

# Pre-Approved Cross-Border Travel in the Cascade Gateway

## Report 4: Barriers to Joint Administration



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## Table of Contents

1. <i>Introduction</i>	3
1.1 The PACE and CANPASS Programs	3
1.2 The Goals of Identifying Barriers to Joint Administration	3
1.3 Contract Summary	4
2. <i>Background—The Goals of PACE and CANPASS</i>	4
3. <i>Impetus for Joint Administration</i>	5
4. <i>Goals of a Jointly Administered Program</i>	7
4.1 Goal 1: Make the use of pre-approved travel easier for the customer	7
4.2 Goal 2: Make the programs more effective and cost-effective for the agencies	7
4.3 Goal 3: Target results	8
5. <i>Operational Overview</i>	8
6. <i>Operational Barriers to Joint Administration</i>	11
6.1 Eligibility	11
6.2 Application Process	11
6.3 Administration	13
6.4 Program Operation	15
7. <i>Non-Operational Barriers to Joint Administration</i>	16
7.1 Organizational & Staffing Programs facing PACE	16
7.2 Program Scope	17
8. <i>Conclusion</i>	17
9. <i>Appendices</i>	
Appendix 8.1: Barriers to Joint Administration	18
Appendix 8.2: Application Form Comparison	19

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# **1. Introduction**

## ***1.1 The PACE and CANPASS Programs***

The PACE (Peace Arch Crossing Entry) program for expedited border clearance of frequent cross-border travelers was started by the U.S. Immigration and Naturalization Service (INS) in 1991, along with Canada Customs & Revenue Agency's (CCRA) CANPASS program. These programs provide a dedicated commuter lane (DCL) for regular cross-border travelers to use, provided that they pass a pre-approval background check, carry their approval letters with them, and display decals on their vehicle.

These two DCL programs have proven highly successful in both providing faster service to regular border commuters, as well as providing inspection agencies an effective mechanism for focusing efforts away from low-risk traffic. CANPASS is now a national program, spanning across Canada at many land ports-of-entry. PACE was originally developed as a regional pilot project and is one of several DCL programs administered by the U.S. INS.

This report is a follow on to reports completed by the Whatcom Council of Governments and the Discovery Institute and will focus on the barriers that currently exist to the development and implementation of a jointly administered DCL program. Previous reports have addressed marketing the PACE and CANPASS programs and possible improvements to the administration and operation of each.

## ***1.2 The Goals of Identifying Barriers to Joint Administration***

Both the PACE and CANPASS programs have served to help alleviate chronic congestion at the Peach Arch Crossing by allowing federal inspection agencies to focus more on higher-risk travelers and vehicles and less on drivers with low-risk profiles. These programs are currently important both regionally and nationally in the effort to improve border mobility by increasing the percentage of travelers pre-approved to cross the border.

By identifying the barriers to a jointly administered program, these barriers can be addressed in the design of a jointly administered U.S.-Canadian DCL program. The goals of such a jointly administered program would be 1) to make the use of pre-approved travel easier for the customer, 2) to make the programs more effective and cost-effective for the agencies, and 3) to target results such that participation in pre-approved border programs would increase thereby reducing border congestion.

### **1.3 Contract Summary**

This work is being performed by WCOG and the Discovery Institute under a contract with the U.S. Department of Transportation Coordinated Border Infrastructure Program. This project was identified and proposed by the International Mobility and Trade Corridor Project (IMTC).

The International Mobility & Trade Corridor Project is a U.S.—Canadian coalition of business and government entities that was formed to jointly identify and pursue improvements to cross-border mobility in the Cascade Gateway—the term used to refer to the four main U.S.-Canada border crossings between Whatcom County, Washington, and British Columbia. The shared goal of IMTC participants is to better facilitate trade, transportation and tourism with innovative improvements to infrastructure, operations, and technology. Over 40 binational, public and private organizations regularly participate in IMTC.

This report concludes the fourth in a series of tasks that includes:

#### Pre-Approved Cross-Border Travel in the Cascade Gateway

- Report 1: Market Research
- Report 2: Marketing Plan
- Report 3: Program Improvements Report
- **Report 4: Barriers to Joint Administration**
- Report 5: Recommendations for a Jointly Administered Program

This report addresses the following project criterion: “Identify the barriers that currently prevent a jointly administered, U.S.-Canadian PACE/CANPASS program and seek input on providing solutions to current barriers.”

## **2. Background—The Goals of PACE and CANPASS**

At the time that inspection officials were developing the PACE program, the INS established the following criteria for identifying potential Dedicated Commuter Lane (DCL) locations: “availability of low-risk frequent border crossing populations; adequate infrastructure such as roads and additional lanes that will permit implementation without negative impact on existing inspection lanes while providing the desired expedited service to the targeted population; and local community support.”<sup>1</sup> All of these factors exist in the Cascade Gateway.

According to a 1993 U.S. Department of Justice report that reviewed early operation of the PACE program, the majority of cross-border travelers at land border ports-of-entry at the Blaine/Douglas Peace-Arch crossing are residents of the border area and, because they are frequent crossers, are familiar with the

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<sup>1</sup> U.S. Department of Justice Office of the Inspector General, Inspection of the Land Border Inspection Fee Program of the Immigration and Naturalization Service, Report I-93-02, Washington: GPO, 1993.

requirements concerning entry into the United States. Inspired by the fact that these travelers typically only require primary inspection screenings and by increased traffic at the border, U.S. and Canadian inspection officials developed a pilot project in 1990 to determine the viability of a program to facilitate the crossing of these frequent, low-risk travelers. This pilot project, named PACE, was created when inspection officials from both countries decided to dedicate a lane both northbound and southbound for the use of pre-screened, pre-authorized program enrollees.<sup>2</sup>

PACE was originally developed in 1990 by the U.S. and Canada to go into operation as a jointly administered program. The Canadian program was ready for implementation before its U.S. counterpart, however, so each moved on to operate independently. PACE remained the name of the U.S. Program, while Canada renamed its program CANPASS.<sup>3</sup> While the programs continued separately, the Inspection report issued by the U.S. INS after the first year of the pilot project noted that the Canadian DCL program had added to the success of the U.S. program.<sup>4</sup>

### **3. Impetus for Joint Administration**

Even though the original DCL program in the Cascade Gateway did not initially develop as a jointly administered program, there is resurgent interest in harmonizing border operations between the U.S. and Canada in this area and elsewhere. This interest provides an opportunity to create a jointly administered program. At the federal level, emphasis on increased border cooperation is reflected in the Shared Border Accord and in the Canadian-U.S. Partnership Agreement (CUSP) signed by President Clinton and Prime Minister Chrétien. The CUSP Agreement includes guiding principles that include “streamlining, harmonizing and collaborating on border policies and management,” and “expanding cooperation to increase efficiencies in customs, immigration, law enforcement, and environmental protection at and beyond the border.”<sup>5</sup>

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<sup>2</sup> Ibid.

<sup>3</sup> Roger Bull from Better Borders Northwest explained that the timing for implementation was different for each program, thus necessitating separate programs. Other explanations include: Ron Hays, Assistant District Director of U.S. INS, and Jay Brandt, U.S. Customs, Blaine, each stated that the program was split into two parallel programs because of Canadian reluctance to integrate. Elaine Dorman, U.S. INS, Blaine, stated that PACE was pulled out because U.S. inspection officials found that Canadian background checks weren't tight enough.

<sup>4</sup> U.S. DOJ, Office of the Inspector General, Inspection of the Land Border Inspection Fee Program of the Immigration and Naturalization Service, p. 7.

<sup>5</sup> “Joint Statement by The Canadian Department of Foreign Affairs and International Trade and The U.S. Department of State Further to the Recent Visit by President Bill Clinton,” DFAIT, October 14, 1999, p. 1.

The federal interest in increased cooperation across the U.S.-Canadian border is mirrored in the findings of a report by the Carnegie Endowment for International Peace, although the tact taken is somewhat different in that the Carnegie report emphasizes the importance of local participation in border policy.<sup>6</sup> In either case, however, joint administration of one harmonized pre-arrival clearance program would act to further binational coordination at the U.S.-Canada border while increasing program efficiency and reducing obstacles to traveler participation.

The PACE and CANPASS programs are unique in their success among DCL programs. Other DCL programs at U.S. ports-of-entry are more expensive and less popular. DCL programs in California and New York have a total of fewer than 5,000 enrollees as compared to the PACE program, which has over 30,000 participants involving 113,000 passengers and accounts for 28% of those crossing at the Blaine/Douglas crossing.<sup>7</sup> Likewise, CANPASS also has a huge enrollment with over 57,000 participants.<sup>8</sup> This may not be a surprise given that these other programs involve fees totaling over one hundred dollars per participant, while the PACE program costs only \$25 per vehicle and the CANPASS program is free.

Given the success of the PACE and CANPASS programs relative to other DCL programs and the unique level of local cooperation found in the Cascade Gateway, there is an opportunity to serve as a leader in border management integration with the creation of a jointly administered pre-clearance program for the PACE and CANPASS programs.

#### **4. Goals of a Jointly Administered Program**

Both PACE and CANPASS share the goal of permitting frequent, low-risk cross-border travelers to cross the border more efficiently, allowing inspection resources to focus on higher-risk traffic. A jointly administered program would better achieve this goal. In addition, as both programs are operationally similar, the operations of PACE and CANPASS could be improved upon through the sharing of resources, data, and by simplifying the application process for potential program participants.

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Note: The PACE and CANPASS programs enroll participants as household units, not as individuals. Thus the number of people participating as passengers is greater than the number of program enrollments—termed participants.

<sup>6</sup> Demetrios G. Papademetriou and Deborah Waller Meyers, “Of Poetry and Plumbing: The North American Integration ‘Project,’ ” Draft Executive Summary, International Migration Policy Program, Carnegie Endowment for International Peace, 2000, p. 3.

<sup>7</sup> Washington State Department of Transportation, Technical Memoranda – ITS Early Development Program, I-5 Seattle to Vancouver B.C., Appendix F: Border Crossing Situational Development (1998), p. F-17.

<sup>8</sup> Data on participation rates in the PACE and CANPASS programs was compiled by the Whatcom Council of Governments from information provided by the U.S. Immigration and Naturalization Service and Canada Customs & Revenue Agency. It was originally reported in report 1 of this series, “Market Research.”

Goals for combining the existing programs into a jointly administered program are to make the use of pre-approved travel easier for the customer; make the programs more cost-effective for the agencies; and to target results such that participation in pre-approved travel programs would increase.

#### **4.1 Goal 1: Make the use of pre-approved travel easier for the customer**

Research conducted by the Whatcom Council of Governments for the PACE/CANPASS Marketing Survey found that over 20 percent of prospective program users were not enrolled in either program because of the perceived difficulties and inconvenience of applying. The first goal of a jointly-administered program would seek to change this by simplifying the application process.

A joint application process with only one application and harmonized rules of use would make the PACE/CANPASS DCL program easier for the frequent traveler. This goal could be achieved with either a totally integrated, jointly administered program, or with a seemingly integrated two-step process involving one application form that is separately reviewed by each country's inspections officials. A single piece of enrollment identification would subsequently be issued in either instance (be it cards, decals, letters, or some other form of identification).

#### **4.2 Goal 2: Make the programs more effective and cost-effective for the agencies.**

A single pre-approval program offers benefits to the inspection agencies as well as convenience for the frequent traveler. Duplicate processes that would be eliminated by a fully integrated program include the printing and distribution of application materials, the processing of enrollments, the printing and distribution of identification materials, and the collection, entry, and management of *common* data elements. In a two-step process, benefits would include all of the above except the application review process and the management of data.

#### **4.3 Goal 3: Target results.**

A jointly administered program would increase the use of the pre-approved travel programs (in both participant numbers and as a proportion of total traffic), improve security by allowing inspection officials to concentrate on higher risk travelers, lower overall administrative costs for both countries by eliminating duplication, and help realize the goals of the CUSP Agreement and the Shared Border Accord.

## **5. Operational Overview**

PACE and CANPASS both offer cross-border travelers access to expedited travel at specific ports-of-entry. This is provided by the combination of a dedicated



commuter lane (DCL) (which enables program participants to bypass often lengthy queues) and a “rolling inspection” wherein participants, who display the official windshield decal, are most often waved through the booth by the inspector rather than stopped for a typical, multi-question primary interview. Spot checks are carried out in the PACE and CANPASS lanes.

Because PACE and CANPASS have operated independently for almost a decade, several operational differences have evolved which extend beyond the disparity in program fees. Differences between the programs may increase. The U.S. INS is now preparing to test a new pre-approved travel program in this region. While it is still unclear whether the new program will prove more effective than PACE, known features of this new program are included in this analysis of how both countries’ programs can be jointly administered. For this report, the NEXUS pilot DCL project now in place at the Port Huron/Sarnia border crossing can serve as a proxy for the new program to be tested in the Cascade Gateway.

The chart below summarizes the operational components of each program format.

Chart 5.1: Operational Summary

<b>Process</b>	<b>PACE</b>	<b>CANPASS</b>	<b>U.S. Pilot Program</b>
<b>Eligibility</b>	U.S. and Canadian citizens	U.S. and Canadian citizens	U.S. and Canadian citizens
Relationship to Program	Program grants status to a main applicant and multiple members of the main applicant's family household.	Program grants status to a main applicant and multiple members of the main applicant's family household.	Program grants status to an individual applicant.
<b>Application</b>	Mail in complete form.	Mail in complete form with copies of documentation of citizenship.	Complete in person at enrollment office. Includes photograph and biometrics.
Review	Typically takes several weeks. Anecdotal evidence suggests that PACE's processing times are longer than CANPASS's.	Typically takes several weeks.	Enrollment to be completed at time of application. Review and any subsequent denial will be retroactive.
Approval/Denial	Notification by mail.	Notification by mail	Real time – see above.
<b>Administration</b>	Program administered by U.S. INS, with application review and operational assistance in manning the lanes by U.S. Customs.	Canadian Customs administers the program, but may ask Citizenship and Immigration Canada for assistance with application review in some cases.	
Enrollment	Completed at office. All applicants must be present.	Completed at office. All applicants must be present.	Real time – see above
Fee	<b>\$25</b> per car includes associated family members.	<b>No fee.</b> CANPASS users do agree to pay GST on a lower maximum value of purchases made abroad.	<b>No fee during pilot phase.</b> Beyond a successful test phase, current U.S. law would require cost recovery,

## Operational Summary (cont.)

<b>Process</b>	<b>PACE</b>	<b>CANPASS</b>	<b>U.S. Pilot Program</b>
Fee (cont.)			which, for this program, would be significant and assessed to the each individual.
<b>Program Operation Identification</b>	<i>For car:</i> windshield decal. <i>For travelers:</i> all approved names for the car are listed on an INS letter.	<i>For car:</i> windshield decal. <i>For travelers:</i> all approved names for the car are listed on a CCRA letter.	INS-issued photo ID/Radio Frequency (RF) Card. Cars may also have a decal.
Clearance Process	Window decal grants access to dedicated lane. Booth inspector typically waves vehicle through without a full stop. Inspector may signal for a full stop for periodic verification.	Window decal grants access to dedicated lane. License-plate readers allow for verification of car enrollment and other basic information. Booth inspector typically waves vehicle through without a full stop. Inspector may signal for a full stop for periodic verification	Vehicle approaches dedicated lane. Antennae in advance of booth senses RF cards present in the vehicle. RF-card readings trigger video display of corresponding enrollment data to the booth inspector. Vehicle stops at the booth while inspector confirms that number of passengers matches the number of approved enrollees and that displayed photographs match those present in the vehicle. Decision to clear is made.
Transport of goods purchased abroad	If total purchases exceed Customs exemption, the regular lanes must be used.	CANPASS enrollment automates the collection of duties from Canadians via credit card.	Data Unavailable.

## 6. Operational Barriers to Joint Administration

Current differences between PACE and CANPASS prevent realization of the goals listed above. Additionally, some aspects of U.S. INS's planned DCL pilot program would also conflict with these goals. Using Table 5.1 as a guide, this section will identify and expand on specific operational barriers to joint administration.

### 6.1 Eligibility

#### ○ Program Eligibility

PACE and CANPASS have similar eligibility requirements (see Appendix 9.2). Both programs are open to U.S. and Canadian citizens and are based on family household membership. Participants enroll one vehicle and include members of their household on their application forms.

One difference between the PACE and CANPASS programs is the definition of a spouse. The CANPASS program's definition of an eligible spouse includes a person married to the applicant or a "person who has cohabited with the applicant in a conjugal relationship for at least one year." The U.S. program does not recognize similar relationships, limiting coverage to legally married couples.

**Barrier 1:** The CANPASS program includes common law and domestic relationships in its definition of an "eligible spouse" while the PACE program does not.

#### ○ Relationship to the Program

While the current DCL program enrollments record one or many household members and one or more vehicles, the new DCL program to be tested at the Pacific Highway crossing will be different. All participants in the pilot project will enroll individually—not associated with a primary applicant or a car. As such, participants' relationship to the enrollment database will differ from the current DCL programs.

**Barrier 2:** Household enrollment for the CANPASS program contrasts with individual enrollment for the INS pilot project.

### 6.2 Application Process

#### ○ Application Form

A comparison of the application forms for the PACE, CANPASS and NEXUS pre-clearance programs shows that there are generally only a few differences between the information gathered and assessed for participants in each (see Appendix 9.2). It would not be difficult to coordinate the information collected such that a single application could be used. Differences, however, include the following:

- Preferred language? [asked for CANPASS, not for PACE]
- Registration number in another CANPASS program? [asked for CANPASS, not for PACE]
- Passport Information [asked for CANPASS and NEXUS, not for PACE]
- Occupation and Employer information [asked for CANPASS and NEXUS, not for PACE]
- Vehicle Identification Number [asked for CANPASS, not for PACE]
- Name of Vehicle Owner [asked for CANPASS and NEXUS, not for PACE]
- Destination Information [asked for CANPASS, not for PACE]

The most significant gap involves the application process. While the U.S. programs have applicants bring identification documents with them when completing enrollment at the PACE office, the CANPASS program has applicants send in photocopies of the required items. According to Glenn Bonnett of Canadian Customs and Revenue Agency, it is necessary for officials to have copies of these documents during the review process.<sup>9</sup>

**Barrier 3:** Each program requires that identification materials be presented at a different point in the application process.

○ **Application processing and review**

While the applications collect almost identical information, the way that information is collected presents a greater barrier. In order to facilitate efficient data-entry forms need to collect information in a certain order. Each country's need for a different data-field order was listed as a barrier to initial attempts to create a single-form system for the parallel PACE and CANPASS programs when they developed.<sup>10</sup>

Currently review for both the PACE and CANPASS programs typically takes several weeks once an application has been sent into the DCL administration office. This process will be greatly changed if the pilot project is similar to that of the NEXUS program, however, which offers a one-stop enrollment process. Enrollees will apply, be processed, and issued an active NEXUS card all during one visit to the NEXUS office.

**Barrier 4:** The new pilot program may involve a real-time application process that will not correspond to the several-week review process currently required for applications to CANPASS.

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<sup>9</sup> Glenn Bonnett, Chief, Client Services and Support, CCRA, Surrey, B.C., Personal interview, 25 February 2000.

<sup>10</sup> Ron Hays, Chief of Inspections Operations, Air and Sea, INS, U.S. DOJ, Personal interview, 25 January 2001.

## 6.3 Administration

### o Application Review

Background checks are done by each agency during the application review process. On the U.S. side, U.S. INS and U.S. Customs check for violations of their own regulations and check other criminal databases. Applications are then sent to Canada for Canadian checks.<sup>11</sup> On the Canadian side, Canadian Customs and Revenue Agency does all the checks, referring any questions on immigration issues to Citizenship and Immigration Canada.<sup>12</sup> Because there is typically only one round of checks, the Canadian review process often has a shorter processing time.

According to Glenn Bonnett of CCRA, a joint process could allow for only one check of the criminality databases and thus create greater efficiency. The other checks however, are done on separate databases so they would still need to be done individually, even in a jointly administered program. Bonnett also notes that each agency screens for different concerns—thus it would be difficult to cut down on the number of checks—and that there are sovereignty and privacy issues involved in sharing access to the databases.<sup>13</sup>

Likewise, on the U.S. side, the Third Party Rule precludes the passing of information on to a third agency, according to Debbie Engels of U.S. Customs. Thus it would not be possible currently to share information obtained from a second U.S. agency with Canadian (or other U.S.) agencies in the review process.<sup>14</sup>

**Barrier 5:** All record checks in the review process are done separately, not simultaneously. Legislation prevents creation of one authorized clearance database/system.

If a single application system is created, it will necessitate the development of a shared enrollment database structure because information will need to be available to agencies of both countries. While this may bring up concerns about privacy and sovereignty, it would seem to embody the data-sharing initiatives that the CUSP agreement advocates. To accomplish this goal, a relational database structure could allow both countries to use and maintain one central database of the main enrollment information while at the same time maintaining linked data tables of additional record fields that each agency needs exclusive access to.

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<sup>11</sup> U.S. DOJ, Office of the Inspector General, Inspection of the Land Border Inspection Fee Program of the Immigration and Naturalization Service, p. 6.

<sup>12</sup> Glenn Bonnett, CCRA, Personal interview, 25 February 2000.

<sup>13</sup> U.S. DOJ, Office of the Inspector General, Inspection of the Land Border Inspection Fee Program of the Immigration and Naturalization Service, p. 6.

<sup>14</sup> Engels, Debbie, U.S. Customs, Blaine, WA, Personal interview, 15 March 2000.

While sharing information would prove problematic with the current system given concerns of sovereignty and privacy, a jointly administered pre-approval program would be able to avoid such concerns just by being jointly administered from the get-go. A single application would serve to eliminate the problems involved in the sharing of data between the U.S. and Canada because applicants would be aware that their information is being forwarded to officials of each country from the outset.

- **Enrollment**

Once applications are processed, new participants in the PACE and CANPASS programs are required to come into the respective program offices to pick up their decals and letters of participation and to hear a review of program rules. The NEXUS program, as mentioned above, involves a real-time application process whereby approved participants are able to pick up their enrollment cards on the same day as they apply. If it follows the same real-time processing model as NEXUS, the new pilot project would operate on a different time frame than the current DCL programs, adding another dimension to efforts at joint administration.

- **Fee collection**

When PACE and CANPASS started, new legislation gave U.S. INS permission to charge a fee (\$25 annually) for the decal, while the Canadians were charging \$10 for participation.<sup>15</sup> After the first year, it was expected that the fee for the Canadian program would increase if the pilot program was extended and expanded and that both programs would charge the same amount. However, the program was expanded to other Canadian Ports of Entry and the CCRA has instead eliminated the charge altogether.<sup>16</sup>

While it no longer charges a fee, the Canadian CANPASS program is still a revenue generating program. While the U.S. DCL programs (e.g. PACE, NEXUS, SENTRI) may or may not have fees associated with them to cover administrative costs, the CANPASS program is free in part because it covers its costs by allowing for the automatic collection of customs duties.

To have a jointly administered program, it would not be possible to have a fee structure where only one country benefited from the fee collection. As such, the

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<sup>15</sup> The Land Border Inspection Fee Account program (8 U.S.C. Sec. 1356(q))—which enabled the INS to charge and collect fees for a program like PACE—was established by Congress in 1992 as a temporary program. U.S. DOJ, Inspection of the Land Border Inspection Fee Program of the Immigration and Naturalization Service.

<sup>16</sup> Glenn Bonnett, CCRA, Personal interview, 25 February 2000. Apparently as a toll is charged at the Peace Bridge Crossing, Canadian officials wanted to avoid the perception that travelers were being required to pay twice.

fee structure would have to be harmonized, which—since the CANPASS program is currently free—would likely involve the elimination of the U.S. fee rather than the imposition of a fee on the Canadian side.

**Barrier 6:** U.S. INS has chosen to charge a fee.

According to U.S. officials, DCL programs are required by OMB regulation to charge a fee to cover administrative costs because they serve only a subset of the total population.<sup>17</sup> Because of this requirement, elimination of the fee currently charged to PACE users may require a change to OMB regulations.

**Barrier 7:** The U.S. law currently requiring that a fee be collected for DCL programs would need to be changed to allow for the elimination of the fee.<sup>18</sup>

## **6.4 Program Operation**

### **o Identification**

Currently both the PACE and CANPASS programs require participating vehicles to have a decal and to carry an authorizing letter (or multiple letters) listing all passengers in the vehicle. In the interest of better identifying participants, the pilot project is expected to utilize individual identity cards with a photo, biometric information, and radio frequency (RF) capacity.

Like the pilot project intended for Washington/British Columbia, the NEXUS pilot project in Port Huron/Sarnia also uses biometric identity cards and RF technology. The NEXUS card allows for Canadian identification information on the “backside” of the card. The same arrangement should be possible in the Cascade Gateway whereby a single card serves to include additional information on the “U.S. side” while replacing the CANPASS letter on the “Canadian side,” thus allowing for a single piece of identification.

### **o Clearance process**

The clearance process for the PACE and CANPASS programs are nearly identical. Cars are stopped, participants are required to carry letters of participation and to display window decals on their vehicles. There are a few differences however. The Canadian program uses license plate readers in its DCL to verify basic enrollment information. CCRA also acknowledges the decal in the regular lanes as well. These differences are not evident to the customer and do not stand as a barrier to joint administration, however.

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<sup>17</sup> Hays, Ron, INS, Personal interview, 25 January 2001.

<sup>18</sup> See 8 CFR Sec. 103.7.



Where the Canadian CANPASS program currently has a more sophisticated system for identifying vehicles, the U.S. pilot project will allow for even greater security in Southbound lanes as it will include RF cards with biometric information and photos. Just as the current system involves differences that do not pose a barrier to joint administration, the same will be true with the pilot project.

It should be possible to have different clearance processes for participants in a jointly administered program. For example, Canada will only use the NEXUS card as a replacement for the CANPASS letter. The RF capabilities of the cards will only be used by the U.S. for southbound DCL traffic. Such partial harmonization would be possible in the Cascade Gateway as well if the new pilot project introduces a new clearance process.

- **Transport of goods purchased abroad**

The restrictions against bringing commercial goods, food, plant, and animal stuffs through the DCL lanes are nearly the same in each program and thus do not serve as a barrier to joint administration. Likewise, while the process for collecting duty is different between the programs, it doesn't serve as a barrier because it doesn't affect the use of the program by travelers. Canadian travelers crossing northbound can pay the required customs duties in the DCL while travelers heading southbound can use either the DCL or the regular lanes depending on the goods they are carrying.

## **7. Non-Operational Barriers to Joint Administration**

In addition to barriers arising from operational differences between the PACE and CANPASS programs, there are also several important barriers arising from the condition and status of each program. Notably, the persistent staffing problems facing PACE and the lack of a national approach to DCL programs on the U.S. side serve as barriers to joint Canada-U.S. program administration.

### **7.1 Organizational & Staffing Problems facing PACE**

The U.S. PACE program in the Cascade Gateway has recently been plagued by staffing shortages and funding uncertainties. Because the program office is staffed with Other Than Permanent (OTP) employees, it has been difficult for regional INS managers to provide sufficient staffing to ensure that the office is kept open regularly or that the program will continue. Given these uncertainties, Canadian officials are understandably reluctant to integrate towards joint administration.

<p><b>Barrier 8:</b> Funding and staffing programs in the PACE program lead to program instability.</p>
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## **7.2 Program Scope**

Where the CANPASS program served as a model for other DCL programs on the Canadian border (with efforts now underway to harmonize DCL programs throughout Canada), U.S. DCL programs have only been locally developed and implemented to date. The PACE program is separate from the NEXUS program, from the commercial pre-clearance program at the Peace Bridge Crossing, and from DCL programs on the U.S.-Mexican border.

While attention is being given to harmonizing pre-clearance programs either along the U.S. Northern Border or within APEC or within North America, none of these initiatives is yet close to implementation. This stands in contrast to the increasingly-integrated approach being pursued on the Canadian side.

**Barrier 9:** The U.S. approach to pre-clearance programs is still local and piecemeal, without an imminent plan to coordinate across modes or localities.

## **8. Conclusion**

A jointly administered DCL program would help to alleviate border congestion in the Cascade Gateway by accomplishing three goals: 1) making the use of pre-approved travel easier for the customer, 2) making the programs more effective and cost-effective for the agencies, and 3) targeting the results to increase program participation. To achieve these goals, however, several barriers have to be overcome in the development of such a program. This report has characterized the nine barriers to joint administration identified as being either operational or non-operational (see appendix 9.1 for a summary of the barriers).

Those barriers termed operational are reflective of the PACE and CANPASS programs as they are currently designed and administered. A flow chart showing the current PACE and CANPASS programs is used to trace the barriers to the formation of a jointly administered program at each operational step (see chart 5.1). While various, none of the identified operational barriers pose an insurmountable challenge to the development of a jointly administered program, although they will need to be addressed to accomplish that goal.

General barriers to the creation of a jointly administered pre-approval program have been termed non-operational in this report and include staffing shortages on the U.S. side and the limited scope of U.S. pre-approval programs. While the operational barriers identified should not stand in the way of the creation of jointly administered pre-approval program, the non-operational barriers may do so if they are not addressed adequately by officials looking to implement a new jointly administered pre-approval program.

## **Appendix 9.1: Barriers to Joint Administration**

### ***Operational Barriers to Joint Administration:***

**Barrier 1:** The CANPASS program includes common law and domestic relationships in its definition of an “eligible spouse” while the PACE program does not.

**Barrier 2:** Household enrollment for the CANPASS program contrasts with individual enrollment for the INS pilot project.

**Barrier 3:** Each program requires that identification materials be presented at a different point in the application process.

**Barrier 4:** The new pilot pre-approval program may involve a real-time application process that will not correspond to the several-week review process currently required for applications to CANPASS.

**Barrier 5:** All record checks in the review process are done separately, not simultaneously. Legislation prevents creation of one authorized clearance database/system.

**Barrier 6:** U.S. INS has chosen to charge a fee.

**Barrier 7:** The U.S. law currently requiring that a fee be collected for DCL programs would need to be changed to allow for the elimination of the fee.

### ***Non-Operational Barriers to Joint Administration:***

**Barrier 8:** Funding and staffing programs in the PACE program lead to program instability.

**Barrier 9:** The U.S. approach to pre-clearance programs is still local and piecemeal, without an imminent plan to coordinate across modes or localities.

## Appendix 8.2: Comparison of Application Forms

Field	CANPASS	PACE	NEXUS
<b>Personal Information</b>			
Preferred Language	French/English		French/English
Name of Applicant	First, Last and Previous name	First and Last	First and Last
Registration no. in other CANPASS program	yes		
Sex/Gender	yes	yes	yes
Date of Birth / Place of Birth	Date and Place	Date only	Date and Place
Citizenship	yes	yes	yes
Country of Residence	Permanent Resident of US/CA?		yes
Passport Information	Country and Number		Country
Identifying Information Required/Permitted (US and Canadian citizens)	Proof of citizenship (e.g., a photocopy of a birth certificate, citizenship certificate, or passport) <b>must be forwarded with application</b>	At time of final processing must provide proof of citizenship, residency.	At time of final processing, provide proof of citizenship/residency, give hand geometry, have photo taken.
Identifying Information Required/Permitted (Canadian permanent residents or U.S. resident aliens)	Proof of legal residence in either country (e.g., a photocopy of a landing card, or a valid permanent resident card, or a valid resident alien card) <b>must be forwarded with application.</b>	Proof of legal residence in either country (e.g., a photocopy of a landing card, or a valid permanent resident card, or a valid resident alien card) <b>must be presented at final processing.</b>	Proof of legal residence in either country (e.g., a photocopy of a landing card, or a valid permanent resident card, or a valid resident alien card) <b>must be presented at final processing.</b>
Addresses	Resident and Mailing	Resident and Mailing	Resident and Mailing
Telephone	Resident and Business	Resident and Business	Resident and Business
Employment information	Occupation and Employer		Occupation, employer name and address

## Appendix 8.2: Comparison of Application Forms, cont.

Field	CANPASS	PACE	NEXUS
<b>If you are not a Canadian/US Citizen....</b>			
Resident Alien Status	If yes, include Date of Landing/Alien Registration Card no.	If yes, include Date of Landing/Alien Registration Card no.	alien number not required?
Purpose of Travel	For non-residents of CA, what is purpose of travel (pleasure, business, school, other?). Copy of employment/education authorization required.	Purpose of Travel	purpose?
<b>All Participants</b>			
<b>"Spousal" Information</b>			
Name	yes	yes	yes
Relationship to Applicant	yes		
Date/Place of Birth	Date and Place	Date	Date
Sex	yes	yes	yes
Citizenship	yes	yes	yes
Country of Permanent Residence	yes	yes	
Purpose of Travel	For each applicant.	For primary applicant.	For primary applicant.
Signatures	Of each applicant.	Of primary applicant.	Of primary applicant.
Criminal History	Have you, your spouse, or your dependants ever been found in violation of the Customs or Immigration Acts? Provide details on offense. Do you have a criminal record for which a pardon has not been granted?	Have you ever been found in violation of the Customs or Immigration Acts or a Criminal Offense? Provide details on offense.	Have you ever been found in violation of the Customs or Immigration Acts, a Criminal Offense, or a minor offense? Provide details on offense.

## Appendix 8.2: Comparison of Application Forms, cont.

Field	CANPASS	PACE	NEXUS
<b>Vehicle Information</b>			
Vehicle description	VIN, Make, Model, Year	Make, Model, Year, and Color	Make, Model, Year
Vehicle License and State/Province	yes	yes	yes
Driver's License No./State-Province	yes	yes	no
Name of Registered Vehicle Owner	yes	no	yes
Destination Information	Destination address and phone (if not traveling for pleasure)		
<b>Rules</b>			
Verification of Rules	Only authorized participants, regulations regarding importing goods, requirements for living/working in Canada		
Information given true?	yes	yes	yes
Applicants Signature/Date	yes	yes	yes