

Statement of
The Honorable John Cornyn

United States Senator
Texas
December 2, 2005

U.S. Senate Judiciary Subcommittee on Immigration, Border Security and Citizenship
U.S. Senator John Cornyn (R-TX), Chairman

"Proposed Western Hemisphere Passport Rules: Impact on Trade and Tourism"

Friday December 2, 2005, 1:30 p.m., Texas A & M International University

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Good afternoon, and welcome. The purpose of today's hearing is to review the government's Western Hemisphere Travel Document Initiative and how it will affect trade and tourism.

Currently, U.S. citizens and some citizens of other countries in the Western Hemisphere are not required to present a passport to enter the U. S. when traveling from certain Western Hemisphere countries.

The 9/11 Commission, recognizing the obvious vulnerability of that policy, recommended in its Final Report that Americans should not be exempt from carrying biometric passports when they enter the United States; nor should Canadians or Mexicans."

In response, Congress passed the Intelligence Reform and Terrorism Prevention Act of 2004. That law mandates that the Secretary of Homeland Security, in consultation with the Secretary of State, develop and implement a plan to require U.S. citizens and foreign nationals to present a passport, or other secure document, when entering the United States. The law requires that a plan be in place by January 1, 2008.

The Departments of State and Homeland Security recently published an Advance Notice of Proposed Rulemaking, the first formal statement by the administration on how it plans to implement the new passport requirements. That notice indicates that the agencies will implement the Western Hemisphere Initiative in two stages.

First, the agencies will apply the passport requirement to all air and sea travel by December 31, 2006. A year later, the requirements will go into place for land border-crossers.

Phasing in these new requirements makes sense. The land border crossing environment is very different from an air or sea port of entry. And while we all agree that we have a responsibility to protect our borders and to know who crosses through our ports, the process needs to be done in a manner that is least disruptive to legitimate travelers, businesses, and tourism.

There is no question that this initiative will have an impact. For individuals, a passport costs almost 100 dollars, plus an additional 60 dollars if the person wants expedited processing. For a family of four, the cost to cross the border could be close to 400 dollars.

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One need only look at the economy in Laredo to understand how a small change in the travel document requirement could have a significant impact on the economy in this region. Around \$80 billion in goods, 1.6 million loaded trucks, and nearly 7 million other vehicles carrying millions of people flowed across the Laredo border in 2003. A study by the director of the Texas Center for Border Economic and Enterprise Development at Texas A&M International University found that a 1 percent decrease in border crossings would cost Laredo \$19 million in annual sales - and increase unemployment by 7.2 percent.

Understandably, the business communities along the border are concerned. In a 2004 study, the Perryman Group, which conducted an analysis at the request of the McAllen Chamber of Commerce, found that the proposed passport initiative will cost 19,000 jobs in the border region and 215,044 jobs in Texas. That same group said the initiative could cause the loss of approximately \$10 billion in personal income and the loss of approximately \$16 billion in gross product in the state.

Many of the same economic concerns were present when US-VISIT was implemented in 2004. US-VISIT has since processed over 44 million travelers and has led to the identification of over 900 criminals and the denial of approximately 12,000 visas. While US-VISIT has not led to delays at the ports of entry, the greatest challenges for that program are yet to come.

Nevertheless, US-VISIT does demonstrate that measured, careful implementation - which includes consultation with and guidance from local business communities - can improve security while minimizing the disruption to cross-border travel.

The questions we wish to address today are what documents these agencies will accept in lieu of a passport and whether the agencies can meet their proposed deadline without delaying cross-border traffic. In November, the Department of State announced that it is considering SENTRI, NEXUS, and FAST program cards as acceptable alternatives. These documents are currently used by registered, frequent travelers. The Department also announced that it anticipates that the Border Crossing Card, or "laser visa," will also be an acceptable substitute.

I also understand that the Departments of State and Homeland Security are evaluating other options - including creation of a new travel document that would be issued to U.S. Citizens but that would also cost much less than a passport. I look forward to hearing from our government witnesses today about the progress they have made regarding alternatives to the passport.

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