

Congress of the United States

Washington, DC 20510

October 9, 2018

Andrew McGilvray
Executive Secretary
Foreign-Trade Zones Board
U.S. Department of Commerce
1401 Constitution Ave., NW
Room 21013
Washington, DC 20230

Dear Mr. McGilvray:

We write in support of the City of Lufkin's application to establish a new Foreign-Trade Zone (FTZ) under the FTZ Board's "alternative site framework" (ASF). It is our understanding that the City of Lufkin formally applied to the Foreign Trade Zones Board on August 15, 2018.

In recent years, Lufkin has experienced steady growth resulting in a need for expansion in economic development. The City currently boasts over 36,000 residents and a workforce of 145,000 people. Located in East Texas, the region is critical for trade and economic prosperity. FTZs are a valuable tool to maintain employment opportunities and competitiveness for U.S. producers while encouraging foreign investment in the United States. Under the ASF, participating zones are granted flexibility to use a much simpler procedure to designate locations where companies are ready to use FTZs. As an ASF, Lufkin meets standards of a traditional zone without imposing a constraint of time and precious resources.

Based on Lufkin's location and proximity to rail, interstate, and airports, the City is in a strategic position to increase the region's international trade development. A FTZ designation would prove useful to lower a variety of customs, fees, taxes, and duties along with operational costs of many industries engaging in international trade. Direct revenue from annual fees collected from the FTZ will cover costs associated with management of the FTZ including administrative and marketing efforts to attract other companies to the region. Currently, there are 32 FTZ designations in Texas, however, there are no designees in close proximity to Lufkin.

We would appreciate your efforts to ensure that we are kept informed of the progress of this application, and appreciate your consideration of the City of Lufkin's request. Please contact Madison Smith (Madison_Smith@cornyn.senate.gov); Kimberly Pinter (Kimberly_Pinter@cruz.senate.gov); and Andrew Keyes (Andrew.Keyes@mail.house.gov) with any developments or questions regarding this proposal.

Sincerely,



JOHN CORNYN
United States Senator



TED CRUZ
United States Senator



LOUIE GOHMERT
Member of Congress