



## Facts

March 14, 2002

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### North American Free Trade Agreement – U.S. Department of Transportation Regulations

- Regulations issued today explain how Mexican-domiciled carriers may apply for operating authority beyond the U.S.-Mexico border commercial zones. The rules include requirements that meet the terms of the Transportation and Related Agencies Appropriations Act, 2002.
- Mexican-domiciled carriers and U.S. and Canadian carriers are governed by the same safety standards when operating in the U.S.
- Mexican-domiciled carriers applying to operate to and from the United States are required to have a distinctive USDOT number, undergo safety monitoring initially and during an 18-month provisional period.
- During operations under provisional operating authority, and for 36 months after receiving permanent authority, Mexican vehicles operating beyond the border commercial zones into the U.S. must display a valid Commercial Vehicle Safety Alliance inspection decal.
- The regulations require all Mexican-domiciled carriers entering the United States to have a drug and alcohol-testing program, a system of compliance with U.S. federal hours-of-service requirements, adequate data and safety management systems, and valid insurance with a U.S. registered insurance company.
- Mexican commercial vehicles with authority to operate beyond the commercial zones will be permitted to enter the United States only at commercial border crossings and only when a certified motor carrier safety inspector is on duty.
- Federal and state safety inspectors will be required to inspect and verify the status and validity of the license of each driver of a long-haul Mexican-domiciled motor carrier (1) when carrying a placardable quantity of hazardous material; (2) when undergoing a full vehicle driver Commercial Vehicle Safety Alliance inspection; and (3) 50 percent of other long-haul Mexican drivers engaged in cross-border operations.
- Mexican-domiciled carriers planning to operate solely within the commercial zones along the U.S.-Mexico border will be required, within 18 months, to apply for provisional Certificates of Registration, which grant temporary authority to operate in the United States. The provisional Certificate of Registration cannot be made permanent for at least 18 months, until the carrier has successfully completed a safety audit.

- DOT will provide all Mexican-domiciled carriers educational and technical assistance before the restrictions on Mexican carrier operations are lifted.
- DOT and States will also do the following:
  - Equip all U.S.-Mexico commercial border crossings with scales suitable for enforcement action.
  - Equip five of the ten locations with the highest volume of commercial vehicle crossings with weigh-in-motion (WIM) scales before reviewing or processing carrier applications beyond the border zones. Three are operational (Otay Mesa, Nogales, Bridge of Americas/El Paso) and two more (Columbia-Solidarity Bridge/Laredo and Eagle Pass, Texas) should be in place by April 1.
  - Equip the remaining five of the highest volume of commercial vehicle crossings (World Trade Bridge/Laredo; Pharr, Texas; Veterans' Bridge/Brownsville; Calexico, Calif. and Ysleta/El Paso) with weigh-in-motion devices within 12 months. An additional five will be in place by December 2002.

#### **NAFTA – Truck and Bus Provisions**

- Approved by Congress in 1993 and entered into force in 1994, the North American Free Trade Agreement was based on a simple premise -- that all of the countries in North America would be integrated into one free trade area.
- Under NAFTA's original timeline, the U.S. and Mexico agreed to permit access to each other's border states by December 18, 1995. Reciprocal access beyond the border states was promised by January 1, 2000. (Canadian carriers have been operating throughout the United States since 1982.)
- The NAFTA timetable also called for the United States and Mexico to lift all restrictions on regular route, scheduled cross-border bus service by January 1, 1997.
- In December 1995, President Clinton postponed implementation of NAFTA cross-border trucking provision, which continued to limit Mexican trucks to operations in designated commercial zones within Arizona, California, New Mexico, and Texas.
- A NAFTA arbitration panel concluded in February 2001 that the U.S blanket refusal to process the applications of Mexican carriers seeking U.S. authority because of concerns over the carriers' safety was in breach of its NAFTA obligations. President Bush has assured President Fox that the U.S. will move in a timely manner to meet our NAFTA obligations.
- In February 2001, the Bush Administration announced it would fully comply with NAFTA obligations regarding truck and bus access.

DOT Fact Sheet: NAFTA, March 14, 2002

- U.S. Congressional concerns regarding safety compliance and monitoring of Mexican-domiciled commercial vehicles were resolved in the Transportation and Related Agencies Appropriations Act, 2002, which President Bush signed on December 18.
- Since then, the United States announced its commitment to open the border to Mexican-domiciled commercial vehicles by midyear 2002 and to implement a regime of regulations to ensure safety.
- DOT has been inspecting Mexican trucks and buses at the border since 1995. By mid-2002, DOT will have 274 enforcement personnel in place, more than four times the number it had in place in mid-2001.