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Ramiro A. Cavazos President & CEO October 27, 2023

The Honorable Mike Rogers Chairman Armed Services Committee U.S. House of Representatives Rayburn House Office Building, Rm 2469 Washington, D.C. 20515

The Honorable Jack Reed Chairman Armed Services Committee U.S. Senate Hart Senate Office Building, Rm 728 Washington, D.C. 20510 The Honorable Adam Smith Ranking Member Armed Services Committee U.S. House of Representatives Rayburn House Office Building, Rm 2264 Washington, D.C. 20515

The Honorable Roger Wicker Ranking Member Armed Services Committee U.S. Senate Russell Senate Office Building, Rm 425 Washington, D.C. 20510

Dear Chairman Rogers, Ranking Member Smith, Chairman Reed, and Ranking Member Wicker.

As Congress conferences the National Defense Authorization Act for fiscal year (FY) 2024 (NDAA), we write to express our strong support for keeping Section 6711 of the Senate-passed NDAA. This section, which aims to expedite a key permitting process for cross-border bridges between Texas and Mexico, is essential to support international trade, create good paying jobs, and move away from the national security risks associated with our dependence on China for goods.

The United States Hispanic Chamber of Commerce (USHCC) is the nation's largest Latino Business Advocacy organization and works to actively promote the economic growth, development, and interests of more than five million Hispanic-owned businesses. The USHCC exists to support these businesses that contribute over \$800 billion to the American economy each year. We operate through a network of more than 260 local chambers and business associations throughout the nation and have partnerships with more than 200 major global corporations.

Trade between the United States and Mexico is necessary for U.S. economic growth, accounting for \$779.1 billion in trade in 2022, this amounts to almost 1.5 million dollars in bilateral commerce every single minute year-round. Many industries rely on the transportation of agriculture, automotive, energy, machinery, bulk products, and other goods between both countries. For many years, our trade with Mexico has allowed U.S. companies to gain a competitive edge against competitors from outside the region and to grow exports in the face of aggressive global competition. Additionally, research by the Mexico Institute shows that nearly five million U.S. jobs depend on trade with Mexico.

That trade is expected to grow as more companies move their businesses and supply chains away from China and back to North America. Those products move across key bridges in Texas. In fact, the Texas Department of Transportation estimates that 68 percent of trade between the United States and Mexico moves across the Texas-Mexico border. In order to create more jobs, support economic growth, and lessen our dependence on China, these cross-border bridges must be expanded.

Several local and private entities in Texas are seeking to build or expand cross-border bridges to accommodate increased trade and nearshoring. On top of customary and usual permits a bridge must receive before construction, cross-border bridges also must receive approval from the president (known as a presidential permit) via the Department of State. Under the previous administration, project sponsors could receive a presidential permit on the condition that all other permits and authorizations, including under the National Environmental Policy Act (NEPA), would be obtained. The current administration, however, is requiring that project sponsors complete the NEPA process

before the State Department will review a permit application and make a recommendation to the president. This dramatically slows the permitting of cross-border bridges for no additional benefit, as other relevant federal agencies will complete the NEPA process for these bridges.

Sec. 6711 of the Senate-passed NDAA will expedite the presidential permitting process for these bridges without compromising environmental reviews. Specifically, this section would set up a 60-day timeline for the State Department to make a recommendation to the president on an application, and then give the president an additional 60 days to then approve or deny a permit. The administration would be prohibited from requiring project sponsors to first complete the NEPA process before issuing a presidential permit. Instead, a permit could be conditioned on the project sponsor completing NEPA. Ultimately, this section will expedite approval of a key permit and maintain the environmental review process, allowing project sponsors to acquire the necessary financing and other approvals they need.

As you negotiate the FY 2024 NDAA, we urge you to keep Sec. 6711 of the Senate-passed NDAA in any final legislation. This legislation is vital to increase trade with the United States' closest allies and most important trading partners.

Thank you for your service and partnership in supporting our Hispanic and minority-owned businesses across the country. If you have any questions, please do not hesitate to reach out to Santiago Salas-Oliva, Manager of Government and International Affairs of the USHCC at Soliva@ushcc.com. We commend you for your leadership and look forward to a positive outcome on this important matter.

Respectfully,

Ramiro A. Cavazos President and CEO

United States Hispanic Chamber of Commerce