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Sent: Wednesday, August 26, 2015 4:39 PM

To: Kunin, Lisa

Subject: NEG-ECP Preclearance Resolution Talking Points

Attachments: NEG-ECP Preclearance Resolution Talking Points.docx

Resolution 39-2

Resolution 39-2 - Concerning the Canada-US Preclearance Agreement and the Customs Preclearance Project for Central Station in Montreal

3:00 – 3:30 PM Presentation of the Resolutions (Climate Change, Preclearance, and Aid in Emergency Situations)

Preclearance: Gov. Shumlin (first, 2-3 minutes) **and Premier Couillard**

You and the Premier will present the preclearance resolution and provide general remarks regarding its importance to the states and provinces. **It is important to emphasize that the resolution is good for the region, not just Vermont and Quebec.**

Talking Points on Resoluition:

1. **Ratification:** the resolution calls on Canadian and US federal authorities to ratify as soon as possible the preclearance agreement signed on March 16, 2015.
 - **This resolution builds on 2011 NEG-ECP Resolution 35-4:** in 2011, the governors and premiers passed Resolution 35-4 which expressed “their support for a call on officials responsible to apply resources to the enhancement of rail infrastructure throughout the region to ensure continued rail passenger service between Halifax-Montreal and Montreal-New York, and to expand service between Montreal-Boston and Montreal-New Haven, including facilities for US Customs preclearance and Canadian Customs clearance at Central Station in Montreal.”
2. **Deployment of Preclearance Sites:** Once the resolution is ratified, our respective governments will consider deployment of preclearance sites. Each of these new preclearance operations will require the advance authorization of the US and Canadian governments.
 - **today’s resolution calls on US and Canadian federal authorities to make US and Canadian customs preclearance and clearance at Montreal’s Central Station a priority among the eventual projects submitted.**

This is vital as it would ensure continued service by the Adirondack train (Montreal-New York) and the return of the Vermonter train (Montreal-Washington, DC serving Massachusetts and Connecticut cities along with New York).

- Customs preclearance and clearance at Central Station would benefit all of New England and Eastern Canada as it would enhance multi-modal transport connectivity between states and provinces, and encourage economic development, including development of tourism such as cruise-ship tourism;
3. **Encourages enhancing regional rail infrastructure:** the resolution also calls on US and Canadian federal authorities to enhance rail infrastructure throughout the region to ensure continued rail passenger service;

Pre-clearance Update
August 26, 2015

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Despite assistance and urging from Senator Leahy's office, we still do not have any official response from US Customs and Border Protection personnel related to the Montreal Central Station facility plans or preliminary design concept. WE continue to hear that negotiations on operational policies and protocols with the Canadian Border Services Administration are continuing and that some final product is expected this year. Whether the recent call for federal elections in Canada will slow this effort is not clear. However, I do know that the September workshop on cross-border travel, which included a ½ day session on cross-border rail & preclearance, sponsored by the Eastern Border Transportation Coalition (VTrans is a member) had to be postponed as a number of Canadian federal officials indicated, at the eleventh hour, that were unable to present on the requested topics. Indications were that post-elections, they could reconsider their participation.

In the US, Senator Leahy has reintroduced legislation, the Civilian Extraterritorial Jurisdiction Act (CEJA), which is required to enable CBP to operate across the border and for CBSA and CBP to develop joint facilities and it is included in the Senate Appropriations bill. That is likely to be taken up on Congress' return in September. The Senate Commerce bill for rail authorization, which contains specific language that will enable use of federal funds awarded under that bill to finance projects, and possibly even some operations costs, for intercity passenger rail services that cross international borders, was wrapped into an all surface and marine modes transportation reauthorization bill which passed in late July. The House had already passed a rail authorization bill (which does not include funds for cross-border services), but now needs to draft a full highway authorization bill and it is unclear whether they will agree to combine the rail title with that bill and conference with the Senate on an all modes authorization. Senator Leahy's office is aware of our desire for the Senate Commerce language to remain for rail. Passage of any transportation authorization, as opposed to another extension, before 2016 is still uncertain, as there is continued disagreement regarding funding for the transportation bills in both chambers.

Similarly, the expanded provision of the existing Air Preclearance Act and a new preclearance act for rail, marine and surface transportation is also anticipated to make it through the Canadian Parliament is still anticipated to move without incident; however the early call for federal elections is likely to push this out until early 2016. Recent attempts to secure presentations on the status of preclearance negotiations by senior

Canadian federal partners at a cross-border rail event have been unsuccessful with the comment that, post-election, they would likely be available to participate.

In the meantime, our partners at MTQ, Amtrak & NYSDOT continue to discuss next steps on various needs for improved operations and to review preliminary facility designs completed in the fall of 2014. We had hoped to have a meeting of all partners in Montreal, but with travel restrictions continuing for the States and the MTQ, that has been delayed. However, the new Rail section chief at MTQ has started his tenure and we look forward to holding a meeting of the group by teleconference in the coming month. MTQ rail staff has begun drafting the scope of work for the next phase of work to develop/construct preclearance facilities that must be completed for projects to advance in Quebec. They have also indicated that the Premier has begun outreach to potential candidates to act as an emissary for the Province – a counterpart to our recent engagement of former Secretary Brian Searles.

As regards Brian's work on our behalf, I am staffing him in this endeavor, and he has been actively engaged in outreach to a number of public and private sector stakeholders and key government partners to get familiar with the project from various perspectives. He is planning to attend the Can/Am Border Trade Alliance conference in Washington DC in early October that is focused on cross-border trade and travel. Attendees will include senior leadership officials from the US-DHS and CBP, as well as Canadian security officials and the Canadian Ambassador to the US, and members of the US Congress Northern Border Caucus.

My colleagues from US & Canada continue to be confident that the preclearance agreements on development of actual protocols for new facilities and operations will move- the question is when. The effort to secure a joint resolution from members of the NEGC-ECP, as well as any support from Governors of other US-Canada border states and Canadian provincial Premiers, will be helpful in ensuring continued engagement in moving these negotiations forward with both federal governments.

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