

SENATE RESOLUTION NO. 73

Senators Victory, McBroom, Daley, Lauwers, Lucido, Barrett, MacDonald and Outman offered the following resolution:

1 A resolution to urge the Congress of the United States to
2 speedily approve the recently negotiated United States-Mexico-
3 Canada Agreement.

4 Whereas, The North American Free Trade Agreement (NAFTA) is a
5 close tri-lateral relationship between the United States, Canada,
6 and Mexico. For more than 25 years, NAFTA has been economically,
7 culturally, and strategically important for all parties; and

8 Whereas, NATFA is significant for the American economy. Trade
9 with Canada and Mexico supports nearly 12 million American jobs,
10 and nearly 5 million of those jobs are supported by increased NAFTA
11 trade. Since the agreement began in 1994, trade with Canada and
12 Mexico has nearly quadrupled to \$1.3 trillion, and the two

1 countries buy more than one-third of U.S. merchandise exports. U.S.
2 service exports to Canada and Mexico have also tripled, rising from
3 \$27.5 billion in 1993 to \$91.3 billion in 2017, thanks to the trade
4 agreement's new market access and clearer rules; and

5 Whereas, Trade with Canada and Mexico is significant to U.S.
6 states. For 43 states, our contiguous international neighbors
7 represent the first or second largest export market, and all but
8 one state counts Canada or Mexico as a top three trading partner.
9 Canada is Michigan's largest export market, and Mexico is
10 Michigan's third largest export market. NAFTA has also contributed
11 to a 300 percent increase in Michigan's agricultural exports to
12 Canada and Mexico; and

13 Whereas, Small and medium-sized enterprises in the United
14 States rely on trade with Canada and Mexico to support and grow
15 their business. Canada and Mexico are the top two export
16 destinations for U.S. small and medium-sized enterprises, more than
17 125,000 of which sold their goods and services in Canada and Mexico
18 in 2014; and

19 Whereas, Trade among our North American trading partners is
20 made up predominantly of intellectual property (IP)-intensive goods
21 and services that employ millions of Americans in high paying jobs
22 and generate billions of dollars in economic output. However, many
23 of the IP-intensive goods, services, and exchanges through which
24 trade is facilitated did not exist when the agreement was drafted.
25 This situation has resulted in uneven and weak IP enforcement.
26 Stronger enforcement of IP rights will encourage more foreign
27 direct investment and increase gross domestic product; and

28 Whereas, The United States-Mexico-Canada Agreement (USMCA)
29 creates a 21st Century trade agreement for North America. The

1 renegotiated USMCA has provisions favorable to U.S. autoworkers
2 that would help level the playing field between U.S. and Mexican
3 autoworkers. The updated agreement is also more beneficial to the
4 agricultural sector than NAFTA and will offer a higher degree of
5 certainty and stability to Michigan farmers. The new IP provisions
6 are the most comprehensive of any multilateral U.S. trade agreement
7 and are vastly superior to those included in NAFTA; and

8 Whereas, A seamless transition between NAFTA and the USMCA
9 will ensure that none of the benefits in trade accomplished by the
10 integration of the three North American economies will be lost;
11 now, therefore, be it

12 Resolved by the Senate, That we urge the Congress of the
13 United States to speedily approve the recently negotiated United
14 States-Mexico-Canada Agreement; and be it further

15 Resolved, That copies of this resolution be transmitted to the
16 President of the United States Senate, the Speaker of the United
17 States House of Representatives, and the members of the Michigan
18 congressional delegation.