

FAQs on Transboundary Issues

United States-Mexico Inland Response to Hazardous Material Accidents

INTRODUCTION

The purpose of this document is to answer the frequently asked questions (FAQs) concerning emergency response to hazardous material accidents along the inland border between the United States and Mexico. These questions are based on the issues initially identified by the National Response Team (NRT) Response Committee's Subcommittee on Transboundary Issues and have been presented previously as issues in the *14-Points Document* (EPA, October 1994) and the *Summary Report of the Cross-Border Workgroup* (EPA, May 1997). As indicated in the present document's title, the focus is on issues pertaining to hazardous material accidents along the inland border between the United States and Mexico. Separate FAQ documents are being prepared for oil spills, for the marine boundary, and for the United States-Canada border. Each question included in this report has been phrased to elicit a practical response that people along the border can use in their emergency response efforts. [Currently, the answers have been drafted primarily by consulting existing documents and meetings notes. After internal EPA review, input from all agencies on the NRT Response Committee will be sought. The final FAQ document will then be posted on CEPO's Internet website. Also, the codes found at the end of some statements (e.g., E-6) correspond to the actual document that was used as a reference to answer the questions. This method currently allows us to track answers back to their sources, but these codes will be removed for the final version.]

Topic Area: BORDER CROSSING

QUESTION #1:

As a U.S. responder called upon to respond to a hazmat emergency in Mexico, will Mexican Migración and Aduana allow me and my vehicle to enter Mexico rapidly without requiring inspections, fees, or other restrictions? After the emergency is over, will U.S. Immigration and Customs allow me and my vehicle to re-enter the United States rapidly without inspections, fees, or other restrictions?

ANSWER:

When entering Mexico during an emergency, the two authorities that will control your entry are Mexican Customs (Aduana in Spanish) and Mexican Immigration (Migración in Spanish). Neither Aduana nor Migración has any specific provisions that would expedite border crossings during a cross-border emergency situation (A-3). As for charging fees, current Mexican laws and regulations stipulate that anyone crossing the border as part of “official business” is exempt from any otherwise applicable fees; however, it is not clear whether a cross-border emergency response is considered “official business” (A-4). Also, note that procedures vary among Mexican Customs stations along the border, so certain U.S. emergency responders and response teams may have more ease than others in negotiating expedited passage. For example, those crossings where a sister city plan is in place may have created protocols to expedite the cross-border movement of emergency response personnel, equipment, and vehicles (A-4).

To expedite future border crossings into Mexico and to prevent delays caused by inspections or tolls, the leaders of all U.S. emergency response teams should contact the appropriate authorities at the nearest United States-Mexico border crossing station to discuss procedures for expedited crossings. Specifically, emergency responders and border crossing officials may want to discuss the following (A-4):

- Emergency protocols, applicable regulations, and entry/re-entry policies.
- The possibility of providing to border officials a list of all personnel that could potentially cross the border, which could receive pre-approval for rapid crossing.
- Plans to clear a specific traffic lane to allow unimpeded passage of emergency vehicles through points of entry/re-entry during an emergency response.
- Installation of an intercom system for faster communication between U.S. and Mexican immigration officials, customs officials, and bridge operators.
- Clearance by Mexican authorities to allow U.S. emergency response helicopters to cross into Mexico. Helicopters are often used to transport emergency response experts and/or injured personnel.

Re-entry into the United States after a cross-border emergency is controlled by U.S. Customs, U.S. Immigration, and the U.S. Department of Agriculture (USDA). Customs and Immigration may require certain documents, forms of identification, and/or fees. Emergency responders should contact their local customs and immigration officials for details. USDA requires that all soil, animal contamination, and plant debris be cleaned from the response equipment upon return to the United States (A-1). USDA will not waive inspections during emergencies (B-6).

Topic Area: BORDER CROSSING

QUESTION #2: *As a U.S. citizen evacuee, will I be allowed by Mexican Migración to rapidly enter Mexico in the case of a hazmat emergency on the U.S. side of the border?*

ANSWER:

No information is currently available for this issue (Mexican Migración's official policy for this issue is currently unknown).

Topic Area: COMMUNICATION

QUESTION #3: *As a U.S. responder, how will I be notified of an emergency or potential emergency on the Mexican side of the border that may affect my community?*

ANSWER:

At the local level, sister city plans should include a protocol for notification between the U.S. and Mexican cities when a cross-border chemical emergency occurs. If these protocols do not exist, local U.S. emergency responders should work with local Mexican authorities to define initial notification procedures. Specifically, emergency responders may want to discuss the following:

- Establishing a dedicated emergency notification radio frequency whereby U.S. and Mexican teams are able to communicate (A-4). For instantaneous communication, the best system is usually radio (for further information, see Question #4).
- Obtaining permission to have a dedicated base radio for emergency notification at the local U.S. Customs/Immigration border-crossing station. This way, Mexican responders can immediately contact the border-crossing station, which in turn would contact the appropriate U.S. emergency response team (A-4).
- Establishing a dedicated phone line (i.e., "hotline"), staffed by a bilingual operator, for the sole purpose of communication during joint emergency response (A-4).

At the national level, Mexican PROFEPA and U.S. EPA coordinate the development of initial notification procedures and lists for cross-border emergency response incidents. These procedures and lists inform the appropriate U.S. and Mexican agencies that a cross-border chemical emergency has occurred. Recently, the Mexican government established the Guidance Center for Attention to Environmental Emergencies (COATEA), which now serves as the response and communication center for hazmat incidents in Mexico (T-2). It is unclear how the establishment of COATEA will affect the notification of U.S. emergency responders for cross-border emergency response. In the United States, notification is made to the National Response Center, which is operated by the U.S. Coast Guard. The United States-Mexico Joint Response Team (JRT) currently plans to update the agency notification lists for both the United States and Mexico and to test the notification system in all border states over the course of the next year (T-2). During a chemical emergency, such national-level notification can take several hours to reach the local sister cities along the border; therefore, sister cities should establish notification procedures to expedite notification of a chemical emergency to responders and the community.

Topic Area: COMMUNICATION

QUESTION #4: *When I enter Mexico to respond to an emergency, what radio frequency should I use?*

ANSWER:

There is no official radio frequency for communication between U.S. and Mexican local emergency response agencies, and, in some cases, the emergency radio equipment used in both countries is incompatible (A-3). Because of equipment incompatibility and the potential for excessive traffic on a designated frequency, it is unlikely that a common radio frequency for the entire border will ever be established (A-4). Therefore, emergency response teams should contact their Mexican counterparts well before an emergency occurs and, if possible, agree upon a common radio frequency for cross-border emergency response situations. However, if a response lasts for several days or weeks, the radio communication system could be clogged by excessive traffic. The United States-Mexico Joint Response Team will contact the Federal Communications Commission to assess whether a common radio frequency can be established for sister cities (A-3).

To facilitate communication during future cross-border emergency response incidents, emergency response teams from both countries may want to consider the following:

- Ensuring that communication protocols are clearly defined and understood by all relevant authorities.
- Carrying extra radios (approximately 20) during a cross-border emergency response and lending them to foreign counterparts. Providing radios would guarantee full communication for the duration of the emergency response. Response teams would also have to develop procedures for retrieving any shared equipment (A-4).
- Purchasing compatible radio equipment. Sister cities could coordinate these purchases.

Topic Area: COMMUNICATION

QUESTION #5: *I don't speak Spanish, so how will I communicate with Mexican officials while I am in Mexico responding to an emergency?*

ANSWER:

The preferred option to alleviate the language barrier problem is to have a bilingual translator on the emergency response team. If there are no bilingual members of the emergency response team, bilingual volunteers who are not normally part of the emergency response team could serve as translators. Another resource is the federal government's *Guidebook for First Responder Officials in Hazardous Materials Incidents Working in the U.S./Mexico Border Area*, which contains commonly used English-to-Spanish and Spanish-to-English emergency response phrases. This guidebook may be obtained from the U.S. EPA (A-3).

Topic Area: COMMUNICATION

QUESTION #6: *As a U.S. responder entering Mexico, how can I find out more on international treaties, laws, and agreements that apply to me?*

ANSWER:

Recently, the United States-Mexico Joint Response Team (JRT) gathered and compiled an initial list of approximately 60 border documents that contain information on international treaties, laws, and agreements that apply to United States-Mexico cross-border emergency response (B-17). The JRT plans to place this list on the EPA CEPPO Internet website (<http://www.epa.gov/swercepp/>) (B-17). Additional information on relevant laws and agreements is found on the EPA Region IX Internet website (http://www.epa.gov/region09/cross_pr/usmex/ef-about.htm).

Topic Area: COMMUNICATION

QUESTION #7: *As a U.S. responder working in Mexico during an emergency response, will my Mexican counterparts have a Spanish version of CAMEO, ALOHA, and MARPLOT? Will a Spanish translation of the chemical databases be included in these programs?*

ANSWER:

As of early 1999, U.S. EPA is working to distribute copies of the Spanish versions of CAMEO, ALOHA, and MARPLOT to each of the fourteen Mexican sister cities (T-2). However, the chemical databases contained in these programs were not translated into Spanish. The U.S. EPA currently has no plans to develop full Spanish translations of the chemical databases contained in CAMEO, ALOHA, and MARPLOT. More limited information, however, can be obtained in a publication from the federal government titled *Guidebook for First Responder Officials in Hazardous Materials Incidents Working in the U.S./Mexico Border Area*, which is published in Spanish and contains basic emergency response and first aid procedures for hazardous materials.

Topic Area: TRAINING AND EQUIPMENT

QUESTION #8: *As a U.S. responder, what training standards should I follow in order to be prepared for responding to a hazmat emergency in Mexico?*

ANSWER:

Currently, there is no binational training standard for United States-Mexico joint emergency response (A-3). As a general rule, however, only U.S. responders who meet the training standards in force for the United States should ever respond to an emergency in Mexico. The United States-Mexico Joint Response Team (JRT) plans to develop a training strategy for border states and sister cities (T-2). In the meantime, U.S. responders may want to contact their Mexican counterparts in the sister cities to determine the Mexican laws with which they must comply. [This answer is incomplete and requires direction and input from OSHA.]

Topic Area: TRAINING AND EQUIPMENT

QUESTION #9: *As an emergency response coordinator in a U.S. border city who could be asked to assist with emergency response in Mexico, what should I be doing to ensure that my emergency response equipment will be compatible with Mexican equipment?*

ANSWER:

Equipment incompatibility is a common occurrence because U.S. emergency response equipment is designed with the English system of measurement, whereas Mexican emergency response equipment is designed with the metric system. U.S. emergency response teams should coordinate with their Mexican counterparts to purchase equipment that will make U.S. emergency equipment compatible with Mexican emergency equipment. For example, special joiners that link U.S. and Mexican fire hoses are essential for successful joint emergency responses (A-3).

Topic Area: COORDINATION

QUESTION #10: *As a U.S. response coordinator, what efforts should I be involved with that foster interagency planning for and coordination during cross-border emergency situations?*

ANSWER:

On a local level, sister city plans and Local Emergency Planning Committee (LEPC) plans should clearly define the local strategy for coordination among emergency response teams, governments, and other groups in the United States and Mexico. Each agency should understand its respective role and the forms of assistance that it is expected to provide during an emergency response (A-4). For example, local plans should state whether assistance will be limited to providing “technical advisors” instead of hazardous materials responders who actively participate in the response.

If the sister city plan or the LEPC plan does not provide this information (or no such plan exists), then local U.S. emergency planners and responders should contact their Mexican counterparts, as well as other U.S. agencies and local/state organizations, to clearly define the chain of command and determine what forms of assistance are expected (A-4). Due to frequent turnover among government officials and emergency response personnel, U.S. response coordinators should regularly exchange contact and roster information with their Mexican counterparts and other U.S. agencies and local/state organizations and verify that all parts (e.g., equipment, notification systems) of the plan are in place and working properly (A-4). Coordinators may also want to run small-scale, in-house, cross-border emergency response drills to ensure the plan will be implemented correctly during actual emergency responses. Coordinators in sister cities that have not yet developed a comprehensive cross-border emergency response plan may want to refer to the Sister City Plan of Laredo, Texas-Nuevo Laredo, Tamaulipas, to obtain information on how to develop and implement a functional cross-border emergency response plan (for a copy, visit <http://www.epa.gov/earth1r6/6bo/6bo.htm>).

Topic Area: FUNDING AND REIMBURSEMENT

QUESTION #11: *Who will reimburse me (a U.S. responder) after I participate in a cross-border emergency response?*

ANSWER:

The United States generally maintains a “polluter pays” policy, which means that the responsible party is liable for reimbursing emergency responders for the cost of emergency response (42 United States Code 9608). After participating in a cross-border emergency response, U.S. responders should contact the on-scene coordinator (OSC) to arrange for reimbursement. The OSC, or a person designated by the OSC, should contact the responsible party to negotiate reimbursement.

Currently, the U.S. federal government has not established a special fund to reimburse U.S. emergency responders (public or private) for work carried out in Mexico (A-1). However, under certain circumstances, U.S. federal emergency response trust funds from either the U.S. Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA, also known as Superfund) or the Oil Pollution Act (OPA) may be available. (These funds are available for spills in the United States when no party accepts responsibility or the responsible party is unwilling to pay. The question is whether they are also available for U.S. response activities in Mexico under the same circumstances.) Obtaining reimbursement from these federal funds, via U.S. agencies, is dependent on the medium that was affected by the spill (land, air, or water), the type of spill (oil or other hazardous substance), and whether the hazardous substance or oil spill that occurred in Mexico actually threatens U.S. waters, land, or air. For more information on the funds available through CERCLA and OPA, please see EPA’s Superfund web site on the Internet at <http://www.epa.gov/oerrpage/superfnd/web/programs/er/nrs/nrsnrt.htm>.

In summary, OSCs have the following options to fund reimbursements for cross-border emergency response incidents:

- Receive reimbursement from the responsible party.
- Obtain U.S. federal funds from either CERCLA or OPA trust funds (only pursue OPA funds if the spill threatens U.S. waters (A-1)).
- Request funds from affected cities, municipalities, or counties in either the United States or Mexico, especially if an agreement (e.g., sister city emergency response plan) is in place.
- Request funds or assistance from the Mexican federal government if a spill is caused by a company owned by a Mexican national who is unwilling to pay for clean-up costs. It is recommended that OSCs seek guidance from the U.S. federal government prior to pursuing this option in order to use proper diplomatic channels.

Emergency responders should recognize that reimbursement and recovery of costs may take substantial amounts of time and are typically handled on a case-by-case basis.

Topic Area: FUNDING AND REIMBURSEMENT

QUESTION #12: *As a cross-border hazmat response coordinator in need of funding for cross-border planning activities, where can I turn?*

ANSWER:

At this time, no consistent form of funding exists to support cross-border planning and preparedness programs in the United States (A-4). U.S. local emergency response coordinators in need of funding for planning and preparedness programs should consider the following options:

- Apply for federal funding. The federal government offers limited funding, in the form of grants, for local cross-border programs (B-9). Emergency responders should contact their regional EPA office for details.
- Publicize your program to local officials and city residents to attract attention and possibly additional funding. By informing appropriate parties about the important role that emergency response teams play, especially during cross-border emergencies, local officials may be more inclined to fund planning activities (A-4).
- Request municipal funds (A-4).
- Encourage local leaders to establish cross-border emergency response funds that are funded jointly by sister cities in the United States and Mexico.
- Solicit funding from local businesses that have operations in Mexico. Although there are no official requirements to donate funds, many businesses recognize the benefits they receive from emergency planning and may offer funding.

Topic Area: HAZARDOUS MATERIALS

QUESTION #13: *After cleaning up a hazardous chemical spill that occurred in Mexico but involved chemicals from a U.S. company, what do I do with the contaminated material?*

ANSWER:

According to a bilateral agreement with Mexico (which is part of Section 3017 of the U.S. Resource Conservation and Recovery Act), Mexico does not view hazardous waste generated by U.S. facilities operating in Mexico as belonging to Mexico (A-1). Instead, the waste belongs to the United States. Therefore, hazardous materials that are recovered from a spill that occurred in Mexico and involved hazardous substances from a U.S. company are considered U.S. waste and must be transported to the United States for disposal.

While transporting the waste out of Mexico, the U.S. Department of Transportation regulations are in effect. These regulations are found throughout Title 49 of the Code of Federal Regulations (CFR), which can be accessed through the Internet web site at <http://www.access.gpo.gov/afaic/49cfr.html>.

Upon arrival at the border-crossing station, additional regulations apply, which include the following:

- C Importation/certification rules under the U.S. Toxic Substances Control Act (TSCA) (19 CFR Sections 12.118 through 12.127 and 127.28)
- C Waste importation requirements under the U.S. Resource Conservation and Recovery Act (RCRA) (40 CFR Section 260.60 and Section 254.12)

Once in the United States, the transportation and disposal of hazardous waste must be performed in accordance with applicable U.S. Department of Transportation (DOT) and U.S. EPA regulations. At a minimum, a Hazardous Waste Manifest must be obtained and any applicable transportation, documentation, marking, packaging, and highway requirements must be followed. See the U.S. DOT Internet web site at <http://hazmat.dot.gov/rules.htm> for further details on hazmat transportation rules and regulations. Additionally, consult the U.S. EPA Internet web site at <http://www.epa.gov/osw/> for information on hazardous waste transport and disposal.

Topic Area: INSURANCE AND LIABILITY

QUESTION #14: *As a U.S. responder in Mexico, if I am injured during a cross-border response will I be eligible for workers' compensation benefits?*

ANSWER:¹

Yes. Generally, workers' compensation applies to injuries that occur while working in the course and scope of employment regardless of location, including transportation to and from the location of employment. Thus, eligibility for workers' compensation benefits for an emergency responder performing his or her duties (within the course and scope of employment) would remain the same no matter where the injury takes place.

¹ Basis for answer: General rule of workers' compensation law. Moreover, the *Texas Workers' Compensation Statute* (Chapter 406, Subchapter D, <HTTP://TWCC.STATE.TX.US/ACT/406.HTML>) explicitly recognizes extraterritorial coverage; employees of political subdivisions are covered (Chapter 504, Subchapter A, <HTTP://TWCC.STATE.TX.US/ACT/1504.HTML>); and political subdivisions cannot opt out of workers' compensation in Texas. Similarly, the *California Insurance Code* and *Labor Code* specify no geographic limits on compensable injuries and recognize extraterritorial coverage (see *Labor Code* Section 3600a and 3600.5). Workers' compensation policies by law conform to and incorporate workers' compensation laws just as if the laws were written into the policies; if there is a conflict between a policy and applicable workers' compensation laws, the policy agrees to conform to the law and is automatically amended when there are changes in the law. (Source: Donald S. Malecki, Ronald C. Horn, Eric A. Wining, and Arthur Flitner, *Commercial Liability Insurance and Risk Management*, 3rd edition, 1996.) *Arizona Revised Statutes* at Section 23-904 explicitly provides that employees who have been hired or are regularly employed in Arizona are entitled to workers' compensation even if the injury was received outside the state. *New Mexico Statutes* at Chapter 52, Article 1, Section 52-1-3 requires that the state provide workers' compensation coverage for all public employees, whether of state or local government agencies (see Section 52-1-3.1, which defines public employee). New Mexico law addresses extraterritorial coverage in Section 52-1-64, which explicitly provides that workers' compensation benefits apply to employees who are injured while working outside the state, if their employment is principally located in New Mexico or if they were hired in New Mexico to work outside the United States.

Topic Area: INSURANCE AND LIABILITY

QUESTION #15: *If during an emergency response in Mexico I injure a person or damage property, will I be subject to Mexican personal liability lawsuits (or equivalent)?*

ANSWER:

Yes. Emergency responders operating in Mexico will be subject to jurisdiction and liability under the laws of Mexico and its states. Sovereign immunity, which may protect public sector responders in the United States of America, cannot be assumed to extend extraterritorially.

American responders in Mexico have the same civil rights as Mexican citizens and are subject to the judgments and decrees of the courts of Mexico. Foreign workers in Mexico may appeal to their home governments for diplomatic protection only in case of denial of justice or useful and notoriously malicious delay in its administration. (Source: Harry K. Wright, *Foreign Enterprise in Mexico: Laws and Policies* (1971).)

Responders operating in foreign nations will be subject to jurisdiction and liability as prescribed by each foreign country. Responder immunity provisions in Mexico comparable to those in the U.S. Oil Pollution Act of 1990 have not been identified. Several sister cities along the United States-Mexico border have reportedly entered into mutual aid agreements with each other that may provide for insurance, "hold harmless," or indemnification. The U.S. Department of Justice (DOJ) believes that these agreements, whatever their specific nature, would not preclude Mexico or third parties from pursuing liability claims against responders. According to the DOJ, under the laws of many of the countries bordering the United States, private responders could be held liable for certain acts that occur even during authorized response operations. (Source: U.S. Department of Justice memorandum dated November 2, 1995.)

EPA reportedly buys insurance for EPA Regional On-Scene Coordinators to operate in Mexico. (Source: U.S. EPA, Office of General Counsel memorandum dated August 15, 1996.)

Depending on the activities of U.S. responders, different types of liability coverage would be appropriate, including general liability coverage for operations, "completed operations" coverage, automobile liability coverage, and/or professional liability coverage. State and local governments who do not want to be exposed to liability risk for operations in Mexico should work with insurance professionals to identify and purchase appropriate liability coverage.²

² The Insurance Service Offices (ISO) standard commercial general liability (CGL) form could cover injuries or damages arising due to the activities of a person whose home is in the United States but is away in Mexico for a short time on the insured's business. (The insured's responsibility to pay damages must be determined in a suit filed in the United States or a settlement agreed to by the insurer.) See Donald S. Malecki and Arthur L. Flitner, *Commercial General Liability: Claims Made and Occurrence Forms*, 6th edition (1997). The standard form for "completed operations" coverage (i.e., liability due to defects in the work completed by the hazmat responder) does not include Mexico in its coverage territory (see Donald S. Malecki, Ronald C. Horn, Eric A. Wiening, and Arthur L. Flitner, *Commercial Liability Insurance and Risk Management*, 3rd edition (1996)), but there is some indication that the completed operations coverage could extend to claims in Mexico so long as the suit for claim is made in the United States. (Source: *Agents' and Brokers' Insurance Examination Preparation Manual: Property and Casualty Insurance for the States of Idaho, Montana, New Mexico, Utah, and Wyoming* (1980).) On the other hand, one authority states that the ISO CGL forms do not cover injury or damage that occurs outside the basic coverage territory resulting from an insured's completed operations (Donald S. Malecki and Arthur L. Flitner, *Commercial*

General Liability: Claims Made and Occurrence Forms, 6th edition (1997)).

The standard form for business automobile insurance, which can be extended to include liability coverage for mobile equipment while being carried or towed by an automobile, also does not include Mexico in the coverage territory. (Source: Malecki et al. (1997).)

As an example of the importance of securing appropriate liability insurance coverage for activities in Mexico, note that the *California Insurance Code*, Section 11580.6, states that where a policy of liability insurance covering the ownership, maintenance, or use of a motor vehicle or aircraft contains a provision indicating that coverage is extended to accidents, occurrences, and loss arising in Mexico, the policy must contain an additional provision, either on the face of the policy or by an endorsement attached thereto, stating as follows:

“Warning -- Unless you have automobile or aircraft insurance written by a Mexican insurance company, you may spend many hours or days in jail if you have an accident in Mexico. Insurance coverage should be secured from a company licensed under the laws of Mexico to write such insurance in order to avoid complications and some other penalties possible under the laws of Mexico, including the possible impoundment of your automobile or aircraft.”

Mexican law is said to mandate that only insurance companies that are licensed and admitted in Mexico can provide liability coverage that is recognized by the judicial system of Mexico. All liability claims under a Mexican insurance policy must be brought and adjudicated in Mexico; Mexican insurance will not respond to claims or suits raised in the United States for an incident that occurred in Mexico. (Source: Jim Labelle, “Purchasing Insurance for Mexico,” *Mexico Real Estate and Travel Magazine*, October 1998.) The book *An Introduction to Doing Business in Mexico* by William E. Mooz, Jr. (1995) does not address liability or insurance issues, except to point out the requirement for financial responsibility for liability coverage during transport of hazardous waste.

Topic Area: INSURANCE AND LIABILITY

QUESTION #16: *Will my emergency response equipment (e.g., vehicles) continue to be insured while I respond to a hazmat emergency in Mexico?*

ANSWER:

Many state agencies “self-insure” against the risk of damage to their vehicles and equipment. This means that they will absorb any losses due to damage to their emergency response equipment regardless of location. Where a state or local agency buys insurance coverage for damage to their equipment, much depends on the language of the policy, although generally such coverage does not extend to Mexico.

The State of Texas is self-insured for most State agencies and State employees (State Office of Risk Management, *Risk Management for Texas State Agencies*, <HTTP://WWW.SORM.STATE.TX.US/VOLUMES.HTM>). So-called “inland marine” policies cover property (e.g., construction equipment) being transported over land and in temporary storage and are usually limited in territory to the United States and Canada unless endorsed otherwise. Commercial auto coverage policies for damage to owned property generally apply to accidents or losses in the United States and Canada but not Mexico unless specifically endorsed otherwise. (Sources: *Agents' and Brokers' Insurance Examination Preparation Manual: Property and Casualty Insurance for the States of Idaho, Montana, New Mexico, Utah, and Wyoming* (1980).) Coverage of damage to automobiles insured under the Insurance Service Offices standard auto insurance form is limited to the coverage territory, which does not include Mexico. (Source: Donald S. Malecki et al., *Commercial Liability Insurance and Risk Management*, 3rd edition, 1996).

Mexican law reportedly requires that any property located in Mexico be insured by an authorized, admitted Mexican insurer. A few U.S. insurance companies reportedly will extend physical damage coverage on automobiles in Mexico and some will extend property coverage to large commercial projects in Mexico. (Source: Jim Labelle, “Purchasing Insurance for Mexico,” *Mexico Real Estate and Travel Magazine*, October, 1998.)