

April 22, 2005 - Rep. Slaughter asks GAO to Conduct a Study on Economic Impact of Western Hemisphere

Rep. Slaughter asks GAO to Conduct a Study on Economic Impact of Western Hemisphere Travel Initiative

Current Initiative to Hurt Border Economies of U.S. and Canada

Washington, DC - Rep. Louise M. Slaughter, Ranking Member of the House Committee on Rules, has written a letter to the Government Accountability Office asking them to conduct a study on the economic consequences of the Western Hemisphere Travel Initiative. Rep. Slaughter is concerned that the initiative, which requires all citizens to have a passport when crossing between the United States and Canada, will be detrimental to border economies, slow trade, and hurt tourism.

"It is important to keep the borders of our nation secure, but we must not sacrifice the economic stability of border economies by hindering international trade to do it," said Slaughter. "I don't think this initiative took any of this into account, and that is why I have requested this study."

Letter from Rep. Slaughter and Rep. McHugh

The Honorable David M. Walker

General Comptroller

Government Accountability Office

441 G St., NW

Washington, DC 20548

Dear Mr. Walker:

We write asking the General Accountability Office (GAO) to conduct a study on the economic consequences of the Western Hemisphere Travel Initiative, specifically as it relates to land and sea border crossings, as was proposed in the rule set forth by the Departments of State and Homeland Security on April 5, 2005. We are very concerned that this initiative was developed without proper consideration of the economic impact on U.S. border economies and the consequences for U.S. - Canadian trade relations.

As you may know, this initiative would require all U.S. citizens, Canadians, citizens of the British Overseas Territory of Bermuda, and citizens of Mexico to have a passport, NEXUS, or SENTRI card to enter the U.S. by January 1, 2008. As two Members of Congress representing border districts, we understand the importance of securing our borders and protecting the homeland, both for our communities and the nation as a whole. However, it is imperative that our enhanced border security activities facilitate strong channels for tourism and trade.

Unfortunately, DHS confirmed to us in separate meetings that they had not adequately studied the economic consequences of their initiative on the Northern Border. By ignoring such factors, DHS risks damaging U.S. border economies and strangling international trade.

Based on the continued congressional interest in this issue, it would be helpful to have the GAO examine the economic repercussions of the passport requirement. We are therefore requesting that GAO undertake a study of Western Hemisphere Travel Initiative to address the following issues:

- 1. The National Intelligence Reform and Terrorism Prevention Act of 2004 (P.L. 108-458) directs the Secretary of Homeland Security to develop and implement "as expeditiously as possible" a policy to require a passport or other document, "or combination of documents," for cross-border land travel. In the absence of a specific mandate that the Departments of State and Homeland Security require passports for entrance into the U.S., what provisions exist in the Act that give DHS guidance on how to enhance border security? Were these provisions drafted broadly enough to allow DHS to come to several different options for enforcement? What other approaches were considered by DHS before deciding to require passports? Why did DHS reject these other approaches?

2. Can you determine what economic impact a passport requirement would have on cross border trade and travel? Specifically, we are interested on the local impact on Northern border communities, the regional impact and the overall impact on the US economy?

3. What impact would the passport requirement have on U.S.-Canadian trade relations?

4. How would a passport requirement impact the inspections process? Would it increase or reduce wait times? Would the customs inspection time for trucks at our bi-national bridges be increased? Additionally, does Customs and Border Protection (CBP) have the necessary resources to implement the passport requirement without increasing traffic congestion at the border?

5. Other issues GAO may deem useful.

Thank you for your consideration, and we look forward to hearing from you soon on the status of our request. Please contact Alan Snyder with Rep. Slaughter's office at 225-2615 or Chris Mathey with Rep. McHugh's office at 225-4611 with any questions on this study request.