THE GENERAL ASSEMBLY OF PENNSYLVANIA

No. 153 Session of 2019

INTRODUCED BY PHILLIPS-HILL, SCARNATI, FOLMER AND KILLION, JUNE 10, 2019

REFERRED TO STATE GOVERNMENT, JUNE 10, 2019

A CONCURRENT RESOLUTION

Urging the Congress of the United States to ratify the United 1 States-Mexico-Canada Agreement on Trade. 2 WHEREAS, The United States and Canada have one of the largest 3 4 trading relationships in the world; and 5 WHEREAS, Canada is the United States' largest export market, 6 valued at \$298 billion (\$402 billion Canadian) in goods and services in 2018, and the United States is Canada's largest 7 export market, valued at \$337 billion (\$455 billion Canadian) in 8 9 goods and services in 2017; and 10 WHEREAS, This trade supports 9 million jobs in the United 11 States and 2.1 million jobs in Canada; and 12 WHEREAS, In the more than 20 years since the United States, Canada and Mexico entered into the North American Free Trade 13 14 Agreement (NAFTA), trade among these countries tripled from \$340 15 billion in 1993 to \$1.2 trillion in 2016; and 16 WHEREAS, North American integration of trade under NAFTA has 17 helped to make the region more competitive in the world economy

18 by providing highly integrated and valuable supply chains,

1 common rules and harmonized regulations that increase the speed 2 and global competitiveness of one another's businesses and by 3 driving investment and embedding value in each country's 4 economic success, such as creating jobs in North American 5 communities; and

6 WHEREAS, Canada and Mexico are the first-ranked and third-7 ranked markets, respectively, for agricultural exports from the 8 United States at an estimated \$20.6 billion sent to Canada and 9 \$18.6 billion sent to Mexico, up from \$8.7 billion in 1992, the 10 year that NAFTA was signed; and

11 WHEREAS, The United States-Mexico-Canada Agreement (USMCA) 12 comes at a time when the use of tariffs on steel and aluminum, 13 announced by the United States in March 2018, with a revocation 14 of trade related waivers in June 2018, resulted in the 15 imposition of retaliatory tariffs of \$12.8 billion from Canada 16 and \$3 billion in retaliatory tariffs from Mexico on products 17 from the United States; and

18 WHEREAS, By adopting the USMCA, companies in the United 19 States will acquire robust copyright protection, 10 years of 20 data protection for biologic drugs and new protections against 21 the theft of trade secrets; and

22 WHEREAS, Under the USMCA, Canada will end its "Class 6" and 23 "Class 7" programs that have allowed low-priced dairy products 24 to undersell American dairy products; and

25 WHEREAS, This change, in addition to other provisions of the 26 USMCA, will increase market access for United States dairy 27 products, eggs and poultry in Canadian markets; and

28 WHEREAS, The USMCA makes a number of significant upgrades to 29 NAFTA's environmental and labor provisions, incorporates them 30 into the core of the agreement and makes them fully enforceable,

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which will help level the playing field for United States
 workers and businesses; and

3 WHEREAS, Adoption of the USMCA dramatically enhances4 intellectual property (IP) protections; and

5 WHEREAS, The USMCA contains a modernized, high-standard IP chapter that provides strong and effective protection and 6 7 enforcement of IP rights critical to driving innovation, 8 creating economic growth and supporting American jobs; and 9 WHEREAS, The agreement includes a first-of-its-kind chapter on digital trade that, among other things, ensures data can be 10 transferred across borders and cracks down on data localization 11 12 measures used to restrict where data can be stored and 13 processed; and

WHEREAS, In signing the USMCA, the three countries have agreed to make targeted improvements to NAFTA and build on the successful partnership and the shared competitiveness in the global marketplace in which free, fair, open and mutually beneficial trade helps to strengthen the economies of all countries; therefore be it

20 RESOLVED (the House of Representatives concurring), That the 21 Senate of the Commonwealth of Pennsylvania urge:

(1) the Congress of the United States to ratify the
United States-Mexico-Canada Agreement on trade by all
countries as soon as possible;

(2) the Presidential Administration of the United States
to renew this country's original waiver on steel and aluminum
tariffs for Canada and Mexico; and

(3) Canada and Mexico to subsequently remove retaliatory
tariffs on all goods and services exported from the United
States;

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1 and be it further

2 RESOLVED, That the Secretary of the Commonwealth transmit 3 copies of this resolution to the President of the United States, 4 the Speaker of the United States House of Representatives, the 5 Majority Leader of the United States Senate, the Consulate of 6 Canada in Pennsylvania and the Consulate of Mexico in 7 Pennsylvania.