

December 18, 2023

The Honorable Joe Biden President of the United States 1600 Pennsylvania Avenue, NW Washington, D.C. 20500 The Honorable Alejandro Mayorkas Secretary of Homeland Security Washington, DC 20528

President Biden and Secretary Mayorkas,

On behalf of the California business community and our employees, we are writing to express our grave concern regarding cessation of rail service through the land ports at El Paso and Eagle Pass. We strongly urge you to use all necessary resources to address this looming crisis, which will have ripple effects throughout the entire nation's supply chain. Ongoing, uninterrupted service at both gateways is critical to the national supply chain and the ability of business and agriculture to meet the demands of consumers across the country.

California business and residents are uniquely aware of the impacts of a supply chain disruption; we lived through barren shelves, skyrocketing prices on goods, lack of access to fresh fruits and vegetables, and myriad other impacts took months to normalize. Prolonged closure of the gateways—especially this time of the year—will have an untold impact on our economy, preventing essential goods from getting to our stores, driving scarcity on the shelves and increased costs during one of the busiest times of the year for retail and grocery establishments.

While the border crossings are closed, tens of thousands of rail cars are being held on both sides of the border, with grain exports, consumer goods, automotive parts and finished vehicles, food and beverages all being affected. What's more concerning is that these closures will have a detrimental domino effect on other border crossings as well. According to Union Pacific, the largest rail carrier in California, approximately 45 percent of its rail cars move to and from Mexico cross through El Paso and Eagle Pass; there isn't enough capacity at the other four gateways to reroute them.

In fact, Eagle Pass and El Paso account for a total of **\$33.95 billion or 35.8 percent of all cross-border rail traffic to and from Mexico** in the most recent 12 months of available US DOT transborder data (Nov 2022 to October 2023).

We understand and appreciate the gravity of the ongoing humanitarian crisis at our southern border. But few migrants are crossing on trains, and the railroads have their own police forces and technology (including x-ray systems that use gamma-ray imaging) to detect people and contraband. Closing both border crossings and creating massive disruption in cross-border trade is not the solution.

Therefore, we ask that you allow goods and commerce to continue to move through the El Paso and Eagle Pass gateways uninterrupted. Businesses and consumers cannot afford for these vital arteries of the supply chain to be closed, especially now.

Thank you in advance for your consideration and we stand ready to help assist in any way to ensure these gateways are operational and that the United States remains open for business.

Sincerely,

Robert C. Jupsley

Robert C. Lapsley President, California Business Roundtable

Lynn Mohrfeld President and CEO, California Hotel and Lodging Association

Jennifer Barrera President and CEO, California Chamber of Commerce (CalChamber)

Matthew Hargrove President and CEO, California Business Properties Association

Lance Hastings

Lance Hastings President and CEO, California Manufacturers and Technology Association

Dan Dunmoyer President and CEO, California Building Industry Association

Jot Condie President and CEO, California Restaurant Association

Rachel Michelin President and CEO, California Retailers Association

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Paul Granillo President and COE, Inland Empire Economic Partnership

Tracy Hernandez Founding CEO, Los Angeles Business Federation

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