

February 1996

COMMERCIAL TRUCKING

Safety and Infrastructure Issues Under the North American Free Trade Agreement



**Resources, Community, and
Economic Development Division**

B-261650

February 29, 1996

Congressional Recipients

The North American Free Trade Agreement (NAFTA) provided, among other things, for the U.S.-Mexican border to be opened on December 18, 1995, for increased commercial truck traffic within the respective border states—four in the United States (Arizona, California, New Mexico, and Texas) and six in Mexico. Before that date, the 11,000 trucks crossing daily from Mexico into the United States were limited to commercial zones along the border.

Because there are major differences between U.S. and Mexican trucking regulations and operating practices that could adversely affect highway safety and infrastructure in the United States, we evaluated the major implementation efforts associated with opening the U.S.-Mexican border to commercial trucking. Specifically, we (1) reviewed efforts to make compatible the differing trucking regulations of the United States and Mexico; (2) identified major differences in U.S. and Mexican trucking regulations and operating and enforcement practices that could adversely affect highway safety and infrastructure; and (3) reviewed federal and state governments' readiness to ensure that trucks from Mexico comply with U.S. trucking regulations. In early December 1995, we provided detailed briefings to the Department of Transportation (DOT) and several congressional offices on the results of our review. We reported significant safety concerns relating to trucks from Mexico that were operating in the commercial zones within the United States.

On December 18, 1995, the Secretary of Transportation announced that Mexican trucks would continue to have access to the commercial zones and that applications would be accepted from Mexican trucking companies to do business beyond the commercial zones. However, DOT will not finalize the applications until consultations are completed between the United States and Mexico to improve safety and security. We will continue to monitor efforts to expand trucking operations between the United States and Mexico.

This report updates and summarizes the major points in our briefings. The key briefing charts, showing the characteristics of and differences between U.S. and Mexican commercial trucking, are included as appendix I.

Background

NAFTA, which was agreed to by Canada, Mexico, and the United States, contained a timetable for the phased removal of barriers for transporting international cargo. Beginning December 18, 1995, Mexicans could apply for authority to deliver and backhaul cargo between Mexico and the U.S. border states. According to DOT, by January 1, 2000, all limits on access for international traffic were to be phased out, and by January 1, 2004, limits on investments in motor carriers in the NAFTA countries were to be eliminated. Canada and the United States have permitted expanded trucking operations since the early 1980s.

NAFTA established the Land Transportation Standards Subcommittee (LTSS) to work toward compatible truck safety and operating standards among the countries. DOT said the United States' overriding objective for LTSS was to have a technical evaluation of the different regulations and to encourage the adoption of regulations that yield the highest safety standards. As shown in appendix I, there are major differences in U.S. and Mexican commercial trucking regulations and operating practices that could have an impact on highway safety and infrastructure. For example, there are differences in vehicle size and weight, drivers' hours of service, and recordkeeping requirements. In those areas in which the two countries do not agree to make their regulations compatible, trucks operating in the United States must comply with U.S. standards. In addition, the United States has, for several decades, had an active inspection and enforcement program to encourage safer trucks. Mexico in 1995 was just beginning to establish a commercial vehicle enforcement and inspection program. NAFTA effectively provided that beginning in the year 2000, cross-border trucking would be provided full access within the three North American countries.

Trucks move about 80 percent of the freight transported between the United States and Mexico. In 1995, about 11,000 truck crossings from Mexico to the United States occurred daily (Monday through Friday). Truck traffic from Mexico into the United States increased about 27 percent from 1992 through 1995. About 66 percent of this traffic entered Texas, while about 24 percent entered California and about 10 percent, Arizona. The truck traffic from Mexico into New Mexico is negligible. While motor carriers from Mexico have operated for many years in limited commercial zones in the United States, motor carriers from the United States have not generally been permitted to operate in Mexico.

Results in Brief

We found that Mexico and the United States have made some progress in developing compatible trucking regulations. The achievement of compatibility is essential because there are major differences in the two countries' trucking regulations, operating practices, and enforcement activities that could adversely affect highway safety and infrastructure. Compatibility efforts in areas such as vehicle-related standards and traffic control devices were not slated for completion until 1997—well after the planned opening of the border states. Compatibility for certain trucking regulations, such as those on vehicle size and weight, may never be reached; therefore, the host country's regulations must be complied with, and enforcement is the key for ensuring compliance.

The four U.S. border states' readiness for enforcement varies significantly. Currently, and in the future, Texas faces the greatest enforcement burden but has relatively limited resources—enforcement personnel and facilities—to cope with the increasing truck traffic from Mexico. In addition to the northbound traffic facing the four U.S. border states, southbound and east-west bound traffic will add to their enforcement burden.

Differences Between U.S. and Mexican Commercial Trucking

The following and appendix I provide details on our findings:

- LTSS has made progress in obtaining compatibility on standards relating to drivers' age, standard inspection criteria, traffic control devices and road signs, and certain procedures for transporting hazardous materials. However, work by LTSS on many critical trucking regulations is not scheduled to be completed until 1997, and some regulations may never be made compatible. In those areas in which LTSS cannot achieve compatibility, foreign truckers must comply with the host country's requirements.
- Table 1 shows some major differences in truck safety regulations between the United States and Mexico, concerning limits on the number of consecutive hours a driver can operate (hours of service), requirements to keep written records (logbooks) of driving hours and other operational details, requirements for mandatory front brakes for trucks manufactured after 1980, and maximum allowable gross vehicle weight.

Table 1: Some Major Differences in U.S. and Mexican Trucking Regulations

Regulation	United States	Mexico
Hours of service	10 hours	No limits
Logbooks	Required	Not required
Front brakes	Required	Not required
Maximum gross vehicle weight (5-axle)	80,000 lbs.	97,000 lbs. ^a

^aAs of December 1995 was pending final approval in Mexico.

- The United States has had an active truck inspection and enforcement program for several decades. DOT works in partnership with the Commercial Vehicle Safety Alliance (CVSA), an organization of state and provincial officials that works to ensure that compliance and enforcement procedures, particularly roadside inspection procedures, are consistent. Mexico is establishing an enforcement program but lacks the facilities and personnel to initiate the new program. Mexico is a member of CVSA.
- DOT works in partnership with the states to enforce the federal motor carrier safety regulations. Under the Motor Carrier Safety Assistance Program (MCSAP), states that adopt the federal safety regulations as state laws are provided financial assistance for enforcement activities. DOT said the four U.S. border states participated in MCSAP and received in fiscal year 1995 about \$1 million in supplemental MCSAP funds for NAFTA-related enforcement activities. In 1996, the four states received about \$1.1 million in supplemental MSCAP funds for such activities.
- Many trucks from Mexico operating in U.S. commercial zones are in poor condition and do not meet many U.S. safety standards for trucks. Overweight and unsafe trucks can adversely affect highway safety and degrade the infrastructure. The four U.S. border states and the Federal Highway Administration (FHWA) have acquired limited overall inspection data on trucks from Mexico. Arizona, the only state that could specifically identify trucks from Mexico, reported that 63 percent of the trucks from Mexico that were inspected in 1994 were placed out of service; for all trucks inspected statewide, 24 percent were placed out of service.
- About 50 percent of the 217 trucks from Mexico that we observed being inspected at border locations in the four U.S. border states did not meet U.S. regulations. For example, we observed trucks with broken suspensions, substandard tires, inoperable brakes, and extremely overweight or unsecured loads, including hazardous materials.

- Beginning on December 18, 1995, federal, state, and local officials in the four U.S. border states began an intensified effort to inspect trucks arriving from Mexico at nine U.S. border locations. About 56 percent of the 1,613 trucks inspected during 3 weeks of this new effort were placed out of service. Also, about 14 percent of the drivers were placed out of service, most often because of invalid licenses. By comparison, in the United States during fiscal year 1994, about 28 percent of the trucks and about 8.5 percent of the drivers were placed out of service as a result of inspections.
- Enforcement varies significantly among the four border states and is not aligned with need. As of December 1, 1995, Texas had 14 truck inspectors assigned to cover the 16 points where more than 7,000 trucks daily (Monday through Friday) enter Texas from Mexico. Also, Texas had no permanent weigh scales or inspection facilities along its 1,250-mile border with Mexico. However, Texas plans to build, at a total cost of \$1.4 million, two roadside inspection facilities in El Paso. In contrast, California has invested over \$30 million to construct two facilities for inspecting and weighing trucks from Mexico.
- The U.S. Customs Service controls the primary facilities immediately adjacent to border entry locations. Before November 1995, state truck enforcement personnel had limited use of these facilities, especially those in urban settings. In November 1995, DOT, Customs, and Texas officials agreed to a comprehensive cooperative enforcement effort that includes truck inspections within Customs' facilities in the commercial zones and throughout the state.

Objectives, Scope, and Methodology

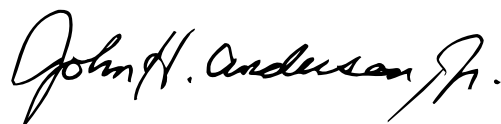
Although NAFTA is a comprehensive free trade pact that addresses all aspects of trade, this review focused only on differences between the United States and Mexico relating to commercial trucking regulations, operating practices, and enforcement and to some extent implications for the infrastructure. In conducting our work, we collected data from DOT, the U.S. Customs Service, the General Services Administration, California, Arizona, New Mexico, Texas, and various private and university groups. We visited the seven border crossings where about 90 percent of the trucks from Mexico enter the United States. We observed 217 truck inspections that were selected during an 8-day period. We reviewed documents and studies from the United States and Mexico and interviewed various officials and experts. We performed this work from June 1995 through January 1996 in accordance with generally accepted government auditing standards.

Agency Comments

We provided copies of a draft of this report to DOT for its comments. We met with officials from the Office of the Secretary and FHWA, including the Coordinator of the Office of Motor Carriers' International Program. These officials agreed that our draft report generally provided an accurate snapshot of major implementation efforts to open the U.S.-Mexican border to commercial trucking. They added that they would have preferred a greater discussion on the Department's total efforts to implement NAFTA. DOT also said that observations in our draft report supported the Department's view that compliance and enforcement mechanisms were not in place in Mexico to ensure that the trucks crossing the border were safe and roadworthy. DOT provided comments that clarified certain technical information in the draft report, and we incorporated these changes in the report where appropriate. The Department also provided us with a written statement that discusses its position on transportation issues under NAFTA and includes information on efforts it has under way to work with Mexico to ensure motor carrier safety (see app. II).

This report is being sent to you because of your legislative responsibilities for commercial trucking. We are also sending copies of this report to the Secretaries of Transportation and the Treasury; the Administrator, FHWA; and the Commissioner, U.S. Customs Service. We will make copies available to others on request.

Please call me at (202) 512-2834 if you or your staff have any questions. Major contributors to this report are listed in appendix III.



John H. Anderson, Jr.
Director, Transportation and
Telecommunications Issues

List of Recipients

The Honorable John H. Chafee
Chairman
The Honorable Max Baucus
Ranking Minority Member
Committee on Environment and Public Works
United States Senate

The Honorable John Warner
Chairman, Subcommittee on
Transportation and Infrastructure
Committee on Environment
and Public Works
United States Senate

The Honorable Larry Pressler
Chairman
The Honorable Ernest F. Hollings
Ranking Minority Member
Committee on Commerce, Science,
and Transportation
United States Senate

The Honorable Trent Lott
Chairman
The Honorable Daniel K. Inouye
Ranking Minority Member
Subcommittee on Surface Transportation
and Merchant Marine
Committee on Commerce, Science,
and Transportation
United States Senate

The Honorable Mark O. Hatfield
Chairman
The Honorable Robert C. Byrd
Ranking Minority Member
Committee on Appropriations
United States Senate

The Honorable Frank R. Lautenberg
Ranking Minority Member
Subcommittee on Transportation

and Related Agencies
Committee on Appropriations
United States Senate

The Honorable Bob Livingston
Chairman
The Honorable David Obey
Ranking Minority Member
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The Honorable Ronald D. Coleman
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Subcommittee on Transportation
and Related Agencies
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The Honorable Bud Schuster
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The Honorable James L. Oberstar
Ranking Minority Member
Committee on Transportation
and Infrastructure
House of Representatives

The Honorable Thomas E. Petri
Chairman
The Honorable Nick Rahall
Ranking Minority Member
Subcommittee on Surface Transportation
Committee on Transportation
and Infrastructure
House of Representatives

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Abbreviations

CVSA	Commercial Vehicle Safety Alliance
DOT	Department of Transportation
FHWA	Federal Highway Administration
LTSS	Land Transportation Standards Subcommittee
MSCAP	Motor Carrier Safety Assistance Program
NAFTA	North American Free Trade Agreement

Differences Between U.S. and Mexican Commercial Trucking

GAO Key NAFTA Implementation Dates

- Dec. 1992: NAFTA agreed to by Canada, Mexico, and the United States
- Dec. 1993: NAFTA ratified by the U.S.
- Jan. 1994: NAFTA became effective

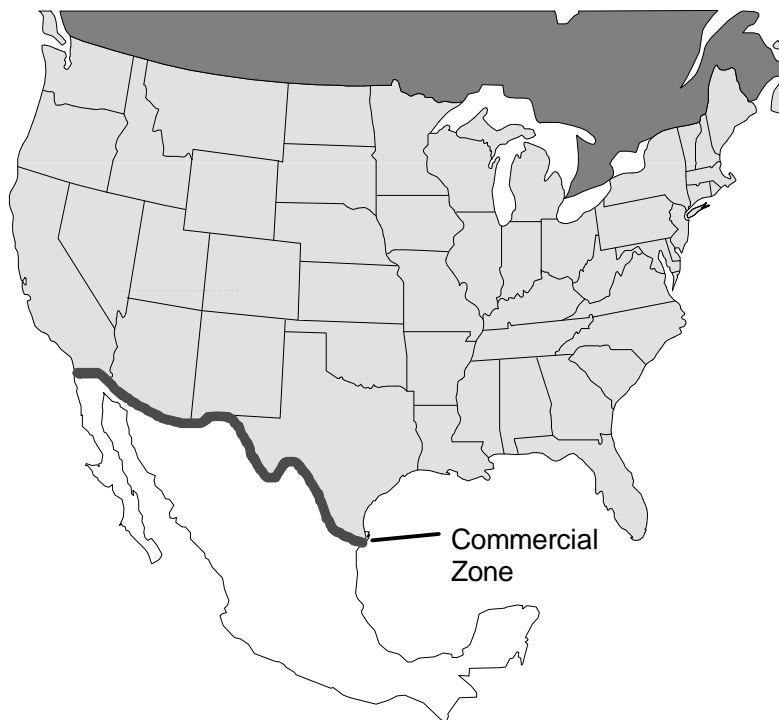


GAO Before December 18, 1995--
Commercial Zones Only

Trucks from Mexico
allowed to operate in
U.S. commercial
zones on the border.

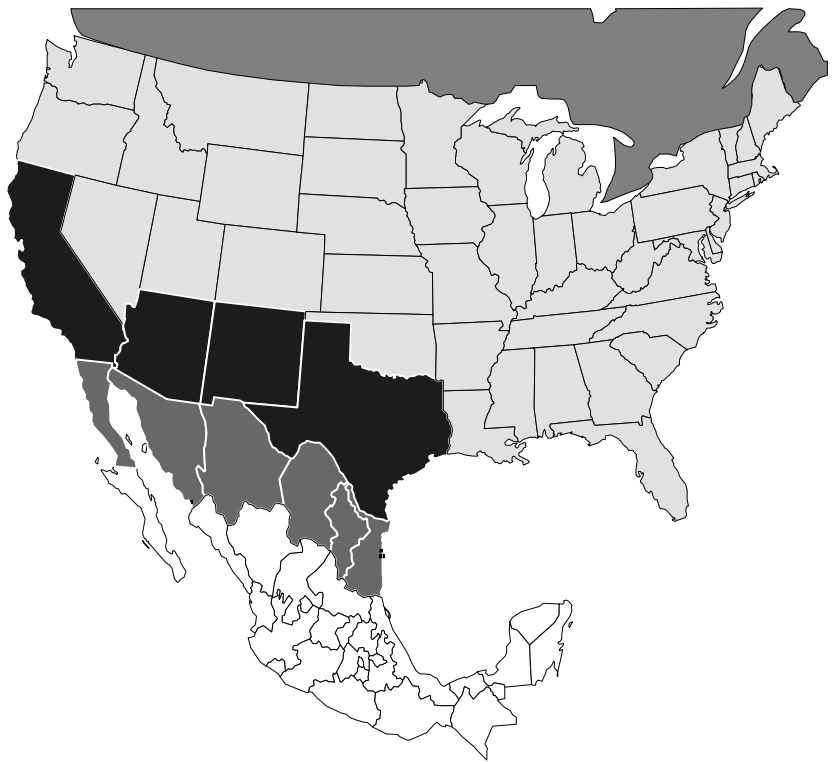
Whereas, very few
trucks from the U.S.
allowed to operate on
Mexican side of the
border.

Note: Line does not depict mileage
variations in commercial zones.



GAO Scheduled for December 18,
1995--Border States Only

Mexico and the
U.S. could allow
border state
access
(postponed
indefinitely as of
12/18/95).



GAO Scheduled for January 1, 2000--Full
Country Access

Three nations allow
full access for truck
operations.



GAO Background

- Trucks move 80 percent of the \$100 billion trade between the U.S. and Mexico.
 - Currently, trucks make about 11,000 crossings per weekday into the U.S. from Mexico along the 2,000-mile border.
 - California, Arizona, New Mexico, and Texas have primary responsibility for enforcing truck regulations with federal financial and technical assistance.
-

GAO Trucks Crossing From Mexico Into
California at Otay Mesa



GAO Preliminary Findings--Efforts to Make Regulations Compatible

- NAFTA established the Land Transportation Standards Subcommittee (LTSS).
 - Progress has been made in obtaining compatibility on some standards for
 - driver age, language requirements, and inspection criteria;
 - traffic control devices and road signage; and
 - certain hazardous materials procedures.
 - Many LTSS efforts are not scheduled for completion until 1997, well after the originally planned opening date of December 18, 1995.
 - As countries work toward making regulations compatible, all foreign trucks and drivers operating in the U.S. must comply with U.S. regulations.
-

GAO LTSS Dates for Completing Compatibility Efforts
Scheduled After U.S. Border Was to Open

Dates	7/95	12/95	7/96	1/97	Jan. 2000
Efforts					
Non-medical driver standards					
NAFTA allows border states access					
Medical driver standards					
Vehicle-related standards					
Vehicle size/weight					
Traffic control devices/pavement markings					
Hazardous materials regulations					
NAFTA allows full access					

■ Key NAFTA dates

GAO Some of the Major Differences in
Trucking Regulations

Regulation	U.S.	Mexico
Hours of service	10/day	None
Logbooks	Yes	No
Computerized driver records	Yes	No
Front brakes	Yes	No
Gross vehicle weight	80,000 lbs.	97,000 lbs.*
Single axle weight	20,000 lbs.	22,000 lbs.*
Tandem axle weight	34,000 lbs.	39,600 lbs.*

* As of December 1995, was pending final approval in Mexico.

GAO 28 Truck Crossing Points in Four States

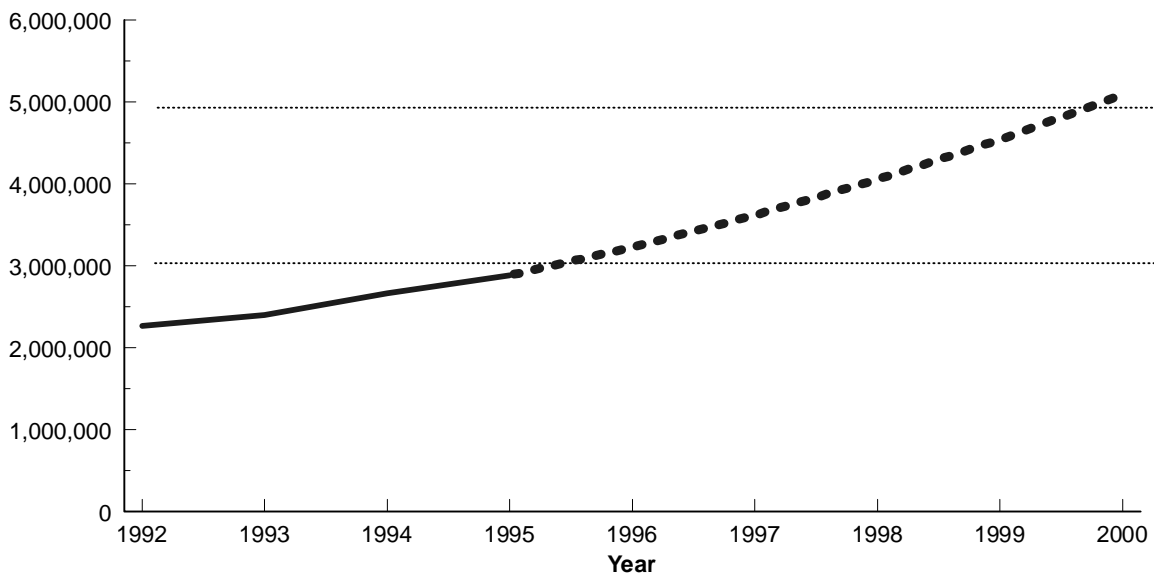


GAO Operational Practices at the Border

- Trucks from Mexico are limited to commercial zones and many make multiple daily crossings.
 - Mexican brokers tend to control much of the truck traffic at some border locations.
 - Many trucking experts do not expect immediate operational/traffic flow changes (once access is allowed to border states).
 - Reliable data on future traffic patterns and Mexican motor carrier expansion are not available.
-

GAO Northbound Truck Traffic, FYs 1992-95, and Projected Growth From 1995-2000

Number of Truck Crossings From Mexico to U.S.



Note: Projection assumes a 12-percent annual growth rate, which is based on views of some trucking experts.

GAO Enforcement Practices--United States

- For several decades, the United States has encouraged safer trucks through
 - federal motor carrier safety regulations,
 - Motor Carrier Safety Assistance Program, and
 - Commercial Vehicle Safety Alliance standards.
 - State enforcement strategies and efforts differ widely across the U.S., as well as in the four border states.
 - State enforcement officials concede that there are cases where enforcement of trucking regulations has been lax in U.S.commercial zones along the U.S.-Mexican border.
-

GAO Enforcement Practices--Mexico

- Mexico is just beginning to establish an enforcement program--photo shows two Mexican officials (on right) observing Texas officials inspecting a truck from Mexico.



GAO Enforcement Practices--Mexico (Cont.)

- Mexico has limited facilities and personnel as it begins its new enforcement program.
 - In 1991, Mexico joined the Commercial Vehicle Safety Alliance (CVSA).
 - Since 1993, 285 Mexican personnel have been trained by U.S. officials to inspect trucks.
 - Many of the Mexican officials who were to train colleagues have left program.
 - According to Mexican officials, there has been little truck enforcement activity to date in Mexico.
 - Enforcement has reportedly been more educationally oriented, without monetary penalties.
-

GAO Comparative Inspection Data and Truck Conditions

- Out-of-service* rate in U.S. is 28% (inspections of U.S. trucks).
- There is a lack of overall inspection data on trucks from Mexico.
 - Arizona data for 1994 show 63% of Mexican trucks to be out-of-service versus 24% of trucks inspected in Arizona.
 - 50% of 217 inspections we observed at U.S. border locations resulted in out-of-service violations.
 - Other border states could not separately identify Mexican truck inspection results.
- Trucks from Mexico tend to be older--one study revealed that about 50% of trucks in Mexico were manufactured before 1980 as compared to 22% for trucks in the U.S.

*OUT-OF-SERVICE means that a truck or driver has violations so serious that the truck/driver can not continue until the violation(s) are corrected.

GAO **Truck Safety Issues and Common Violations**

Safety issues	Common violations
Equipment	Structural cracks, poor suspension, tires, brakes, lights, steering, exhaust systems, fuel tanks, and emergency equipment
Driver	Invalid licenses, under age, license verification, logbook requirements, language, and drug testing
Cargo	Gross vehicle weight, axle weight, cargo securement, hazardous material securement
Other	Motor carrier monitoring and insurance

GAO Photos of Common Violations Observed by GAO

- The next five slides show violations incurred by trucks from Mexico and some resulting adverse impacts:
 - Truck with broken suspension at El Paso, Texas
 - Truck illegally hauling mixed hazardous materials that were not secured and leaking at Calexico, California
 - Truck hauling an overweight load at Brownsville, Texas
 - Road damage at Laredo, Texas
 - Damaged bridge in El Paso, Texas
-

GAO Truck With Broken Suspension at
El Paso, Texas



GAO Truck Illegally Hauling Mixed Hazardous Materials
That Were Not Secured and Leaking at Calexico,
California

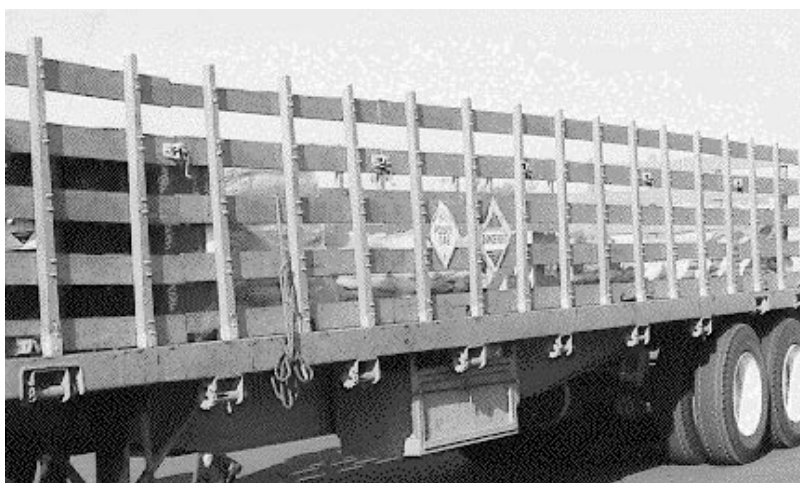


Photo of hazardous
materials leaking
from bags

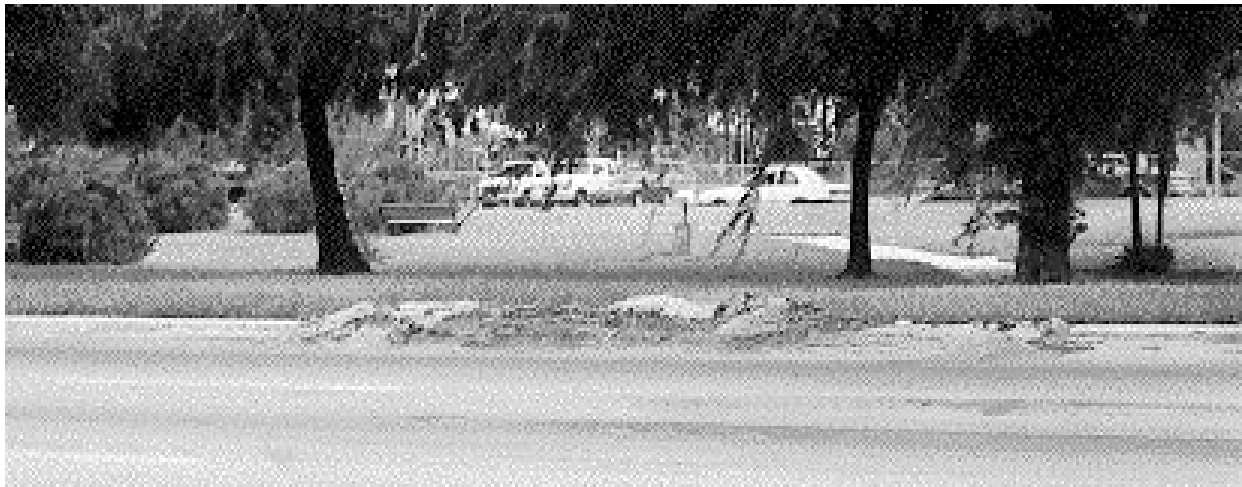


GAO Overweight Truck From Mexico Hauling Steel Rolls at
Brownsville, Texas, With a Gross Vehicle Weight of
134,000 lbs. v. U.S. Limit of 80,000 lbs.



GAO Adverse Impact of Overweight Trucks--
Road Damage

- Laredo, Texas (near port of entry)



GAO EL Paso Bridge Closed in 1980s Largely Due to
Damage Caused by Overweight Trucks



Close-up view
of bridge
damage



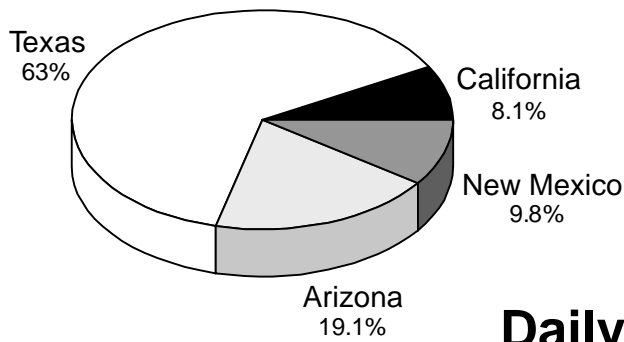
Source: International Boundary and Water Commission.

GAO Enforcement Preparations and
Tendencies in Border States

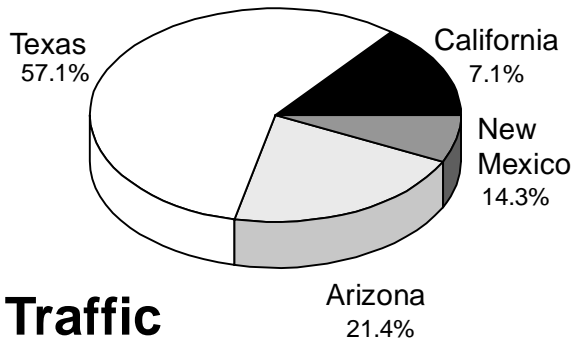
- Border state preparation varies and is not aligned with enforcement burden.
 - Current and future enforcement burden is greatest in Texas.
 - Border enforcement is weakened whenever a disruption occurs in federal-state coordination.
 - FHWA has provided some special funding to states to assist with short-term resource needs.
-

GAO Uneven Enforcement Burden--Texas
Has the Greatest Burden

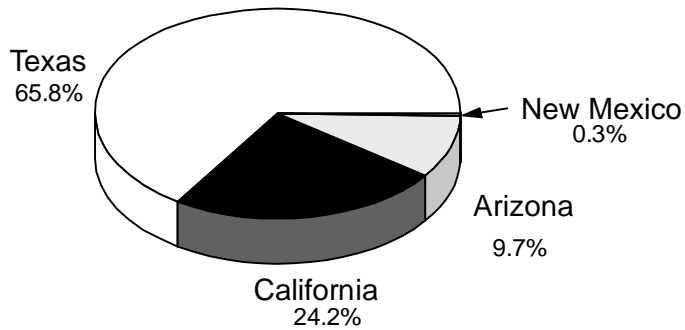
Border Miles



Entry Points



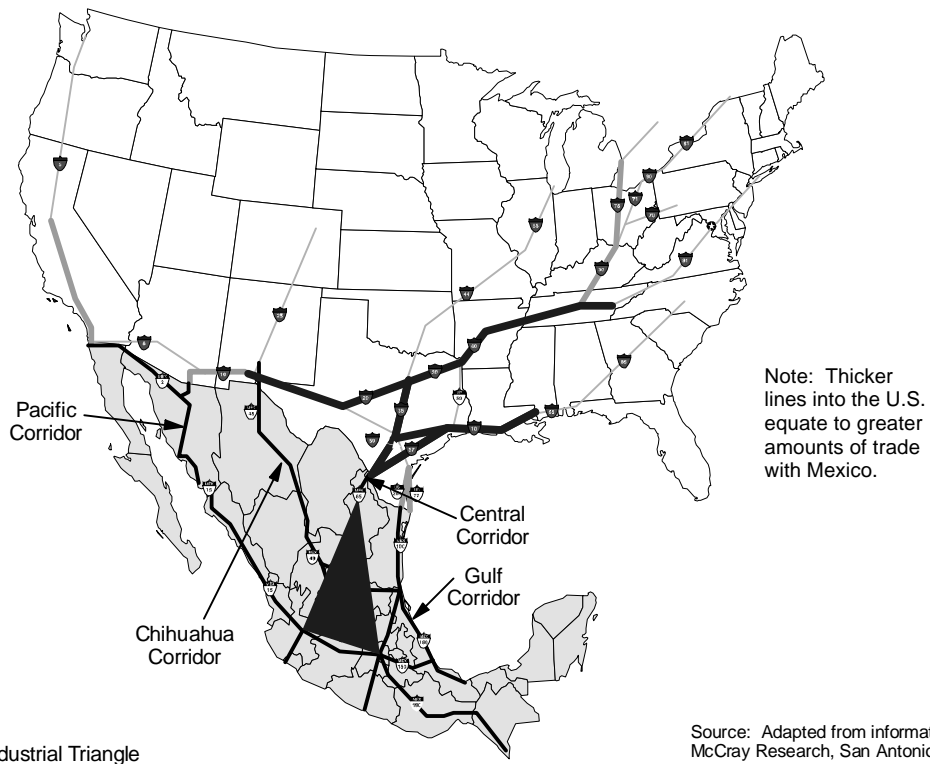
Daily Traffic



GAO Trade and Traffic Flows Between the U.S. and
Mexico Help Define Future Enforcement Burden

- Map on the following figure shows:
 - The majority of Mexican imports into the U.S. flow through Texas and continue toward the eastern portion of the U.S.; therefore, trade patterns show that most trucks from Mexico will continue to flow through Texas.
 - Three of the four main Mexican trade corridors flow into the U.S. through Texas (at Brownsville, Laredo, and El Paso).
 - Trucks from Mexico may use U.S. east-west highways since Mexico lacks east-west highways, which will further challenge truck enforcement on the U.S. side of the border.
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GAO Major U.S. and Mexican Trade Corridors



▲ Mexico's Industrial Triangle

Source: Adapted from information provided by McCray Research, San Antonio, Texas.

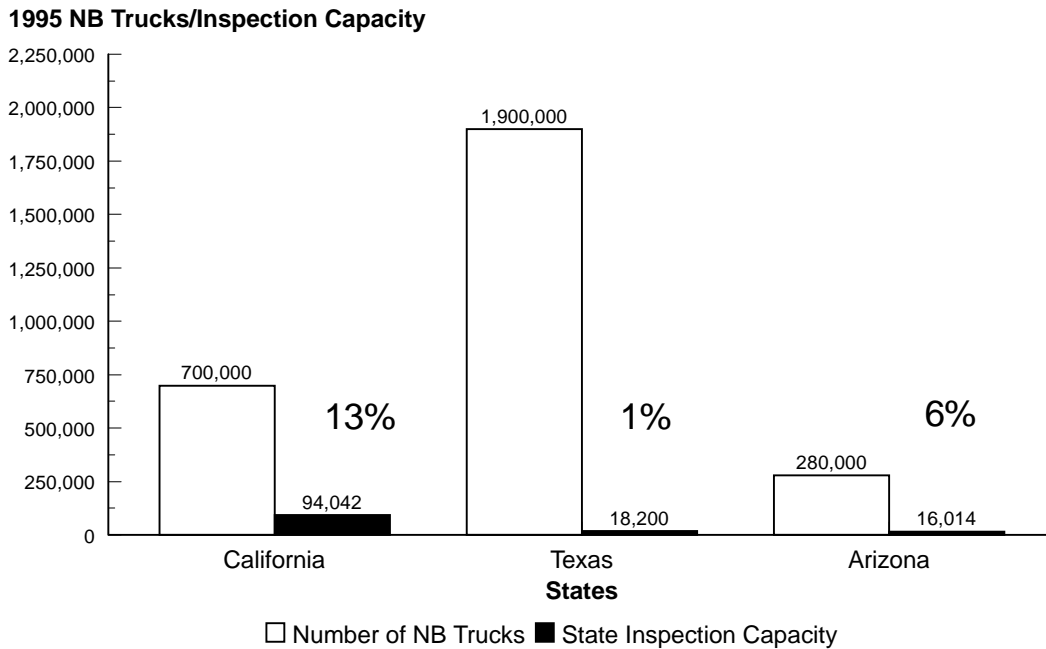
GAO Enforcement Personnel to Inspect and Weigh Trucks (as of 12/1/95)

State	Personnel assigned at border	Personnel in border districts/regions*
California	24 (42 by mid-1996)	78
Texas	14 (36 by mid-1997)	70
New Mexico	**	27
Arizona	5	34

* These districts/regions can include up to a third of the southern geographic portion of the border states and GAO used these higher personnel figures to give the border states "the benefit of the doubt" when computing inspection capacity in the following graph.

**No personnel permanently assigned at border.

GAO Border State* Inspection Capacity (based on northbound trucks and the rates at which district/regional personnel currently inspect them)



*New Mexico excluded due to limited northbound (NB) trucks from its two international ports of entry.

GAO Enforcement Capacity Defined Largely by Facilities Available to Inspect and Weigh Trucks

- California is constructing truck enforcement facilities at each of its two major truck crossing points to be open full-time to inspect and weigh trucks by early- to mid-1996 (see photo of facilities under construction).
 - Texas has no permanent enforcement facilities at its 16 border crossing points; Texas is constructing roadside enforcement facilities to be open part-time at selected border locations by early 1996 (see photo of site where new facility is planned).
 - New Mexico has built a new enforcement facility to provide full-time monitoring of east-west truck traffic and trucks from Mexico through El Paso (see photo of facility under construction as of 9/95).
-

GAO New California Enforcement Facilities
(with 4 bays)

Otay Mesa
(\$16 million--approx.
cost)



Calexico
(\$9 million--approx.
cost)



GAO Site of New Texas Roadside Enforcement Facility
at El Paso (no inspection structure is planned)
(\$700,000--approx. cost)



GAO New Mexico Facility
(\$9 million--approx. cost)

Anthony,
New Mexico



New
Two-Bay
Facility



GAO Coordination Problems Between Federal and State Agencies at Border Locations

- U.S. Customs controls the primary facilities immediately adjacent to border entry locations.
 - Limited use of the facilities by state truck enforcement agencies because
 - Customs does not always allow state enforcement personnel to use its space;
 - periodic truck enforcement efforts can disrupt truck traffic, resulting in uneven truck traffic and additional burdens for Customs; and
 - inadequate space available for enforcement, especially at border crossings in urban settings.
 - Customs has truck weigh scales, but agreements do not generally exist that allow state personnel to use them.
-

GAO Customs' Weigh Scales Are Not Generally
Used by State Enforcement Officials

Customs using its own weigh scale at El Paso, Texas
(mainly to verify tanker loads for drug interdiction)



GAO Coordination Problems Between Federal and State Agencies at Border Locations

- Since December 1992, when NAFTA was agreed to by the member nations, DOT has not actively encouraged truck enforcement at federal installations on the border (including pushing for improved coordination with Customs).
 - Customs facilities have been built/expanded without allowing for truck inspections/weighing.
 - DOT is just beginning to develop a strategy to improve coordination among all levels--local, state, and federal; however, resources (such as truck inspection personnel) to initiate strategies may not be available.
-

Comments From the Department of Transportation



**U.S. Department of
Transportation**

Assistant Secretary
for Administration

400 Seventh St., S.W.
Washington, D.C. 20590

February 14, 1996

Mr. John Anderson
Director, Transportation Issues
U.S. General Accounting Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Mr. Anderson:

Enclosed are two copies of the Department of Transportation's comments concerning the U.S. General Accounting Office draft report, "NAFTA's Impact on Truck Safety," RCED-96-61R. Thank you for the opportunity to review this report. If you have any questions concerning our reply, please contact Martin Gertel on 366-5145.

Sincerely,

A handwritten signature in cursive script that reads "Melissa Spillenkothen".

Melissa Spillenkothen

Enclosures

**Department of Transportation Statement
on
The General Accounting Office
Draft Report
"North American Free Trade Agreement Effect on Truck Safety"
RCED-96-61R**

DEPARTMENT OF TRANSPORTATION POSITION

First and foremost the Department is committed to the safe and effective implementation of the North American Free Trade Agreement (NAFTA) transportation provisions. NAFTA provides for significant changes in the way commercial vehicles will operate between the United States and Mexico. The Department is working actively with the U.S. border states and the Government of Mexico to ensure the safe operation of motor carriers seeking to engage in cross border operations. This effort includes enhanced enforcement along the U.S. border, increased enforcement activities in Mexico, and continued consultations on safety standards compatibility. The Department's objective is to ensure that all commercial vehicles operate safely in the United States in compliance with all applicable safety and operating requirements.

DOT is Committed to Safe and Effective NAFTA Implementation

Under NAFTA, there will be no diminution of existing safety requirements for any vehicles operating in the United States. The Department of Transportation's primary goal is to ensure the safety and security of U.S. citizens while providing for the swift and efficient transportation of goods across our borders. During the 2 years since NAFTA's passage, we have applied considerable effort towards achieving this objective. We have been conducting discussions in the Land Transportation Standards Subcommittee (LTSS), which have led to significant progress in achieving compatibility of safety and operating requirements in all three NAFTA countries. Consultations will continue in the months ahead, and the Department is confident that further progress in compatibility can be achieved. While these discussions are important from the perspective of the efficiency gained by motor carriers operating under a common set of requirements, it must be emphasized, that in any area where compatibility has not been reached, all commercial vehicles operating in the United States must comply with U.S. safety standards.

The GAO report's observations regarding the inadequate compliance levels of Mexican trucks support our view of December 1995 that compliance and enforcement regimes were not in place in Mexico to ensure that the trucks crossing the border were safe and roadworthy. As a result of the increased inspections conducted by Federal and state agencies, we found almost 60 percent of the vehicles inspected as they crossed the border had violations of Federal regulations serious enough to cause them to be

**Appendix II
Comments From the Department of
Transportation**

placed out of service. It was this continuing unsatisfactory level of safety and operational compliance as well as security concerns that contributed to our decision to seek additional consultations with Mexico.

On December 18, 1995, the Department announced that, in accordance with the access liberalization schedule set forth in NAFTA, applications will be accepted for Mexican trucking companies to transport international cargo to and from the four border states. However, we will not finalize the processing of these applications until additional consultations are completed between the United States and Mexico to further improve safety and security regimes. Efforts are continuing on both sides of the border to complete this next phase of implementation of NAFTA's transportation provisions in a manner that will ensure operational safety.

U.S. and Mexico Working to Ensure Motor Carrier Safety

The Department is working with Mexico to develop a strategy for ensuring that motor carriers are in compliance with their safety obligations prior to beginning cross border operations beyond the commercial zone. Representatives from the Department of Transportation and officials from Mexico's Secretariat of Communications and Transportation met at the end of December to begin these consultations. Further discussions are scheduled for mid-February. A basic premise of these discussions is that enhanced enforcement on the U.S. side of the border alone cannot be the sole means of ensuring compliance. To conduct safety inspections of all or a large proportion of trucks crossing the border would result in untenable delays and would not result in the efficient flow of goods across the border. Rather, a strong compliance mind set must be developed by Mexican trucking companies and verified by an effective Mexican safety enforcement program before these trucks reach the border.

Within the last few years, Mexico joined the Commercial Vehicle Safety Alliance (CVSA), an organization of state and provincial officials that works to assure that compliance and enforcement procedures, particularly roadside inspection procedures, are consistent from jurisdiction to jurisdiction. Under the auspices of CVSA and with support from DOT, Mexican officials have been trained to perform vehicle roadside inspections using the North American Uniform Driver Vehicle Inspection Program. A primary objective of our ongoing dialogue with the Mexican officials is to encourage increased enforcement on the Mexican side of the border, demonstrated by higher compliance levels of trucks entering the commercial zone. This compliance will be evaluated through enforcement activities in the U.S. border states and analysis of the resulting data.

Enhanced Enforcement Taking Shape in U.S. Border States

To ensure that Mexican trucks operate safely in the United States, the Federal Government has been working with state and local authorities to increase enforcement efforts at the border and throughout the states that will initially be open to Mexican

**Appendix II
Comments From the Department of
Transportation**

trucking. The Federal Highway Administration (FHWA) has completed a NAFTA Implementation Border Plan to coordinate Federal and state education, compliance, and enforcement activities. As part of this implementation plan, full time Federal, state, and local safety enforcement officials have been placed at major border crossings, including within Customs import lots. FHWA will use this heightened enforcement to ensure that the compliance level of Mexican trucks entering the United States has improved. Additional funding has also been provided to the border states for Motor Carrier Safety Assistance Programs (MCSAP) training, outreach, and other compliance activities. California already has an extensive enforcement program that targets commercial vehicles crossing into the commercial zone from Mexico. Texas will be adding more than 100 new inspectors to its MCSAP workforce. Texas localities are also training almost 50 additional inspectors to place at border inspection points. FHWA coordinated extensive education and outreach efforts to provide motor carriers from both countries with information on all aspects of safety, customs, and other regulations that will apply to motor carriers. In addition, significant progress has been made in establishing an international communications link to exchange driver licensing information.

These efforts, as significant as they are, have not resulted in a satisfactory level of compliance by Mexican motor carriers already operating into U.S. border commercial zones. The Department is prepared to work with Mexican officials and the Mexican trucking industry to develop additional measures needed to ensure safe operations.

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