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SENATE JOINT RESOLUTION

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WHEREAS, Democratic, accountable governance in the states generally, and specifically the authority granted to the legislative branch by Illinois' Constitution, is being undermined by international commercial and trade rules enforced by the World Trade Organization (WTO) and established by the North American Free Trade Agreement (NAFTA), and is further threatened by similar provisions in an array of pending trade agreements; and

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WHEREAS, Today's "trade" agreements have impacts which extend significantly beyond the bounds of traditional trade matters such as tariffs and quotas, and instead grant foreign investors and service providers certain rights and privileges regarding acquisition of land and facilities and regarding operations within a state's territory, subject state laws to challenge as "non-tariff barriers to trade" in the binding dispute resolution bodies that accompany the pacts, and place limits on the future policy options of state legislatures; and

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WHEREAS, NAFTA and other U.S. Free Trade Agreements grant foreign firms new rights and privileges for operating within a state that exceed those granted to U.S. businesses under state and federal law; and

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1 WHEREAS, When states are bound to comply with government
2 procurement provisions contained in trade agreements, common
3 economic development and environmental policies, such as buy
4 local laws, prevailing wage laws, policies to prevent
5 offshoring of state jobs as well as recycled content laws could
6 be subject to challenged as violating the obligations in the
7 trade agreements; and

8 WHEREAS, Recent trade agreements curtail state regulatory
9 authority by placing constraints on future policy options; and

10 WHEREAS, The WTO General Agreement on Trade in Services
11 (GATS) could undermine state efforts to expand health care
12 coverage and rein in health care costs, and places constraints
13 on state and local land use planning and gambling policy; and

14 WHEREAS, New General Agreement on Trade in Services (GATS)
15 negotiations could impose additional constraints on state
16 regulation of energy, higher education, professional licensing
17 and more; and

18 WHEREAS, Despite the indisputable fact that international
19 trade agreements have a far-reaching impact on state and local
20 laws, federal government trade negotiators have failed to
21 respect states' rights to prior informed consent before binding
22 states to conform state law and authority to trade agreement

1 requirements and have refused even to copy state legislatures
2 on key correspondence; and

3 WHEREAS, The current encroachment on state regulatory
4 authority by international commercial and trade agreements has
5 occurred to no small part because U.S. trade policy is being
6 formulated and implemented under the Fast Track Trade Authority
7 procedure; and

8 WHEREAS, Fast Track eliminates vital checks and balances
9 established in the U.S. Constitution by broadly delegating
10 Congress' exclusive Constitutional authority to set the terms
11 of trade over to the Executive Branch such that the Executive
12 Branch is empowered to negotiate broad-ranging trade
13 agreements and to sign them prior to Congress voting on the
14 agreements; and

15 WHEREAS, The ability of the Executive Branch to sign trade
16 agreements prior to Congress' vote of approval means Executive
17 Branch negotiators are able to ignore congressional
18 negotiating objectives or states' demands and neither Congress
19 nor the state have any means to enforce any decision regarding
20 what provisions must be contained in every U.S. trade agreement
21 and what provisions may not be included in any U.S. trade
22 agreement; and

1 WHEREAS, Federal trade negotiators have ignored and
2 disrespected states' demands regarding whether or not states
3 agree to be bound to certain non-tariff trade agreement
4 provisions; and

5 WHEREAS, Fast Track also circumvents normal congressional
6 review and amendment committee procedures, limits debate to 20
7 hours total and forbids any floor amendments to the
8 implementing legislation that is presented to Congress to
9 conform hundreds of U.S. laws to trade agreement obligations
10 and to incorporate the actual trade agreement itself into U.S.
11 federal law which preempts state law; and

12 WHEREAS, Fast Track Trade Authority is not necessary for
13 negotiating trade agreements as demonstrated by the existence
14 of scores of trade agreements, including major pacts such as
15 the agreements administered by the WTO, implemented in the past
16 thirty years without use of Fast Track; and

17 WHEREAS, Fast Track, which was established in 1974 by
18 then-President Richard Nixon when trade agreements were
19 limited to traditional matters such as tariffs and quotas, is
20 now woefully outdated and inappropriate given the diverse range
21 of non-trade issues now included in "trade" agreement that
22 broadly affect federal and state non-trade regulatory
23 authority; and

1 WHEREAS, The current grant of Fast Track expires in July
2 2007; therefore, be it

3 RESOLVED, BY THE SENATE OF THE NINETY-FIFTH GENERAL
4 ASSEMBLY OF THE STATE OF ILLINOIS, THE HOUSE OF REPRESENTATIVES
5 CONCURRING HEREIN, that the State of Illinois respectfully
6 requests that the United States Congress create a replacement
7 for the outdated Fast Track system so that U.S. trade
8 agreements are developed and implemented using a more
9 democratic, inclusive mechanism that enshrines the principles
10 of federalism and state sovereignty; and be it further

11 RESOLVED, That this new process for developing and
12 implementing trade agreements include an explicit mechanism
13 for ensuring the prior informed consent of state legislatures
14 before states are bound to the non-tariff terms of any trade
15 agreement that affects state regulatory authority so as to
16 ensure that the United States Trade Representative respects the
17 decisions made by states; and be it further

18 RESOLVED, That that copies of this resolution be
19 immediately transmitted to the Honorable George W. Bush,
20 President of the United States, Ambassador Susan Schwab, United
21 States Trade Representative, the President pro tempore of the
22 United States Senate, the Speaker of the House of

1 Representatives, and the members of the Illinois congressional
2 delegation.