**BILL ANALYSIS**

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|  | By: Nelson; Huffman |
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**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Texas is the nation's leading trade state, and its future prosperity depends on bolstering trade among our North American partners.

The United States-Mexico-Canada Agreement (USMCA), which awaits ratification by the United States Congress, will create a more level playing field for American workers, ensure opportunities for trade in United States services, and benefit farmers, ranchers, and agribusiness. Moreover, it modernizes protections for intellectual property, promotes collaboration in tackling cybersecurity, and ensures that digital trade data can be transferred cross-border with protections for the global digital ecosystem.

Texas exports totaled $315 billion in 2018. The state accounts for almost 20 percent of the nation's trade total, and 45 percent of Lone Star exports are destined for Mexico and Canada. More than 90 percent of Texas exporters are small businesses, and the USMCA cuts red tape, making it easier for them to tap into foreign markets. Approximately 44 percent of our state's agricultural products are exported, and the agreement provides enhanced market access for eggs, poultry, dairy, and certain food crops.

In 2017, Texas energy exports to Canada and Mexico totaled almost $17 billion. The USMCA will promote the stability of this industry by preserving and expanding market integration for greater certainty, efficiency, and interregional investment.

Texas has more United States ports of entry than any other state, and Laredo and El Paso are the two busiest trade stations doing business with Mexico. While offering new commitments for market access, the USMCA also addresses nontariff barriers related to trade in remanufactured goods and import and export licensing.

Nearly one million jobs in Texas are supported by trade with Mexico and Canada. Experts calculate that failure to ratify the USMCA could result in the loss of as many as 300,000 of those jobs. As North America has become more economically integrated, a collaborative approach to trade is absolutely necessary to protect American jobs and workers while fostering innovation.

The trade landscape has shifted dramatically over the past two decades, and the USMCA is designed to adapt to the new terrain by strengthening our nation's export capabilities and setting the standard for global trade agreements that will spur continued economic dynamism for years to come.

**RESOLVED**

That the Senate of the 86th Texas Legislature respectfully urge the United States Congress to unite in bipartisan support for the ratification of the United States-Mexico-Canada Agreement.

That the secretary of the Texas Senate forward official copies of this resolution to the president of the United States, to the president of the Senate and the speaker of the House of Representatives of the United States Congress, and to all the members of the Texas delegation to Congress with the request that this resolution be entered in the Congressional Record as a memorial to the Congress of the United States of America.