Congresswoman Veronica Escobar Texas 16th Congressional District Ways and Means Member Day Testimony June 4, 2019

Thank you Chairman Neal and Ranking Member Brady. I am here today to speak on two issues of great importance to El Pasoans – economic development and trade.

In 2017, Opportunity Zones were created as part of an effort to encourage investment in low-income communities. El Paso, Texas took advantage of this and nominated 99 census tracts for designation. In March 2018, the Governor of Texas announced that sixteen census tracks were submitted for Opportunity Zone designations.¹

Ultimately, the Treasury Department chose one such tract for certification that is located inside Fort Bliss Army Base. This current designation hinders our city's continued effort to improve the quality of life for all El Pasoans, including those military families stationed at Fort Bliss. In fact, since I was sworn in, I have worked closely with Fort Bliss and in March 2019, Fort Bliss officials stated in a letter to the Mayor that "it makes more sense to exchange this tract for a census tract...that...aligns with your economic development efforts to provide the greatest benefit to all El Pasoans." They also stated they support the city's effort to re-designate the current Opportunity Zone encompassing Fort Bliss to our downtown area. I would like to submit this letter for the record. This issue spans various committees and, as a member of the Armed Services Committee, I look forward to working with both committees to remedy this error, one that likely affects other cities throughout the country. Such a fix would boost growth in an area

¹<u>http://www.epconnect.today/~/media/files/coep/capital-</u> improvement/news%20releases/news%20release%20-

<u>%20sixteen%20el%20paso%20census%20tracts%20nominated%20for%20opportunity%20zone%20desig</u> nations.ashx

that is ripe for development and in need of investment. I am happy to provide Committee with any additional material required to facilitate this request. I am also working on language that I have shared with both your staffs and look forward to working with you.

The second issue critical to El Pasoans is trade. The border region is dependent on it and enjoys the relationships it has built with Mexico because of it. In fact, about a quarter of our jobs are linked to trade and the region sees about \$90 billion worth of goods flow through our ports of entry. Lately, however, our region has suffered at the hands of this Administration. While the President has fixated on ineffective immigration policies that do not address the root causes of migration -- like building a border wall and closing the southern border altogether -- the border region has seen trade decline.

A recent study released by the Federal Reserve Bank of Dallas shows that annualized trade through the El Paso Port of Entry was \$74.5 billion in March, a 7% decrease from last year.² The study posits that the decline is linked to "the recent long delays at the border crossing due to customs and border protection officers being diverted to process migrants."³ Indeed, U.S. Customs and Border Protection reassigned up to 750 CBP officers away from southern ports to help process asylum-seekers.⁴ At the El Paso Port of Entry alone, 194 officers were pulled away from the ports. Cargo wait times exceeded 18 hours during at the height of the reassignments.

I understand that immigration policy is out of this Committee's jurisdiction, but it is important to remember that these decisions are interconnected and can have repercussions across industries. I respectfully request the Committee hold a field hearing in El Paso to see the

² <u>https://www.dallasfed.org/-/media/Documents/research/indicators/ep/2019/ep1906.pdf</u>

³ https://www.dallasfed.org/-/media/Documents/research/indicators/ep/2019/ep1906.pdf

⁴ <u>https://www.cbp.gov/newsroom/speeches-and-statements/temporary-re-assignment-cbp-officers-border-patrol-sectors</u>

consequences bridge wait times have on the region and nation. There, you can speak to experts on the ground and get a firsthand understanding of trade along the U.S.- Mexico border and the unique issues the southwest faces. My office would be happy to facilitate your visit.

I thank you all for the opportunity to speak today and for your consideration of these requests.