

BILL ANALYSIS

Senate Research Center

H.C.R. 151
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International Relations and Trade
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Engrossed

DIGEST

The State of Texas benefits from the North American Free Trade Agreement (NAFTA) in many ways; however, some Texas counties have experienced tremendous job losses because of a shift in global trade patterns precipitated by the agreement. Congress created the Community Adjustment and Investment Program (CAIP) in 1998 to mitigate NAFTA job losses through grants, loans, and loan guarantees to local communities, companies, institutions, and organizations. An affiliate of the North American Development Bank headquartered in San Antonio, CAIP has brought more than \$76 million in direct and leveraged funds to Texas, accounting for approximately one-half of the program's national resources. Thirty-two Texas counties, the most in any state, are eligible for assistance, and together the counties are expected to create or preserve a total of 3,798 private sector jobs because of the CAIP investment. CAIP grants and loans are funded by annual congressional appropriations; however, CAIP did not receive funding in the federal 2002 or 2003 fiscal year budget. The need for CAIP assistance is greater than ever because of the increasing number of job losses resulting from the trade impacts of NAFTA, the extent of which has affected nearly 32 counties in Texas and 40 other states to date.

PURPOSE

The following resolutions are submitted:

That the 78th Legislature of the State of Texas hereby respectfully urge the Congress of the United States to reinstate funding for the Community Adjustment and Investment Program.

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