## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2019

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SENATE JOINT RESOLUTION DRSJR45218-LG-96A

Sponsors: Senator B. Jackson (Primary Sponsor).

Referred to:

A JOINT RESOLUTION MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO APPROVE THE UNITED STATES-MEXICO-CANADA AGREEMENT IN ORDER TO ENSURE CONTINUITY IN TRADE AMONG THE THREE NORTH AMERICAN ECONOMIC PARTNERS.

Whereas, the imposition of artificial barriers to free and open trade are harmful to American economic interests; and

Whereas, together, the United States, Canada, and Mexico promote a shared belief in freedom, representative democracy, and market principles as recognized in the U.S. Constitution; and

Whereas, a longstanding, close trilateral relationship, codified in the North American Free Trade Agreement (NAFTA), has existed between the United States, Canada, and Mexico for more than 20 years and has proven economically, culturally, and strategically important for all parties, and this relationship will continue with ratification of USMCA; and

Whereas, trade with Canada and Mexico supports nearly 11 million American jobs, and nearly five million of those jobs are supported by increased trade generated by NAFTA, and these benefits will continue with ratification of USMCA; and

Whereas, since NAFTA entered into force in 1994, trade with Canada and Mexico has nearly quadrupled to \$1.3 trillion, and the two countries buy more than one-third of U.S. merchandise exports; and

Whereas, for 43 states in the United States, Canada, and Mexico represent their first or second largest export market, and all but one U.S. state counts Canada or Mexico as a top three trading partner; and

Whereas, NAFTA has contributed to a 350% increase in U.S. agricultural exports to Canada and Mexico; and

Whereas, the United States ran a cumulative trade surplus in manufactured goods with Canada and Mexico of more than \$79 billion over the six-year period from 2008-2014 with a surplus in services of over \$41 billion in 2014, alone; and

Whereas, NAFTA has been a boon to competitiveness of U.S. manufacturers, which added more than 800,000 jobs in the four years after NAFTA entered into force, with Canadians and Mexicans purchasing \$487 billion of U.S. manufactured goods in 2014, generating nearly \$40,000 in export revenue for every American factory worker; and

Whereas, U.S. service exports to Canada and Mexico have tripled, rising from \$27 billion in 1993 to \$92 billion in 2014, thanks to new market access and clearer rules afforded by NAFTA, which will be continued under USMCA; and

Whereas, Canada and Mexico are the top two export destinations for U.S. small- and medium-sized enterprises, more than 125,000 of which sold their goods and services in Canada and Mexico in 2014; and



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Whereas, trade among our North American trading partners is made up predominantly of intellectual property (IP)-intensive goods and services that employ millions of Americans in high-paying jobs and generate billions of dollars in economic output; and

Whereas, trade agreements are the most appropriate mechanism to harmonize and strengthen IP rights protections, ensuring domestic and foreign business are on the same equal footing before the law; and

Whereas, many of the IP-intensive goods, services, and exchanges through which trade is facilitated in the NAFTA bloc did not exist when the agreement was drafted and this situation has resulted in uneven and weak IP enforcement; and

 Whereas, stringent enforcement of IP rights has been found to correlate closely with greater household income, Foreign Direct Investment, and Gross Domestic Product; and

 Whereas, the IP provisions found in the USMCA are the most comprehensive of any multilateral U.S. trade agreement and are vastly superior to those included in NAFTA. Now, therefore

Be it resolved by the Senate, the House of Representatives concurring:

 **SECTION 1.** The General Assembly memorializes the Congress of the United States to approve the United States-Mexico-Canada Agreement in order to ensure continuity in trade among the three North American economic partners.

**SECTION 2.** The Secretary of State shall transmit a copy of this resolution to the President of the United States, to the chairs of the U.S. Senate Finance and the U.S. House Ways and Means Committees, to the members of the Senate and House Advisory Groups on Negotiations, to the U.S. Trade Representative, to the U.S. Secretaries of Commerce, State, and Labor, to the Director of the Office of Management and Budget, and to the Intellectual Property Enforcement Coordinator.

**SECTION 3.** This resolution is effective upon ratification.

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