



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

September 9, 2008  
(House)

## STATEMENT OF ADMINISTRATION POLICY

### H.R. 6630 – Termination of Long-Haul Trucking Operations

#### Cross Border Demonstration Project

(Rep. DeFazio (D) Oregon and 35 cosponsors)

The Administration strongly opposes H.R. 6630 because it would prevent the United States from meeting its obligations under the North American Free Trade Agreement (NAFTA) and decrease that agreement's benefits to the United States. NAFTA was approved by Congress in 1993 and implementation began on January 1, 1994. The Department of Transportation (DOT) was charged with executing certain NAFTA provisions, including implementation of the Agreement's cross-border trucking provisions. The NAFTA provisions expanding the allowable operational range of Mexico-domiciled vehicles were delayed because of concerns about the safety of Mexican trucks. However, intensified enforcement activity by DOT's Federal Motor Carrier Safety Administration and State law enforcement agencies has effectively addressed any Mexican truck safety concerns. In fact, data from October 1, 2007, through March 28, 2008, show that Mexico-domiciled carriers in the demonstration project have been ordered out of service for safety reasons at a lower rate than U.S.-based carriers overall.

The United States is a global leader in trade, and the increased trade with Mexico in the years since NAFTA was signed is important to the U.S. economy. Enactment of H.R. 6630 would pose significant and immediate risks to U.S. interests. If DOT were forced to terminate the cross-border trucking demonstration project, opportunities and investment returns currently afforded U.S. motor carriers participating in the project would be compromised. If H.R. 6630 were presented to the President, his senior advisors would recommend that he veto the bill.

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