by the University of Arizona estimated this modification would add more than \$180 million annually in spending by Mexican BCC cardholders now able to visit the entire state.

Both the House and Senate have spoken in favor of this pilot program—either through legislative or report language. We urge the conferees to ensure the final conference agreement includes the House bill language to ensure the program's prompt implementation and enable the economic benefits to occur without delay.

We thank you in advance for your consideration of this critically important matter in our state.

Sincerely,

Representative Greg Stanton

Representative David Schweikert

Senator Kyrsten Sinema