

SECRETARY OF STATE
TEXAS BORDER AND MEXICAN AFFAIRS DIVISION

TEXAS-MEXICO STRATEGIC COMMISSION
INTERAGENCY WORKGROUP
MEETING

Tuesday, September 12, 2006

Nell Hays Conference Room (4th floor)
Rudder Building, 11th at Brazos
1019 Brazos
Austin, Texas

MEMBERS PRESENT:

H.S. BUDDY GARCIA, CHAIR
CADY NORTH
VICTOR CARRILLO
HELENA ESCALANTE
DIANA BORJA
CARLOS RUBENSTEIN
AGUSTIN DE LA ROSA
ESTHER HITZFELDER
ALFONSO CASSO

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P R O C E E D I N G S

MR. GARCIA: Okay. This interagency workgroup, I guess, is officially meeting today. Thank you all for being here. A nice group of us altogether, and thank you again to everyone who helped contribute on the Border Governors Conference. I know everyone had some role to play.

Very loosely, this group was statutorily authorized, and after last session, where we were doing more voluntary basis prior to this, but I think the spirit is the same, where we want to come together and communicate and share what we are doing individually in our agency, as that affect the Border region. Maybe we can develop a process.

I know we already coordinate very well together. But a process of sharing some of this with the Lieutenant Governor and Speaker, if not legislators on the Border, so they can be aware of exactly how much our state agencies do along the Border.

This morning, we met the Texas-Mexico Strategic Investment Commission. One of the bills last session that passed authorized a few groups, agencies to work together, and some of that is overlapping, with what I do as Board of Commerce coordinator. And then what we do here as an

interagency workgroup.

So the idea, I think, is to piggyback off all the various things that we are already doing to show what is being accomplished at the Border level. This morning Gus shared with us and Esther a very cumulative report on some of the things that TxDOT does with Texas-Mexico. And if you all are so inclined, we can make copies available to you all as well.

A rather extensive description of the various bills that have passed, the logistics groups that are meeting with our neighboring states in Mexico, the Border Governors Conference, and some of the things that were in the joint declaration there, that overlapped. And so all these things that I wanted to do, although not require out of this group was to maybe compile it, and share it initially with the Speaker and Lieutenant Governor if not certain legislators, prior to session, so they will know what is going on in our respective agencies.

If you all could sign in, we do have a court reporter today. And it is not mandatory, but before you speak, just maybe for the record, say your name, and that way, we can keep clear everyone who is giving their two cents, and contributing.

This morning's group, I am going to make

available everything we did there to you all as well. And so if we could just piggyback on that. I think what we want to do is consider certain areas that we can affect at the state level, and if not, reference federal or international issues that need assistance. We talked about MAD Bank this morning, and some of the things, and how multi-jurisdictional that group is, but how Texas benefits.

And one of the things that I would like to do is to figure out a way to increase funding for them, if not legitimize the funding. There is a couple of bills, as a matter of fact. Alfonso put together a chart. If you don't mind spreading it out, Alfonso, just to show them just real quickly. Not for any detail.

But the number of bills that passed last session that overlapped. And our duties have, in different colors, shown there is a number of bills that deal pretty much with the same subject matter.

MR. CASSO: There is a lot of duplication.

MR. GARCIA: But there is what, six bills there, seven bills, eight, ten bills?

MR. CASSO: Let's see. There was --

MR. GARCIA: That passed last time. House Bill 925 had --

MR. CASSO: Two, three, four. There was four different bills, and there was just a lot of --

MR. GARCIA: But House Bill 925 was amended at the last minute to include four other bills that didn't pass on their own, and got amended to it at the end. So House Bill 925 actually was a compilation of a number of bills. So when you add it all up together, there was very little coordination of the legislation.

But once it passed, some of these things they had directed us to do were overlapping. So I am trying to, whenever possible, consolidate. There is a number of bills that I, as Board of Commerce coordinator are involved with, whether it be with DPS, TxDOT and other agencies, and some of those reports are going to be submitted.

And I will explain that later to the legislators, say, look. We were just following orders, and a lot of these things overlapped. But as far as this group goes, I know specifically, Norma Chavez, the chairwoman of the Border Committee on the House side, specifically wanted this group to be a statutorily authorized group, not just to meet voluntarily, and to discuss not only how we can better communicate and coordinate our programs for the benefit of the taxpayer

and have the Legislature know what we are up to, but also to develop recommendations.

I know the recommendations part we have discussed before, how tricky that is, how difficult it is when we are implementing what is passed. But if you do have any recommendations, this is an ongoing process, a fluid process.

If you leave your email addresses, we can update people as necessary, share information on a timely basis. It does not have to be as formal as this round table to share information with each other. I do want to, at some point, share with our Speaker and Lieutenant Governor, maybe in the latter part of October or November some of the wonderful accomplishments that we are occurring along the border and how we collaborate across jurisdictional lines. And for the interest of the border, and the State of Texas.

And so with that, I would like to go around the table, and have everyone introduce themselves very briefly, like we have done before. And maybe give some comments as to what your agency is working on. And then we can get back to the agenda, this meeting can be as long or as short as you all are so inclined to make it.

So thank you all for being here, and welcome.

And I'll start to my right here, with Jose.

MR. MOREIRA: Hi. Nice to meet you. My name is Jose Moreira, and I work for the Department of State Health Services, the old Texas Department of Health. And I have been working there for nine years in a program on tuberculosis on the border, and a national program called States against TB, Tuberculosis.

But now for last year, one year now, I have been working in the office of the Board of Health, together with you might know R.J. Dutton and Kathy Martinez, who have been participating there. So I am now our national official coordinator for TB with Mexico. And I am glad to be here, and we have been active these last three years.

The different activities on the border, especially, not with the border, the Governor's meeting, where I met some people here. And I am glad to participate in this task force with culture and dedication. It is a great thing to work with the nutrition thing. So I guess there is a chance.

MR. GARCIA: Thank you.

MS. ESCALANTE: Hi. I am Helena Escalante. I know most of you. The ones that I know, I just met. And I just want to give you the warmest welcome to our group.

And I work with Buddy, and the Texas Border and Mexican Affairs Division, and the office of the Secretary of State.

MS. BORJA: I am Diana Borja with the Texas Commission on Environmental Quality. I am the manager of Border Affairs here in Austin. And we sit, the agency sits on two worktables. One is environment, and the other one is water. And Buddy didn't give us t-shirts that say I survived the Border --

MR. GARCIA: Not yet. It is just like the declaration. We are not done yet.

MR. SUSSMAN: I am Soll Sussman. I am with the General Land Office. And our program, I think, has two components. One where we work with code to protection in the oil spill prevention and response program, which has joint U.S. and Mexican drills. And we participate with the Coast Guard and the Mexican Navy.

Most recently in Maine, but the main part of our border program is increasing information exchange, and ways to improve the energy infrastructure in Northern Mexico and Texas. And we hold the annual U.S.-Mexican Border Energy Forum which will be on October 18. I am sorry. October 19 and 20 in Tampico.

MR. GARCIA: What is that again? October what?

MR. SUSSMAN: October, I am just blanking on the number. October 19 and 20.

MR. GARCIA: Thank you. I just want to make note of that. Tampico, right?

MR. SUSSMAN: Tampico. I'll just pass it around. A lot of you are on our mailing list anyway. But if you would like, or know people who like to know --

MR. GARCIA: Soll, before we leave you, do you anticipate before, because you are kind of in-between the change of the guard, so to speak, between Fox and the new administration. Do you anticipate everything's going to transfer very nicely?

MR. SUSSMAN: Yes. I mean, assuming just in terms of administration to administration, yes. That is going to go very smoothly. But I have no -- taking over.

MR. GARCIA: That is what I meant, as far as administration.

MR. SUSSMAN: Right.

MR. GARCIA: Very good.

MR. DE LA ROSA: Agustin de la Rosa. I am with the Office of Rural Community Affairs. We are probably one of the last sources of grant money for the alliance. And we continue to dedicate our resources and staff to

come up with new ideas in order to expedite the processing of funds.

And we worked with the Secretary of State's office, the Water Government Board, TCEQ, on a regular basis, along with the U.S. Department of Agriculture's rural development to try to coordinate our funding, so that we get everything expedited to the right people.

One of the new concepts that we are coming up with is with our program, we think we are going to require that communities file with the AG's office in order to get colonia ID numbers established, in order to be eligible for our funding. And what that will do is, once we have a common ID number, we'll be able to more accurately communicate with the other agencies, to make sure we are talking apples when we are talking about a particular colonia.

And hopefully, that is something that maybe we can push on into legislation in order to apply for any state funding. It keeps our staff from having to do all that; other staff for agencies, as well. But it would at least allow us to speak on the same project without any mis-communication.

MR. GARCIA: And that requires legislation, you think?

MR. MENDOZA: Well, that would be helpful if we did it that way. Each agency could go ahead and do it themselves, and make a problematic requirement. But at this point in time and seeing how we came up with the idea for ID numbers last session, we have been having to go and gather the information from the counties and communities, and trying to locate the colonias.

And sometimes, they are not accurately mapped. And the information that we get from the communities, or the applicants themselves. It makes it a little bit difficult. And then, if they just give you a colonia name, you have to try to go through the AG's database to locate this particular colonia, to make sure that you are talking about geographically the same parcel.

And it is just incredibly time consuming to have staff try to make sure and confirm that we are all talking about the same colonia. Because you know, there are so many colonias. Buena Vista, one, two, three in 30 different counties. So it allows us to expedite the process and get us working to solve the issue immediately, rather than spending a lot of time to try to identify who we are really trying to help.

VOICE: Just ask Homer. He knows them all.

MR. DE LA ROSA: Thank you.

MR. CABELLO: I'd like to make a correction, first. Well first of all, my name is Homero Cabello, Department of Housing and Community Affairs. And we don't come with our housing program and to the water and waste water are in the Colonias.

Our agency administers about \$500 million on single-family and rental housing developments, and community affairs homeless programs, and energy assistance. In reference to colonias, I think the biggest obstacle that we have is we have to wait until the water comes in and allow these colonias under a contract-for-deed.

So we can't convert them, knowing that the water is going to come in. But once the water comes in, the values go up, and there is a lot of issues pertaining to that, but we are dealing with them.

MR. GARCIA: And as well as that, there are some people that are never going to -- there is not going to be justified running water lines to them, because there are not enough population out there, as that 09 this currently he showed me.

MR. CABELLO: It is not cost-effective to the Board and ORCA and all of them --

MR. GARCIA: Homer has been very instrumental

and helpful in Senate Bill 1202, another bill the Colonia Resident Advisory Committee has developed recommendations as well with our office. And I want to commend them for that.

Again, an example of agency collaboration, although your Director may not see the value as much as I do. And I am remiss in visiting with him on that. I made a point yesterday at the LBB, and I say this everywhere I go. And I told the Governor this, and I told the governors of the Border Governors this.

If not for the agencies, and we have a very unique situation in Texas that some other states don't have. Do you people here at this table, all of you, if not for the Agency collaboration, especially in my role as Board of Commerce coordinator, which is an unfunded roll.

It would be very difficult to achieve the various mandates that we have, and good, I think, very well-intentioned goals that the Legislature puts forward.

But if it is not TxDOT or TCEQ or the Department of Housing, or any one of you all, I would not be able to satisfy these requirements. And I think the taxpayers deserve that. And I think the people on the Board are expected. They see these bills pass, and they just want help. They want assistance.

And as I was so moved by some of the colonia residents' testimonies, they don't know where to turn. They don't know which issues is federal or not federal, or what the holdups are with NADBank or why EPA doesn't want them or Treasury doesn't want them. It is just something that -- that is fine devastation or any type of natural disaster.

Then the floods here in August, what was that, a 500-year storm in El Paso or something? And what do you do? There is only so much. There is a disaster situation, we know from hurricanes and others that there is not really a lot that you can do for people that are already down on their luck, it means even worse.

Or the people that testified that that if it wasn't police protection, or their spouses beating them up and they are worried about being anything from deported to there is no police protection, to children that can't -- have to play in the streets or what have you. It just goes and goes. And the issue may not always fall under one category, but I think we have a very unique model in Texas.

The agencies that all have Border Affairs divisions work very well amongst each other. And it has become incumbent on me to try to figure out a way to

communicate that, that we are working very well together, to the Legislature, to the Speaker, to the Lieutenant Governor or anyone else who will listen. My hope is that through this, and I will go back around the table, is that we can maybe even develop as was recommended this morning, some type of Railroad Commissioner.

Carillo was here this morning, and he suggested maybe we could figure out a way to very quickly and easily share websites, or our particular agency sites, so people know where they can go, and get a quick update on what some of the progress is going on in every agency. Legislative staff, anyone who wants to know what is going on, then they can, at the touch of a button, be able to figure out everything.

It is kind of one of these things that I would like to follow through with it, so that the Legislature next session will definitely see, hey. There is quite a bit going on, of activity, as you all know. So anyway, with that, I will keep going around the table.

MS. BUTTS: I am Edna Butts with the Office of the Attorney General. And I brought with me several people, because I am retiring in a month and a half. Paco Felici, who is over here, is our Deputy Communications Director. And Paco has been with the agency for 11 years,

Paco?

MR. FELICE: Thirteen years.

MS. BUTTS: Wow. But he started out doing our Spanish language communications. And now he is the Deputy Communications Director. So he does all kinds of communications.

But he is directly over our folks who do our Spanish communications. And he has been my partner on all the consumer protections, the Valde [phonetic] conference that some of you attended. And so he knows everything that the agency does, since he has to communicate what we do.

And then Amy Jones right there is with our Intergovernmental Relations Division and Diana Sosa is next to her. And so she will be dealing with the Legislature on some of these issues.

Now as you heard from Steve, one of the primary things that the AG's Office does, along the border is, we maintain the colonias database. And it is an excellent database, and we are continuing to add on it. We have been working very closely with Yvette and her group, her two groups.

Our Natural Resources Division has attorneys who have done enforcement work against colonia developers.

And then our Consumer Protection Division, I wouldn't say that it is focused just on the border, because we see fraud committed against Spanish speakers all over the state, but including the border. And so Buddy, if you are going to develop -- I think the idea of a website that kind of brings together all of these resources in one place is a great idea.

And Paco can be a great resources as far as telling you what consumers should look out for. Right now we are working on a piece that deals with housing, period.

I mean, not just colonias. I am talking about just housing generally. Because we see a lot of fraud in the mortgage area. And people selling homes to people that they don't own. Yes, Paco.

MR. FELICI: Just miscellaneous scams. Many times the Spanish speaking -- consumer debt reduction schemes --

MS. BUTTS: One of the things that I am going to pass along is, Paco is our spokesperson with the Spanish language community. He has been on national. He is on radio all the time. He is on Univision all the time.

They feature nationally on some of those programs, Aqui y Ahora, and Newstask [phonetic]. Some of

them are notario [phonetic] cases. And so, I think that in order to reach people and tell them what their rights are, and what to look out for, you need to really think about reaching them in this manner. So I just kind of leave you with that example.

MR. GARCIA: Well Edna, thank you. I guess I didn't realize you were leaving, in such a --

MS. BUTTS: Such a young age.

MR. GARCIA: So reliable, when you needed something. Always so reliable. So Paco, thank you for stepping up to the plate, I would like for you to visit with Pepe de la Garza, is our IT person here in the Secretary of State's office.

Just for the record, this is the second I should have said this at the meeting earlier, Yvette, when we referred to you, it is Yvette Sanchez, who is the colonia coordinator, and the Colonia Initiatives Coordinator for the Secretary of State's office. And the Attorney General's Office has been very instrumental in trying to crack down, and I keep up all the time, with how you all crack down on illegal development.

The idea, especially as Al testified a couple of weeks ago before the House Border Committee, figuring out a way, and this is a legislative issue, to fund the

border activity tracker, and how they do that formally. On the side of that, we were just tossing around this morning if we could figure out a way through our web links or portals to link people to where they need to go. And that way, maybe it is not as elaborate and complete and comprehensive as the Border Activity Tracker, but definitely something that based on the initiative of every agency that wants to feed in, or have a connection to their border, we have on our website, a link that takes us to the Mexico Border Affairs Division.

And I am sure that every agency is proud of everything they do. So we can work on that, and maybe that might be a nice way to barring the money that it is going to take for the Border Activity Tracker, figure out a way that we can meet the spirit of that, sharing the information. Back to your Valley conference, I wanted you to know also that afterward, there were several people that called us, interested.

People who live in Austin, and I can only imagine statewide, who came from Mexico and wanted to figure out what it takes to get here legally. Just flat out, what are my rights, and what can I do? And you all had an excellent opportunity through a number of areas for people to figure out what they needed to do. So I hope

you don't mind, I copied off several of the things, and distributed quite frequently.

It was right after the conference. I haven't had many more inquiries since then. But very beneficial, I guess I should be mentioning that as well. Although this specifies the border, this is not limited to the border.

This is really kind of, I think, an exercise in trying to figure out how to communicate better, period. And the Attorney General's Office is so instrumental, and especially in the realm of the colonias. But to what degree, I just would like for this to be a forum where everybody gives your two cents, your common sense recommendations, so we can share, and giving you all of course, all the credit.

So thank you again for all your work, Edna. I don't know if we have an award for you or something. I would have had a lapel pin or something.

MS. BUTTS: I have just been so happy to be part of this group. And I was here at the inception of it. I mean, that was three directors ago. What was that guy's name?

(All talking at once.)

MS. BUTTS: Anyway, I forget his name. But

yes, it has been a great group.

(All talking at once.)

MR. GARCIA: Anyway, Doctor?

MS. HANCOCK: I am Nora Hancock. I am with the Texas Education Agency. And about two years ago, during the Border Governors conference in 2004, we were created as a commission.

And so the last two years have been great fun in that we have developed the infrastructure for operating our education commission. And so one of our recommendations respectfully to the governors was the idea of a website.

And so to that point, we created a website for our education, because one of the ways in which we found was the easiest to share all of the different educational information related to instructional curriculum, teacher training, et cetera, was to just link up with everybody's website. Because we all have so much information related to education. And understanding that what we first tried was to share was different states' informational packets and sometimes it got there, and sometime they didn't.

So we certainly support the whole concept in having a website and the importance of being able to link so, to whatever degree we can help you with that, we have

already begun to do that. Because we do see that as a critical part of us exchanging information.

In addition to that, we were quite fortunate, and I would be remiss if I didn't say how outstanding the conference was, that each of you and everybody who worked on it. It was tremendous. It was a great success.

And my colleagues in other states, and in the other country, Mexico, they were all just very complimentary of the professionalism and the way everything was handled. So thank you to you, and everybody who was involved. We were approached by the agriculture worktable, and Jose alluded to that.

We had an informal task force that met just prior to the official conference. Agriculture, health and education, looking at creating a preliminary task force. We have information on health related to children. We know nutrition through agriculture, obesity, and education is a mechanism by which we can begin to early on train students.

And so we met informally, and I extended an invitation to all of my colleagues in education. If anybody was interested in being part of a pilot in this task force, well, they all were like, we want it, we want in. So we have already begun a pilot to see how some of

this can work together.

I say jokingly, maybe I can go to Tampico. I bet we could train on energy. I bet we could find a good way.

MR. GARCIA: Actually, I don't think we have a bilingual bi-national energy education project.

MS. HANCOCK: Perfect. But anyway, so I think to your point, of way in which we can not work in silos, but find opportunities when possible to really work together as a team. And so we certainly are feeling that we are moving along in our direction.

We have created the Commission to meet, two official work meetings, lasting at least two days, between each Border Governors conference. So we look forward to another very productive year. So in anyway we can help you, Buddy, just let us know.

MR. GARCIA: Thank you. I think that is going to be very helpful. And just links to the right places. Just so, when I was a legislative staffer, I didn't ever think of going to the agencies and going, why don't you do all this, or why don't you do this?

I just kind of figured out, and made the connections and figured, I was always communicating, trying to figure out what was going on in these, so when

my boss asked, I knew. And now, it seems like it is so much easier, if you can just click on people's websites, and find it.

But this would be a really good opportunity for all of us, and all, including our website, if we could just have a place where you could connect to all the links. And that way, you are right also about the paper trails. So you don't need to print out everything. Just make it available to people when they want to find it.

But there is quite a bit of information out there, and I think we do ourselves a disservice, because even my own memory, I forget things. I go. You get before the Committee or what have you, and then you kind of freeze up. You don't have everything in front of you. And we have a lot to be proud of.

I think the Legislature would be happy. Gus brought up earlier this morning. He thinks a lot of times, these legislators aren't aware of what we are doing. And that is why they get frustrated.

And when I visit with them privately, they say what do you all want out of this? And they say, we just want you all to communicate and to work together. And so I am saying, we do. So that would be maybe one extra step. So thank you for that. I think that would be

wonderful.

Plus, this isn't my own idea of how we get to know each other too. And you all know from one of the reasons why, because I hear more of the complaints about the Border Governors conference. So I am glad there was actually some compliments. But part of the thing is, that especially in Mexico, it has to be personal.

It has to be that you have got to get to know them. You cannot do things -- and I tried to explain so many times to my colleagues, especially these folks that are big governors. We have limited budgets.

Our taxpayers expect us to consolidate in efforts, meeting through teleconference, or maybe even email. Whereas, in Mexico, a lot of times, that seems very impersonal and almost offensive. Like how dare you, you just don't even want to have meetings, and now all of a sudden you just want to do it. And so it was very frustrating, because we were given very strict limitations.

And trying to illustrate here how we can do this together, I know that we have to do things personally, too. And it really helps when you can make friends, and you make the relationships. And we are limited sometimes in how much money we have just to go out

of state or travel.

And so that was one frustrating side that I felt personally, that I was just like, there is just never a way. We have talked about this over and over. There is just never a way to convince them that you have -- understand where they are coming from, but we just have limitations.

So this may be another way that we can share with our Legislature that we are in fact, doing the best that we can with what we have. And I think really, we get a good bang out of our taxpayer dollars. So thank you for that, and for all your help on the Border Governors conference.

And anyone who was not part of that, I just say that over and over because I am so happy it is behind us.

It was very successful. We got a lot of good -- out of the six that I have been associated with, this one, I think really had a lot of attention and real good publicity. And it just seemed like it was very productive.

So I am very happy about that. And sometimes I think that people leave going, oh, it was just a big meeting. But it was more than that. So thank you again.

Anyway, we'll just continue going around the table.

MS. HUDDLESTON: My name is Kate Huddleston. I am with the Speaker's Office. Along with the Border and International Affairs Committee, I also monitor agencies and issues with urban affairs, county affairs and licensing and administrative procedures, along with help dealing with land and resource management. So I am just here to listen and learn and bring information back to the Speaker, whatever you all want to share, and to let the Legislature know.

MR. GARCIA: Thank you, Kate. Kate is taking Scott's place, right, who is no longer here with the Speaker, I guess.

MS. HUDDLESTON: Scott went to the lobby world.

MR. GARCIA: How nice. Kate, we spoke this morning, and I appreciate you being here on such short notice.

MS. HUDDLESTON: No problem.

MR. GARCIA: As you heard me say, I would like to make sure that the Speaker and the Lieutenant Governor are armed well before session with so many of the things that you are hearing now, that go on. And then you can put the faces with -- and consider us contacts whenever you need any issues explained or maybe even elaborated on. It is so important.

And I have been very blessed, not only in the Governor's Office, but in the Speaker and Lieutenant Governor Office, the people who are willing to say, follow our lead. And say what is it that you all are hearing, or what is it that you are working on?

So you are an important conduit to sharing that information. But any questions that you have, these are the experts here. These are the folks. So welcome.

MS. HUDDLESTON: Thank you, and you may be hearing from me.

MR. GARCIA: Yes.

MR. DE LA ROSA: My name is Agustin de la Rosa. I am the Director for the International Relations Office for TxDOT. Buddy mentioned earlier about a report we provided to the Texas-Mexico Strategic Investment Commission, which we met right before lunch.

And we can provide that to this group as well. We will just get, we will coordinate with Alfonso or your office to get the email addresses for everyone, and we are looking forward to a copy of that report. We tried to capture all of the different activities and programs that TxDOT is doing, along the Texas-Mexico border.

Basically covered areas, what we do as far as communication, the different groups we are a part of, I

have enjoyed working with the Committee on International Bridges at the Border Governors conference. Other organizations such as that, where we communicate, and maintain coordination with our transportation counterparts in Mexico.

It also covers the aspects of trade, what we are doing in trade to facilitate that, and in the area of infrastructure as well. So there are several functions on this particular commission. Eleven different function areas that they wanted us to look at.

And I think we had some role in six of those, so we tried to cover what we were doing in those areas. And then we also at the end had some suggested recommendation or issues that could possibly, what we, TxDOT are going to probably be looking for, as far as legislative type initiatives, whether that can be part of this or not, I don't know. But you know, they are in that particular report.

Another thing that we, Texas, received from the last appropriations for transportation, as far as from the federal government, under what they call SAFTEA-LU, which is the appropriations bill for transportation in the U.S., SAFTEA-LU is the acronym; I don't recall exactly what it all stands for. Maybe Katie will recall. But we don't

need to do that anyway.

But it is called SAFTEA-LU. Part of the appropriations they have some funding called the coordinated border infrastructure funds or CBI funds. Texas received \$200 million. And those funds are specifically to be used along the border.

The legislation that they approved stated that those monies had to be used within 100-mile limit of the border, of the Texas border. Well, Texas further limited that to 50 miles, so that is where we are going to be using those monies.

Those monies have been distributed among our three border districts. That is the Pharr District in the Valley, the Laredo District and the El Paso District. And they are working very closely with their local metropolitan planning organizations, the MPOs as to how those monies are going to be used, what projects are they going to fund with those monies. So that is going to be a big plus for what we are doing at the border.

The other thing also I wanted to mention, back in 1999, TxDOT committed, they looked at the border region, and they looked at all the different funding requirements for the border. TxDOT at that time committed, I think, \$1.8 billion to 2009, as far as for

funding for projects along the Texas-Mexico border. To date, we have contracted and actually bid out about \$1.4 billion of that.

However, the actual cost because of the increase in materials and supplies has been about \$2.9 billion. But TxDOT and the Commission, the TxDOT Commission is still fully supporting and will meet all those commitments that they obligated back in 1990. So other than that, there is other programs that we kind of monitor.

I don't know if you all had a business meeting, or a visit, or whether the U.S. VISIT program dealing with ensuring that people that come into the U.S. are properly identified. You heard about having to use the biometric-type screening as part of the U.S. VISIT program. It has now been implemented at all the border crossings, so we kind of monitor that.

And the western hemisphere travel initiative is another issue that is impacting the border. And so we monitor that as well, as to what is going on in that area.

So once again, we look forward to you all. And I think it will be more detailed, and cover other areas and other things that we want.

MR. GARCIA: Yes. I think that Gus is being

very modest, and that report is very, elaborates so much, how much TxDOT is doing and was tasked with doing. Not only logistics with Mexico, not only with the Border Transportation Advisory Committee, which is another one that I serve on, the recommendations are not always things the State can do, but it is amazing how much TxDOT has done, and if anybody has traveled to the border recently, the border region of Texas, on our side, the highway infrastructure, I can attest, is fabulous.

It is just since '99 to the present, as you mentioned, it is just amazing how the value has turned around. For example, some of these issues along the cross border stuff, if you would just have Customs manning all the stations, or if there was more hours available. There is a lot of things that could be done simply.

But it is not just the transponder technology.

It is not just these federal issues. It is not just Mexico. It is a combination of things, and TxDOT is really at the forefront. And I have to admit, it has been very helpful to me.

So I urge you all, when you do share that information, to look it over, because it shows exactly how much the state has invested in along the border and transportation. And one of my goals, not only just

logistically, but is to make as I mentioned earlier the border area compete globally. And that includes Mexico and that includes Texas and that includes everyone that benefits in the state, and in Mexico for jobs.

How do we market it different? How do we take what we have done, and some of these improvements on the highway systems and others, and sell it, and market it, and make people want to invest down there. The cross-border electric, the D.C. ties. Some of the other things that we are doing.

Because ultimately it is my belief that those are the types of things that are going to take us into the future. I feel like we are somewhat behind, and the jobs that it can help yield will benefit both sides. And avoid some of the larger discussions that we have no control over at the federal levels of Mexico and the U.S., but do what we can at this level.

And I anticipate next session, there will be a number of issues dealing with border security, immigration, what have you, and whether we can effectively do anything about those or not, these are things we are doing. And I want to make sure that we have or that they are duly noted, and that they are seen as not impediments, but progress.

So thank you again for your help, because if it is wasn't for TxDOT, and a couple of places, and all your staff, I would not be able to accomplish some of the duties that I am supposed to be doing. So thank you for that.

I want to urge you to look at the information. And Esther put it together, too. So maybe Esther, maybe you should be saying something as well.

MS. HITZFELDER: I am Esther Hitzfelder. I work for Gus in the TxDOT International Relations office.

And I have got to give credit to Katy, too. She was very instrumental in putting this report together, also. I wanted to mention that this report was really put together for the previous meeting.

MR. GARCIA: Sure.

MS. HITZFELDER: And there is one big project that TxDOT is doing along the border, but on this side in the colonias program, that is not even mentioned in that report. But it is not mentioned because of what that report was directed to. Not that it is not really important and everything else, but --

MR. GARCIA: Yes. Your point is well taken. I realize that was -- that is why this sheet that has these three different bills, although they don't all overlap, I

do feel like the purpose of those bills, or what the goals were are similar.

And although you have identified some of the colonias stuff that you all are doing, in a very broad sense, the challenge along the border, of us communicating better, it really comes down to some of the things that we are already doing, and I want to make sure that we share that. And so that was the Strategic Investment Commission really was a by-product of what the Board of Commerce coordinator was already doing, and it really helps me again to have you all included.

But this group, there is no limit. I think that anything we do, and it is ongoing, that we have to share, whether it be referring people to direct links, or whether we just share things with people and then we either delete it or you file it. But I don't want to duplicate effort.

I want as much as possible to coordinate, so that we can combine and get the biggest bang for our collective buck. And there is just a lot that you all are into, that helps us do that, achieve that, so thank you for that clarification as well.

MS. RICH: I am Katie Rich, with the Public Utility Commission. And I work in the Infrastructure

Reliability Division. And basically, what I am passing around now is the summary of sort of where we stand competitively in the telecommunication and electric industries.

So you will see in the second column sort of how many options they have as far as providers. And then on the backside, the newest things to report as far as infrastructure, there is a DC tie being built near McAllen, which is bi-directional, which means power can go from Texas to Mexico and vice versa.

It could be used in times of emergencies. Also there is a variable frequency transformer that is being built near Laredo. It is going to function much like the DC tie. Again, it is bi-directional. And so both of those are on target for the middle of 2007.

MR. GARCIA: We didn't mean to steal your thunder on the DC tie, but Commissioner Carillo and myself referred to it earlier in our meeting, and that was one of the goals of the Investment Commission and the Border Commerce coordinator, is to work on exploring electric sales to Mexico. But here is a good example, the Investment Commission talks about electric sales to Mexico but the PUC wasn't included on that commission.

And it just doesn't -- you know, sometimes

these things just happen that way. So that is why your help here on that is very helpful. Anything that you have to follow up on that, on whether, I know it is 150 megawatts, I believe, and whether that is expanded or what that might lead to, it would be very helpful.

Because quite frankly, that right now, today would be the conception on a very limited basis in El Paso, to my understanding, is the only cross-border electric projects going on. Is that right?

MS. RICH: Well there are three other DC ties that are in place. There is one in El Paso, Eagle Pass, Brownsville.

MR. GARCIA: Eagle Pass. So that is very helpful for us, because in another committee, like I said, the Investment Commission, why you all are involved, I don't know. But the information you provide will be very helpful to us in that capacity as well. So thank you for including that.

That is, I know I was there for the groundbreaking ceremony and had a little bit to do with just trying to coordinate the players. That is going to be a big deal. You are going to be able to market that area; I have been there. This is an area that is adjacent to the McAllen industrial park area.

A lot of room to grow on the Mexico side. There is virtually just farms and fields. Enough room to attract some type of industrial plant, and enough capacity for their electric needs, for some I think unlimited uses. Yet we haven't really even begun to market it. So that is a real big deal.

So thank you to you and this Commission. Chairman Hudson. And if we need to make copies of anything, just let us know, we will make sure we have enough copies. Thank you Katie, for that. And then anything else that you may have, just keep on emailing us and let us know.

MS. ARAUJO: Okay. I am Maria Araujo with Texas Parks and Wildlife International Affairs. Texas Parks and Wildlife has been working with Mexico for a number of years through the Trilateral Committee for Wildlife and Ecosystem Conservation. As far as border affairs, will this particular forum is ideal to kind of coordinate what we do at Parks and Wildlife with the borders.

In fact, we are not really part of the legislation, but we just stepped in for coordination purposes. But as Representative Norma Chavez said, she would be apt to proceed, when we went there. I assure you

she was joking.

When we testified in connection with the Border Information Center and the Border Activity Tracker, and so basically, this forum, as I mentioned, is good for us for coordination of border projects. We are on this BAT, Border Activity Tracker, because we have worked with TNRIS for many years, in terms of sharing data, and so on. And so a lot of our data often times maps from our parks and so on.

It just gets passed on to the Border Information Center. The Border Information Center is that part of the TNRIS. And so we found out that some of our projects are there, because as they get some of this data, they are putting in our reports but it hasn't been very active.

And so it will be a pretty expensive work for us to be able to put on the BAT, all of the different studies and so on, that go on along the border, in terms of surveys and so on. But we are doing something completely new regarding, and it is relating to this annual event that we have called Texas Parks and Wildlife Expo.

And we are trying to get people, kids from the colonias. And this year, Yvette Sanchez will put us in

contact with Texas A & M University folks' community and urban development folks there, Oscar Munoz. And through a contact with communities and schools, we are going to be able to bring the first group from colonias from La Joya.

And this is, they were telling that they were primarily migrant workers. The only areas where we can bring people, some other kids and maybe we can work together to see how we could maybe bring some other folks from colonias.

So that is one of the things that we are just starting to do new. And I wanted to ask you if it is okay to pass some of our brochures for Expo this year.

MR. GARCIA: By all means.

MS. ARAUJO: Now these brochures have the beer company, Anheuser-Busch, so be sure not to send them to school with your kids. We'll all get in trouble.

MR. GARCIA: What is the date this year for the expo?

MS. ARAUJO: It is Saturday night. So hopefully it will be cool.

MR. GARCIA: Does that coincide with the Texas Longhorn game this year? I don't remember if it does, right?

MS. ARAUJO: Yes. There is a good game or

something going on. There is always something.

(All talking at once.)

MR. GARCIA: If you haven't been to Expo, it is a great experience. And thank you for the outreach effort. I know the Surfrider Foundation even has a booth again this year. They are going to have, as a member of that group, I know they are very excited about it.

Everyone wins at the Expo. My only problem is, usually if it competes with a football game; my religious practice does not allow me to --

MS. ARAUJO: Anyhow, I have extras, if you want to take a few for friends, or whatever, it would be great.

So basically, that is what we do at Parks and Wildlife. And we appreciate participating in this, because it does enable us to find out who is doing what and just how to be able to refer some questions.

For example, a group that wants to come to Expo, a group from the University of Tamaulipas, I think are probably better off coming to your Expo for TCEQ, because they are really more on the environmental side of things. So I need to find out information, when that is coming. And so this is pretty valuable to us. Thank you so much.

MR. GARCIA: Thank you, Maria. Are children

actually able to hold a rifle in their hands, and all that?

MS. ARAUJO: Oh, yes. Yes.

MR. GARCIA: So that is game and fish.

MS. ARAUJO: The main thing is, when you do participate in the shooting events, there has to be an orientation. So then the very first groups that you are going to have to go to, a lot of times the families get in line, and then when it is their turn, they find out that they needed to have their orientation, and they are not going to let them do the activity until they have the orientation.

MR. GARCIA: It should be that way.

MS. ARAUJO: So that is the main thing. And it is a good thing. Just get them exposed to it. They don't like to hunt or anything like that, that is fine. But it is just an opportunity and it is just a skill.

MR. GARCIA: They have hawks and all kinds of birds and all things. Now does this group get preferred parking? I have been there before, and you park a mile away.

MS. ARAUJO: No. That is part of it.

(All talking at once.)

MR. GARCIA: So very good. I am looking

forward to it. I will make sure and go this year as well.

MS. ARAUJO: Thank you.

MR. LUNA: Good afternoon. Sorry, I am late, folks. I was invited to speak at the Rotary Club about they want to fund some projects on the border.

MR. GARCIA: Capital Rotary?

MR. LUNA: The Capital Rotary, yes. So I will talk to you about that later. Because way down in the Valley, I think they are more accessible to have someone here in Austin that they can talk to. They say have got the money. I have got money.

My name is David Luna. I am the Director of Border Affairs for the Health and Human Services Commission. We started the border activities about six years ago. I was here in Austin if you remember me, and then I got transferred to the Valley.

We have one of our three activities, in addition to our regular agency food stamps and immunization and those services to the children and their family, et cetera, is that we have a colonias initiative.

And with that, we are bringing all our Health and Human Service agencies and partners, we would partner with the Workforce commission.

We partner with the Texas Education Agency, and

the Texas A & M colonias program. And we as state agencies then do an outreach if you will, to the aid the colonia program and provide services to our colonia residents along the border. We have been tracking and the numbers that we serve -- we could do better.

And tomorrow I am meeting with the agencies to develop a new tracking system, so it will be electronically, and I hope that we will be able to get better information.

MR. GARCIA: I talked to Commissioner Hawkins this morning, and we will have it automated where agencies can send in their data electronically, et cetera. But right now, we have been serving about 32,000 colonia residents a year through this coordinated effort that is keeping us.

And so again, it is important to me at the HHSC to work with the other agencies, because again, we are only focusing on the health and human service side. And of course, the infrastructural issues are always there. But basically, as far as Border Affairs, we have regional staff similar to -- El Paso, Eagle Pass.

I am going to Eagle Pass tomorrow. I have to post a position at Eagle Pass in Del Rio, Laredo and for the Rio Grande Valley. So that is how we are structured.

And again , we report under Commissioner Hawkins.

MR. GARCIA: Very good. And I assume we are all working together too, I hope.

MR. LUNA: Oh, yes. Absolutely.

MR. GARCIA: Very good.

MR. LUNA: We are with you.

MR. GARCIA: Very good. Thank you for coming all this way, David.

MR. CASSO: Alfonso Casso with the Secretary of State's Office of Border Affairs. I work with Buddy and with Helena. Welcome, everybody.

MS. LEAL: Yes. My name is Gloria Leal. I am at attorney with the Texas Department of Insurance. And even though we are not an official member of this group, I want to thank Buddy and Helena for inviting the Department of Insurance. I think that the issue of insurance is kind of like a sleeper issue that nobody thinks about until they have an accident, they get sick, or there is a catastrophe.

Commissioner Mike Eastland testified before the House Committee on Border Affairs a couple of weeks ago. And he testified with regard to some of the initiatives that we have at TDI there. Whereas, they may not be border-specific, they do affect the border. And I am

going to bring a couple of items to your attention.

Our biggest catastrophe of the year turned out to be in El Paso. As it turns out, the flood situation in El Paso necessitated a TDI response in terms of insurance claims and other insurance-related issues. We also have workers' comp efforts that are specifically devoted to the Valley in terms of office personnel directed to that area, as well as training specific to Valley employers and the needs of the Valley workers and providers in that area.

We also continue to participate in other cross-border health insurance study that has been initiated by the LBB at this time. So those are border-specific targets that TDI is involved in. And on a more state and national level, the Department of Insurance continues to participate in the work of the Trilateral Insurance Working Group, which is the only insurance group that is working at the tri-national level on insurance issues.

And with regard to that working group, we are working on reviewing the insurance requirements of the NCCI, which is the forum, that international truckers need to use to follow up with U.S. DOT with regard to transportation in the United States, and some of the requirements are not uniform, or they go beyond the contract requirements, and our insureds are really

interested in that issue.

And number two, Mexico has finally brought to the table an agreement whereas you as insureds would have access to the Mexican accident database, or [inaudible] database, so that our insureds have the underwriting information that they need to more adequately write Mexican work carriers. On the separate issue, Mexico, that [inaudible] has tendered a memorandum of understanding to approximately seven states in the United States, so that we can we have an exchange of data, so that we can coordinate efforts with our country.

And Texas is one of the participating states.

I just returned from a meeting in St. Louis where the National Association of Insurance Commissioners met, and one of the working groups of that group is the NAFTA working group, where we talk specifically about insurance issues that affect the southwestern states. In addition, the NEXA [phonetic], National Association of Insurance meeting will be in San Antonio, in December, and we plan to have a meeting of the financial insurance working group in conjunction with that group, and we hope to invite what we think might be a Mexican insurance commissioner to that meeting. And that will be the first weekend in December, I believe.

I just wanted to also to update or bring to your attention that there are some federal efforts to, there are some Congressional efforts to possibly federalize several lines of insurance at the national level. As you all know, insurance is regulated at the state level.

There are some efforts, in a response to states, or there are some initiatives to allow the states to join into interstate contracts, so that we can deviate some of that attention from federal regulations back to the state. And we would be happy to participate in any update of any website, or any linked programs that you would like us to participate in.

MR. GARCIA: Thank you for everything. And you are part of this group, always. What type of insurance are they trying to federalize? Windstorm, or something?

MS. LEAL: No. In fact, there is efforts to federalize some of the aspects of life insurance.

MR. GARCIA: Really?

MS. LEAL: Some aspects of surplus lines insurance. There is federal targets for PAC generally, the insurance requirements.

MR. GARCIA: I did not know that. Well, thank you for that. That is exactly the type of effect, of

federal policies that we need to know about. It just may very well be down the line, that we can just even provide the link to you all. And I appreciate your help in Mexico through the tri-national level. I know you discussed that before. It is, I guess, Canada. Is Canada the other one?

MS. LEAL: No. Canada is also a part of the group. But Canada is not equally involved in some of the issues, except for the MCS [inaudible]. The MCS [inaudible] Canada would like to be able to have their insureds track coverage into the United States, just like American insurers have coverage or follow their coverage into Canada. Mexican insurers on the other hand, have no interest in following their trucks and extending coverage into the United States, because of the high liability.

MR. GARCIA: Very good.

MS. BORJA: I have a question.

MR. GARCIA: Katy?

MS. BORJA: I was recalling, when we were meeting at the Sam Houston building, that someone from PUC said that there was an effort to link up some of the sister cities so they would not be long distance phone calls. Whatever happened to that; do you know?

MS. LEAL: I do not. I can certainly find out. It is probably someone within my division that would have

more information about that.

MS. BORJA: Do you recall?

MR. GARCIA: Yes. There was an effort for people to have local rates, that call in from, like Matamoros to Brownsville, or Reynosa to McAllen. And I don't remember what the hangup was, other than it was not -- it was a continuity issue, I think. But I don't recall. Maybe Katy, if you could look into that.

I know my cell phone sometimes works when I am in Brownsville, it says I am in Mexico. And it just depends on where you are. And other times, I will be in the interior of Mexico, and it works just fine. Just without a different code -- I don't know why that happens. But if you don't mind, would you mind looking at that?

I had forgotten all about that, actually, to tell you the truth. That was from years ago, a couple of years ago. Of course, we have a very different commission, probably now, than was there, and the policy now as chairman. Anyway, I am sure they had other things going there.

MS. LEAL: But Mexico continues to be very territorial about its rates in Mexico.

MR. GARCIA: There you go. TelMex. I know my

BlackBerry works very well down there, so it is very helpful to have. Just whenever you have a chance. Anyway, we'll just keep going around.

MS. NORTH: I am Cady North with TxDOT State Legislative Affairs. I work on border issues and issues of transportation.

MR. GARCIA: And thank you for putting together all this information. And Amy.

MS. JONES: Amy Jones, Intergovernmental Relations, Attorney General's Office.

MR. GARCIA: Well, thank you. And welcome. I just think this is a nice chance to get together. Anything you all want to consider sharing with this group for agency-wide distribution or for further consumption, this is an ongoing effort. We have done this quarterly, as I mentioned before.

Representative Chavez wanted this group to come together formally, now that we do that. But I think that notwithstanding the requirements to meet, was it, once a year, what I wanted to do was to meet at this point, and I asked Alfonso to get you all together because there are so many legislative interim issues that were put off with special sessions and now the interim committees are meeting. And I want to be able to share with the

legislators whether it be because we are requested to do so or not, now is the time to study what it is that we are working on, and what we are doing.

If you have any ideas, it was mentioned a couple of times here, for potential legislation, please let us know. And if you are interested in us sharing that. One thing I want to do is, coordinate the very people that are involved, that are beneficiaries of NADBank or agencies that come together.

I don't think that anyone from the Water Development Board is here right now. But if anyone is affected by that, I wanted to put a strong effort together, if not from the Border Governors, who all ten Border Governors agreed NADBank was a very big priority. I wanted to be able to send some strong messages to our respective federal government, the Mexican government that NADBank is a necessity.

In concert with these funds and state funds and local funds, Texas has been and Mexico has been very big beneficiaries of NADBank. So that was something that I thought that we could, a recommendation or an action item that we could take. In addition to that, any compilation of reports or projects we are working on, on an ongoing basis, please share with Alfonso or Helena and we can

distribute.

I want to put everything together, as well as I have told you, the things that I am doing on these other groups, and we will share them together as well. And maybe we can get Paco and [inaudible] together to discuss some of these, the ability of linking some of these websites. Almedo's folks and I were -- what?

VOICE: He had to leave early.

MR. GARCIA: Yes. I understand. Yes,

VOICE: You have his email.

MR. GARCIA: Almedo and I have been working on Senate Bill 1202. There is a number of bills out there that are border-related, including the Transportation Advisory Committee, among others.

Is there anything else that you all wanted to discuss today before this workgroup for action or otherwise? Just feel free. Yes.

MR. SUSSMAN: I just want to go back to the NADBank issue and mention that the Land Office [inaudible] closing with the NADBank as well on the energy aspect is that they are trying to get the energy program going. So --

MR. GARCIA: So you had another reason --

MR. SUSSMAN: So another reason to maybe you

might want to mention it.

MR. GARCIA: Yes. We will work on that, Soll, if we can. And just any ideas you have on who we should hit up on that. Obviously, it is a funding source. And we need Congress to make sure they don't drop the ball on that.

But as you all may or may not be aware, there was an effort to scrap NADBank from the Treasury, and their equivalent in Mexico. And all the governors came together in unison and said this is not acceptable. We need to recognize this as a very worthy group. So a lot of you know Jorge Garces over there.

If there ever any question over what they are doing, they have definitely revamped their strategy. And I would like for this group at least, if not others to share with the Speaker and Lieutenant Governor how important NADBank is to Texas and our adjacent neighbors in Mexico.

MS. BORJA: I have a question. Have you all been involved in that bank at all? The reason I ask is because now they have active paving programs, and we have done a lot in Tijuana. And of course, we would like for them to do a lot in Ciudad Juarez.

MR. DE LA ROSA: I am not aware of us being

involved with NADBank. We have another state, it is called State Infrastructure, SIB. State Infrastructure Bank, which provides loans to different municipalities, state or transportation-type projects. But NADBank specific, I don't know that we really have done anything.

MS. BORJA: Well, I would see you all kind of as advisory or consultative with Ciudad Juarez, related to -- or with NADBank related to paving techniques, paving issues, paving technology. Because on the Mexican side, they have done some active paving programs through NADBank. And it is good. We are glad of it.

MR. DE LA ROSA: When you mention paving technologies, like the transfer of technology or the training?

MR. GARCIA: Don't they use tires in their --

MR. DE LA ROSA: That is what you are referring to, right, Diane? Tires?

MS. BORJA: Yes. Well, tires are one thing.

MR. DE LA ROSA: I was surprised they were funding that.

MS. BORJA: But anyway, I would say that there is some connection there. Again, since someone is doing paving on that side, that having that seamless technology where possible.

MR. DE LA ROSA: Well, we work with our transportation partners through the Border Technology Exchange programs. Where we provide training and offer training.

We can invite them to come over here and participate in conferences to learn about the tire issue, and how we are using that rubberized tire type in our paving technology. So we will work with them in that regard.

MS. BORJA: What I would see is that if Ciudad Juarez does go after paving money, that it would be good if there was some connection with you all, as they go develop their paving plan or strategy. That is an angle that I was thinking that you all might connect with.

MR. DE LA ROSA: Well having to do with paving, construction of highways, we would be more than happy to try to facilitate or assist where we could.

MS. BORJA: I will call the NADBank to see where their projects are.

MR. DE LA ROSA: Okay. And if we can help, or if you think we could participate in that, or assist, give me a call, and we can definitely assist in that area.

MR. GARCIA: Steve, did you have something?

MR. MENDOZA: Yes. When I was working with the

Board, it was a problem. When you work with NADBank, you have to go through international procurement, professional services. And what happens is, you have already got the colonia project through the large development board or through ORCA or somebody else, USRD.

They have procured professional services to come up with preliminary engineering reports and designs.

You get to a construction phase, and you find out well, we need more money. Call the NADBank and stuff; it can help, but they require international procurement. So everything that you have done at that point in time isn't eligible to be reimbursed.

And if there is some way to establish a waiver to use, as long as you meet the current procurement practices, that they should be able to come in and fund the project without having to go through an international procurement requirement. That would give you a seamless transition to utilize the funding a lot faster.

Now whether or not we can make that fly or not, it is going to be a federal issue, or international, I guess. But it really would streamline the processes. I don't know if there is going to be an EDAP Two. There has been discussions about that. So if the Board ends up getting additional funding for colonia projects, and

NADBank and EDAP continue to work with them, if there is some way to get that procurement issue streamlined a little bit better, you would be able to transition them from all the different sources of funding without much of a problem.

RD, the Board and ORCA pretty much accept each other's documentations, because we have looked at those processes, and we are willing to accept what they have done. But that is not the case when you are a colonia.

MR. GARCIA: The EDAP, the Economically Distressed Areas Program, at least EDAP One has pretty much used up all the money. And there was legislation passed last session that created EDAP Two, but it wasn't funded.

MR. MENDOZA: No funding. Right.

MR. GARCIA: So that will probably be on the table again this session. And that is statewide now, if I recall correctly, also. That that money would be available for economically distressed areas, which is something to consider, I guess, for next session.

Whether or not that is going to be a funding issue or not, is what he is referring to there. And a lot of that money went to augment some of the things that the water, wastewater issues on the border, previously.

MR. MENDOZA: Regardless of EDAP being statewide or not, BECC's money is tied to the colonias.

MR. GARCIA: The border.

MR. MENDOZA: So, we just must need to work with that. And while the Board has the money obligated, it hasn't all been expended.

MR. GARCIA: I see, yes. That is right.

MR. MENDOZA: So what they would do is it would help streamline the construction process, for the Board to continue to expend the funds they have already obligated on these projects, and to keep from having -- any time you get two different engineers working on a project, which is typically what happens, you get this hiccup.

Because their re-engineer is going to design something the same ultimately in goal, but it is designed differently. And you get these differences of opinions, and you just end up with a little bit of conflict, and the hiccup, and it slows things down. So if there is a way to transition smoothly between the two different methods of procurement, you would be able to get your projects built a lot faster and with less headache.

MR. GARCIA: And that was the big bang for the buck for the State, was that you were matching into this federal money along the border that was available for

this. And one of the big picture that I always try to tell people, including when I talk to people in the colonias is, remember to stick to what got you here in the first place.

There were issues of disease, and tuberculosis and things that the Government was afraid were going to spread throughout the nation. And thought well, let's capture it at the border. A lot of these things that come from people here drinking bad water and don't have wastewater services. And before the kids get to school and it spreads these disease, or go along to -- that was one of the reasons what justified so easily that we need to put so much money in along the border, and the federal government matching money.

And I think that some of those issues get watered down when at last session, other counties around the state would say, well, we have poor people too, and we want to tap into that money. It comes at an expense. I mean, not only to the border, where you are trying originally to contain some of this stuff, but now that it is all tapped out, and we are looking at where are we going to find more money, maybe considering it will be a billion-dollar need along the border, or maybe a \$4 billion across the state, or something, in terms of water,

wastewater.

So we are not there, yet. It is just an investment. It is whether or not, how we can find the money. But definitely, there was a more organized effort of a web of developed money sources out there now. BEEF [phonetic], NADBank, EDAP, CDBG, ORCA. I mean, there is just a number of folks that are working on a similar vein.

So just keep that in mind, I guess, as we go into next session, that that is probably going to be an issue again, of where do we find that money?

The voters I think, got a good bang for their buck when they did the first time. But it so often becomes a challenge, well, where did all this money go? The colonias are taken care of. What about us? Well, the colonias aren't taken care of yet.

There is so much more need out there, that that money provided. And so it is incoming. And I appreciate you bringing that up, though. Maybe even on a cost-savings way, if we can streamline some of that. But these are all arguments I think, and recommendations that the Legislature is looking for, when it comes down to funding.

So again, the best bang. Yes, Diana?

MS. BORJA: I want to mention now, having heard everybody talk about the work they do, there is a couple

of areas of overlap in what we do. We are involved in something called Border 2012, which is under the La Paz agreement. And the agreement was signed during the late '80s.

And Border 2012 is the latest programmatic in a ten year chunk; 2000 to 2012. And we have goals. One is improving environmental health. An example; by evaluating various measures of respiratory health in children, in tracking gastrointestinal illness, in tracking and harmonizing binational systems of reporting acute pesticide poisoning. That is one of the goals, too. There are more.

But that is of course, related to you all as well. And in education, we also have -- okay. We are in education as well. Environmental education and distance learning, post-graduate. And also broad public PSAs and that learning kind of thing. So we have that, that we overlap with you all.

Another thing that I want to mention, I don't know if it has ever been put this way, but you know that Chevron has the pipeline going into Ciudad Juarez from El Paso. Therefore, there is a certain gas limit available in El Paso. This has been going on for years.

But it has been significant in helping El Paso

reach air quality standards in the United States. See, those things where you have another agency, the Railroad Commissions' involvement in that, it was very significant in that I am not sure they have ever gotten credit for it.

MR. GARCIA: Probably not.

MS. BORJA: They should.

MR. GARCIA: Well, thank you for mentioning that, as well as earlier, when you explained the 2012 to all of us, and how you broke it down into the regions. That was very helpful. Again, how the collaborate. Very well with the other agencies at the federal level as well.

I don't know if we do have any recommendations that we could share with the federal government that they would even listen to at times.

But I do think that at the state level, this group, especially the people at this table, are very relevant. And the interagency activity is, it is only up to us to how much we want, how aggressive we want to be, and how much we want to communicate. So this is a process. I know we have been at it awhile, but it is something that I would like to very much elevate to another level.

So not for credit, but for the purposes of communicating with the public, so they know what is

available to them. So any ideas you have, please don't hesitate to email us and to the staff as well. Yes, Gus?

MR. DE LA ROSA: You mentioned about coordinating with the federal government and what impact we might have there, which brought up the other thing that we do, as far as transportation related. The Joint Working Committee, we have participation by all of the border states, the 4 U.S., and the six Mexican states.

When issues come up that impact, as an example, border crossings. There was an executive order, 133359 that dealt with presidential permitting for border crossings. I was going to have -- the way it was interpreted by the federal government, you know, could mean that for any change that was going to be done at any crossing was going to require a presidential permit, which is a very long process.

So we were given the opportunities to provide comment and input from all of the states. And so I believe that we were able to influence or impact what the final document will come out, as far as the presidential-permitting processes, as to what actually requires a presidential permit.

So by participating in those type of organizations, this binational group, the general work

committee, we have an ability to influence you know, what is actually going to be dictated from the federal government. So that is how we --

MR. GARCIA: And duly noted, I think, in here, as well. As you all presided, that is very helpful. Thank you for that, as well as anybody else's input on anything that you do. I do appreciate it. One thing I did want to mention though is, outside of this group, if I am missing anything, or there is something that needs to be updated or any ideas, or even relevant news clippings or anything, feel free to just email each other, all of us, or me as well, and recommend that we share.

For example, the Border Governors Conference joint declaration. When it comes out, I want to make sure everyone gets a copy. It may or may not be relevant to everything that you work on. But it is very informative, and it is an example of ten border governors that are working together from two nations.

If there is anything that is just growing any trees, if you just delete, or toss it, or what have you. But sometimes I am remiss, even when I go, and I get access to some great information or whatever, and I just email it to so many people, and I think oh, nobody else will care about that. But you never know. And there is

quite a bit out there.

Things that are going on all the time, as well as problems that arise, whether it be from the colonia level to the federal or international levels, please keep us in the loop and let us continue to discuss how we at the Secretary of State's Office can be that cog to sharing information. Our website is available right now. It is very informative. But it is always available to improvement.

And things that we can do to help share links to you all, I think would be very helpful in the short run. Also, if you hear any comments from your legislators or even your local constituents or people at different levels, you know, you are down in the Valley, feel free to share with us things that you hear, good or bad. That way, we can follow up.

I feel very much like customer service is part of our duty. And I think too often that we, it is not just an ombudsman, where we take complaints. I would like to be able to have people actually be happy with government, and say, you know, I can't believe I didn't know who to turn to. I turned to these guys. And maybe I can't give them the answer, but I can get somebody who can give them the answer.

So often, some of the people we are dealing with on the border don't know where to turn. It is not an indictment of anybody. They just don't know what is available to them. And so if it is not me, or if I can refer them to somewhere else, I can tell you one thing that has increased since I have been in my capacity, is I get a lot more legislators and legislators staffs who will call me. And say, you know, I don't know where else to turn, so I turn to you. So I say, I don't know the answer either, let me find out, and I will get somebody on the phone.

And it really increases the ability that I think, again, for the taxpayers, for the Texas folks out there to say, you know, we have got some active folks in government that are actually trying. Most of it is going to be negative. You know, when they turn to us, it is usually because something bad has happened.

And we have got to figure out the best way to try to help them. But I am very appreciative of the fact that they took the time to call and get a hold of us, or for the most part, we were like these people that came in yesterday and walked into the office. And came all the way up here. And you think golly, why did you come all the way to Austin. Because they didn't know any better,

you know.

And they thought, if I go to Austin, I can get an answer. And sure enough, these guys that come all the way up from the border, and just had some questions. So things like that, if I can ever be available to anybody or our staff here, that is what we are here for. That is what the spirit of this group is.

Does anyone else have anything else yet? I am going to do is to try to compile, like I said, both this morning's meetings, and the things that you all have given us along the way, and maybe before the end of October or November share with you all again the summary of some of the things that are going on out there, and maybe work with Paco and Pepe. So we don't have to share so much paper.

And then maybe even find ways to connect our links and updates for this stuff. We are constantly in our agency updating our website. So it is just something that we consider part of the deal. As well as everything else, Gus, that we produce and all, as we go on, ongoing, and the various other groups who are, maybe we should just consider when available and things that are available for distribution.

We will make sure that everyone in this group

has a copy of it. I will follow up with anybody else, if I ever have any questions. And Katy with you as well, about the cross-border phone thing. But I am almost positive it stops. I think it is probably an issue with the Mexico telephone system. Very easy to blame Mexico, I guess.

Anyway, that is what is going on right now. I think, ladies, if there is anything else, I do look forward to the Expo. I plan to be there. As well as, if there is anything else that needs to come before this workgroup. Feel free if we need to meet again in the next quarter. I am thinking right now that we probably would not meet again prior to the elections but maybe before session we could meet again.

I don't know. I am just thinking ambitiously, out loud. But don't ever hesitate. By email, we can always incorporate everybody and work with Alfonso on that.

MR. SUSSMAN: Yes. I find it helpful to just hear what people are doing. So if it is possible to meet quarterly, that would be ideal.

MR. GARCIA: Very good. So moved by Soll Sussman. Does anybody second that motion?

MR. MENDOZA: Second.

MR. GARCIA: All right. Duly noted. Steven Mendoza second the motion before Homero Cabello. Also Homer, do you have anything else to bring us up to speed on? Anything, I am trying to think, that we have been up to, other than catch football or flag football.

MR. CABELLO: Flag football.

MR. GARCIA: Flag football. I am sorry.

MR. CABELLO: I think there is an SB 827 meeting this week. This Thursday, yes.

MR. CASSO: Yes. Thursday on the colonia ID initiative.

MR. GARCIA: That is another one, that is going to be a compilation of a lot of effort there, that Senator Zaffirini had wanted to, and then it kind of gets back to some of the things you were mentioning. And what I believe is a misbelief by the Legislature that all the colonias have gone away. We need to identify --

It is a very easy to use system, where the colonias, where the money has been going. A categorization system of identifying ones that have been eliminated, some that are ongoing. And some of the hurdles that still exist. The Attorney General's Office really has their hands full. But I have been to a couple of different counties and it just seems like sometimes the

counties themselves are not capable, their staffs, to enforce these codes that they are responsible for.

And what do you do there? And a lot of times, these developers continue to work within the least [phonetic] that they can do what they want. In a lot of these colonias, I mean by rural colonias, they look like beautiful subdivisions, but they didn't follow model subdivision rules.

And so then they can't get electricity, and then after the fact, they kind of say, what is the problem? Why can't I get my electricity? And they didn't follow the rules to get there. And you know, how do you remedy that, when they are already built.

And I know I saw in Cameron County, it was a beautiful neighborhood, but they didn't follow all of the rules. And so there is certain things that I think the Legislature in spirit did, because they wanted it to be a better situation.

And I know Nueces County was brought into this colonia round and they were allowed to -- the and even county themselves haven't moved because they are sitting there going wait a minute. I have to follow model subdivision rules. I don't know if that is something they want to get into, you know, because they see that it is a

catch.

And the actual cost of housing sometimes goes up because of the rules. So it is a mixed blessing sometimes. But I would love to defer everything to the Attorney General, if I could.

Because the people here at the Secretary of State's come in, and they don't really flip out. The Attorney General is on them, and then they worry.

MR. MENDOZA: Hey, Buddy, one of the things about the model subdivision rules, and that is something to be thinking about is, they were written originally for very specific condition on the border. And now, we take us to the statewide level, and they have taken off all the other subdivision rules.

This is something we have already talked about. The model subdivision rules need to be revised, because many of these counties do not want to enforce model subdivision rules because of bond it or build it, and therefore for utilities services.

MR. GARCIA: And a lot of the builders don't want that either.

MR. MENDOZA: Yes. But at the same time, you have got some NADBank subdivisions that come in, that are within the five-acre-tract size, where you have a quarter

of a million, million-dollar homes being built that are capable of doing their own septic tanks, drilling their own wells, having adequate service, but they would have to enforce model subdivision rules, so that a developer would have to be there. So there is a lot of things going on with counties, because they see the model subdivision rules as hampering rural development.

MR. GARCIA: I agree completely, as do the builders, I am sure. But the legislators as you know, that came up with this concept, and I think very creatively said, all right.

Model subdivision rules apply, because they didn't want their EDAP money being distributed statewide. And they said, all right. Why do you jump through these hoops then? You can get that money. And so it was, I think it was understood at the time.

But you are right. I mean, and if they revise those rules, and that money is utilized, assuming there is a need, it might come at the expense of the borders. But how do you separate politics from this whole group? I mean, every one of us in here knows the politics are there. Homero and I had to pull a balancing act recently, and it is hard. It is really hard.

MR. CABELLO: I have a question. How many of

you all tomorrow, I was asked to be part of a panel that is to be a resource for the Intergovernmental Relations Senate Committee tomorrow. Charge number one is how to improve the health and public safety of the colonias.

And there is a committee hearing tomorrow at one. But I was just curious how many of you all were --

(All talking at once.)

MR. CABELLO: No, that is Senator West.
Intergovernmental Relations.

MR. GARCIA: Well Gus, tomorrow there is a joint legislative committee on transportation too, no?

VOICE: It was canceled.

MR. GARCIA: It was cancelled?

MR. DE LA ROSA: I don't think anybody feels worse.

(All talking at once.)

MR. GARCIA: What time was that at, Homero?

MR. CABELLO: It is at 1:00 in E 1.028.

MR. GARCIA: I have a conflict at that time.
But they didn't ask for me. So maybe I should defer to you guys.

MR. CABELLO: It seems to me that it is more water/wastewater issues on the health side. I mean, I don't know much about it. I just got the phone call

yesterday, so.

MR. GARCIA: Oh, so I may have a message waiting for me.

MR. LUNA: Buddy, can I just ask a quick question?

MR. GARCIA: OF course.

MR. LUNA: Speaking of water, I think we mentioned that I had met with the Rotary Club. But one of the ideas, the thoughts that they had to improve their health in the colonias, but they might be considering the fund is, bringing in clean water into the colonias. And their idea is to buy these big barrels, have everybody have a clean big barrel, and they bring water in.

Well, that sounds interesting. Because they posed a question to me that I don't know. How much does a barrel cost, and where do you get them? And so it is just I think that is what these kind of forums would be good to connect with somebody.

MR. GARCIA: A long time ago, that was the only way people got water, was to go and pick up water and bring it in. And we are trying to get away from that.

(All talking at once.)

MR. GARCIA: Because of federal rules, wasn't it, Homer, wasn't it possibly they wanted to do rain

collection barrels and the Feds didn't allow you, isn't that right?

MR. CABELLO: Well, HUD was funding some water containers, and they were teaching the families how to use chlorine tablets to balance everything out. But then other HUD program dollars, different program, but from the same department did not accept those as acceptable potable water.

So we could not use our housing dollars, because they didn't have potable water. But they have another program within the same agency that they are funding these types of water tanks.

(All talking at once.)

MR. GARCIA: Probably because they wanted to utilize housing money, and the federal rules didn't take into account that there was too few then that there was going to ever legitimize water lines being run out there.

But they have to have certain things in place before they even get the federal money.

And so an example of this, if they had this water brought in this way, wouldn't it limit what money they could get for their housing improvements. And so you know, there is rules that all overlap on each other. But I haven't visited with these people.

What I would do, if I were you, tell these Rotary folks to maybe refer them to the people, agency people that can help them. Because if there is a well, they may be better putting their money into some already sources that may be, like the A & M colonia program or what have you, or the Department of Housing.

I know the sweat equity and the bootstrap of some of these programs, where these people actually help build their own homes, and I mean, those are things that we could use money and more sources of funds for. But these are just ideas I had come up with.

MR. SUSSMAN: Along the lines of how everything is connected, it just leads right into we are working with the alliance to save energy at the border energy forum, donating their water, border water conference. Many of you probably don't realize that water distribution and water treatment in many communities is the biggest energy consumer, the biggest energy activity.

And so energy efficiency for water utilities can make a huge difference, not just economically, but environmentally. And so we are actually surprised at some states, California in particular, have much more developed linkages between the efficiency of water usage than proportionally we do.

MR. GARCIA: But that is what happens when you have no electricity, or when you have blackouts. You have to creatively come up with that. Maybe we are spoiled here, in that sense.

MR. SUSSMAN: Exactly.

MR. CABELLO: I'll throw one more thing on the table, I just heard this the other day. And I don't know the truth about it. But I was talking to a small city. Do you know how EDAP and ORCA and the board, put in a water and wastewater services, they were complaining that the rates being charged were not at enough to maintain those systems years to come.

And that it is going to be a state issue again. Or that they are using those revenues, and diverting them to other activities. And there is not too many things --

MR. GARCIA: Have you all heard that before.

MR. CASSO: Well, that is what NADBank was arguing here at the last meeting we had with them. Don't you remember that? They were talking precisely about that issue.

But they said that they make sure that in their studies that their rates are able to cover that maintenance in the future. In other words, they don't want to go in there and put in an investment and then the

rates don't cover it down the road.

MR. CABELLO: The city was also telling me that the state, again, just the conversation I was having, the state is funding for water and wastewater projects that the state funded years ago, and that we are funding the same projects to meet, because they didn't collect their corporate rates to maintain it.

MR. MENDOZA: In the 1960s --

MR. CABELLO: I found that very interesting. I don't know the truth behind all that.

MR. MENDOZA: In the 1960s, they had the Construction Grants Program through the EPA. And it goes through the water agency at the time versus the Board. They went in and did a lot of infrastructure. They didn't -- and once you are going through and funding a project, saying yes, your rate structure is going to be this.

As soon as you are out of the projects, the rate structure goes back \$1.95 for a billion gallons. So for the money from the water and wastewater utilities which are the biggest moneymakers for these communities, is diverted to new police cars and all these other things.

Instead of going back to do the operation and maintenance that it is supposed to.

To when the EDAP program came along, we went back, and we replaced the plants that were built through the Construction Grants Program before. So they used grant money once. It would fall into the ground after a number of years. Then we came back and used grant money again to replace the plants that they didn't take care of.

MR. CASSO: Because they are subsidizing a lot of the water rates. That is what they are doing.

MS. ARAUJO: We have the same problem with parks.

MR. CASSO: That is what was going on back in Laredo.

MS. ARAUJO: Just redo the park.

MR. CABELLO: I just throw it on the table. I don't know. It was an interesting discussion.

MS. ARAUJO: So that would be simple to solve if you required the municipal governments to use those funds for other purposes. Just the way we are required -- we cannot use the money that is collected from certain sources for anything other than water conservation.

So that is all, that is why the Wildlife Division is in this shape, whereas the Parks Division -- so anyhow. But I mean, that can be solved. If we reach --

MS. BORJA: Buddy, I have a question. All of a sudden this morning, listening to Jerry [inaudible] of EPA talk about prior to the [inaudible] 50 percent of the communities in Mexico in a 100-kilometer zone had potable water. And then he talked about what percentage of this and when it would be 100 percent.

And so it was talking in terms of communities, and I do remember hearing these figures somewhere about this many people now have that didn't have before, but instead, what I am getting at is, instead of talking about colonias, funded or not funded, you never get anywhere with that terminology, because of the multiple recognitions of colonia.

You can get all of the water, the cleanest water and the best waste water system in the world, and you are still the colonias, because you don't have X, Y and Z. So why can't it be, why can't we talk to the Legislature in terms of X amount of people do not have, and now they have. And people, families, households, whatever, they are not colonias. You are going nowhere.

MR. CASSO: In other words, they stay colonias forever. That is what you are saying. Right?

MS. BORJA: Well, so many do. And so those say, wait a minute, we just gave money to this colonia, it

is still a colonia.

MR. CASSO: So the definition is masking the progress.

MR. GARCIA: Wouldn't it also have something to do with once they are absorbed by the city, and not left out in the county, on their own if they get annexed, or something, because now they have all these services. And now they are -- entitled to something. I don't know. You are right.

MS. BORJA: What his statement is based on is what they are always asking. How can we know good progress, when this many colonias this year, this many colonias this year. The numbers are the same. That is what they are saying.

MR. CABELLO: It is real easy for me, it is real easy to be a Monday morning quarterback where ten years ago, if we had some ID tracking systems to see how the millions of dollars that went into the colonias, what it was back then and what it is today, the problem was is that we never created that. That there was so many --

MS. BORJA: A real baseline.

MS. BUTTS: Well, that is what is being done right now.

(All talking at once.)

MS. BUTTS: This is what Helena is [inaudible] those groups that you are on too, is that where, we are collecting all this data about what agencies have funded which colonias, and from now on --

MR. CABELLO: From now going forward.

MS. BORJA: I remember attending a meeting and back then, I went to them, too. And back then, I remember Scott Storment was working at the Secretary of State's Office, and Jorge and someone. And I remember them asking the question of what is on the border, how much improvement. Because Governor Bush who is having a hard time showing how much improvement.

And so they gave, well we have this, we have that. We have that. Finally, I remember that Jorge Garces yelling out, how many more potties are flushing? And he says, can't you make it that simple?

MR. MENDOZA: Well, it is not that simple. Because every federal source of funds has its definition of colonias and limitations. So we do that from HUD, we are colonia programs 150 miles from the border.

MR. GARCIA: Theirs is what? 60 miles? Is it --

MR. MENDOZA: Seventy-three, or 6,200 or whatever the translation is. But because of all the

different sources of funds going into this, everybody has a different definition of colonia.

And the other thing to remember is that once you are on the colonia list, it means that you get more attention than the other deals. So they don't want to get off that list.

MR. GARCIA: That is right. The counties want them. The counties want that. And then on top of all that, as people continue to come to the border areas, the population grows. In my old subdivision, we raised the cost of living up.

People have to live somewhere, so they keep developing places that are below standard, because they have to go somewhere. And I mean, it just seems to me that as much as our best intentions, we haven't actually made the cost of living cheaper. And so people still have to -- where are you going to live?

And let me review how many people, how many families can live together on a single -- you showed me Homero, while we were out there, all the different little places that are all joined together, and how many families probably squat in one area. It is a mess.

MR. CABELLO: It is difficult, even with our housing federal dollars, we can rehabilitate the principal

owner of that lot. If there is two additional structures, we have to have those structures removed before we can put our federal dollars in there.

And those are variances we are trying to get and waivers we are trying to get. Because and what the model subdivision rule, what it did, it increased the cost of those lots. They now have water and wastewater services. So they are a lot higher. The list goes on and on. A domino effect, work on a daily basis.

MR. MENDOZA: Most of these small counties don't have the infrastructure. They don't have the tax base to hire the staff they need to enforce all the subdivision rules.

And then once you take away funding for that project, when the project is complete, there is no incentive for them to hire people, or to continue to pay people to go out and enforce model subdivision rules because nobody is going to sit there and go, we are not funding your project any more, so we are not doing it. So the carrot is gone. I mean, face it or not. The colonias to some extent, are here to stay.

And whatever groups like this can come up with as far as ideas to provide affordable housing, and to recognize that there are going to be poor people all the

time. And that is how we are going to try to solve the problem.

MR. GARCIA: And part of it, I know this sounds very futuristic and optimistic and what have you. But I think part of it is, that to recognize that we do need to provide jobs. We do need to provide, ancillary to some of the stuff that we do at the government level, there is a very real need for people to -- for education, for opportunities for people to work.

Because how are you going to pay for all of this stuff? You have got to have jobs. You have got to bring in the jobs to the work. And to a certain degree government can't make that happen.

But that is part of what I look at as one of my not written on here, but one of my things that I try to do is to try to develop a market or a strategy to bring jobs to the border. Particularly on either side. I really think it is either side. So how do we compete in the bigger picture when China and India and other places can cut labor?

Well, we can do things just in time. We can look at manufacturing developments. We can look at logistics on the border crossings. We can look at taking the executive branch of government, and having those

people work at trying to develop certain economies on the border. Some of the things that I have been able to be the beneficiary of in making contact with our Border Governors and all the four states that we have, is that they seem to get it too.

And they don't want to dwell just on the things we can't do; border security and otherwise. They say, what can we do to make it better? You know, don't forget that a lot of these folks that get deported to Mexico are not from these border states in the first place.

And it is just incumbent on all of us to figure out the more rational route for everybody. So if poverty is here to stay on either side, I mean, that is going to continue to be the source of the immigration. I mean, let's figure out a way to get jobs in these places and compete. The tools aren't always there.

And I always say, it is the last frontier down there on the border. And if we can find a way to incorporate the big picture, maybe the jobs in itself lent it to somebody having insurance and having the ability to -- but you know, Homero showed me these neighborhoods in El Paso that were built out of pallets.

They were stacks of old pallets. They make these houses. Then they just put the kind of like adobe

mud around it to cover it up. And there is two or three families living in there. And they have all the dignity of any family. Flowers and a little household, and a driveway, and a fence around it.

But it doesn't meet code. It is definitely not going to be anything that you want your family to have to live in, when it gets cold, or when there is a flood that comes in. The electricity, whether it be extension cords from next door, or what have you, a lot of times, these are issues, that they can't afford.

These are problems that we can't solve at the government level, but the awareness sometimes I wonder if people realize that they are out there. And the state Legislature is saying oh, they are fixed.

MR. CABELLO: I agree with you, Buddy. You know, there has been some movement about giving the county some building code authority for them to go out and inspect that a certain home has to meet certain standards. And I think that it is just be that much more difficult for low income families to obtain family. I do think it is a combination.

I do think housing is the next big issue, behind water and wastewater. But it is a combination of jobs and education and then alternative lending products

to help people get into housing. I am not too -- and we heard that in the Pharr hearing.

Building code; that the counties should be given authority to enact a building code. So the lots have already gone up \$10,000 or \$20,000, but the water and wastewater, what do you think the prices of the homes are going for? It is just going to make it less affordable for colonias.

MR. LUNA: Buddy, has any of the legislators been part about the Louisiana border?

MR. GARCIA: There is Tommy Merritt, but he is on the House Border Committee. And always claims that the Louisiana border is the forgotten border. But again, it is not a federally designated border colonia. And there is money tied to that.

MR. SUSSMAN: Some of the legislative reports that we have had to respond to have included that; must include any border, whether it be Mexico border or elsewhere.

MR. GARCIA: And quite frankly, I guess maybe after Katrina, there are probably even more acute -- or what was it after Katrina? Rita. Rita is the one that hit that border pretty hard. But then even in El Paso, what do you do if a natural disaster hits, as Gloria hit

on yesterday. There is so many options, but there isn't a pool of money sitting around waiting.

I know in my experience growing up with hurricanes, there is low-interest loans, and your own insurance that you have. And if you don't have insurance, you are out of luck. And even then, there is limitation on that. I know, because I rebuilt my mother's fence. There wasn't any insurance to rebuild it. She said, you get your tail out there and fix it. And so I rebuilt it. And it is elegant.

Knowing my work ethic, a few -- and it is gone again. No, but it really is frustrating, because it was right after the floods there, following about two weeks after we were out there, I got a couple of legislative calls. And they were steamed.

What are you going to do about it? These colonias are now -- have slid away in the mud. And what do you say? Hey, call a middleman. I don't know. Because what do you tell them? I mean, there isn't a pool of money.

Norma Chavez brought it up again when I was testifying, because she thought I personally was doling out money. So she wanted a list of all the money that I was doling out. And I said, I don't know what you are

talking about. There isn't any money going through here. We are tasked with any number of things, but there isn't any money coming through here.

And she was under the impression that we were out, there was money being funneled through the Secretary of State's Office that we were distributing. And I said, no. We don't do that. You know that would be kind of nice if we did.

In fact, we are housing, and almost all of the money is federal. There is very little that a couple of the Bootstrap and a couple of others are --

MR. CABELLO: That is it. Just the Bootstrap is funded with state money.

MR. GARCIA: And so isn't there -- well, I guess you are right. But the perception again, that we are all government, you are not doing enough. EDAP is out of money. There is no real housing money. Poverty is not going away.

You know, we can work on the economic development, and the other issues but those are just still ancillary. So all good points to be made. And I think if we sing this tune in harmony when we testify before committees and things, at least we are all on the same page.

I do believe that there is an awareness that helps. And that keeps everything relevant. But to what degree we are improving and what we have been asked to do, and specifically meet our statutory requirements, I want to at least do that. And then we can visit more as the session approaches.

But I do appreciate all of you. I mean that sincerely. I have never once -- it reminds me of when I was playing high school football, and if anyone ever interviewed me, I would say the line blocked for me. They did this. They did that. It is actually true. This is a team effort.

The border stuff is something that I have told the Governor, here is an opportunity. You have had very little attention on the border by either federal government forever, for whatever reason, that the attention is on it. Why not take the opportunity and make the most of it? And run with that ball, and make sure that people -- because after this election cycle, there may not be any more attention on the border for awhile.

And you have got to recognize that this is with NAFTA, there have been a lot of great things. There have also been a lot of things that haven't been considered. And the growing pains aren't going to stop. I really do

believe that in the next five or ten years, you are going to see jobs going somewhere.

And if we don't do our part to bring them here, then they are going to go somewhere else. Maybe even in another country, another area. And those are the things that I think sometimes get lost in all these debates over the particulars about immigration.

I see labor mobility as something that if I was in charge, I would find very easy ways to do. But we are not in charge of that. So with that, I think we can offer our own opportunities whenever it happens, whether it be in testimony tomorrow, Homero. I am sure you will do fine. Or other opportunities we have. Yes, resource.

Anyway, I appreciate your taking so much time today. What I will do is coordinate with Alfonso and Helena. We will see what we can do to avoid duplication.

But I'll give the comments you make, as well as the various agency contributions that we put together, we will make available to not only each other, but to the Speaker and the Lieutenant Governor and any other legislators. Yes, Edna?

MS. BUTTS: I just wanted to congratulate Buddy. He is being honored by the Mexican Government on Thursday. He is receiving the Governor's [phonetic]

award. And I don't know if everybody knew that. But I wanted to acknowledge that.

(Applause.)

MR. GARCIA: That was, for the record, Buddy Garcia. Thank you very much. It is a real honor. I am only sad that my mother will not be able to be here. She is very proud, but she has been ill lately. It is something that I wanted, because Jorge Guarjardo, the local Counsel General told me about this. And I was very proud. It was right before the Border Governors Conference.

And I was not able to enjoy it as much as I wanted to. And then they called back last week and said, we are having trouble finding any contributions he has made along the border. Can you tell us what he has done.

I said, well, that is the problem when you give an award and you don't know what the person actually does, it is too late.

Actually, I told him. I am the waiter. I am the guy that takes the food, to deliver it. I am just the middle guy. But it has been my honor. This has been probably the best job. I will look back someday and say, this was the best job I have ever had. While it is happy, sometimes you get so overwhelmed that it is not anything

that you can put your finger on.

But it is a great job. And it is a real neat opportunity. I was very humbled, because I told Jorge, I just can't imagine why, other than you all are trying to lobby me hard. But it is a very big honor. I know that. So thank you for bringing that up.

If anybody wants to go to this, what is it, the Dias y Seis Celebration that the Mexican Government usually does every year. It is always a big party for me to go to anyway, so it is nice just to be included. But it is a testament to everyone that I am so privileged to work with. I love this job.

I don't know how long it will last. It has been my honor to be here. But I will be honest with you.

I take a lot of this home with me. And I think people know that. I recognize people that take theirs, too. I really, I don't know how to tell you.

I have watched these Lou Dobbs guys, and they talk about the highway construction, there is going to be a speed bump to illegal immigrants getting across our nation or whatever. And I am at home and I am going, why don't they interview me?

And then I talk to the Governor and he says, there is a reason why we don't want you talking to him.

Because I get very emotional about it. I think it is a very important deal. And I grew up along the border. It is something, I think it is a real neat deal. So thank you for that. It is just an honor. Diane?

MS. BORJA: I have a question. Homeland Security, and what is happening now. Certainly does affect our agency. I don't know how much it affects you all's jobs. And I was just wondering, was there a way for some of them to come and talk to us about things that are not real secretive, and might tell us what they are working on, or what is coming or we can ask question?

MR. GARCIA: Probably after November you can.

(All talking at once.)

MR. GARCIA: I mean that sincerely. It is very difficult. Because anything you say with the most sincere intentions becomes a wedge issue to someone who is running for office or something. And so it is very political.

And so even me, I have had to turn down opportunities to speak before, because if I get in the middle of this, and tell them what Buddy Garcia thinks about this, then all of a sudden it is written out that Governor's advisor says this and this and/or anything else. You are looking for Arnold Schwarzenegger talking about the hot Latinas or whatever he did the other day.

And I can imagine it all. And the sweat already.

I can just see them just coming down, going oh, my gosh. If something like that got printed, my mother-in-law would kill me. Send me to confession. And so I think that yes, after November.

After the election cycle, I would be happy to try and set something up to explain some of the things on border security I think are very difficult to explain when you are dealing with well, it is political. You have got narco-trafficking, and crime and organized crime of that nature.

But then a lot of people that are in organized crime might be helping to -- for people who are trying to get here illegally for work. And there is various categories of what is illegal. To some people, it is a technicality. To other people, that is not an issue.

It should be something that we seal the border at all costs. Whether the local police enforce it and can't pay for it, to whether there is a distinction between that and drug crimes, or just everybody is in there trying to help each other out. And it is a mess, and it is very emotional.

MS. BORJA: Well, one of the reasons I brought it up is that we just hired a couple of people for Border

Affairs on the border, and they were up here for orientation, and one of them had said, let's talk to the TCEQ Homeland Security people. And we are going okay. And so we met with them, and they brought up something that we didn't know we could serve them.

And there was some other things that came up. And I realized that we should have been meeting with them, a long -- it was a left hand and right hand kind of helping each other. What it was that they also served with emergency response.

And they said, you know. A problem we had is that for flood control, in the Rio Grande Valley area, we don't have the Mexican flood control plan.

MR. GARCIA: They don't share.

MS. BORJA: And their communications aren't that good. Can you all help us establish that. And so we have started that, and we are just about ready to get the flood control planning that is going on the Tamaulipas, De Leon, Coahuila area. Not Coahuila but De Leon.

And so we can make more of a seamless kind of a thing, because as you all recall, that hurricane went toward Monterrey, and then the flooding that went on there, and then it flooded the reservoirs just north of Monterrey. Because the water was flowing northward. And

so if we had danger of flooding, the cities don't build on the river, because of the water. They have to release water.

But that is the flood control issue. And we were bouncing around, having fits about it, because we didn't have a good communication system, or we didn't have their plans of what they do. So we are going to have that now.

MR. CASSO: Wasn't that one of your all water recommendations? Do you remember, Steve Niemeyer was talking about that.

MR. GARCIA: Well, I will tell you right now --

MS. BORJA: That was a drought.

MR. CASSO: That was a drought.

MR. GARCIA: There is no limitation on the shared data on any level of fronts. I mean, Governor Elorduy told Governor Perry that if we could share information, even if they are willing to share on criminal activity, that was prohibited by our federal government to exchange some of these things.

I mean, a lot of this stuff that makes logical sense, we are not even doing within our own country yet. And so maybe these are things that as we develop and find comfort levels, and again, coordination, when I was

fortunate enough to meet with the Mexican Attorney General and then later with our own Attorney General, the information, this was back when the kidnapings, especially in Nuevo Laredo were very in the press.

There was a number of things that we could possibly do, and other things that Mexico City said you know what, stay out of our business. This is sovereign territory, and we don't need you to come over here. And it is very convoluted.

And I guess it is not as convoluted as maybe the colonias issue, but any recommendation you have on that, I am sure that it needs to be developed. But that whole term, Homeland Security or Border Security, it is a mess. And it raises certain emotion in a lot of people.

And there is certain questions, logic is absent. I didn't see the whole program last night. They had something on ABC about where we are five years later after 9-11. And it didn't appear that we were -- other than some really fancy equipments and control centers, it didn't really seem like we were that much more protected if somebody really wanted to do harm to us.

If they wanted to get into our water supplies.

If they wanted to do what have you. And what happens when there is an outbreak like that, and people need to

get across the bridge, or how are we going to distribute the -- well, that has been worked out. What happens if something happens in one of the ports of entry?

Not just land ports, water port. There is a number of things that we would really be in a pickle. So it maybe higher than my pay grade, but the coordination I guess, or the examination of that has yet to be really completed there. The hurricanes were a lesson. I think a lesson in what would happen.

What happens to Mexico when there is a hurricane? They don't have any evacuation routes. They don't ever come in and say, well, here is our FEMA and that sort of thing. People just get their act together and take care of it the way they have to do it. And I don't know what happened in the old days, in the '50s or '60s. I remember with Beulah, I think that was in '67. And the whole Valley was underwater. And I was a baby.

That was the year I was born, I think. And for the most part, I just remember them talking about how basically, the water didn't go anywhere, and there was nowhere for it to drain. So they created all these flood plains, and routes, and now the irrigation districts canals are filled with limbs and brush and scrub because of the animals.

Because the environmental rules don't allow them to clear them away and cut the grass. And so we are back to square one. We are back to where we were in the '60s, even though they did all that preventative measures, or the levees would collapse, and everybody would get flooded again, or something. It is always something.

It just seems like we always move our priorities to this and it takes away from somewhere else.

So if you are running for office, I am for you. I don't know what you have in mind, but there should be, there will be I think, opportunities for us to keep continuing to meet with different folks on this sort of thing. And I don't have all the answers. But I do think that we should consider maybe even that whole topic for next session. Tell our legislators and others hey. Maybe we need to sit there and visit some of this.

I know that some of the border security claims that are in place right now, there is a lot of questions about, because Governor Perry had some ideas about funding next session. He is going to go to the Legislature about.

And I am sure it is going to yield a lot of questions, going wait a minute.

Where is this money going? What are we doing with it? That is going to probably be just, I think logic

would dictate that they are going to have to have answers to some of this stuff. It kind of hits to where you are talking about, but I mean, maybe it should.

Maybe it should be that broad. So I thought that we had what is it, the Gulf Summit Two earlier in the year, with states from Mexico? That provided a very good service. The Governor from Veracruz was in town and he even said, wow.

I wish I had some of the things available to me that you all do here. It was kind of an eye-opener. That we are all in this kind of thing together. I don't know why people haven't developed that sort of strategy before.

But it makes good sense. So maybe we can --

MS. ARAUJO: Were there a lot of participation by NGOs in the Gulf Summit?

MR. GARCIA: By who?

MS. ARAUJO: NGOs. Non-governmental organizations. We have been asked by the Hart Institute that --

MR. GARCIA: Of course, you know, I was traveling with the Governor at that, and so, I was in and out with him. I didn't actually as a participant sit and absorb all of the things that were being done. But it was a full house, and I can only imagine that there was quite

a bit of participation.

Because the Governor from Louisiana was there.

The Governor from Texas was there. There was still a lot of buzz about all of that. And it had yet to be determined what we were going to do to get ourselves out of it. Now look at us.

A year later, and we are still in the same boat, sort of. But maybe in a year, we will see different answers. If we were to relive that hurricane, would we absorb all the evacuees again the same way we did? I don't know. It raised a lot of questions about what the long term is, and how we pay for some of that. And for the most part, you know, I don't know whether, as a taxpayer, New Orleans is coming along, and whether the federal government is paying their part, or too much.

I mean, those are things that we have to examine. But the function of government, albeit limited, I think is alive and well. And I think we are all testaments to that it works; that we do our part. I just think sometimes expectations of what government should be doing are not really in touch with reality, and how much can government do?

Even in a time of devastation, there is only so much the government can do. Other parts you know, are

going to be charity. So those are limitations that we all need to consider. Know your limitations. That was what my grandfather used to always tell me.

Be on time and know your limitations, boy. And so I am not, I am very rarely on time. So I try to know my limitations. Anyway, I think we have identified a number of issues to work from here.

As per Soll's request that we meet quarterly, I have no problem with that. We can continue to do that. And maybe we can, by email, find a time that is amenable to everybody. I appreciate again, your time.

This is a long day but a very positive, productive day. We will have name plates for everybody next time. And I will try to make it a point of sharing all the information I get, especially prior to sharing it with the Speaker and the Lieutenant Governor on the various strategies that we have developed on these different bills.

If you do hear anything from you legislators or other people that needs to come to our attention, please do not hesitate to let us know. And I guess with that, this meeting is adjourned. Thank you.

(Whereupon, the meeting was concluded.)

C E R T I F I C A T E

IN RE: Texas-Mexico Strategic Commission
Interagency Workgroup

LOCATION: Austin, Texas

DATE: September 12, 2006

I do hereby certify that the foregoing pages, numbers 1 through 107, inclusive, are the true, accurate, and complete transcript prepared from the verbal recording made by electronic recording by Sunny L. Peer before the Secretary of State, Texas Border Mexican Affairs Division.

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