

GUIDELINES FOR COMPLIANCE OF COMMERCIAL MOTOR VEHICLES (CMV) AND CMV DRIVERS ENGAGED IN CROSS-BORDER TRAFFIC



**U.S. Customs and
Border Protection**

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Purpose of Cabotage (Point to Point) Regulations

- The exclusive right of a country to operate the traffic within its territory.
- Cabotage rules prevent foreign nationals in the U.S. on B-1 business-visitor visas from competing with U.S. truckers on loads moving point to point in the U.S. The regulations are meant to protect driver jobs in the U.S. trucking industry.
- On the immigration side, the objective is to ensure that domestic U.S. traffic is performed by U.S. trucking companies, with U.S. equipment and U.S. drivers.
- On the customs side, cabotage regulations are intended to ensure that when goods are coming into the United States, they are lawfully entered into the U.S., and if duties are owed, those duties are paid.



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General Principle of Cabotage (Point to Point)

- Cabotage refers to the point-to-point transportation of property or passengers within one country.
- Goods transported by commercial vessel, vehicle or aircraft across the United States border must be entering or leaving the United States and remain in the stream of international commerce.
- Drivers may be admitted to deliver or pick up cargo traveling in the stream of international commerce, i.e., the cargo is entering or leaving the United States.



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Immigration Requirements

B-1 Temporary Business Visitor

- Section 101(a)(15)(B) of the Immigration and Nationality Act of 1952 (INA)
- 8 CFR § 214.1 Requirements for admission, extension, and maintenance of status.
- A non-citizen (**other than one coming for the purpose of study or performing skilled or unskilled labor or as a representative of foreign press, radio, film, or other foreign information media coming to engage in such vocation**) having a residence in a foreign country which he or she has no intention of abandoning (ties and equity) and who is visiting the United States temporarily for business.



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Immigration Requirements (con't)

- Intend to depart the United States at the end of the authorized period of temporary admission.
- Have adequate financial means to carry out the purpose of the visit to, and departure from, the United States
- Establish that he or she is not inadmissible to the United States, including for health-related reasons, criminal convictions, or previous immigration violations



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Immigration Requirements (con't)

Commercial Vehicle Operators

- Truck drivers may only transport cargo traveling in the stream of international commerce within the meaning of U.S. immigration law. The intent of the transportation operator provision of USMCA is to allow the free movement of goods across the border, an activity that is international in scope, but not to facilitate access to the domestic labor market.



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Customs Requirements

- 19 U.S. Code § 1322, International traffic and rescue work; United States-Mexico Boundary Treaty of 1970
- To qualify as instruments of international traffic, trucks having their principal base of operations in a foreign country must be arriving in the United States with merchandise destined for points in the United States, or arriving empty or loaded for the purpose of taking merchandise out of the United States



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Customs Requirements (con't)

- 19 CFR § 123.14 Entry of foreign-based trucks, busses, and taxicabs in international traffic.
- (a) Admission without entry or payment of duty. Trucks, busses, and taxicabs, however owned, which have their principal base of operations in a foreign country, and which are engaged in international traffic, arriving with merchandise or passengers destined to points in the United States, or arriving empty or loaded for the purpose of taking out merchandise or passengers, may be admitted **without formal entry** or the payment of duty. Such vehicles shall not engage in local traffic **except as provided in paragraph (c) of this section.**



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Customs Requirements (con't)

- 19 CFR § 123.14 Entry of foreign-based trucks, busses, and taxicabs in international traffic.
- (c) Use in local traffic. Foreign-based trucks, busses, and taxicabs admitted under this section shall not engage in local traffic in the United States unless the vehicle comes within one of the following exceptions:
 - (1) The vehicle may carry merchandise or passengers between points in the United States if such carriage is incidental to the immediately prior or subsequent engagement of that vehicle in international traffic(1).
 - An alien driver will not be permitted to operate a vehicle under this paragraph, unless the driver is in compliance with the applicable regulations of the Immigration and Naturalization Service.



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Permissible Activities

- Drivers may deliver a shipment from Canada/Mexico to one or more U.S. locations. Drivers may then pick up a return shipment from one or more U.S. locations for delivery to Canada/Mexico (generally must be pre-arranged).
- Drivers may deliver a shipment from Canada/Mexico to a U.S. location, deadhead with the same trailer to another U.S. location, and live load that trailer for delivery to Canada/Mexico.
- Drivers may deliver a shipment from Canada/Mexico to a U.S. location, deadhead with the same trailer to another location, drop the empty trailer and pick up a second loaded trailer for delivery to Canada/Mexico.



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Permissible Activities (con't)

- Drivers may deliver a shipment from Canada to a U.S. location, pick up the empty trailer and deadhead that trailer to another U.S. location where the trailer is live loaded for delivery to Canada/Mexico.
- Drivers may also drop a loaded trailer from Canada/Mexico at one location in the U.S. and drive an empty tractor to another location to pick up a loaded trailer for transport to Canada/Mexico.



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Permissible Activities (con't)

- Relay drivers (1) may drive entirely domestic segments of an international delivery if the driver the delivery meets two conditions:
 1. the driver must be employed by the same company as the delivery; and
 2. the domestic portion of the trip is a necessary incident to the international nature of the trip. Relaying is permitted in order for drivers to comply with Federal regulations regarding the number of consecutive hours an individual is permitted to drive. They need not enter with the vehicle but must enter within a reasonable period.
- Drivers may perform activities that are “necessary incidents” of international commerce, such as loading and unloading international cargo.



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Activities Not Permitted

- Drivers may not pick up a shipment at one U.S. location and deliver that shipment to another U.S. location.
- Drivers may not reposition an empty trailer between two points in the United States when the driver did not either enter with or depart with that trailer.
- Drivers may not “top up” an international shipment with U.S. domestic shipments.
- Drivers may not solicit shipments for domestic deliveries while in the United States



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Reporting Suspected Violations

- Customs and Border Protection's tip line either online at
 - http://www.cbp.gov/xp/cgov/trade/trade_programs/e_allegations/
- or by call to 1-800-BE-ALERT (232-5378).
- Immigration and Customs Enforcement's tip line either online at www.ice.gov/tips or by call to 1-866-347-2423;
 - Contact a Port of Entry <https://www.cbp.gov/contact/ports/me>



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Questions?



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