

Motor Carrier Safety Advisory Committee (MCSAC)  
Task Statement  
Task 11-03

I. TASK TITLE

Oversight of the Long-Haul Cross Border Trucking Pilot Program

II. BACKGROUND

In March 2009, Congress included language in the FY 2009 DOT Appropriations Act (Public Law 111-08, div. I) prohibiting the use of funds made available under that Act to continue the cross-border trucking demonstration project (see program detail below). At the time it was terminated, 28 Mexico-domiciled carriers and 10 U.S. carriers were authorized to participate. Oversight of the project was accomplished through the DOT Office of the Inspector General (OIG) and an independent evaluation panel of transportation experts appointed by former Secretary of Transportation Mary Peters.

On March 19, 2009, Mexico announced that it would exercise its right under a 2001 North American Free Trade Agreement (NAFTA) Arbitration Panel decision to impose retaliatory tariffs for the United States' failure to allow Mexican carriers to provide long-haul transportation of international cargo into the United States. The tariffs affect about 90 U.S. export commodities with an annual value of \$2.4 billion.

The President directed DOT to work with the Department of State and Office of the United States Trade Representative (USTR) to develop a legislative solution that would address the legitimate safety concerns of Congress while fulfilling our obligations under NAFTA. Secretary Ray LaHood met with numerous members of Congress and other stakeholders to gather their input. FMCSA tasked the Motor Carrier Safety Advisory Committee with providing advice and guidance on essential elements that the Agency should consider when drafting proposed legislation to permit Mexico-domiciled trucks beyond the commercial zones along the United States-Mexico border (Task 09-02). Additionally, DOT formed a team to draft principles that would guide the creation of the draft legislation. Secretary LaHood submitted these principles to the National Security Council in June 2009.

President Barack Obama signed the DOT Fiscal Year (FY) 2010 Appropriations Act (Public Law 111-117) on December 16, 2009. Unlike the previous year's appropriations prohibitions, this Act did not bar the use of FY 2010 funds on a cross border long-haul program. However, it continues the requirements of section 350 of Public Law 107-87 (Department of Transportation and Related Agencies Appropriations Act, 2002) which provides specific requirements for the oversight of any program including annual reviews by the DOT Inspector General, and section 6901 of Public Law 110-28 (The U.S. Troop Readiness, Veterans' Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007) which requires that the Department grant cross-border operating authority to Mexico-domiciled motor carriers as part of a pilot program.

On May 19, 2010, President Obama and Mexican President Felipe Calderon issued a joint statement acknowledging that safe, efficient, secure, and compatible transportation is a prerequisite for mutual economic growth. They committed to continuing United States-Mexico cooperation in system planning, operational coordination, and technical cooperation in key modes of transportation.

On January 6, 2011, Secretary LaHood shared with Congress and the Government of Mexico an initial concept document for a long haul cross-border trucking program that prioritizes safety, while satisfying the United States' international obligations. Since this time, a DOT team, along with representatives from the State Department and USTR, met with representatives of the government of Mexico on five occasions to discuss implementation of a new US/ Mexico cross-border trucking program.

On March 3, 2011, President Obama and Mexican President Calderon held a joint press conference and announced that the two countries have established a clear path forward to resolve the NAFTA trucking issue and phase out the Mexican retaliatory tariffs.

### III. TASK

FMCSA is committed to transparency during this pilot program. As a result, the Agency requests that the MCSAC form a subcommittee to serve as the monitoring Federal advisory committee for the program. Specifically, FMCSA requests the MCSAC perform the following subtasks.

- Form a subcommittee comprised of:
  - At least one member from the United States motor carrier industry;
  - At least one member from the safety advocates community;
  - At least one member from the law enforcement community;
  - At least one member from the remaining MCSAC membership;
- Invite the Administrator of Mexico's federal motor carrier agency (Dirección General de Autotransporte Federal) or his designee to participate in meetings in a non-voting advisory capacity;
- Assess the safety record of participating Mexico-domiciled motor carriers;
- For the duration of the pilot program, continue to advise FMCSA concerning designated tasks related to the program; and
- Issue a final report addressing whether FMCSA conducted the pilot program in a manner consistent with the objectives outlined in its Federal Register Notice.

### IV. ESTIMATED TIME TO COMPLETE TASK

The Committee should submit a final, written report following the MCSAC Spring 2015 meeting.

### V. FMCSA TECHNICAL REPRESENTATIVES

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