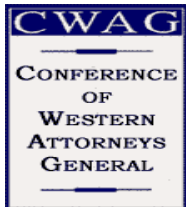


U.S. – MEXICO STATE ALLIANCE PARTNERSHIP



Quarterly Report of Activities

*July 1, 2011 – September 30, 2011
Fourth Quarter Report*

U.S. – Mexico State Alliance Partnership

Quarterly Report

Fourth Quarter, July 1 – September 30, 2011

Table of Contents

1. Alliance Partnership Background	3
2. Report Overview	3
3. Progress Evaluation.....	3-4
4. Second Quarter Performance Highlights: FY 2010-11	
• Border Legislative Conference	4-8
• Conference of Western Attorneys General	8-17
• National Lieutenant Governors Association.....	17
• Woodrow Wilson International Center.....	18-22
• ASU NACTS.....	22-25
• National Association of State Treasurers.....	25-26
• The Paso del Norte Group.....	26-29

ALLIANCE PARTNERSHIP BACKGROUND

On September 23, 2008, the Council of State Governments (CSG) and the United States Agency for International Development (USAID) entered into a three-year cooperative, jointly funded agreement to implement the U.S. – Mexico State Alliance Partnership. The cooperative agreement was subsequently modified to extend activities to five years, September 23, 2009 – September 30, 2013.

The U.S. – Mexico State Alliance Partnership is a collaborative, multi-branch alliance comprising the U.S. Agency for International Development (USAID), Council of State Governments (CSG) and its Western and Southern regional offices, Conference of Western Attorneys General (CWAG), National Association of Attorneys General (NAAG), National Association of State Treasurers (NAST), National Lieutenant Governors Association (NLGA, the Paso del Norte Group (PDN) and other officials aimed at strengthening cooperation among state officials and institutions of the United States and Mexico. The Alliance Partnership promotes and convenes binational exchanges and workshops among border legislators, attorneys general, treasurers and local officials that enhance the role of state and local/regional officials in addressing shared public policy concerns that transcend international borders.

The Alliance Partnership promotes the integration of activities and outreach with other binational mechanisms, as well as policy institutes and research universities, so that concrete policy objectives and reforms can be achieved through a strategic, multi-branch and multi-jurisdictional approach. The Alliance partners, their respective members, networks and linkages comprise a broad and influential coalition that can affect change. The Alliance Partnership is an innovative mechanism of cooperation that enables dynamic synergies and cross-jurisdictional cooperation.

REPORT OVERVIEW

This report highlights activities of the fourth quarter of FY 2010-11 by CSG and the Alliance partners to promote and implement binational state and local exchanges as defined by the objectives of the U.S. – Mexico State Alliance Partnerships. The activities were carried out with the support of the USAID/Mexico mission.

PROGRESS EVALUATION

The activities highlighted in this report illustrate CSG and its partner's continued effort to make significant progress in achieving the program's objectives, which are the following:

- Strengthen and further expand binational exchanges and activities among state attorneys general of Mexico and the United States through the alliances established by CWAG, the National Association of Attorneys General (NAAG), and Mexico’s National Conference of Attorneys General;
- Enhance the ability of U.S. and Mexico border state legislatures to identify and enact strategies aimed towards performing an expanded policy role in addressing common concerns along the 2,000 mile border region through the ongoing implementation of the Border Legislative Conference (BLC);
- Establish binational economic development forums among state executive branch officials, including Lt. Governors, Treasurers and others aimed at exchanging “best practices” and linkages in public finance strategies, infrastructure planning, access to capital and tourism, among others.
- Strengthen legislative research capabilities and state – federal relations of the program through strategic partnerships and linkages with academic institutions and policy think tanks, including the Woodrow Wilson Center for International Scholars and the North America Center for Transborder Studies at Arizona State University; and
- Support the U.S. and Mexico federal governments in the implementation of their joint strategy, as part of the next phase of the Merida Initiative, to strengthen and create resilient border communities by establishing partnerships with local border stakeholders and groups, such as The Paso del Norte Group. Such partnerships will assist in the convening of local and regional binational exchanges that integrate local/regional policy objectives with state and federal decision-makers.

BORDER LEGISLATIVE CONFERENCE

Annual Overview

During the past year the Border Legislative Conference (BLC) achieved many important goals. The BLC convened two official meetings in Sonora and New Mexico in which legislators of all ten U.S. – Mexico border states discussed issues of mutual importance, including the management of scrap tires, renewable energy, human trafficking, immigration, repatriation, sustainable economic development, and storm water and waste water treatment. These issues led to two formal documents of action and follow-up was given to the priorities that the members voted on.

Additionally, the members of the BLC held joint meetings with the environment and energy work tables of the Border Governors Conference (BGC), as well as the Paso Del Norte Group, to discuss how to streamline common priorities and efforts. These joint efforts were well received by our partners on the border as it offered a new perspective and assisted their efforts by facilitating their meeting space and logistics.

During the BLC's annual Americas 2020 Summit we gathered legislators from 13 states in Dallas, Texas, to discuss emerging trade corridors, enhancing security and mobility along the border and energy reliability as it linked to competitiveness of the region. This Summit led to a document of recommendations.

During our visit to Washington, D.C., legislators from eight border states travelled to the U.S. Capital for substantive meetings on the Merida Initiative effort. This included meeting with, among others, Congressmembers Henry Cuellar, Jane Harman, Silvestre Reyes, Francisco Canseco and Susan Davis. BLC members also met with Mexican Ambassador to the U.S, Arturo Sarukhan; Commissioner of U.S. Customs and Border Protection, Alan Bersin; representatives from the North American Development Bank; representatives of the US-Mexico Chamber of Commerce; the White House Intergovernmental Affairs; and the Woodrow Wilson Center for International Scholars. The visit was part of the BLC's ongoing efforts to exchange information and strengthen state –federal collaboration on issues of mutual interest such as border economic competitiveness, security and the environment. The delegation was led by Diputado Ramiro Flores Morales of Coahuila, chair of the BLC.

Throughout the year BLC staff, in cooperation with the North American Center of Transborder Studies, visited all the border states as part of our new active outreach campaign. During these visits staff met with the legislative leadership, chairs of relevant policy committees and other members, as well as with executive staff and several governors, to share the studies and recommendations on scrap tires, renewable energy and human trafficking. Additionally, BLC staff encouraged action and shared model legislation on issues of importance to the BLC membership. These visits proved to be very successful as BLC program staff gathered important information pertaining to each individual state, its legislature and its member and staff structure. Staff also saw progress on human trafficking and scrap tire legislation in several states including Baja California, New Mexico, Texas, California, Sonora and Tamaulipas.

Looking ahead, the BLC anticipate continuing our active outreach and legislative advocacy efforts with all the border states, including our partners at the Border Governors Conference, the Conference of Western Attorney Generals, the Border Research Partnership and many others. The BLC continues to aim to be an important legislative resource to its member states by promoting and providing various research products and resources to them. Additionally, the BLC has two upcoming meetings planned in Coahuila and California, the latter our 25th, an

important milestone for our organization. Finally, the BLC will be planning several activities for the spring 2012 including a trip to Mexico City, an Americas 2020 Summit in San Antonio, Texas and several other projects to improve border cooperation in the fields of emergency management and economic development.

Activities: July 1-September 30, 2011

Tijuana Border Mayors Meeting

BLC staff attended this year's Binational Mayor's Summit in Tijuana, Baja California on July 8. It attracted leaders from the border communities of California and Baja California. Hosted by Tijuana mayor Carlos Bustamante, it was the seventh of its kind that worked as a forum for the exchange of ideas at the local level. The main issues discussed were environment, tourism, public safety, and cross border collaboration. Proposals included a cross border block of chambers of commerce, an inventory of public water resources, and the creation of a new drivers license for people crossing the border from the United States.

Assembly Select Committee on California- Mexico Bi-national Affairs Hearing

BLC staff also attended the hearing of the California Select Committee on California-Mexico Binational Affairs held on August 12 in San Diego, California. During this hearing, participating legislators discussed the challenges with wait times at ports of entry and on how federal entities may be able to mitigate them. Legislators also discussed the status of the environment in the Tijuana River Valley and heard from a panel of local experts on the progress and setbacks that important part of the region was undergoing.

Border Security Conference

BLC staff attended the Seventh Border Security Conference in El Paso, Texas that convened August 12-13. Co-hosted by Representative Silvestre Reyes and the University of Texas at El Paso, the conference focused on discussions and insights into raising the quality of life, security and economic development along the U.S.-Mexico border. The topics presented on were innovation and entrepreneurship, health issues on the border, economic opportunity and effective security.

Site Visit for North America Summit

From August 29-September 1, BLC staff conducted a site visit to Bellevue, Washington, the location of the CSG National Meeting and North American Summit to be held October 19-23. This Summit is an effort led by the Council of State Governments to realize a substantive and

comprehensive conference on issues affecting the North American Continent. This conference is modeled after the BLC's past three North America Summits that have been held during the CSG-*WEST* annual meetings.

During the visit to Bellevue, BLC staff toured the hotel facilities as well as the simultaneous interpretation team and held meetings with the Consul Generals of Mexico and Canada to discuss forum logistics and planning.

California Assembly Speaker's trip to Mexico City

BLC staff planned and executed a legislative trip to Mexico City for a bipartisan California Assembly Legislative Delegation on September 11-16. The delegation, which was led by California Assembly Speaker John A. Pérez, focused on strengthening the economic ties between California and Mexico. The delegation met with numerous key executive and legislative branch government officials of Mexico, including meetings with officials from Mexico's Federal District, the U.S. Foreign Commercial Service, Mexico's Ministry of Foreign Affairs and the Mexico City Health Minister. The delegation was also received by President Felipe Calderon, newly appointed U.S. Ambassador Anthony Wayne, and members of the Mexican Senate and Chamber of Deputies.

Discussion topics included strengthening the commercial and trade ties between Mexico and California, as well as issues such as Mexico City and California's commitment to reducing greenhouse gasses, improving public health and strengthening education partnerships. The trip culminated with the delegation attending Mexico's spectacular celebration of Independence Day on September 15 and 16.

Border Governors Conference

New Mexico State Representative Andy Nuñez, Vice Chair of the BLC, Former California State Senator Denise Ducheny (past Chair of the BLC) and BLC staff attended the Border Governors Conference (BGC) that convened September 28-29 in Ensenada, Baja California. The BGC gathered the governors or their representatives and other important stakeholders of the 10 US-Mexico border states to discuss issues of mutual interest.

The conference focused on the four strategic areas of competitiveness, security, quality of life and sustainability. While marked by the absence of 6 of the governors, the Conference produced a Joint Declaration stating the governors' recommendations on the topics of security, economic development and border crossings.

North America Summit Planning

During the months of July-September, BLC staff participated in the planning efforts of the upcoming North America Summit that convened in Bellevue, Washington, October 20-23, 2011. This Summit was an effort led by the Council of State Governments to realize a substantive and comprehensive conference on issues affecting the North American Continent. This conference was modeled after CSG-WEST's past three North America Summits.

Planning for 24th Border Legislative Conference

In conjunction with the Coahuila State Legislature, BLC staff worked on the planning of the 24th Border Legislative Conference to convene November 17-19 in Saltillo, Coahuila.

Program Management

BLC program staff has maintained ongoing communication with a wide range of individuals and cross border governmental and non-governmental organizations that focus on U.S.-Mexico relations in an effort to further promote cross-border collaboration. Currently, BLC staff is working on the planning of state visits to Chihuahua, Arizona and Nuevo Leon.

CONFERENCE OF WESTERN ATTORNEYS GENERAL

The CWAG Alliance Partnership continued its programming in 2011, during the 4th quarter of FY '10-'11 with Oral Advocacy for Prosecutor, Anti-Money Laundering and Anti-Weapons trainings, as well as many collaborative and international exchanges.

This quarter's efforts bring the year's activities to a close, capping off a year in which CWAG's activities reached nearly 6,000 people in Mexico, from 30 states and the Federal District, during more than 30 trainings.

The CWAG Alliance Partnership carried out the following specific activities during this quarter.

CWAG Annual Meeting

CWAG Alliance Partnership staff briefed Chief Deputies of 28 U.S. State Attorneys General Offices on Sunday, July 10 regarding the Capacity Trainings in Oral Advocacy the AP has been carrying out since 2008. With this, the AP asked for each of the CWAG member and associate states to consider donating a week's time of each of their bilingual prosecutors to the program to expand the instructor pool and continue to contain training costs. Maryland Chief Deputy Attorney General, Kay Winfree, and Utah Chief Deputy Attorney General, Kirk Torgensen, both shared their experience in serving as instructors for Prosecutors in Mexico City earlier this year.

The time donated by these valuable professionals to the Capacity Training programs in Oral Advocacy creates part of the significant in-kind donations U.S. State AGOs provide to CWAG Alliance Partnership.

CWAG Alliance Partnership conducted a successful meeting and discussion on Sunday, July 10 among 25 U.S. State Attorneys General during which time they were updated on programming and funding by CWAG Executive Director, Karen White. Also present to provide an update on recent activities of the U.S.-Mexico State Alliance Partnership was CSG-WEST Deputy Director, Edgar Ruiz. In addition, Erik Lee of the North American Center for Transborder Studies at Arizona State University, another partner of this group presented the findings of the “Binational, Multi-state Survey on Human Trafficking Legislation and Collaboration” study which was also shared with members of the Border Legislative Conference in Las Cruces, New Mexico during the XXIII meeting April 14-16, 2011. Finally, the group had the pleasure of being joined by a small delegation from El Salvador: Federal Prosecutor General, Romeo Benjamin Barahona Melendez; Director of the Federal Prosecutors School, Juan Carlos Real Fuentes; and Press Director, Erick Alvarez. Prosecutor General Barahona made a short presentation to the group providing an overview of the penal system, including recent reforms, in El Salvador.





Collaboration with Department of State, Bureau of International Narcotics and Law Enforcement Affairs (INL)

CWAG Executive Director, Karen White, met with new International Narcotics and Law Enforcement leadership in Washington, D.C. on Friday, July 22, to discuss CWAG Alliance Partnership's role in supporting INL's mission in Mexico. Delaware Attorney General Beau Biden and Idaho Attorney General Lawrence Wasden accompanied Ms. White.

Puebla/San Diego Prosecutor Distance Learning Training

The CWAG Alliance Partnership held its second Distance Learning prosecutor training for 65 prosecutors from the PGJE of Puebla August 1-3. Filmed in San Diego, California, two local Attorneys conducted live lectures on rule of law concepts, each followed by a live question and answer session for participants to communicate directly with the instructors. CWAG Alliance Partnership Administrative Director, Susan Lustig, conducted live practice drills with the group on the ground in Puebla, to reinforce concepts and theories presented in the lectures.



The CWAG Alliance Partnership will continue to integrate Distance Learning technologies into all disciplines of training, as a method of further reach and program sustainability for our Mexican counterparts.

Oral Advocacy Distance Learning Training

The CWAG AP collaborated with the non-profit organization Capacitaciones para Juicios Orales (CJO) to conduct a joint oral advocacy videoconference training August 1-6 for participants in Michoacán, where the security situation makes travel inadvisable. 17 prosecutors and 13 judges were sponsored by CWAG, and participated in the training along with local public and private defense attorneys.

USD Prosecutor Training

The CWAG Alliance Partnership, in conjunction with the University of San Diego Law School and Trans-Border Institute, and the Universidad Autónoma de Baja California, hosted a joint prosecutor-defense attorney oral advocacy training, from August 10-13th in San Diego, CA. Hosted on the USD campus, forty-three participants from the state of Baja California received instruction on various aspects of oral trials, including opening and closing statements, direct and cross examinations, objections and the introduction of exhibits. Lecture followed by practice sessions culminated in a full day of mock trials at the end of the course.



Morelos State Attorney General Delegation

CWAG Alliance Partnership Legal Advisor, Frank Collins, and Project Liaison, Selene Lopez Nájera, hosted a delegation from the PGJE of Morelos, including Attorney General Pedro Benitez Velez; Marcela Gonzalez Duarte, Director of Training for Morelos AG; Miguel Miller, International Project Liaison; Hugo Bello, former AG of Morelos; and Cristhian Ivan Velazco Alcoser, Private Attorney. The delegation met with Arizona Attorney General Tom Horne and members of his staff. In that meeting they discussed possible training opportunities for Morelos investigators. They also visited the Maricopa County Superior Court and viewed arraignments, drug cases, sentencings, changes of plea, and various other hearings, including part of a homicide trial. They visited the Arizona State Bar, the Supreme Court of Arizona and the Department of Public Safety Crime Lab.

In addition to meeting with Arizona Attorney General Tom Horne, the delegation met with the following people:

- Arizona AGO: Eric Bistrow, Chief Deputy; Margaret Dugan, Chief of Staff; James Keppel, Criminal Division Chief; Lawrence Cutler, Special Counsel for Criminal Prosecutions; Paula Alleman, Criminal Section Chief Counsel; Gerald Richard, Special Policy Advisor Liaison for Law Enforcement; Andy Rubalcava, Chief Special Agent; Carmen Chenal, Assistant Attorney General; Todd Lawson, Assistant Attorney General; Vanessa Deatherage, Executive Assistant to Attorney General; Mila Makal, Translator for AZ AGO; Christina Chenal, Translator Assistant.
- Maricopa County Superior Court: Judge Norman R. Davis, Presiding Judge; Marcus Reinsmeyer, Maricopa County Superior Court Administrator; Phillip Knox, General Jurisdiction Courts Administrator; Robert James, Judicial Services Administrator for Criminal Division; Paula Collins, Deputy Criminal Court Administrator; Christopher G. Bleuenstein, Deputy Criminal Court Administrator.
- Arizona State Bar: John F. Phelps, CEO/Executive Director; Rick DeBruhl, Chief Communications Officer; John Furlong, General Counsel/Deputy Director.
- Supreme Court of Arizona: Rebecca White Birch, Arizona Supreme Court Chief Justice; W. Scott Bales, Arizona Supreme Court Justice; Marcie Kanefield, Judicial Assistant to Justice W. Scott Bales.
- Arizona Department of Public Safety Crime Lab: Todd A. Griffith, Superintendent Scientific Analysis Division Crime Laboratory.



Anti-Weapons Training

The CWAG Alliance Partnership held its first Anti-weapons training in Mexico City, Mexico August 8-12, with funds granted by the SWBA. The five-day course featured instruction on crime scene management, firearms examination and identification, firearms and bloodstain patterns, evidence mapping and courtroom testimony. Thirty-three participants from four states were in attendance.





Anti-Money Laundering Training

The CWAG Alliance Partnership held its first Anti-Money Laundering training, funded by the Southwest Border Alliance (SWBA), August 22-24th. The training conference lasted three full days and the participants consisted of 80 Mexican prosecutors, investigators and forensic experts from the PGR (the Federal Attorney General's Office) and PGJDF (the Federal District Attorney General's Office). The conference was viewed live by 61 participants and was also transmitted to INACIPE as part of our Distance Learning program. The instructors at the conference taught a variety of topics related to money laundering including how to identify, investigate and prosecute money-laundering cases. The overall format was a series of presentations followed by interactive exercises at the end of the day. Presenters included Cameron Homes, Director of the SWBA, David Lake of the Phoenix Police Department and Hugh Austin from the Department of Homeland Security. Jorge Lara, Deputy Attorney General for Legal and International Affairs for the PGR, provided the participants with an overview of the state of money laundering legislation in Mexico. Forensic accounting experts from the Financial Intelligence Unit (UIF) of the Ministry of Finance (Secretaría de Hacienda y Crédito Público) provided information on the operations and resources available from their unit. Economists from the United State Embassy (James Catto and Michael Elieson) attended portions of the conference as observers. The Alliance Partnership also facilitated meetings between Cameron Holmes and James Catto (Economic Section of U.S. Embassy), Regina Gonzales (UIF), Jose Alberto Balbuena (Director of UIF) and Jorge Lara (PGR).



Anti-Money Laundering Mexican Delegation to Nevada

On August 29th and 30th CWAG AP and the Nevada AGO hosted the head of the Mexican Ministry of Finance's Financial Intelligence Unit (Unidad de Inteligencia Financiera de la Secretaría de Hacienda y Crédito Público) and his staff in Las Vegas, Nevada. The purpose of the trip was to assist the UIF in understanding how Nevada authorities monitored and sanctioned casinos, what types of reports were issued and what the principle risks of the industry were. In attendance from UIF were: José Alberto Balbuena (Head of the UIF), Alfredo Revilak (Deputy General Director for Operational Analysis), Jaime Felipe Rayas (Director of Operational Analysis), Ernesto Abraham Garibay (Director of Legal Procedures), Salvador López (Director of Regulation and National Affairs), José Luis Stein and (Counselor on AML/CFT Issues of the Ministry of Finance). CWAG AP staff assisting were Frank Collins (CWAG AP Legal Advisor) and Selene Lopez (CWAG AP Project Liaison), along with Karyn Kenny (USDOJ representative).

In the morning on the first day of the trip UIF officials met with Nevada Attorney General and her staff and gave presentations on "Restructuring of Mexico's UIF" (which covered recent changes in UIF and its activities) and "Mexico's New Legislation for Non-Financial Entities" (which covered legislation that would regulate the equivalent of casinos in Mexico). In attendance at this meeting from the Nevada AGO were: Attorney General Catherine Cortez Masto, Mike Wilson (Nevada AGO Chief Deputy) and Gregory Smith (Nevada AGO Chief of Staff). Members of the Nevada Gaming Control Commission, in attendance as observers, were Mark Lipparelli (Chairman), Shawn Reid (Board Member) and A.G. Burnette (Board Member).

In the afternoon the discussion focused on the Nevada Gaming Control Commission. The above group was joined by additional members of the Nevada Gaming Control Commission: Linda Hartzel (Chief of Audit Division), Bret Stone (Deputy Chief of Audit Division) and Jerry Markling (Chief of Enforcement Division). A presentation and materials were provided to UIF covering the operations of the Commission.

On day two, the UIF delegation visited the Federal Courthouse for a meeting with: Hon. Philip M. Pro (federal judge), Jeffrey A. Silver (Chairman of the Administrative, Gaming and Government Affairs Department of Gordon Silver), Russel E. Marsh (Criminal Division Chief, NV USAO), Eric Johnson (Chief Strike Force, NV USAO), Paul Camacho (IRS Special Agent in Charge, Las Vegas Division), William Woerner (Assistant Special Agent in Charge, FBI, Las Vegas Division) and Michael Harris (ICE HIS, Assistant Special Agent in Charge). The discussion focused on investigating and prosecuting gaming money-laundering cases. The UIF Delegation took a tour of the security and compliance facilities of the Bellagio Casino. The meetings concluded after the tour.

Human Trafficking Forum

CWAG Executive Director Karen White participated in a National Association of Attorneys General forum discussing human trafficking and the nexus to Mexican cartels. The Executive Director is coordinating CWAG Attorney General's attention on the subject with the NAAG Presidential Initiative focused on the subject, along with dialogue with ICE Director John Morton.

Collaboration with California AG's Office

CWAG Executive Director Karen White met with California Special Assistant Attorneys General Travis LeBlanc and Suzy Lofthus to discuss continued collaborations on Rule of Law and Anti-Human Trafficking efforts. Attorney General Harris has declared law enforcement relationships with Mexico to be a top priority. CWAG is assisting in coordinating a visit between PGR AG Marisela Morelos and Attorney General Harris. Additionally, AG Harris will be meeting with Baja Attorney General Rommel Moreno Manjarrez in the near future.

Border AG Conference

California Attorney General Kamala Harris has requested that CWAG arrange an AG Border Conference in Los Angeles, CA the week of July 21 – 23, 2012. The purpose of this conference would be for the Attorneys General of Mexico and the U.S. to become acquainted at the State AG to AG level and discuss law enforcement issues.

Collaboration with USDOJ-OPDAT

As a follow up to a mid-September meeting between CWAG Executive Director Karen White and Merida Program Manager Carlos Acosta, CWAG AP has provided USDOJ OPDAT personnel program materials from the CWAG Prosecutor, Investigator, Forensics and Judicial programs. Merida Rule of Law Advisor Michelle Lakomy has corresponded with CWAG and she is working through the materials, as CWAG provided access to all CWAG materials and personnel. CWAG has also issued a blanket invitation to all interested USDOJ personnel to observe or participate in all CWAG trainings as listed below.

International Anti-Money Laundering Conference

CWAG AP Legal Advisor Frank Collins attended the ACAMS 10th Annual International Anti-Money Laundering Conference. The focus of the conference was industry compliance. During the conference, meetings took place with various ACAMS staff as well as numerous personnel from Money Laundering units and agencies such as: Meryl A. Lutsky (Chief of Money Laundering Unit, Office of the New York Attorney General), Colby Adams (Reporter for Alert Global Media and MoneyLaundering.com), Guillermo Horta (Managing Director, Bank of America Merrill Lynch), Raul Perez (Sergeant, Narcotic Bureau, County of Los Angeles Sheriff's Department), Anna Richardson (Special Agent, US DEA), Rebekah Rutland (Intelligence Analyst, Intelligence and Counterterrorism Division, Texas Department of Public Safety), Brett Wolf (Senior Anti-Money Laundering Analyst, Thomson Reuters), Benjamin J. Floyd (Senior Director, AML Compliance Officer, Walmart) and Alexis H. Brooks (Analyst, US Department of Treasury).

Contact Registry

The CWAG Alliance Partnership launched Version One of a binational contact registry, in partnership with the SWBA, aimed at aggregating contact information of key law enforcement professionals in the US and Mexico. The Contact Registry allows for secured access to professionals in need of cross-border contacts.

NATIONAL LT. GOVERNORS ASSOCIATION

During the fourth quarter, the National Lieutenant Governors Association (NLGA) was in contact with Mexico's National Association of Economic Development Secretaries (AMSDE) in an effort to develop possible binational coordination possibilities and broad parameters for best practice exchanges. A possible partnership between NLGA and AMSDE will continue to be pursued in the coming weeks as part of an effort to identify a strategy for FY 2011-12.

WOODROW WILSON CENTER

The Woodrow Wilson Center Mexico Institute (WWICS-Mexico) is a member of the Council of State Governments-West-directed U.S.-Mexico State Alliance Partnership. During the current reporting period, July 1 through September 30, 2011, WWICS-Mexico undertook the following activities as a Partnership member:

July -August 2011 Activities

Groundwork for Border Cooperation Award, Our Shared Border Publication, and the creation of the Border Research Partnership

- The Mexico Institute continued to work in collaboration with Alliance Partnership member North American Center for Transborder Studies, as well as the El Colegio de la Frontera Norte to plan the ceremony to present the Awards for U.S.-Mexico Cross-Border Cooperation and Innovation at the 2011 Border Governors Conference. Specifically, during this period the Mexico Institute coordinated with the awardees to arrange their travel and participation in the September 2011 ceremony.
- Mexico Institute Associate Robert Donnelly authored much of the forthcoming publication, *Our Shared Border*, which highlights the successes in cross-border cooperation that were brought to our attention as a result of the aforementioned award. The purpose of the publication is to situate the individual successes in cross-border cooperation in a larger context, connecting a sometimes disparate group of stakeholders and actors in the border region while also promoting a positive and action oriented approach to border issues.
- In preparation for the September launch of the Border Research Partnership (BRP)—a deepened alliance among the Mexico Institute, NACTS and the El Colegio de la Frontera Norte—WWICS-Mexico worked with its partners to define the group’s vision, goals, and parameters.

SEPTEMBER 2011

- Robert Donnelly, of the Institute, travelled to Ensenada, Baja California, in order to organize logistics in preparation for the Border Governors Conference, where the Mexico Institute would launch the BRP and put on the ceremony to give out the Awards for U.S.-Mexico Cross-Border Cooperation.
- Mexico Institute staff—including Director, Andrew Selee, and Associates, Robert Donnelly and Christopher Wilson—travelled to Ensenada, Mexico, to participate in the Border Governors Conference.

- On September 28, 2011, at the Border Governors Conference, the Institute joined with NACTS and the El Colegio de la Frontera Norte to announce the formation of the Border Research Partnership. Edgar Ruiz of CSG-WEST joined the BRP organizations at the press conference announcing the formalization of the partnership. The BRP represents a vehicle for advancement of many of the strategic goals of the U.S.-Mexico State Alliance Partnership. It leverages the resources of each participating organization by deepening the level of coordination and cooperation among members. Current research is focused on the creation of a Transborder Development Index (TDI), with plans to use the index as a basis for a larger border policy report in FY2012. After learning about the TDI, researchers at the U.S. Department of Homeland Security reached out to the Wilson Center as a means of advancing federal research on the border and border region. DHS is now working in collaboration with BRP researcher Francisco Lara Valencia of Arizona State University.



- During the Border Governors Conference lunch on September 29, 2011, WWICS-Mexico coordinated the ceremony to honor recipients of the [Awards for U.S.-Mexico Cross-Border Cooperation and Innovation](#), or in Spanish, [El Galardón para la Innovación y la Cooperación Transfronteriza México-Estados Unidos](#).



Governors from the states of Baja California, New Mexico, Chihuahua and Sonora joined former California State Senator Denise Moreno Ducheny and COLEF Director Tonatiuh Guillen to present the awards. This event was followed by a press conference, and both the prize and the awardees received considerable media coverage in both the United States and Mexico (see, for example, this [San Diego Union-Tribune](#) article). The initiative succeeded in spotlighting “success stories” of cross-border collaboration and innovation between Mexico and the United States, which gives voice to a “counter-narrative” to predominating media portrayals of violence and poverty in the border region.

- The Woodrow Wilson Center organized and hosted an event entitled, “Is the Border Broken? Rethinking the Conventional Wisdom,” on September 12, 2011. Eric L. Olson, Senior Associate at the Mexico Institute, led a discussion, which also



included Terry Goddard, Former Attorney General of Arizona, Josiah McC. Heyman, Chair of Sociology and Anthropology at the University of Texas El Paso, and Mary Giovagnoli, Director of the Immigration Policy Center.

SUMMARY OF OTHER KEY ACTIVITIES FOR FY2011

FIRST-QUARTER 2011 (OCTOBER 1-DECEMBER 31, 2010)

* Arizona's Latino Politics and International Relations Conference, October 15, 2010; Tempe, AZ. The conference took place on October 15, 2010. Attending on behalf of WWICS was Robert Donnelly.

* Conference of Western Attorneys General Training Session, November 29-December 3, 2010; Santa Fe, N.M. Attending on behalf of WWICS were Eric Olson and Robert Donnelly. Diana Negroponte, an advisory board member to WWICS Mexico Institute, also attended a portion of the training session. Both Negroponte and Donnelly filed reports based on the training session onto the WWICS Mexico Institute website.

SECOND-QUARTER 2011 (JANUARY 1-MARCH 31, 2011)

* The Woodrow Wilson Center Mexico Institute coordinated with the Border Legislative Conference a delegation visit to Washington. WWICS helped to arrange meetings on Capitol Hill with key federal lawmakers, such as Rep. Silvestre Reyes (D-TX), as well as a reception with other key policymakers and opinion leaders.

* WWICS organized the "Border Issues Forum: Pillar 3: Building a 21st Century Border" which included the participation as panelists of several legislators and BLC members, such as Rep. Russ Jones (R-AZ).

THIRD-QUARTER 2010 (APRIL 1-JUNE 30, 2011)

* The Mexico Institute hosted the conference, "Pillar IV: Building Strong and Resilient Border Communities," a key component of the U.S.-Mexico security cooperation agenda, on April 27, 2011 at the Woodrow Wilson Center. This involved the participation of past and current Border Legislative Conference staff and members, including former California State Sen. Denise Moreno Ducheny and Edgar Ruiz, deputy director, CSG-West.

FUTURE ACTIVITIES

The Mexico Institute plans to significantly expand its work as an Alliance Partnership member in the current fiscal year (October 1-September 30, 2012). This will be achieved, in part, through the execution of the following activities:

- In collaboration with BRP partners, the Mexico Institute will produce a comprehensive but accessible “State of the Border” which outlines major trends and challenges for the U.S.-Mexico border region. This document will build on the work of the BRP in preparing the Master Plan for the Border Governors Conference in 2009, but it will be conducted separately from the BGC. The report will track major trends, suggest key challenges, and propose policy options for addressing these.
- The Mexico Institute will support BRP partners in the production of at least two reports in the series of Border Indicators. This series, initiated in 2010, will provide up-to-date statistics that help policymakers understand the key economic and social challenges of the border region.
- In collaboration with BRP partners, the Mexico Institute will solicit entries for the second Awards for U.S.-Mexico Cross-Border Cooperation and Innovation. It will help facilitate the call for entries, select worth projects for recognition based on the decision of an independent, high-level selection committee, and coordinate an award ceremony.
- The Mexico Institute will author, publish, and print a bilingual publication, “Our Shared Border,” which will highlight the 2011 border prize awardees and other innovations in cross-border cooperation
- The Institute will host an annual meeting for the Border Legislative Conference (BLC) in Washington that will bring state and federal authorities together, along with other stakeholders, and plan other meetings as needed. The annual meeting will generally have a capstone event that focuses on a specific policy issue. Other meetings will be planned in coordination with CSG and may also include BRP participation in ongoing CSG meetings.
- WWICS will produce at least one short policy report highlighting major economic, security, environmental and quality of life issues in which border cooperation is critical.
- Mexico Institute staff will participate in border forums and conferences.
- The Mexico Institute will host a forum, “Binational Perspectives on Human Trafficking,” that will include the participation of the Institute’s Eric Olson, as well as Erik Lee of the NACTS (October, 2011).
- WWICS will host the Good Neighbor Environmental Board as they launch their 14th report on border region environmental issues. In conjunction with this event, Mexico Institute energy consultant Duncan Wood will present the preliminary findings of his latest research on cross-border renewable energy cooperation.

- At the invitation of two Border Cooperation and Innovation awardees, the El Paso and Ciudad Juarez Museums of Art, the Mexico Institute will travel to the border cities to represent their awards in the presence of local community leaders and the press.

NORTH AMERICAN CENTER FOR TRANSBORDER STUDIES – ASU

OVERVIEW OF FY2011 WORK

NACTS greatly expanded its collaborative work with CSG-WEST, the Border Legislative Conference and other U.S.-Mexico State Alliance Partnership members during fiscal year 2011. This work includes two major policy research initiatives on renewable energy and human trafficking that include extensive outreach to a large number of key stakeholders, including State Alliance Partners such as the Conference of Western Attorneys General and the Woodrow Wilson Center Mexico Institute the Border Governors Conference state representatives and individual state congresses (such as those of Baja California and Tamaulipas).

This policy-focused research and outreach has revealed key needs for the border region and has borne fruit in a number of additional ways, and NACTS feels strongly that this has enhanced the work of the State Alliance Partnership. In addition, the development of the Border Research Partnership (a collaboration between NACTS and the Woodrow Wilson Center Mexico Institute and El Colegio de la Frontera Norte) brings a wealth of policy expertise and key outreach to the State Alliance Partnership in its work with key border stakeholder organizations, most notably the Border Governors Conference. Finally, at the broadest level of awareness, efforts such as NACTS' article on why Mexico and Canada matter to the United States has provided fresh new perspectives for state legislators and other key officials in the United States as this country evaluates its relationship with its neighbor. New projects have begun to grow out of these unique policy-focused research efforts. Going forward, the institutionalization of NACTS research and outreach efforts will be important value added for the State Alliance Partnership and other key North American partners.

ONGOING ALLIANCE PARTNERSHIP-RELATED ACTIVITIES, JULY THROUGH SEPTEMBER 2011

I. BORDER RENEWABLE ENERGY DEVELOPMENT AND EXCHANGE: OBSTACLES AND OPPORTUNITIES

Progress Report:

- Visited Washington DC to talk about renewable energy with the EPA, Department of State, and Department of Energy offices.

- Participated in conference calls with the Energy Worktable, Border Governors' Conference organizers, State Alliance, Border Energy Forum, Border Research Partnership, Arizona Mexico Commission.
- Attended preparatory meetings and the Border Governors' Conference.
- Attended Arizona Energy Consortium organizing meeting.
- Talked with the ASU Decision Theater staff about the clearinghouse and a conference work shop to develop it.
- Submitted a proposal to the Commission for Environmental Cooperation and Kauffman Foundation to support development of a renewable energy data clearinghouse.
- Finished draft end of year report including seven appendices.

II. BINATIONAL HUMAN TRAFFICKING LEGISLATION RESEARCH

Progress Report July through September 2011

- PRESENTED DRAFT REPORT “BINATIONAL, MULTI-STATE SURVEY ON HUMAN TRAFFICKING LEGISLATION AND COLLABORATION” AT TWO MAJOR STAKEHOLDER EVENTS:
 - THE ANNUAL MEETING OF THE CONFERENCE OF WESTERN ATTORNEYS GENERAL IN KONA, HAWAII ON JULY 10, 2011. THIRTY-ONE U.S. STATE ATTORNEYS GENERAL WERE PRESENT AS WELL AS THE ATTORNEY GENERAL OF EL SALVADOR. WASHINGTON ATTORNEY GENERAL ROB MCKENNA PRESENTED THE NATIONAL ASSOCIATION OF ATTORNEYS GENERAL’S ANTI-HUMAN TRAFFICKING INITIATIVE, “PILLARS OF HOPE.” NACTS’ REPORT CONSISTS OF LEGISLATIVE RESEARCH AND ANALYSIS ON HUMAN TRAFFICKING LEGISLATION IN THE CWAG MEMBER STATES AND THE SIX MEXICAN BORDER STATES AND OFFERS TEN RECOMMENDATIONS ON HOW THE U.S. AND MEXICO CAN ENHANCE BINATIONAL COLLABORATION IN THIS AREA.
 - THE BORDER GOVERNORS CONFERENCE SECURITY WORKTABLE MEETING/CONFERENCE CALL IN ENSENADA, BAJA CALIFORNIA ON SEPTEMBER 28, 2011 AT THE INVITATION OF THE STATES OF ARIZONA, CALIFORNIA AND BAJA CALIFORNIA. REPORT’S RECOMMENDATIONS FOCUSING ON BGC WORK WERE FORMALLY ADOPTED AS PART OF THE CONFERENCE’S 2011 JOINT DECLARATIONS
- INITIATED PLANNING FOR A FORMAL LAUNCH ON FINAL REPORT IN WASHINGTON, DC THAT IS TENTATIVELY SCHEDULED FOR DECEMBER 2011

TOGETHER WITH THE CONFERENCE OF WESTERN ATTORNEYS GENERAL AND THE WOODROW WILSON CENTER MEXICO INSTITUTE. EVENT WOULD INCLUDE A PRESS EVENT IMMEDIATELY FOLLOWED BY A PANEL DISCUSSION ON HUMAN TRAFFICKING AT THE WOODROW WILSON CENTER MEXICO INSTITUTE.

STATE LEGISLATIVE OUTREACH

- Conducted legislative and state government outreach trip to Ciudad Victoria, Tamaulipas (June 14-15) with Council of State Governments-WEST staff. Met with state legislators, governor and state government officials on human trafficking, scrap tire and renewable energy projects and additional Border Research Partnership projects related to our work with CSG-WEST. A news story on this visit is available on the NACTS website at <http://nacts.asu.edu/news/item/20110723/security-issues-rank-high-in-erik-lees-meeting-with-tamaulipas-governor-and-congr>. This work is complementary to outreach that NACTS has done with the joint environmental and transportations/logistics worktables of the Border Legislative Conference and the Border Governors Conference in 2009 and 2010.
- NACTS Associate Director Erik Lee published an article the value of Mexico and Canada to the United States in the July/August 2011 issue of *Capitol Ideas*, the Council of State Governments' monthly members' magazine. The article, entitled "Geography, Security and Employment: Why Canada and Mexico Matter to the U.S." puts a number of key facts and figures in context with a particular focus on trade among the countries. For example, "Canada and Mexico are the top two countries for U.S. exports." The article also notes that "one of the challenges of trade in general is how to push the benefits of trade to medium and small-sized companies." Arizona State University featured the article on its news site in July; a copy of this news items is available at <http://nacts.asu.edu/news/item/20110724/us-benefits-from-trade-with-neighbors-says-asu-public-policy-analyst>.

Additional NACTS activities related to U.S.-Mexico State Alliance Partnership areas of interest:

- *Border Research Partnership*

Together with the Woodrow Wilson Center Mexico Institute and El Colegio de la Frontera Norte, NACTS prepared an annual report of activities undertaken under the auspices of the Border Research Partnership. The report includes summaries of work on the Strategic Guidelines update; the Transborder Development Index; Border Governors Conference worktable analysis; and the Border Legislative Conference delegation to Washington, DC in March 2011. One of the major tasks of the Border Research

Partnership was the organization of its first annual Crossborder Innovation Awards program, which was presented at the Border Governors Conference in Ensenada, Baja California on September 29, 2011. The awards were presented to the following organizations:

- The El Paso Museum of Art: “*A Cultural Crossroads for the United States and Mexico*” (Texas-Chihuahua-New Mexico)
- California Department of Transportation, District 11: “*California-Baja California Border Master Plan*” (California-Baja California)
- Proyecto Bio-regional de Educacion Ambiental (PROBEA): “*Environmental Education Without Borders*” (California-Baja California)
- Arizona Model United Nations: “*Regional Cooperation Through Global Education*” (Arizona-Sonora)

The Border Research Partnership also organized a press conference at the Border Governors Conference on September 28, 2011 to discuss work by the Partnership on behalf of the BGC and other key border stakeholders.

- *Report on U.S.-Mexico Trade*

NACTS initiated research on a brief, high-impact report on the value of crossborder trade and the cost of inefficiencies to the United States regarding our shared border with Mexico. The report is intended to serve as background for an important initiative on crossborder trade. The background report would lay out basic elements of North American trade that are not well-known and perhaps even counterintuitive to large numbers of Americans.

NATIONAL ASSOCIATION OF STATE TREASURERS

National Institute for Public Finance

The National Institute for Public Finance is a bi-annual educational program designed to educate Treasurers and senior staff about key activities within the office of state treasurer. It is held in conjunction with the Kellogg School of Management at Northwestern University in Chicago. 2011 was the second time the program was opened to Mexican treasurers. We had three Mexican participants:

- Alejandro Hernandez, Distrito Federal
- Miguel Vincent, Baja California Sur
- Rodrigo Llanos, Distrito Federal

Second Binational Forum, Cuernavaca, Mexico

This two day meeting took place in Cuernavaca, Mexico on September 22 and 23.

Representing the United States:

- Treasurer Richard Ellis (Chair of the NAST Foundation)
- Treasurer Nancy Kopp (member of the NAST Foundation Board)
- Casey Cagle, Lieutenant Governor, Georgia
- Dan Ebersole, Former Treasurer, Georgia
- Jonathan Lawniczak, Executive Director/CEO, NAST

14 Mexican states were represented at the forum:

Morelos, Aguascalientes, Campeche, Chihuahua, Coahuila, Distrito Federal, Estado de Mexico, Guanajuato, Guerrero, Nuevo Leon, Puebla, Sinaloa, Queretaro, and Veracruz.

Also represented:

- The Federal Treasury (Secretaria de Hacienda) through Unidad de Coordinacion con Entidades Federativas (UCEF)
- INDETEC – the Comision Permanente de Funcionarios Fiscales and Secretaria de Hacienda
- U.S. Department of State and USAID
- American Chamber of Commerce – Morelos Chapter
- Instituto Tecnologico de Estudios Superiores de Monterrey

PASO DEL NORTE GROUP

The Paso del Norte Group, a non-profit organization comprised of business and community leaders created to undertake initiatives which promote the economic and social wellbeing of Ciudad Juarez, El Paso and Las Cruces region. PDN is a member of the U.S./Mexico State Alliance of Partners and is working with the Council of State Governments under a sub-award signed in May 2010. The partnership between PDN and CSG will focus on multifaceted initiatives in support of developing strong, resilient border communities.

Ongoing activities July – September, 2011

- Provide resources for ongoing collaboration between Ciudad Juarez, El Paso and Las Cruces New Mexico which invest in our social, economic and cultural ties in order to strengthen the competitive advantage of this region.
- Pursue education and workforce development strategies that focus on 21st century skills and yield employment opportunities that rely on innovation and entrepreneurial talent.

- Further plans for the creation and attraction of jobs that focus on life sciences and renewable energy capitalizing on the inherent assets of the region's population, skills and climate.
- Ongoing efforts to implement recommendations for 21st Century Border Crossings which provide for efficiency at the Southern ports of entry without jeopardizing the safety and security of our two countries.

Bi-national and Regional Collaboration

- Comite Por Juarez activities; binational border health and miscellaneous regional meetings.
- PDN met with International Youth Foundation giving them a status on the Manpower Study. IYF is initiating vocational training in Juarez and the study will aid in developing strategies for this project. The first cohort starts in October with 60 students with other classes following into 2012, reaching a total of 2000 youths.
- PDN has been meeting with stakeholders in El Paso, Las Cruces and Juarez this quarter to learn about current activities and identify the gaps towards business development services. This program will develop comprehensive start-up, and expansion services for small businesses and leverage ongoing efforts in the Las Cruces, El Paso and Juarez region.
- PDN staff and the PDN Comite por Juarez have been working with the US Consulate in Cd. Juarez and others to develop a human and physical asset mapping of the area encompassed by the 11 Colonias of the community-based comprehensive program. The census has been finalized; and data entry and analysis of the information are the next steps.
- PDN will collaborate with USAID to support and coordinate a number of speakers for the Juarez Competitiva event in October.

Education and Workforce Development Strategies

- PDN staff held monthly meetings to plan follow up with the region's Global Competitiveness Summit participants. Planning work on a framework for coordinating regional workforce and educational development efforts continues.
- PDN staff coordinated efforts with Manpower Group and numerous regional partners to complete the demand side of the survey and supply side. Over 1,000 responses have been received and are being analyzed by the Manpower survey team. Next step is to convene key stakeholders to review findings and assess recommendations for the region.

Renewable Energy and Life Science Job Creation

PDN has continued planning for the renewable energy conference, "Re-Energize the Americas" scheduled for October. In addition to NMSU, The University of Texas at El Paso (UTEP) have joined PDN in organizing the event. Sponsors are being secured and marketing materials have been printed.

21st Century Border Crossings

- Members of the Model Ports Committee continue to work closely with Customs and Border Patrol and Mexican Aduanas to follow up on a series of recommendations to improve efficiency at the International Ports of Entry. The committee met with Ben Rohrbaugh from CBP Commissioner Bersin's office in September to receive update on the work of the Binational Executive Steering Committee.
- PDNG staff received update in July on the progress made in implementing a pilot project to use technology to track cargo from point of origin in Mexico to point of delivery in the U.S. The project is expected to begin in the Fall of 2011 with 250 trucks.
- PDN staff coordinated an invitation for the Model Border Ports Committee to attend the Tornillo-Guadalupe International Bridge and Port of Entry Groundbreaking Ceremony in July. Federal, state, and local officials from the U.S. and Mexico participated in the event.
- PDN Staff and members from the Model Border Ports Committee attended a meeting held with Congressman Reyes to present the City of El Paso's Port of Entry report in August. The POE study serves as the framework for the new Master Regional Plan.
- The Model Border Ports Committee met in August and September to plan participation in the new master regional planning process and to recommend membership to the Advisory Committee. The MPO (Metropolitan Planning Organization) will lead the Master Regional Plan effort along with TXDOT and will include participation from U.S. and Mexico transportation agencies and related industries. A Regional Master Plan is the next step in a comprehensive, binational transportation planning process. The plan will develop a prioritized list of POE and transportation projects and will incorporate input from both the U.S. and Mexico stakeholders at the federal, state and local level. The purpose of the plan is to have regional stakeholders reach consensus on infrastructure needs and to provide the information to the appropriate agencies for government funding consideration. San Diego completed their plan in 2008 and Laredo is currently working on theirs.
- PDN staff hosted a lunch with Rep. Pickett in September to hear about the Master Regional Plan. He is chair of the MPO and will assign the membership of the Advisory Committee to oversee the process. Members of the Model Border Ports Committee are expected to be included on the overseeing committee.

Founded in 2004 by key community leaders from the region, the Paso del Norte Group has worked to identify and implement opportunities for economic and social development in the area. Since May of 2010 funding from the CSG sub-award has served as a catalyst for ongoing efforts to address regional strategies to promote innovation, entrepreneurship social and cultural development in the region. The funds have provided seed money to facilitate collaboration among the region's stakeholder in the areas of education, health, international ports as well as research and development in STEM focus areas. The Foro de Construccion Comunitaria in Ciudad Juarez, Chihuahua and the Border Security Conference held in El Paso in August 2010

provided an opportunity for the region to highlight ongoing and planned initiatives intended to strengthen the competitiveness of this unique area. Unfortunately, the issues affecting the safety and well being of the region provide a serious threat to the stability along the border. Swift, cohesive action to address these threats along the U.S./Mexico border is fundamental and collaboration between the Paso del Norte Region and the Alliance Partners provides an important venue for these important discussions and implementation plans.

The Paso del Norte Group, a non-profit organization comprised of business and community leaders created to undertake initiatives which promote the economic and social wellbeing of Ciudad Juarez, El Paso and Las Cruces region. PDN is a member of the U.S./Mexico State Alliance of Partners and is working with the Council of State Governments under a sub-award signed in May 2010. The partnership between PDN and CSG will focus on multifaceted initiatives in support of developing strong, resilient border communities.