

Office of Councilmember Georgette Gómez
City of San Diego, Ninth District

A RESOLUTION IN OPPOSITION TO BUILDING A WALL ALONG THE UNITED STATES BORDER WITH MEXICO

RESOLUTION IN OPPOSITION

BUILD A WALL ALONG THE UNITED STATES BORDER WITH MEXICO

A RESOLUTION IN OPPOSITION TO PRESIDENT TRUMP'S **EXECUTIVE ORDER 13767**, TO BUILD A WALL ALONG THE UNITED STATES BORDER WITH MEXICO AND HOUSE REPRESENTATIVE MIKE D. ROGERS'S BILL H.R. 1813 TITLED **BORDER WALL FUNDING ACT OF 2017**.



Source: https://cdn.theatlantic.com/assets/media/img/mt/2016/11/RTX2SVY5/lead_960.jpg?1478816579



Executive Order 13767

Border Security and Immigration Enforcement Improvements Executive Order

On January 25, 2017 President Donald Trump signed Executive Order 13767. **Executive Order 13767** proposes to build a wall along the entire U.S.-Mexico border through a series of steps under the Border Security and Immigration Enforcement Improvements Executive Order.



House Bill H.R. 1813

Border Wall Funding Act of 2017

On March 30, 2017, House Representative Mike D. Roger introduced house bill H.R. 1813 titled **“Border Wall Funding Act of 2017”**. **H.R. 1813** amends the Electronic Fund Transfer Act by imposing a fee on remittance transactions sent from the United States to certain foreign countries to use funds for constructing the border wall.

Binational Partnership

San Diego/Tijuana

The City of San Diego finds both Executive Order 13767 and H.R.1813 offensive and damaging symbols of fear and division that will increase tensions with Country of Mexico, one of the United States' **largest trading partners and a neighbor** with which communities such as San Diego in the border region are inextricably linked culturally, physically, and economically.



Source: <https://www.sandiego.gov/sites/default/files/mou2.jpg>

Consumer tax in H.R. 1813

Imposing a fee on remittance transactions

The consumer tax in H.R. 1813 would **increase the cost of remittance transfers**, possibly driving consumers out of regulated financial services and forcing these money transactions underground



Source: <http://www.banderasnews.com/0911/images/ustaxes.jpg>



Source: <https://i.unu.edu/media/ourworld.unu.edu-en/article/20593/why-funding-a-usmexico-wall-with-a-remittance-tax-is-a-recipe-for-disaster-2.jpg>



San Diego Chamber of Commerce voted to oppose H.R. 1813

June 22, 2017

Double taxation of U.S. and non-U.S. citizens; result in a decrease in the amount of dollars individuals and countries invest into the U.S. economy, **adversely impacting U.S. relationships with affected countries**; harm companies and organizations that partner with the Latin American region, potentially **increase the population living in poverty**; and it will entice an increase in utilization of grey market channels or illegal methods of money transfers



POLICY BRIEF JUNE 2017

H.R. 1813: BORDER WALL FUNDING ACT 2017

POSITION

The International Business Affairs Committee voted to **OPPOSE** this legislation on June 5, 2017. The Board voted unanimously to **OPPOSE** the bill on June 22, 2017.

***STATUS:** H.R. 1813 was introduced by Representative Mike D. Rogers on March 30, 2017 and it was referred to the House of Financial Services, House of Foreign Affairs, and House Judiciary. On April 21, 2017 it was referred to the Subcommittee on Immigration/Border Security and Subcommittee on Crime, Terrorism, Homeland Security, and Investigations.*

SUMMARY

H.R. 1813 amends the Electronic Fund Transfer Act by imposing a fee on remittance transactions sent from the United States to certain foreign countries.

According to this act, starting no later than September 30th, 2017 a remittance tax equal to 2% of the United States dollar amount shall be imposed on any individual in the U.S who sends their funds to a list of selected countries. A remittance provider may retain up to 5% of a sender's remittance transfer in order to cover some of the costs of collecting and submitting remittance fees, during the first five years.

Penalties would be imposed for individuals who do not comply with the act.

ANALYSIS

Possible impacts of the legislation include:

- Double taxation of U.S. and non-U.S. citizens.
- A decrease in the amount of dollars individuals and countries invest into the U.S. economy.
- Adversely impacting U.S. relationships with affected countries.
- Harm companies and organizations that partner with the Latin American region.
- Potential increase in population living in poverty.
- An increase in utilization of grey market channels or illegal methods of money transfers.

OVERVIEW

H.R. 1813 amends the Electronic Fund Transfer Act by imposing a fee on all transfer remittances to certain foreign countries.

The act was created with the purpose of funding the border wall between United States and Mexico.

If passed, this act will adversely impact the U.S. economy, foreign affairs, and increase the rate of poverty in the U.S. and Latin America.



Remittances to Latin America and the Caribbean

- Latin America and the Caribbean receive a total of US\$68 billion, of which US\$52 billion or 76.1% come from the US.

Latin American and Caribbean countries with the biggest remittance receipts in 2016

| Country | Billion of dollars | |
|--------------------|--------------------|---|
| Mexico | 27.0 | |
| Guatemala | 7.2 | |
| Dominican Republic | 5.1 | |
| Colombia | 4.9 | |
| El Salvador | 4.6 | |
| Honduras | 3.9 | |
| Brazil | 3.0 | e |
| Peru | 2.9 | e |
| Ecuador | 2.4 | e |
| Jamaica | 2.4 | e |
| Haiti | 2.3 | e |

Source: BBVA Research based on data from the respective countries' central banks

e: World Bank estimate

Latin American and Caribbean countries most dependent on remittance receipts in 2015

| Country | Remittances as % of GDP | |
|--------------------|-------------------------|---|
| Haiti | 24.7% | |
| Honduras | 18.2% | |
| Jamaica | 16.9% | |
| El Salvador | 16.6% | |
| Guatemala | 10.3% | |
| Nicaragua | 9.4% | |
| Guyana | 9.3% | |
| Dominican Republic | 7.7% | |
| ... | ... | |
| Mexico | 2.6% | * |

Source: BBVA Research based on World Bank data

* BBVA Research estimate for 2016 based on Banco de México data

Impacts to the Native Land

Border walls are detrimental to the environment

More than three dozen U.S. laws were waived to facilitate construction of existing border structures, precluding review and analysis of their impacts to environmental and archaeological resources along the border - including the Otay mountain wilderness area which was **damaged by the border barriers installed**. Other affected areas were Native American sacred sites, protected public lands, unique and often rare wildlife, and streams and other watercourses.



Source: http://tvivideo.com/wp-content/uploads/2014/07/otay_dvd_cover-500px.jpg

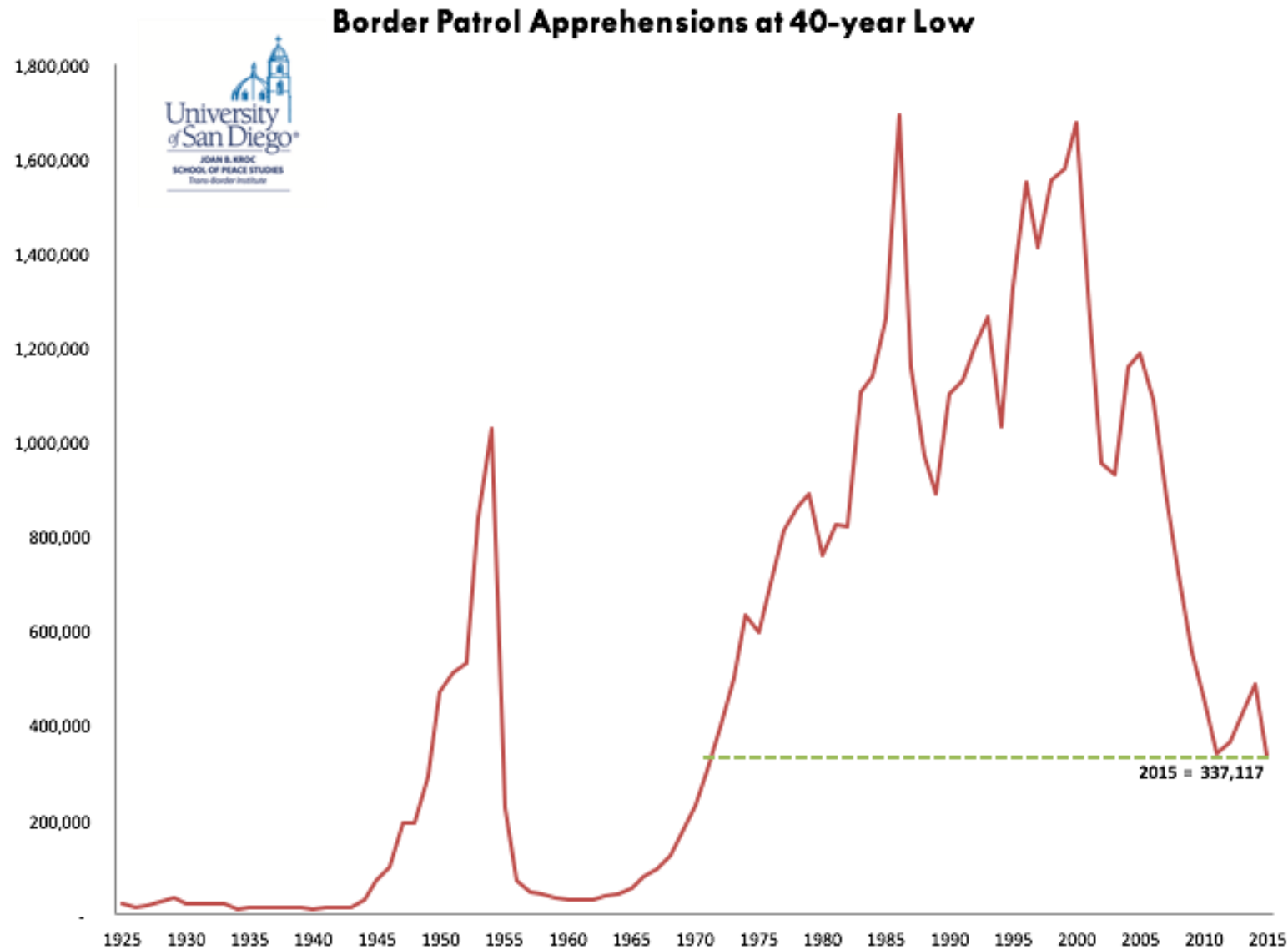
Map of Border Patrol sectors and location of the border fence and SBInet

- State boundary
- Border Patrol sector
- Fence completed
(Data source: OBP)
- Fence under construction
(Data source: USACE)
- Fence planned/under contract
(Data source: USACE)
- ★ SBInet



Source: GAO analysis of CBP data; Map Resources (map); U.S. Customs and Border Protection (fence).

Note: The depiction of the fence was derived from various digital database sources. Customs and Border Protection assumes no responsibility or liability for any errors or omissions. Fence depiction is not to scale. The map is conceptual and does not depict the actual size of the fence.



Binational Tourism Plan

The San Diego-Tijuana region

The City's joint working group with San Diego Tourism Authority and Tijuana authorities, which are developing a **joint tourism publicity and destination promotion for the San Diego-Tijuana region**, will be jeopardized by construction of a border wall



Source: <http://www.voiceofsandiego.org/topics/politics/san-diegos-ambulance-problem-is-really-a-border-problem/>
Source: <http://www.egdentalmex.com/how-to-cross-the-border-quickly/>



San Diego – Tijuana Tourism

Office of Councilmember Georgette Gómez
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International Trade Opportunities

Economic Impacts of Border Wait Times

The City of San Diego advocates for policies and resources that **facilitate international trade opportunities benefiting San Diego companies**, such as border infrastructure investment, regulatory and process reforms that reduce transaction cost to businesses, **completion of free trade agreements that open foreign markets** and better access to commercial service staff in high-priority countries.



Source: <https://www.studentnewsdaily.com/daily-news-article/u-s-border-agents-to-inspect-u-s-bound-trucks-on-mexican-soil/>

International Trade Opportunities

Enhancing our border infrastructure to ease access of goods and people

According to a San Diego Association of Governments (SANDAG), in partnership with Caltrans Study, it was estimated that the effects of border crossing delay cost **\$7.2 billion in foregone gross** output and more than **62,000 jobs** in both the U.S. and Mexico economies in 2007.



Source: http://cdn.sandiegouniontrib.com/img/photos/2016/07/07/B88143620Z.1_20160707180213_000GD9NISMA.2-0_tx600.jpg?1cac1c26287decec7a3e591fce9b6936b1eddf5



As a city that is invested in **the binational economic development of our region**, it is important to oppose the building of a wall and focus our resources in enhancing our **border infrastructure** to ease access of goods and people.



- The City Council opposes Executive Order 13767, H.R.1813 and all associated actions calling for the construction of a wall or continuous physical/economic barrier along the U.S.-Mexico border
- The City Council expresses its intent to identify all companies involved with designing, building, or financing the border Wall, and its intent to divest as soon as practicable, from those companies

City of San Diego Opposes a Border Wall

We must focus on enhancing and investing in our beautiful region

BE IT FURTHER RESOLVED, the City stands in **opposition** to building a wall because it will destroy the vitality of the San Diego-Tijuana border and act as a separation to the **unique, diverse, and beautiful region**.



Source: <http://www.tedxmonumento258.org/locations/playas-de-tijuana/>