



OFFICE OF THE GOVERNOR

January 11, 2005

RICK PERRY

GOVERNOR

The Honorable Robert B. Zoellick
United States Trade Representative
600 17th Street, N.W.
Washington, D.C. 20508

Dear Ambassador Zoellick:

Thank you for your recent letter about government procurement and your ongoing negotiations on free trade agreements (FTA). I appreciate your leadership in expanding trade opportunities for U.S. exporters and extend my congratulations on your nomination as Deputy Secretary of State.

I am pleased to authorize you to offer access to the Texas State government procurement market in the new trade agreements that are currently being negotiated with Panama, Columbia, Ecuador, and Peru. Texas will undertake the same commitments with regard to these new agreements that it has already undertaken under the WTO Agreement on Government Procurement and under the FTAs with Morocco, Australia, and the Central American countries. As you know, the Texas Building and Procurement Commission is the only Texas agency covered under the WTO agreement and the FTA agreements with Morocco, Australia, and the Central American countries. The agreements also only apply to purchases that exceed \$477,000 for goods and services and that exceed \$6.7 million on solicitations for construction services. Finally, the FTAs will not apply to the following:

- solicitations involving preferences to small businesses, disabled veteran-owned businesses, minority-owned businesses, programs promoting the development of distressed economic areas, environmental programs, travel services and the historically underutilized business (HUB) program, including woman-owned businesses;
- solicitations initiated by local government entities, regardless of the monetary value;
- requirements for printing, preferences for U.S. assembled, fuel efficient motor vehicles, and recycled rubberized asphalt; and
- restrictions attached to federal funds for highway construction projects and mass transit projects.

Thank you again for your letter and your work on this important matter. New trade opportunities will benefit Texas through the creation of new jobs and further growth of our economy.

Sincerely,

A handwritten signature in black ink that reads "Rick Perry". The signature is fluid and cursive, with the first letters of "Rick" and "Perry" being capitalized and prominent.

Rick Perry
Governor

RP:tgp