

FOREIGN TRADE AND TARIFF PROPOSALS

FRIDAY, JUNE 21, 1968

HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
Washington, D.C.

The committee met at 10 a.m., pursuant to notice, in the committee room, Longworth House Office Building, Hon. James A. Burke, presiding.

Mr. BURKE. Our first witness this morning is the Honorable Richard White, our colleague from Texas. Welcome sir, you are recognized.

STATEMENT OF HON. RICHARD C. WHITE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

IN BEHALF OF H.R. 2025—TO RESTORE TOURIST EXEMPTIONS

Mr. WHITE. Mr. Speaker, and members of the committee, I am Congressman Richard C. White, representing the 16th District of Texas. Of the 12 counties of my district, six have a common border with the Republic of Mexico. My home city, El Paso, is the largest city on the border, and its sister city, Ciudad Juarez, is Mexico's largest border city. Our port of entry, at El Paso, is one of the busiest in the Nation, with total crossings, northbound and southbound numbering more than 32 million persons a year.

This commerce across our international border is in every way a two-way street. Prosperity in one country helps to develop prosperity in another, and restrictions affecting commerce in either country will certainly affect its neighbors. I know this committee is concerned with the balance-of-payments problem; we all are. It was to assist our balance of payments that Public Law 62 was enacted by the 89th Congress. This law reduced from \$200 retail value to \$100 retail value the amount of tourist goods which U.S. residents may bring back from a foreign country without payment of duty. It also reduced from 1 wine gallon to 1 quart, the amount of alcoholic beverages that may be so imported, duty free.

In the overall picture, this may assist our balance of payments. But, in border areas such as mine, this restriction has, instead, had an adverse effect. It has been estimated, for example, that 70 percent of all the tourist dollars expended in Ciudad Juarez, Mexico, come back across the border to be spent in the United States. When the amount of American tourist dollars decreased, the effect on business in my district was felt immediately. What is more, such actions could well