

By: Chavez

H.C.R. No. 166

CONCURRENT RESOLUTION

1 WHEREAS, Since 1960, the relationship between the United
2 States and Cuba has been one of tension and conflict, most notably
3 marked by the longest-standing trade embargo in modern history; but
4 with the collapse of the Soviet Union and the recent resignation of
5 Fidel Castro, Cuba today is far less a threat than a potentially
6 significant trade partner for American businesses; and

7 WHEREAS, According to the United States International Trade
8 Commission (USITC), Cuba imports up to two-thirds of its
9 agricultural staples, much of it from the United States; even with
10 current trade restrictions, United States agriculture accounts for
11 24 percent of Cuba's imported rice, 65 percent of its imported
12 poultry, 42 percent of its imported pork, and 100 percent of its
13 imported soybeans; however, while Cuba is the largest single grain
14 market in the Caribbean, annually importing an estimated 2.5
15 million metric tons of corn, rice, and wheat, much of this imported
16 grain comes from producing countries other than the United States;
17 and

18 WHEREAS, Despite clear advantages to trading with the United
19 States, such as lower freight costs and better shipping schedules,
20 the trade embargo has forced Cuba to import many of the products it
21 needs from other sources; in recent years, the European Union has
22 supplied Cuba with virtually all of the country's wheat and
23 wheat-based products while Vietnam delivered the majority of Cuba's
24 rice, and Cuba's trade with China doubled in only one year, between

1 2005 and 2006; and

2 WHEREAS, The likely outcome of unfettered trade with Cuba is
3 evidenced by the dramatic increase in exports from American
4 agricultural producers after congress adopted the Trade Sanctions
5 Reform and Export Enhancement Act in 2000 to expand the list of
6 products eligible to be sold to the island nation; since the act
7 took effect in February 2001, Cuba has moved from the bottom 20th
8 percentile to the top 20th percentile of United States grain export
9 markets; and

10 WHEREAS, In fact, in the seven years since the changes in law
11 took effect, Cuba consistently has ranked among the top 10 export
12 markets for United States soybean oil, dry peas, lentils, dry
13 beans, powdered milk, and poultry meat; moreover, between 2004 and
14 2006, United States agricultural exports to Cuba averaged more than
15 \$350 million, and the USITC estimates that American agricultural
16 sales to Cuba would double if the embargo were lifted; and

17 WHEREAS, Even under the current rules, the Lone Star State
18 already has factored significantly in the increased trade between
19 the United States and Cuba with more than \$90 million in
20 agricultural goods shipping from Texas and through Texas ports in
21 2007; clearly, the State of Texas would profit greatly from
22 unrestricted trade with Cuba; and

23 WHEREAS, Agriculture is the second-largest resource-based
24 industry in Texas, employing one of every seven working Texans, and
25 the food, fiber, and horticulture industry generates approximately
26 \$103 billion for the state's economy; Texas also ranks second in the
27 nation for market value of agricultural products sold, according to

1 the 2007 United States Department of Agriculture Census of
2 Agriculture; and

3 WHEREAS, Indeed, before the trade embargo took effect, Texas
4 was the lead exporter of rice to Cuba; seeking to renew that
5 economic partnership, Texas Agriculture Commissioner Todd Staples
6 recently led a 24-member delegation of ranchers, farmers, port
7 officials, and entrepreneurs to Cuba to discuss contracts with
8 Texas producers; and

9 WHEREAS, While the trade embargo may have once been a
10 political and security necessity, it now serves only to drive Cuba
11 to trade with competitors in countries that have no such
12 restrictions and hinder American businesses from gaining access to
13 a lucrative market; now, therefore, be it

14 RESOLVED, That the 81st Legislature of the State of Texas
15 hereby respectfully urge the Congress of the United States to
16 prioritize diplomatic relations with Cuba leading to an end of the
17 embargo and normalized trade relations; and, be it further

18 RESOLVED, That the Texas secretary of state forward official
19 copies of this resolution to the president of the United States, to
20 the speaker of the house of representatives and the president of the
21 senate of the United States Congress, and to all the members of the
22 Texas delegation to the congress with the request that this
23 resolution be officially entered in the Congressional Record as a
24 memorial to the Congress of the United States of America.