

BILL ANALYSIS

Senate Research Center

S.C.R. 30
By: Lucio
International Relations & Trade
4/26/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Mexico is the United States' second-largest trading partner, and approximately 80 percent of all United States trade with Mexico, equivalent to \$230 billion in goods, travels over Texas highways. Trade between the two countries has grown from \$81.5 billion in 1993 to \$232 billion in 2002.

Mexico is Texas' number one trading partner and this relationship is an important factor in Texas' economic growth and prosperity. During the 1990s, the Texas economy generally outperformed the nation's economy, due in large part to the strength of the state's exports to Mexico. Roughly one out of every 10 manufacturing jobs in Texas is tied to exports to Mexico and 44 percent of Texas' total exports are made to Mexico

About 80 percent of all truck traffic between Mexico and the United States enters through a Texas border point of entry. Between 1995 and 1999, trade through Texas ports by truck increased by 85 percent, exceeding \$106 billion a year. In 1999, about 4.4 million truck crossings were made through nine Texas ports, and Laredo, the busiest port on the border, had 2.8 million commercial vehicle crossings.

Two-way commerce between Texas and Mexico has more than doubled since 1993, from \$100 billion to \$235 billion. Over the last seven years, Texas has exported more than \$272 billion to Mexico, and in 2002 those exports accounted for six percent of the gross state product. In that same year exports to Mexico added \$73.2 billion in output, \$19.8 billion in earnings, and 745,000 jobs to the Texas economy

RESOLVED

That the 79th Legislature of the State of Texas hereby urge the State of Texas to continue to pursue opportunities to increase trade with Mexico by creating policies and programs aimed at increasing trade, including improving communications and cooperation, and by encouraging meetings and interactions among federal, state, and local governments.

That the legislature hereby encourage the State of Texas to strengthen ties with neighboring Mexican states and urge the Texas and Mexican authorities to develop a working plan to study the flow of commerce and propose initiatives to mitigate delays at border crossings between Mexico and Texas.