

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

S

2

**SENATE JOINT RESOLUTION 467
Commerce and Insurance Committee Substitute Adopted 5/1/19**

Sponsors:

Referred to:

April 3, 2019

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

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

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

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

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

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

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

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

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

28 Whereas, NAFTA has been a boon to competitiveness of U.S. manufacturers, which
29 added more than 800,000 jobs in the four years after NAFTA entered into force, with Canadians
30 and Mexicans purchasing \$487 billion of U.S. manufactured goods in 2014, generating nearly
31 \$40,000 in export revenue for every American factory worker; and

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

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



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

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

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

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

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

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

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

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

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