



Economic Impact of the Santa Teresa Port of Entry and the Santa Teresa Industrial Parks, 2023

January 2024

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January 2024

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Executive Summary

The Center for Border Economic Development (C-BED) and Arrowhead Center (Arrowhead) at New Mexico State University have prepared a study of the economic impact of the Santa Teresa Port of Entry and the Santa Teresa Industrial Parks. The purpose of this analysis is to estimate the economic impact arising from the border-related economic activity and international trade enabled by the Santa Teresa Port of Entry and by the Santa Teresa Industrial Parks. This study is an update to our previous study released in 2021 that measured the same economic impacts.¹

The primary economic impacts of the Santa Teresa Port of Entry and the Santa Teresa Industrial Parks are employment by firms located in the Santa Teresa Industrial Parks, employment from new construction in the Santa Teresa Industrial Parks, and additional international trade facilitated arising from the logistical and strategic advantages of the Santa Teresa Port of Entry. C- BED and Arrowhead have used available data on trade and employment at Santa Teresa to: (1) estimate the economic impact of employment and new construction in the Santa Teresa Industrial Parks and (2) quantify the trade enabled by the Santa Teresa Port of Entry and associated developments.

Our study finds that the employment and construction activities at the Santa Teresa Port of Entry and the Santa Teresa Industrial Parks produced the following impacts in 2023:

- 4,442 direct jobs; 9,174 total jobs
- \$2.5 billion in total output, \$956 million in value added production
- \$176 million in taxes generated, of which \$108 million was paid to the federal government, \$47 million to New Mexico, and \$21 million to Texas
- Approximately 80% of the economic benefits of Santa Teresa accrue in New Mexico, with the remainder in Texas

In 2022, merchandise trade facilitated by the Santa Teresa Port of Entry reached \$31.5 billion, after 14.8% average annual growth in the two-year 2021-2022 period. Since our previous study of the impacts of the Santa Terea Port of Entry and the Santa Teresa Industrial Parks released in 2021, direct employment in the Santa Teresa Industrial Parks has grown at a compound annual growth rate of 18.5% over the last two years.

¹ (Winingham, Vargas, & Erickson, 2021)

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Reliances and Limitations

In the preparation of this report, we used a standard methodology to calculate the economic impact of the Santa Teresa Port of Entry and of the Santa Teresa Industrial Parks. In making these calculations, we relied on data available from public sources and on data provided to us by the Border Industrial Association. Our methodology is limited by the accuracy of the input/output model used, which is based on historical relations among the industrial sectors. To the extent that these relationships have evolved over time, our estimates will be less accurate.

Introduction

The Center for Border Economic Development (C-BED) and Arrowhead Center (Arrowhead) at New Mexico State University have prepared this study of the economic impact of the Santa Teresa Port of Entry and the Santa Teresa Industrial Parks. The purpose of this analysis is to estimate the economic impact of border-related economic activity and international trade enabled by the Santa Teresa Port of Entry and the Santa Teresa Industrial Parks. This study is an update to our previous one released in 2021 that measured the same economic impacts.²

The primary economic impacts of the Santa Teresa Port of Entry and the Santa Teresa Industrial Parks are employment by firms located in the Santa Teresa Industrial Parks, employment from new construction in the Santa Teresa Industrial Parks, and additional trade facilitated arising from the logistical and strategic advantages of the Santa Teresa Port of Entry. C-BED and Arrowhead have used available data on trade and employment for Santa Teresa to: (1) estimate the economic impact of employment and new construction in the Santa Teresa Industrial Parks and (2) quantify the trade facilitated by the Santa Teresa Port of Entry and associated facilities.

Given Santa Teresa's proximity to Texas and Mexico, there are often questions about the location of the economic benefits of Santa Teresa's activities. To estimate this, we used Multi-Regional Input-Output (MRIO) analysis in IMPLAN economic modeling software to allocate the economic benefits of Santa Teresa to New Mexico and Texas.³

² (Winingham, Vargas, & Erickson, 2021)

³ (Clouse, 2017)

Background

The Santa Teresa Port of Entry is situated between Santa Teresa, New Mexico, and San Jerónimo, Chihuahua. It has three dedicated truck lanes and two car lanes. Nearby on the Mexican side is the Foxconn assembly plant, one of North America's largest electronic assembly plants. Santa Teresa is part of the Las Cruces MSA, and is directly adjacent to El Paso, Texas, and Juárez, Mexico (see Figure 1).⁴ The region is home to over 2.7 million people and is the second-largest conurbation on the US-Mexico border, after the San

Figure 1: Map highlighting Santa Teresa Industrial Parks



Diego-Tijuana region. Near the port of entry are Union Pacific's Santa Teresa Intermodal Terminal, the Doña Ana County International Jet Airport, and three industrial parks—the Santa Teresa Gateway Rail Park, the Westpark Logistics Center, and the Binational Industrial Park. A twelve-mile radius overweight trucking zone is available, which allows shipping of overweight loads among the Port of Entry, the Intermodal Terminal, and the three industrial parks. The juxtaposition of these various facilities provides considerable connectivity. The Intermodal Terminal provides, for example, rail access to Houston, Las Angeles, and Long Beach, being located halfway between the Pacific Coast and the Gulf of Mexico.

The Santa Teresa inland port provides access to major highways and railways running north-south and east-west, including direct access to the ports of Long Beach and Los Angeles via rail links. The Ports of Los Angeles and Long Beach together account for 40% of seaborne imports into the United States and 30% of exports.

Significant infrastructure investment and development have been required to make the Santa Teresa Port of Entry a viable economic driver. The area is currently experiencing rapid growth from startup and business relocations. Examples of recent investments are Coast Aluminum, Monti Inc., and Taiwan-based Hota Industrial.⁵ As a result of this momentum, jobs in the Santa

⁴ (Union Pacific, 2015)

⁵ (Business Facilities, 2023)

Teresa Industrial Parks have steadily grown, especially in the last several years. For example, despite the pandemic, employment in the Santa Teresa Industrial Parks grew 19.3% in 2020, followed by compound annual job growth of 26.8% over the 2020-2023 period (see Figure 2).⁶

Figure 2: Santa Teresa Industrial Parks Tenant Employment, 2016-2023



Merchandise trade facilitated by the Santa Teresa Port of Entry reached \$31.5 billion in 2022, after growing 14.2% and 15.3% in 2021 and 2022, respectively, to surpass the pre-pandemic 2019 level of \$30.4 billion.⁷ In 2022, the port ranked number 6 in imports and number 7 in exports among land ports for merchandise trade along the U.S.-Mexico border.⁸ For livestock trade, Santa Teresa continues to represent the largest port along the U.S.-Mexico border for such trade. The Santa Teresa/San Jerónimo border facilities have the capacity to process 5,000 head of cattle per day.⁹

Santa Teresa Port of Entry northbound border crossings of pedestrians, personal vehicles, and passengers in personal vehicles have been on the rise in the past few years after dipping during the 2020 pandemic (see Figure 3). Still, while the number of crossings of personal vehicles in 2022 managed to surpass the pre-pandemic level reached in 2019, crossings of pedestrians and of passengers in personal vehicles in 2022 were below 2019 pre-pandemic levels.

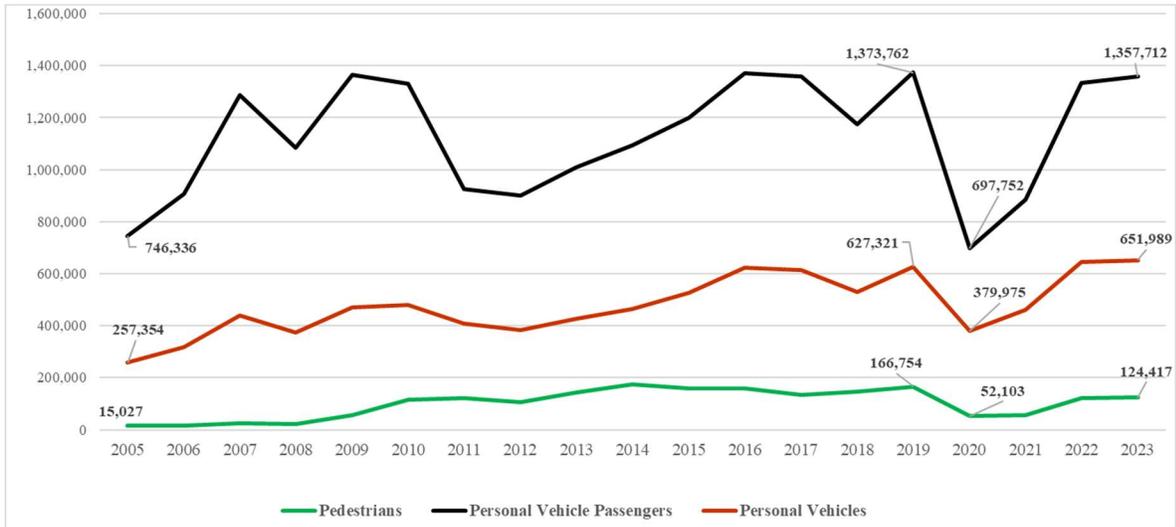
⁶ The Border Industrial Association administers an annual employment survey of the firms located in the Santa Teresa Industrial Parks. Years in Figure 2 denote the year the job survey was applied. The survey is generally conducted in July. The figure for 2022 is an estimate. (New Mexico Border Industrial Association, 2023)

⁷ (U.S. Census Bureau, 2023)

⁸ (U.S. Census Bureau, 2023)

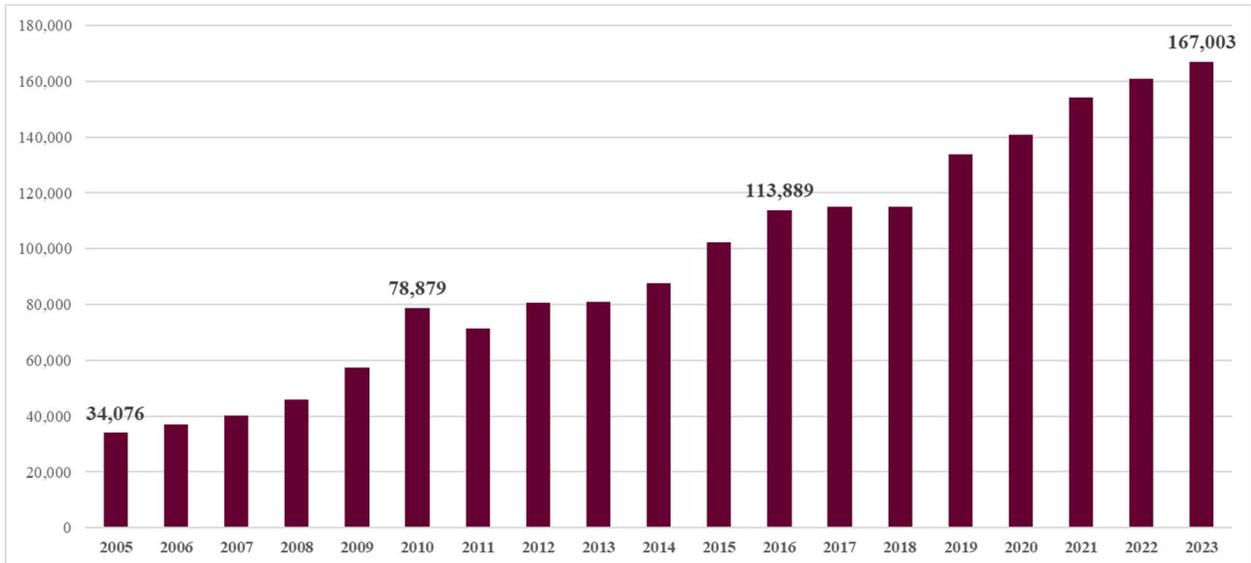
⁹ (New Mexico Border Authority, 2023)

Figure 3: Santa Teresa Port of Entry, Northbound Border Crossings, 2005-2023¹⁰



By contrast, truck crossings have been on a continuous rise though the pandemic and into 2023 (see Figure 4).

Figure 4: Santa Teresa Port of Entry, Northbound Truck Crossings, 2005-2023¹¹



¹⁰ (U.S. Department of Transportation, 2023)

¹¹ (U.S. Department of Transportation, 2023)

Methodology

The economic impacts of the Santa Teresa Port of Entry and the Santa Teresa Industrial Parks arise primarily from employment at firms located in the Santa Teresa Industrial Parks, employment from new construction in the Santa Teresa Industrial Parks, and additional trade based on the logistical and strategic advantages of the Santa Teresa Port of Entry. We used available data on employment and trade to: (1) estimate the economic impact of employment and new construction in the Santa Teresa Industrial Parks and (2) quantify the international trade facilitated by the Santa Teresa Port of Entry and associated activities.

Economic impact analysis seeks to measure the net change in economic activity in a given geographic area arising from an initial change in spending. The primary idea is that a new dollar spent in a local area, results in knock-on spending. For example, a construction worker is paid a wage, the worker then spends locally on groceries. The initial increase in wage paid the construction worker is the new spending; the revenue received by the grocery store is knock-on spending.

Economic impact analysis is comprised of three parts: direct effects, indirect effects, and induced effects. Direct effects stem from the initial change associated with new economic activity, in this case, spending and jobs arising from the Santa Teresa Port of Entry and from the Santa Teresa Industrial Parks. Due to the direct effects, additional spending occurs in other industries that supply goods and services, known as intermediate inputs, to businesses in the Santa Teresa Industrial Parks. This secondary spending is referred to as the indirect effect. The economic activity from the direct and indirect effects supports employees who then spend their wages in the local economy. This spending category is called the induced effects. Together, the direct, indirect, and induced effects comprise the total economic contribution of an activity.

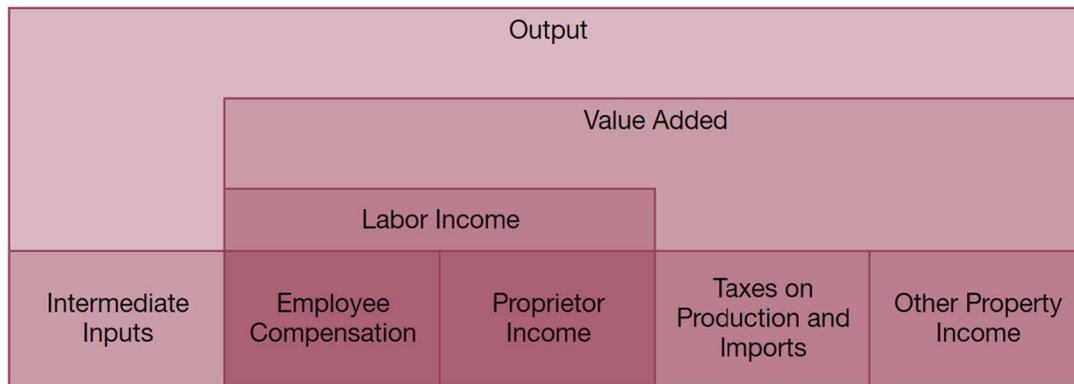
The economic impacts of Santa Teresa activities were estimated using IMPLAN Web Version economic modeling software.¹² Economic impacts are measured in terms of changes in output, value added, labor income, employment, and tax revenue. Figure 5 shows the subcomponents of output and value-added production, also referred to as the Leontief Production Function. Output is the total production value of an industry and can be thought of as total revenue for a particular industry or industries. Intermediate inputs are goods and services used in the production process and purchased from other industries. Value-added production is the contribution from economic activity to gross domestic product. The value of intermediate inputs plus gross domestic product adds up to total output. Business profits are included under proprietor income and other property

¹² (IMPLAN Group LLC, 2022)

income.

The economic impacts presented include the direct, indirect, and induced impacts for each variable described above. All terms are defined in the Glossary at the end of this document. The impacts are presented for employment activity occurring in Doña Ana County, New Mexico, and spillover effects are estimated for the rest of New Mexico and Texas. The results are stated for an individual year, based on employment data collected by the Border Industrial Association (BIA) via a survey distributed in June 2023 to firms located in the Santa Teresa Industrial Parks. Construction impacts are based on the twelve months prior to the survey.

Figure 5: Components of Economic Output¹³



Given Santa Teresa’s proximity to Texas and Mexico, there are often questions about the location of the economic benefits from Santa Teresa’s activities. To estimate this, we used a Multi-Regional Input-Output (MRIO) approach in IMPLAN to isolate the economic benefits of Santa Teresa to New Mexico and Texas.¹⁴ Direct job impacts and intermediate spending impacts were assigned to Doña Ana County, New Mexico, the location of the Santa Teresa Industrial Parks. The percentage of employees residing in New Mexico (taken from the BIA survey) was used to assign the Labor Income to Doña Ana County, and the remaining Labor Income was assigned to El Paso County, Texas. Using MRIO, we were able to estimate the spillover effects from Santa Teresa’s economic activity in Doña Ana County into El Paso County, Texas, and the rest of the counties in New Mexico and Texas. Employment refers to full and part-time jobs. Dollar impacts are presented in 2023 dollars. Components may not sum to totals due to rounding.

Trade impacts of the Santa Teresa Port of Entry and Santa Teresa Industrial Parks were derived by analyzing export and import data of goods for U.S. land ports, and goods export data for U.S. metropolitan areas reported by the U.S. Census Bureau.¹⁵

¹³ (Lucas, 2019)

¹⁴ (Clouse, 2017)

¹⁵ (U.S. Census Bureau, 2023)

Analysis of Impacts

The impact of the Santa Teresa Port of Entry and Santa Teresa Industrial Parks comprises several components. In the following sections, we individually detail the employment impacts, new construction impacts, trade impacts, total impacts, and tax revenue impacts.

Employment Impact

The total impact of Santa Teresa employment in New Mexico and Texas is shown in Table 1. The individual impacts for New Mexico and Texas are shown in Tables 2 and 3, respectively.

Table 1: Impact of Santa Teresa Industrial Parks, Tenant Employment, New Mexico and Texas, 2023

Impact	Employment	Labor Income	Value Added	Output
1 - Direct	3,505	\$164,674,180	\$471,881,707	\$1,435,564,391
2 - Indirect	3,210	\$135,093,888	\$289,881,166	\$650,168,313
3 - Induced	1,167	\$55,034,794	\$106,609,208	\$191,330,646
Total	7,882	\$354,802,862	\$868,372,081	\$2,277,063,350

Regarding the economic output generated by employment in the Santa Teresa Industrial Parks, 80% is accrued in New Mexico, with the remaining 20% in Texas.

Table 2: Impact of Santa Teresa Industrial Parks, Tenant Employment, New Mexico, 2023

Impact	Employment	Labor Income	Value Added	Output
1 - Direct	3,505	\$164,674,180	\$471,881,707	\$1,435,564,391
2 - Indirect	2,208	\$77,954,864	\$171,729,233	\$342,445,926
3 - Induced	344	\$16,646,054	\$32,236,999	\$54,071,302
Total	6,057	\$259,275,098	\$675,847,938	\$1,832,081,619

The economic impact in Texas shows no direct jobs, as all direct jobs in this study are based in New Mexico. Spillover effects from direct jobs and intermediate spending are shown, as well as spending associated with labor income from Texas residents working in Santa Teresa.

Table 3: Impact of Santa Teresa Industrial Parks, Tenant Employment, Texas, 2023

Impact	Employment	Labor Income	Value Added	Output
1 - Direct	0	\$0	\$0	\$0
2 - Indirect	1,002	\$57,139,023	\$118,151,933	\$307,722,387
3 - Induced	822	\$38,388,740	\$74,372,209	\$137,259,344
Total	1,824	\$95,527,763	\$192,524,143	\$444,981,732

Construction Impact

New construction in Santa Teresa provides a significant economic impact for the area. Reported construction spending in Santa Teresa in 2023 was \$100,750,370¹⁶ in new capital expenditure, primarily new construction. It is reasonable to expect the amount of construction spending to vary year to year; however, construction spending in Santa Teresa has been at similar levels in the last few years. Our 2021 study showed \$93,337,667 in construction spending in the area for 2020.¹⁷

IMPLAN provides different industry codes based on the type of construction. These codes were used to calculate the impact of construction in Santa Teresa. The industry codes used to assign the impacts to IMPLAN's industry codes for construction are shown in the Appendix in Table 16. Table 4 shows the total impacts of construction spending on New Mexico and Texas. Tables 5 and 6 show these impacts for New Mexico and Texas individually.

Table 4: Impacts of New Construction in Santa Teresa Industrial Parks, New Mexico and Texas, 2023

Impact	Employment	Labor Income	Value Added	Output	
1 - Direct		937	\$49,488,904	\$51,275,196	\$100,750,370
2 - Indirect		137	\$8,229,797	\$15,644,573	\$35,456,022
3 - Induced		219	\$10,498,075	\$20,324,810	\$34,547,461
Total		1,293	\$68,216,776	\$87,244,579	\$170,753,853

Table 5: Impacts of New Construction in Santa Teresa Industrial Parks, New Mexico, 2023

Impact	Employment	Labor Income	Value Added	Output	
1 - Direct		937	\$49,488,904	\$51,275,196	\$100,750,370
2 - Indirect		76	\$3,748,527	\$6,803,120	\$14,607,883
3 - Induced		176	\$8,460,070	\$16,379,610	\$27,320,567
Total		1,189	\$61,697,502	\$74,457,925	\$142,678,821

As with the employment impacts, there is no direct impact from Santa Teresa construction on Texas; however, there are spillover impacts from this construction activity.

Table 6: Impacts of New Construction in Santa Teresa Industrial Parks, Texas, 2023

Impact	Employment	Labor Income	Value Added	Output	
1 - Direct		0	0	0	0
2 - Indirect		61	\$4,481,270	\$8,841,453	\$20,848,139
3 - Induced		43	\$2,038,005	\$3,945,201	\$7,226,894
Total		104	\$6,519,274	\$12,786,654	\$28,075,033

¹⁶ (New Mexico Border Industrial Association, 2023)

¹⁷ (Winingham, Vargas, & Erickson, 2021)

Trade Impact

U.S. merchandise trade has been on an upward trend after recovering from the pandemic-induced decline of 2020. U.S. exports grew 22.9% in 2021 and 17.5% in 2022 to reach a record high of \$2.1 trillion in 2022. U.S. imports also reached a record high in 2022 at \$3.2 trillion, reflecting growth of 14.6% in 2022 and 21.3% in 2021.¹⁸

Merchandise trade facilitated by the Santa Teresa Port of Entry has also strongly recovered after the contraction in 2020 to reach \$31.5 billion in 2022, a total surpassing the 2019 pre-pandemic level of \$30.4 billion (see Table 7). After a decline of over 21% in 2020, total merchandise trade facilitated by the port grew 14.2% and 15.3%, respectively, in 2021 and 2022.

While exports facilitated by the Santa Teresa Port of Entry grew 16.6% in 2021 and 3.7% in 2022, to almost \$12 billion in 2022, this total remained below the 2019 pre-pandemic level of \$14.1 billion. Imports facilitated by the port, on the other hand, managed to surpass 2019 pre-pandemic levels in 2022 to reach \$19.5 billion, after growing 12.5% in 2021 and 23.8% in 2022.

Table 7: Merchandise Trade Facilitated by the Santa Teresa Port of Entry, 2019-2022, millions of U.S. dollars¹⁹

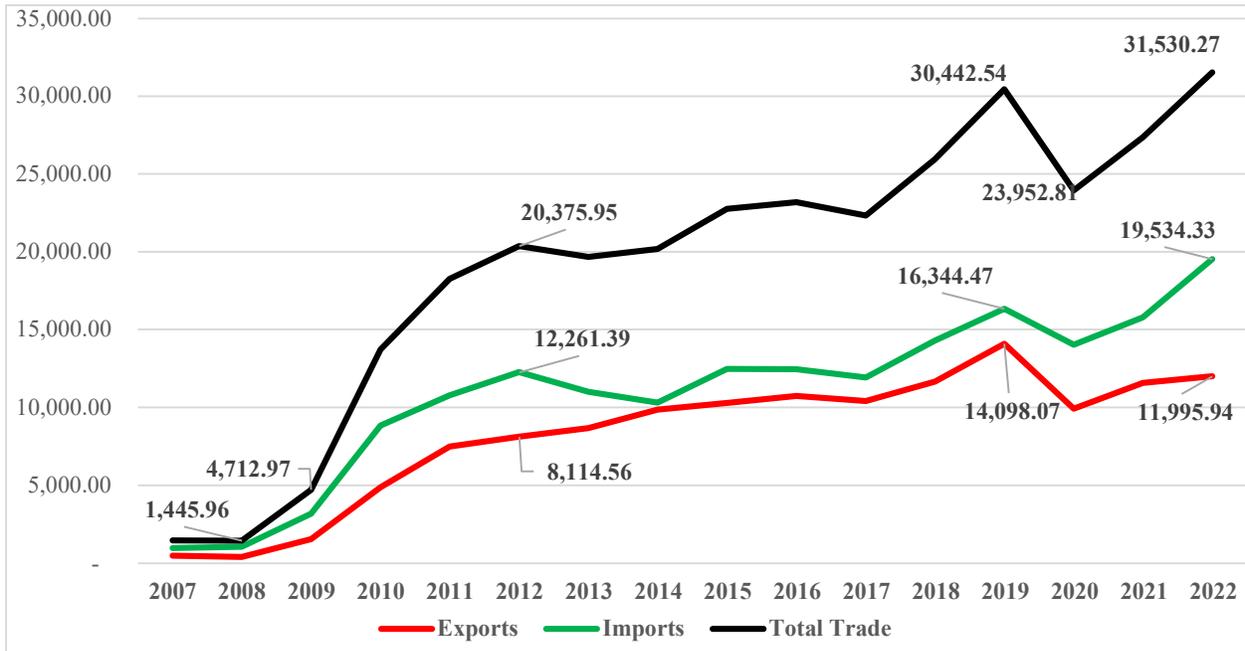
	2019	2020	% <u>change</u> previous year	2021	% <u>change</u> previous year	2022	% <u>change</u> previous year
Exports	\$14,098	\$9,918	-29.6	\$11,567	16.6	\$11,996	3.7
Imports	\$16,344	\$14,035	-14.1	\$15,784	12.5	\$19,534	23.8
Total Trade	\$30,442	\$23,953	-21.3	\$27,351	14.2	\$31,530	15.3

Figure 5 presents transborder trade flows through the Santa Teresa Port of Entry from 2007 to 2022. As can be observed, there is a pronounced spike in trade through the port in 2009. This is the year the Foxconn Electronics mega-plant opened across the border in San Jerónimo which considerably boosted trade through the area. Since that year, trade flows have maintained a relatively consistent upward trend but for the 2020 pandemic-related dip. Considering the last 10 years, total transborder trade through the Santa Teresa Port of Entry grew at a robust compound annual growth rate of 4.6% per year during the 2012-2022 period.

¹⁸ (U.S. Census Bureau, 2023)

¹⁹ (U.S. Census Bureau, 2023)

Figure 6: Santa Teresa Port of Entry Transborder Trade Flows, 2007-2022, millions of U.S. dollars²⁰



The Santa Teresa Port of Entry’s share of trade in the El Paso District²¹ trade region has seen a significant increase over the years. In 2022, the port facilitated 23.1% of trade through this district, up from under 10% in 2009, and less than 3% in 2003. By comparison, the El Paso Port of Entry,²² which is the top port in the El Paso District trade region, facilitated 76.1% of total district trade in 2022, down from 89.5% in 2009, and 96.5% in 2003.

Thus, while the dominant port of El Paso has seen its share of trade in the El Paso District erode over the years, the opposite is the case for the Santa Teresa Port of Entry. Indeed, commercial traffic through the Santa Teresa Port of Entry is likely to expand even more as Mexico has indicated it will shift bilateral trade infrastructure investments to New Mexico and away from Texas. For example, a major rail project Mexico initially contemplated with Texas, has now been routed through Santa Teresa.²³ Mexico’s actions are in direct response to Texas Governor Greg Abbott’s enhanced safety inspections of trucks entering Texas from Mexico that took place last year causing severe crossing delays that in some cases went beyond 24 hours.²⁴ During that time,

²⁰ (U.S. Census Bureau, 2023)

²¹ The El Paso District trade region comprises the following ports: in New Mexico—Albuquerque, Columbus, Santa Teresa, and Santa Teresa Airport; in Texas—El Paso, Ysleta, Fabens, and Presidio.

²² El Paso port-of-entry data are combined with Ysleta port-of-entry data since both ports are located in El Paso County.

²³ (Stevenson, 2022)

²⁴ (Chappell, 2022)

the Santa Teresa Port of Entry saw its truck traffic spike as truckers who typically cross through El Paso chose New Mexico instead.²⁵

An additional impact stemming from the Santa Teresa Port of Entry infrastructure is the role it has played in boosting New Mexico exports, particularly exports to Mexico, the state’s top export market. New Mexico exports to Mexico in 2022 represented 65.8% of total state exports, up from 51% in 2019, and 39% in 2018.²⁶ The Las Cruces MSA which, like Santa Teresa, is in Doña Ana County, is growing in importance as a source of New Mexico exports.²⁷ In 2022, the region contributed the majority of total New Mexico exports, at 63%, up from 51% in 2019, and 38% in 2018.²⁸

Santa Teresa’s increasing attractiveness as a strategic and competitive international trade route has placed its port of entry at number 6 in imports and number 7 in exports among land ports for merchandise trade along the U.S.-Mexico border in 2022.²⁹

Total Impact

Based on the employment and new construction in Santa Teresa Industrial Parks in 2023, Table 8 details the estimated total impact on New Mexico and Texas. Tables 9 and 10 show the impact on New Mexico and Texas individually.

Table 8: Total Impact of Santa Teresa Industrial Parks, New Mexico and Texas, 2023

Impact	Employment	Labor Income	Value Added	Output
1 - Direct	4,442	\$214,163,085	\$523,156,903	\$1,536,314,761
2 - Indirect	3,347	\$143,323,685	\$305,525,739	\$685,624,335
3 - Induced	1,385	\$65,532,869	\$126,934,019	\$225,878,107
Total	9,1754	\$423,019,638	\$955,616,660	\$2,447,817,204

²⁵ (Resendiz, 2022)

²⁶ (U.S. Census Bureau, 2023)

²⁷ Even with the significant rise in exports from the Las Cruces MSA-Doña Ana County-Santa Teresa region, export levels may be underestimated. At least one company in the Santa Teresa industrial base has reported sending the totality of its production to its client’s warehouse facilities in El Paso, Texas, and it is from that point when the product is exported to Mexico. Thus, the official data will consider this export value as erroneously having been generated in El Paso (not Santa Teresa) since El Paso becomes the point of origin of these exports.

²⁸ (U.S. Census Bureau, 2023) (U.S. Department of Commerce, 2023)

²⁹ (U.S. Census Bureau, 2023)

Table 9: Total Impact of Santa Teresa Industrial Parks, New Mexico, 2023

Impact	Employment	Labor Income	Value Added	Output
1 - Direct	4,442	\$214,163,085	\$523,156,903	\$1,536,314,761
2 - Indirect	2,284	\$81,703,392	\$178,532,352	\$357,053,809
3 - Induced	520	\$25,106,124	\$48,616,608	\$81,391,870
Total	7,246	\$320,972,600	\$750,305,863	\$1,974,760,439

Table 10: Total Impact of Santa Teresa Industrial Parks, Texas, 2023

Impact	Employment	Labor Income	Value Added	Output
1 - Direct	0	0	0	0
2 - Indirect	1,063	\$61,620,293	\$126,993,387	\$328,570,526
3 - Induced	865	\$40,426,745	\$78,317,410	\$144,486,238
Total	1,928	\$102,047,038	\$205,310,797	\$473,056,764

Table 11 shows a comparison of the total impacts in New Mexico and Texas.

Table 11: Total Impact of Santa Teresa Industrial Parks, by State, 2023

State	Employment	Labor Income	Value Added	Output
New Mexico	7,246	\$320,972,600	\$750,305,863	\$1,974,760,439
Texas	1,928	\$102,047,038	\$205,310,797	\$473,056,764
Total	9,174	\$423,019,638	\$955,616,660	\$2,447,817,204

Table 12 shows the percentages of each impact component (employment, labor income, value added, and output) attributable to New Mexico and Texas.

Table 12: Percentage Share of Santa Teresa Industrial Parks Impacts, by Component and State, 2023

State	Employment	Labor Income	Value Added	Output
New Mexico	79%	76%	79%	81%
Texas	21%	24%	21%	19%
Total	100%	100%	100%	100%

Tax Revenue Impact

Table 13 shows the estimated tax revenue generated by employment and new construction in Santa Teresa Industrial Parks by state.

Table 13: Tax Impact of Santa Teresa Industrial Parks, by State, 2023

State	Local Taxes	State Taxes	Federal Taxes	All Taxes
New Mexico	\$12,551,130	\$34,783,221	\$82,950,089	\$130,284,440
Texas	\$9,931,839	\$11,153,039	\$25,352,552	\$46,437,431
Total	\$22,482,969	\$45,936,260	\$108,302,642	\$176,721,870

Conclusion

The Santa Teresa Port of Entry has long been a promising economic development opportunity due to the logistical and strategic advantages offered by its location. Significant infrastructure and development have been required to make the Santa Teresa Port of Entry a viable economic driver. Many of these key factors appear to be in place, and the area is currently attracting a significant number of new business locations and new construction. Trade facilitated by the port has strongly recovered after the pandemic-induced dip in 2020. In 2022, merchandise trade enabled by the Santa Teresa Port of Entry reached \$31.5 billion, after 14.8% average annual growth in the two-year 2021-2022 period.

The economic impact of the Santa Teresa Port of Entry and the Santa Teresa Industrial Parks in 2023 is summarized in Table 14.

Table 14: Economic Impacts, Santa Teresa Industrial Parks, New Mexico and Texas, 2023

Impact	New Mexico	Texas	Total
Direct Jobs	4,442	0	4,442
Total Jobs	7,246	1,928	9,174
Economic Output	\$1,974,760,439	\$473,056,764	\$2,447,817,204
Value-Added Production	\$750,305,863	\$205,310,797	\$955,616,660
Labor Income	\$320,972,600	\$102,047,038	\$423,019,638
Total Taxes:	\$130,284,440	\$46,437,431	\$176,721,870
Federal	\$82,950,089	\$25,352,552	\$108,302,642
New Mexico	\$47,334,351	\$21,084,878	\$68,419,229

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Glossary

Direct effects are the immediate (or first-round) consequences of a change in an economic activity or policy. For example, if a firm spends \$1 million on construction of a new building, the direct effect on output (sales) in the construction sector is \$1 million. If eight workers are employed on the construction of the building, then those eight workers are also a direct effect.

Employment refers to jobs. Jobs may be full- or part-time and a single worker may be employed at multiple jobs.

Indirect effects occur as industries purchase inputs from other industries. If a construction project requires steel beams, there will be indirect effects on iron mining and coke producing industries.

Induced effects result from changes in households spending arising from changes in wage and salary income arising from the change in an economic activity or policy. They are induced by changes in direct and indirect effects. A worker employed on a construction project will buy groceries. **Input-output model** refers to a type of economic model designed to capture relationships among industries and ultimate consumers.

Intermediate spending refers to the demand of industry for the goods and services produced by other industries that will be used in the production process.

Labor income consists of employee compensation (including benefits), supplements to wages and salaries (such as employer contributions to pension funds), and proprietor's income.

Merchandise trade refers to international trade in goods: goods exports and goods imports.

Multi-Regional Input-Output (MRIO) expands the region of study to include more than one region of study, allowing for spillover effects to be calculated between regions.

Output refers to gross industry sales or expenditures, depending on the consequences.

Total effects refer to the sum of direct, indirect, and induced effects.

Value added refers to the change in value of a good or service during each stage of production. Gross Domestic Product is a value-added concept.³⁰

³⁰ (Bureau of Economic Analysis, 2023)

Appendix 1: Employment Impact Inputs

**Table 15: IMPLAN Inputs, Santa Teresa Industrial Parks,
Tenant Employment, 2023**

IMPLAN Code	IMPLAN Description	Employees residing in New Mexico	Employees residing in Texas	Total Employees
48	Natural gas distribution	18	2	20
52	Construction of new power and communication structures	42	653	695
55	Construction of new commercial structures, including farm structures	0	9	9
60	Maintenance and repair construction of nonresidential structures	1	38	39
90	Meat processed from carcasses	245	455	700
121	Other textile product mills	2	3	5
152	Printing	11	11	22
191	Urethane and other foam product (except polystyrene) manufacturing	7	28	35
193	Other plastics product manufacturing	184	42	226
224	Copper rolling, drawing, extruding, and alloying	11	103	114
230	Crown and closure manufacturing and metal stamping	100	33	133
239	Sheet metal work manufacturing	0	3	3
269	All other industrial machinery manufacturing	29	24	53
304	Audio and video equipment manufacturing	4	11	15
336	Other communication and energy wire manufacturing	98	0	98
392	Wholesale - Motor vehicle and motor vehicle parts and supplies	24	36	60
396	Wholesale - Other durable goods merchant wholesalers	71	112	183
408	Retail - Gasoline stores	13	29	42
415	Rail transportation	412	4	416
417	Truck transportation	7	28	35
420	Scenic and sightseeing transportation and support activities for transportation	1	7	8
421	Couriers and messengers	136	204	340
422	Warehousing and storage	9	46	55
444	Insurance carriers, except direct life	11	44	55
457	Architectural, engineering, and related services	63	27	90
478	Other support services	22	32	54
Total		1521	1984	3505

Appendix 2: Construction Impact Inputs

Table 16: IMPLAN Inputs, Santa Teresa Industrial Parks, Construction, 2023

IMPLAN Code	Description	Industry Output
55	Construction of new commercial structures, including farm structures	\$100,700,370
60	Maintenance and repair construction of nonresidential structures	\$50,000
	Total	\$100,750,370

Appendix 3: Tax Impact Details

Table 17: Tax Impact of Santa Teresa Industrial Parks, New Mexico and Texas, 2023

Impact	Sub County General	Sub County Special Districts	County	State	Federal	Total
Direct	\$3,784,689	\$1,426,359	\$2,094,856	\$21,004,867	\$57,368,495	\$85,679,266
Indirect	\$3,690,518	\$3,906,286	\$2,463,387	\$17,032,189	\$34,976,094	\$62,068,475
Induced	\$1,930,324	\$1,884,271	\$1,302,278	\$7,899,203	\$15,958,053	\$28,974,130
Total	\$9,405,531	\$7,216,917	\$5,860,521	\$45,936,260	\$108,302,642	\$176,721,870

Table 18: Tax Impact of Santa Teresa Industrial Parks, New Mexico, 2023

Impact	Sub County General	Sub County Special Districts	County	State	Federal	Total
Direct	\$3,784,689	\$1,426,359	\$2,094,856	\$21,004,867	\$57,368,495	\$85,679,266
Indirect	\$1,914,163	\$836,728	\$1,143,803	\$10,288,128	\$19,666,134	\$33,848,957
Induced	\$679,439	\$278,561	\$392,531	\$3,490,226	\$5,915,460	\$10,756,217
Total	\$6,378,292	\$2,541,648	\$3,631,190	\$34,783,221	\$82,950,089	\$130,284,440

Table 19: Tax Impact of Santa Teresa Industrial Parks, Texas, 2023

Impact	Sub County General	Sub County Special Districts	County	State	Federal	Total
Direct	\$0	\$0	\$0	\$0	\$0	\$0
Indirect	\$1,776,354	\$3,069,558	\$1,319,584	\$6,744,062	\$15,309,960	\$28,219,518
Induced	\$1,250,885	\$1,605,710	\$909,747	\$4,408,977	\$10,042,593	\$18,217,913
Total	\$3,027,239	\$4,675,269	\$2,229,331	\$11,153,039	\$25,352,552	\$46,437,431

Appendix 4: Transborder Trade Flows

Table 20: Merchandise Trade, El Paso District Total and Select El Paso District Ports, U.S. dollars, 2012-2022³¹

El Paso, TX (District) ¹	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Exports	38,290,102,773	39,564,476,259	41,940,904,957	41,904,281,156	42,477,958,890	40,561,410,665	44,046,832,237	46,107,644,070	39,129,287,180	48,904,781,029	56,257,514,405
Imports	49,573,963,381	48,831,409,880	47,797,540,647	54,392,487,696	56,774,411,277	58,610,624,955	63,452,910,335	63,479,604,528	57,948,481,993	67,737,622,303	80,045,349,355
Total Trade	87,864,066,154	88,395,886,139	89,738,445,604	96,296,768,852	99,252,370,167	99,172,035,620	107,499,742,572	109,587,248,598	97,077,769,173	116,642,403,332	136,302,863,760
El Paso, TX (Port) and Ysleta, TX (Port)²											
Exports	29,747,531,806	30,464,039,874	31,657,866,695	31,234,147,637	31,353,046,516	29,828,144,784	32,127,835,054	31,728,826,718	28,968,060,528	36,881,822,427	43,572,590,934
Imports	37,083,960,627	37,671,471,473	37,283,378,704	41,742,435,879	44,128,092,838	46,500,747,167	48,926,046,234	46,813,525,645	43,578,031,750	51,658,986,086	60,191,382,126
Total Trade	66,831,492,433	68,135,511,347	68,941,245,399	72,976,583,516	75,481,139,354	76,328,891,951	81,053,881,288	78,542,352,363	72,546,092,278	88,540,808,513	103,763,973,060
Santa Teresa, NM (Port)											
Exports	8,114,562,275	8,669,504,000	9,866,613,342	10,292,294,296	10,739,472,879	10,404,559,345	11,656,545,553	14,098,068,953	9,918,003,217	11,567,080,735	11,995,942,522
Imports	12,261,385,064	11,001,120,516	10,309,468,074	12,467,838,801	12,444,579,969	11,914,805,411	14,286,761,525	16,344,737,527	14,082,348,907	15,784,468,535	19,534,330,655
Total Trade	20,375,947,339	19,670,624,516	20,176,081,416	22,760,133,097	23,184,052,848	22,319,364,756	25,943,307,078	30,442,806,480	24,000,352,124	27,351,549,270	31,530,273,177

Source: U.S. Census Bureau

Notes:

- 1) The El Paso District trade region comprises the following ports: in New Mexico--Albuquerque, Columbus, Santa Teresa, and Santa Teresa Airport; in Texas--El Paso, Ysleta, Fabens, and Presidio.
- 2) El Paso port-of-entry data are combined with Ysleta port-of-entry data since both ports are located in El Paso County.

³¹ (U.S. Census Bureau, 2023)

