



**INTERIM REPORT OF  
THE PRESIDENT'S INTERAGENCY TASK FORCE  
ON THE ECONOMIC DEVELOPMENT  
OF THE SOUTHWEST BORDER**

November 15, 1999





**INTERAGENCY TASKFORCE ON THE  
ECONOMIC DEVELOPMENT OF THE SOUTHWEST BORDER  
Reporting to Vice President Al Gore**

U.S. Department of Treasury  
Chair

U.S. Department of Agriculture  
U.S. Department of Labor  
Co-Chairs

The White House  
The Executive Office of the President  
The Office of the Vice President  
The National Economic Council  
The National Security Council  
Office of National Drug Control Policy  
Office of Management and Budget

U.S. Department of Commerce  
U.S. Department of Defense  
U.S. Department of Education  
U.S. Department of Energy  
U.S. Department of Health and Human Services  
U.S. Department of Housing and Urban Development  
U.S. Department of Interior  
U.S. Department of Justice  
U.S. Department of State  
U.S. Department of Transportation  
U.S. Small Business Administration  
U.S. Environmental Protection Agency



**INTERIM REPORT of the  
INTERAGENCY TASKFORCE ON THE ECONOMIC DEVELOPMENT  
OF THE SOUTHWEST BORDER  
November 15, 1999**

**Contents**

Transmittal Letter from Lawrence H. Summers, Secretary of the Treasury and Chair of the Task Force to Vice President Al Gore and Gene Sperling, Assistant to the President for Economic Policy and Vice Chair of the President's Community Empowerment Board

Executive Order 13122

Map of the Southwest Border Region and List of Counties

I. Foreword

**Origins and Status of the Task Force**

II. Origins of the Task Force

III. The Challenges Facing the Southwest Border

IV. Status and Action Plan of the Task Force

**Current Federal Efforts in the Southwest Border Region**

V. Spurring Economic Development and Supporting Pilot Communities

VI. Helping Southwest Border Communities Attract Capital, Improve Access to Credit and Foster Small Business Development

VII. Promoting Education

VIII. Investing in Job Training and Skills Development

IX. Nurturing Children, Youth and Families

X. Improving Living Conditions and Providing Affordable Housing

XI. Improving Access to Quality Health Care

- XII. Focusing on Agricultural and Rural Assistance Programs
- XIII. Reinforcing Infrastructure in Rural Communities
- XIV. Cleaning Up the Environment
- XV. Protecting the Border, Shoring Up Law Enforcement and Preventing Crime
- XVI. Advancing our Partnership with Mexico: A New Border Vision

## **Appendices**

- A. Task Force Designees
- B. Summary of Task Force Goals
- C. Summary of First Regional Meeting of Task Force Representatives in Phoenix, Arizona on September 8, 1999

## INTERIM REPORT

### PRESIDENT'S INTERAGENCY TASK FORCE ON THE ECONOMIC DEVELOPMENT OF THE SOUTHWEST BORDER

#### REPORTING TO VICE PRESIDENT AL GORE AND GENE SPERLING, ASSISTANT TO THE PRESIDENT FOR ECONOMIC POLICY AND VICE CHAIR OF THE PRESIDENT'S COMMUNITY EMPOWERMENT BOARD

On the eve of a new millennium, our country is enjoying the longest peacetime expansion in U.S. history. The unemployment rate is at a thirty-year low, real income and productivity gains have accelerated, and inflation remains remarkably subdued. Moreover, the Federal government just posted its second consecutive budget surplus after nearly three decades of deficit spending.

Despite the remarkable performance of our economy over the past few years, all Americans have not benefited equally. The Southwest Border region – its human, physical and natural assets notwithstanding -- continues to be one of the most economically distressed areas in the country. Acknowledging that serious disparities still persist in this time of unprecedented prosperity, and inspired by community leaders throughout the region, the President and Vice President have created a task force to help revitalize the Southwest Border. Executive Order 13122, which created the Task Force, mandates that all Federal agencies work together to develop and implement a comprehensive strategy to raise the standard of living in the Southwest Border region while still maintaining its unique character.

This interim report is an important first step in that process. Although the goals laid out in this report are ambitious, the Task Force is encouraged by the leadership, ideas and achievements of those who live and work in this region of the country. It is the hope of the Task Force that the information compiled in this document will help guide its members as they work with border communities to promote sustainable development. By working together with local officials, grassroots organizations, private business and the academic community we can ensure a brighter future not only for the Southwest Border region but also for the nation.

Lawrence Summers  
Secretary of the Treasury and  
Chair, Interagency Task Force on the  
Economic Development of the Southwest Border



**THE WHITE HOUSE**  
**Washington**

Executive Order 13122

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to provide a more rapid and integrated Federal response to the economic development challenges of the Southwest Border region, it is hereby ordered as follows:

Section 1. Establishment of an Interagency Taskforce on the Economic Development of the Southwest Border. (a) There is established the “Interagency Task Force on the Economic Development of the Southwest Border” (Task Force) that reports to the Vice President, as Chair of the President’s Community Empowerment Board (PCEB), and to the Assistant to the President for Economic Policy, as Vice Chair of the PCEB.

(b) The Task Force shall comprise the Secretary of state, Secretary of Agriculture, Secretary of Commerce, Secretary of Defense, the Attorney General, Secretary of Interior, Secretary of Education, Secretary of Health and Human Services, Secretary of Housing and Urban Development, Secretary of Energy, Secretary of Labor, Secretary of Transportation, Secretary of the Treasury, Director of the Office of Management and Budget, Director of the Office of National Drug Control Policy, Administrator of the Small Business Administration, Administrator of the Environmental Protection Agency, or their designees, and such other senior executive branch officials as may be determined by the Co-Chairs of the Task Force. The Secretaries of the Treasury, Agriculture, and Labor shall Co-Chair the Task Force, rotating annually. The agency chairing the Task Force will provide administrative support for the Task Force.

(c) The purpose of the Task Force is to coordinate and better leverage existing Administration efforts for the Southwest Border, in concert with locally led efforts, in order to increase the living standards and the overall economic profile of the Southwest Border so that it may achieve the average of the Nation. Specifically, the Task Force:

- (1) analyze the existing programs and policies of Task Force members that relate to the Southwest Border to determine what changes, modifications, and innovations should be considered;
- (2) consider statistical and data analysis, research, and policy studies related to the Southwest Border;
- (3) develop and recommend short-term and long-term options for promoting sustainable economic development;
- (4) consult and coordinate activities with state, tribal, and local governments, community leaders, Members of Congress, the private sector, and other interested parties, paying particular attention to maintaining existing authorities of the

States, tribes, and local governments, and preserving their existing working relationships with other agencies, organizations, or individuals;

- (5) coordinate and collaborate on research and demonstration priorities of Task Force member agencies related to the Southwest Border;
- (6) integrate Administration initiatives and programs into the design of sustainable economic development actions for the Southwest Border; and
- (7) focus initial efforts on pilot communities for implementing a coordinated and expedited Federal response to local economic development and other needs.

(d) The Task Force shall issue an interim report to the Vice President by November 15, 1999. The Task Force shall issue its first annual report to the Vice President by April 15, 2000, with subsequent reports to follow yearly and a final report on April 15, 2002. The reports shall describe the actions taken by, and progress of, each member of the Task Force in carrying out this order. The Task Force shall terminate 30 days after submitting its final report unless a Task Force consensus recommends continuation of activities.

Section 2. Specific Activities by Task Force Members and Other Agencies. The agencies represented on the Task Force shall work together and report their actions and progress in carrying out this order to the Task Force Chair 1 month before the reports are due to the Vice President under section 1 (d) of this order.

Section 3. Cooperation. All efforts taken by agencies under sections 1 and 2 of this order shall, as appropriate, further partnerships and cooperation with organizations that represent the Southwest Border with state and local governments.

Section 4. Definitions.

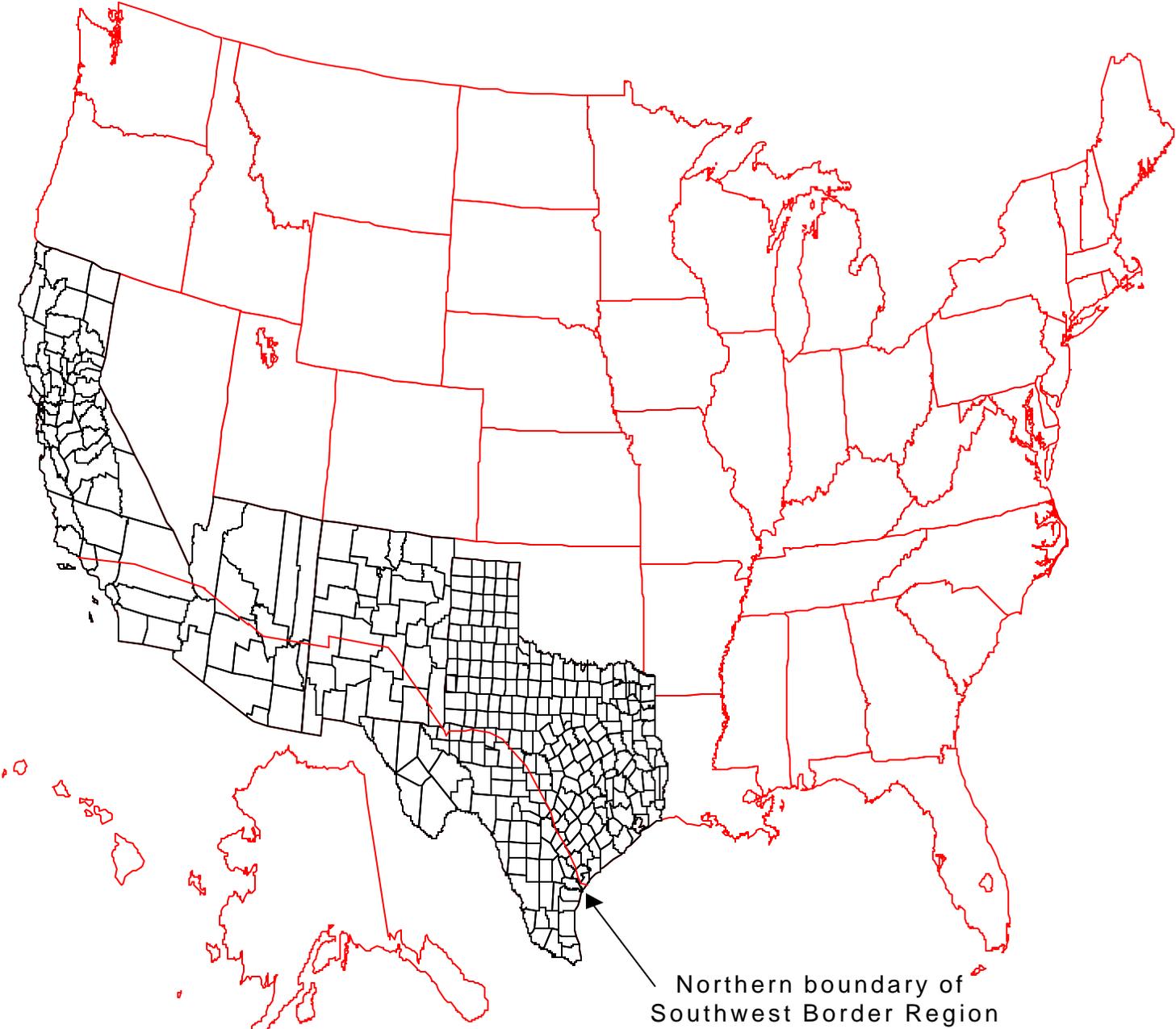
- (a) “Agency” means an executive agency as defined in 5 U.S.C. 105.
- (b) The “Southwest Border” or “Southwest Border region” is defined as including the areas up to 150 miles north of the United States- Mexican border in the States of Arizona, New Mexico, Texas, and California.

Section 5. Judicial Review. This order does not create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

William J. Clinton  
THE WHITE HOUSE  
May 25, 1999

# SOUTHWEST BORDER REGION

Encompasses the area within 150 miles north  
of the U.S. - Mexican border.



Prepared by  
UTPA Data & Information Systems Center (DISC)  
1201 W University Drive  
Edinburg TX 78539

## **SOUTHWEST BORDER REGION**

Encompasses the area within 150 miles north of the U.S.-Mexico border and includes the following counties.\*

| <b>ARIZONA</b>    | <b>TEXAS</b> | <b>TEXAS</b> |
|-------------------|--------------|--------------|
| Cochise           | Atascosa     | Live Oak     |
| Gila              | Bandera      | Loving       |
| Graham            | Bee          | McMullen     |
| Greenlee          | Bexar        | Mason        |
| La Paz            | Brewster     | Maverick     |
| Maricopa          | Brooks       | Medina       |
| Pima              | Cameron      | Menard       |
| Pinal             | Coke         | Midland      |
| Santa Cruz        | Concho       | Nueces       |
| Yuma              | Crane        | Pecos        |
|                   | Crockett     | Presidio     |
| <b>CALIFORNIA</b> | Culberson    | Reagan       |
| Imperial          | Dimmit       | Real         |
| Los Angeles       | Duval        | Reeves       |
| Orange            | Ector        | San Patricio |
| Riverside         | Edwards      | Schleicher   |
| San Bernardino    | El Paso      | Sutton       |
| San Diego         | Frio         | Starr        |
| Ventura           | Gillespie    | Sterling     |
|                   | Glasscock    | Terrell      |
| <b>NEW MEXICO</b> | Hidalgo      | Tom Green    |
| Catron            | Hudspeth     | Upton        |
| Chaves            | Irion        | Uvlade       |
| Dona Ana          | Jeff Davis   | Val Verde    |
| Eddy              | Jim Hogg     | Ward         |
| Grant             | Jim Wells    | Webb         |
| Hidalgo           | Karnes       | Willacy      |
| Lincoln           | Kendall      | Wilson       |
| Luna              | Kenedy       | Winkler      |
| Otero             | Kerr         | Zapata       |
| Sierra            | Kimble       | Zavala       |
| Socorro           | Kinney       |              |
|                   | Kleberg      |              |
|                   | La Salle     |              |

\*Some counties are only partially within the 150 mile area defined above.

# I. Foreword

"I am creating a new interagency task force under the Vice-President's leadership and in close cooperation with the communities of this region to promote growth and opportunity specifically tailored to the unique character of the Southwest Border."

**President Clinton announcing the Southwest Border  
Economic Development Initiative, Edinburg, Texas (May 25, 1999)**

The Southwest Border region has played an integral part in shaping our nation's history. Its residents have made significant contributions to the American economy and have helped define American society and culture. The border's diverse population continues to help mold the American work ethic, American ideals and values, and proud American traditions. Every segment of our society has felt the influence of the border - from government to business, from the armed forces to local law enforcement, from medicine to law, from education to the arts and media. The achievements of the border's people have helped define our heritage and have been vital to this nation's success.

Its assets notwithstanding, the Southwest Border region remains one of the most economically distressed regions in the U.S. Many of its residents are among the poorest in the nation. The unemployment rate in several border communities is more than five times the national average. The rate of educational attainment is lower in this region than is typical in the U.S. as a whole. Health and environmental hazards are of great concern, and lack of access to credit to buy a home or start or expand a business is a serious problem for many border residents.

Encouraged by community leaders throughout the region, the President and Vice President have made a commitment to help Southwest Border communities address these problems and raise the standard of living and overall economic performance of the region so that it is on par with the rest of the nation as we approach the 21<sup>st</sup> Century. On May 25, 1999, President Clinton signed Executive Order 13122 mandating the creation of the Interagency Task Force on the Economic Development of the Southwest Border. The Task Force, which reports to the Vice President and the Vice Chair of the President's Community Empowerment Board and is comprised of representatives from all Federal agencies, has been assigned the task of developing and implementing a comprehensive strategy to evaluate the border region's many problems and to coordinate a Federal response to help alleviate those problems and simultaneously encourage sustainable development.

In essence, the Task Force has been charged with taking a closer look at the ways in which Federal agencies can cooperate with state and local authorities, community organizations and the business community to revitalize the Southwest Border by strengthening the region's economic, social and physical infrastructure. In carrying out its mission the Task Force aims to maximize

the efficiency, responsiveness, coordination and impact of current Federal government initiatives related to the Southwest Border. It also strives to identify and develop ways of filling any current gaps in Federal government efforts. Ultimately, the Task Force hopes to advance innovative alternatives for sustainable development in the Southwest Border region.

An effort to study the border's greatest challenges is already underway. This interim report chronicles some of the border's most pressing problems and provides a broad overview of current Federal efforts to address those problems. The information compiled in the following pages represents the work of numerous people living and working in border communities. It is just one step in a long process of improving the quality of life for those who call the Southwest Border region home.

An annual report, due in April 2000, will present new data and studies, provide an up-to-date look at ongoing Federal programs and projects in the border region, and assess current Federal efforts. The primary focus, however, will be on recommendations and policy options that foster community revitalization, regional security and economic prosperity. This Annual Report and the resulting action plan will be based in large part on the input, ideas and experiences of community leaders throughout the region.

The Administration believes that the strategies developed under the Southwest Border initiative will serve as a model that can be replicated in distressed areas across the nation. Thus, a comprehensive strategy for empowering Southwest Border communities to meet the challenges of the 21<sup>st</sup> Century is critical – not only to this region but to distressed areas throughout the U.S. In order to remain competitive in the next millennium, the basic infrastructure in our communities must be reinforced and improved. We must continue to enhance education and job training and improve access to capital and credit in under-served markets. We must continue our efforts to make every neighborhood safe and to ensure that every American has access to quality health care, safe and affordable housing, and clean air and water.

## **Origins and Status of the Task Force**



## II. Origins of the Task Force

“We are committed to making the Southwest Border a full partner in America’s future by working with Border communities to develop a strategy for investing in and empowering the region to compete and succeed in the 21<sup>st</sup> Century. Working together, we can ensure that no one is left behind.”

Vice President Gore

The creation of the President’s Interagency Task Force on the Economic Development of the Southwest Border can not be traced to one single event or proclamation. Rather the Task Force represents the culmination of collective efforts aimed at raising the awareness of the many serious issues faced by the people that live in this region of the country.

In April 1997, at the White House Empowerment Conference in Detroit, Michigan, Vice President Gore challenged Empowerment Zones (EZ), Enterprise Communities (EC) and Champion Communities to combine their efforts and adopt a regional approach to revitalize their communities.<sup>1</sup> The Southwest Border Partnership was created in response to the Vice President’s challenge. This regional organization of EZ/EC and Champion Communities aims to build a sustainable economy in concert with a sustainable environment.

Over the years, Congress and especially the Congressional Border and Hispanic Caucuses have been an integral part of the discussion surrounding the Federal government’s role in addressing the numerous problems that plague the Southwest Border region. In June 1998, the Congressional Border Caucus submitted a request to the General Accounting Office (GAO) to study the nature of those problems and provide information on efforts undertaken by the U.S. and Mexico to address them. A report outlining GAO’s preliminary findings was released in July 1999.<sup>2</sup> GAO continues to examine the many transportation and environmental infrastructure issues affecting the border region.

---

<sup>1</sup> The EZ/EC program is a Federal initiative designed to provide economically depressed urban and rural areas and communities with real opportunities for growth and revitalization. Its mission is to foster self-sustaining, long-term economic development in areas suffering from pervasive poverty, unemployment, and general distress and to demonstrate how communities can achieve self-sufficiency by following innovative and comprehensive strategic plans formulated and implemented by alliances among public, private and nonprofit entities.

<sup>2</sup> General Accounting Office, *U.S.-Mexico Border: Issues and Challenges Confronting the United States and Mexico*, Report to Congressional Requesters (July 1999). The GAO report presents a cursory overview of the following issues: drug enforcement, illegal immigration, cross-border transportation, environmental infrastructure and public health, and economic development. More extensive evaluations of transportation and environmental infrastructure issues will be released by GAO in late 1999.

In October 1998, the U.S. Department of the Treasury released a study entitled *The Southwest Border Region: A Profile of the Regional Economy*. This study complemented efforts undertaken by other groups and agencies and served as the catalyst for the creation of the National Economic Council (NEC) Working Group on the Southwest Border. Members of the Working Group met several times in the spring of 1999 to discuss ways in which the Federal government can partner with community leaders to foster economic development. Based on these discussions, the Working Group developed options for a more comprehensive and coordinated Federal response to Border communities.

All of these efforts culminated in May 1999, when President Clinton signed Executive Order 13122 creating the Interagency Task Force on the Economic Development of the Southwest Border. Through his Executive Order, the President formally recognized the challenges confronted by many Border communities on a daily basis. The President announced the creation of the Task Force while attending the Vice President's Community Empowerment Conference in Edinburg, Texas in the Rio Grande Valley, calling on all Federal agencies to develop and implement a comprehensive strategy to evaluate the border region's many problems and to coordinate a Federal response to help alleviate those problems and simultaneously encourage sustainable economic development.

*The full text of Executive Order 13122 may be found at the front of this report.*

### III. The Challenges Facing the Southwest Border

“It is the hope of the Task Force that the information compiled in this document will help guide its members as they work with border communities to promote sustainable development.”

Lawrence H. Summers  
Secretary of the Treasury and Chair of the President’s Interagency Task Force  
on the Economic Development of the Southwest Border

The economy of the Southwest Border region<sup>1</sup> varies considerably from county to county and state to state, with areas of prosperity intermingled amongst areas of great poverty. However, communities in this area also share a number of common features – many derived from the region’s proximity to Mexico – that have affected standards of living and economic development throughout the area and substantially differentiate the border region from the rest of the United States. As the region grows almost twice as fast as the rest of the U.S., border communities will struggle to meet many of their most basic economic and social needs.

The following statistics, culled from various U.S. government sources, including the U.S. Department of Treasury’s 1998 study profiling the economy and population of the Southwest Border region, highlight the need for a coordinated Federal response that will, in conjunction with local government and community organizations, address the problems currently faced by border communities and simultaneously encourage economic development.

#### *The Population – A Rapidly Growing and Diverse Community*

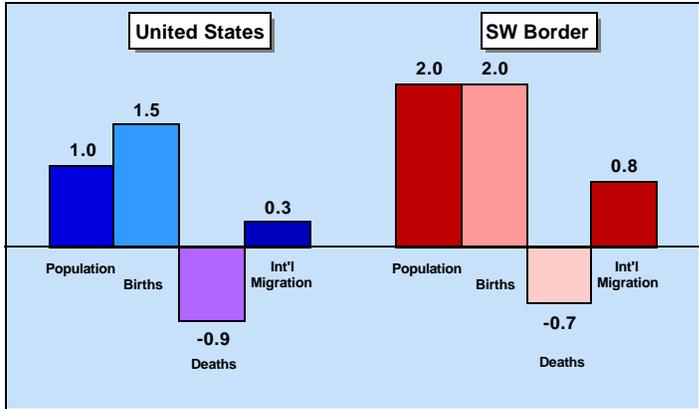
The population of the Southwest Border region, numbering 12.3 million, is growing twice as fast and is generally much younger than is typical in the U.S. as a whole. A higher concentration of this region’s residents are foreign born compared to the entire country and more of this region’s residents speak Spanish at home than in the nation on average.

- The Southwest Border region grew by 2 percent at an annual rate between 1990 and 1997, compared to 1 percent for the rest of the U.S. The youngest and oldest segments of the population have grown the fastest. These are the groups likely to rely the most on government resources (including education, income maintenance and health services) but usually contribute the least to the tax base.

---

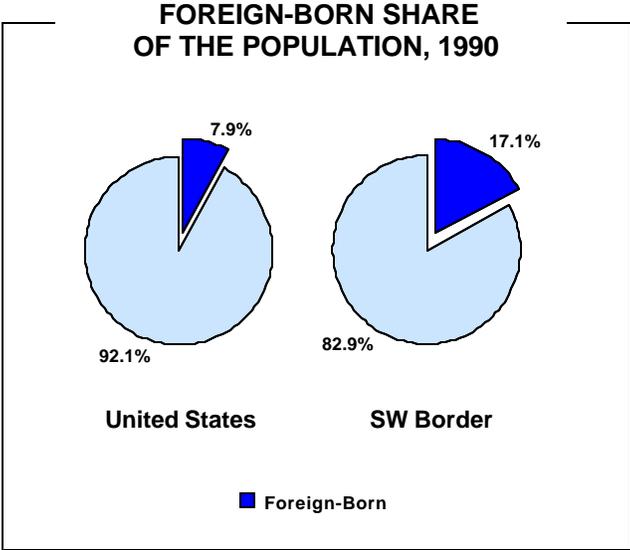
<sup>1</sup> Note: E.O. 13122 establishing the President’s Interagency Task Force on the Economic Development of the Southwest Border defined the border region as the area within 150 miles north of the U.S.-Mexico border in the States of Arizona, California, New Mexico, and Texas. Numerous definitions of this region exist, however, with each definition specific to its primary concern or focus. The Department of Treasury defined the Southwest Border region as the area within 100 miles of the U.S. Border with Mexico in its 1998 study profiling the regional economy.

**POPULATION GROWTH BY SOURCE**  
 Percent Change at an Annual Rate, 1990 - 1997

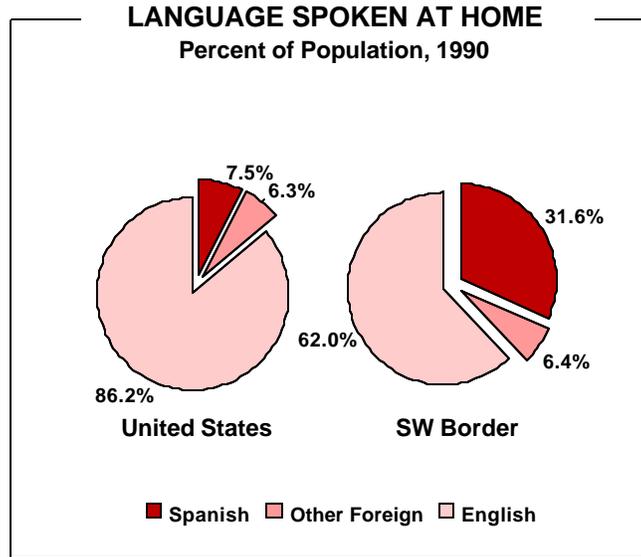


Note: Population growth measured from 4/1/90 to 7/1/97. Birth, death, and international migration represent growth from the 1990 base population, with death calculated as a negative.

- Over 39 percent of the Southwest Border population is less than 25 years old compared to 35 percent for the total U.S. In Texas and New Mexico, this age group accounts for 42 percent or more of the population.
- About 17 percent of the border area’s population was born outside the U.S., more than double the nearly 8 percent for the entire country.



- In 1990, 38 percent of the border population spoke a foreign language in the home, nearly triple the share averaged for the nation.



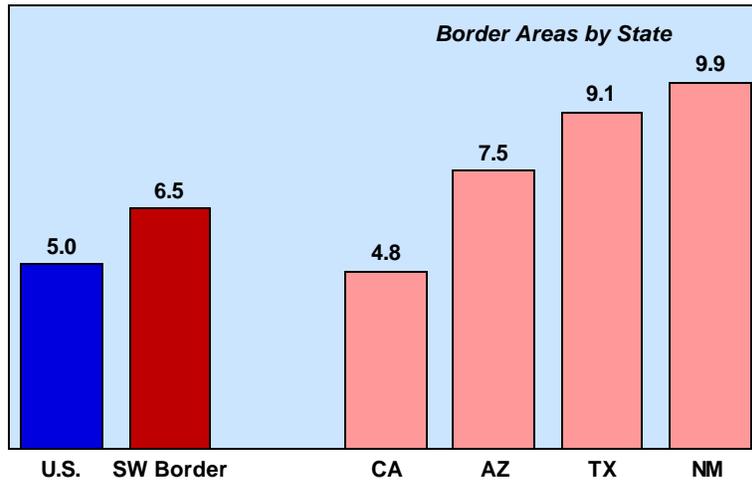
***The Economy: High Levels of Unemployment and Poverty***

The Southwest Border region tends to be characterized by high levels of unemployment. In 1997, the unemployment rate in the Southwest Border region was 6.5 percent, a full 1-½ percentage points above the national average of 5 percent and higher than in all but two states.

- However, San Diego and Orange Counties in California account for almost half of the region’s entire labor force. With unemployment rates below the national average and a disproportionately large share of the border’s workforce, these two counties kept the unemployment rate for the border region artificially low. If these two areas were excluded, the region’s unemployment rate would jump to 8.9 percent.
- Although one-third of the counties within the border region recorded unemployment rates below the national average, it is not unusual to find these communities enveloped by counties with double-digit rates of unemployment. For example, in 1998, unemployment rates in neighboring counties varied considerably, ranging from:

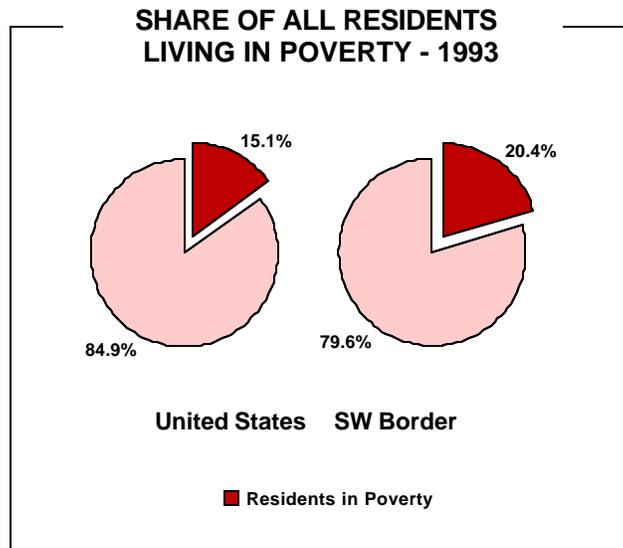
|                                     |    |  |
|-------------------------------------|----|--|
| 2.7 percent in Pima County, AZ      | to | 27.9 percent in Yuma County, AZ  |
| 3.9 percent in Sierra County, NM    | to | 25.9 percent in Luna County, NM  |
| 3.5 percent in San Diego County, CA | to | 25.7 percent in Imperial County, CA  |
| 3.5 percent in Kenedy County, TX    | to | 17.7 percent in Hidalgo County, TX and<br>27.7 percent in Starr County, TX |

## UNEMPLOYMENT RATE - 1997



Poverty is a way of life for a disproportionately large share of the border's residents. The situation for children living in border communities is particularly bleak.

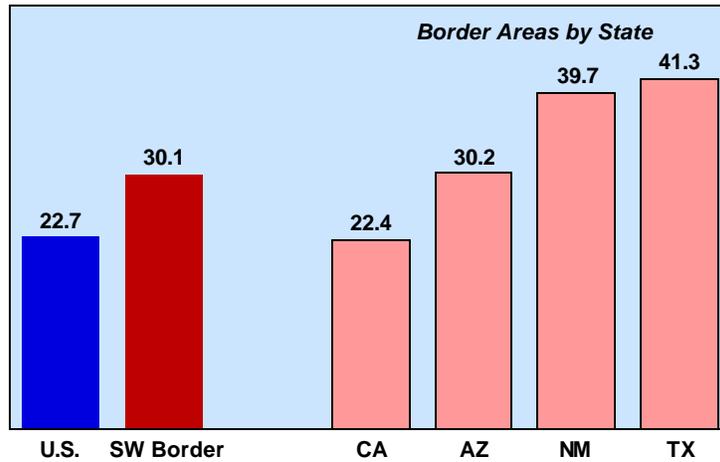
- Approximately 20 percent of the border region's residents was living at or below the poverty level in 1993. This topped the national rate of 15.1 percent and exceeded poverty rates in 46 states.



- According to the July 1999 GAO Report, three of the ten poorest counties in the United States are located in the Southwest Border region. Moreover, the Federal government has designated 21 Southwest Border communities as "economically distressed" (which means they have poverty rates of at least 20 percent).

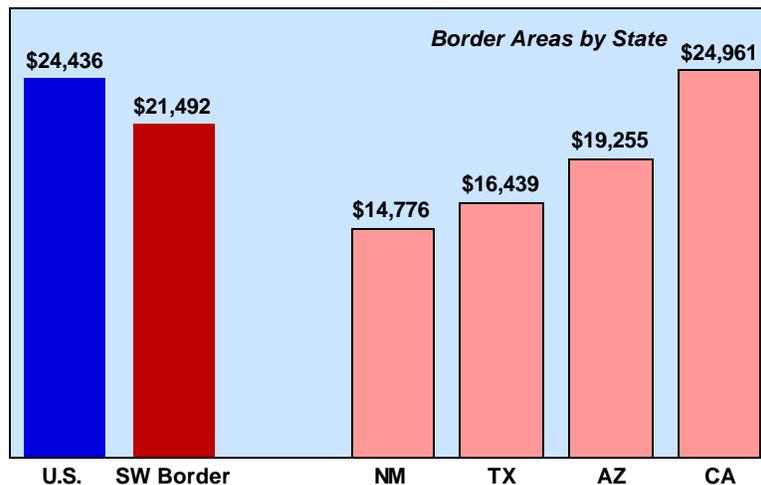
- Almost one-third of the region's children under the age of 18 was living in poverty in 1993, compared to 23 percent at the national level.

**CHILDREN UNDER 18 LIVING IN POVERTY**  
Percent of Resident Population - 1993



- In 1996, per capita personal income in the border region was 12 percent below that of the entire nation.

**PERSONAL INCOME PER CAPITA - 1996**



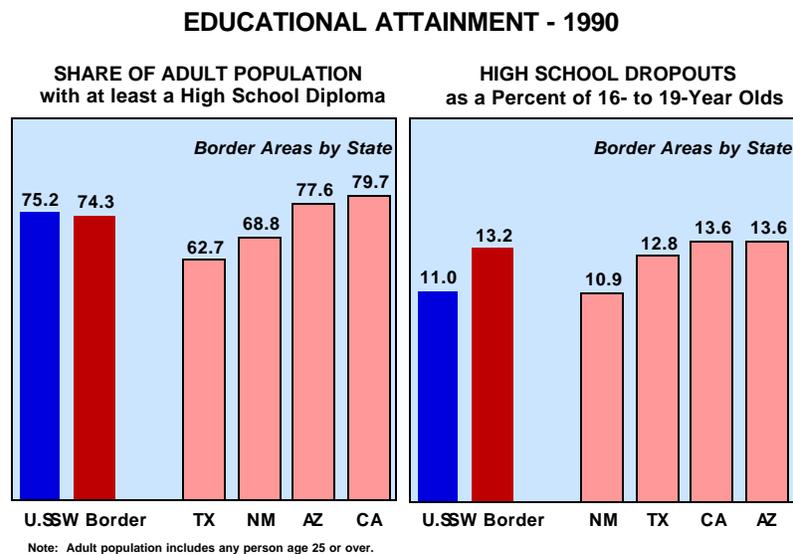
- For many residents, a large part of personal income is derived from transfer payments including welfare, retirement and unemployment benefits. Between 1990 and 1996, these payments grew faster in the border region than in the U.S. on average.

- Given the low level of per capita income, high rates of unemployment and rapid pace at which the population of this area is expanding, growth of transfer payments in the border region is likely to place additional stress on government resources in the years to come.

### ***Low Levels of Educational Attainment***

Rates of educational attainment are alarmingly low in this area of the country.

- In 1990, close to one-quarter of the adult population had not graduated from high school.
- Moreover, roughly 13 percent of 16- to 19- year-olds had dropped out of school, giving the region one of the highest dropout rates in the nation.



### ***Health and Environmental Hazards - High Urgency<sup>1</sup>***

The Southwest Border region is also characterized by numerous environmental and health-related problems that warrant immediate attention. Rapidly increasing populations and industrialization in border cities have overwhelmed existing water supplies and wastewater and solid waste infrastructure. In some cases, sewer systems exist but are very old and in need of replacement or border residents lack the means to connect to them. In addition, thousands of residents on both sides of the border lack safe drinking water and adequate solid waste disposal systems. Untreated or partially treated domestic and industrial sewage flows are common in colonias (unincorporated communities without running water, sewers, storm drainage, electricity or paved roads) in both the U.S. and Mexico.

<sup>1</sup> Sources for this section include: General Accounting Office, *U.S.-Mexico Border: Issues and Challenges Confronting the United States and Mexico*, Report to Congressional Requesters (July 1999); the Department of Health and Human Services; NADBank, *U.S.-Mexico Border Ten-Year Outlook* (Summer 1999).

- Some 450,000 residents currently live in border colonias in substandard housing surrounded by undeveloped and treacherous land. Just over 70 percent of all border colonias are located in the Rio Grande Valley in Texas, accounting for 350,000, or over three-quarters of all colonias residents.
- The people who live in border colonias rely on contaminated water from the polluted Tijuana and Rio Grande Rivers - rivers that receive millions of gallons of raw sewage daily - for cooking and drinking. These living conditions often give rise to communicable, pollution-related, food borne and other illnesses.
- For example, border residents contract Hepatitis A infections as much as five times as often as in the U.S. on average.

Although more than 90 percent of America's children have been immunized, only 65 percent of the children in border communities have been vaccinated. This puts border children at an increased risk for vaccine preventable diseases such as mumps and measles.

- The rate of measles infection in the border area is 50 cases per 100,000 residents compared to 11 cases per 100,000 nationwide.
- The high fevers and diarrhea associated with measles can be fatal in infants.

Lack of health insurance is also a serious problem in the Southwest Border region. An estimated three million residents of this area (25 percent) are without health insurance. As a result, the four border states have some of the highest rates of uninsured in the country.

- Out of the 50 states, New Mexico tops the list with 24.9 percent of its residents uninsured. Texas is a close second with 23.3 percent uninsured, Arizona ranks fourth with 20.4 percent uninsured, and California is ninth with 18.9 percent of its residents lacking health insurance.
- The uninsured rate for Texas border communities is even higher with 28 percent uninsured in South Texas and 38 percent in El Paso County alone.
- The states of California and Texas have the largest number of uninsured children nationwide, with 1.7 million and 1.3 million, respectively.
- The Southwest Border is an entry point for pharmaceuticals (FDA approved and unapproved) and other products which are sold in makeshift pharmacies on the U.S. side of the border.

## ***Protecting Our Borders – Stemming the Flow of Drugs<sup>1</sup>***

The Southwest is a principal entry point for drugs, firearms and smuggled persons, and is home to numerous other types of criminal activity, including money laundering and corruption. A majority of the narcotics and dangerous drugs seized in the United States has passed through the Southwest Border.

- For example, it is estimated that 60 percent of the cocaine, 29 percent of the heroin, and large quantities of the methamphetamine sold in this country flowed through the Southwest Border.
- The Southwest Border is also a transshipment point for contraband being smuggled out of the U.S., including stolen motor vehicles, goods stolen from interstate commerce, illegal firearms, and illicit currency (primarily the proceeds of drug trafficking).

---

<sup>1</sup> Some information for this section provided by the Office of National Drug Control Policy.

## **IV. Status and Action Plan of the Task Force**

Over the past few months, members of the President's Interagency Task Force on the Economic Development of the Southwest Border have been concentrating their efforts on laying the foundations of the Task Force and developing a plan of action for the months to come. Their efforts have included:

- The preparation of a comprehensive briefing kit that includes background information on the creation of the Task Force, a mission statement, an overview of the structure and goals of the Task Force, information on the pilot program, a list of Task Force contacts, and an economic and demographic profile of the Southwest Border region.
- The development of a website that will provide all of the information listed above and serve as a clearinghouse of information that will be useful to border communities and policy makers.

The Task Force has also compiled volumes of information on Federal programs and projects currently in place in the border region for use in this interim report. This compendium will be extremely valuable to the Task Force as it seeks to develop and recommend policy options that foster community revitalization, regional security and economic prosperity.

Clearly a great deal has been accomplished over the past six months, but much work still remains. As the Task Force embarks on its mission to improve the quality of life for the millions of Americans living in the Southwest Border it will pay close attention to the suggestions offered by those living and working in the region. Important progress has been made on this front recently.

- In July, Task Force representatives attended the El Paso community meeting organized by Congressman Reyes to discuss a series of reports on the border being written by the General Accounting Office.
- In early September, the Task Force Working Group met with over 40 regional representatives of Federal agencies to brief them on the structure and objectives of the Task Force and to gather information that will be instrumental as the Task Force develops a longer term plan of action and launches the pilot program. (See Appendix C for a summary of the first regional meeting of Task Force representatives.)

As a first step in carrying out its mission, the Task Force will hold a series of community forums in the border region. The primary purpose of these public forums, which will be held in each of the four border States during the next few months, is to elicit input from the people "on the ground" regarding possible solutions to the problems currently faced by border communities. The Task Force also hopes to come away from these forums with some suggestions as to how Federal agencies can better coordinate with each other and community leaders, academics, and local business and community organizations to deliver the services necessary to raise the

standard of living in the border region. All of the ideas and insights voiced by local stakeholders at these forums will be crucial in developing a strategy to address the Border's most pressing concerns.

In the coming months, the Task Force will also be launching a pilot program. Under this program, Federal agencies will coordinate their efforts and work closely with state and local authorities, community leaders, the business community and grassroots organizations in a small group of border communities to create the conditions necessary for sustainable economic development. (Refer to Section V for further detail on the pilot program.)

Finally, in April 2000, the Task Force will release its first Annual Report, which will build on the information compiled in this Interim Report. Specifically, the Annual Report will provide an up-to-date look at ongoing Federal agency programs in the border region and assess the effectiveness of current Federal efforts to foster economic development in the Southwest Border. It will also present new data and studies related to the Southwest Border. However, the primary focus of the report will be on innovative short- and long-term options for promoting sustainable development. These recommendations will be used to develop an action plan to guide the Task Force over the longer term as it seeks to elevate the standard of living and improve the overall economic performance of the region.

## **Current Federal Efforts in the Southwest Border Region**



## V. Spurring Economic Development and Supporting Pilot Communities

- Objective 1:** Attract new business and improve access to capital in distressed areas.
- Objective 2:** Expand employment opportunities.
- Objective 3:** Spur economic development through tourism and cross-border investment.
- Objective 4:** Empower community leaders and improve Federal coordination through the pilot program.

While the ultimate responsibility for the Southwest Border region's future rests squarely on the shoulders of its community leaders, whether they are in local government, nongovernmental organizations or the private sector, the Federal government also has an equal responsibility to the people who live and work in this region. In designing effective programs that meet the specific needs of border communities, it is important to encourage and support a dynamic partnership between the Federal government, state and local authorities, community-based organizations, and the private sector.

Since 1993, the Clinton Administration has been committed to tapping the potential of America's urban and rural communities. To this end, the Administration has introduced a number of new initiatives and expanded existing initiatives that promote community and economic development. Under these initiatives, the Administration has been working with the private sector, States, and localities to help revitalize America's communities by bringing capital, jobs and opportunity to distressed areas and by cleaning up the urban environment.

### *Attracting New Business and Improving Access to Capital in Distressed Areas*

Through the following programs, the Clinton Administration has renewed the Federal government's commitment to help attract private enterprise to distressed and under-served communities and improve access to capital for low-income households, minorities, and traditionally under-served borrowers.

*Strengthened and Simplified the Community Reinvestment Act (CRA).* In April 1995, the Administration reformed CRA regulations to emphasize performance. According to the National Community Reinvestment Coalition (NCRS), the private sector has pledged more than \$1 trillion in future loans to distressed communities. More than 95 percent of these financial commitments have been made since 1992. Lending to minority and low-income borrowers has increased.

*Created the Community Development Financial Institutions (CDFI) Fund.* The Community Development Financial Institutions Fund was created in 1994 to expand the availability of credit, investment capital, and financial services in distressed urban and rural communities

across the United States. CDFIs are specialized financial institutions that work in market niches that have not been adequately served by traditional financial institutions. These CDFIs provide a wide range of financial products and services, including mortgage financing for first-time home buyers, financing for needed community facilities, commercial loans and investments to start or expand small businesses, loans to rehabilitate rental housing, and financial services needed by low-income households and local businesses. In addition, these institutions provide services that help ensure that credit is used effectively, such as technical assistance to small businesses and credit counseling to consumers. CDFIs include community development banks, credit unions, loan funds, venture capital funds, and microenterprise loan funds.

By stimulating the creation and expansion of diverse community development financial institutions and by providing incentives to traditional banks and thrifts through the Bank Enterprise Award Program, the Fund's investments work toward building private markets, creating healthy local tax revenues, and empowering residents. The CDFI Fund provides relatively small infusions of capital to institutions that serve distressed communities and low-income individuals. The Fund's activities leverage private sector investments from banks, foundations, and other funding sources. Since the Fund's creation, it has made more than \$300 million in awards to community development and financial institutions. In the next two to three years, this investment is expected to leverage three to four times the amount of the investments in total capital raised for CDFI s.

There are currently 334 CDFI's certified by the CDFI Fund throughout the nation, with more than 30 located in the Southwest Border region. Since 1996, the CDFI Fund has provided more than \$14 million to promote community and economic development and encourage private sector investment in under-served markets in border communities.

*Empowerment Zones, Enterprise Communities (EZ/EC) and Champion Communities.* The EZ/EC program provides a model for grassroots community leadership and sustainable development, and is based upon the principles of economic opportunity, sustainable community development, community-based partnerships, and strategic vision for change. Each EC/EZ community was required to engage in extensive community planning to develop a strategic plan for its EZ/EC application. Designated communities were chosen on the basis of their strategic revitalization plans, and receive special incentives and resources to help carry out their plans.

A crucial feature of the EZ/EC program has been the communities' success in leveraging their Federal funding with commitments from state, county, and local governments, private businesses, and nonprofit and foundation awards. The average leveraging ratio for rural communities between early 1994 and early 1999, for example, was approximately \$10 of additional funding for each \$1 of EZ/EC funding. The amount these communities received from EZ/EC funding was approximately \$10.2 million, while the total funding amounted to roughly ten times as much, or about \$107.4 million. Thus, the great majority of EZ/EC communities managed their financial resources in such a way as to multiply the impact of the Federal funding they received, rendering their community and economic development efforts sustainable for the long-term. There are currently 2 Empowerment Zones and 2 Enterprise

Communities located in the Southwest Border region. (See Chapter XII for more information on efforts currently underway in EZ/EC and Champion Communities in the Southwest Border region).

*The Economic Development Initiative (EDI) and Section 108 Loan Guarantee.* EDI grants are used to infuse capital into community development projects, enhancing the debt financing provided by the Section 108 loan guarantee program. Together, these programs support critical economic development in distressed communities. Jobs supported by EDI and the Section 108 loan guarantee program have grown by an estimated 300,000 between 1994 and 1998. During this time period, EDI and the Section 108 loan guarantee program have provided \$3.5 billion for more than 650 separate project commitments.

*Creation and Expansion of the Community Adjustment and Investment Program (CAIP).* The CAIP, an affiliate of the North American Development Bank (NADBank), was created in 1994 with the aim of fostering economic growth by helping to create or retain jobs within communities that have experienced significant job losses related to the implementation of the North American Free Trade Agreement (NAFTA). The CAIP provides financing through direct loans and grants as well as indirectly by subsidizing the guarantee fees associated with U.S. Department of Agriculture and Small Business Administration lending through the Business and Industry Loan Guarantee Program and the 7(a) Loan Guaranty Program, respectively. The following is a summary of CAIP activity in the Southwest Border region:

- As of early October 1999, the CAIP had facilitated 122 loans in the Southwest Border region, helping to create or retain approximately 973 jobs.
- The CAIP recently adopted broader, more flexible criteria to determine eligibility for its programs. As a result, all U.S. counties located within 100 kilometers of the U.S.-Mexico border are now eligible to apply for CAIP assistance.
- Earlier this year, the CAIP launched a pilot grant program under which a grant in the amount of \$600,000 for the New Mexico Border Authority (NMBA) was approved. These funds will be used to retrain workers dislocated by plant closings associated with NAFTA. The project is expected to provide vocational job skills training for employed and unemployed adult residents to prepare them for an estimated 800 new jobs that are expected to become available in the southern New Mexico border region during the course of the twelve-month program. It is also expected to enhance the vocational skills of about 400 currently employed adults to increase their competitiveness in the workplace. Initial training activities will be targeted at the population of Dona Ana County.

- In July 1999, CAIP made a \$1 million direct loan to El Paso Workforce Collaborative, LLC, a wholly owned subsidiary of the Greater El Paso Chamber of Commerce Foundation, El Paso, Texas. The loan proceeds will be used for tenant improvements and operating reserves for a workforce development center located in a former Levi Strauss factory and warehouse.

### ***Expanding Employment Opportunities***

The Federal government can also assist communities in creating jobs and investment opportunities by supporting local efforts to reinforce and expand their economic bases, retain and strengthen existing businesses, foster job creation and attract new industries. The following tax incentives are designed to increase business activity and encourage job creation.

- *Empowerment Zone Employment Tax Credit.* This tax credit provides businesses an incentive to hire individuals who both live and work in certain Empowerment Zones. The credit is worth as much as \$3,000 per qualified employee each year. (For more information contact the Department of Housing and Urban Development or the U.S. Department of Agriculture.)
- *Increased Section 179 Tax Deduction.* The increased section 179 deduction provides certain businesses with an incentive to increase their business activity in an Empowerment Zone. Section 179 of the Internal Revenue Code allows a business to choose to deduct all or part of the cost of certain property in the year the business begins to use the property. The business can opt to do this instead of recovering this cost by taking depreciation deductions over several years. Certain businesses can claim an increased section 179 deduction (up to \$20,000) for qualified property used in an Empowerment Zone. There are limits, however, on the amount a business can deduct in a tax year.
- *Tax Exempt Enterprise Zone Facility Bond Financing.* The tax-exempt Enterprise Zone facility bond financing program provides businesses with an incentive to increase their business activity in an Empowerment Zone or Enterprise Community. State or local governments can issue these bonds to raise funds that certain businesses can use to develop or acquire qualified property for use in an Empowerment Zone or Enterprise Community. Tax-exempt bonds generally have lower interest rates than conventional financing.
- *Welfare-to-Work Tax Credit.* This tax credit provides businesses with an incentive to hire long-term family assistance recipients. It applies to certain wages paid to these individuals during their first two years of employment. The total credit can be as much as \$8,500 per qualified individual. (This credit is currently set to expire for individuals who begin work after June 30, 1999.)
- *Work Opportunity Tax Credit.* The work opportunity tax credit provides businesses with an incentive to hire individuals from certain groups that have a particularly high

unemployment rate or other special employment needs. It applies to certain wages paid to these individuals during their first year of employment. The credit can be as much as \$2,400 per qualified employee. (This credit is currently set to expire for individuals who begin work after June 30, 1999.)

*BusinessLINC Initiative.* BusinessLINC (Learning, Information, Networking and Collaboration) is a partnership between the Federal government and the private sector created to galvanize business-to-business relationships and reinforce the competitive strengths of small businesses, particularly those located in economically distressed rural and urban communities. BusinessLINC encourages one-on-one technical advice and consulting, classroom and group training, peer group counseling, and strategic alliances. A BusinessLINC coalition of experts, comprised of both public and private sector representatives, work to expand business-to-business relationships between large and small businesses, providing them with on-line information, resources, and a database of companies interested in establishing BusinessLINC relationships. (For more information, visit the BusinessLINC website at [www.businesslinc.sba.gov](http://www.businesslinc.sba.gov).)

President Clinton's FY2000 Budget provides for a new initiative designed to foster the conditions necessary for economic success by promoting approximately \$15 billion in new investment in urban and rural areas through:

- *New Markets Tax Credit.* This tax incentive aims to help spur the creation of \$6 billion in new equity capital and is worth up to 25 percent for investments in a wide range of vehicles serving communities, including community development banks, venture funds, and a new investment company program discussed below.
- *America's Private Investment Companies (APICs).* Just as America's support for the Overseas Private Investment Corporation helps promote growth in emerging markets abroad, APICs will encourage private investment in this country's untapped markets by leveraging up to \$1.5 billion in investment in new development projects and larger businesses that are expanding or relocating in inner city and rural markets.
- *SBIC's Targeted to New Markets.* To improve the flow of capital into distressed communities, SBA will be offering new and more flexible financing terms for Small Business Investment Companies (SBICs) that invest in distressed and under-served areas.
- *New Markets Venture Capital (NMVC) Firms.* NMVC firms will make both capital and expert guidance available to small business entrepreneurs in inner-city and rural areas.
- *New Markets Lending Companies (NMLC).* Under its 7(a) General Business Loan Guaranty program, SBA will guarantee up to 80 percent of a loan made by a lender to a creditworthy small business that cannot otherwise secure financing on reasonable terms. Firms must have a strategy to target lending to under-served areas.
- *Microenterprise Lending and Technical Assistance.* The Administration has proposed the PRIME Act, under which the Small Business Administration will provide

microenterprise technical assistance through competitive grants to microenterprise development organizations that focus on low-income entrepreneurs.

### ***Spurring Economic Development through Tourism and Cross-Border Investment***

Travel and tourism within the U.S. and between the U.S. and Mexico is big business, profoundly affecting communities located along the U.S.-Mexico border. Approximately one-third of the land on the U.S. side of the border is public land managed by the Department of the Interior (DOI). The scenic quality and cultural heritage of these public lands can add value to the border's economy by attracting business, creating service and recreation oriented jobs, and strengthening nearby communities. The following are annual economic impact estimates associated with recreation on land managed by DOI in the four border States:

#### **Arizona:**

- National Park Service (NPS) -\$13 million
- Bureau of Land Management (BLM) - \$1.4 billion
- Bureau of Reclamation (BOR) - \$503 billion
- Annual visitor days on U.S. DOI managed lands totaled 35,362,562.

#### **California:**

- NPS - \$1 billion
- BLM - \$525 million
- BOR - \$695 million (water-related recreation)

#### **New Mexico:**

- Tourism is the state's largest employer and second largest industry.
- U.S. DOI visitors in New Mexico totaled 5,664,128.
- Annual travel expenditures to DOI lands were \$21,318,636.

#### **Texas:**

- Big Bend National Park estimates that visitors add \$23.5 million a year to the area economy.
- Some smaller Texas communities rely on nature tourism dollars for their survival.
- In 1992, bird watchers generated a \$4-6 million economic impact along the upper Texas coast.

### ***Empowering Community Leaders and Improving Federal Coordination through the Pilot Program***

In the coming months, the Task Force will be launching a pilot program, as mandated by Executive Order 13122. Under this program, Federal agencies will coordinate their efforts and work closely with state and local authorities, community leaders, local business and community-based organizations in a small group of border communities to create the conditions necessary for sustainable economic development. The common link between the communities selected to participate in the pilot program will be their involvement with the EZ/EC initiative, their natural geographic link through close proximity to Mexico, and their shared economic concerns.

Two types of response teams will be formed to implement the pilot program: a Community Coordination and Response Team that will assess the community's local strategic plans and priorities, and a Federal Border Response Team, which will be created for each community based on the community's particular set of priorities. These teams of agency and community representatives will jointly develop a community response plan consistent with the Executive Order that will include:

- A detailed statement of the goals of the Response Plans for each pilot community.
- A streamlined process for the delivery of assistance and services.
- A detailed description of agency responsibilities for each community.
- Established benchmarks for measuring progress based on community priorities.
- A detailed plan for integrating and implementing the relevant programs and services of each of the Departments and of Administration initiatives, particularly the New Markets Initiative.
- A detailed plan establishing a clearinghouse of information on services and communication links via the internet.
- A plan for uniform reporting to the Task Force.
- A detailed plan and timetable for the actual receipt of assistance by pilot communities.

The pilot program will allow the Task Force to test and hone its innovative approach to economic development on a smaller scale, before expanding its efforts to the larger border region. Throughout the course of the pilot program, the Task Force will monitor the progress of each community's plan and will present to the Vice President annual progress reports from the lead agencies and agency teams.



## **VI. Helping Southwest Border Communities Attract Capital, Improve Access to Credit and Foster Small Business Development**

- |  |
|--|
| <p><b>Objective 1:</b> Promote public-private partnerships.</p> <p><b>Objective 2:</b> Extend capital and credit programs to under-served markets.</p> <p><b>Objective 3:</b> Encourage entrepreneurial development.</p> |
|--|

### *SBA's Perspective on Key Issues Facing Small Businesses in the Southwest Border Region*

The U.S. Small Business Administration (SBA) is dedicated to providing customer-oriented, full-service programs, and accurate, timely information to the entrepreneurial community. SBA recently surveyed its District Offices serving the border areas and asked them to identify the key issues and problems faced by the small business owners and entrepreneurs located in the Southwest Border communities they serve. The top impediments to small business growth identified are (no ranking of importance is implied):

- Limited access to capital for both start-ups and expansion;
- Limited fluency in English;
- Lack of business management skills needed to start and run a business;
- Limited access to government contracting opportunities;
- Disparities in state tax structures that put some areas at a competitive disadvantage;
- Lack of rural infrastructure and in some areas availability of water;
- Shortage of qualified employees and the need for better workforce training;
- Governmental regulations which make it difficult to obtain permits and comply with state and Federal requirements;
- Mexican currency devaluations, which lead to immediate economic problems in retail, wholesale, manufacturing and transportation on the U.S. side of the border; and
- Impediments to cross-border transportation. (NAFTA legislation allowing U.S. and Mexican trucks to drive into each other's adjoining states has not yet been implemented. This has increased the transportation costs associated with transfers of cargo at the border.)

In summary, many residents of the Southwest Border region want to start their own business. However, many do not have the ability or the collateral to borrow money from a bank, even with a SBA guaranty. Many potential small business owners are not able to develop financial statements or complete a basic loan application. Often owners are unaware of financial and management assistance that is readily available to grow their businesses. A large portion of the small business owners along the Southwest Border speak only Spanish or are marginally fluent in English. A recent survey of Chief Executive Officers at the 100 fastest-growing

Hispanic-owned companies identified access to government contracts as the most important external factor that contributed to their growth.

***Extending Capital and Credit Programs to New Markets:  
SBA Business Assistance Programs - A National Perspective***

SBA offers a wide variety of financial assistance and business development programs that are available nationwide. New markets include minority groups, women, veterans, and low to moderate income urban and rural areas. Given border demographics, SBA's national "New Markets Initiative" has strong applicability to the Southwest Border region. SBA has led the outreach to these new markets by forging partnership agreements with dozens of civic and community organizations—such as the NAACP and the U.S. Hispanic Chamber of Commerce. More than 18 national partnership agreements were signed by the end of 1998, and in 1999, SBA joined with dozens of new national partners. Hundreds of similar partnership agreements have been signed at the local level.

The fastest growth in the small business sector of the U.S. economy is occurring among minority and women-owned businesses. SBA's New Markets Initiative reflects its strategic commitment to encourage and sustain this growth. SBA is building on a solid record of creating opportunities for success for all Americans. Below are some of SBA's recent New Market achievements:

- SBA assistance to New Markets has increased significantly during the past seven years. SBA has already doubled its lending to African-Americans and Hispanic-Americans while tripling its lending to women.
- SBA guaranteed more than \$2.7 billion in loans to minorities in FY1998.
- SBA's 1-800-U-ASK-SBA toll free hotline is available to small business callers in Spanish, and all of SBA's major publications for the small business community are available in Spanish.
- SBA licensed its first Hispanic equity investment company (SBIC) in December 1998. The firm is called Capital Investments and is located in Miami, Florida. This SBIC will focus its investment strategy on Hispanic-owned businesses.

***Encouraging Entrepreneurial Development***

SBA provides counseling, training, and technical assistance to America's small businesses through a national network of SBA offices and SBA resource partners. The network includes: 69 district offices; 1,000 Small Business Development Centers; 54 Business Information Centers; 70 Women's Business Development Centers; 20 Export Assistance Centers; 17 Tribal Business Information Centers; 15 One-Stop Capital Shops; and 12,400 SCORE volunteers – retired executives who work as small business counselors.

- In FY1998, SBA opened its 15<sup>th</sup> One-Stop Capital Shop in Houston, Texas. One-Stop Capital Shops served over 40,000 clients in 1998, an increase of over 50 percent. SBA committed to open 20 new Shops through FY2000 as part of the President's Empowerment Zone Initiative.
- SBA's 24-hour toll-free Answer Desk (1-800-U-ASK-SBA) answered its one-millionth telephone call in July 1998. The toll-free number connects customers with live business counselors. The Answer Desk took nearly 200,000 calls in FY1998, hitting a record for a single week in November 1998 with more than 10,000 calls.
- SBA's Small Business Development Centers (SBDCs) served nearly 550,000 small business clients in 1998. With the help of the SBDCs, these small businesses created 56,000 jobs and generated \$5.5 billion in sales which, in turn, generated more than \$340 million in tax revenues.
- SBA developed and is implementing the Small Business Classroom, a virtual classroom. An on-line systems resource for training and informing entrepreneurs and other students of enterprise, it is designed to educate and provide interactive business guidance on a variety of topics to many types of students, anytime and anywhere. Courses in the Small Business Classroom are offered in both English and Spanish. Initial courses offered include: The Business Plan; Are You Y2K OK?; How to Raise Capital for Small Business; and How to Start a Small Business.
- SBA provided nearly 120,000 small business owners with help in accessing the latest technology to start, build, and grow their businesses through its Business Information Centers. Twelve new Business Information Centers were opened in 1998.
- Celebrating its 35<sup>th</sup> anniversary in 1999, SCORE (Service Corps of Retired Executives) has provided free and confidential business counseling to nearly 4 million Americans. SCORE volunteers provide new and growing small businesses with business mentoring. In 1998, SCORE's team of 12,400 volunteers donated more than 1 million hours to aid small businesses.
- SCORE now offers e-mail counseling through its Web site ([www.score.org](http://www.score.org)), providing assistance via e-mail to nearly 30,000 businesses each year. In 1998, the SCORE Web site garnered 8.1 million hits.
- The Internet is opening new markets to SCORE and helping SCORE expand its outreach into areas traditionally not serviced by its 389 chapter offices. Since 1996, SCORE counseling and training outreach has grown 15 percent. In 1998, SCORE provided more than 350,000 small business counseling and training sessions, with over 5,000 separate specialty workshops.

### ***Promoting Public/Private Partnership: SBA Outreach***

In 1998, SBA signed a landmark agreement with the Texas Association of Mexican American Chambers of Commerce (TAMACC). The agreement is designed to help Hispanic-owned small businesses. The SBA-TAMACC Memorandum of Understanding was the first such agreement signed under the SBA's new Hispanic outreach initiative, which is aimed at increasing SBA lending to Hispanic businesses by \$2.5 billion by the year 2000. The partnership between the SBA and TAMACC not only results in increased loans to Hispanic businesses, it also serves to educate the Hispanic business community about the many other programs and services the SBA offers to help Hispanic entrepreneurs start and build successful businesses.

The SBA's Hispanic outreach initiative was developed in support of the President's effort to promote racial reconciliation through increased economic opportunity, and is the first step in a broader effort to reach historically under-served and underutilized business communities. This agreement has prompted SBA's District Offices to think "outside the box." In Los Angeles, for example, SBA organized Bankers Bus Tours, which take senior bank executives and lending officers on tours of the Hispanic business community. By bringing lenders to the community, SBA is showing banks first-hand how access to capital can contribute both to community development and bottom-line profitability for borrower and lender alike.

The number of Hispanic-owned businesses has skyrocketed by 230 percent from 1987 to 1997, to an estimated 1.4 million businesses. Estimated revenues from these firms are \$184 billion annually. Yet, as a group, Hispanics represent over 10 percent of the population but own less than five percent of the nation's businesses. SBA recently signed historic partnership agreements with 33 national Hispanic organizations. These agreements will allow SBA to better serve the growing Hispanic business community, especially in the Southwest Border. But there is still plenty of room for growth.

Recent SBA program outreach to the Hispanic business community is reflected in the following statistics:

- In FY1997, the SBA backed 3,371 loans to Hispanic entrepreneurs under the 7(a) and 504 loan programs. This represents an increase of more than 149 percent over 1992.
- From 1993 to 1997, the SBA guaranteed almost \$2.5 billion in loans to Hispanic businesses. By the end of 2000, SBA plans to deliver an additional \$2.5 billion in loans to Hispanic-owned businesses. The SBA will have delivered \$5 billion in loan capital to Hispanic-owned businesses during the eight-year period.
- In FY2000, SBA will guarantee more than three times the number of loans to Hispanic businesses than were made in FY1992, more than tripling the amount of money lent to those businesses.

- Fully one-quarter of the 6,000 participants in the SBA's 8(a) Minority Enterprise Development Program are Hispanic-owned businesses. Hispanic-owned businesses received about \$1.5 billion in contracts under the program in FY1996.
- More than 18,000 Hispanic-Americans received business counseling and training under SBA's Small Business Development Center program, and SBA's SCORE program counseled more than 2,700 Latinos last year.

### ***The HUBZone and Other Procurement Programs***

Another powerful economic development tool SBA is using to open up the Federal contracting market is the Historically Underutilized Business Zone (HUBZone) Empowerment Contracting Program. This new program directs Federal contracts to small businesses that locate in distressed communities and hire 35 percent of their workers from residents who live in the HUBZone. This program aims to help small businesses bring jobs and economic opportunities to new markets and communities in need.

- SBA's Office of Government Contracting and Minority Enterprise Development has established PRO-Net, the Procurement and Marketing Access Network. PRO-Net is a nationwide database that provides profiles of small firms for government contracting officers and prime contractors seeking partners or subcontractors. This on-line program is important because many small businesses get their start as Federal contractors. PRO-Net now receives 209,000 hits per week.
- SBA's Office of Small Disadvantaged Business (SDB) Certification and Eligibility provides Federal contracting assistance. Under the rules now governing all Federal programs for disadvantaged businesses, SBA must certify those businesses as eligible to participate in programs to promote the use of SDBs. The primary benefits include a price evaluation adjustment of up to 10 percent for SDBs bidding on prime contracts and monetary incentives to encourage prime contractors to use SDBs as subcontractors.
- SBA has joined the Treasury Department in administering a new mentoring program initiated by Vice President Gore called BusinessLINC. Through this program, large and mid-size companies will provide mentoring and technical assistance to small disadvantaged businesses in their communities. (See Section V for more information.)
- In September 1999, SBA established a pilot program to help small firms with fewer than 15 employees (and with average annual receipts that do not exceed \$1 million) win Federal contracts under \$50,000. Under the program, contracts between \$2,500 and \$50,000 - to be performed in one of the 10 geographical areas included in the pilot - will be set aside for very small firms.
- SBA's partnership agreements with 18 prominent business and civic groups, including the U.S. Hispanic Chamber of Commerce, are designed to reach out to potential small business contractors to inform them of government contracting opportunities. At the local level, SBA has more than 200 parallel agreements.

### ***Local SBA Offices and Their Approach to Economic Development in the Southwest Border Region***

SBA's national achievements are built on the activities and successes of its local field offices. The following is an overview of programs offered by some of SBA's field offices serving the Southwest Border.

The Arizona District Office applies what it has learned from its active membership in minority chambers of commerce, business associations, and the small business community to develop specialized programs to meet the needs of the Southwest Border area. The following are some of its business development activities:

- SBA Bank Days is designed to promote "new market" lending in traditionally underserved communities in rural areas, Native American reservations, and in counties that are contiguous with the U.S.-Mexico border. For FY1999 (and planned for FY2000), the Arizona District Office targeted these areas with its lending partners. SBA sets up an event inside a bank branch in targeted new markets and "pre-qualifies" potential borrowers using SBA's Pre-Qualification Loan Program. The lender markets the one-day event and coordinates advertising, including various outreach activities with SBA resource partners like SCORE chapters, SBDC centers, chambers of commerce and minority community organizations. During FY1999, SBA Bank Days statewide generated 142 Pre-Qualification Loan Program applications of which 76 were approved for \$5,137,500.
- Magnet Capital, a newly created Arizona venture capital company will target low and moderate income areas to provide small businesses in Arizona with the kind of equity investments that helped get firms like Intel, America OnLine, and Federal Express off the ground when they were young. Magnet Capital has raised \$5 million in private capital and can leverage that with up to \$15 million in SBA-backed funding.
- Magnet Capital is an initiative of Arizona MultiBank, which also is a significant investor in the firm's investment pool. Arizona Multibank will become the first SBIC in the country to base its investment strategy on small businesses located in low and moderate income areas.

The Community Adjustment and Investment Program (CAIP) is heavily utilized by the El Paso district office. CAIP assists American communities like El Paso that have suffered significant job losses due to the changing trade patterns associated with NAFTA. To date, 43 loans have been approved with a value exceeding \$8,288,838. Over 380 jobs have been created or retained as the result of this assistance. Under the CAIP, SBA guarantees loans to small business and waives the guaranty fee to the borrower. This saves the borrower several thousand dollars in closing costs.

El Paso is one of the new Empowerment Zones approved by the Clinton Administration. A One-Stop Capital Shop is currently under development, with the grand opening scheduled for March 2000. This one-stop shop will allow a small business owner to access a wide range of

Federal programs in a single location. Discussions are underway to see if several state of Texas economic development programs can be linked up to SBA's business loan program.

The El Paso district office works closely with the local Service Corps of Retired Executives (SCORE) Chapter and its local Small Business Development Centers (SBDC) in marketing and outreach activities to ensure that the minority community in the border area is made aware of and utilizes SBA's loans and other programs. The following is an example of these activities:

- Through the Prospect Development Program (a minority loan prospect-development program with SCORE) SCORE counselors develop loan applications for SBA to present to selected lenders as prospects. Sometimes SBA pre-qualifies the applicants for a loan. The El Paso office will be developing a similar program to formalize such initiatives with its two SBDCs.

Through the Spanish Language Lending Seminar and in conjunction with the local SBDCs, the San Diego office has piloted Spanish language lending seminars in San Ysidro and El Centro, in San Diego and Imperial Counties, respectively. These seminars have been very popular in terms of audience turnout, lender support, and development of loans.

The San Diego district office utilizes a variety of other outreach and marketing methods to help assure that SBA loan products get out to the minority community along the border. The following describes some of the more innovative methods currently in use:

- **Minority Door-to-Door Marketing.** SBA and its local resource partners visit, door-to-door, business areas with high minority concentrations. During these visits, one-on-one discussions are conducted with business owners about loan and other programs. SBA also provides copies of the LowDoc loan application and LowDoc Loan brochure.
- **Direct Mail Marketing.** SBA utilizes direct mail to send brief marketing letters outlining LowDoc and other loan programs to minority firms.
- **One-on-One Counseling.** SBA offers personal counseling appointments to prospective borrowers.

The SBA is an active member of nearly all minority business groups in the San Diego area. This includes the African-American Chamber of Commerce, the Asian Business Association, the Latin Business Association, and the Hispanic Chamber of Commerce. SBA created the African-American Finance Conference, a group created to develop and implement a wide range of small business growth initiatives.

The San Diego SBA office has recently executed a Memorandum of Understanding (MOU) Supplementary Agreement with the U.S. Hispanic Chamber of Commerce (USHCC), supplementing the national MOU SBA Administrator Aida Alvarez executed with the USHCC. The supplementary MOU is for purposes of mutual support of the USHCC national

convention, that took place in San Diego in October 1999. Under this MOU, SBA and the USHCC have developed several mutually beneficial programs, including:

- A Capital Access Workshop,
- An International Franchise Workshop,
- A Procurement Seminar,
- A Women's Business Program, and
- A SBA Display at the USHCC Convention. (This includes a 30 foot by 30 foot booth used by SBA to display and feature its programs and to conduct one-on-one counseling (on finance, procurement, business development, etc.). There were also three computers (each with 21 inch monitors and access to internet), and numerous brochures (including brochures on Y2K, HUBZones, some brochures in Spanish as well as English) available to participants. SBA's financial one-on-one counseling includes making follow-up appointments for the following week, and providing all interested prospective borrowers a list of all documents required to apply for SBA loan.)

The San Diego office has current agreements with local minority chambers and business associations. These agreements cover virtually all SBA programs. These MOUs have created the new Community Partnerships Initiative. Under this initiative each participating chamber sets up an office within the San Diego SBA office on a monthly basis to counsel clients and disseminate information. These and other such initiatives are designed to provide enhanced information on and access to SBA programs and to broaden its support of the minority business community and other New Markets in the Southwest Border area.

The SBA hosts quarterly Lender Roundtables, publishes a quarterly Lender Newsletter and regularly recognizes lenders making extra efforts to serve under-served markets. Additionally, SBA works closely with local media to market its programs to under-served markets, including rural border areas.

SBA actively assists minority business owners competing for Federal contracts. This assistance includes monthly 8(a) Workshops, participation with local procurement associations in joint programs, and participation in annual networking and trade fairs.

Finally, the San Diego office has helped develop a broad international trade program for small firms seeking trade opportunities with Mexico. In partnership with the state of California, California Community Colleges, and Southwest College's Small Business Development and International Trade Center (SBDITC), SBA has forged numerous collaborative projects with Mexico. These include a Collaborative Agreement with Nacional Financiera, Mexico's national development bank; the Management Certificate Program offered in cooperation with GJGANTE Corporation, Mexico's second largest food retailer; the MEXUS program, a partnership between Centro de Ensenada Tecnica y Superior, Universidad Autonoma de Baja California and Southwestern College, to offer a transnational, bilingual degree program. Degrees are issued to each graduate from both countries.

The SBA office in San Antonio provides financing, technical assistance and training along approximately 250 miles of the border area with Texas and Mexico and services 21 counties within 150 miles of the U.S. - Mexican border. The San Antonio district office works very closely with the South Texas Border Region Small Business Development Center to provide and coordinate counseling and training in these counties. In order to serve Spanish speaking clients to the fullest extent, SBA offers Capital Access Programs in Spanish in all three of our border cities: Laredo, Del Rio and Eagle Pass. In addition, the SBDC in these communities also offers counseling in Spanish and selected training courses in Spanish.

The South Texas Border Region Small Business Development Center is based in San Antonio, Texas but covers the entire U.S. side of the border with Mexico. This territory includes the three SBA offices – the Lower Rio Grande Valley District Office, the San Antonio District Office and the El Paso District Office. The South Texas Border Region SBDC operates 10 field offices and 3 specialty centers. Eight of the field offices are located in the border area. In FY1999, there were approximately 478 training events (with a total of 9,649 attendees) held in the South Texas Border area. The training events included such topics as Business Plan Seminar, Hands on Quickbooks, Doing Business with Mexico, Introduction to Electronic Commerce, Marketing, and Accounting and Bookkeeping. The business counselors helped approximately 3,800 clients in the border area field offices.

The San Antonio International Trade Center (ITC) is a specialty Small Business Development Center (SBDC) focused on providing managerial and technical assistance to the south Texas border small business community interested in international business. Its primary focus is Mexico. The majority of its clients are interested in importing from and exporting to Mexico. The ITC provides regular training (in English and Spanish, and all trade specialists are fluent in both languages) on trading with Mexico and a monthly Explore Your Export Potential seminar. These seminars are also presented in the border communities through SBDC sub-centers in Laredo, Corpus Christi, Eagle Pass and Del Rio. The ITC also presents monthly Country Briefings - 2-3 hour sessions on specific countries that present great opportunities for doing business with industries in south Texas.

The ITC is currently involved in developing and implementing a year-long training program for Mexican companies who are participants in an international business incubator project at Kelly Air Force Base. Kelly is scheduled to close in 2002-3. This pilot project is a cooperative effort among various organizations in the San Antonio area. Many of the tenants have completed a training program held in individual Mexican states, sponsored by Bancomex to help prepare them to export successfully. The ITC focus will be to complement this training by preparing firms to do business successfully in the U.S..

The ITC is also partnering with SBA and the state of Jalisco, Mexico to implement an Export Training Assistance Partnership (ETAP) program which will culminate in a specialized trade mission to Jalisco. At the same time, Fondo Jalisco de Fomento Empresarial (Jalisco's entrepreneurial loan fund) will be preparing a small number of companies from Jalisco to do business with U.S. companies. This ETAP project resulted from meetings held in Jalisco during SBA's Trade Mission to Mexico in March 1999 and follow-up meetings held in San Diego during ASBDC's Annual Conference in October 1999.

In addition, the ITC is working through several offices of the governing bodies of the Secretaria de Comercio Y Fomento Industrial (SECOFI - Mexico's Department of Commerce) to help Mexican companies in the border States explore opportunities for business in Texas. This project resulted from contacts and meetings during the SBA Trade Mission to Mexico in March 1999 in support of the MOU between SBA, SECOFI and Nacional Financiera.

The Lower Rio Grande Valley District Office in Harlingen, Texas serves four main south Texas counties along the border. This office provides training and counseling assistance in the border area through the Rio Grande Valley One-Stop Capital Shop (OSCS). The OSCS was created through a partnership between the Rio Grande Valley Empowerment Zone, The University of Texas-Pan American, and the SBA. The role of the OSCS is to create, retain, and grow businesses and jobs within Federally designated empowerment zone areas. The OSCS provides access to free technical and business assistance as well as capital to entrepreneurs and small businesspersons by linking the resources of business and economic development entities. OSCS partners are:

- The University of Texas-Pan American Small Business Development Center (SBDC). In FY1999, the SBDC had 73 training events with a total of 1,434 attendees. The training events covered such topics as how to start a business, the business plan, government procurement, and marketing. Its four business counselors helped 647 small business clients. The SBDC has a location at the OSCS and two satellite locations at other areas in our district.
- SCORE Chapter #220 Harlingen, Texas has a satellite office at the OSCS. SCORE saw 144 clients and held 6 training events during FY1999. Five SCORE volunteers are at the OSCS.
- The SBA Business Information Center (BIC) is also located at the OSCS. This center saw 830 visitors in FY1999 who did business research in the BIC library or worked on a business plan in the BIC computer lab.
- The Rio Grande Valley OSCS also has three small business counselors who provide business training and counseling to rural areas within the empowerment zone (EZ). These counselors are in four locations throughout the EZ. In FY1999 this organization had 342 clients.
- The Women's Empowerment Business Center (WEBC) is also at the OSCS. The WEBC helps women entrepreneurs by developing and enhancing their business skills through business training and counseling. In FY1999, the WEBC had 262 clients.
- The Minority Business Opportunity Committee (MBOC) is a Commerce Department funded program within the OSCS that provides assistance to minority owned small businesses trying to get into government procurement. The MBOC coordinates and participates in trade missions with Mexico periodically.

All of the above organizations work together to assist small businesses along the border. All can be found in one central location – one place where a small businessperson can go for all the answers. During FY1999, OSCS organizations trained or counseled almost 4,000 people. The OSCS assisted 52 small businesses in obtaining \$13.2 million in loans. These 52 small businesses created 140 new jobs and retained 289 existing jobs.

The Los Angeles District Office (LADO) delivers business development services to the Southwest Border region primarily through its interaction with the Hispanic business community. For example, in FY1999:

- A monthly series of evening seminars in Spanish began in April at La Opinion's Boardroom. La Opinion, the largest Spanish language newspaper in the United States, heavily promoted each month's conference series.
- LADO was a co-sponsor for the Latin Business Association's (LBA) 3rd Annual Hispanic Business Expo. Over 2,000 people were in attendance, and Administrator Alvarez delivered the keynote speech with ten electronic media, fifteen print media, and one wire service present. Congressman Xavier Becera also spoke and recognized the SBA.
- The Public Information Officer addressed California state University at Northridge's Latin Business Association at its monthly meeting in April 1999. Fifty-five undergraduate and graduate students were in attendance.
- The District Director was the keynote speaker at the 18th Annual Installation Dinner of the Coachella Valley Mexican American Chamber of Commerce at the Heritage Palms Country Club in Indio in June 1999. This major business event for the Coachella Valley Hispanic business community drew 300 attendees.
- In August 1999, LADO conducted a "Hit the Streets" campaign in which professional staff personally visited New Market area businesses. East Los Angeles and the Pacoima area were included on the visitation route.
- LADO is frequently featured on both local Telemundo and Univision television stations. In addition, SBA's Public Service Announcements receive good coverage on Spanish language radio stations.

***SBA Lending in the Southwest Border Region***

Below is a summary of SBA business lending in the counties comprising the Southwest Border region (note that amounts shown are in millions of dollars and FY1999 includes only the first 11 months of the fiscal year):

| <b>Loan Program</b>        | <b>FY1997</b> |               | <b>FY1998</b> |               | <b>FY1999</b> |               |
|----------------------------|---------------|---------------|---------------|---------------|---------------|---------------|
|                            | <b>Loans</b>  | <b>Amount</b> | <b>Loans</b>  | <b>Amount</b> | <b>Loans</b>  | <b>Amount</b> |
| <b>General Business</b>    | 3,175         | \$1,044       | 4,606         | \$1,407       | 4,131         | \$1,341       |
| <b>International Trade</b> | 50            | \$ 20         | 80            | \$ 38         | 66            | \$ 28         |
| <b>Fixed Asset</b>         | <u>355</u>    | <u>\$ 152</u> | <u>600</u>    | <u>\$ 252</u> | <u>519</u>    | <u>\$ 230</u> |
| <b>Total</b>               | 3,580         | \$1,216       | 5,286         | \$1,697       | 4,716         | \$1,599       |

## VII. Promoting Education

- Objective 1:** Promote student excellence and improve achievement.
- Objective 2:** Promote flexibility with accountability and improve the quality of education.
- Objective 3:** Support bilingual and migrant education programs.
- Objective 4:** Reduce drop-out rates for Hispanic students and increase literacy.
- Objective 5:** Improve access to higher education.
- Objective 6:** Support the use of information technology in schools.

The education challenges faced in each of the four Southwest Border States include many of the same issues facing the nation as a whole. Class size reduction, school modernization, student achievement and teacher quality, and access to higher education are salient issues throughout the region and the nation. However, the growing population of Hispanic-Americans living along the border presents unique educational challenges and opportunities. How the nation deals with bilingual and migrant education and the high drop-out rates among Hispanic students will have a significant impact on the United States' ability to ensure educational excellence for all students.

### *Promoting Student Excellence and Improving Achievement*

The "Educational Excellence for All Children Act of 1999," President Clinton's proposal to reauthorize the Elementary and Secondary Education Act of 1965, reaffirms the role of the Federal Government in working with schools, school districts, and States to promote educational excellence for all children. The proposal builds on the 1994 ESEA reauthorization, which established the core principle that disadvantaged children should achieve the same challenging academic standards as their more fortunate peers, by helping States, districts, schools, and teachers use high standards to guide classroom instruction and assessments to monitor progress.

The largest ESEA program is *Title I Grants to Local Educational Agencies (LEAs)*, which in FY1999 provided nearly \$1.8 billion to Arizona, California, New Mexico, and Texas to help low-achieving children (including limited English proficient students) in high-poverty schools reach the same high academic standards as their more advantaged peers. The statute requires States to integrate Title I programs with state and local reforms linked to standards and assessments that stress high academic performance for all children. Title I also stresses local "schoolwide" reform as a strategy for raising the achievement of poor and low-achieving students. Schools in which poor children account for at least 50 percent of enrollment are eligible to operate schoolwide programs that allow schools to use Title I funds – in combination with other Federal, state, and local funds – to improve overall instructional programs for all children in a school.

Within schools, grants to LEAs are used, for example, to provide disadvantaged children with more individualized and accelerated instruction, smaller classes, extra time to learn after school and during the summer, computer-based instruction, and preschool programs. Schools also are required to provide ongoing professional development for school staff working with disadvantaged students and to implement programs and activities designed to increase the involvement of Title I parents in the education of their children.

Baskin Elementary School in San Antonio, Texas provides an example of the kind of progress that can be achieved with the support of Title I funding. Baskin enrolls about 420 students, three-quarters of whom are Hispanic American, and uses Title I funds to operate a schoolwide program. In 1994, just 44.4 percent of Baskin passed all sections of the Texas Assessment of Academic Skills (TAAS). With the state’s strong accountability system serving as a motivator for change at the school, Baskin took steps to align curricula with the TAAS, encourage teachers to work together, and promote parental involvement. By 1998, 94.2 percent of Baskin students passed all sections of the TAAS, earning the school an Exemplary rating from the Texas Education Agency.

The Administration’s ESEA reauthorization proposal would improve Title I by strengthening state accountability systems, providing greater assistance to districts and schools that are failing to make continuous and substantial gains in student performance, and increasing funding for teacher professional development.

Title I Grants to LEAs awarded in FY1999 to major school districts in the four States of the Southwest Border region include:

|                    |               |
|--------------------|---------------|
| <b>Arizona:</b>    |               |
| • Tucson           | \$11,162,491  |
| • Yuma             | \$3,313,283   |
| • Phoenix          | \$9,015,042   |
| • Tempe            | \$2,452,862   |
| <b>California:</b> |               |
| • San Diego        | \$29,704,173  |
| • Los Angeles      | \$200,911,764 |
| • San Bernardino   | \$13,828,428  |
| <b>New Mexico:</b> |               |
| • Las Cruces       | \$4,465,032   |
| • Albuquerque      | \$14,151,657  |
| • Carlsbad         | \$1,210,314   |
| <b>Texas:</b>      |               |
| • Brownsville      | \$14,794,305  |
| • Corpus Christi   | \$9,655,601   |
| • Laredo           | \$9,676,012   |
| • San Antonio      | \$22,483,781  |
| • El Paso          | \$19,504,898  |
| • San Angelo       | \$2,725,419   |
| • McAllen          | \$6,737,603   |

Providing *Community Learning Centers (after-school programs)* for enhanced student learning, charter schools, comprehensive school reform, strengthening teacher quality, and reducing class size are also key in promoting student excellence and achievement. After-school programs have become increasingly important as they offer students a constructive and safe environment away from home while parents are working. Some popular after-school programs in the Southwest Border region include:

- The San Diego Unified School District's "6 to 6" before- and after-school academic enrichment program.
- In New Mexico, the Nizhoni Project, an eastern Navajo agency school area, uses Federal funds to combat drugs and violence, as well as to provide academic tutoring for students in math, science, reading, writing, computer and technology literacy and to provide summer programs.
- Also in New Mexico, the San Juan County Learning Centers Project in Farmington works with Farmington Public Schools to provide a safe haven offering health, social, recreation and cultural programs through local Boys and Girls Clubs.
- In Texas, the San Benito Consolidated Independent School District, in collaboration with the University of Texas at Brownsville and Texas Southmost College, has implemented the Public Education Home to the Doctorate program (PHD program) which provides college preparation through academic reinforcement, parental involvement, educational and support services, and innovative community learning centers to participants in their after-school program.
- Omega Academy Public Charter School District in Phoenix, Arizona is home to the Arizona IMPACT After School Program which serves 490 students. The program offers a Literacy Academic Enrichment Series, a Before Graduating Employment Training Series, Childcare Parenting Services, Integrated Education, Summer Weekend Recreation and Technology Education.

The *21<sup>st</sup> Century Community Learning Center Program* is another component of the Administration's effort to keep children safe and help them learn after school. The aim of this program is to provide expanded learning opportunities for participating children in a safe, drug-free and supervised environment. Grants are awarded to rural and inner-city public schools to enable them to plan, implement, or expand projects that benefit the educational, health, social services, cultural and recreational needs of the community. FY1999 U.S. Department of Education grants awarded to the four States in the Southwest Border region include:

**Arizona:**

- Omega Academy Public Charter School District (Phoenix) - \$162,383
- Prescott Unified School District - \$495,000
- Coolidge School District - \$163,875
- Sacaton School District - \$185,887

**California:**

- Los Angeles Unified School District - \$2,624,983
- Santa Ana Unified School District - \$599,925
- Pasadena Unified School District - \$1,200,000
- Windsor Hills Magnet School (Los Angeles) - \$132,945
- Hueneme Elementary School District - \$749,785
- Ocean View School District (Huntington Beach) - \$178,438
- Vaughn Next Century Learning Center (San Fernando) - \$123,200
- Oxnard School District - \$674,930
- San Diego Unified School District - \$361,068
- El Cajon - \$207,903
- La Quinta - \$196,438
- El Centro - \$556,101

**New Mexico:**

- Las Cruces Public Schools - \$432,469

**Texas:**

- Odem-Edroy ISD - \$221,558
- San Antonio Independent School District - \$513,157
- San Benito Consolidated ISD - \$2,301,559

***Promoting Flexibility with Accountability in Education***

The Clinton Administration has also worked hard to promote the creativity, competition, and accountability that can turn around failing schools, and make good schools even better. States and communities have been encouraged to give parents, students, and teachers more choices in public education. A growing number of states have passed charter school laws, and communities all across the country are giving charter schools a chance.

Charter schools are public schools operating with a contract or charter from a public agency. They are created by groups of parents, teachers, school administrators, or others who want to provide alternatives within the public school system. Charter Schools are free, open to all, and designed to be publicly accountable and responsive to both student and parent needs.

The U.S. Department of Education's *Public Charter Schools Program* awards grants to help teachers, parents, and other community members open new charter schools. State Departments of Education in states with laws authorizing the establishment of charter schools may apply for the grants. If the state Department of Education does not apply or is not funded, authorized public chartering agencies within the state may apply directly to the U.S. Department of Education in partnership with a charter school developer. While most states with eligible charter schools are expected to conduct their own competitions for dissemination grants, the U.S. Department of Education directly funded dissemination grants to individual schools in Arizona. These funds also help charter schools develop accountability systems to measure whether they are meeting or exceeding state standards. FY1999 grants awarded to the Southwest Border region include:

**Arizona:**

- Advancement of Gifted Education School - \$100,000
- Arizona Agribusiness and Equine Center - \$96,000
- Bryan Charter School – \$106,000
- Career Pathways Academy - \$74,687
- Davis Education Center - \$100,000
- Desert Pathways Charter School - \$100,000
- Desert Springs Scholastic Institute - \$100,000
- Desert Technology High School - \$118,000
- Destiny School - \$100,000
- D.W. Higgins School - \$131,593
- East Valley Academy - \$114,000
- Flagstaff Arts and Leadership Academy - \$80,350
- Fountain Hills Charter School - \$113,100
- Hasan Preparatory and Leadership School - \$87,025
- Integrity Education Center - \$87,200
- Laurent Clerc Elementary School - \$115,838
- Learning Institute - \$50,935
- Little Singer Community Junior High School - \$111,400

- Mountain Oak Charter School - \$117,800
- Paragon Management, Inc. - \$98,250
- Phoenix School of Academic Excellence - \$102,638
- PREP and Affiliates - \$142,949
- Precision Academy - \$100,000
- Project YES Middle School - \$95,000
- Seba Dalkai School Board - \$101,000
- Sonoran Desert School - \$105,000
- Tolani Lake Elementary School Academy - \$102,500
- The Village - \$103,714
- Villa Montessori - \$92,000
- Westwind Academy - \$107,000

**California:**

- California State Department of Education - \$12,631,579

**Texas:**

- Texas Education Agency - \$9,473,685

(New Mexico did not receive a Public Charter Schools Program FY1999 grant award.)

The *Comprehensive School Reform Demonstration (CSRD) program*, established in 1998, is helping to raise student achievement by assisting public schools across the country to implement effective, comprehensive school reforms that are based on reliable research and effective practices, and that include an emphasis on basic academics and parental involvement. States are providing competitive grants to school districts on behalf of specific schools that are ready to adopt comprehensive reforms to help students reach high standards. These grants provide a minimum of \$50,000 per school each year, renewable for up to three years.

To qualify for funding, schools must thoughtfully integrate key components described in the legislation, such as curriculum and instruction, student assessment, professional development for teachers, parent involvement and school management, and utilize high-quality assistance from outside partners experienced in school-wide reform. A primary feature of the program is that it encourages schools to examine successful, externally developed models for inclusion in their comprehensive school reform efforts - models that have well-researched and well-documented designs for school-wide change, and that have been successfully replicated. First year CSRD funding (FY1998) to the four states in the Southwest Border region was as follows:

| STATE      | CSRD funding FY98 |
|------------|-------------------|
| Arizona    | \$2,218,972       |
| California | \$15,293,800      |
| New Mexico | \$1,181,178       |
| Texas      | \$11,987,255      |

### ***Improving the Quality of Education***

The U.S. Department of Education estimates that 2.2 million new teachers will be needed in the next decade to meet the needs of a growing population of students (student enrollment will continue to rise through 2006). Arizona's elementary and secondary schools expect to see an increase of 119,000 students over the next ten years. The border region's other States also expect a sharp increase in enrollment in elementary and secondary schools in the next ten years. California estimates an increase of 428,000 additional students from 1999 to 2009, while Texas expects to see enrollment rise by 319,000 during the same period. New Mexico's student enrollment will increase by 42,000 from 1999 to 2009.

On average, teacher salaries in the border region (and the nation as a whole) are very low, making it difficult to attract and hire new teachers to handle the expected increase in student enrollment. In New Mexico, the average annual salary for teachers is \$30,309, considerably lower than the national average of \$39,347. The Center for Teacher Education at the University of New Mexico estimates that New Mexico will need to hire approximately 1,850 new teachers per year for the next ten years. However, New Mexico teacher preparation programs are only graduating 1,200-1,300 teachers a year, and 20 to 25 percent are estimated to leave the state to teach elsewhere. (The *Albuquerque Journal* recently reported that an Albuquerque middle school teacher moved to California for a \$20,000-a-year pay increase.)

In addition to the teacher shortage problem, another potential problem could be the failure to graduate enough trained teachers to fill the demand. The annual failure rate on the licensing exam has been as high as 44 percent at New Mexico Highlands University, and 35 percent at Western New Mexico University. In fact, 1,074 persons with substandard licenses were teaching in New Mexico schools, meaning they had not yet passed the licensing exam or they were still finishing their degrees. Another 737 teachers were teaching subjects they were not certified to teach, holding waivers that allowed them to teach those subjects temporarily.

To address the issue of teacher quality, the U.S. Department of Education implemented a new *Teacher Quality Enhancement Initiative* that was funded for \$75 million in FY1999. Teacher Quality Enhancement Grants promote comprehensive and lasting change to teacher preparation programs. This new initiative provides grants to partnerships among teacher preparation institutions and high-need school districts. To ensure that new teachers can meet the many challenges presented in today's classrooms, partners work to strengthen teacher education activities by improving prospective teachers' knowledge of academic content and preparing prospective teachers to use new technology. The initiative also supports the efforts of states and school-university partnerships to reduce shortages of qualified teachers in high-need areas. FY1999 Grants awarded to the region include:

**Arizona:**

- Arizona State University (Tempe) - \$2,557,786

**California:**

- State of California - \$3,257,866
- Los Angeles Unified School District - \$303,470
- San Diego State University Foundation - \$492,669
- University of California-Los Angeles - \$375,926

**New Mexico:**

- New Mexico Commission on Higher Education - \$567,640

**Texas:**

- Texas State Board of Educator Certification - \$3,959,118
- Our Lady of the Lake University (San Antonio) - \$1,335,632
- Southwest Texas State University (San Marcos) - \$244,568
- University of Texas-Pan American (Edinburg) - \$424,382

Rising student enrollment and the emerging shortage of teachers in the border region make efforts to reduce class sizes even more difficult. In Texas, students in nearly 150 school districts – 50 percent more students than five years ago – attended classes that were more crowded than state law allows. Those districts asked the state to exempt them from the 22 – pupil limit for kindergarten through fourth-grade classrooms. Five years ago, 93 districts sought to be excused from the requirement, but last spring 149 districts requested and were granted waivers. Exemptions in the last school year affected 3,295 classes in kindergarten through grade four – about 66,000 students, or nearly 5 percent of the enrollment in those grades. In California, since 1996, the state has invested \$3.7 billion to reduce class sizes from about 30 to 20 students per class in grades kindergarten through three in public schools. Classes in Arizona are the fifth-largest in the nation. In 1997-98, the average class size in Arizona was 27 students, but some classes exceeded 30 students.

To address this issue, the U.S. Department of Education has introduced the *Class-Size Reduction Program*. This new initiative is designed to help schools improve student learning by hiring additional, highly qualified teachers so children can attend smaller classes. Research has shown that students attending small classes in the early grades make more rapid educational progress than students in larger classes. Class-Size Reduction funds to the border region include:

|                    |   |
|--------------------|---|
| <b>Arizona:</b>    | \$17,508,087 (estimate of the number of teachers hired - 450 teachers)    |
| <b>California:</b> | \$129,177,934 (estimate of the number of teachers hired - 3,322 teachers) |
| <b>New Mexico:</b> | \$9,619,782 (estimate of the number of teachers hired - 247 teachers)     |
| <b>Texas:</b>      | \$97,206,460 (estimate of the number of teacher hired - 2,500 teachers)   |

***Supporting Bilingual and Migrant Education Programs***

The Southwest Border region is distinguished by its large Spanish-speaking population. In a recent report, the Texas Comptroller of Public Accounts estimated that 68 percent of Texas border students are economically disadvantaged, compared to 41 percent of the other public school students in Texas. In fact, 76 percent of Texas Border students are Hispanic, with the

border region serving 21 percent of its students through bilingual and English as a Second Language (ESL) programs.

The importance of specialized instruction for Limited English Proficiency (LEP) student programs was highlighted in a 1998 Texas Education Agency study that concluded LEP students who were kept in a consistent program over a five-year period were less likely to be held back than those who had a break in the program. The Federal government provided \$18 million annually to Texas for instructional programs for LEP students and for higher education teacher training and nearly \$12 million for immigrant education.

The U.S. Department of Education awards *Bilingual Professional Development grants* that are designed to meet the critical need for fully certified bilingual and ESL teachers and other education personnel. A full listing of FY1999 Bilingual Professional Development grants in the four border States appears below:

**Arizona:**

- University of Arizona—College of Education - \$232,368
- Isaac School District - \$249,420
- Northern Arizona University - \$211,852
- College of Education (Tucson) - \$202,089
- Washington Elementary School District (Phoenix) - \$268,279
- Arizona Board of Regents - \$198,443

**California:**

- California State University - \$180,649
- California State Univ.- Bakersfield - \$182,803
- Cal Poly Pomona Foundation, Inc. - \$199,935
- National Hispanic University - \$199,739
- University of California/Regents - \$206,500
- University of Southern California - \$89,970
- San Diego State University - \$269,833
- Foundation for CSUSB - \$64,891
- University of California/Regents School of Education/Res Affairs - \$170,527
- San Diego State University – Bilingual Education - \$186,629
- San Francisco State University – \$195,683
- San Francisco Unified School District - \$236,260
- InterAmerican College - \$145,041
- National Hispanic University - \$249,400
- Los Angeles Unified School District - \$101,290
- California State University Sacramento Foundation- \$213,465
- California State L.A. University - \$243,040
- Sonoma State University - \$173,039
- California State University Sacramento - \$179,351

- California Youth Authority - \$185,921
- University of California - \$236,816
- Orange County Department of Education - \$226,569
- Oakland Unified School District - \$115,165
- California State University - \$281,360
- Alameda County Office of Education - \$194,624
- Los Angeles Unified School District - \$178,500
- University of Southern California - \$105,078
- California State Univ./Hayward - \$196,614
- California State Univ. Fresno - \$190,551
- InterAmerican College - \$149,900
- California State University/ Bakersfield - \$213,408
- Sonoma State University Academic Foundation - \$167,936
- San Diego State University – College of Education - \$246,999
- Chapman University - \$241,241
- Fresno Pacific Graduate School \$172,575
- Claremont Graduate School - \$235,991
- San Francisco State University - \$166,793
- Cal Poly Pomona Foundation - \$236,637
- University of San Francisco - \$249,934
- California State University - \$138,586

**New Mexico:**

- Eastern New Mexico University (Portales) - \$246,641
- University of New Mexico (Albuquerque) - \$249,505
- University of New Mexico (Albuquerque) - \$200,219

- University of New Mexico – Multicultural Education Center - \$186,225
- Eastern New Mexico University – Bilingual Ed - \$216,494
- New Mexico Highlands University School of Education - \$225,375
- University of New Mexico - \$214,650
- New Mexico Highlands University – School of Education - \$225,829

**Texas:**

- University of Texas-El Paso - \$199,817
- University of Texas-El Paso - \$196,514
- Sam Houston state University - \$218,789
- Southwest Texas state University - \$190,093
- Univ. of St.Thomas – School of Education - \$198,183
- Univ. of Texas at San Antonio - \$226,409
- Texas A&M Research Foundation - \$250,000

- University of Houston – Clear Lake - \$180,736
- Texas Wesleyan University - \$138,895
- Texas Wesleyan University - \$180,020
- Southern Methodist University - \$243,839
- Houston Baptist University - \$231,030
- University of Texas at Austin - \$164,554
- Sam Houston State University - \$181,850
- Sam Houston State University - \$247,566
- University of Texas of the Permian Basin - \$190,666
- Texas Women’s University - \$167,056
- University of St. Thomas - \$229,154
- University of St. Thomas - \$222,215
- University of Texas at San Antonio - \$218,623
- University of Texas - \$248,798
- Texas Women’s University - \$249,447
- University of Texas at El Paso - \$249,881
- Texas Women’s University - \$239,153
- Sam Houston State University - \$191,765

The region also has a significant number of migrant children. In 1960, Edward R. Murrow’s documentary “Harvest of Shame” increased public awareness of the lives of migrant laborers and their families and moved Congress to include language in the Elementary and Secondary Education Act of 1967 to help the children of migrant farmworkers. Since that time the U.S. Department of Education’s Office of Migrant Education has administered grants to states for programs that provide both supplemental instruction and support services to children of migratory agricultural workers. The *Migrant Education Program* has enabled states to help hundreds of thousands of migrant children gain access to a quality education. The formula grant program provides funds to state educational agencies to be used for supplemental education and support for migrant children. Awards are based on the number of eligible children identified in each state. FY1999 Funds for state Formula-Allocated and Selected Student Aid Programs for the border states were:

**Arizona:**

ESEA Title I – Migrant..... \$6,681,457

**California:**

ESEA Title I – Migrant.....\$103,467,225

**New Mexico:**

ESEA Title I – Migrant.....\$1,113,481

**Texas:**

ESEA Title I – Migrant.....\$51,492,634

### ***Reducing Drop-out Rates for Hispanic Students and Increasing Literacy***

A 1996 U.S. Department of Education report stated that the status drop-out rate (which includes recent immigrants who have never attended U.S. schools) for Hispanics nationwide, between the ages of 16 and 24, was 30 percent. This was more than double the drop-out rate for blacks or whites in the same age group. This number was alarming - particularly in the West where the number is 34.3 percent.

The Clinton Administration continues to be committed to assisting Hispanic Americans and Southwest Border communities make strides in education. Recognizing the importance of increasing the level of educational attainment for Hispanic Americans, President Clinton established the *White House Initiative on Educational Excellence for Hispanic Americans* through Executive Order 12900 in September 1994. Guiding the White House Initiative is the President's Advisory Commission whose responsibility it is to advise the President, the Secretary of Education, and the nation on the most pressing educational needs of Hispanic Americans. The White House Initiative also provides the connection between the Commission, the White House, the Federal government, and the Hispanic community throughout the nation.

As one of its many efforts to raise the nation's awareness about the educational challenges facing the Latino community, the White House sponsors a national conference series entitled, "Excelencia en Educación: The Role of Parents in the Education of Their Children." To date, the conference series has reached out to communities in San Antonio, Los Angeles, New York and Chicago, and will soon take place in Miami on December 3-4, 1999.

The academic emphasis of these conferences is mathematics, reading, and college readiness. The conferences emphasize the various ways in which schools, teachers, civic leaders, community-based organizations, the business community and Federal agencies can reach out to parents and more fully engage them in their children's education. By sharing "promising practices" and educational information, conference participants improve strategies to brighten the future of young Hispanics and prepare to serve as catalysts for enhancing parental involvement throughout the nation.

As part of its effort to reach out the Hispanic community, the U.S. Department of Education formed a partnership with Univision, the largest Spanish-language television network in the country. In August 1999, Secretary of Education Richard W. Riley joined Univision President Henry Cisneros in Los Angeles to unveil two public service announcements aimed at increasing parental involvement in education and at decreasing drop-out rates among Hispanic students. A similar partnership with Telemundo, the nation's second largest Spanish-language network, is underway as well. This partnership seeks to stress the importance of access to higher education.

Another area of concern is that of literacy rates among all students in the border region. While reading scores for Hispanic students have increased in recent years, they still lag behind other students. To improve literacy rates not only among Hispanic students, but also

throughout the nation, the U.S. Department of Education has made it a priority that every child can read independently and well by the end of the third grade.

In the border region reading proficiency is of particular concern. San Diego Unified School District has recently required “Genre Studies,” a literacy boot camp for 6,000 students in grades seven and nine who scored below the 50<sup>th</sup> percentile on the state-required Stanford 9 basic skills test. The *Los Angeles Times* has organized the “Reading by 9” campaign to address Southern California’s woeful record of children’s literacy. Only 1 in 5 third-graders in the Los Angeles area reads on or above grade level. Beginning in August 1999, San Diego elementary schools also launched a literacy block (a period of class time) that dedicates the first three hours of instruction to reading and writing. In Texas, the Texas Reading Initiative has been designated by the National Education Goals Panel as a national model for boosting student achievement. The Texas Reading Initiative encourages parents, educators, school boards, administrators, policymakers, and community leaders to support the goal of teaching every child to read.

The U.S. Department of Education awards *Reading Excellence grants* to help children learn to read well and independently by the end of the third grade through research-based reading instruction, professional development, family literacy, and extended learning activities. In the border region, Texas’ “Read for Texas” program received \$35,999,855 to be spent over three years.

### ***Improving Adult Literacy and English Language Skills***

The literacy challenges facing Hispanic adults in the border states are major. Lack of English literacy can be the key factor excluding these adults from opportunities to get jobs paying reasonable wages. The 1992 National Adult Literacy Survey showed that nationally about one-fourth of all adults with the lowest literacy skills are immigrants who may be just learning to speak English. Hispanic adults reported having had the fewest years of schooling of all the groups—just over ten years, on average. Literacy levels of Hispanic adults surveyed in 1992 were actually lower than those of Hispanics assessed in 1985. This was due in part to a dramatic increase in the percentage of young Hispanic adults surveyed - many were born in other countries and were learning English as a second language.

While there is no specific data on the literacy rate of Hispanics in the border States, on average, more than one-fifth of the total adult population on the border has very limited literacy skills. These adults can only perform simple, routine tasks (for example, totaling an entry on a deposit slip or identifying a specific piece of information in a news article). About one-fourth more have slightly better, but still minimal, skills. They can make low-level inferences using printed materials or determine the difference in price between two items. Individuals in these low literacy groups are likely to experience considerable difficulty with higher-level reading and problem-solving skills such as integrating information or setting up a math problem. These basic skills are needed for almost every kind of job that provides good wages and opportunities for career advancement.

A new study by the Center for Immigration Statistics shows that immigrants are more likely to be poor and remain poor than in the past. According to the study, most (63 percent) of the gap in the poverty rate between immigrant adults and that of native born households can be explained by lower education levels of immigrants. Of adults in immigrant households in poverty, 58 percent lacked a high school education in 1997. The study also found that nationally the number of poor households headed by immigrants jumped 123 percent between 1979 and 1997.

Lack of English literacy skills is another major stumbling block for Hispanics in border states seeking American citizenship. A new report by the U.S. Census Bureau shows that nationally only about one-third of immigrants obtained citizenship in 1997, compared to 64 percent in 1970. This is the lowest citizenship rate this century. This study raises questions about how well immigrants are able to integrate into American life.

In FY1999, the four border states received more than \$74 million in Federal funding to promote adult literacy using basic skills, English literacy and family literacy programs.

**Estimated Federal Expenditures for English Literacy Programs (Four Border States)**

|              | <b>Estimated Federal Expenditure<br/>for<br/>English Literacy Programs</b> | <b>FY1998<br/>Allocation</b> | <b>Percent of Federal<br/>Allocation Expended on<br/>English Literacy Programs</b> |
|--------------|--|------------------------------|--|
| Arizona      | \$1,361,342  | \$4,525,470                  | 30%  |
| California   | \$18,280,847   | \$38,790,546                 | 47%  |
| New Mexico   | \$395,123  | \$2,189,047                  | 18%  |
| Texas        | \$6,361,063  | \$24,550,571                 | 26%  |
| <b>Total</b> | <b>\$26,398,375</b>  | <b>\$70,055,634</b>          | <b>38%</b>   |

On average 38 percent of Federal adult education funds in the border states, totaling over \$26 million, support English literacy programs in which Hispanics comprise the largest share of students. Enrollment in English literacy programs has increased 16.1 percent in Texas, 28.7 percent in New Mexico, 44 percent in Arizona, and doubled in California between 1994 and 1998. This fall, States with large numbers of English literacy program enrollments will be able to compete for nearly \$7 million in new funding through an English Literacy/Civics demonstration program. The program will support innovative approaches to teaching English language skills in the context of citizenship and American culture.

***Improving Access to Higher Education***

At the start of a new century, as technological advances continue to be made at a rapid pace, the need for greater access to higher education in the border region will become even more urgent. In 1990, Texas border high school graduates 25 years or older participated in post-secondary education at almost the same rate as the state average – 63.2 percent compared to 64.5 percent for the state. It is estimated that by 2010, more than 52,000 El Paso residents alone will be in the traditional college-going population, a 54 percent increase from 1997. In south Texas, student enrollment in area community colleges and universities is projected to increase by 30 percent by 2010, pushing total enrollment to 170,000.

Most border high school students already place great importance on a college education, but in the next century it will become increasingly important for all border region students to be prepared academically for college. The University of California Board of Regents has encouraged campuses to reach into middle and high schools to help prepare students so that the UC student body can better reflect California's racially and economically diverse population. Also, the University of California and the California State University Board of Regents have approved a plan to standardize college-prep courses required for all incoming freshman, making it simpler for high school students to stay on track for college. Under the new standardized requirements, students will have to complete four years of English, three years of math, two years of social science, two years of laboratory science, two years of foreign language, one year of visual or performing arts and one year of electives.

The U.S. Department of Education's *GEAR UP* program encourages partnerships between colleges, middle schools, and high schools. *GEAR UP* is a long-range early college preparation and awareness program that gives disadvantaged students and their families pathways to college via these school/community organization partnerships, which provide the skills and encouragement necessary for academic success. FY1999 *GEAR UP* grants in the border region included:

**Arizona:**

- Sacaton Elementary School District - \$191,200
- Tucson Unified School District - \$258,186

**California:**

- Regents of the University of California - \$4,997,828
- Bellflower Unified School District - \$390,063
- California State University-Fullerton - \$184,863
- California State University-Los Angeles - \$476,007
- California State University-San Marcos - \$320,000
- Long Beach Unified School District - \$600,104
- Los Angeles Unified School District - \$2,022,145
- Los Angeles Unified School District - \$560,000
- Los Angeles Unified School District - \$444,087
- Palomar Community College District (San Marcos) - \$440,000
- San Diego state University - \$398,363
- Santa Ana Unified School District - \$760,345

**New Mexico:**

- New Mexico Commission on Higher Education - \$1,031,000

- Eastern New Mexico University (Portales) - \$208,435

**Texas:**

- Texas Education Agency - \$4,583,898
- Odessa College - \$239,273
- El Paso Community College - \$490,749
- University of Texas-Brownsville - \$1,391,396
- University of Texas-El Paso - \$188,066
- University of Texas-San Antonio - \$360,500
- Ysleta Independent School District (El Paso) - \$133,100

## ***Supporting the Use of Information Technology in Schools***

Preparing future teachers to use technology effectively in the classroom is another major challenge facing our nation's schools. The rush to place computers in the classrooms has outpaced teachers' ability to use them. In New Mexico, educators say some teachers lack the skills to use computers effectively, and that this could hurt students. The Superintendent of Albuquerque Public Schools has indicated that his school district does not have the staff it needs to help all teachers become computer literate, much less integrate computer technology into the classroom.

With the need to hire 2.2 million teachers over the next decade, future teachers must be technology-proficient educators who know how to use these modern learning tools to help students achieve higher standards. In an effort to meet the growing demand for technology-proficient teachers, the U.S. Department of Education's *Preparing Tomorrow's Teachers to Use Technology* program supports initiatives that prepare future teachers to teach 21<sup>st</sup> Century students. The program aims to develop well-qualified, technology-proficient teachers, who are prepared to teach in 21<sup>st</sup> Century schools, particularly in low-income communities and rural areas.

Three types of grants are awarded under this program: Capacity Building grants, Implementation grants, and Catalyst grants. Capacity Building grants provide one-year support to be used in laying the initial groundwork for an innovative teacher preparation program improvement. Implementation grants provide three years of funding to programs that are implementing full-scale program improvements. Catalyst grants provide three years of support to national, regional, or statewide consortia that have expertise and resources to stimulate large-scale improvements in the development and or certification of technology proficient educators. FY1999 Preparing Tomorrow's Teachers to Use Technology Grants to the border region include:

### **Arizona:**

- Arizona State University-East (Tempe) - \$132,595
- Arizona State University (Tempe) - \$1,105,387 (three year funding)
- Arizona Western College (Yuma) - \$96,500
- Central Arizona College (Coolidge) - \$956,395 (three year funding)

### **California:**

- California Commission on Teacher Credentialing - \$1,795,636 (three year grant)
- California County Superintendents ESA - \$112,212
- California Lutheran University (Thousand Oaks) - \$1,023,232 (three year funding)
- California State University-Dominguez Hills - \$147,294
- California State University-Long Beach - \$2,076,882 (three year funding)
- California State University-Long Beach - \$119,000
- Los Angeles Annenberg Metropolitan Project - \$1,406,496 (three year funding)
- Los Angeles Educational Partnership - \$1,097,334 (three year funding)
- Loyola Marymount University (Los Angeles) - \$67,284
- National University (National City) - \$99,700
- Pepperdine University (Malibu) - \$1,800,000 (three year funding)
- San Diego State University - \$709,833 (three year funding)
- Seaver College (Malibu) - \$68,472

- University of California-Irvine - \$163,617

**New Mexico:**

- New Mexico State University (Las Cruces) - \$1,223,446 (three year funding)
- University of New Mexico Regents (Albuquerque) - \$1,173,324 (three year funding)

**Texas:**

- Our Lady of the Lake University (San Antonio) - \$58,425
- Southwest Texas State University (San Marcos) - \$115,650
- University of Texas-Brownsville - \$137,810

***Additional U.S. Department of Education Initiatives Aimed at Improving the Overall Quality of Education***

In addition to the aforementioned initiatives and grants, each of which has a direct impact on the Southwest Border region, the U.S. Department of Education supports several other initiatives that aim to improve education in both the border region and the nation. Among these are the *Partnership for Family Involvement in Education*, the *America Reads Challenge*, and *America Counts*.

*Partnership for Family Involvement in Education.* In 1994, Secretary Riley established the Partnership for Family Involvement in Education (PFIE). PFIE encourages businesses, communities and religious organizations, families, and schools to support parent and employee involvement in education with the goal of improving America's schools and student achievement. The PFIE has four elements: Employers for Learning, Community Organizations, Religious Groups, and Family-School Partnerships. Each sector is committed to increasing family participation in children's learning through activities and efforts such as student- and family-friendly policies in the workplace, before- and after-school programs, tutoring and mentoring initiatives, and donations of facilities and technologies. The U.S. Department of Education's role in PFIE is to provide a network of support for the companies and organizations around the country working to make education a community priority. Currently, there are over 5,000 members of PFIE nationwide. A sampling of some of the members of the Partnership for Family Involvement in Education in the Southwest Border region includes:

**Arizona:**

- Boys & Girls Clubs of Metropolitan Phoenix, Tucson Corbett Elementary School,
- Hamilton Parents in Power in Phoenix, and
- Constitution Elementary School in Phoenix.

**California:**

- Aragon High School in San Mateo, Costa Mesa Chamber of Commerce, ,
- Fairburn Avenue Elementary School in Los Angeles,
- Hilltop Middle School in Chula Vista, and
- Mexican American Legal Defense Fund in Los Angeles.

**New Mexico:**

- Associated General Contractors in Albuquerque,
- University of New Mexico Family Development Training Institute,
- La Luz Elementary School in Albuquerque, and

- La Mesa Elementary School.

**Texas:**

- Bliss Elementary School in El Paso,
- Chulas Vista Academy of Fine Arts in Corpus Christi, and
- Coronado-Escobar Elementary School in San Antonio.

*America Reads Challenge* and *America Counts*. The U.S. Department of Education’s America Reads Challenge and America Counts initiatives offer a waiver to the Federal Work-Study regulations that allow the Federal government to pay 100 percent of an eligible Federal Work-Study student’s wages if he or she serves as a reading tutor to pre-school through elementary age children or a mathematics tutor to students in elementary through ninth grade.

The America Reads Challenge is a campaign that challenges every American to help all children learn to read. Specifically, the America Reads Challenge: motivates parents as their child’s first teacher to foster a love of reading at home, recruits colleges to enlist students to tutor children in their work-study job, encourages teachers to utilize best practices and professional development in reading, mobilizes volunteers to give students extra help after school and during the summer, engages businesses to involve employees and offer incentives to young readers, and encourages communities to form partnerships to promote child literacy.

America Counts helps students improve their mathematics achievement by providing them with personal attention and additional learning opportunities through tutoring and mentoring. The primary goals of America Counts are to: provide help, personal attention and additional learning time for students who need extra assistance in mastering the fundamentals of mathematics in elementary and middle school; equip teachers to teach challenging mathematics by ensuring that they enter the profession with a solid understanding of mathematics and the best ways to teach it; and provide on-going opportunities for teachers to upgrade and expand their knowledge and skills. This program also aims to provide a more challenging and engaging curriculum for all students based on rigorous standards that meet national and international benchmarks of excellence; ensure that local, state and Federal resources are coordinated in support of high-quality and coherent mathematics programs that hold high expectations for all students; and build public understanding of the mathematics all students must master to ensure our nation's prosperity and growth.

The following is a sample of the college and university campuses in the Southwest Border region that are committed to the America Reads Challenge and America Counts. (Note that schools listed in plain text are campuses committed to America Reads, and *schools listed in italics are campuses committed to both America Reads and America Counts.*)

**Texas:**

El Paso Community College  
 South Texas College of Law  
 South Texas V0-Tech Brownsville  
 Southwest Texas State  
*Southwestern Adventist University*  
 Texas A&M University-Corpus Christi

**New Mexico:**

*Clovis Community College*  
 College of Sante Fe  
 College of the Southwest  
 New Mexico Highlands Univ  
 NM Institute of Mining & Tech.  
 New Mexico State University

*Trinity Valley Community College*  
University of Texas-Brownsville  
Texas Southmost College  
*University of Texas-San Antonio*  
American Institute  
Western Texas College

**California:**

California State Polytechnic University-Pomona  
California State Polytechnic University - San Luis Obispo  
California State University System  
California State University-Dominguez Hills  
California State University-Long Beach  
California State University-Los Angeles  
California State University-San Bernardino  
California State University-Stanislaus  
Cerritos Community College  
Cleveland Chiropractic College of Los Angeles  
Contra Costa College  
Cuesta College  
Los Medanos College  
Loyola Marymount University  
Mendocino College  
Merced Community College  
The National Hispanic University  
Occidental College  
Pepperdine University  
Point Loma Nazarene College  
Pomona College  
Riverside Community College  
San Diego Mesa College  
San Diego State University  
Sierra Academy of Aeronautics  
Sierra College  
Southern California College  
Victor Community College  
Vista Community College  
West Hills Community College  
West Los Angeles College  
Westmont College  
University of Southern California  
Southern California Institute of Architecture  
Southwestern Community College  
Southwestern University School of Law  
University of California-Irvine  
University of California-Los Angeles  
*University of California-San Diego*  
University of California-Santa Barbara  
University of San Diego  
*University of Southern California*  
Victor Community College  
*Vista Community College*  
*West Hills Community College*  
West Los Angeles College  
Westmont College

*San Juan College*  
University of New Mexico

**Arizona:**

Arizona Bible College  
Arizona State University  
Arizona Western College  
*Estrella Mountain Com Coll.*  
Gateway Community Coll.  
Mesa Community Coll  
*Northern Arizona University*  
Pima Community College  
South Mountain Com Coll  
Southwestern College  
University of Arizona  
*Yavapai College*



## VIII. Investing in Job Training and Skills Development

- |  |
|--|
| <p><b>Objective 1:</b> Improve and upgrade the skills of workers.</p> <p><b>Objective 2:</b> Encourage job creation.</p> <p><b>Objective 3:</b> Improve conditions in the workplace, especially for women.</p> |
|--|

While globalization and the liberalization of trade policies has generated great prosperity in this country, certain sectors and areas in the U.S. still need assistance in order to effectively compete in the global marketplace. The Southwest Border region is one of those areas. Many border communities are experiencing high rates of unemployment due to the dislocation of workers associated with plant shutdowns and the subsequent relocation of primarily light manufacturing operations to Mexico.

El Paso, Texas is perhaps one of the best examples of a community greatly impacted by job losses due to industry relocation. Like most areas along the Southwest Border, El Paso is characterized by high unemployment and an older workforce lacking in English proficiency, marketable job skills, and a formal education but with a very strong work ethic and a desire to better themselves and their community.

In September 1997, Secretary of Labor Alexis M. Herman visited El Paso and, expressing her commitment to assist the city's population, awarded El Paso a \$45 million grant to ensure that special job training is made available to dislocated workers. These funds were awarded in addition to funds from formula grants and other assistance awarded to dislocated workers. Secretary Herman's visit to El Paso led the Department of Labor to examine other ways it could work with the community to help advance its economic development through the provision of job training. By developing a more skilled workforce, El Paso and communities like it will be better able to attract a more diverse mix of high wage industries. This effort, which will require a continued partnership between the Department of Labor and community leaders, can help El Paso make a successful transition into the 21<sup>st</sup> Century. It is Secretary Herman's hope that it will also serve as a model that can be employed throughout the Southwest Border region.

### ***Improving and Updating the Skills of Workers: Retooling for the Future***

Faced with the new realities and pressures associated with evolving global trade patterns, new technology, and changing demographics, many Southwest Border communities have experienced not only high unemployment but also a mismatch between the needs of local employers and the skills of the local workforce. This mismatch originates from a "skills gap"—workers' lack of both the basic skills and vocational training necessary to meet employers' requirements. If not addressed, this "skills gap" will continue to impede the region's economic development efforts and exacerbate the problem of high unemployment among the region's less skilled workers.

In an effort to help narrow this skills gap, President Clinton signed the Balanced Budget Act of 1997 and the Workforce Investment Act (WIA) of 1998. These two significant pieces of legislation will have a major impact on achieving this goal.

The *Workforce Investment Act of 1998* will overhaul the current job training system by replacing the Job Training Partnership Act (JTPA) effective June 30, 2000. WIA brings together many Federal, state, and local partners in a comprehensive one-stop service delivery system - a customer-driven system that will help employers find the workers they need and empower job seekers to meet the challenges of the new century by obtaining the training necessary for the jobs they want.

Most of the funds under WIA and its predecessor program, the Job Training Partnership Act, are formula grants to States. Each year, the Department of Labor allots, by formula, Federal job training funds to the four states in the Southwest Border region. These funds may be used to provide a wide array of services based upon individual need for adults, youth, and dislocated workers. Governors in turn allocate the funds to local communities through private industry councils (soon to become workforce investment boards) where decisions are made on who will be served among the eligible population, and how the funds will be used to help individuals find new jobs or first jobs. State and local officials have significant flexibility regarding how these funds are used and generally make decisions based upon the population being served and the needs of the local entities. One-stop delivery systems have been developed throughout the Southwest Border region, where access to America's Job Bank and America's Talent Bank is available to all job seekers.

*Dislocated Worker Programs.* The Administration has worked closely with Congress, in particular the Congressional Hispanic Caucus, to improve a number of initiatives designed to assist workers (especially from border communities) who have been dislocated due to trade. These initiatives span the two trade adjustment programs, *Trade Adjustment Assistance (TAA)* and *NAFTA-Transitional Adjustment Assistance (NAFTA-TAA)*, as well as the *JTPA Title III dislocated worker program*. The Administration's FY2000 Budget includes a request for \$190 million in additional funds for dislocated workers under Title III to reach a total of \$1.6 billion. Should the Administration secure these funds, the Title III budget would triple from about \$500 million in FY1993.

As noted in the box on page 60, the Department of Labor also has developed innovative approaches in its use of Title III resources to serve trade-impacted border communities by funding community-wide projects to assist dislocated workers. Secretary Herman is committed to developing locally-designed projects in which border communities have a strong voice in framing the content of retraining efforts, including promoting programs where English as a Second Language and occupational training can occur at the same time.

The Trade Adjustment Assistance program is a Federal entitlement program established under the Trade Act of 1974, as amended. The TAA program provides aid to workers who lose their jobs or whose hours of work and wages are reduced as a result of increased imports. The TAA

program emphasizes a comprehensive, timely array of retraining and reemployment services tailored to the needs of individual workers to help them prepare for and obtain suitable employment. Workers may be eligible for training, out-of-area job search and relocation allowances, income support, and other reemployment services.

The NAFTA Transitional Adjustment Assistance program was established under the North American Free Trade Agreement Implementation Act of 1993. NAFTA-TAA offers help to workers whose companies have been directly affected as a result of trade with Canada or Mexico through increased imports from Canada or Mexico or shifts in production to Canada or Mexico. The Statement of Administration Action that accompanied the NAFTA Implementation Act also committed the Department of Labor to providing training and income support to workers in secondary firms (firms which supply materials to primary firms – those directly affected by trade with Canada or Mexico – and/or assemble or finish products of primary firms). Workers in affected secondary firms receive assistance under Title III of the Job Training Partnership Act.

Major activities and services provided through the TAA and NAFTA-TAA programs include rapid response assistance and basic readjustment services. When the Dislocated Workers Unit in a state is alerted to the possibility of a layoff or plant closing, it responds quickly with on-site services. These may include efforts to let workers know they are eligible to apply for the TAA, NAFTA-TAA or NAFTA-TAA secondary worker programs. Once deemed eligible and enrolled in one of these programs, workers assisted by the Department of Labor are offered a broad range of services, including:

- Reemployment services such as career counseling, job placement assistance services, support services, skills assessment, job development, and job search assistance and referrals.
- Training for employment in another job or career. Workers may receive up to 104 weeks of approved training in occupational skills, basic or remedial education, or training in literacy or English as a second language.
- Income support, known as trade readjustment allowances (TRA). These are weekly cash payments available for up to 52 weeks after a worker's unemployment compensation (UC) benefit is exhausted and during the period in which a worker is participating in an approved full-time training program. Income support may include a combination of UC and TRA benefits for a maximum of 78 weeks (26 weeks for UC and 52 weeks for TRA).
- Job search allowances may be payable to cover expenses incurred in seeking employment outside a worker's normal commuting area. Relocation allowances provide reimbursement for approved expenses if a worker is successful in obtaining employment outside his or her normal commuting area and must relocate to that area.

## *Dislocated Worker Programs and Grants in the Southwest Border Region*

### **El Paso, Texas**

On May 8, 1998, Secretary Herman and Vice President Gore announced a grant for up to \$45 million to the Upper Rio Grande Workforce Development Board. The El Paso Proactive Reemployment Project (PREP) was funded to serve 5,337 trade certified dislocated workers. The population is largely female, between the ages of 35 and 45, with 10 to 15 years of experience working in the garment industry, and though some have a GED or high school diploma, most have only a limited education. In addition, most have a very limited ability to speak English. El Paso PREP intends to improve employment and training services and take a more integrated approach to helping workers learn basic skills. In addition, it seeks to better link workers, employers and the skills that workers need for job success.

The guiding principles behind PREP include: (1) creating a dislocated worker technical training and services center to serve as a one-stop center for dislocated workers in El Paso; (2) establishing an expanded training capacity of vocational and education programs which integrate work-based English, nontraditional basic skills/GED instruction, bilingual vocational training, and computer literacy; (3) providing intensive case management services to complement available training services; (4) establishing team staffing between PREP and the Trade Program staff of the Texas Workforce Commission; (5) developing intensified linkages to the employer and business community and economic development activities to ensure a more direct relationship between the employer, the job, the worker, the worker skills and training; and (6) dual enrollment of all participants in the NAFTA/TAA and in this JTPA Title III grant project. El Paso PREP also offers support services such as relocation assistance, child care, transportation and needs-related payments.

PREP accomplishments during the first year include: (1) establishing an adult bilingual curriculum institute to foster the development of bilingual vocational training providers; (2) establishing an Ombudsman process to address participant issues and complaints; (3) the award of eight contracts to provide integrated bilingual vocational skills training and/or workplace literacy, basic skills and computer literacy training; (4) fourteen new integrated proposals received and awaiting Board approval; (5) a Memorandum of Understanding with the El Paso Greater Chamber of Commerce; (6) DOL work experience waivers for both the public and private sector and development of a temporary to permanent employment policy.

### **Rio Grande Valley, Texas**

On July 2, 1999, Secretary Herman announced a dislocated worker grant for up to \$20.9 million dollars to help workers who have lost their jobs in the Rio Grande Valley area of Texas. This project, administered by the Texas Workforce Commission and managed by the Middle Rio Grande, South Texas, Cameron County and Lower Rio Grande Workforce Development Boards, will help over 1,800 workers in the following counties: Cameron, Dimmit, Edwards, Hidalgo, Jim Hogg, Kinney, LaSalle, Maverick, Real, Starr, Uvalde, Val Verde, Webb, Willacy, Zapata and Zavala. Project sites are located in Brownsville (Cameron County Workforce Development Board); Uvalde (Middle Rio Grande Workforce Development Board); Laredo (South Texas Workforce Development Board); and McAllen (Lower Rio Grande Workforce Development Board).

Similar to the El Paso PREP in serving trade-impacted workers in the garment and related industries, this grant will also assist unemployed agricultural and related industry workers who lost their jobs due to the 1998 drought and poor agricultural conditions in related businesses.

The *Economic Dislocation and Worker Adjustment Assistance Act (EDWAA)* amended Title III of the Job Training Partnership Act (JTPA) and provides funds to states and local substate grantees so they can help dislocated workers find and qualify for new jobs. The EDWAA is part of the Department of Labor's comprehensive approach to aiding workers who have lost their jobs. This strategy also includes the Worker Adjustment and Retraining Notification (WARN) Act and the Trade Adjustment Assistance (TAA) program. Like NAFTA-TAA, EDWAA authorizes an array of comprehensive and timely retraining and readjustment services. States and local substate grantees can tailor these services to meet participants' individual needs based on the funds available. Services provided under this program include:

- **Rapid Response.** Each state has a Dislocated Worker Unit (DWU) which receives notice of plant closures and mass layoffs covered under the Worker Adjustment and Retraining Notification Act (WARN). When a DWU obtains information about a major layoff, it can respond with on-site services to assist workers facing job losses. The DWU may also help set up a labor-management committee at the worksite and/or assist in efforts to avert worker dislocations
- **Retraining Services.** Workers can receive classroom, occupational skills, and/or on-the-job training to qualify for jobs in demand. Basic and remedial education, entrepreneurial training, and instruction in literacy or English as a second language may be provided.
- **Readjustment Services.** These include outreach and intake; testing and counseling; development of individual service plans; labor market information; job development; job search and placement; supportive services (including child care and transportation allowances); relocation assistance; and pre-layoff assistance programs.
- **Needs Related Payments.** Dislocated workers in training who have exhausted their unemployment insurance (UI) benefits may receive needs-related payments while they complete training.

The *Migrant Seasonal Farmworker (MSFW)* program under section 402 of the Job Training Partnership Act provides services to disadvantaged migrant and seasonal farmworkers and their families to help them achieve economic self-sufficiency through farm work or through the acquisition of higher level job skills. Assistance from the program is provided by the MSFW grantee partners and through local one-stop centers. The MSFW program is carried out by a national network of program sponsor organizations who receive grants to provide farmworkers with the services available through the program. These services include job training, employability development assistance and other related services, such as emergency assistance and temporary housing assistance.

The following table shows the Job Training Partnership Act (JTPA) Title IV grants which have been awarded to organizations to serve Migrant and Seasonal Farmworkers in the Southwest Border region.

| state      | Grantee   | Award Amount |
|------------|---|--------------|
| Arizona    | Portable Practical Educational Preparation, Inc. B Cochise County (Douglas and Willcox); Pima County (Continental, Marana and Tucson); and Yuma County (San Luis, Somerton and Yuma One-Stop  | \$411,778    |
| California | Center for Employment Training B San Diego County (San Diego, Escondito and Temecula); Imperial County (El Centro); and Riverside County (Blythe)   | \$1,598,465  |
| New Mexico | Home Education Livelihood Program, Inc. B Luma County (Deming); Dona Ana County (Las Cruces); Eddy County (Carlsbad); Chavez County (Roswell); and Roosevelt County (Clovis)  | \$ 185,000   |
| Texas      | Motivation, Education and Training, Inc. B Cameron County (Brownsville); Hidalgo County (Weslaco, McAllen & Edinburg); Star County (served by Edinburg office); Zapata County (Laredo); Webb County (served by Laredo office); Maverick County (served by Crystal City office); and El Paso County (El Paso). | \$3,650,542  |

The *Bureau of Apprenticeship and Training (BAT)* works to stimulate and assist industry in developing and improving apprenticeship and other training programs designed to help workers develop the skills they need to compete in a global economy. Apprenticeship is a combination of on-the-job training and related classroom instruction in which workers learn the practical and theoretical aspects of a highly skilled occupation. Apprenticeship programs are sponsored jointly by employer and labor groups, individual employers, and/or employer associations. Prospective employers work with BAT or State Apprenticeship Council (SAC) field representatives to develop a set of apprenticeship training standards which include on-the-job training, related classroom instruction and the apprenticeship program operating procedures. The program will be registered if it meets Federal requirements. The following are BAT activities in the Southwest Border region:

- The El Paso and Southern New Mexico area within 100 miles of the border has 38 apprenticeship programs, including construction, utilities, mining, and manufacturing.
- Construction and manufacturing comprise the bulk of the approximately 510 apprentices in the area. During FY1999, the El Paso Community College Advanced Technology Center funded pre-apprenticeship activity through EDWAA amounting to approximately \$91,000. Participants are being placed in the regular apprenticeship program in occupations such as Plastic Injection Machine Operator, Mold Maker, Tool & Die Maker and Industrial Maintenance Mechanics.

- Area manufacturers have participated in the Texas Economic Development Smart Jobs Program through the Texas Workforce Commission and have received state funding amounting to approximately \$1,600,000. These funds have enabled them to hire and train additional workers in the occupations listed above. The program also has provided \$180,000 to El Paso Community College to be used for various skill development activities in manufacturing.
- There are currently 14 apprenticeship programs in the Rio Grande Valley, with 222 apprentices in training. Participants in this program are being trained to work as: Electricians, Plumbers and Pipefitters, Moldmakers, Maintenance Mechanics, Tool & Die Makers, Quality Control Inspectors and Firefighters. The towns involved are Harlingen, McAllen, Brownsville, Alamo, Hidalgo, Kingsville, Mercedes, Mission, Pharr, San Benito and Weslaco.
- There are 41 apprenticeship programs in Arizona that are located within 100 miles of the Mexican border. These programs have 629 apprentices who are being trained for the following occupations: Electrician, Construction Equipment Mechanic, Operating Engineer, Plant Operator, Computer Peripheral Equipment Operator, Carpenter, Painter, Roofer, Cook, Maintenance Machinist, Automobile Mechanic, Building Maintenance Repairperson, Sheet Metal Worker, and Police Officer. Twenty-one of the programs have more than 5 Apprentices each.

The following table provides amounts of Job Training Partnership Act (JTPA) Title II-A and Title III formula funds that the Department of Labor's Employment and Training Administration (ETA) allotted by formula block grants to states in the Southwest Border region for Program Year 1998. The states, in turn, allocate funds to local areas. Chief elected officials and private industry councils or workforce development boards in those areas develop policies around which programs are designed to meet the needs of the workers and the local workforce. This table also includes amounts allocated to selected local areas along the Southwest Border.

| <b>Formula Funds/<br/>state Allotments</b> | <b>JTPA Title II-A<br/>Low Income Adults</b> | <b>JTPA Title III for<br/>Dislocated Workers<sup>1</sup></b> |
|--|--|--|
| <b>Arizona Allotments</b>                  | <b>\$16,481,531</b>                          | <b>\$13,481,176<sup>2</sup></b>                              |
| Cochise County                             | \$549,805                                    |  |
| Pima County                                | \$1,340,110                                  |  |
| Yuma County                                | \$2,609,859                                  |  |
|  |  |  |

---

<sup>1</sup>Up to 40 percent of the allotment may be reserved by the Governor. Activities funded include rapid response assistance for workers affected by mass layoffs or plant closures and statewide or regional projects to meet special needs of dislocated workers within the States.

<sup>2</sup>The Southern Substate Area in Arizona, which includes these 3 counties, was allocated \$3,431,546 by the state for Program Year 1998.

|                               |                     |                     |
|-------------------------------|---------------------|---------------------|
| Imperial Valley               | \$2,001,768         | \$3,753,577         |
| San Diego County              | \$6,407,413         | \$6,287,939         |
| <b>New Mexico Allotments</b>  | <b>\$9,955,669</b>  | <b>\$12,173,813</b> |
| Balance of state <sup>1</sup> | \$6,007,893         | \$7,683,130         |
| Navajo Nation                 | \$790,810           | \$694,390           |
| <b>Texas Allotments</b>       | <b>\$59,985,865</b> | <b>\$81,009,852</b> |
| Upper Rio Grande              | \$5,263,419         | \$3,111,257         |
| Cameron                       | \$2,558,604         | \$1,309,269         |
| Hidalgo/Willacy               | \$6,179,568         | \$2,104,796         |
| Middle Rio Grande             | \$1,769,337         | \$904,463           |
| South Texas                   | \$2,410,569         | \$957,185           |
| Rural Coastal Bend            | \$2,710,430         | \$1,825,404         |

### ***Encouraging Job Creation: Welfare-to-Work***

Moving people from welfare-to-work is now one of the primary goals of Federal welfare policy. The Balanced Budget Act of 1997 helps achieve that goal by authorizing the U.S. Department of Labor to provide states and local communities with *Welfare-to-Work Grants* that can be used to provide an array of services to help the hardest-to-employ recipients of Temporary Assistance for Needy Families (TANF) secure lasting, unsubsidized employment. This program is helping Americans make the transition from welfare and dependency to work and self-sufficiency.

In order to receive formula funds under the Welfare-to-Work program, a state must submit a plan for the administration of a grant to the Department of Labor. After the Department determines that the plan meets statutory requirements, states administer the formula funds and assure that they are coordinated with funds spent under the TANF block grant. Generally, private industry councils established under the Job Training Partnership Act administer the welfare-to-work program at the local level in coordination with elected officials. Seventy-five percent of the funds are allocated to states based on a formula that gives equal consideration to states' shares of the national number of poor individuals and adult recipients of TANF assistance. The Governor is allowed to retain 15 percent of the total amount allotted for welfare-to-work projects. States must match one dollar for every two Federal dollars it receives.

Competitive grants are awarded by the Secretary of Labor directly to local governments, private industry councils, community development corporations, community action agencies, and other public or private organizations that apply in conjunction with a private industry council or local government. The Welfare-to-Work program received \$1.5 billion in appropriations for FY1998

---

<sup>1</sup>Includes border areas.

and 1999. At present, all grant funds have been awarded and the Administration is seeking reauthorization to appropriate additional funds for formula and competitive grants. Once a grant has been awarded, the grantee has three years from the date of award to expend the funds. In FY1998 and FY1999, Secretary Herman awarded competitive grants to the following areas in the Southwest Border region:

| Name of Grantee and Contact Person  | Amount of the Grant | Description of Project  |
|---|---------------------|---|
| <p><b>San Diego Workforce Partnership, Inc.</b><br/>San Diego, CA</p> <p>Lawrence C. Fitch<br/>(619)238-1445</p>              | <p>\$5,000,000</p>  | <p>This project will develop permanent employment opportunities for WTW participants in the areas of child care and transportation</p>  |
| <p><b>Pima County Community Services</b><br/>Tucson, AZ</p> <p>Charles Casey<br/>(520)743-5205</p>                            | <p>\$3,180,776</p>  | <p>This project will prepare welfare recipients to secure public and private sector employment in six industry clusters.</p>  |
| <p><b>Catholic Community Services of Southern Arizona, Inc.</b><br/>Tucson, AZ</p> <p>Margeurite Harmon<br/>(520)623-0344</p> | <p>\$1,978,125</p>  | <p>Tucson WORKS/Adelante will assist participants in achieving and sustaining self-sufficiency and income stability through an integrated program case management, employment and training, and targeted educational services.</p>                        |
| <p><b>Nogales Unified School District</b><br/>Nogales, AZ</p> <p>Dr. Paul Bejorano<br/>(520)287-0800</p>                      | <p>\$1,213,830</p>  | <p>The Nogales Unified School District's project will serve TANF participants in the rural county of Santa Cruz. The project will target noncustodial parents, people with limited English proficiency, and people with disabilities.</p>                 |
| <p><b>Cameron Works, Inc.</b><br/>Brownsville, TX</p> <p>Harry B. Folk<br/>(952)548-6718</p>                                  | <p>\$5,000,000</p>  | <p>Cameron Works, Inc is implementing a service strategy leveraging corporate funds, in kind contributions, grant, formula and competitive WTW funds to provide the TANF population with training and employment services.</p>                            |
| <p><b>County of Webb</b><br/>Laredo, TX</p> <p>Juan Vargas<br/>(956)718-8602</p>  | <p>\$1,000,000</p>  | <p>This project will focus on moving the hardest-to-employ welfare recipients into unsubsidized employment. The project will partner with Americorps' VISTA volunteers, the national WTW Partnership and the South Texas Workforce Development Board.</p> |

***Improving Conditions in the Workplace:  
Outreach on Employment Discrimination Against Women***

The U.S. Labor Department hosted a public outreach session in August 1999 in McAllen, Texas to educate women on the U.S. - Mexico border about their workplace rights. The outreach session grew out of ministerial consultations between the United States and Mexico resulting from a review of allegations of employment discrimination against pregnant women in Mexican *maquiladora* plants. The Labor Department's National Administrative Office reviewed the allegations under provisions of the North American Agreement on Labor Cooperation, the labor side agreement to NAFTA.

The program was designed to inform workers and employers of laws and programs that protect women's rights in the workplace. Representatives of the Labor Department's Women's Bureau, the U.S. Equal Employment Opportunity Commission, and local organizations conducted the sessions. Workshops looked at gender discrimination, pregnancy discrimination, sexual harassment, maternity benefits and other issues related to pre-employment and post-hire situations.

As part of the ministerial consultations agreement, each government is responsible for hosting public outreach seminars in their respective countries. Mexico presented a companion program in Reynosa the following day. Both the U.S. and Mexican programs were similar in content and were attended by officials from both countries. The U.S. and Mexico have committed to doing a second gender workshop session in Tijuana early next year.

## IX. Nurturing Children, Youth and Families

- |   |
|---|
| <p><b>Objective 1:</b> Promote school-to-work and youth opportunity programs.</p> <p><b>Objective 2:</b> Enhance child care programs.</p> <p><b>Objective 3:</b> Combat crime with community policing and juvenile anti-crime programs.</p> |
|---|

### *Promoting School-to-Work and Youth Opportunity Programs*

The *Workforce Investment Act (WIA) of 1998* reformed job training programs for adults and youth and also authorized the funding of *Youth Opportunities Grants*. The purpose of these grants is to infuse a large amount of funds into relatively small, highly impoverished geographic areas in an attempt to improve both employment prospects and the overall quality of life for young people living in these areas. Applications for grants, which are awarded on a competitive basis, were due on September 30, 1999, and the U.S. Department of Labor expects to make awards in January.

Eligible entities for these grants are local Workforce Investment Boards (or areas that have not yet transitioned to the principles of the WIA, the local Job training Partnership Act entity) whose service delivery areas include a HUD-designated Empowerment Zone (EZ), Enterprise Community (EC) or similar high poverty area. Native American reservations receiving WIA funds are also eligible. Youth Opportunity Grants require comprehensive services for youth and the coordination of service providers at the local level. Success requires awareness and participation of all constituents and participating entities such as community-based organizations, schools, employers, and faith-based organizations. In addition, grantees are encouraged to coordinate with other Federal programs including 21<sup>st</sup> Century Learning Centers, Upward Bound, Youth Build, Welfare-to-Work, School-to-Work, Job Corps and Americorps.

The *School-to-Work Opportunities Act of 1994* funds partnerships that bring together schools, employers, postsecondary institutions, parents, students, and community organizations in all 50 States, the District of Columbia, and Puerto Rico. School-to-Work (STW) partnerships assist students in making a transition to postsecondary education, training or employment by tying rigorous academic course work to real-life learning. School-to-Work activities are designed to meet the needs of a wide range of students, including academically talented youth, at-risk and out-of-school youth, youth with disabilities, and youth for whom English is a second language.

As of September 30, 1998, the National School-to-Work Office (NSTWO) had provided the following funding to Southwest Border states: Arizona - \$23,329,629; California - \$101,948,150; New Mexico - \$9,384,280; and Texas - \$46,146,367. The NSTWO has also funded 25 partnerships within these States (6 in Arizona, 12 in California, 1 in New

Mexico, and 6 in Texas). The following are examples of STW programs offered in the Southwest Border region:

- Pima Community College, a multi-campus community college serving Pima and Santa Cruz Counties in southeastern Arizona, offered a unique summer career academy program for high school students. The Summer Career Academies were part of a partnership between Pima Community College, Pima/Santa Cruz Counties Tech Prep Consortium and Pima/Santa Cruz Counties School-to-Work Partnership. In cooperation with local businesses and industries, the college provided over 400 students with the opportunity for in-depth career exploration, work-based learning experiences, and specific career pathway exposure and development in 15 subject areas. Subject areas included Automotive Technology, Aviation Repair Technology, Child Care and Parenting, Computer Science (Internet, Building & Upgrading Computers, Semiconductor), Court Systems Support, Emergency Services, Environmental Technology, Health Related Professions, Hospitality & Tourism, Media Technology, and Office & Business Services. Each subject area had a community college instructor and a facilitator to coordinate the fieldwork. The field experiences were varied and were carefully tied to career options. Participants earned both high school and college credit while becoming familiar with their career options and experiencing life on a college campus. Pima Community College plans to continue this program.
- In the Colorado River Union High School District, high school special education students participate in Business Our Students Study (B.O.S.S.) Enterprises. Students enrolled in this program create and run entrepreneurial enterprises that fit their abilities. Examples include a custom card business, a beef jerky business, specialty product advertisements, importation and sale of Mexican coffee and products, and a retail store located in the Laughlin/Bullhead International Airport. Students learn both academic and business skills while running the school business. Students are responsible for every aspect of B.O.S.S. Enterprises, including accounting, manufacturing, distribution, sales, and management. They also write detailed business plans and business letters, speak publicly, and create advertisements and memos. Business activities such as accounting, record keeping, inventory management, counting change and completing time cards develop and reinforce students' math skills. Once a month, students leave campus to run the B.O.S.S. Mall (airport store), conduct business in the community, apply for work, and/or shadow a professional in a career of interest. Students may receive credit in their Language Arts classes for assignments completed during the operation of B.O.S.S. Enterprises. Of the students who have been involved in B.O.S.S. over the past two years, 99.3 percent have remained in school or graduated, and nearly half are presently working in the community.
- Eight years ago, Southern California's Edison Company initiated the Job Skills Partnership Program, which targets students at high risk for dropping out of school, and began implementing the program at the Mojave Generating Station in Laughlin

six years ago. This program includes five high schools in three states - Arizona, Nevada, and California – and targets juniors and seniors with C and D grades who are considered at risk of dropping out of school. The program begins one week prior to the beginning of the academic year and includes 40 hours of orientation, including safety training, plant orientation, union orientation, and discrimination policies. Students in this program rotate every six weeks to a different mentor and craft. Occupations covered in these rotations include welding, machinist, electrician, operations, warehousing, clerical, chemical lab, instrumentation, mill mechanic, and test tech. While in school, the students attend class in the Diversified Cooperative Education, STRIVE and DECA programs, and explore the following work skills in the classroom: resume writing, how to get promoted, working with other students as fellow workers, and working with the existing adult workforce. Students also receive instruction on conducting job searches, interviewing for jobs, attendance policies, goal setting, public speaking and communication skills. All participating students' grade point averages improved with increases ranging from 6 percent to 13 percent.

- Alamo Navajo Community School is a rural K-12 school that is approximately 98 percent Native American. Alamo uses innovative techniques to maximize scarce resources both on and off the Navajo Reservation, which is located in one of the highest unemployment and poverty regions in the nation. In the high school grades, all students participate in school-based enterprises, summer youth programs (through JTPA), and paid after school service projects (e.g. the students completed the exterior of a new building). First semester seniors must take a mandatory Life Communication class which deals with job readiness, placement skills, consumer education, interviewing skills, time management, and general life skills. Students in their senior year are also placed in paid work-based situations in surrounding communities four days per week. These experiences are integrated into classroom activities and/or concurrent classes at the postsecondary level. Of eighty students that have graduated from the program, 65 percent are employed full-time or are in postsecondary learning situations. This represents a dramatic increase from an average of 5 percent to 10 percent about four years ago.
- The Lower Rio Grande Partnership in Harlingen, Texas conducts many School-to-Career initiatives in conjunction with Tech Prep implementation and Tech Prep, Inc. Tech Prep, Inc., a non-profit organization, is a public/private collaborative partnership that devotes its time and energy to working with educational service providers on the development of a strong, regional education infrastructure for the Rio Grande Valley. Tech Prep initiated STW activities in 1991, and they have grown to include 31 independent school districts and 7 colleges and universities. STC initiatives include worker retraining for those who have lost their jobs due to corporate restructuring and relocation. Tech Prep, Inc. works with education and training providers to implement “bridging programs” that will create access to higher level college programs for adults and high school dropouts without the educational background to enter college. Tech Prep, Inc. also started the Manufacturing Technologies Laboratory (MTL) program. The MTL introduces students to computer-aided manufacturing and

discusses both career and postsecondary options. More than 12,000 middle school students have been introduced to careers in the manufacturing industry through this program since it began in 1993.

*Job Corps* is the nation's largest residential education and training program for disadvantaged youth ages 16 to 24. There are currently 118 Job Corps centers located in 46 States, the District of Columbia and the Commonwealth of Puerto Rico. Job Corps is a time-tested program, offering over 45,000 year-round training slots in FY2000. Since its inception in 1964, Job Corps has guided more than 1.5 million young people away from lives characterized by poverty, unemployment and crime and steered them towards brighter futures filled with self-confidence, independence and productive employment.

Job Corps is a full-time, year-round residential program that offers a comprehensive array of training, education and support services, including supervised dormitory housing, meals, medical care and counseling. The program provides occupational exploration, world of work and social skills training, and competency-based vocational and basic education. Among the occupational trades stressed by the Job Corps program are: construction, automotive mechanics and repair, business and clerical, retail trades, health occupations, computer occupations and culinary arts. Post-program placement services are provided for all trainees.

Four Job Corps Centers are located in the Southwest Border region, with more than 1,500 youth receiving residential basic and vocational training. The following table provides a brief description of these four Job Corps facilities.

| Name, Address, Phone, Center Director                   | Student Capacity Residential/Nonresidential | Vocational Training Offered / Special features   |
|---|---|--|
| <b>San Diego Job Corps Center</b><br>Imperial Beach, CA | 635 residential,<br>15 nonresidential       | Business/clerical, culinary arts, nurses aide, landscaping, automotive, electronics, building and apartment maintenance<br><u>Special Features:</u> ESL for Hispanic, Asian and Ethiopian students; on-site Head Start program |
| <b>Fred Acosta Job Corps Center</b><br>Tucson, AZ       | 195 residential,<br>105 nonresidential      | Vocational Training Offered: Business/clerical, auto repair technician, health occupations, building and apartment maintenance, plumber, electrician<br><u>Special Feature:</u> ESL for all nationalities                      |
| <b>David Carrasco Job Corps Center</b><br>El Paso, TX   | 289 residential,<br>126 nonresidential      | Vocational Training Offered: Business occupations, health occupations, food service, building and apartment maintenance, welding, electronics, auto repair technician<br><u>Special Feature:</u> ESL for Hispanic students     |
| <b>Laredo Job Corps Center</b><br>Laredo, TX            | 186 residential,<br>50 nonresidential       | Vocational Training Offered: Business/clerical, culinary arts, welding, carpenter, electrician<br><u>Special Feature:</u> ESL for Hispanic students  |

The *Summer Youth Employment and Training Program* enhances the basic educational skills of youth by encouraging school completion or enrollment in supplementary or alternative school programs and providing eligible youth exposure to the workplace. The following table shows FY1999 funding for summer youth programs in the Southwest Border region:

| <b>State</b> | <b>Program</b>                    | <b>Grantee/Cause</b>  | <b>Award Amount</b> |
|--------------|-----------------------------------|---|---------------------|
| California   | JTPA Title II<br>(Youth Programs) | Imperial Valley, San Diego Counties   | \$20,388,947        |
| Arizona      | JTPA Title II<br>(Youth Programs) | Cochise, Pima and Yuma Counties   | \$10,608,296        |
| Texas        | JTPA Title II<br>(Youth Programs) | Upper Rio Grande, Cameron County, Hidalgo/Willacy, Middle Rio Grande, Rural Coastal Bend, South Texas | \$24,982,260        |

The Workforce Investment Act consolidates the funding streams of the Summer Youth Employment and Training Program and the year-round Youth Training Program. As States transition to WIA, communities will have the flexibility to design their own education, training and employment programs for disadvantaged youth, mixing summer jobs and year-round training as local areas see fit.

### ***Enhancing Child Care Programs***

Lack of child care is a major issue for many border residents. This issue is particularly important to families in which both parents work, families headed by single working mothers and families in which one or both parents are unemployed and are unable to participate in education and/or job training programs due to a lack of affordable child care. Like many Americans, working parents in the Southwest Border region are concerned with finding affordable, safe, high-quality child care. This issue also poses a great challenge for the business community. To help businesses better meet the needs of their employees, the Department of Labor's *Business-to-Business Mentoring Initiative on Child Care* is working with employers across the country, putting them in touch with businesses that have child care programs so they can gain from their knowledge and experience.

The Department of Labor's Women's Bureau is now implementing this initiative, which aims to:

- Promote awareness of child care issues among industry leaders, stressing that affordable and safe child care is a top concern for most families.
- Bring together employers with effective child care programs with other employers considering child care options for their workers.

Employers receiving assistance under this program are provided important tools and strategies to help them choose the type of child care program that will work best for them, launch their child care initiative effectively, avoid pitfalls, and control costs. Businesses in the Southwest Border region that are participating in this initiative include:

- Polvado Glass Co. in McAllen, Texas (mentee) has been paired with Texas Migrant Council, Inc. in Pharr, Texas (mentor).
- Hunter Contracting Co., Inc. (mentee) in Gilbert, Arizona has been investigating an onsite child care center. They have been matched with Sun Health Child Development Center (mentor) in Sun City, Arizona.
- A strong supporter of the Mentoring Initiative is Marci Fouts from AG Communications (mentor to three mentees). Located in Phoenix, Arizona this company offers multiple child care programs in place including an on-site child care center, an in-home child care network, a sick care program, a child care resource and referral service and a lactation program/facilities and flexible spending account.

### ***Combating Crime with Community Policing and Juvenile Anti-Crime Programs***

The Administration has worked with state, local and tribal law enforcement officials and others in the Southwest Border region to help communities fight crime. To this end, the Administration has worked to unite Federal, state, tribal and local crime-control efforts, and has directed new resources into local efforts for fighting and preventing crime. Community policing has been at the core of this effort. Therefore the Administration has worked quickly and effectively to provide funding for the hire of community police officers, training, technical assistance and community policing initiatives. As a result of these efforts, community police officers are able to work more effectively to make border communities' streets and neighborhoods safer.

## X. Improving Living Conditions and Providing Affordable Housing

- Objective 1:** Improve housing and living conditions.
- Objective 2:** Support programs for buying or improving homes.
- Objective 3:** Enforce housing regulations.

During the Clinton Administration, the Department of Housing and Urban Development (HUD) has pursued innovative housing policies to expand opportunities in border communities. HUD has promoted more equitable housing opportunities for moderate and low-income people, both in homeownership and rental housing and has vigorously enforced the Fair Housing Act to eliminate discrimination in the housing market. In addition, funding for HUD's homelessness assistance program more than tripled from 1992 to 1999.

### *Improving Housing and Living Conditions*

*State and Small Cities CDBG Colonias Set-Aside Program.* Section 916 of the National Affordable Housing Act of 1990, as amended, requires the states of Texas, New Mexico, Arizona, and California to set aside up to 10 percent of their state CDBG Program allocations for Colonias, impoverished communities located within 150 miles of the U.S.-Mexico border and having a population of less than one million. These funds are used to provide decent housing and infrastructure, including water and sewer facilities, and to expand economic development opportunities for people living along the U.S.-Mexico border. Each year, HUD, in consultation with representatives of the interests of the residents of colonias, determines the appropriate percentage for each of the four states, not to exceed 10 percent. Funds allocated to the four border states from FY1996 to FY1999 were as follows:

**FY1996 to FY1999 Colonias Set-Aside Funding**

| <b>CDBG Allocation</b>                        | <b>Arizona</b> | <b>California</b>   | <b>New Mexico</b> | <b>Texas</b> |
|---|----------------|---------------------|-------------------|--------------|
| FY1999 state CDBG Allocation                  | \$10,577,000   | \$42,906,000        | \$15,462,000      | \$84,441,000 |
| FY1999 Colonias Set-Aside<br>(10%, except CA) | \$1,057,700    | \$858,120 (2%)      | \$1,546,200       | \$8,444,100  |
| FY1998 state CDBG Allocation                  | \$8,500,000    | \$42,495,000        | \$15,314,000      | \$83,931,000 |
| FY1998 Colonias Set-Aside<br>(10%, except CA) | \$850,000      | \$849,000 (2%)      | \$1,531,400       | \$8,393,100  |
| FY1997 state CDBG Allocation                  | \$10,140,812   | \$43,276,000        | \$15,528,000      | \$87,049,000 |
| FY1997 Colonias Set-Aside<br>(10%, except CA) | \$1,014,081    | \$2,163,800<br>(5%) | \$1,552,800       | \$8,704,900  |
| FY1996 state CDBG Allocation                  | \$11,869,231   | \$42,585,000        | \$15,630,000      | \$87,698,000 |
| FY1996 Colonias Set-Aside<br>(10%, except CA) | \$1,186,923    | \$2,129,250<br>(5%) | \$1,563,000       | \$8,769,800  |

## **Colonias Along the Southwest Border: A Case Study on Economic Development**

“Colonia” is a Spanish term for neighborhood or community. In many parts of the Southwest Border region, colonia refers to an unincorporated settlement that may lack basic water and sewer systems, paved roads, and safe and sanitary housing. Most residents are of Hispanic origin, less educated, poorer, and exposed to more health hazards than their neighbors in more developed communities.

**Housing:** A limited supply of adequate, affordable housing in cities and rural areas along the U.S.-Mexico border, coupled with the rising need for such housing, has contributed to the development of new colonias and the expansion of existing ones. Housing in the colonias is primarily constructed by residents little by little, using available materials. Professional builders are rarely used. Residents frequently start with tents or makeshift structures constructed of wood, cardboard or other materials. As their financial situation allows, they continue to make improvements to their homes.

**Education:** Providing quality education for children living in the colonias is a major challenge due to high student dropout rates, parents’ limited proficiency in the English language, health problems, irregular student attendance, and pressure to help support their families financially. Educational attainment levels are very low, with many residents never receiving a high school diploma or GED. As a result, many colonia residents do not have the minimum education levels that would permit them to enroll in the JTPA Title IIA and other related state and Federally funded GED programs. Colonia residents are thus excluded from adult education programs that would allow them to enroll in ESL, GED, and job-training programs to acquire skills and education.

**Employment and Income:** Colonia residents generally have very low incomes compared to the average annual per capita income in their respective states. Low levels of educational attainment contribute to this disparity. Colonia youth are often not assisted by their parents with their schoolwork either because of language impediments or work. As a consequence, many children drop out of school, join their parents in search of low-paying jobs, and possibly continue this detrimental cycle for yet another generation. The unemployment rate in some colonias is remarkably high compared to their state’s average.

**Health:** Dilapidated homes, a lack of potable water, substandard or nonexistent sewer and drainage systems, and floodplain locations make many colonias an ideal place for proliferation of disease. The incidence of hepatitis A, tuberculosis, salmonellosis, dysentery, cholera and other diseases, as well as pesticide and lead poisoning is much higher in colonias along the Southwest Border than in their respective states. Because many colonias residents are unemployed or have low-paying jobs that do not provide health benefits, many can not afford health insurance. Moreover, they may have difficulty accessing quality health care – either because their area lacks primary care providers or they are not aware of available health care programs, they fear losing wages for time spent away from work, and/or they must travel long distances to reach health care facilities.

**Colonias Assistance Programs:** There are many colonias assistance programs in existence that aim to promote self-sufficiency by helping colonia residents access services related to housing, health, education, job training, youth and elderly programs and assisting them in improving their environment and economic infrastructure.

**Sources:** The U.S. Department of Health and Human Services, The U.S. Department of Housing and Urban Development, The Federal Reserve Bank of Dallas, and Texas A&M Center for Housing and Urban Development.

States also use state and small cities CDBG funds (i.e., funds that are not set-aside funds) to improve conditions along the border. Since FY1996, for example, the state of New Mexico has infused over \$14.7 million in CDBG funds into communities within 150 miles of the U.S.-Mexico border. During FY1998/1999, the state of California allocated \$7.7 million to Imperial County and the portions of Riverside County that fall within 150 miles of the border. During FY1998, the state of Arizona allocated \$5.49 million to the 8 counties located within 150 miles of the border.

The City of Sierra Vista used \$125,000 in CDBG funds received from the state of Arizona to leverage five times that amount in local, county and state public and private funding to construct a community domestic violence shelter. In 1996, Sierra Vista planned to renovate and expand an existing 4,500 square foot building with the capacity to accommodate 24 women but was often so crowded that it would accommodate as many as 34 women at a time. As the renovation began, officials found that costs would significantly exceed that of the CDBG award. Local non-profit, religious and government officials formed the Forgach House Renewal Committee and leveraged the CDBG funds to raise an additional \$575,000. The new center is a 7,560 square foot facility that can accommodate 40 women and their children. It has been in operation for more than a year.

*U.S.-Mexico Binational Commission's (BNC) Housing and Urban Development Working Group.* HUD and the Mexican Secretariat for Social Development (SEDESOL) have partnered to form the U.S.-Mexico Binational Commission's (BNC) Housing and Urban Development Working Group. This group is working to develop an effective partnership between the U.S. Government and the Mexican Government on significant housing and urban development policy and research issues, and to strengthen bilateral cooperation and coordination on community development issues in order to improve housing and living conditions in the border Region.

On June 3 and 4, 1999, HUD Secretary Andrew Cuomo and Mexican Social Development Secretary Esteban Moctezuma chaired a U.S./Mexico BNC meeting in Mexico City. While there, the two signed a bilateral accord codifying U.S.-Mexico cooperation, which emphasizes planning and development in the border region; metropolitan planning and administration; housing finance systems and secondary mortgage market development; collection of basic housing market statistics; and the promotion of private investment in infrastructure and housing projects. U.S. and Mexican representatives of the working group have convened recent conferences focusing on these issues and will soon convene a workshop designed to continue exchanges for development along the California-Mexico border.

*FY1999 Rural Housing and Economic Development Grants.* In June, HUD announced approximately \$25 million in grants to create jobs, spark economic development and build and improve housing in rural communities in 29 states and Puerto Rico. Local rural non-profit organizations, Native American tribes, community development corporations, state housing finance agencies, and state community development and economic

development agencies will receive capacity building, seed support and innovative housing and economic development funds. HUD awarded “special populations” points for those organizations proposing to do work in the Colonias or in farmworker communities. Over 700 applicants competed for the 81 grants announced. Border communities in the four border states received funds in the following amounts:

**Arizona:** 2 grants, \$679,990  
**California:** 1 grant, \$800,000  
**New Mexico:** 1 grant, \$165,445  
**Texas:** 7 grants, \$2.63 million

Using a loan loss reserve capitalized with a \$600,000 HUD Rural Housing and Economic Development grant, private lenders in the lower Rio Grande Valley of Texas will work with experienced nonprofit affordable housing developers Amigos del Valle, the Community Development Corporation of Brownsville, and Proyecto Azteca to provide mortgage assistance to low-income families previously unable to access traditional mortgage financing. Through this innovative partnership, the partners also will maintain a reserve to bridge gaps in monthly payments for seasonal farmworkers, a fund for loan servicing and grant administration, and a subsidy fund for qualifying families.

*FY1998 HUD Colonias Initiative Grants.* In FY1998, HUD set aside \$5 million of a \$25 million rural and tribal appropriation for a HUD Colonias Initiative (HCI). The funding is providing assistance to organizations addressing the housing needs of colonias residents in rural areas, thereby enabling them to increase the stock of affordable, safe, sanitary housing in the colonias. Both nonprofit and for-profit private organizations applied for HCI funds. Housing grants (totaling \$4 million) that were awarded are as follows:

**Texas:** 3 grants, \$2,100,000  
**New Mexico:** 1 grant, \$640,000  
**Arizona:** 1 grant, \$460,000  
**California:** 1 grant, \$800,000

*Community Builders Colonias and Farmworker Special Fellows.* The Department of Housing and Urban Development recently launched its Community Builders Fellowship program. Community Builders Fellows are highly skilled professionals who are focusing on community and economic development challenges facing communities across the country. Fellows are dispatched in all 81 of HUD’s field offices and headquarters, providing new customer service and community outreach, and using their particular skills and expertise to help communities tackle specific problems using HUD’s programs. Special Fellows address particular needs of the Department including specialized policy or program initiatives. The Department has hired four Colonias and 2 Farmworkers Special Fellows who are working in colonias communities in Texas, New Mexico, California and Arizona and in farmworker communities throughout the country.

Under HUD's *Community Outreach Partnership Center (COPC)* programs, universities and colleges work with residents, organizations and local governments to address a wide range of community development needs. The programs specifically identify colonias as areas to receive support. Three institutions of higher education have won competitive grants to work with the colonias.

- Texas A&M (two grants totaling \$680,000, beginning in 1994): Under its Colonias Program, Texas A&M's Center for Housing and Urban Development has worked to encourage and facilitate "community self-development" in colonias in El Paso, Webb, Hidalgo, Cameron and Willacy Counties. By establishing community centers in the colonias with HUD support, Texas A&M has enabled residents to become involved in activities that connect them to the larger community outside the colonia, thereby strengthening the social infrastructure of the community.
- University of Texas-Pan American (two grants totaling \$680,000, beginning in 1994): The University of Texas-Pan American has been addressing problems in colonias in Starr, Hidalgo, Willacy, and Cameron Counties. They have used HUD COPC resources to fund community and economic development, micro-enterprise development, and to establish a clearinghouse for colonias information.
- University of Texas-Austin (two grants totaling \$600,000, beginning in 1995): Concentrating on the El Cenizo colonias, the University of Texas at Austin has focused on affordable housing and water and wastewater infrastructure issues. The attention brought to these issues by UT staff and students has sparked local colonia resident involvement. Some residents have run for public office. Publicizing these efforts also resulted in outside groups becoming involved in seeking solutions to problems of water quality.

### ***Supporting Programs for Buying or Improving Homes***

The *Home Investment Partnership Program (HOME)* provides formula grants to States and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or ownership or to provide direct rental assistance to low-income individuals. A portion of these funds (as determined by the states) are used by the four border states to promote affordable housing initiatives along the U.S.-Mexico border. Recent funding in the border region was as follows :

- Proyecto Azteca, a rural, non-profit, colonias self-help housing organization based in San Juan, Texas, used HOME funds received from the Texas Department of Housing and Community Affairs to create the first model subdivision designed to eliminate a substandard colonia. Families living in Colonia Jessups faced deplorable living conditions. Because individual lots in the colonia were sold to families after the developer removed several feet of topsoil, the colonia experienced severe flooding with every rainstorm. Unpaved roads became impassable and outdoor privies became

a breeding ground for mosquitoes and disease. The colonia lacked water and sewer service, and the seventeen housing units were substandard, and in some cases, dilapidated. Proyecto Azteca, in conjunction with Jessups residents, developed a new subdivision nearby. The new subdivision is properly platted and has all necessary infrastructure in place, including paved roads, water, and electricity. Families, with annual incomes ranging between \$4,500 and \$14,000, bought their new homes through Proyecto Azteca's self-help new construction program.

- Between January 1, 1997 and October 7, 1999, the State of New Mexico infused \$4.16 million in HOME funds into the New Mexico counties that are located within 150 miles of the border.
- During FY1998, the State of Arizona infused over \$3 million in HOME funds into the 8 Arizona counties that are located within 150 miles of the border.
- During FY1998 and FY1999, the State of California distributed \$2.18 million in HOME funds to Imperial County and the sections of Riverside County that are within 150 miles of the border. The City of Calexico in Imperial County is using a \$750,000 grant in HOME funds to assist low-income first-time homebuyers. Eligible families receive a loan of up to \$20,000 toward the purchase of a home. Payments of the loan are deferred for 30 years. With this assistance, these families secure higher down payments that lower their monthly payments and allow them to build equity and reap the many benefits of homeownership.

In addition to the CDBG and HOME funds allocated to the states to administer, there are also funds from both programs that go directly to cities and counties identified as Entitlement Communities. This funding goes directly from HUD to the qualified Entitlement Community to be used within that governmental jurisdiction. There are currently several border Entitlement Communities. During FY1998/1999 San Diego county received \$37.3 million in CDBG funds and \$14.8 million in HOME funds as an Entitlement Funds recipient.

*Section 811 Supportive Housing for Persons with Disabilities and Section 202 Supportive Housing for the Elderly.* The Section 811 program provides grants to nonprofit organizations to develop and construct or rehabilitate housing with supportive services for very low-income persons with disabilities. Section 202 provides capital advances to finance the construction and rehabilitation of structures that will serve as supportive housing for very low-income elderly persons and provides rent subsidies for the projects to help make them affordable.

HUD is in the process of making commitments for FY1999 funding and anticipates that it will fund several projects along the U.S.-Mexico border. HUD has initially endorsed a \$2.6 million, 59 unit Section 202/811 project in Mission, Texas. In FY1998, HUD awarded \$6.8 million to fund the creation of 100 Section 202 units in southern Arizona

and awarded \$3.7 million to fund the development of 55 units of Section 811 housing along the U.S.-Mexico border in California, Arizona and Texas.

*Mortgage Insurance for Rental Housing - Section 221(d)(4).* Through the 221(d) Market Rate program, the Federal Housing Administration (FHA), insures mortgages for the construction or substantial rehabilitation of multi-family rental properties for low- to moderate-income and displaced families. HUD has made \$24.3 million initial endorsements in FY1998 and FY1999 to fund 4 projects and 400 units in total in Tucson and Green Valley, Arizona.

*Hispanic-Serving Institutions Work Study Program.* This program provides fellowships for students in Hispanic-Serving Institution-designated community colleges who are studying for community building and community development careers. Schools in or near the border region that are current recipients of these grants include El Paso Community College, South West Texas Junior College, and San Antonio College. The grants average \$120,000 and support an average of five students each.

*HUD Partnership with the Housing Assistance Council.* HUD funds enable the Housing Assistance Council (HAC) to operate its revolving loan fund. Since 1996, HAC has made more than \$3.1 million in loans along the U.S.-Mexico border which have resulted in or will result in the development of 240 units of housing. For example, in FY1999, HAC has provided \$303,030 to the Community Development Division of El Paso County to help with the rehabilitation of 27 owner-occupied units; \$200,000 to the Coachella Valley Housing Coalition in Indio, California for 20 self-help units; and a \$200,000 Self Help Opportunities Program loan and \$260,000 HAC loan to United Housing and Education Development Corp., in Tucson, Arizona for a 40 unit self-help subdivision.



# XI. Improving Access to Quality Health Care

- Objective 1:** Reduce barriers to health care.
- Objective 2:** Improve the quality of health care in the region.
- Objective 3:** Improve health care for children and the working poor.
- Objective 4:** Eliminate health disparities.

## *The Link Between the Environment and Health in the Southwest Border Region*

The public health problems of the Southwest Border region are longstanding and profound. Residents of this region face a number of very serious health problems, including a resurgence of communicable diseases, particularly tuberculosis, and higher rates of preventable illnesses. Since border residents frequently travel between the U.S. and Mexico as well as throughout the U.S., the border's health problems are also the nation's health problems – they can and do have a significant impact on the overall well being of citizens in the U.S. and Mexico.

The sanitation infrastructure deficiencies of the border area are enormous. Forty-six million liters of raw sewage flow daily into the Tijuana River. Another 76 million liters are dumped into the New and Rio Grande Rivers. Water management is governed by treaties, but these treaties do not deal with pollution management, such as sewage and pesticide run off. Communities that use this water for cooking and drinking face serious health threats. Air pollution is also a very serious problem in major metropolitan El Paso/Ciudad Juarez, where meteorological conditions often fail to sweep the atmosphere of pollutants. Industry compliance with environmental regulations is spotty, and the poor often burn highly polluting materials for cooking and warmth. As a result, high blood lead levels in children and frequent respiratory illnesses are common. (Please see Sections XIV and XVI for further detail on the Federal and binational response to these issues.)

These environmental problems help create health conditions along the border that resemble those of many Third World countries. According to measures developed by the National Association of Community Health Centers, 10 of 24 counties evaluated along the Southwest Border are in “double jeopardy” because they are both medically underserved and poor. These counties suffer from both a poor overall health status and a shortage of primary care physicians.

Lack of access to health care is also a significant problem along the border. While the access problem is in part due to a lack of insurance, especially among the Mexican-American population, it is also attributable to non-financial barriers to access. These include an uneven distribution of physicians, other health professionals, and hospitals;

inadequate transportation; a shortage of bilingual health information and health providers; and culturally insensitive systems of care.

Standard health indicators bear out the consequences of this lack of access. Hepatitis A is four to five times more prevalent along the border than in the United States as a whole. The incidence of tuberculosis, a resurgent and growing threat in the U.S., is five times higher along the border than in the entire nation. Diabetes is also a major problem in the border area due to its high incidence among Mexican-Americans, who make up over 50 percent of the population of U.S. border counties. The border area also has a high incidence of measles and water-borne diseases, such as shigellosis. The incidence of AIDS is particularly high in San Diego. In general, the ranking of leading causes of death for accidents, diabetes, and infectious diseases is much higher in this region than in the rest of the country. All of these diseases can be controlled through early prevention and the provision of consistent health care.

The rapid rate at which the population is expanding has also played an important role in the health care crisis currently faced by many residents of the Southwest Border region. The border's higher birth rate has boosted the demand for maternal and child care services. (See Section IX for more information.) High population growth rates also have serious implications for the border's environment and the economic well being of its residents – two factors that can and do take a toll on the overall health of this region's residents.

In 1991, two ground-breaking studies by the Department of Health and Human Services assessed the health needs of U.S.-Mexico border communities. The studies identified six health priorities: environmental health, health promotion and disease prevention, maternal and child health, occupational health, primary care and substance abuse. In November of 1994, the Administrator of the Federal Health Resources and Services Administration (HRSA) created the U.S. – Mexico Border Health Task Force to identify major health and environmental issues and assess how HRSA's range of health care access programs could most effectively improve the health status of border residents.

In response to the HRSA Task Force's recommendations, the *HRSA Border Health Program* was created in 1996 to better coordinate agency activities in the border region and enlist the help of other public/private sector partners. Program goals are to improve health care access, improve child health, eliminate health disparities, and build partnerships. The Border Health Program addresses the growing health care crisis caused by poverty and lack of education, large numbers of uninsured, health professional shortages, low immunization rates, exploding population growth, inadequate sanitation, and risks associated with air, water and soil pollution caused by industrial and sewage wastes.

### **HRSA's Border Health Program Actions**

- Since 1996, HRSA has invested more than \$150 million dollars to provide border residents with primary health care, maternal and child health care services, HIV/AIDS care, and programs to train and place health professionals where they are needed the most. Through community and migrant health centers and other health care providers, more children are getting immunized, TB is being treated, and more people are getting the primary and preventive care and support services needed to get and stay healthy. HRSA is also helping to alleviate the problems posed by poor sanitation and a polluted environment. The HRSA FY1999 budget allocated an additional \$4 million (over the base annual funding of some \$60 million) specifically to support border health care services and treatment.
- In 1998, HRSA and the Environment Protection Agency (EPA) joined forces to reduce and treat the effects of pollution. EPA is tracking down sources of water-borne raw sewage and industrial waste, soil filled with toxic waste and airborne carbon monoxide particles. HRSA is training clinicians and promotoras (community health outreach workers) to help border residents protect themselves from the ill effects of water, soil and air pollution.
- Through memoranda of understanding between HRSA and the Arizona, California, New Mexico and Texas Departments of Health signed in 1998, HRSA's Office of Field Operations assigned five public health advisors in Nogales and Phoenix, Arizona; San Diego, California; Las Cruces, New Mexico; and Harlingen, Texas. Health advisors include a registered sanitarian, medical epidemiologists, and experts in environmental health and toxic chemical exposure.
- The HRSA Border Health Program has developed 10 public/private sector partnerships since 1996 to expand the number of primary health care delivery and Healthy Start sites by as many as 15; enroll 9,000 kids in the Children's Health Insurance Program and Medicaid; tackle illnesses resulting from air, water and soil pollution; and place culturally sensitive and competent primary care providers in areas experiencing a shortage of health care professionals.

#### ***Building Partnerships***

- HRSA has established a contract with the University of Arizona Health Office to conduct the Border Vision Fronteriza program. The agency is also working with Texas A&M University, College of Architecture, Center for Housing and Urban Development to develop and support satellite clinics within the colonias and with the University of Texas at San Antonio on a study entitled, "*NAFTA and U.S.-Mexico Border Health: Preparing for the Impact on HRSA-Sponsored Programs.*"
- HRSA and the National Association of City and County Health Officials convened a Texas border health meeting in 1998 with representatives from local health offices, community and migrant health centers, hospitals, foundations, state health departments, CDC, EPA and the Pan American Health Organization for issue and strategic planning. Similar meetings are in the works for Arizona, California and New Mexico.
- Mexican and U.S. state health officials, HRSA, and CDC joined the OASH in launching the Ten Against TB Program in Tijuana, Mexico, in 1996. HRSA is also working with EPA to evaluate air quality and asthma in New Mexico border communities. HRSA is analyzing data to find out how many residents are affected with asthma. HRSA and EPA expect to award a contract this calendar year to train U.S. and Mexican primary care providers and promotoras to better diagnose, treat and prevent illnesses caused by environmental contaminants and toxins.
- HRSA is working with the Robert Wood Johnson Foundation to launch a study in El Paso late in 1999 on the tobacco, alcohol and illicit drug use laws and policies along the U.S.-Mexico border. Preliminary studies suggest that low-income New Mexico counties have higher rates of liquor license outlets and higher rates of alcohol-related injuries.
- HRSA and the New Mexico Tumor Registry are working to evaluate the leading causes of cervical, prostate and breast cancer in border communities. The registry started in 1970 at the University of New Mexico Medical School.

### ***Reducing Barriers to Health Care and Improving the Quality of Health Care***

Ensuring access to health care prevents disease and promotes health. To vaccinate border children, to keep their grandparents' diabetes at bay, to keep TB under control, and to treat and prevent the effects of environmental health emergencies, HRSA, through its Bureau of Primary Healthcare, supports a network of community and migrant health centers on the border: 11 in Texas, 2 in New Mexico, 5 in Arizona and 4 in California.

Many border residents, especially colonia residents, face geographic, social and economic isolation. HRSA is working to break down the barriers to health care access, such as lack of transportation and long distances to health care facilities. In FY1999, HRSA's Bureau of Primary Health Care will award up to four grants to community and migrant health centers for satellite clinics along the border where residents can more easily access services. These satellite clinics will use promotoras (health care outreach workers) to conduct outreach to get residents into care and provide the education needed to prevent illnesses. Outreach efforts will also include getting uninsured individuals and families enrolled in Medicaid or the new Children's Health Insurance Program.

Every border county has a health professional shortage - some lack primary care physicians and others face a severe shortage of dentists. To increase the number of primary care physicians and other health care practitioners in the border communities, HRSA's Bureau of Health Professions is partnering with the University of Texas Health Science Center to hire and place more physicians and other health professionals in underserved areas along the border. Special emphasis is placed on cultural sensitivity to ensure that health care services reflect the language, values, traditions and customs of the patients.

The *Texas A&M Oral Health Telemedicine Initiative* is helping improve access to dental care for border residents. This initiative provides intake, screening and referral through a network of private dentists who provide free care. The project has identified an alarming number of children with facial deformities that may be related to exposure to environmental contaminants.

### ***Improving Health Care for Children***

The *Healthy Start Program*, funded by HRSA's Maternal and Child Health Bureau, reaches out to pregnant women in border communities who are often at high risk for premature birth. Promotoras encourage women to begin prenatal care early in their pregnancies, get the fathers involved, and help them receive essential services, such as proper nutrition, education and health care. Healthy Start has designated border health a top priority, and in July 1999, awarded two planning grants of up to \$150,000 and one operational grant up to \$1 million.

HRSA also supports efforts to help children and their families during childhood and adolescence. About 28 percent of border children are uninsured - 60 percent in Texas. Thousands of U.S. children, whose parents are documented or undocumented

immigrants, are eligible for enrollment in the state Children's Health Insurance Program and Medicaid. HRSA's *Border Vision Fronteriza* outreach project is using promotoras in child health to enroll some 2,000 kids along the border in the Children's Health Insurance Program and Medicaid. In addition, community and migrant health programs target young people faced with abuse and violence inside and outside the home, substance abuse and early sexual activity – problems that can lead to a multitude of health issues including sexually transmitted diseases and pregnancy.

### ***Eliminating Health Disparities***

The *Ten Against TB U.S.-Mexico Binational Tuberculosis Initiative* is a binational effort to reduce the number of tuberculosis cases in all 10 U.S. and Mexican border states and prevent the development of multi-drug resistant TB. In Mexico TB treatment is often hampered by the high cost of drugs and an absence of pharmaceutical controls to preclude patients from inappropriately using antibiotics, which can lead to the development of multi-drug-resistant TB. On the U.S. side, HRSA is partnering with border states' health departments, and the CDC is working to tackle the escalating problem of multi-drug resistant TB and curb the number of TB cases, which are increasing at least 10 percent per year in some border areas. In California, a cross-border referral and regional case management system has been implemented.

As part of this effort, HRSA and the Texas Department of Health have trained 200 American and Mexican health providers and outreach workers to administer "direct observed therapy" to make sure TB patients take their medicine regularly. This training is critical as there are discrepancies in the internationally preferred methods of treating TB. For instance, U.S. treatment protocols call for multiple drugs administered daily over a six-month period but Mexico's protocols call for multiple drugs administered daily over a period of one year.

Although the reported incidence of AIDS in the border region is lower than that among the general population, many experts believe that the disease is underreported there. Factors contributing to underreporting include barriers against access to care, frequent cross-border travel, patients who seek treatment in Mexico, and cultural and privacy concerns. Studies show that Hispanic women in the border region lack information about HIV transmission. Since more than 50 percent of border residents are Hispanic, HRSA's HIV/AIDS Bureau worked with the National Council of La Raza and the Farmworker Justice Fund to train 50 farmworkers as HIV/AIDS promotoras in the border communities of Yuma-San Luis, Arizona and the Lower Rio Grande Valley of Texas. Training included prevention education, testing, referrals and counseling. A component on sexually transmitted diseases was added to the 1999 curriculum.

There are many factors in the border region that create a climate for the transmission of HIV and other STDs, including high levels of legal northward and southward migration for purposes of residence, employment and recreation. Many people from Mexico cross into the United States as seasonal agricultural workers and return home in the off-season, transmitting diseases from one side of the border to the other. The substantial presence of U.S. military

personnel contributes to a high-risk environment in the sex industry. HIV is underreported in Baja California and Tijuana, where access to care is hampered by lack of resources and stigma. San Diego's HIV death rate is 16.1 percent, 60 percent higher than the national rate of 10.3 percent and five times higher than that of other border communities. By the year 2000, more than 16,000 people will have tuberculosis in the border region. Binational coordination is essential to prevent drug-resistant strains of that disease from being created and spread.

## XII. Focusing on Agricultural and Rural Assistance Programs

**Objective 1:** Encourage development in rural communities.

**Objective 2:** Provide assistance to farmers.

The U.S. Department of Agriculture (USDA) has established an array of programs to generate new jobs, help retain existing jobs, and stimulate industrial and commercial growth in economically distressed areas of the U.S. USDA activities on the Southwest Border radiate from a diverse spectrum of programs including: Agricultural Research Service, Cooperative state Research, Food and Nutrition Service, Rural Utilities, Rural Housing, Rural Business Cooperative Service, Natural Resources Conservation, Farm Service Agency, Food Safety, Animal and Plant Inspection, Agriculture Marketing Service, and Economic Research. In FY1999, USDA allocated the following sums to the four border states:

|              |                        |
|--------------|------------------------|
| • Arizona    | \$781,391,982          |
| • California | \$146,910,429          |
| • New Mexico | \$101,184,311          |
| • Texas      | <u>\$574,249,244</u>   |
| <b>TOTAL</b> | <b>\$1,603,735,946</b> |

### *Encouraging Development in Rural Communities*

The Rural Development arm of USDA encompasses programs that address the business and economic needs of rural communities. USDA's *Rural Development* program strives to improve the quality of life in rural America by providing technical assistance and working in partnership with rural communities. Outreach and targeting are used to ensure that rural communities that have been under-served in the past have an opportunity to receive their fair share of Federal assistance. The program includes funding for Water 2000, which is targeted at assisting an estimated 2.5 million rural Americans with some of the nation's most serious drinking water problems; supports the National Homeownership Initiative, which has helped the nation reach its highest-ever homeownership rate of 66 percent; and supports Empowerment Zones and Enterprise Communities (EZ/EC) and the Information Superhighway Initiative. Specific examples of USDA programs include:

- \$1 billion in direct loans and \$3.1 billion in guaranteed loans for single family housing;
- \$100 million for direct loans and \$150 million in guaranteed loans for multi-family housing;
- \$583 million for rental assistance, which is provided to multi-family and farm labor housing project owners;

- \$500 million in grants and \$839 million in loans (including \$75 million in guarantees) for water and waste disposal projects;
- \$1 billion in guaranteed loans and \$50 million in direct loans for business and industry;
- \$1.65 billion in direct loans for rural electric and telephones systems, including a proposal that would provide \$400 million for Treasury rate electric loans;
- \$165 million in loans and grants for Distance Learning & Telemedicine (DLT) facilities;
- \$100 million in grants, over five years, for rural communities to be designated as Empowerment Zones.

A key program within the Rural Development Office of Community Development is the *Empowerment Zones/Enterprise Communities Initiative* which focuses on specific locales that have displayed initiative in revitalizing their communities. Communities which prepared strategic plans for improvement and opted to implement their programs without the benefit of SSBG grants or other funding were designated by the Department as Champion Communities (CC's). EZ/EC/CC's receive technical assistance and special consideration for Departmental Programs.

There is a great need for capital and non-monetary resources (Federal, state and private) in the border area. Leveraging and coordination among the various resource providers is critical in effectively addressing the issues faced by border communities. USDA Rural Development programs have played a large and very important role in addressing those issues. RD has designated staff at the national and state levels to work closely with communities, providing guidance to rural leaders on sources of technical assistance in the assessment of their community's strengths, helping rural leaders develop plans for the future, and prepare applications for assistance to implement those plans. At the local level, RD staff work closely with local and state coordinating bodies, such as planning districts and state rural development councils, to identify alternative sources of funding and technical assistance for rural projects. There is a lot more that could be done, however. Rural Development's biggest barrier in doing more is the lack of resources - both financial and human. Thus leveraging and partnering on projects is extremely critical.

### ***USDA's Rural Development Efforts in the Southwest Border Region***

*Southwest Border Region Partnership.* In April 1997, at the White House Empowerment Zone Conference in Detroit, Michigan, Vice President Gore challenged EZs, ECs, and CCs to combine their efforts and adopt a regional approach to revitalize their communities. The Southwest Border Region Partnership was created in response to this challenge.

The Southwest Border Region Partnership, which aims to build a sustainable economy in concert with a sustainable environment, encompasses rural communities that are characterized by long-term endemic poverty and lie within 150 miles of the U.S.-Mexico border. Partners in the initiative include state and local officials, the University of Texas-Pan American, the University of Arizona, and various state and Federal agencies.

Health, environment, infrastructure, trade, welfare reform and education have been identified by the partnership as the area's top development priorities.

In Arizona, Rural Development programs have brought more than \$14 million of rural business and rural utilities programs to the Arizona Border Communities since the Arizona Border Region was designated an Enterprise Community in December of 1994. In FY1998 and FY1999, more than \$17 million of water and waste disposal funds from EZ/EC earmarks and Colonia grants and loans have helped improve infrastructure in the rapidly growing areas in the Yuma County Communities of San Luis-Gadsden and Somerton. Community-based non-profits in the communities of San Luis and Somerton received \$325,000 in self-help housing technical assistance that will provide more than 100 family-owned and constructed houses in the Enterprise Community. In FY1999, the Nogales Enterprise Community received \$8 million in Rural Business Enterprise Grants. These funds will be combined with leveraged funds from a partnership with the private sector, local government and the Arizona Department of Commerce's Main Street Program to revitalize the Historic Main Street area of Nogales and will provide the necessary resources for the City of Nogales' Entrepreneurial Development Center.

*Arizona Border Region Enterprise Community (AZBREC).* The Arizona border communities of Douglas, Nogales and San Luis-Gadsden, known collectively as the Arizona Border Region Enterprise Community, were selected as a Round I Enterprise Community based on the problems and opportunities identified in their strategic plan for economic and social revitalization. The following issues were cited in their strategic plan:

- Economic and business development to create jobs with livable wages.
- Access to health care, inadequate health care facilities and lack of modern medical technology.
- Inadequate resources for infrastructure development (including substandard housing and water and wastewater treatment facilities).
- Border crossing facilities need to be improved to make access less burdensome for border residents and communities.
- Education (need trade and technical schools and access to technology-based training).
- Environmental health and associated diseases from particulate matter emanating from proximity to rapid industrial expansion in neighboring Mexican communities.

The Arizona Border Region Enterprise Community has received \$5 million from Community Facility Loan and Grant funding. These funds have been used to increase health care capacity in Nogales, provide for additional child care facilities in San Luis and Nogales and expand a Women, Infants and Children Facility in Nogales. The

Arizona Border Region Enterprise Community has also benefited from outreach activities conducted by Arizona Rural Development staff. Empowerment Zone/Enterprise Community Outreach specialists have provided technical assistance and identified myriad Federal programs that have yielded resource opportunities and grant funding. For instance, in FY1999, \$800,000 in Housing and Urban Development Rural Housing and Economic Development grants were received by community-based organizations for much needed housing development activities in San Luis and Somerton in Yuma County. Youth Opportunity grant applications have been submitted by both Douglas and Nogales. These Department of Labor grant applications have been identified and facilitated by EZ/EC Outreach Specialists. Other Federal programs include Department of Education 21st Century Learning grants and Environmental Protection.

*Yuma Regional Alianza Champion Community.* In October of 1998, the City of Yuma, the Town of Somerton and the Cocopah Nation, known collectively as the Yuma Regional Alianza Champion Community, submitted an application for designation as a Round II Empowerment Zone but were not selected. Nevertheless, the Yuma Regional Alianza Champion Community continues to seek ways to implement its strategic plan. Its emphasis is on the development of job training, business development and inadequate housing within the agricultural community. A key element in the strategic plan called for the establishment of a sewing cooperative and training center. Resources provided by a grant from the Arizona Community Foundation and funds provided by the City of Yuma provided the impetus for a Rural Business Enterprise Grant recently submitted to USDA's Rural Development Office in Arizona. In addition, the Gadsden Townsite Improvement District has applied for a water/waste disposal loan/grant in the amount of \$1.6 million for the acquisition of land, the construction of a wastewater treatment facility, sewer lines and hookups to homes. These Earmarked Funds would be leveraged with a Community Development Block Grant in the amount of \$1 million.

AZBREC and the Yuma Regional Alianza Champion Community have worked with non-profits and foundations to access resources to implement key elements of their strategic plans.

- The Border Health Foundation with offices in all three Enterprise Communities and in Somerton (Juntos Unidos in Nogales, Compañeros in Douglas and Puentes de Amistad in San Luis and Somerton) in the Champion Community have accessed various programs administered by Federal and state agencies, non-profits and the Arizona Community Foundation.
- The Nogales community-based organization Juntos Unidos is a FY1999 recipient of a \$50,000 EPA Sustainable Development Challenge grant. Puentes de Amistad in Somerton received a \$15,000 grant from the Arizona Community Foundation for a sewing cooperative and training center. Compañeros in Douglas received a \$12,000 Youth Conference grant that will address substance abuse, domestic violence and tobacco secession.

- USDA's Cooperative Research and Extension Service awarded Juntos Unidos, one of twenty nation-wide Community Food Projects that is a partnership among the Nogales Housing Authority, a local School-to-Work Program and an area organic farm.

*Historic Nogales Main Street Program.* The Historic Nogales Main Street Program is a collaborative effort between the Historic Nogales Main Street Program, the City of Nogales, the Arizona Department of Commerce's nationally affiliated Main Street Program, Nogales' private sector, the Arizona Department of Transportation, the Community Development Block Grant Program through the southeastern Arizona Council of Governments and Arizona's USDA Rural Development Business and Community Programs. More than \$7 million in grant, technical assistance and in-kind contributions have been dedicated to the revitalization of the commercial sector of the historic main street area of Nogales. The Nogales Housing Authority has accomplished much with an initial \$242,000 of Social Service Block Grant funding from the Round I designation. The community center has leveraged more than \$500,000 of additional grant and in-kind contributions which have resulted in classrooms for ESL courses and a carpentry training program as well as a recreational facility. The original \$242,000 investment is expected to result in a structure worth \$1 million to community residents.

*New Mexico Champion Communities.* There are three Round I Champion Communities along the border in New Mexico: Sunland Park, Dona Ana County, and Lordsburg. There is also a Round II Enterprise Community, the City of Deming Enterprise Community, which encompasses Luna County. (The City of Deming was also a Round I Champion Community.) While the impact of these designations has been varied, all four designations have raised the visibility of the issues and problems faced by border communities among planners, elected officials, and others. Several projects that came to fruition in the City of Deming Champion Community might not have if the lead entity had not gone through the planning process and strategic plan development required in Round I. Their successes in Round I helped make them more competitive in the next round and helped them earn a Round II EC designation that will continue to assist these areas in addressing the above issues.

*New Mexico Rural Development Programs.* The following are examples of Rural Development Programs in New Mexico.

- The Rural Utilities Service (RUS) has been very aggressive in southwestern New Mexico providing nearly \$50,000,000 in colonias W&WD grant funds to rural communities in the past nine years. Through loans and grants, the regular W&WD program has also assisted several communities. Existing systems were replaced, renovated and expanded, and areas without water or wastewater systems have received new systems. Many communities now have adequate water and wastewater systems.
- Fire protection through water storage, wells, fire hydrants, line replacement and extensions has been improved in various communities. For example, a new fire station was constructed in Silver City. The Village of Columbus received a new ambulance.
- The Village of Columbus did not have a community wastewater collection and treatment system. RUS furnished nearly \$2 million in colonias grant funds to build a lagoon type wastewater treatment plant and collection system serving the Village. This was a partnership with CDBG. The project was completed in August and today most of Columbus' residents now have access to a community wastewater system. Columbus recently received \$600,000 in additional CDBG funds which will be combined with remaining RUS funds to add more collection and residents to the system.
- San Pablo MDWCA was organized to provide water service to the unincorporated community of San Pablo, New Mexico. This community did not have an existing water system. Residents either hauled water or obtained it from shallow domestic wells, many of which were contaminated by septic tanks, agricultural residue and the like. RUS funded the construction of a new system that was completed last spring. Now at least 180 families have a safe, adequate supply of drinking water.
- La Union MDWCA was formed to provide water and sewer service in the unincorporated community of La Union, New Mexico. At present there is no community water or wastewater system but RUS has funded water system improvements (\$1.36 million) which are presently under construction. Within the next couple of months all of La Union along with the elementary school and adjacent rural residents will have a safe supply of drinking water.
- In this agriculture rich region there is often a need for housing for farm workers. In Hatch, New Mexico, farm laborers and their families were actually sleeping in the streets until USDA RHS multifamily and farm labor housing programs provided two projects which provided housing for 42 such families.

- One of the problems facing those in need of housing is a lack of affordable building sites. RHS assisted 119 families along the border obtain decent and affordable housing. The lack of other funding sources for those who do not qualify for RHS funding remains a problem, however.

*Texas Rural Development Programs.* Texas Rural Development programs have made significant investments in rural communities along the U.S.-Mexico border. Texas Rural Development field office personnel provide the funding and technical assistance to assist rural communities. Local Service Centers in El Paso, Fort Stockton, Uvalde, Alice, Hebbronville, Rio Grande City, Edinburg and San Benito serve the border region for the agency. Since FY1993, Texas Rural Development has invested millions of dollars throughout the border region. This investment includes the following:

- \$128 million for families and individuals to become homeowners by constructing or purchasing a single-family home.
- \$8 million to assist individuals, elderly persons and families repair their single-family homes and remove health and safety hazards.
- \$8 million for families and individuals who live in colonias to improve their living environment by providing a bathroom or kitchen in their home, or connecting them to water and/or sewer services.
- \$89 million for the construction and rehabilitation of multi-family housing so that families and individuals may live in safe and decent affordable housing in the border region.
- \$31 million for the development and renovation of housing for farm workers and their families.
- \$11 million for the development and support of community facilities along the border, including fire trucks and fire stations and community buildings such as health clinics, eldercare centers, head start facilities.
- \$7 million for housing preservation grants to support community-based organizations' efforts to rehabilitate single-family homes.
- \$32 million for the guarantee of business and industry loans made by a commercial lender for the start-up or expansion of rural businesses.
- \$8 million for loans and grants to governmental entities and nonprofit corporations to provide financial assistance and business planning and technical assistance to rural businesses through revolving loan funds to start-up or expand their efforts.

In addition to these efforts the Rural Utilities Service has provided \$260 million in project financing and technical assistance for water and wastewater treatment plant development and renovation throughout the border region since 1965. Special emphasis and funding has been placed on serving the colonias within this area.

*Partnerships with Border Nonprofit Corporations.* USDA Rural Development has also worked with the national rural housing intermediary, the Housing Assistance Council, to provide technical assistance to two nonprofit community-based organizations, the Neighborhood Housing Services of Dimmit County and the Community Council of Southwest Texas. These groups work with colonia residents and families to improve their housing conditions by becoming new homeowners or by repairing their homes. The Lower Valley Housing Corporation which serves El Paso County and the Proyecto Azteca which serves Hidalgo County in the Rio Grande Valley, two community-based nonprofit groups which are self-help housing technical assistance grantees, have worked with families to construct their own homes in order to lower the housing costs for the families. Many of these families are farmworkers or are presently living in colonias. The Rural Home Loan Partnership is a collaborative effort between Amigos del Valle, a nonprofit organization based in the Rio Grande Valley, the Rio Grande Valley Empowerment Zone and USDA Rural Development. Funds are leveraged from all sources to build affordable single-family homes in the Rio Grande Valley Empowerment Zone.

*Texas Champion Communities.* The Rio Grande Valley Empowerment Zone (RGVEZ) was designated in the first round of the EZ/EC process and received \$40 million. However, RGVEZ has leveraged more than \$100 million from various government, private and foundation-funded sources. The RGVEZ includes census tracts in Starr, Willacy, Hidalgo and Cameron counties. The Middle Rio Grande region was designated as the FUTURO Enterprise Community in the Round II Rural Empowerment Zone application process. As an EC, FUTURO will receive \$250,000 in its first year of funding to implement sustainable community development. FUTURO includes census tracts in Dimmit, Maverick, Zavala, Uvalde and La Salle counties.

### ***Providing Assistance to Farmers***

Livestock grazing and forestry on public lands makes an important contribution to the livelihood and culture of many local communities. The following table shows commercial use activity on the Bureau of Land Management's managed land in border states in FY1998.

**Commercial Use Activity in Border States on BLM-Managed Land in FY1998**

| <b>Commercial Use</b> | <b>Arizona</b>                           | <b>California</b>                        | <b>New Mexico</b>      | <b>Total</b>                             |
|-----------------------|--|--|------------------------|--|
| Livestock Grazing     | 815 leases & permits                     | 625 leases & permits                     | 2,313 leases & permits | 3,753 leases & permits                   |
| Timber Volume Sold    | 277,800 cu. Ft./<br>1.89 million bd. ft. | 109,200 cu. ft./<br>1.59 million bd. ft. |                        | 387,000 cu. ft./<br>3.48 million bd. ft. |

The Department of the Interior’s Bureau of Reclamation (BoR) manages, develops, and protects water and related resources in an environmentally and economically sound manner in the interest of the American public. It provides water to western farmers and other water users, operates hydroelectric power plants, and manages water recreational sites which are visited by 90 million people each year.

- Imperial Dam is an irrigation diversion structure on the lower Colorado River. It supplies water for irrigation on more than one million acres of land in the United States and Mexico. Imperial Dam is located on the Colorado River approximately 20 miles north of Yuma, Arizona. The dam provides water diversions to the All-American Canal and the Gila Gravity Main Canal. The 80-mile-long All American Canal serves the Imperial and Coachella Valleys in southern California and the Yuma Project in both California and Arizona. Approximately 2.6 million acre-feet of Colorado River water is delivered annually via the canal to nine cities and 5,000,000 acres of land in the Imperial Valley.
- The San Diego Project and the Yuma Project are two other water diversion projects in the border region. The San Diego Project consists of two aqueducts that carry water from the Colorado River and provide more than 90 percent of all the water used in San Diego County. The Yuma Project consists of one dam, a pumping plant, and a system of canals, laterals, and drains. The project provides water used to irrigate 68,091 acres in Yuma and surrounding counties.
- The Rio Grande Project furnishes a full irrigation water supply for about 178,000 acres of land, and electric power for communities and industries in the area. The project is located in south-central New Mexico and west Texas. Physical features of the project include Elephant Butte and Caballo Dams, 6 diversion dams, 139 miles of canals, 457 miles of lateral, 465 miles of drains, and a hydroelectric power plant. This project is divided into some large family-owned and many small farming units. Principle crops are cotton, alfalfa, vegetables, pecans, and grain.

## Rio Grande Project

Irrigable area:

|   |               |
|---|---------------|
| Full Irrigation Service                   | 159,942 acres |
| Supplemental Service                      | 18,342 acres  |
| Number of Irrigated Farms                 | 4,334         |
| Residential, Commercial, Industrial Lands | 18,273 acres  |
| Total Irrigable Lands                     | 196,557 acres |

Population Served:

|                            |         |
|----------------------------|---------|
| Farm Population Served     | 27,907  |
| Non-Farm Population Served | 538,273 |
| Total Population Served    | 566,180 |

Area Irrigated and Crop Value:

| Year | Actual Area Irrigated (Acres) | Crop Value (Dollars) |
|------|-------------------------------|----------------------|
| 1983 | 135,934                       | 150,879,263          |
| 1984 | 140,941                       | 125,048,695          |
| 1985 | 139,182                       | 153,358,760          |
| 1986 | 138,591                       | 144,967,409          |
| 1987 | 140,068                       | 153,701,514          |
| 1988 | 142,454                       | 146,407,375          |
| 1989 | 143,456                       | 160,692,757          |
| 1990 | 141,231                       | 179,190,484          |
| 1991 | 144,253                       | 204,534,004          |
| 1992 | 145,866                       | 210,261,850          |

- The Lower Rio Grande Rehabilitation Project in Hidalgo and Cameron Counties in Texas has rehabilitated the diversion, distribution, and drainage systems of La Feria and Mercedes Diversions to permit more efficient operation and maintenance of works. The reduction in water loss and waste has a significant effect on the economy of these counties as the water conserved helps minimize water shortages.

## XIII.Reinforcing Infrastructure in Rural Communities

- Objective 1:** Improve roads in rural border communities.
- Objective 2:** Improve border crossings and cross-border transportation networks.
- Objective 3:** Promote sustainable development of energy and mineral resources.

### *Improving Roads, Border Crossings and Cross-Border Transportation Networks*

The Department of Transportation (DOT) is currently engaged in a number of activities that support the goals and objectives of the Task Force on the Economic Development of the Southwest Border. Several of DOT's Operating Administrations manage funding programs that support the planning, development, operation and maintenance of transportation infrastructure in the Southwest Border region. These programs support the improvement of transportation service that is essential for economic growth and development in the region. These transportation facilities (including highways and airports) attract industry to the region and provide jobs for the local population.

Without adequate transportation services industry will have one less incentive to locate in the border region and the region's ability to compete with other areas of the country and with other countries will decline. Sustained and vigorous economic and community development in the Southwest Border region requires the maintenance and improvement of transportation infrastructure based on effective coordination among state and local governments in the border region and the private sector. The DOT is engaged in a number of joint cooperative activities with the Mexican government that are designed to improve transportation services across the border, to eliminate existing impediments to the safe, smooth and efficient flow of goods and people, and to encourage cooperation in the planning of transportation improvements that will benefit the entire economy of the U.S. border region and comparable areas in Mexico.<sup>1</sup>

The Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) and the Transportation Equity Act for the 21<sup>st</sup> Century of 1998 (TEA-21) are the primary pieces of authorizing legislation for DOT's surface transportation programs, which provide

---

<sup>1</sup> On this issue, the July 1999 GAO Report states: "As commercial and private vehicle traffic associated with growing economic integration has increased, it has put stress on the local infrastructure. Long lines at some crossings impede local traffic movement, contribute to air pollution, and can raise business costs if merchandise and parts are delayed. Traffic congestion is caused in part by inadequate infrastructure at some crossings, resource management issues, as well as how the ports of entry are managed. Another factor affecting congestion is the need to facilitate commerce and the movement of people across the border while at the same time protecting the nation against illegal immigration and contraband goods." (p. 29)

grants and other funds for use by states and local governments for highway and transit capital investment, planning and related purposes. TEA-21 authorizes a spending level of \$198 billion over six years. States and local communities in the Southwest Border region will be recipients of a significant portion of those funds.

This legislation also established the *National Corridor Planning and Development Program* and *Coordinated Border Infrastructure Program*. Both programs provide grants to states and localities in the Southwest Border region for the improvement of people and goods movement across the border between the U.S. and Mexico. Also, the Administration created the *U.S.-Mexico Joint Working Committee* in 1994 to strengthen the planning of cross-border transportation improvements. The following are brief descriptions of the major programs funded for highway and transit facilities as authorized by TEA-21:

- *National Corridor Planning and Border Infrastructure Programs (Section 1118 and sec. 1119 TEA-21)*. In recognition of the importance of border infrastructure and the corridors used for international trade and scarce resources, Congress established the National Corridor Planning and Development (NCPD) and the Coordinated Border Infrastructure (CBI) programs (Sections 1118 & 1119 of TEA 21). The purpose of the NCPD program is to provide allocations to states and metropolitan area planning organizations for coordinated planning, design, and construction of corridors of national significance, economic growth, and international and interregional trade. The purpose of the CBI program is to improve the safe movement of people and goods across the border between the United States and Canada as well as across the border between the United States and Mexico. These two programs are funded from a single source. The combined authorized funding is \$140 million in each year from FY1999 to 2003 (\$700 million total). Because of obligation limitations, \$123.6 million was available for allocation in FY1999.
- *Motor Carrier Safety Assistance Program (Section 4003 TEA-21)*. The Department of Transportation is strengthening partnerships with border states in enforcement activities. TEA-21 provides for a 5 percent takedown from the Motor Carrier Safety Assistance Program for border enforcement activities (\$25 million from FY1999 through FY2003). In FY1999, \$4.5 million was made available for this purpose. Border states use the funds to hire safety inspectors and purchase equipment among other things. Since 1995, DOT has provided the Southwest Border states with over \$10 million in additional grants. The Department has also hired an additional 27 Federal inspectors for the ports of entry in Texas. This will supplement existing Department staff of 13 and will complement enforcement programs in the four border states.
- *Highway Construction Programs*. The following programs provide funds to states for the construction, rehabilitation, planning and maintenance (Interstate System only) of highways and bridges.

- National Highway System. Authorizes the allocation of funds to individual states for use on highways and bridges in the National Highway System. Authorization levels are approximately \$4.8 billion yearly from 1997 through 2003.
- Interstate Maintenance Program. Provides funding to the states by formula for resurfacing, restoring, rehabilitating and reconstructing routes on the Interstate Highway System. Funding is approximately \$4 billion per year for the period 1997-2003.
- Surface Transportation Programs (STP). Provide flexible funding for use by states and localities for projects on any Federal-aid highway, transit projects and inter-city and intra-city bus terminals and facilities. Some funds are reserved for rural areas. Funding is approximately \$5.5 billion yearly for the period 1997-2003.
- Bridge Replacement and Rehabilitation. Provides funds to states for the replacement or rehabilitation of deficient bridges. Funding is approximately \$3.5 billion yearly for the period 1997-2003.

*U.S.-Mexico Cooperative Programs.* On April 29, 1994, Secretary of Transportation Federico Peña signed a Memorandum of Understanding that established the U.S.-Mexico Joint Working Committee on Transportation Planning (JWC) to establish a coordinated binational planning process for border transportation activities. The members of the JWC include representatives from the U.S. Federal Highway Administration, the Mexican Secretariat of Communications and Transportation (SCT), the U.S. Department of State, the Mexican Secretariat of Foreign Relations, the four U.S. border state Departments of Transportation, and the six Mexican border states.<sup>1</sup> The role of the JWC is as follows:

- To facilitate communication among the groups responsible for border transportation planning within the state, local and Federal governments in Mexico and the United States.
- To serve as a forum for coordination of border transportation planning and programming activities while respecting differing transportation planning processes and requirements in both countries.
- To be available as a forum for discussing other binational border area transportation issues.

---

<sup>1</sup> The U.S.-Mexico Joint Working Committee (JWC) is comprised of representatives from the United States Department of Transportation, Federal Highway Administration, the Mexican Secretariat of Communication and Transportation, the U.S. State Department, the Mexican Secretariat of Foreign Relations and representatives of the 10 border states. The ten border states include: Arizona, California, New Mexico, Texas, Baja California, Chihuahua, Coahuila, Nuevo Leon, Sonora and Tamaulipas.

In early 1995, the JWC initiated a binational transportation planning study to establish the framework for binational planning and coordination. This \$2.5 million study was jointly funded by the U.S. border states and the SCT. The study was completed in 1998, and the final reports were approved at the JWC meeting held in Washington, D.C., April 16-17, 1998. The study identified many opportunities for improving planning and operations at the border ports of entry.

To continue the operations of the JWC following the completion of the binational study, the JWC developed and approved a transition plan and a one-year work program. Both stress the importance of sharing the results of the binational study, and the JWC sponsored a symposium in Guadalajara, Mexico on July 30-31, 1998, to present the results of the binational study. The JWC committed to hiring full-time staff coordinators to assist in the implementation of the study recommendations and to promote the coordination of binational planning activities. In November of 1998, the JWC approved a 2-year work plan. The next meeting will be in Ensenada, Mexico in December 1999.

A key outcome of the binational study is a databank containing information on trade and traffic flows, socioeconomic data, and existing and planned border infrastructure improvements. The JWC is committed to updating and maintaining this databank, and the FHWA and Mexican Transportation Institute have assumed this responsibility. In addition, all reports and information from the binational study are available on the Internet.

*Border Technology Exchange Program.* The Border Technology Exchange Program (BTEP) was created by FHWA in 1994 to provide opportunities for sharing transportation information and technology between the U.S. border states and their counterparts in Mexico and Canada. BTEP's objectives include: creating a permanent technology exchange process that will survive regardless of political or financial influences; increasing institutional, technical, and legal compatibility; improving the transportation systems in the border region, making them safe for the users and facilitating the efficient and competitive movement of commerce in support of NAFTA; and enhancing professional and technical capabilities. [Note that TEA-21 did not designate funds for BTEP.]

An important future component of BTEP includes the development of technology transfer centers in the border area modeled after the Local Technical Assistance Program (LTAP). Currently, Arizona, New Mexico and Texas are in the initial stages of developing such centers in Hermosillo, Chihuahua, and Monterrey, respectively.

*Texas Regional International Electronic Border Crossing (TRIBEX) Field Operational Test.* FHWA has identified the need to evaluate strategies to expedite the movement of commercial vehicles at crossings along the United States-Mexico border. A cost sharing cooperative agreement was awarded to CALSTART which will be responsible for developing an International Border Clearance System (IBCS) to be installed at three border crossing sites in Texas: Columbia/Solidarity, Ysleta/Zaragoza, and Lincoln/Juarez

Bridge. The overall objective of this project is to develop and demonstrate the use of ITS technology in an integrated IBCS which will allow commercial vehicles participating in the program to pass through the international border crossing with expedited inspections. Hardware installation is complete. Delays in the communication link between the U.S. Customs primary booth and the Safety state roadside site have postponed the initiation of the pilot test indefinitely. The data system needed to link the two sites and share information is not available due to lack of funding from the Treasury Department.

*One DOT, One Government Border Initiatives.* A unique joint endeavor between four Federal agencies, the State of Texas, local community officials, and the Region VI One DOT Team is now helping to send a clear message that everyone in every vehicle needs to be protected from injury when entering the United States. Three simultaneous news conferences kicking off the Buckle the Border campaign were held on June 3, 1999. Partnering with the Texas Department of Transportation, local Safe Communities and area law enforcement agencies, the U.S. Departments of Transportation, Treasury, Justice and Agriculture joined together during International Highway Transportation Safety Week to promote the border events.

The three concurrent news conferences attracted unprecedented media coverage on both sides of the border, including radio, newspapers, and a total of 27 television stations representing major news affiliates in Mexico and the U.S. (Univision, ABC, NBC, CBS and Fox). News cameras recorded the action while Customs and Immigration inspectors examined incoming traffic and FHWA Office of Motor Carrier and Mexico Federal truck inspectors and others handed Buckle Up America fact sheets in Spanish to drivers and passengers of vehicles entering the United States.

Similar to USDOT's One DOT initiative, the Departments of Justice, Treasury and Agriculture have formed the Border Coordination Initiative (BCI) to more effectively address common issues between their agencies. The Buckle the Border campaign was immediately embraced by the BCI team.

Grants administered by the Federal Transit Administration (FTA) provide funding for the development of transit facilities and equipment that serve small communities and rural areas. Many of these types of areas in the Southwest Border region have only marginal access to transportation services. Public transit systems developed with the use of FTA funding can provide these populations with affordable and reliable transportation so that they can reach jobs and other needed services. Public transportation service is essential for future economic growth and development in the Southwest Border region.

- Formula Grants to Urbanized Areas. Provides transit capital and operating grants to urbanized areas with populations exceeding 50,000. Approximately \$3 billion per year for the period 1997-2003 has been authorized.
- Formula Grants for Other than Urbanized Areas. Provides transit capital and operating assistance to urbanized areas with populations below 50,000.

Approximately \$200 million per year is available for the period 1997-2003.

- Rural Transportation Accessibility. Provides funding for capital and training grants implementing the DOT final rule on accessibility requirements for Over the Road Buses. A competitive process has been established for the selection of grantees. The funding level for intercity, over-the-road service is set at \$17.5 million for the period 1999-2003. For other services (charter/tour operators) funding is \$6.8 million per year for the same period.
- Capital Grants and Loans Program. Provides discretionary grants for capital assistance for new fixed guideway systems, extensions to existing systems, and bus and bus related facilities. Funding is approximately \$2 billion per year for the period 1997-2003.
- Formula Grants for Special Needs of the Elderly and Individuals with Disabilities. Provide transit capital assistance to provide specialized transit service to elderly and disabled persons. Funding is approximately \$73 million yearly for the period 1997-2003.

*Airport Improvement Program (AIP)*. Funds collected from the Airport and Airways Trust Fund are allocated on the basis of a legislated apportionment formula to airports for airport development. A discretionary set-aside is allocated by the FAA to airports on the basis of needs identified by airports. Large and medium hub airports received a total of \$600 million from AIP in FY1997, small hub, reliever, nonhub and general aviation airports<sup>1</sup> received a total of \$866 million. The priorities used by the FAA in allocating AIP funds are safety enhancement, airport security, maintaining airport infrastructure and increasing airport capacity. Funding is also available under the AIP for planning airport development and for converting former military airports into commercial airports.

### ***Promoting Sustainable Development of Energy and Mineral Resources***

Public lands administered by the Department of the Interior's Bureau of Land Management (BLM) provide myriad opportunities for commercial activities and economic development. Commercially valuable natural resources include energy and mineral commodities, and special uses of land such as rights-of-way for pipelines and transmission lines.

---

<sup>1</sup> Large and medium hub airports enplane at least 0.25 percent of total annual national passenger boardings. Small hubs enplane at least 0.05 percent but less than 0.25 percent of national annual boardings.

- Energy and minerals generate the highest commercial production values. The public lands in the U.S. produce 33 percent of the nation's coal, 8 percent of its natural gas, and 5 percent of its oil. These lands also produce a large portion of the nation's fertilizer minerals, mineral materials, gold, silver, and other metals.
- Every year thousands of companies apply to the BLM to obtain right-of-way grants to use public lands for roads, pipelines, transmission lines, and communication sites.
- The Bureau of Land Management administers more than 40 million acres of surface estate and more than 100 million acres of subsurface mineral estate within the four border states of Arizona, California, New Mexico and Texas (see table that follows). More than half of this surface estate (approximately 21.6 million acres) is within 150 miles of the U.S.-Mexico border.

**Lands Administered by the Bureau of Land Management in Border States**

| State        | Surface Estate (Million Acres) | Subsurface Mineral Estate (Million Acres) |
|--------------|--------------------------------|---|
| Arizona      | 14.2                           | 17.5                                      |
| California   | 14.5                           | 47.0                                      |
| New Mexico   | 12.8                           | 41.1                                      |
| Texas        |                                | 3.6                                       |
| <b>Total</b> | <b>41.5</b>                    | <b>109.2</b>                              |

Source: *Public Rewards from Public Lands*, 1999, U.S. Department of the Interior, Bureau of Land Management.

The next table provides a summary of commercial use activity in the four border states on BLM-managed land in FY1998. Many, if not most, of these activities contribute either directly or indirectly to economic development on the border.

**Commercial Use Activity in Border States on BLM-Managed Land in FY1998**

| Commercial Use               | Arizona   | California  | New Mexico   | Total  |
|------------------------------|---|---|--|--|
| Mineral Materials (Salables) | 57 permits issued /<br>402,138 cu. yds.<br>Produced | 42 permits issued/<br>2,520,000 cu. yds.<br>Produced  | 775 permits issued/<br>1,100,000 cu. yds.<br>Produced    | <b>874 permits issued</b><br><b>4,022,138 cu. yds.</b><br><b>produced</b>              |
| Nonenergy Leasables          | 4 acres under lease/<br>468 tons produced           | 36,112 acres under<br>lease/ 954,378 tons<br>produced | 130,676 acres under<br>lease/ 2,750,000<br>tons produced | <b>166,792 acres</b><br><b>under lease</b><br><b>3,704,846 tons</b><br><b>produced</b> |

|  |   |  |  |   |
|--|---|--|--|---|
| Exploration & Mining Activity (Locatables) | 27 notices reviewed / 6 plans of operation reviewed | 30 notices reviewed / 47 plans of operation reviewed                 | 6 notices reviewed / 1 plans of operation reviewed                       | <b>63 notices reviewed/ 54 plans of operation reviewed</b>                        |
| Rights-of-way                              | 132 granted   | 157 granted  | 780 granted  | <b>1,069 granted</b>  |
| Oil & Gas Leasing                          |   | 436 new holes started/ 77,255 acres producing/ 5,461 wells producing | 761 new holes started/ 3,800,000 acres producing/ 25,820 wells producing | <b>1,197 new holes started/ 3,877,255 acres producing/ 31,281 wells producing</b> |
| Geothermal Production                      |   | 23 producing leases/ 3.3 million megawatt hours of energy            |  | <b>23 producing leases/ 3.3 million megawatt hours of energy</b>                  |
| Coal Production                            |   |  | 9 producing leases/ 4.9 millions tons produced                           | <b>9 producing leases/ 4.9 millions tons produced</b>                             |

Source: *Public Rewards from Public Lands*, 1999, U.S. Department of the Interior, Bureau of Land Management.

The Department of the Interior's Minerals Management Service (MMS) is the agency responsible for managing mineral resources on the Federal Outer Continental Shelf (OCS). Offshore oil and gas activities in the Western Gulf of Mexico (WGOM) directly and indirectly impact the coastal communities of Texas. While most of these activities take place in the northern and central counties of the state, some OCS dealings transpire in the southern coastal counties near the United States-Mexico border. The ports of Brownsville and Corpus Christi, both in Texas, service and maintain several rigs in the lower WGOM. It is estimated that almost 1,800 jobs are associated with mining activities, mostly in the oil and gas sector, in five Texas border counties: Cameron (city of Brownsville), Kennedy, Kleburg, Nueces (city of Corpus Cristi), and Willacy. Together these positions account for a payroll of nearly \$60 million. At present the port of Corpus Christi does not rely heavily upon OCS activities. It has the potential, though, to gain castoff OCS service jobs from the port of Galveston, which has shifted its focus to deepwater oil and gas servicing from other aspects of the oil and gas industry.

In the last several years, MMS has fostered relations with the Mexican oil and gas industry through joint environmental studies, technological transfers and information sharing. In 1997, the Gulf of Mexico OCS Region of MMS invited several oil and gas officials from Mexico to participate in its annual Information Transfer Meeting. It is believed that these efforts will lead to stronger relations in the future and will eventually result in increased OCS activities in the southern regions of Texas.

The Department of Energy (DOE) recognizes that the environmental, economic and technological needs along the border are great. The President's Interagency Task Force on the Economic Development of the Southwest Border provides a great opportunity to

coordinate efforts, not only within agencies but between agencies. To this end DOE has taken, or is taking, a number of steps to bring greater focus and leadership to its programs in these areas.

First, the Secretary of the Department of Energy, Bill Richardson, has made the border a priority by assigning a Senior Policy Advisor to work with the Office of International Affairs (IA) to coordinate the Department's response to the goals and objectives of the Task Force.

Second, in June, Secretary Richardson established a Department of Energy Working Group on Mexico to coordinate DOE programs and initiatives involving Mexico and to ensure that U.S. interests and Department priorities are promoted in a strategic manner. This group, which is led by the Office of International Affairs, will include a Southwest Border Initiative subgroup to help implement the Department's responsibilities under the Executive Order which created the Task Force, and will focus specifically on activities relevant to the border region, including materials research and technology transfer.

Third, DOE plans to work with community leaders, stakeholders, and the private sector in the border region to obtain their input as we set our research and development priorities. We plan to use upcoming conferences and other forums promoted by the Executive Order's Task Force to exchange information with all local stakeholders – in both the public and private sector.

Fourth, DOE is working to address barriers to technology transfer. In response to a June 1999 internal study reviewing the Department's technology transfer policies and procedures, the Secretary has formed a senior level working group and designated one of his senior advisors to serve as the Department's focal point for addressing technology transfer issues and to strengthen technology partnerships. Over the next few months, DOE will develop and update its guidelines and procedures to ensure consistency and uniformity across its programs and laboratories; to improve communication with the private sector in an effort to make partnership opportunities more accessible, easier to identify and quicker to initiate; and to establish ombudsman capabilities to assist industry in resolving any issues that may arise.

Fifth, DOE is expanding its involvement with other Federal and international agencies with regard to border issues. For example, DOE will be increasing its collaboration with the U.S. Environmental Protection Agency on energy issues in the U.S.-Mexico border region through the U.S.-Mexico Border XXI Program. The Border XXI program is a binational, interagency program aimed at protecting and improving environmental health while fostering sustainable development in the U.S.-Mexico border area.

Finally, on October 7, the Senate Committee on Energy and Natural Resources held a hearing to discuss how technology developed at DOE laboratories can play a role in promoting environmentally-sound economic development along the U.S. border with Mexico. DOE provided testimony on the Agency's plans to utilize Executive Order

13122 as a vehicle to coordinate our efforts to promote sustainable economic development along the Southwest border and address other concerns raised by the Committee.

The Department of Energy currently cooperates with other U.S. agencies and its Mexican counterparts on a broad range of energy and science and technology activities which are crucial to the economic development of the Southwest Border region. The aims of this cooperation are twofold: to promote continued and sustainable economic growth through the integration of our two energy systems and to find solutions to the energy-related problems facing our common border. Listed below are examples of domestic and bilateral efforts already underway.

- DOE is actively involved in efforts to reduce the region's air pollution problems. Through a bilateral agreement between DOE and the Mexican Secretariat of Energy on renewable energy and energy efficiency, DOE is promoting the use of clean, affordable energy along the border. In partnership with industry, the Department is working to develop new, advanced energy technologies that operate with greater efficiency and improved performance characteristics, resulting in lower emissions. This effort is supported by our Advanced Research program, which is helping to develop the new materials needed to achieve these performance goals. Additionally, the research tools developed in the joint U.S./Mexico Mexico City Air Quality project, conducted from 1991 to 1997, were applied to the El Paso, Texas/Juarez, Mexico/Sunland Park, New Mexico area to develop a model for ozone emission and control. DOE's role in this project, which began in 1994, concluded in 1996.
- The Department of Energy has in place a *Clean Cities Program* which is comprised of 76 communities and more than 35,000 stakeholders (governments, fuel providers, fleets, and automakers) working together to encourage fleet owners to purchase alternative fuel vehicles. This program provides support to a network of Clean Cities through competitive grant funding, decision-making tools, public information products, and case studies on fleets that are successfully using alternative fuel vehicles. By using cleaner-burning, alternative fuel vehicles, the cities in the program will be able to improve urban air quality and lessen the dependence on one type of fuel for their transportation sector. Two border cities currently participating in this program are El Paso, Texas and Tucson, Arizona.
- The Department is also engaged in a variety of activities to help ensure that the Southwest Border region has a long-term supply of reasonably priced, clean burning natural gas. For example, a four-year effort was initiated in 1998 with the University of Texas to recover gas in the Gulf of Mexico that has been missed or bypassed by conventional gas recovery processes. There are also a number of projects underway that seek to unlock the vast supplies of natural gas locked in the tight gas formations of New Mexico's San Juan Basin.

- DOE is working to provide economically viable alternatives to waste treatment and disposal methods currently being used in the border region. The Department has developed several groundwater remediation and waste disposal technologies that could help alleviate such problems along the border. Groundwater remediation technologies being developed by the Uranium Mill Tailings Remedial Action Groundwater Project are available for use to address border region needs. The Department is also exploring how any idle groundwater monitoring equipment could be used by border communities on a cost-recovery basis. In addition, the Department will continue its educational and collaborative efforts with Mexican and U.S. institutions both in the border region and elsewhere. To this end, DOE has invited Mexican participation in this month's 11<sup>th</sup> Annual Technical Information Exchange workshop. The Department is planning to include the Mexican government in ongoing DOE research and development efforts pertaining to subsurface contaminants and site characterization and in subsequent technology demonstrations.
- The Department of Energy is responsible for issuing Presidential permits for the construction and operation of cross-border transmission facilities, export authorizations for both electricity and natural gas and for natural gas pipelines. Increased integration of U.S. and Mexican energy supply systems promotes lower cost, less polluting, energy. DOE has formed a bilateral *Electricity Working Group* with the Mexican Secretariat of Energy to identify and promote opportunities for trade in electric energy and to facilitate regulatory approval of cross-border projects. One of the strategies of the working group is to develop a thorough understanding of the regulatory processes established in both countries and to identify ways of streamlining and coordinating these processes while maintaining compliance with their respective statutory and regulatory obligations.
- DOE is pursuing materials research with potentially direct application to the border region. Through the Department's Office of Science, more than \$20 million annually is being spent on an extensive program of materials research at both Sandia and Los Alamos National Laboratories. Moreover, through the Office of Energy Efficiency and Renewable Energy, DOE's national laboratories are pursuing applied research in a number of areas that could have important uses in the border region. For example, DOE is funding research on energy efficient electrochemical reactors that can potentially save up to 50 percent of the electric energy used by the chemical industry. The Los Alamos Laboratory is partnering with private industry to develop new materials that will reduce energy consumption, improve quality and reduce the cost of fiberglass and fiberglass product production.
- In the larger context of bilateral cooperation, the Department of Energy is an active participant in the U.S.-Mexico Binational Commission (BNC), where it co-chairs the Energy Working Group with Mexico's Secretariat of Energy. The Department also participates in the BNC's Science and Technology Committee. Some of these collaborative activities have a direct influence on the Southwest Border region. For example, the Department is working with Mexico to promote the use of the cleanest

and most efficient energy technologies. DOE is cooperating under an active Agreement on Energy Cooperation in energy efficiency, renewable energy, and energy-related waste remediation, and is currently negotiating additional areas of cooperation on clean energy technology. In addition, DOE and the Mexican Secretariat of Energy have established a High Level Working Group on Sustainable Energy to discuss the use of clean energy technologies to address environmental issues. Moreover, the Department, in cooperation with the U.S. Agency for International Development and the Mexican Government, is demonstrating the benefits of photovoltaic and wind technologies in rural environments in the border states. As part of this effort, water pumping systems for livestock are being installed on a pilot basis in several border states over the next two years.

## XIV. Cleaning Up the Environment

**Objective 1:** Address environmental health challenges.

**Objective 2:** Improve environmental infrastructure, specifically wastewater and drinking water treatment and the management of municipal solid waste.

**Objective 3:** Preserve border ecosystems.

### *Addressing Environmental Health Challenges*

The environmental goal and challenge for communities along the U.S.-Mexico border is to fully address environmental degradation and its serious health impacts on residents in the region. Along with promoting a clean and healthy environment for border citizens, the United States is working with Mexico to provide the necessary environmental infrastructure to remedy the threats posed by pollution, untreated domestic and industrial sewage flows, lack of safe drinking water, and inadequate solid waste disposal. In meeting these challenges, a proper balance must be struck between development and the need to protect fragile ecosystems that are threatened by this rapid growth.

Rapidly increasing populations and industrialization in border cities have overwhelmed existing water supply, wastewater, and solid waste infrastructure. According to recent reports by the North American Development Bank (NADBank) and the Border Environment Cooperation Commission (BECC), if the migration patterns of the period from 1990 to 1995 continue, the border population could grow by more than 100 percent (12 million more people) in the next 20 years. Two-thirds of this increase is expected to occur on the Mexican side of the border.<sup>1</sup> Untreated or partially treated domestic and industrial sewage flows are common in U.S. colonias and in Mexico. In some cases, sewer systems exist, but are very old and in need of replacement or border residents lack the means to connect to them. In addition, thousands of residents on both sides of the border lack safe drinking water and adequate solid waste disposal systems. In early 1999, the NADBank and BECC identified, on a project-by-project basis, border environmental infrastructure needs of at least \$1.7 billion over the next ten years. This estimate was based on conservative growth assumptions and could more than double.

---

<sup>1</sup> NADBank, *U.S.-Mexico Border Ten-Year Outlook: Environmental Infrastructure Funding Projections* (Summer 1999); BECC and NADBank, *Special Status Report* (August 1999). The BECC and NADBank were created as part of the North American Free Trade Agreement (NAFTA). The BECC, located in Ciudad Juarez, Chihuahua, and the NADBank, located in San Antonio, Texas constitute a new binational approach to environmental infrastructure development and financing in the Southwest Border region. Projects assisted by BECC and the NADBank focus on improvement of water supply, wastewater treatment and municipal solid waste disposal in communities located within 100 kilometers of the shared border.

In addition to the three binational institutions working to improve the environment along U.S.-Mexico border – the BECC, NADBank, and the International Boundary and Water Commission (IBWC) – the Environmental Protection Agency (EPA) has also invested great sums along the Southwest Border. EPA's Border XXI Program is an innovative binational effort, which brings together the diverse U.S. and Mexican Federal entities responsible for the border environment. It also serves as a model of cooperative efforts to promote sustainable development through protection of human health and the environment and proper management of natural resources in both countries.

### ***Improving Environmental Infrastructure***

*The Binational-Environmental Framework.* The border area faces binational environmental issues that are in large part caused by its recent population explosion, economic growth and largely arid climate. The need for environmental infrastructure improvement has been particularly acute on the Mexican side, where many communities lack potable water and adequate sanitation. Although most communities on the U.S. side have environmental infrastructure, many are in need of repair or require expansion.

Increased levels of urban and industrial water usage has increased uncertainty in the U.S. and Mexican border communities over future water supply. The two largest transborder communities, San Diego-Tijuana and El Paso-Ciudad Juárez, account for approximately two-thirds of the border population. Both communities face grave problems with future water supply shortages, particularly if population projections are borne out and boost the demand for water. For example, the San Diego-Tijuana region currently imports over 90 percent of its water from the Colorado River. However, this region's reliance on this source will have to be reduced as competition with other Colorado water users increases. The El Paso/Ciudad Juárez area depends on the Hueco Bolsón aquifer for its water supply, although it is estimated that potable water from this source will be exhausted by 2030. The water supply has also been threatened by agricultural runoff, and the dumping of raw sewage and industrial pollution into the rivers along the border.

A diminishing supply of clean and safe drinking water is not the border region's only environmental concern. A poor hazardous and solid waste infrastructure also presents a significant challenge to the environmental health of the border region. Mexican law<sup>1</sup> requires that hazardous wastes generated from raw materials imported into Mexico under the maquiladora program be returned to the country of origin for proper disposal. Because over 90 percent of maquiladoras are subsidiaries of U.S. companies the bulk of hazardous waste under the maquiladora program is required to be transported from Mexico back to the United States. Important waste issues arising from these products include improper management of hazardous waste, lack of publicly available data on

---

<sup>1</sup> The Agreement for the Protection and Improvement of the Environment in the Border Area provided a formal foundation for cooperative environmental efforts. The La Paz agreement defined the border region as the area within 100 kilometers (or 62.5 miles) to the north and south of the U.S.-Mexico border. Work carried out under the La Paz agreement is coordinated by two national coordinators: the International Affairs Coordinator in SEMERNAP and the Assistant Administrator for International Activities at EPA.

waste generated by maquiladoras, illegal transborder shipment of hazardous waste, health and environmental risks posed by inactive and abandoned disposal sites, and the need for development of new disposal sites.

Another pressing environmental concern is poor air quality stemming from increased vehicular traffic and dust from unpaved roads. The increase in the number of heavy duty trucks that cross the border are a major source of toxic particulate matter pollution. Ozone, carbon monoxide, and sulfur dioxide are other common air pollutants. The maquiladora sector and power generation plants emit large quantities of pollutants into the air from the combustion of fuels and fugitive emissions. These and other sources of air pollution pose a serious health threat to border communities.

A cooperative relationship already exists between U.S. and Mexican Federal environmental agencies and other U.S. and Mexican Federal agencies with responsibilities in environmental matters. Specific infrastructure funding programs are listed below.

- The IBWC built international wastewater treatment plants in Nogales and Nuevo Laredo, and has funded wastewater improvements in Mexicali and Tijuana. The Nuevo Laredo plant was funded by an \$18 million contribution from the U.S., a \$2 million contribution from the State of Texas, and a Mexican contribution in excess of \$35 million.
- EPA assisted in developing water supply and wastewater systems for colonias<sup>1</sup> in New Mexico and Texas. EPA's funding for colonias infrastructure development totaled \$320 million over the past six years, but this program will be phased out in 1999. (USDA-RD also conducts an environmental infrastructure development program for Southwest Border cities and towns under 10,000 population. See Section XII for further information.)
- EPA coordinated planning and construction of the Tijuana-South Bay International Wastewater Treatment Plant and Ocean Outfall with the IBWC, the State of California, and the City of San Diego. EPA funding for this project has totaled \$239.4 million to date. EPA similarly coordinated with the IBWC in planning and constructing wastewater systems for Mexicali and Nogales, as well as several Mexican cities along the Rio Grande/Rio Bravo. EPA funding for these projects totaled \$47.3 million.
- The U.S. Department of Commerce's Economic Development Administration (EDA) also provides funding for U.S. environmental infrastructure associated with economic development projects.

---

<sup>1</sup> Colonia, or 'neighborhood', is a common term used to refer to the poor communities that dot the border. See Section X for more information on colonias.

*EPA's Border XXI Program.* In February 1992, the environmental authorities of both governments released the Integrated Environmental Plan for the Mexican-U.S. Border Areas (IBEP). The IBEP was the first binational Federal initiative created under the assumption that increased trade liberalization would create additional stress for the environment and human health along the border. The plan proposed strengthening enforcement of environmental laws, increased cooperative planning, completion of expansion of wastewater treatment facilities, and the development of a computer tracking system on the transboundary movement of hazardous wastes.

The Border XXI Program, which was announced in 1996 and builds on the IBEP, is the most recent planning mechanism created by the two countries pursuant to the La Paz Agreement. The Border XXI Program is a binational, interagency program aimed at protecting and improving the environment and environmental health while fostering sustainable development in the U.S.-Mexico border area. This program emphasizes the following strategies in advancing the goal of sustainable development:

- Ensure public involvement in the development and implementation of the Border XXI Program.
- Build capacity and decentralize environmental management in order to augment the participation of state and local institutions in implementing the Border XXI program.
- Ensure interagency cooperation to maximize available resources and avoid duplicative efforts on the part of government and other organizations, and reduce the burden that coordination with multiple entities places on border communities.

Border XXI emphasizes public participation and strengthened cooperation with state and local agencies to achieve sustainable development along the border. The need to focus on regional solutions prompted the organization of the plan into five bilateral regions: California-Baja California, Arizona-Sonora, New Mexico-Texas-Chihuahua, Texas-Coahuila-Nuevo Leon, and Texas-Tamaulipas. The key Federal agencies involved in developing and implementing Border XXI are:

- The U.S. Environmental Protection Agency (EPA) and Mexico's Secretariat for Environment, Natural Resources and Fisheries (SEMARNAP) and Secretariat for Social Development and Environmental Protection (SEDESOL).
- The U.S. Department of the Interior (DOI), the U.S. Department of Agriculture (USDA), and SEMARNAP – natural resources.
- U.S. and Mexican Sections of the International Boundary and Water Commission (IBWC), DOI, EPA, and SEMARNAP – border water resources.
- The U.S. Department of Health and Human Services (HHS) and Mexico's Secretariat of Health (SSA) – environmental health.

Other important Federal participants involved in the Border XXI Program include the U.S. Department of State and Mexico's Secretariat of Foreign Relations, as well as the binational institutions, BECC and NADBank.

Border XXI has been implemented through nine binational Workgroups that integrate the efforts of other participating entities and define specific projects to achieve the program's objectives. The Workgroups are committed to encouraging active state participation in their endeavors and exploring additional mechanisms to promote border community participation and integrated regional planning.

Six Workgroups were initiated under the La Paz Agreement: water, air, hazardous and solid waste, pollution prevention, contingency planning and emergency response, and cooperative enforcement and compliance. Recognizing that the environment needs to be considered comprehensively, Border XXI integrated three new Workgroups: environmental information resources, natural resources, and environmental health. Each year, the nine Workgroups develop Annual Implementation Plans that identify Federal funding levels for a given year and describe specific projects that advance the long-term objectives contained in the Framework Document.

EPA is currently in the process of developing a Biennial Progress Report - an evaluation of the Border XXI Program since its inception that measures the five-year objectives delineated in the Framework Document. The Good Neighbor Environmental Board, a congressionally mandated advisory committee, will be completing a third party assessment that will be included as a separate section in the report. The Progress Report is due February 2000 and will be used as a tool for improvement during extensive public outreach that is planned for 2000-2001 and for the development of phase II of the Border XXI Program.

The following is a summary of EPA's accomplishments along the Southwest Border under its Border XXI Program.

- EPA Region 6 has been instrumental in the signing of several "*Sister City Emergency Plans*" between the cities of Eagle Pass/ Piedras Negras, Brownsville/Matamoros, and Laredo/Nuevo Laredo. El Paso/Ciudad Juarez will be signed soon. These plans address international coordination requirements for responses to emergencies involving hazardous substances. They represent the first step toward the development of an efficient, coordinated standard emergency response to hazardous materials spills that affect both countries. The completion and success of the plans is a result of the close working relationship between the sister cities and the desire for maximum response to emergencies in order to protect life and the environment. Additional "*Sister City Emergency Plans*" for all 14 sister cities along the border will be completed by the year 2000.
- EPA Region 6 began a colonia wastewater infrastructure construction assistance program to provide partial financial assistance to the States of New Mexico and Texas. EPA has

provided \$365,000 to the Office of the Texas Attorney General to assist in enforcing state laws in order to prevent developers from selling plots of land without also adding necessary infrastructure and utility hookups. This will help prevent substandard colonias from spreading along the border.

- With assistance from EPA Region 6, the colonias assistance programs of both New Mexico and Texas are proving to be very successful. They are among the cornerstones of the U.S.-Mexico border environment program. Wastewater projects completed or currently underway in EPA Region 6 represent more than \$410 million in commitments, and will benefit more than 300,000 people living in the Texas and New Mexico colonias.
- The *Economically Distressed Areas Program (EDAP)*, administered by the State of Texas, in partnership with EPA, funded the Colonias Wastewater Treatment Assistance Program (CWTAP). This is a financial assistance program for funding colonia water and wastewater needs. The EDAP/CWTAP construction grants/loans are committed to 52 projects for a total of \$305.81 million, and the expected number of residents to be served is 152,658.
- The Texas Natural Resource Conservation Commission and the Mexican Enforcement Agency PROFEPA have held a Permanent Pollution Prevention Program (P4) workshop and site assistance visits. The site visits were the last in a series of joint site assistance visits to maquiladoras along the U.S.-Mexico border. These visits have shown that participating facilities are continuing to implement pollution prevention projects, and they are making progress in waste reduction.
- Maquiladoras participating in an EPA Region 6-funded program have reported annual reductions of 4.5 million gallons of wastewater, 7,001 tons of hazardous waste, and 47,789 tons of nonhazardous waste. They have also reduced electricity usage by 8.6 million kilowatt hours per year. Participating plants saved a total of over \$5 million annually in disposal costs avoided, reduced input costs, and other savings due to implementation of the suggestions made by the Office of Pollution Prevention and Recycling and PROFEPA during the joint visits. A broader Industry Outreach Initiative is currently being planned.
- A one-day binational seminar for transporters and importers of maquiladora hazardous waste was also held. The seminar was part of an EPA Region 6 compliance assistance outreach program to provide the border maquiladora industry with a better understanding of importation of hazardous waste requirements. The seminar included discussions on enforcement policies, voluntary compliance incentives, Federal and state requirements, as well as case studies and the latest innovative technologies for pollution prevention. This was a joint effort between EPA, Mexico's environmental enforcement agency PROFEPA, U.S. and Mexican Customs, Texas Natural Resource Conservation Commission, New Mexico Environment Department and El Paso Community College.

- The *Hazardous Waste Tracking System (HAZTRAKS)* has been continually improved to monitor hazardous waste movements into the U.S. and take enforcement actions where appropriate for import violations. Under Mexican Law, maquiladoras generating hazardous waste from imported raw materials must return the waste generated to the country of origin. HAZTRAKS provides the capability to jointly track and monitor transboundary waste shipments. A link with Mexico's new system and new tracking forms is operational and has enabled both the U.S. and Mexico to better track the movement of hazardous waste across the border.
- From 1997 through 1998, EPA investigated over 48 companies importing hazardous waste and found that 22 companies (46 percent) were not in compliance with regulations. Settlements of 14 enforcement actions generated over \$355,000 in penalties.
- EPA's goal is to assure that all pesticides, even those legally purchased for home usage, are used safely. The EPA Region 6 Pesticide outreach strategy seeks to reduce the misuse of pesticides by educating children about the hazards and benefits associated with pesticides and the proper use of pesticides, as well as encouraging them to bring these messages home to their parents and siblings. The *U.S.-Mexico Pesticide Information Exchange* is an outreach program which promotes an ongoing exchange of information on pesticide laws, regulations, policy, enforcement practices and technical information between and among Mexican and U.S. Federal and state pesticide programs. In addition, Region 6 has developed and presented pesticides technology transfer courses for its Mexican technical counterparts since 1994.
- The U.S.-Mexico Program has developed a nine-step *Binational Environmental Education Plan for the U.S.-Mexico Border Region*. The plan outlines a process for establishing an effective binational network of Environmental Education (EE) providers who will work jointly to identify environmental education needs and develop an ongoing, comprehensive, binational EE program for the border region. Following a "bottoms-up" approach, the proposed strategy relies on locally-based EE providers who have first-hand knowledge of the environmental issues confronting their communities. The first step of the strategy is well underway.
- The EPA Region 6 *U.S.-Mexico Border Program* hosted two environmental education workshops in Laredo and Brownsville, Texas. The purpose of these meetings was to continue building an environmental education network of organizations and individuals concerned about and actively involved in border environmental education. The attendees discussed their environmental education activities and local problems, and U.S.-Mexico Border Program staff presented information on Border XXI and the Region's environmental education strategy. Attendees discussed how EPA can best assist them in their educational efforts. In addition, information on grants, training, resources and special programs was distributed to the participants.
- The EPA Region 6 U.S.-Mexico Border Program continues to develop its quarterly newsletter, the *Border Bulletin*, to increase outreach efforts with border communities, and

to keep the communities informed about environmental activities along the border.

- EPA Region 6 provided a \$50,000 grant in FY1998 to the Local Emergency Planning Committee in Eagle Pass, Texas, with a Memorandum of Understanding with the Kickapoo Indian Tribe. The fire department in Eagle Pass has trained and will continue to train the Kickapoos in structural fire and emergency response.
- In FY1999, EPA Region 9's Chemical Emergency Prevention and Preparedness Office within the Superfund Division awarded a total of \$103,000 for border activities to the cities of Nogales, Arizona (\$25,000), San Luis, Arizona (\$25,000), Douglas, Arizona (\$11,000), and Southwestern College (\$42,000) in San Diego, California. The Arizona grants will be used to support three municipal fire departments (and their Mexican counterparts) in their binational planning and response efforts by providing them laptop computers, internet service, radio communication equipment and some meeting support funds. The Southwestern College grant will fund comparative research on hazardous material data systems for responders for activities associated with binational preparedness and response to accidental releases in the border area.
- In FY1999, \$170,000 in grant funds was awarded to three border tribes to facilitate increased participation of 23 Arizona and California tribes in all aspects of the Border XXI Program, including participation in Workgroup meetings.
- In FY1999, \$200,000 was allocated to Naco, Arizona for a Brownfield Pilot project. The project involves the redevelopment of a 260-acre agro-business site where cattle were dipped with DDT, chlordane, and heptachlor before entering the U.S.
- \$135,000 in OCHP funds was awarded to the Nogales Children's Health Initiative (the grantee is Child & Family Resources) for community outreach and education to reduce exposure to air toxins and to improve the respiratory health of children in Nogales, Arizona. A local team composed of health professionals, city and county school officials, businesses, citizens groups, academics, clubs, and local parents is working on the project. 200 of the projected 775 home visits have already occurred.
- Project Concern received \$40,000 as a demonstration project for community-based hygiene and water purification programs for 10 colonias in Tijuana. The project is designed to increase understanding of environmental sanitation, demonstrate simple, low-cost techniques for water storage and disinfection, and improve hygiene-related behaviors.
- In FY1999, Region 9 provided \$131,000 for pollution prevention projects in Tijuana and Mexicali. The Tijuana project is a continuation (phase II) of Border Waste Wi\$e, a multi-sectoral project that assists industries in Mexico in reducing their hazardous wastes, wastewater, and energy use. The goal of the second phase is to establish a revolving fund with seed funding from fees collected from companies who show a cost savings. The Industrial Environmental Association is working together with the Border Trade Alliance

and companies in the Tijuana area. The Mexicali project is in the formative stages, but will focus on education and outreach on toxins in the New River.

- By the end of FY1999, \$12 million will have been allocated to 14 border tribes for water and wastewater infrastructure (11 wastewater systems & 23 water systems). Total set aside is \$22 million.

*Tribal Participation in the Border XXI Program.* Over the past few years, EPA has made a concerted effort to more effectively engage both state and tribal governments. Accomplishments are listed below.

- Recognizing the need to have an EPA representative placed in the border area who could specifically respond to tribal concerns, Region 9 hired a border tribal outreach coordinator in August 1998.
- In March, 1998, the U.S. Co-Chairs of the nine Border XXI Workgroups (Air, Water, Pollution Prevention, Cooperative Enforcement and Compliance, Contingency Planning and Emergency Response, Environmental Information Resources, Hazardous and Solid Waste, Environmental Health, and Natural Resources) confirmed their desire to include U.S. border tribes as partners in the Border XXI Program and within the Border XXI Workgroups and Subworkgroups.
- Through the Border Tribal Grant Program, \$17 million was allocated in FY1997 and \$5 million was allocated in FY1998 in grants for wastewater and drinking water infrastructure projects for border tribes. Fourteen of the 27 border tribes submitted proposals and all were awarded funds. The \$17 million in funds have been distributed in both direct grants to Tribes and through Interagency Agreements (IAG) with the Indian Health Service (IHS). A request for proposals for the remaining \$5 million will soon be distributed to border tribes.
- In 1998, responding to state and tribal pressure for additional commitments of participation, EPA, DOI, and HHS began developing “Coordination Principles” acknowledging the significant role that state and tribal governments play in the binational BXXI Program and workgroups. The Coordination Principles recognize the sovereignty and cultural tradition of border tribes. Tribal leaders added the following language which was approved by all signatories: “ U.S. Indian Tribes are sovereign nations, and all Indian communities in the border area have a long tradition of stewardship of the border region, which calls for their active participation in the Border XXI Program, workgroups, and sub-workgroups”.
- EPA Region 9 provided \$35,000 to Campo for an environmental education grant in 1999. The objectives of the project are to: 1) provide trilingual environmental education materials for the schools in Indian communities in the California/Baja region; 2) reinforce mechanisms for the transmission of traditional environmental management concepts from elders to youth; and 3) establish new partnerships

between teacher, students and elders related to environmental education. Campo environmental education representatives are currently working with the Instituto Culturales Nativas de Baja California (CUNA) to implement the project on both sides of the border.

- In 1999, EPA Region 9 granted \$40,000 to the Environmental Education Exchange to expand their environmental education program along the border. The Tohono O’odham Nation has endorsed this program.

*The Border Environment Cooperation Commission (BECC).* The Border Environment Cooperation Commission and its sister institution, the North American Development Bank, were chartered under the auspices of the North American Free Trade Agreement (NAFTA). The primary roles of the BECC are to provide technical assistance to border communities for project development and to certify environmental infrastructure projects in the border region for financing consideration by the NADBank and other sources. Certification is based on a set of environmental, health, technical, financial, community participation and sustainable development criteria, through a process that ensures extensive public input. The BECC’s technical assistance helps ensure technically sound and feasible projects, master plans, project design, environmental assessment and local institutional capacity-building.

BECC’s Technical Assistance Program provides assistance to border communities in planning, designing and operating water supply, wastewater treatment, solid waste and other improvement projects along the U.S.-Mexico border. To date, the BECC has approved approximately \$15.5 million for 78 communities for assistance in the development of 107 infrastructure projects and/or concepts.

| Country       | Communities | Projects/ Concepts | Amount              | Percent     |
|---------------|-------------|--------------------|---------------------|-------------|
| Mexico        | 45          | 71                 | \$8,365,419         | 54%         |
| United States | 33          | 36                 | \$7,100,585         | 46%         |
| <b>Total</b>  | <b>78</b>   | <b>107</b>         | <b>\$15,466,004</b> | <b>100%</b> |

*The North American Development Bank (NADBank).* The North American Development Bank was established to finance environmental infrastructure projects along the U.S./Mexico border, as well as community adjustment and investment in both nations. Established in FY1995 and funded jointly by the U.S. and Mexico, the NADBank provides financing (loans, guaranties, and grants) for projects that have been certified by the BECC (principally water, wastewater, and solid waste treatment) that are located within 100 kilometers of either side of the border.

In its advisory role, the NADBank provides financial and managerial guidance to communities that may require assistance with comprehensive, long-term infrastructure planning and development. The NADBank works to structure affordable and equitable financial packages by locating funding from both public and private sources. The NADBank provides loans intended to fill financing gaps not covered by other sources, while its guaranties are designed to encourage financing from other lenders. To help

make projects more affordable, the NADBank also administers U.S. Environmental Protection Agency (EPA) grant resources through the Border Environment Infrastructure Fund (BEIF) as a complement to its loan and guarantee program.

Since its establishment, the Bank has completed agreements on over \$130 million in loans, guaranties, and grants to help finance 14 environmental projects, six in Mexico and eight in the U.S. Twelve of these projects are already under construction, and together with the two currently in preparation for construction, they represent a total investment of over \$450 million in construction.

The NADBank has created various programs to complement its loan and guarantee program and further facilitate project development. In particular, the following NADBank programs provide much needed investments in the Southwest Border:

- *Border Environment Infrastructure Fund (BEIF)*. Designed to make projects viable and affordable for border communities, this program administers grant resources provided by other donors. Established with an initial EPA contribution of \$170 million for water and wastewater infrastructure projects, BEIF funds may be applied directly to construction costs (construction assistance); to debt service payments, thereby allowing user fees to be increased gradually over time (transition assistance); or to connect low-income households to water and sewage systems (hook-up assistance). In July 1999, EPA approved the Bank's application for an additional \$41 million in Federal grant assistance in support of the BEIF.

As of August 1999, NADBank and EPA had authorized a total of \$129 million in BEIF grants for thirteen water and wastewater projects. Grants totaling \$93.9 million have been finalized for ten of these projects.

- *Institutional Development Program (IDP)*. The NADBank established the IDP to provide technical assistance grants to improve the management capacity of local utilities in the border region. The IDP has 93 projects in 70 border communities for a total cost of \$5.15 million.
- *Border Utility Management Institute (UMI)*. The NADBank recently inaugurated the UMI, funded through its Institutional Development Program. The UMI will provide the Bank's clients - utility managers and their staff members - with an on-going professional development program aimed at enhancing managerial and financial skills. The UMI began its first classes in the fall of 1999.
- *Solid Waste Environment Program (SWEP)*. To complement the Bank's activities in water and wastewater, the NADBank has developed a new \$5 million pilot grant program for disposal of municipal solid waste. The SWEP was developed with input from the residents of the communities along the border that are served by the Bank and will target the needs of small border communities in particular. This program will allow communities that have not been able to afford comprehensive solid waste

projects in the past to provide the kind of self-sustaining solid waste systems they need.

*BECC and NADBank Project Development.* To date, the BECC has certified 31 projects, representing a total investment of approximately \$682 million, that will benefit over six million border residents. The sponsors of 24 of these projects have requested financial assistance from the NADBank. The NADBank has authorized loans, guaranties and/or BEIF grants totaling approximately \$154.5 million to partially finance 20 infrastructure projects. These projects will represent a total investment of \$551.8 million, benefiting an estimated six million residents on both sides of the border. Four additional projects are in the design stage: they will benefit an additional 1.2 million people and represent an approximate additional investment of \$105 million, including an estimated NADBank participation of \$38 million.

As of August 1999, the Bank had signed loan and or BEIF agreements for 14 of the 20 approved projects: seven loans totaling \$11.15 million and ten BEIF grants totaling \$93.9 million. Approximately \$38.5 million in NADBank loans and/or BEIF grant funds has already been disbursed for 14 of these projects, and 12 projects are already under construction.

The BECC and NADBank are currently working with the following U.S. communities along the Southwest Border:

**Arizona:** Bisbee, Douglas, Nogales, Patagonia, Somerton  
**California:** Brawley, Calexico, Descanso, San Diego, Westmorland, Heber  
**New Mexico:** Berino, Salem/Ogaz, San Pablo, Vado/Del Cerro, Chamberino/  
La Union  
**Texas:** Alton, Del Rio, Donna, El Paso, Laredo, Roma, Sanderson,  
Texas state Colonias Hook-up Project, Mercedes

*International Boundary and Water Commission (IBWC).* The International Boundary and Water Commission also plays an important role in providing environmental infrastructure. Established in 1889, the IBWC has developed a strong, complimentary relationship with the BECC and the NADBank and continues to work on environmental projects that provide economic and social benefits to people in both countries. The Commission contributes to public health in both countries by working with environmental, water, and public health agencies to resolve border sanitation problems. The IBWC also works to settle difficult U.S.-Mexico boundary and water problems.

The IBWC, on a case by case basis, utilizes funds made available by the EPA to the U.S. Section of the IBWC to support U.S./Mexico border communities that request assistance in the development of wastewater infrastructure project plans. The IBWC works to enhance such plans' eligibility for BECC certification for financing from the NADBank or other financial institutions that request certification. The focus of the IBWC remains

improvement of the quality of international waters and the health and well-being of inhabitants on both sides of the border.

The following is a summary of the IBWC's U.S. Section Border programs and projects:

### **Arizona**

- Evaluate impact of a Yuma, Arizona Desalting Plant on Cienega de Santa Clara wildlife habitat (with U.S. Department of Interior, Bureau of Reclamation).
- Upgrade international wastewater treatment plant for Nogales, Arizona and Nogales, Sonora, and implement pretreatment program; conclude facility planning for treatment and collection works in Mexico.
- Complete Nogales, Arizona infiltration/inflow study (with EPA, Arizona Department of Water Resources, Santa Cruz County, and Nogales).
- Address environmental pollution in Douglas; oversee effluent discharge to Mexico.

### **California**

- In early 1997, the IBWC completed construction of the primary treatment plant as part of the South Bay International Wastewater Treatment Plant in San Diego. Completion of the entire project, including adding secondary treatment, will effectively resolve the 50-year-old Tijuana sewage problem, benefiting residents on both sides of the border.
- Upgrade Mexicali I Wastewater Treatment Plant; construct new Mexicali II plant to improve water quality in New River, which flows to California (Calexico) (with EPA, California, Regional Water Quality Control Board, Mexico).
- Continue monitoring New River to document levels of pollution and water quality improvements from Mexicali project (with EPA, California Water Resources Board, Colorado River Basin Region).

### **Texas**

- In 1996, the IBWC completed construction of the Nuevo Laredo International Wastewater Treatment Plant to help clean up the Rio Grande.
- Screen Rio Grande River for prevalence, magnitude, and impacts of toxic chemicals (with EPA, various Texas agencies).

## **Borderwide**

- Continue to develop watershed and ecosystem protection; exchange and support of information and technical development; produce a single document determining materials needs for the hydraulic and wastewater infrastructure (with EPA, states, Mexico, and others).

*EPA Environmental Justice Program.* In 1993, the Environmental Protection Agency established a program to examine and integrate environmental justice issues into its overall agency strategy. As part of this program, EPA responds directly to a variety of issues raised by environmental justice communities, liaisons with regional environmental justice groups and networks, including the International Subcommittee of the National Environmental Justice Advisory Council (NEJAC).

In an effort to facilitate dialogue between the EPA and other governmental agencies and community members along the U.S.-Mexico border, the NEJAC hosted a Roundtable for Environmental Justice in National City, California August 19-21, 1999. The purpose of the Roundtable was to initiate a process for diverse stakeholders to address environmental justice issues in the U.S.-Mexico border region and lay the groundwork for the development of an environmental strategic workplan for the border. Following the Roundtable, EPA hopes to continue to work with the NEJAC to follow-up on specific environmental related issues in the border communities.

In its Environmental Justice program EPA aims to: provide training and outreach to other Federal agencies on environmental justice issues of community concern; improve public information and participation in public policy processes; and award environmental justice grants to community groups. The EPA Environmental Justice Program provides staff, resources and leadership to the Federal Regional Council (FRC) Border Committee. The FRC is a consortium of twenty different Federal departments and agencies in Region 9 working in partnership to better serve the public.

The Border Committee convenes monthly, most recently meeting on September 15, 1999 to adopt recommendations supporting the goals of the Executive Order 13122. It is currently working to: construct an interagency database on environmental-related border projects; identify opportunities for conducting outreach and technical assistance to border communities to enhance their information on the availability of Federal grants and programs; and provide complementary programs and strategies to the President's Interagency Task Force on the Economic Development of the Southwest Border.

In October 1999, a training collaborative organized by EPA Regions 9, 8 and 6 conducted three days of environmental justice training for Federal and state agencies involved with the Southwest Strategy. The goal of these training sessions were to assist agencies in meeting their obligations under the Executive Order on Environmental Justice and to encourage and enhance the effectiveness of state agencies in addressing environmental justice issues in a proactive manner.

The 1998 EJP projects are now complete and were successful. Funding for the 1999 projects was awarded recently and the projects are just commencing. Recent participants in the Environmental Justice Grants Program include:

- 1997-98 Grant Year. Sonora Environmental Research Institute in Tucson received a grant for a Household Hazardous Materials bilingual education project. The Institute developed and distributed active learning workbooks to schools and the general public in English and Spanish. The project incorporated workshops for teachers to enhance general and technical understanding of hazardous materials and included outreach to parents and residents through environmental forums and events.
- 1996-97 Grant Year. The Environmental Health Coalition in San Diego received a grant for their Toxic Free Barrio Logan Campaign. This campaign was a combined effort of EHC and the Mercado Apartments Tenants Association. The goal was to educate, empower and organize residents of Barrio Logan around environmental justice issues. The campaign motivated residents to participate in community decisions by conducting a community health survey and monthly environmental health updates at the Tenants Association meetings.

### *Cleaning up Brownfields*

Brownfield sites include abandoned factories and other industrial facilities, gasoline stations, oil storage facilities, dry cleaning stores, or other businesses that deal with polluting substances. Since 1993, the Administration has taken a series of actions to clean up and redevelop brownfields in the Southwest (the cities of Brownsville, Laredo and Naco) and return them to productive use including: providing seed money to communities for revitalization; removing regulatory barriers to redevelopment; and providing a targeted tax incentive to businesses that purchase and clean up the sites.

Vice President Gore announced the Administration's Brownfields National Partnership in 1997 to bring together resources of over 20 Federal agencies to address brownfield cleanup and redevelopment issues in a coordinated approach. This initiative brings Federal agencies together with financial and technical assistance to revitalize brownfields.



## XV. Protecting the Border, Shoring Up Law Enforcement and Preventing Crime

**Objective 1:** Protect the border by combating narcotics and smuggling-related crimes.  
**Objective 2:** Support border community anti-crime programs.

The Southwest Border stretches over the two thousand mile land frontier between the United States and Mexico, and extends into the waters of the Gulf of Mexico in the east and the Pacific Ocean in the west. The cultures of both nations are enriched by daily interchanges in the region, and the efficient movement of legitimate commerce and people across the border enhances America's economic welfare. In 1998, 278 million people, 86 million cars and 4 million trucks and rail cars entered the United States from Mexico. This immense - and growing - volume of traffic represents an opportunity for those who would violate U.S. laws, making control of our borders and ports of entry essential to ensuring the rule of law and preventing the introduction of contraband into the United States.

While the passage of NAFTA has increased the amount of cross-border trade and business between both nations - especially in Texas, California, New Mexico and Arizona - the Southwest also remains a principal entry point for drugs, firearms, the smuggling of persons, and other criminal activity including money laundering and corruption. A majority of the narcotics and dangerous drugs seized in the United States has passed through the Southwest Border. The Southwest Border is also a transshipment point for contraband being smuggled out of the U.S., including stolen motor vehicles, goods stolen from interstate commerce, illegal firearms, and illicit currency (primarily the proceeds of drug trafficking).

Multiple government agencies are tasked with maintaining the flow of legal migration and trade while protecting the United States from the smuggling of drugs, illegal aliens, and other contraband. The U.S. Customs Service (USCS) has primary responsibility for ensuring that all movements of cargo and passengers through ports of entry comply with Federal law. Customs is also the lead agency for preventing drug trafficking through airports, seaports, and land ports of entry, and for stemming the flow of illegal drugs into the United States through the air. The Immigration and Naturalization Service (INS) is responsible for ensuring that only legally authorized individuals enter the U.S., and its U.S. Border Patrol is the primary Federal interdiction agency along our land borders with Canada and Mexico. The Border Patrol specifically focuses on drug and alien smuggling between land ports of entry. The U.S. Coast Guard (USCG) is the lead Federal agency for maritime drug interdiction as well as for interdicting illegal aliens who attempt entry via maritime routes, and shares lead responsibility for air interdiction with Customs. The Department of Defense (DOD) also contributes to border security, providing invaluable support to Federal, state, and local law enforcement agencies involved in drug-control operations in the Southwest Border region.

While the challenges faced on the Southwest Border by our law enforcement officials are significant and complex, they are not insurmountable. The law enforcement agencies with responsibilities along the Southwest Border continue to enhance their collective capabilities in this vulnerable region.

### ***Combating Narcotics and Smuggling-Related Crimes***

Border crossings serve as choke points where criminals are vulnerable to detection and capture. Smuggling operations, increasingly run by organized crime groups, sneak tens of thousands of illegal immigrants into the U.S. Effective enforcement activity along the borders not only reduces smuggling-related crimes, but also denies international criminals resources they need for other illicit activities.

In 1993, the Administration launched a comprehensive plan to crack down on drugs, violent crime and smuggling along the Southwest Border. The plan – the *Southwest Border Initiative* – involved a major expansion in Federal law enforcement personnel, augmented aid to state and local law enforcement, increased cooperative efforts with Mexican law enforcement officials, deployed additional state-of-the art detection and surveillance technology, and coordinated the overall U.S. effort more effectively.

Under the Southwest Border Initiative, more than 550 new prosecutors and 1,200 new immigration officers have already been dedicated to combating violent crime, drug trafficking, illegal immigration and smuggling along this border. Federal funds also have been directed to local communities along the border to hire hundreds of new police officers. This plan will continue to be implemented vigorously and, within projected agency budget targets, will be expanded to include new resources and new technologies as they come on line.

Recent increases in law enforcement efforts along the Southwest Border have helped to generate dramatic results. Between 1994 and 1995 serious crime dropped approximately 30 percent in San Diego, California and approximately 20 percent in Brownsville, Texas. After the deployment of new inspection techniques by the Customs Service, narcotics seizures increased by 24 percent in 1996 alone. As we continue to strengthen patrol of our southern border, we will improve efforts along other border regions, which are increasingly gaining the attention of smugglers as our Southwest Border efforts thwart their criminal actions.

In addition, since 1995, Federal law enforcement agencies along the Southwest Border have intensified efforts to identify, investigate, prosecute and remove law enforcement officials stationed along the border who are involved in corrupt activities or who use their positions of trust to facilitate illegal activity.<sup>1</sup> These efforts include investment of resources and manpower

---

<sup>1</sup> As noted in the July 1999 GAO Report, with reference to drug enforcement and corruption: “Drug-related corruption of law enforcement is not limited to Mexico. Some U.S. Immigration and Naturalization Service and U.S. Customs Service employees on the U.S. –Mexico border have engaged in a variety of illegal drug-related activities. Such activities have included waving drug loads through at the border crossings, coordinating the movement of drugs across the border, transporting drugs past U.S. Border Patrol checkpoints, selling drugs, and disclosing drug intelligence information to drug traffickers.” (p.21)

by Federal agencies and the creation of public corruption task forces and interagency working groups to form a strong, unified response to corruption along the border.

The Southwest Border is the most vulnerable geographic area of the country to trafficking of the widest variety of illegal drugs. The coastal areas off California and Texas and the dozens of legal crossing points along the 2,000 mile wide-open border afford traffickers unparalleled access to maritime, land, and air smuggling routes, using all conceivable conveyances. Among the crossing points are 24 ports-of-entry, four of which are the busiest in the world, through which multi-ton quantities of drugs are intercepted annually.

*High Intensity Drug Trafficking Areas (HIDTAs)* are regions with critical drug-trafficking problems that harmfully affect other areas of the United States. The Director of the Office of National Drug Control Policy designates these locations in consultation with the Attorney General, heads of drug-control agencies, and governors. There are currently 31 HIDTAs. Established in 1990, the *Southwest Border HIDTA*, and its five regional components, was one of the first areas so designated. During the ensuing years, the program along the border has fostered an unprecedented level of Federal, state and local cooperation. Today, 86 local, 17 state, and 12 Federal agencies participate in 84 HIDTA intelligence, enforcement, interdiction, prosecution, and support initiatives which implement the joint strategies developed to reduce drug trafficking in the Southwest and nationally. This effort involves 1,882 full-time personnel and 1,251 part-time enforcement personnel who work together to shield the United States from the destruction caused by illegal drugs smuggled into our country.

Due to the scope and complexity of the region, the Southwest Border HIDTA implements border-wide initiatives and coordinates five regional HIDTAs: California Border Alliance Group, Arizona Alliance Planning Committee, New Mexico Partnership, South Texas Partnership, and West Texas Partnership. As part of a comprehensive border-wide plan, each of the five Southwest regions has multi-agency task force initiatives that are part of the Southwest Border HIDTA 1999 Strategy. The California Border Alliance Group has eighteen major initiatives, the Arizona Alliance Planning Committee has twenty-four major initiatives, the New Mexico Partnership has twelve, the West Texas Partnership has twelve, and the South Texas Partnership has sixteen. In some cases the task force and the initiative transcends state borders.

*The Border Coordination Initiative (BCI)*. Recognizing a number of existing shortcomings in law enforcement on the Southwest Border, the Departments of Justice and Treasury developed an alternative plan in September 1998. This centerpiece of Federal efforts to improve law enforcement coordination along the Southwest Border is the Border Coordination Initiative.

The Border Coordination Initiative is based on the proven success of the Customs and INS Port Management Model, pioneered in San Ysidro, California, and calls for specific changes and improvements in port coordination, intelligence, and enforcement along sectors between ports. BCI has the additional benefit of building on the efforts of the two agencies (Customs and INS) most clearly responsible for the security of the Southwest Border without complicating reporting or support relationships.

The initial purpose of BCI was to create a seamless process at and between land border ports of entry by building a comprehensive, integrated border management system that effectively achieves the mission of each agency. Since its inception, BCI's scope has grown enormously. In fact, to date, it has proven itself to be the most effective mechanism for coordinating the law enforcement activities of agencies operating along the Southwest Border of the United States. That coordination has produced results. A comparison of like time frames from 1998 to 1999 shows an increase in narcotics seizures along the Southwest Border - cocaine seizures are up by 27 percent, marijuana seizures are up by 23 percent, and heroin seizures are up by 33 percent.

BCI was designed to enhance communication, coordination, and operational effectiveness among Federal agencies with responsibility for protecting the border area as well as facilitating legitimate commerce. Eight core initiatives form the framework for BCI. They include:

- Port Management – streamlines enforcement, traffic flow and community partnership at each Southwest Border Port of Entry (POE).
- Investigations – provide a unified strategy for Southwest Border seizures that capitalizes on investigative enforcement operations at and between POEs.
- Intelligence – multi-agency intelligence teams to gather national and local intelligence. Produce informational and actionable products on narcotics and alien smuggling, money laundering and other border crime.
- Technology – provides for inter-agency coordination on use, implementation and development of border enforcement technology.
- Communications – development of interoperable, mutually supportive, wireless communications through joint user training, compatible systems and shared frequencies.
- Aviation/Marine – coordination of joint air/marine operations.
- Integrity – identification of joint training initiatives and policy development aimed at producing uniform guidelines among Southwest Border law enforcement personnel.
- Performance Measurement – systematic, scheduled and agreed upon evaluations of BCI's effectiveness.

BCI's goals of improved enforcement and cooperation are being achieved from Imperial Beach, California to Brownsville, Texas. By endeavoring to understand each other's mission, BCI participants are announcing joint successes, instead of claiming individual agency credit. They are openly and honestly communicating with each other and including stakeholders in appropriate areas. Community and business leaders are part of the coordination process and their input has proven invaluable as demonstrated by the reduced "wait times" and simultaneous increase in narcotics seizures at the border.

What began as a planned 5-year project between USCS and INS is now a model of cooperation not only between those two agencies, but also among virtually all Federal inspection services along the Southwest Border. The Departments of Justice and Treasury continue to support and endorse the program, while others, including the Department of Agriculture and the Department of Transportation, are full-time participants and contributors to the enforcement process. The Department of the Interior has added value to this coordination effort through the activities of the Fish and Wildlife Service. State and local departments are involved on an ad hoc basis at the present time. However, their role will be more clearly defined as BCI moves into Phase II.

The “culture change” within the Southwest Border law enforcement community that is essential to the success of the BCI is underway and spreading. There has been widespread “buy-in” by all those taking part in BCI. Expenditures have been minimal, while joint success stories are reported in the hundreds. Enforcement operations, which traditionally have been treated as proprietary and private actions by the initiating agency, are now developed and carried out with input from all stakeholders. Officers on the frontlines are aware of their counterparts’ missions and seek to support those goals, as well as their own, without fear of reprisal. Communication has never been more open and honest between our border law enforcement agencies. “Turf wars” are becoming a thing of the past as employee morale and trust rises each day. Some specific examples of BCI success stories are listed below.

- U.S. Customs manning their mobile X-ray units at U.S. Border Patrol checkpoints has resulted in numerous narcotic seizures.
- Development of Joint Agency Response Teams to Armed and Dangerous Lookouts at the Primary Inspection Lanes.
- USDA X-ray technicians discovering narcotics in pedestrian and common carrier luggage utilizing that agency’s equipment - Customs providing funding for an Image Archive System to capture documentary evidence of those discoveries.
- Expansion of multi-agency intelligence units (ICAT’s – Intelligence Collection and Analysis Teams) to include U.S. Border Patrol. Production of actionable intelligence on narcotics and alien smuggling.
- Establishment and implementation of a timetable by U.S. Customs and INS to establish “interoperable” and encrypted interagency communications.
- Preparation and submission of joint FY2001 BCI budget request by U.S. Customs and the INS.
- Establishment and implementation of a new Integrity BCI core initiative to address common concerns among participants.

As stated earlier, the involvement of state and local authorities in the fight against border crime is crucial to the initiative’s continued growth and success. Phase II of the Border Coordination

Initiative addresses this need. It does so by tasking all 24 BCI field locations with establishing formal cooperative relationships with those agencies at each site as part of their CY2000 “action plans”. These agreements will include proposals to conduct joint training sessions, where information will be provided as to what each Federal agency’s mission is, as well as who in the local and state departments handles which geographic area and violation. The foundation laid by these actions will:

- Provide appropriate Points of Contact for the state and local law enforcement authorities seeking guidance and or assistance with their operations.
- Ensure coordination of efforts, as special operations initiated along the Southwest Border move into the surrounding communities.
- Provide for full and open communication amongst the BCI participants to enhance community and officer safety.
- Provide information and a means to facilitate the application for and distribution of seized assets.

The Border Coordination Initiative is the future of border law enforcement. Through mutually agreed upon cooperation and coordination, the multitude of skills now available from all of our Federal, state and local law enforcement authorities are being used to strike back against drug trafficking and its attendant violence and corruption that pose such a threat to our citizens.

*Employing Emerging Technologies to Protect the Border Region.* A principal component of BCI and our efforts to protect the Southwest Border is the use of emerging high technology. High technology applications can assist in detecting and preventing smuggling, while facilitating the movement of legitimate commerce across the border by reducing the waiting times caused by slower, more labor-intensive forms of inspection. Major nonintrusive inspection systems emerging from Federally-sponsored technology development programs are being placed in operation along the Southwest Border to enhance our ability to protect our citizens and society from crime while facilitating legitimate commerce. Several of these high-technology systems are described below.

- *Computer Based Automated Targeting Systems.* The term “Automated Targeting System (ATS)” usually refers to an automated capability which can sift through large amounts of data, identify patterns where certain conditions or profiles are present, discover relationships, and suggest or render a course of action. These systems commonly encompass a repertoire of techniques including neural networks, genetic algorithms, fuzzy logic and expert systems. ATS systems are currently used in many commercial applications including credit card fraud detection, insider stock trading alerts, direct mail targeting and financial risk management. They are also being used in law enforcement to assist in the processing of vehicles and cargo at our land, sea, and air ports of entry.

- *X-Ray Based Systems.* X-ray systems represent the most mature technology for non-intrusive inspection application. These systems are commercially available in several product lines and at competitive cost. Several X-ray systems are in operation at ports of entry along the Southwest Border as well as in several foreign countries.

Two important parameters of radiation based systems are the source energy level of the system and the throughput. Energy level is important because higher levels enable deeper penetration. This is especially important in examining trucks and containers that are loaded with cargo. Higher density cargo requires higher energy for full penetration. Alternatively, lower source energies may be able to penetrate only half-way through the cargo requiring that the vehicle or container be turned around and examined a second time. Requiring a second examination reduces the throughput of the system or the rate at which vehicles and containers can be processed. In general, the higher the system's energy level, the greater the cost and complexity. Much of the increased cost is due to the shielding and infrastructure necessary to protect inspection personnel and the surrounding area from higher radiation levels.

X-ray systems can function in several different modes. The direct transmission mode uses a configuration where the energy source and detectors are on opposite sides of the conveyance. The image obtained is a shadow representation of the density of material inside the conveyance. A trained image analyst can detect anomalies in the image suggesting hidden contraband or drugs. The configuration of the backscatter mode has the energy source and detectors on the same side of the conveyance to process reflected energy. Backscatter images operate on the principle that materials with lower atomic numbers scatter X-rays more efficiently than materials with higher atomic numbers. The technique is useful for inspecting the walls of containers and trucks. Dual energy systems allow a two-dimensional radiographic image to be constructed based on both cargo density and average atomic number. In this mode, the X-ray source and detectors are on opposite sides of the conveyance. Dual energy systems become less effective as cargoes become thicker and more complex but they have the advantage of not requiring the high level of image interpretation skill needed for conventional single energy systems.

- *Basic Fixed Facility Truck and High Energy Upgrade.* This type of system is currently being used to inspect trucks at seven ports of entry on the Southwest Border. Using both direct transmission and backscatter modes, the system was specifically designed to detect drugs and other contraband hidden within compartments, structural cavities, walls, and other areas in cars and trucks. A typical installation is about 20 feet high, 35 feet wide and 180 feet long and is composed of two 450 KeV X-ray sources about 6 feet in diameter located in pits below the road surface and 2 sets each of direct transmission and backscatter detectors. Unmanned trucks are towed through the system at a rate of between 6 and 10 per hour depending on the complexity of the image. The system is safe to operate, emitting a radiation dose less than would be received by a passenger in an airliner at 30,000 feet in a one-hour period. The system's performance could be enhanced through an upgrade that would replace the 450 KeV sources with a higher energy source of 1-2 MeV. Dual energy processing can also be added. After enhancement, this system will have better detection

capability and will be able to process most loaded truck cargoes.

- *Mobile Truck and High Energy Mobile Seacontainer X-ray.* Mobile versions of the fixed facility X-ray system are undergoing operational evaluation and development. This system consists of a single truck-mounted 450 KeV source capable of inspecting cars and trucks with both direct transmission and backscatter modes. The X-ray source produces a cone beam of approximately 90 degrees which results in a field of view large enough to cover objects 12 feet tall. Performance capability should be similar to the standard fixed facility version with the exception of reduced throughput because of the single energy source. However, the system has the advantage of being able to rapidly move between ports and within a port to respond to changing threat situations. A high-energy mobile X-ray system designed for the seaport environment is in prototype development. It uses a straddle carrier as the basic structure and incorporates a linear accelerator X-ray source that can be switched between 2 MeV and 6 MeV depending upon the density of the cargo. The detectors are based on crystal-photodiode technology that enables high dynamic range and signal linearity. The straddle carrier design can inspect any object (vehicle or container) which fits between its 11-foot wheelbase. Inspection coverage can be obtained from just above ground level to a height of 19 feet.
- *High Energy-High Throughput.* High energy X-Ray systems employ sources in the 5-10 MeV range and require larger operating areas as well as increased radiation shielding. These systems have the ability to penetrate practically all types of cargo so that a vehicle or cargo container need only go through the system one time. Throughput rates can be up to 25-30 inspections per hour with additional imaging stations. Detection performance can be improved through the use of a dual view capability wherein radiographic images from both a horizontal and vertical perspective can be evaluated to better discern cargo features. A dual view capability is especially effective in detecting contraband hidden among the dense and attenuating background of truck axles, transmissions and differential assemblies.
- *Gamma Ray Imaging.* Gamma ray imaging technology is embodied in a system known as the Vehicle and Cargo Inspection System (VACIS). Instead of a conventional X-ray source, VACIS employs a gamma-ray emitting radioisotope such as Cesium 137 or Cobalt 60. The Cesium source produces 662 keV photons and the Cobalt source produces 1.33 MeV photons. Both can penetrate 1 inch of steel. VACIS utilizes a narrow slit-shaped gamma-ray beam to irradiate a linear array of detectors. Using single-photon counting plus large detector sizes consistent with required spatial resolution, high scan speeds can be achieved using a relatively weak radiation field. The discriminant for this technique is aerial mass, which is equivalent to density times thickness. Either the source-detector system moves to scan a fixed vehicle or the source-detector system is fixed and the vehicle to be scanned moves. Scanning a typical 40-foot tanker truck is accomplished in about 45 seconds. The advantages of this technology are high throughput, fairly low radiation fields and a cost lower than equivalent X-ray systems. Systems for trucks, cargo, and railroad cars are currently under evaluation or in development.

- Neutron Interrogation. One form of neutron interrogation technology, known as Pulsed Fast Neutron Activation (PFNA), uses scanned 8.2 MeV pulsed neutron beams to interact with the nuclei of atoms in cargo. The atoms, excited from inelastic interactions with the neutrons, emit gamma rays at a unique energy level which can be used to characterize the molecule's elemental structure. Detectors sense the released gamma rays and time of flight calculations allow the source of the emitted gamma ray to be located. Neutron attenuation, as a function of depth, is greater for materials with high hydrogen content. In low-density materials with little hydrogen content (such as light machinery or white goods), very little fast neutron attenuation occurs. However, for organic cargoes (such as coffee and sugar), the fast neutron flux is attenuated by 2 to 3 orders of magnitude halfway through a normal size cargo container. Consequently, the vehicle or container must be turned around and scanned again. Adding a second neutron accelerator on the other side would solve this problem but at considerable additional cost. The nominal throughput for a PFNA system is about 7 inspections per hour using two accelerators and about 25,000 square feet of land are required to house a shielded facility. Other neutron interrogation technologies with a potential for lower cost and size are in various stages of development.

Table 1 provides a summary of narcotics detection technologies under development by agency. Table 2a provides summary information on those narcotics detection technologies deployed by the U.S. Customs Service, including the status of deployments along the Southwest Border. The narcotics inspection systems being installed along the Southwest Border for the detection of drugs and other contraband are listed in Table 2b. Table 2c summarizes the status of equipment acquisition and facility preparation under Operation Hard Line and DoD funding for the U.S. Customs Service Truck X-Ray program. The listing includes equipment currently in use as well as the truck X-ray systems planned for deployment over the next 16 months.

**Table 1**  
**Narcotics Detection Technologies Recently Developed or Still Under Development**

| <b>Agency</b>        | <b>Project Title/Short Description (Status)</b>  |
|----------------------|--|
| U.S. Customs Service | Rail Gamma Prototype - Develop a prototype gamma ray imaging system to detect contraband in rail cars.<br><i>Prototype due 4Q FY1999</i>   |
| U.S. Customs Service | Rail Gamma Tests – Evaluation of Cesium and Cobalt radioisotope sources for application to railcars.<br><i>Project completed</i>   |
| U.S. Customs Service | Mobile Truck X-Ray – Development of a different approach for a mobile truck X-ray system.<br><i>Prototype deliveries 4Q FY1999 and 1QFY2000</i>  |
| U.S. Customs Service | Thermal Probe - A long soldering-iron device with a tip mounted heat source to probe imported tar pots for contraband.<br><i>Field testing completed</i>   |
| U.S. Customs Service | Gamma-Gamma Resonance - Support to the FAA for the gamma resonance baggage inspection system.<br><i>Under development</i>  |
| U.S. Customs Service | Potassium (K-40) Detector - Support to Revenue Canada for a joint Potassium-40 detection system for marijuana and tobacco products.<br><i>Under development</i>  |
| U.S. Customs Service | Piezoelectric Resonance Detector – Investigation of the piezoelectric resonance characteristics of cocaine hydrochloride.<br><i>Project discontinued. Piezoelectric resonance for cocaine hydrochloride not sufficient for detection</i> |
| U.S. Customs Service | Performance Index Quotients (X-Rays) – Development and test of image quality device to determine the penetration capability, resolution, and quality of radiographic images.<br><i>Project complete. Devices in use</i>                  |
| U.S. Customs Service | Potassium (K-40) Detector – evaluation of postal detector for bulk quantities of marijuana and radioactive materials.<br><i>In process</i>   |
| U.S. Customs Service | Forced Air Canine Sampling - Evaluation of improvement to canine examination of sea and land cargo containers through positive air expulsion.<br><i>Review of field data through 3Q FY1999</i>   |
| U.S. Customs Service | Currency Training Aids For Canines – Development of improved training aids for canines in the currency detection program.<br><i>Completed and implemented</i>  |
| U.S. Customs Service | Plasma ARC Narcotics Destruction - Development, test and evaluation of a plasma arc system to safely and effectively destroy more than 300 lb./hr of seized narcotics and other contraband.<br><i>Prototype demonstration 4Q FY1999</i>  |

|                       |   |
|-----------------------|---|
| U.S. Customs Service  | Handheld Thermal Imager - Test and evaluation of thermal imagers to detect thermal gradients in inbound sea and land containers to indicate the presence of secreted drugs.<br><i>Project completed - Not successful</i>  |
| U.S. Customs Service  | Evaluation of Trace Detection Systems - Support costs for the test and field evaluation of several IMS trace detection systems.<br><i>Tests successfully completed 1Q FY1999</i>  |
| U.S. Customs Service  | Dry Phase Immunoassay – Completion of a dry phase immunoassay film badge for detection of the presence of narcotic vapors.<br><i>Initial tests 4Q FY1999</i>  |
| U.S. Customs Service  | Revenue Canada Technology Exchange - Support of an R&D exchange program with Revenue Canada.<br><i>Ongoing project</i>  |
| USCG                  | Technology for Vessel Search - Surface Acoustic Wave - Improve Coast Guard's narcotic detection capabilities through experimentation and analysis of cocaine characteristics (ARPA funding of \$75K prior to FY1997).<br><i>Completion 2QFY1998</i>   |
| USCG                  | Boarding and Search Equipment - Improve Coast Guard existing equipment and procedures to introduce new technologies.<br><i>Completion 4QFY1999</i>  |
| USCG                  | Vessel Search via Low Energy Imaging Techniques - Ultrasonic - Improve inspection of vessel tanks at sea to determine contraband detection (\$175K prior to FY1997).<br><i>Completion 4QFY2000</i>  |
| USCG                  | Shelf Technology Program - Improve Coast Guard's capabilities to detect, identify and localize illicit material and cargo while minimizing adverse impact to legitimate maritime commerce.<br><i>Completion 4QFY1998</i>  |
| Department of Defense | Enhanced Canines - enhancing drug detection by canines through understand, evaluate and apply (1) olfaction thresholds and signatures, (2) performance limitations, (3) variables that decrease performance, (4) selection, training and maintenance enhancements, and (5) sound basis for certification, quality assurance and generalization<br><i>FY1997/1998: Validate absolute and discrimination thresholds for heroin, cocaine and other illicit drugs; effects of extraneous odors; and frequency of training</i> |
| Department of Defense | Mobile System Integration - Demonstration of multiple systems at ports-of-entry. Successful systems will be integrated with Customs/FAA activities involving stream of commerce inspections.<br><i>FY1998: Complete demonstrations of individual system, conduct port-of-entry modeling, and complete test plan for controlled performance assessments and integrated field demonstrations involving air and sea cargo streams of commerce</i>  |
| Department of Defense | Small Package Inspection - Conduct evaluations on several commercially available state-of-the-art, small package X-ray systems to determine their ability to inspect smaller packages for the presence of illegal drugs and contraband.<br><i>FY1998: Stream of commerce testing and continued data collection</i>  |

|                           |  |
|---------------------------|--|
| Department of Defense     | Automated Screening Equipment and Systems (Demand Reduction) – Development of an automated sampling system and specimen container to reduce cost and enhance military drug testing capability which processes over 3 million samples annually.<br><i>FY1998: Complete development of system/specimen container prototype</i>   |
| Department of Defense     | Mobile Detection System - Development of next generation mobile non-intrusive inspection systems. Investigate backscatter and transmission imaging techniques for rapidly inspecting cars and trucks. Includes development of mobile X-ray, pallet X-ray, gamma ray transportable system for inspecting cars and trucks, and high-energy X-ray system for inspecting maritime containers.<br><i>FY1998: Completed prototype development and testing of transmission capable mobile truck X-ray; completed testing of gamma-ray system; and scheduled testing of sea container prototype.</i>   |
| Department of Defense     | Technology for Locating HCL Labs - Develop and demonstrate technology for locating HCL laboratories in Colombia. Technologies being explored include: ELINT detection, optical and FLIR signatures, specialty radars, multi-/hyperspectral imaging.<br><i>FY1999: Select and demonstrate fieldable technology options</i>  |
| Department of Agriculture | Narcotics crop plant identification and chemistry.<br><i>Ongoing</i>   |
| Department of Agriculture | Cannabis detection in concealed areas not accessible to remote, aerial, sensors.<br><i>Ongoing</i>   |
| CTAC                      | Detection of Drugs in Hair, Sweat and Saliva - For drug testing applications, a research team led by the Naval Research Laboratory is evaluating using a subject's hair, sweat or saliva for monitoring drug use under a variety of conditions. Such issues as passive exposure, false identification of drug use, and matrix bias among individuals are being considered to evaluate the best biological matrix to use in developing a noninvasive drug testing alternative to urine. With this year's funding, CTAC plans to complete development of a prototype system to integrate the detection of illicit drugs in the hair and sweat of a subject with geospatial sensor and communications subsystems for transmission of positional and drug abuse status data to a remote location.<br><i>Completion in FY1998</i> |
| CTAC                      | Drug Phenomenology Research - a team of engineers and scientists perform analytical evaluations in conjunction with user personnel to compare technical system performance using accurate measures of effectiveness and scientific comparison criteria.<br><i>Ongoing</i>  |
| CTAC                      | Narcotics Detection Technology Assessments - CTAC plans to continue supporting the Narcotic Detection Technology Assessment program led by U.S. Customs Service. This program will be expanded from illicit drug vapor/particulate detection systems to include assessments of bulk detection technology (e.g., X-ray and neutron systems).<br><i>Ongoing</i>  |
| CTAC                      | Testbeds in Support of Technology Evaluations - during FY1997, a series of tactical technology testbeds were deployed. Many of the prototype systems developed under CTAC funding were evaluated at these locations.<br><i>Transitioned to Technology Transfer Program FY1998</i>  |

- CTAC Southwest Border Technology and Infrastructure Study - a study was sponsored to determine the optimum mix of advanced technologies to interdict drugs along the Southwest Border.  
*Completed in FY1999*
- CTAC Cargo Inspection Technology - A low-cost fast-throughput system was developed to inspect tanker trucks and rail cars at U.S. border crossings. The system uses large, highly efficient gamma-ray detectors making it possible to scan tanker trucks with a very low intensity gamma-ray field.  
*Completed in FY1998*

**Table 2a**  
**Types of Narcotics Inspection System Elements Currently in Use**

|   |
|---|
| <p><u>Intelligent Screening</u><br/>Automated Intelligence Systems and Suspect Databases<br/>Automated Targeting Systems<br/>Passport Readers<br/>Dogs<br/>License Plate Readers</p> <p><u>Technology Assisted Inspections</u><br/>Gamma Backscatter Devices (Busters)<br/>Gamma-Ray Systems (Relocatable, Transportable)<br/>X-Ray Systems (Fixed Truck, Mobile Truck, Light Pallet, Baggage and Mail)<br/>Range Finders<br/>Fiberoptic Scopes<br/>Drug Particle Detectors<br/>Narcotic Detection Sprays and Wipes<br/>Dielectrometers<br/>Biosensors<br/>Probes</p> <p><u>Physical Examination</u><br/>Medical X-Ray<br/>Banned Substance Recovery Unit<br/>Hand-held Devices and Tools</p> |
|---|

**Table 2b**  
**Customs Technology Deployed on Southwest Border (March 1999)**

| Equipment Type  | NM/AZ      | CA         | TX         | Total SW Border |
|---|------------|------------|------------|-----------------|
| <b>TECHNOLOGY ASSISTED INSPECTIONS</b>                  |            |            |            |                 |
| <b>X-ray systems</b>                                    |            |            |            |                 |
| Light Pallet X-Ray: (X-Ray 101-XL)                      | 4          | 5          | 12         | 21              |
| Mobile X-Ray Van: (X-Ray 101-Van)                       | 3          | 11         | 12         | 26              |
| Truck X-Ray: (X-Ray TXRS)                               | 1          | 2          | 4          | 7               |
| Mobile Truck X-Ray: (X-Ray MTXRS)                       | 0          | 0          | 1          | 1               |
| Parcel X-Ray: (X-Ray 101-GT)                            | 0          | 7          | 4          | 11              |
| Mail X-Ray: (X-Ray 101-GTA)                             | 0          | 3          | 2          | 5               |
| (X-Ray 50-L)  | 0          | 0          | 3          | 3               |
| <b>Gamma-ray system</b> (Prototype at Santa Teresa, NM) | 1          | 0          | 0          | 1               |
| <b>PHYSICAL EXAMINATION</b>                             |            |            |            |                 |
| <b>Hand held devices</b>                                |            |            |            |                 |
| Gamma Backscatter (Buster)                              | 111        | 56         | 170        | 347             |
| Contraband Detection Kit                                | 7          | 1          | 36         | 44              |
| Fiberoptic Scope  | 17         | 9          | 73         | 99              |
| Laser Rangefinder                                       | 5          | 8          | 47         | 60              |
| IonScan Particle Detector                               | 0          | 8          | 6          | 14              |
| Dielectrometer  | 6          | 6          | 14         | 26              |
| <b>TOTALS</b>   | <b>155</b> | <b>116</b> | <b>384</b> | <b>665</b>      |

**Table 2c**  
**Status of U.S. Customs Service Truck X-Ray Program (June 1999)**

| <b>Site</b>   | <b>X-Ray Equipment</b> | <b>Site Design</b> | <b>Facility Preparation</b> | <b>Systems Integration</b> | <b>Systems Testing</b> | <b>Systems Acceptance</b> |
|---------------|------------------------|--------------------|-----------------------------|----------------------------|------------------------|---------------------------|
| Otay Mesa     | Delivered              | Complete           | Complete                    | Complete                   | Complete               | Operational 8/95          |
| Calexico      | Delivered              | Complete           | Complete                    | Complete                   | Complete               | Operational 3/97          |
| Pharr         | Delivered              | Complete           | Complete                    | Complete                   | Complete               | Operational 10/97         |
| Ysleta        | Delivered              | Complete           | Complete                    | Complete                   | Complete               | Operational 3/98          |
| BOTA          | Delivered              | Complete           | Complete                    | Complete                   | Complete               | Operational 5/98          |
| Nogales (DOD) | Delivered              | Complete           | Complete                    | Complete                   | Complete               | Operational 10/98         |
| Laredo (DOD)  | Delivered              | Complete           | Complete                    | Complete                   | Complete               | Operational 12/98         |
| Los Tomates   | Ordered                | Complete           | Started 8/98                | 6/99                       | 8/99                   | 9/99                      |
| Laredo #4     | Ordered                | Complete           | 3/00                        | 7/00                       | 9/00                   | 10/00                     |

## *U.S. – Mexico Cooperation on Fighting International Narcotics and Crime*

Bilateral counternarcotics cooperation between the U.S. and Mexico covers the full range of issues, from demand reduction to the fight against international criminal organizations. A network of institutional arrangements such as the High-Level Contact Group and the Binational Commission (BNC) anchors it. These arrangements provide a policy framework for cooperative endeavors. They also provide mechanisms for resolving issues that inevitably arise between two sovereign nations in such a complex and sensitive area. These mechanisms provide the means to continue working on improving the effectiveness of bilateral cooperation.

Bilateral cooperation in fighting illegal narcotics and international crime has been prominent on the agenda between Presidents Clinton and Zedillo in their meetings over the years. In the 1997 Mexico City meeting, the two Presidents issued a Declaration of Alliance against drugs, which has formed the basis for an intensive elaboration of cooperative planning during the past two years. Based on a 1997 Binational Drug Threat Assessment, the two governments developed a Binational Drug Strategy in 1998. Both governments then followed up on these efforts in 1999 by developing specific performance measures of effectiveness with which to gauge their progress in the fight against drugs.

In addition to this cooperative approach at the Presidential level, Secretary of state Madeleine Albright and Attorney General Janet Reno have excellent working relationships with their Mexican counterparts, Secretary of Foreign Relations Green and Attorney General Madrazo. They are also in frequent direct contact with them about managing and improving bilateral counternarcotics and law enforcement cooperation.

*Border Liaison Mechanism (BLM).* The Department of State promotes binational cooperation with Mexico on crime through an array of diplomatic activities. The Border Liaison Mechanism, in particular, provides a valuable forum for local administrative and law enforcement officials on both sides of the border. The BLM was developed in response to a growing need for institutionalized border cooperation. U.S. and Mexican consuls co-chair the 10 BLMs along the border, and officials of the Federal inspection services and law enforcement agencies are among the many participants, including civic leaders, who meet to share information and look for answers to local problems. The BLM meetings address a wide range of topics, including ways of enhancing law enforcement cooperation in cases of auto theft and other cross-border legal matters such as child custody issues. (See section XVI for additional information on BLMs.)

## **SCHOOL BASED EDUCATION TO COUNTER CRIME AND CORRUPTION A Pilot Project on the U.S.-Mexican Border**

This project was organized by the San Diego County Board of Education and the Ministry of Education of Baja California, Mexico in cooperation with the nongovernmental Institute for International Studies and the National Strategy Information Center in Washington, D.C. The pilot project<sup>1</sup>, supported by law enforcement agencies on both side of the border, consists of developing, teaching, and evaluating a specially tailored curriculum to improve children's knowledge of and attitudes toward crime and corruption. The curriculum (designed initially for eighth and ninth graders) is now being tested on both sides of the border in English and Spanish.

The project was developed in response to the growing challenges posed by organized crime and corruption throughout the world. The global criminal economy is estimated at between \$500 and \$800 billion a year, surpassing the combined budgets of more than half the countries of the world. Closer to home, the implementation of NAFTA and the opening of the U.S.-Mexico border for increased trade and travel have provided many opportunities for criminal activity. The border region remains a key area for smuggling illegal aliens, drugs, and counterfeit products into the U.S., while weapons, motor vehicles, and other contraband are trafficked into Mexico.

An essential, but thus far neglected, element in the fight against crime and corruption is a strong societal and cultural foundation. The average citizen must come to believe that the legal system preserves and enhances the quality of life for all. Without such shared values and understanding, democratic government and law enforcement cannot function effectively. The pilot project aims to educate children that obeying the law is the right thing to do and that disobeying, or ignoring it, destroys a society at its roots. The project's "curriculum of lawfulness" thus reinforces the concept that a lawless society can impede sustainable economic development and the future of many of these children. The pilot builds confidence in these children by stressing the concept that a citizenry prepared to fight for the rule of law offers opportunities for freedom, democracy, and development. The project is expected to be available for widespread use throughout the Southwest Border region.

<sup>1</sup> This pilot project on the U.S.-Mexican border is modeled in part after similar successful projects in Hong Kong and Sicily. In recent decades, programs in Hong Kong and Sicily have demonstrated that by shifting societal attitudes, it is possible to weaken the grip of corruption, to foster a culture of lawfulness, and, as a result, to reduce crime and corruption. One of the key ingredients in changing the culture in Hong Kong and Sicily has been school-based programs that promote civil, moral, and legal education of young people, and through them reach their parents and the local community.



## XVI. Advancing our Partnership with Mexico: A New Border Vision

**Objective 1:** Reinforce our strategic partnership with Mexico.

**Objective 2:** Transform the border into a model of bilateral cooperation.

### *An Overview of U.S.-Mexico Relations*

U.S. relations with Mexico are as important as those we have with any other country in the world, if not more. The breadth and depth our relationship are unique, encompassing key issues ranging from trade and migration to law enforcement and the environment. The stakes in our relationship are almost beyond measure. They include jobs and labor, public health, and international crime and drug trafficking-matters that directly touch the lives of Americans everywhere, every day. Serious instability in Mexico would pose a direct threat to the security and well-being of the United States. Conversely, a stable, democratic and prosperous Mexico bolsters U.S. national security.

Because our relations are so complex and so important, our national interests in Mexico easily blend into one another. Since the enactment of the North American Free Trade Agreement (NAFTA), our trade with Mexico has nearly doubled, from \$100 billion in 1994 to \$175 billion in 1998, and it continues to grow strongly in 1999. Mexico has become our second largest trading partner, following only Canada. More than 2,600 U.S. companies now operate in Mexico. The increasing trade and integration of our economies underscore our fundamental interest in Mexico's continued economic growth. Prosperity in Mexico increases the level of U.S. exports to Mexico - with an associated increase in export-related jobs in the United States - and reduces the incentive for illegal immigration.

At the same time, population growth and industrial development place greater strains on scarce resources and contribute to increased pollution that affects both nations. Mexico is a key partner in the fight against international organized crime, which includes areas as diverse as the smuggling of arms and endangered species. Well-financed, well-armed and violent narcotics trafficking organizations in Mexico control a large percentage of the illegal drugs entering the United States, posing a dangerous threat to both Mexico and the United States. Clearly, our national interests in Mexico are not only intertwined and broad, they are permanent and immediate.

Nowhere is the relationship so visible and vital as along our 2,000-mile common border. Increasingly the border is being transformed from a line that divides the United States and Mexico into a region that binds together our two nations and peoples. More than 11 million people live within 100 kilometers of the border, many of them in 14 sister-city

pairs. Nearly 1 million people cross the border each day to work, to shop or to visit friends and family. Even as our economies and societies become more interconnected, there is a growing awareness that issues such as environmental degradation and the spread of infectious diseases do not respect political boundaries; they require common approaches and close collaboration. Problems and actions on one side of the border have a direct impact on the other.

***Reinforcing Our Strategic Partnership with Mexico and Transforming the Border into a Model of Bilateral Cooperation***

In recognition of this reality, President Clinton and Mexican President Ernesto Zedillo agreed in May 1997 to devise a comprehensive and long-lasting strategy to transform the border into a model area of bilateral cooperation. In doing so, the two Presidents acknowledged the considerable ties that unite our nations, especially along the border. They agreed on the need to promote sustainable economic and social development as well as to improve the well being and safety of families and communities along the border. They recognized that the border region is unique and that advances there owe much to the efforts and creativity of local citizens and governments.

At the United States-Mexico Binational Commission meeting in Washington, D.C., in June 1998, Secretary of State Madeleine Albright and Mexican Foreign Secretary Rosario Green submitted their *Progress Report to the Presidents on the Initiative to Implement a New Border Vision*. The New Border Vision report identifies a variety of initiatives and challenges that serve as case studies. Some of these might be usefully replicated elsewhere, while others can serve as examples of how to meet our common challenges. The New Border Vision builds on the bilateral structures that have evolved in recent years and takes into consideration the following principles and guidelines:

- The Good Neighbor Principle. Recognizing that actions taken on one side of the border affect the other, the United States and Mexico committed to maintaining and improving bilateral consultation and communications mechanisms that would foster dialogue at local, state and Federal levels.
- A Comprehensive Vision. The United States and Mexico committed to redoubling their efforts to promote sustainable economic, social, cultural, educational and environmental development at the same time they increased efforts to facilitate the orderly passage of people and goods at the ports of entry, and to design and implement new ways to reduce violence along the border.
- Emphasis on Cooperation. The United States and Mexico recognized that their underlying approach was one of cooperation rather than conflict, based on shared interests and respect for each other's sovereignty.
- Internal Coordination. The United States and Mexico recognized the need for each of them to develop its own coordination mechanisms to enhance dialogue and

cooperation among the different players involved in defining and implementing border policy initiatives and programs.

The New Border Vision identifies three broad categories and provides brief summaries of 15 "best practices" along the border in a wide range of topics:

*Economic and Social Development:*

- **Containment of Hazardous Waste.** Hazardous wastes pose environmental and health concerns to the U.S.-Mexico border communities. The 1983 La Paz Agreement is the backbone of the legal framework for addressing hazardous waste management issues. Both governments support the Agreement's overall objectives and have agreed that it would be appropriate for the Border Liaison Mechanisms to inform the La Paz Agreement Working Groups on local hazardous waste issues and developments.
- **Border Programs to Combat Tuberculosis.** In recent years, health officials have focused a great deal of attention on the threat of tuberculosis in the border region. Governments and the private sector have supported a number of programs, such as between Sister Cities and the border state governors in Ten Against TB. While no single program provides all the answers, the experience gained from each program will provide guidance for ongoing efforts.
- **Communication of Health Needs.** The flow of people across the border creates new challenges in an age where diseases know no borders. U.S. and Mexican local, state and Federal officials are developing innovative means of cross-border communications to ensure accurate and timely public health information, especially on communicable and infectious diseases.
- **Joint Urban Development Program of the Two Laredos.** These sister cities are leading the way in developing joint urban planning tools. They have agreed on a joint urban map that city planners use for guidance, while maintaining necessary independence in decision making. They have also agreed to a management plan for the environmentally sensitive areas along the Rio Grande expected to experience urbanization over the next 20 years.
- **Binational Study for Border Transportation Planning and Programs.** The Joint Working Committee, composed of U.S. and Mexican Federal and border state governments, concluded a binational study on transportation planning and programming, with an emphasis on trade flows. This was the first major study of its kind to involve the border states and creates a permanent structure to undertake cross-border highway planning.
- **Border Waste Wi\$e.** This San Diego-Tijuana program helps manufacturers identify and implement solid waste reduction opportunities.
- **NEXUS Joint Degree Program.** Universities in Tijuana and San Diego are cooperating in the border's only binational, dual degree programs.

- Border Cultural Exchange and Cooperation Program. With the objective of contributing to balanced development in border communities, the Secretaries of state and Foreign Relations have agreed in principle to a border program for the promotion of culture and scientific information and the preservation of our common historical heritage.

*Protection /Migration and Border Crossing Facilitation:*

- The Laser Visa Program. In a series of consultations unprecedented in their scope and depth, the two governments have taken a major step in cooperating on mitigating the potential impact associated with the replacement of U.S. Border Crossing Cards by the new Laser Visa.
- Bridge of the Americas. The U.S.-Mexico International Boundary and Water Commission has completed the replacement of the Bridge of the Americas between Ciudad Juarez and El Paso. Although this is a toll-free bridge, the commercial users voluntarily agreed to self-assess temporary fees to help fund separate new structures for commercial vehicle crossings.
- Border Crossing Safety Campaigns. The Mexican Consulates in San Diego and Calexico and the U.S. Border Patrol have complementary fatality-prevention campaigns along the California/Baja California border.
- Consular Notification. Mexican and U.S. diplomatic representatives initiated in the lower Rio Grande valley a series of seminars on the obligations of each country under the Vienna Convention on Consular Relations and the United States-Mexico Agreement on Consular Affairs with respect to notification of consular authorities in arrest cases.
- Migrant Protection Groups. The objective of Migrant Protection Groups, a Mexican program that is staffed by municipal, state and Federal personnel, is the defense of the human rights and the protection of the person and property of migrants.

*Border Public Safety:*

- Boundary Demarcation Program. The International Boundary and Water Commission's program to properly mark the border is an important factor in minimizing inadvertent incursions by law enforcement, military and other personnel.
- Information Campaign on the Recovery and Return of Stolen Vehicles and National Restrictions on the Importation of Firearms. Through seminars for public officials and heightened publicity campaigns, the U.S. and Mexican governments will increase awareness of these two topics.

The *Border Liaison Mechanism* is a key element of the New Border Vision and an excellent example of local binational problem-solving. Chaired by U.S. and Mexican consuls in ten sister-city pairs, Border Liaison Mechanisms bring together local, state and Federal officials as well as interested members of the public on issues of mutual interest. The New Border Vision tasked

each Border Liaison Mechanism with establishing working subgroups for each of the three broad categories identified above.

Developments along the border over the past year have demonstrated how the concepts laid out in the New Border Vision are being turned into practical realities. From the new international bridges at Brownsville/Matamoros and Eagle Pass/Piedras Negras to the Memoranda of Understanding on Cooperation against Border Violence and on Cooperation in Prevention and Control of Tuberculosis signed at the February 1999 Merida Summit, the United States and Mexico are fulfilling the promise of the New Border Vision.

Although President Clinton's Southwest Border Initiative is a domestic U.S. program, it conforms closely with the concept of the New Border Vision. It fully meets the four principles of the New Border Vision; indeed, the principle of "internal coordination" is at the very heart of the Initiative. It also directly addresses one of the three main categories of the New Border Vision: economic and social development. The Mexican Government has expressed great interest in the initiative, and the United States Government will keep Mexico informed of progress in implementing the initiative and seek Mexico's cooperation wherever possible. By working together, we can fulfill the vision outlined by both President Clinton and President Zedillo - transforming the region into a model of bilateral cooperation and making the Southwest Border a proud symbol of international community empowerment and revitalization.



# Appendices



## **Appendix A: Task Force Designees**

### **Agriculture**

Ms. Maria Matthews  
Deputy Administrator  
Office of Community Development  
Department of Agriculture  
Room 701  
300 7th Street, S.W.  
Washington, D.C.  
Telephone: 202-619-7981  
Fax: 202-690-1395

### **Commerce**

Ms. Ella Rusinko  
Deputy Assistant Secretary for Program  
Research and Evaluation  
Economic Development Administration  
U.S. Department of Commerce, Room 7814  
14th Street and Constitution Ave., N.W.  
Washington, D.C. 20230  
Telephone: 202-482-2309  
Fax: 202-501-4828  
E-mail: Erusinkol@doc.gov

### **Defense**

Mr. Randall Yim  
Deputy Under Secretary, Installations  
3340 Defense, Pentagon, Room 3E1074  
Washington, D.C. 20301-3340  
Telephone: 703-697-8080  
Fax: 703-695-6929  
E-mail: yimra@acq.osd.mil

### **Education**

Mr. G. Mario Moreno, Assistant Secretary  
Office of Intergovernmental and Interagency Affairs  
U.S. Department of Education, Room 5E313  
400 Maryland Ave., S.W.  
Washington, D.C. 20202  
Telephone: 202-401-0404  
Fax: 202-401-8607

Alternate:

Ms. Sally Cain, Secretary's Regional Representative  
U.S. Department of Education  
1999 Bryan Street, Suite 2700  
Dallas, TX 75202-6817  
Telephone: 214-880-3011  
Fax: 214-880-2433

Mr. Marc D'Anjou  
U.S. Department of Education  
Office of Intergovernmental and Interagency Affairs  
400 Maryland Ave., S.W., Room 5E226  
Washington, D.C. 20202  
Telephone: 202-401-1953  
Fax: 202-401-1971  
Email: Marc\_D'Anjou@ed.gov

**Energy**

Ms. Esther Aguilera  
U.S. Department of Energy  
1000 Independence Ave., S.W.  
Washington, D.C. 20585  
Telephone: 202-586-9500  
Fax: 202-586-6828  
Email: esther.aguilera@hq.doe.gov

**EPA**

Mr. William A. Nitze  
Assistant Administrator for  
International Activities  
Environmental Protection Agency  
401 M Street, S.W., MC 2610R  
Washington, D.C. 20460  
Telephone: 202-564-6600  
Fax: 202-565-2407  
E-mail: nitze.william@epamail.epa.gov

Alternate:  
Dr. Alan D. Hecht  
Principal Deputy Administrator  
EPA  
401 M Street, S.W., MC2610R  
Washington, D.C. 20460  
Telephone: 202-564-6600  
Fax: 202-565-2407  
E-mail: hecht.alan@epamail.epa.gov

**HHS**

Ms. Catherine Dodd  
Regional Director, Region VI  
U.S. Department of Health and Human Services  
50 UN Plaza  
San Francisco, CA 94102  
Telephone: 415-437-8500  
Fax: 415-437-8505

Local contact:

Mr. Andrew Hyman  
Office of Intergovernment Affairs  
U.S. Department of Health and Human Services  
HHH Building, Room 606E  
200 Independence Ave., S.W.  
Washington, D.C. 20201  
Telephone: 202-690-6060  
Fax: 202-205-2727  
E-mail: ahyman@os.dhhs.gov

**HUD**

Mr. Saul Ramirez  
Deputy Secretary  
U.S. Department of Housing and  
Urban Development  
451 7th St. S.W.  
Washington, D.C. 20410  
Telephone: 202-708-0123  
Fax: 202-708-2706

Alternate:

Ms. Mercedes Marquez  
Deputy Assistant Secretary  
U.S. Department of Housing and  
Urban Development  
451 7th Street, S.W.  
Washington, D.C. 20410  
Telephone: 202-708-2467  
Fax: 202-708-3389

**Interior**

Ms. Kathryn Washburn  
Director, International Affairs  
Office of the Secretary  
U.S. Department of the Interior  
1849 C Street, N.W., ms 4426  
Washington, D.C. 20240  
Telephone: 202-208-3295 or 208-3048  
Fax: 202-501-6381  
E-mail: [kwashburn@ios.doi.gov](mailto:kwashburn@ios.doi.gov)

Alternate:

Ms. Susan Goodwin  
Western Hemisphere Officer  
U.S. Department of the Interior  
1849 C Street, N.W., ms 4426  
Washington, D.C. 20240  
Telephone: 202-208-3295 or 208-3048  
Fax: 202-501-6381

**Justice**

Mr. Anthony Murry  
Office of Deputy Attorney General  
Department of Justice  
950 Pennsylvania Ave., N.W.  
Room 4212  
Washington, D.C. 20530  
Telephone: 202-305-1283  
Fax: 202-514-9368  
E-mail: [Anthony.S.Murry@usdoj.gov](mailto:Anthony.S.Murry@usdoj.gov)

**Labor (two designees on a rotating basis)**

Mr. Henry Solano  
Solicitor of Labor  
U.S. Department of Labor  
200 Constitution Ave., N.W., Room S-2002  
Washington, D.C. 20210  
Telephone: 202-693-5260  
Fax: 202-693-5278  
E-mail: [solano\\_henry@dol.gov](mailto:solano_henry@dol.gov)

Mr. Ray Bramucci  
Assistant Secretary for Employment  
Training Administration  
U.S. Department of Labor  
200 Constitution Ave., N.W., Room S-2307  
Washington, D.C. 20210  
Telephone: 202-693-2700  
Fax: 202-693-2725  
E-mail: [bramucci\\_raymond@dol.gov](mailto:bramucci_raymond@dol.gov)

Alternate:

Ms. Irasema Garza  
Secretary, U.S. National Administrative  
Office  
U.S. Department of Labor  
200 Constitution Ave., N.W., Room C-4327  
Washington, D.C. 20210  
Telephone: 202-501-6653  
Fax: 202-501-6615  
E-mail: [garza\\_irasema@dol.gov](mailto:garza_irasema@dol.gov)

**SBA**

Mr. Gregory L. Diercks  
Senior Financial Analyst, SBA National CAIP Director  
Small Business Administration  
Room 8300, MC 7020  
409 3rd St. S.W.  
Washington, D.C. 20416  
Telephone: 202-205-7538  
Fax: 202-205-7722  
E-mail [gregory.diercks@sba.gov](mailto:gregory.diercks@sba.gov)

**State**

Ambassador Peter Romero  
Acting Assistant Secretary for  
Western Hemisphere Affairs  
U.S. Department of State  
2201 C St. N.W., Rm. 6263  
Washington, D.C. 20520-6258  
Telephone: 202-647-5779  
Fax: 202-647-0791

## Alternate:

Ms. Linda Eddleman  
Deputy Assistant Secretary for  
Western Hemisphere Affairs  
U.S. Department of State  
2201 C St. N.W., Rm. 6263  
Washington, D.C. 20520-6258  
Telephone: 202-647-6754  
Fax: 202-647-0791  
E-mail: araf02@erols.com

## State Contact:

Mr. David E. Randolph  
Coordinator for U.S.-Mexico  
Border Affairs  
WHA/MEX, Room 4258  
U.S. Department of State  
2201 C St., N.W.  
Washington, D.C. 20520-6258  
Telephone: 202-647-8529  
Fax: 202-647-5752  
E-mail: randolphde@state.gov

**Treasury**

Dr. Lynda Y. de la Viña  
Deputy Assistant Secretary for  
Economic Policy  
U.S. Treasury Department  
Room 3445  
1500 PA Ave., N.W.  
Washington, D.C. 20220  
Telephone: 202-622-2220  
Fax: 202-622-2633  
E-mail: lynda.delavina@do.treas.gov

Alternate:  
Mr. David Medina  
Deputy Assistant Secretary for  
Enforcement Policy  
U.S. Treasury Department  
Room 4404  
1500 PA Ave., N.W.  
Washington, D.C. 20220  
Telephone: 202-622-0300  
Fax: 202-622-7301  
E-mail: david.medina@do.treas.gov

**Transportation**

Mr. Jose Ceballos  
U.S. Department of Transportation  
Special Assistant to the Secretary  
400 7th St., S.W., Room 10200  
Washington, D.C. 20590  
Telephone: 202-366-1322  
Fax: 202-366-7952



## Appendix B: Summary of Task Force Goals

Aiming to provide a more rapid and integrated Federal response to the needs of communities in the Southwest Border region.

### **Goal 1: Spur Economic Development and Support Pilot Communities**

- Objective 1: Attract new business and improve access to capital in distressed areas.
- Objective 2: Expand employment opportunities.
- Objective 3: Spur economic development through tourism and cross-border investment.
- Objective 4: Empower community leaders and improve Federal coordination through the pilot program.

### **Goal 2: Help Southwest Border Communities Attract Capital, Improve Access to Credit and Foster Small Business Development**

- Objective 1: Promote public-private partnerships.
- Objective 2: Extend capital and credit programs to under-served markets.
- Objective 3: Encourage entrepreneurial development.

### **Goal 3: Promote Education**

- Objective 1: Promote student excellence and improve achievement.
- Objective 2: Promote accountability and improve the quality of education.
- Objective 3: Support bilingual and migrant education programs.
- Objective 3: Reduce drop-out rates for Hispanic students and increase literacy.
- Objective 4: Improve access to higher education.
- Objective 5: Support the use of information technology in schools.

### **Goal 4: Invest in Job Training and Skills Development**

- Objective 1: Improve and upgrade the skills of workers.
- Objective 2: Encourage job creation.
- Objective 3: Improve conditions in the workplace, especially for women.

### **Goal 5: Nurture Children, Youth and Families**

- Objective 1: Promote school-to-work and youth opportunity programs.
- Objective 2: Enhance child care programs.
- Objective 3: Combat crime with community policing and juvenile anti-crime programs.

**Goal 6: Improve Living Conditions and Provide Affordable Housing**

- Objective 1: Improve housing and living conditions.
- Objective 2: Support programs for buying or improving homes.
- Objective 3: Enforce housing regulations.

**Goal 7: Improve Access to Quality Health Care**

- Objective 1: Reduce barriers to health care.
- Objective 2: Improve the quality of health care in the region.
- Objective 3: Improve health care for children and the working poor.
- Objective 4: Eliminate health disparities.

**Goal 8: Focus on Agriculture and Rural Assistance Programs**

- Objective 1: Encourage development in rural communities.
- Objective 2: Provide assistance to farmers.

**Goal 9: Reinforce Infrastructure in Rural Communities**

- Objective 1: Improve roads in rural border communities.
- Objective 2: Improve border crossings and cross-border transportation networks.
- Objective 3: Promote sustainable development of energy and mineral resources.

**Goal 10: Clean Up the Environment**

- Objective 1: Address environmental health challenges.
- Objective 2: Improve environmental infrastructure, specifically wastewater and drinking water treatment and the management of municipal solid waste.
- Objective 3: Preserve border ecosystems.

**Goal 11: Protect the Border, Shore Up Law Enforcement and Combat Crime**

- Objective 1: Protect the border by combating narcotics and smuggling-related crimes.
- Objective 2: Support border community anti-crime programs.

**Goal 12: Advance our Partnership with Mexico: A New Border Vision**

- Objective 1: Reinforce our strategic partnership with Mexico.
- Objective 2: Transform the border into a model of bilateral cooperation.

## **Appendix C: Summary of First Regional Meeting of Task Force Representatives in Phoenix, Arizona on September 8, 1999**

On Wednesday September 8, 1999, the Interagency Task Force on the Economic Development of the Southwest Border held a regional meeting in Phoenix, Arizona. Julian Potter from the Vice President's Office and Rick Samans from the National Economic Council joined more than 40 regional representatives from the participating Federal agencies for the day-long event. The meeting had three related objectives, the first being to inform regional representatives about the Executive Order's goals as well as their role in executing it. The second was to coordinate efforts among the representatives to maximize existing resources and infrastructure in place. The third objective was to solicit input from the regional representatives in an effort to identify the issues and challenges faced by many border communities and to begin discussing how the Task Force should approach those issues.

In her welcoming remarks, Ms. Potter stressed the importance of providing a comprehensive response to the Southwest Border regional economy: "What we in Washington want to get out of today's meeting is to hear how is it that we can reach across Pennsylvania Avenue and down the streets to other Federal agencies to work with Cabinet officials, who are all very interested in this Initiative and want to support the efforts."

The meeting was deemed a success by all those who attended, including Mr. Samans: "I'm a little humbled, in fact, by the assemblage here of so much management talent and expertise about the issues that we're dealing with. It's really the interdisciplinary array of knowledge here that we've got represented in the room. It's quite impressive and I think we ought to do everything we can in the discussion today."

The format of the morning session included a briefing on the history of the Southwest Border Partnership by Yvonne "Bonnie" Gonzalez, and a brief explanation of the components of the Executive Order by Mr. Samans. A plenary session on various issues, including the pilot project and the proposed structure of the Border and Community Response Teams, followed in the afternoon.

### ***Key Points Expressed in the Meeting***

A number of observations and suggestions were made during the day that will be very useful as the Task Force begins to work with border communities:

- Support from the highest levels of government is critical to move this initiative forward. Representation at this meeting from the President's and Vice President's office was considered very important because they will be the ones who give the initiative a sustained focus and coordinate efforts of the various agencies.
- The goal is to eliminate the image many currently have of the border as a "border of desperation." We are striving to have a border characterized by growth, development and

prosperity that is on par with the rest of the country.

- Federal Agencies must work together in order to develop a comprehensive and strategic plan to address the unique challenges faced by the Southwest Border region. There needs to be a holistic approach to the Southwest Border's economy. This will require a long-term change in the culture of agencies, and how they interact with each other.
- Communities have already developed strategic plans that are very comprehensive and cover the topics which are being discussed. We do not want them to have to recreate the wheel when we start going through the process outlined in the Executive Order.
- The thinking and actions of the Federal government should be coordinated with local efforts because communities will react violently if they think the government is dictating to them what their approach to economic development should be.
- The Federal government should learn how to use existing resources more efficiently and target funds more effectively, rather than focus on allocating new money to programs in the region.
- The approach to economic development described in the Executive Order is a long-term process. We should be thinking in terms of how to make this initiative work over the next 10, 15, 20 years.
- It is important to have meetings like this, to keep the dialogue between agencies alive, and to keep distressed communities on the national agenda.
- "The Border doesn't know it's a border." This initiative should go beyond the border and, through cooperation with the Government of Mexico in the spirit of the New Border Vision, reach into communities in Mexico.

### ***Pilot Project***

The pilot project will include communities from each of the four border states. The model that is developed in the pilot project should be exportable to other areas and programs. The goal is to maximize responsiveness, coordination and the impact of current Federal government initiatives on the Southwest Border. (Note: A distinction was made between the *immediate* and *extended* border. The pilot project will focus on communities located in the immediate border area – within 100 kilometers of the border.)

In discussing the pilot project, several suggestions were made regarding the criteria to be used when selecting communities. All pilot communities should have:

- a strategic plan or vision already in place (Note: Selection is not limited to EZ/ECs. They were used as an example during the meeting because they are part of an initiative which requires a strategic planning process.)
- a geographic link with the border and shared economic concerns.
- transferability - solutions to pilot communities' problems must be transferable to other border communities.
- a relationship with a "twin" city in Mexico.

(Note: The criteria proposed above are subject to approval by the members of the Task Force.)

### ***Community and Border Response Teams***

The communities have already articulated on a local, state and regional level what their assets are, what their needs are and what their dreams are. A number of studies have shown that the Southwest Border region is unique and clearly distinguishable from the rest of the nation. That work has been done.

Based on the priorities set forth by the selected pilot communities in their strategic plans, Border Response Teams should be formed by those agencies who have something to offer the community. For example, if health care is considered to be the number one priority of a community, then the Department of Health and Human Services should lead the Border Response Team for that community, tailoring its response to the specific needs of the local community.

A comment was made that "Border Response Team" is not an appropriate name for the group. Rather, the name should be community-friendly and reflect a partnership between the Federal government and the communities.

American Heritage Rivers was suggested as a model to use when designing the pilot projects and response teams. American Heritage Rivers is Rio Grande specific, but can be applied to the region. One person is designated as the River Navigator. It was suggested that the Task Force set up something similar, designating a Federal staff person who would report to the Task Force and coordinate the delivery of Federal services to the communities, as they put together their strategic plans. The navigator would be a deliverable that the government could offer the communities – he or she would be responsible and accountable for the progress of the pilot project.

### *Next Meeting*

A proposal was made to reconvene at the regional level to follow up on the pilot project and to discuss the seven other components of the Executive Order. It was suggested that the meetings continue to take place in the Southwest, so as to facilitate regional participation.

### *List of Attendees*

|                             |                                      |
|-----------------------------|--------------------------------------|
| Julian Potter, VP           | Joyce Fierro, DOI                    |
| Rick Samans, NEC            | Beau McClure, DOI                    |
| Judith Canales, USDA        | Patricia Port, DOI                   |
| Celeste Cantu, USDA         | Stan Webb, DOI                       |
| Bill Culbertson, USDA       | Warren Wotring, DOI                  |
| Dennis Daniels, USDA        | Irasema Garza, DOL                   |
| John Dean, USDA             | Judy Jackson, DOL                    |
| Stephanie Gonzalez, USDA    | Rudy Ramos, DOL                      |
| Maria Matthews, USDA        | Ami Thakkar, DOL                     |
| Pete Silva, BECC            | Ilia Velez, DOL                      |
| Larry Burr, Commerce/EDA    | Lisha Adela-Garcia, NAD Bank         |
| Pedro Garza, Commerce/EDA   | Annie Alvarado, NAD Bank             |
| Len Gibson, Commerce/EDA    | Victor Miramontes, NAD Bank          |
| Deborah Santiago, Education | Dennis Usrey, ONDCP                  |
| Running Grass, EPA          | Greg Diercks, SBA                    |
| Wendy Laird, EPA            | Bruce Hodgeman, SBA                  |
| Marico Sayoc, EPA           | John Bernal, state                   |
| Frank Cantu, HHS            | David Randolph, state                |
| Emory Lee, HHS              | David Luna, state                    |
| Ray Martinez, HHS           | Yvonne “Bonnie” Gonzalez, Rio Grande |
| Jacob Rueda, HHS            | Valley Empowerment Zone Corporation  |
| Guida Ardaya, HUD           | Ervin Poka, DOT                      |
| Sharon Atwell, HUD          | Rachel Cononi, Treasury              |
| Mary Nelda Benavides, HUD   | Lynda de la Viña, Treasury           |
| Angela Donelson, HUD        | Chic Garland, Treasury               |
| Laura Garcia, HUD           | John Turner, Treasury                |
| Esperanza Holguin, HUD      | Anthony Van Ravenswaay, Treasury     |
| Ruth Osuna, HUD             |                                      |
| Frank Riley, HUD            |                                      |