

Senator Hertel offered the following concurrent resolution:

Senate Concurrent Resolution No. 18.

A concurrent resolution to urge the President of the United States to renegotiate the North American Free Trade Agreement and consider withdrawing the United States from the current agreement if a renegotiation does not include certain provisions.

Whereas, The U.S. economy is still struggling to recover from the Great Recession. Millions of America's workers remain unemployed or underemployed. American wages and consumer demand continue to be suppressed, and income inequality in the United States is historically high; and

Whereas, The last two economic recessions have hit manufacturing especially hard. Between 2000 and 2014, American manufacturing employment dropped by 4 million jobs; and

Whereas, The growing trade deficit, exacerbated by trade agreements like the North American Free Trade Agreement (NAFTA), have displaced hundreds of thousands of jobs. More than 865,000 American workers have been certified by the U.S. government through the Trade Adjustment Assistance Program as having lost their jobs due to offshoring and trade with other NAFTA countries. Since Congress approved Permanent Normal Trade Relations (PNTR) for China when it joined the World Trade Organization, the growth in the U.S. trade deficit with China has resulted in the net loss of more than 3.2 million jobs; and

Whereas, Michigan has lost a disproportionate share of manufacturing jobs because of unfair and poorly-constructed trade agreements. Of NAFTA's hardest-hit congressional districts, half of the top 20 congressional districts are in Michigan. Because of NAFTA and the growing trade deficit, there are 43,600 Michigan workers who have been displaced, and the PNTR has resulted in another 80,100 Michigan jobs lost; and

Whereas, Some workers who find new manufacturing jobs do so for less money. According to the U.S. Bureau of Labor Statistics, 2 out of every 5 displaced manufacturing workers who were rehired in 2016 experienced a wage reduction, and 1 out of every 4 displaced manufacturing workers took a pay cut of greater than 20 percent, meaning the average manufacturing worker earning more than \$38,000 per year suffered an annual wage loss of at least \$7,600; and

Whereas, The domestic labor and environmental standards in other NAFTA countries encourage American manufacturers to relocate outside the United States. By failing to condition trade benefits on countries enforcing strong labor and environmental standards, NAFTA incentivized corporations' offshoring of jobs and exploiting of workers across North America in a race to the bottom. Firms that remained in the United States faced unfair competition from imports subsidized through social dumping; and

Whereas, NAFTA was negotiated in an opaque process in which corporations were granted undue influence while the United States public was prevented from providing input; and

Whereas, President Donald Trump campaigned on the promise of initiating negotiations for a NAFTA replacement agreement within the first 100 days of taking office. He pledged to withdraw the United States from NAFTA if he could not make it "much better" for working people. On May 18, 2017, the President notified Congress he intended to act; now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That we urge the President of the United States to initiate renegotiation of the North American Free Trade Agreement; and be it further

Resolved, That we urge that the North American Free Trade Agreement be replaced with a new trade agreement that:

1. Includes strong, binding, and enforceable labor and environmental standards in the agreement's core text with requirements that are enforced.
2. Excludes provisions that undermine Buy America, Buy Local, or any other domestic procurement preferences or labor, environmental, or other standards for procurement contracts.
3. Includes binding rules that will prevent foreign governments from using currency manipulation to undercut U.S. exports or subsidize their exports, allowing for strong, binding, and enforceable disciplinary action that triggers automatic corrective action against currency manipulators, rather than simply triggering reports or dialogue.
4. Strengthens NAFTA's "rules of origin" by increasing to 90 percent the percentage of an automobile's value that is legitimately sourced from a participative country for the product to qualify for benefits under the agreement.
5. Includes rules that require imported food and products to meet United States standards for safety, inspection, and labeling requirements, including country-of-origin labeling requirements.

; and be it further

Resolved, That we believe negotiations for the new trade agreement take place in a transparent, participatory, and democratic manner, ensuring adequate congressional and stakeholder input throughout the process; and be it further

Resolved, That we urge the President of the United States to initiate the renegotiation of NAFTA on or before August 18, 2017; and be it further

Resolved, That we believe that the President should ensure each and every one of the provisions described in these resolved clauses is included in the core text of a new trade agreement; and be it further

Resolved, That, if each and every one of the provisions described in these resolving clauses is not included in the core text of a new trade agreement within one year of the beginning of renegotiations, we call on the President to consider withdrawing the United States from NAFTA as provided for in Article 2205; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States and the members of the Michigan congressional delegation.