

# Bill as Introduced

**HCR 3 - AS INTRODUCED**

2011 SESSION

11-0310  
05/03

HOUSE CONCURRENT RESOLUTION      **3**

A RESOLUTION      urging increased consideration and preservation of local authority in international trade and investment agreements.

SPONSORS:              Rep. Weed, Ches 3; Rep. Mirski, Graf 10

COMMITTEE:            State-Federal Relations and Veterans Affairs

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**ANALYSIS**

This house concurrent resolution urges:

I. The federal government to ensure that international agreements preserve the traditional powers of state and local governments relative to investment, procurement, and trade in services.

II. The federal government to provide state and local officials with requested documentation of international agreements that restrict or otherwise affect state and local authority.

HCR 3 - AS INTRODUCED

11-0310  
05/03

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Eleven*

A RESOLUTION urging increased consideration and preservation of local authority in international trade and investment agreements.

1       Whereas, the United States Trade Representative (USTR) is negotiating to create a Free Trade  
2 Area of the Americas (FTAA) among 34 nations of the Western Hemisphere, create bilateral  
3 agreements such as the United States-Chile agreement, expand the General Agreement on Trade in  
4 Services (GATS), interpret the investment chapter of the North American Free Trade Agreement  
5 (NAFTA), and potentially add an investment agreement under the World Trade Organization  
6 (WTO); and

7       Whereas, these international negotiations include provisions on investment, procurement, and  
8 trade in services, all of which serve to shift power from state and local governments; and

9       Whereas, investment agreements increase foreign investor rights allowing challenges to core  
10 functions of state and local government, such as zoning, protection of ground water and other  
11 natural resources, corporate ownership of land and casinos, law enforcement by courts, and  
12 sovereign immunity; and

13       Whereas, procurement agreements are based on the standard that government purchasing  
14 decisions should be limited to price, without considering state and local purchasing preferences  
15 including recycled content, small business, minority and women-owned business, vendors with a  
16 competent tract record, and avoidance of goods made with forced child labor; and

17       Whereas, agreements on trade in services set a standard that regulations must not be more  
18 burdensome to trade than necessary, which affects services that are traditionally provided or  
19 regulated by cities and states, including alcoholic beverages, construction, health facilities,  
20 insurance, sewerage, solid waste, and potentially, water and energy; and

21       Whereas, serious concerns about these agreements have been raised by the National League of  
22 Cities, the National Conference of State Legislatures, the National Association of Counties, and the  
23 National Association of Attorneys General; now, therefore, be it

24       Resolved by the House of Representatives, the Senate concurring:

25       That the New Hampshire general court hereby urges:

26       I. Congress and the USTR to preserve the traditional powers of state and local governments  
27 as they negotiate and act upon international agreements by:

28               (a) Carving out state and local governments from the scope of investment, services, and  
29 procurement agreements;

30               (b) Where such carve out has not been achieved, assuring that such international rules  
31 do not deviate from traditional deference to state and local regulatory authority; and

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1           (c) Eliminating state and local regulation from GATS rules on Domestic Regulation and  
2 limiting application of those rules to specific commitments made by countries; and

3           II. The USTR to provide state and local officials access to negotiating documents necessary  
4 for such officials and their constituents to assess the potential impacts of such negotiations on their  
5 legitimate authority; and

6           That copies of this resolution, signed by the speaker of the house of representatives and the  
7 president of the senate, be forwarded by the house clerk to the United States Trade Representative  
8 and to each member of the New Hampshire congressional delegation.

# Amendments

Rep. Weed, Ches. 3  
January 20, 2011  
2011-0045h  
05/04

Amendment to HCR 3

1 Amend the resolution by replacing the first clause after the title with the following:

2

3       Whereas, the United States Trade Representative (USTR) is negotiating to create the Trans-  
4 Pacific Partnership, a new free trade agreement, and is seeking to expand the General Agreement on  
5 Trade in Services (GATS), to clarify the investment chapter of the North American Free Trade  
6 Agreement (NAFTA), and to potentially add an investment agreement under the World Trade  
7 Organization (WTO); and

*not adopted.*

# Speakers





# Hearing Minutes

HOUSE COMMITTEE ON STATE-FEDERAL RELATIONS AND VETERANS AFFAIRS

PUBLIC HEARING ON HCR 3

**BILL TITLE:** urging increased consideration and preservation of local authority in international trade and investment agreements.

**DATE:** January 20, 2011

**LOB ROOM:** 203      **Time Public Hearing Called to Order:** 11:33 a.m.

**Time Adjourned:** 12:16 p.m.

(please circle if present)

**Committee Members:** Reps. Baldasaro, Blankenbeker, L. Christiansen, T. Smith, Cunningham, Kingsbury, Larsen, Lundgren, McCarthy, Notter, Tamburello, Vita, Rokas, Domingo, Hofemann, Theberge and Spainhower.

**Bill Sponsors:** Rep. Weed, Ches 3; Rep. Mirski, Graf 10

TESTIMONY

\* Use asterisk if written testimony and/or amendments are submitted.

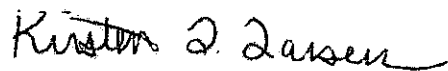
\***Rep. Weed** introduced bill. Referenced amendment 2011-0045h that replaces first clause after title. HCR3 removes issues in state sovereignty related to international trade agreements. Key point: know that such trade commission exists, in fact there are two commissions: one pairs NH businesses with businesses abroad, the other provides oversight regarding effects of international trade on state of NH including on state sovereignty. State sovereignty needs to be monitored. Upcoming issues: tobacco, procurement, and (related to newest agreement outlined in amendment) Korean Trade Agreement. Corporations can take states to court in non-transparent process. Proposing this rule because of importance of commissions but most importantly to protect state sovereignty.

In response to committee questions: when state effected, request access to documents to provide input into process. Fast track deprives legislature of oversight, how original trade agreements were negotiated, is not appropriate and effective deliberation. This commission takes the role of determining effect on state sovereignty; commission opposes fast track, process should be open and transparent. Article 83 of NH Constitution puts legislature in charge of businesses. Commission already exists, not paid commission, mileage reimbursement only.

\***Arnie Alpert**, on behalf of American friends Service Committee (AFSC) - Supports resolution. Discussion of trade policy relate to concepts of federalism. Creation of higher level trade agreements has set new set of rules, implications on state and local government. State and local authority has been taken away. On NAFTA rules, tribunal comparable to commercial arbitration, does not occur in court, done by federal government, local and state government not represented. Wording of WTO General agreement on Trade & Services measures by number by central, regional, or local governments and authorities; essentially WTO can have impact on regional and local governments with no local voice. Resolution calls on those negotiating to take this into account, send message to trade negotiators to at least ask our opinion

In response to committee questions: already committees through Governor, HCR3 does not create new body or additional group. Expresses preference that any new agreements don't repeat mistakes with NAFTA and similar trade agreements. Recommend future law that trade issues should lie with state legislature and not Governor.

Respectfully submitted,

A handwritten signature in cursive script that reads "Kirsten D. Larsen". The signature is written in black ink and is positioned above the typed name.

Rep. Kirsten Larsen,  
Clerk

HOUSE COMMITTEE ON STATE-FEDERAL RELATIONS AND VETERANS AFFAIRS

PUBLIC HEARING ON HCR 3

BILL TITLE: urging increased consideration and preservation of local authority in international trade and investment agreements.

DATE: 1/20/11

LOB ROOM: 203

Time Public Hearing Called to Order: May 11:33

Time Adjourned: 12:16

(please circle if present)

Committee Members: Reps. Baldasaro, Blankenbaker, L. Christiansen, T. Smith, Gunningham, Kingsbury, Larsen, Lundgren, McCarthy, Notten, Tamburello, Vita, Kokas, Domingo, Hofemann, Theberge and Spainhower.

Bill Sponsors: Rep. Weed, Ches 3; Rep. Mirski, Graf 10

TESTIMONY

\* Use asterisk if written testimony and/or amendments are submitted.

# Testimony

**Article 1110: Expropriation and Compensation**

1. No Party may directly or indirectly nationalize or expropriate an investment of an investor of another Party in its territory or take a measure tantamount to nationalization or expropriation of such an investment ("expropriation"), except:

- (a) for a public purpose;
- (b) on a non-discriminatory basis;
- (c) in accordance with due process of law and Article 1105(1); and
- (d) on payment of compensation in accordance with paragraphs 2 through 6.

2. Compensation shall be equivalent to the fair market value of the expropriated investment immediately before the expropriation took place ("date of expropriation"), and shall not reflect any change in value occurring because the intended expropriation had become known earlier. Valuation criteria shall include going concern value, asset value including declared tax value of tangible property, and other criteria, as appropriate, to determine fair market value.

3. Compensation shall be paid without delay and be fully realizable.

4. If payment is made in a G7 currency, compensation shall include interest at a commercially reasonable rate for that currency from the date of expropriation until the date of actual payment.

5. If a Party elects to pay in a currency other than a G7 currency, the amount paid on the date of payment, if converted into a G7 currency at the market rate of exchange prevailing on that date, shall be no less than if the amount of compensation owed on the date of expropriation had been converted into that G7 currency at the market rate of exchange prevailing on that date, and interest had accrued at a commercially reasonable rate for that G7 currency from the date of expropriation until the date of payment.

6. On payment, compensation shall be freely transferable as provided in Article 1109.

7. This Article does not apply to the issuance of compulsory licenses granted in relation to intellectual property rights, or to the revocation, limitation or creation of intellectual property rights, to the extent that such issuance, revocation, limitation or creation is consistent with Chapter Seventeen (Intellectual Property).

8. For purposes of this Article and for greater certainty, a non-discriminatory measure of general application shall not be considered a measure tantamount to an expropriation of a debt security or loan covered by this Chapter solely on the ground that the measure imposes costs on the debtor that cause it to default on the debt.

## Analysis: 2011 could be big year for Obama on trade



Wed, Jan 5 2011

By Doug Palmer <<http://blogs.reuters.com/search/journalist.php?edition=us&n=doug.palmer&>>

WASHINGTON (Reuters) - After years of trade policy stalemate, there could be big strides in 2011 with approval of U.S. trade deals with South Korea, Panama and Colombia, Russia's entry into the World Trade Organization and perhaps even the end of the longest-ever round of global trade talks.

The Republican takeover of the House of Representatives, a sluggish economic recovery and President Barack Obama's goal of doubling exports could combine to spur action on several fronts, analysts say.

"It might be a very big year," said Ed Gresser, president of the centrist Democratic Leadership Council.

Government data shows U.S. exports likely grew about 17 percent last year, one of the fastest rates ever as world trade bounced back from a historic slump brought about by the financial crisis.

But Obama needs exports to grow about 15 percent annually during the next four years to double them, which will be difficult without new market-opening agreements, Gresser said.

With U.S. consumers rebuilding battered balance sheets, the economy will need to lean more heavily on the export sector. Stronger U.S. export growth in turn would help bring about a more-balanced pattern of global trade.

The White House took a big step toward winning congressional approval of the South Korea pact in December by renegotiating auto provisions to win the support of the United Auto Workers and Ford Motor Co (F.N: Quote <<http://www.reuters.com/stocks/quote?symbol=F.N>> , Profile <<http://www.reuters.com/stocks/companyProfile?symbol=F.N>> , Research <<http://www.reuters.com/stocks/researchReports?symbol=F.N>> , Stock Buzz <<http://reuters.socialpicks.com/stock/r/F>> ).

Many Democrats still oppose the deal and are even more steadfast in opposition to the Colombia agreement but newly empowered Republicans are eager to pass all three trade deals.

"The unknown is to what extent the Republican leadership will demand to vote on all three" if Obama

balks at submitting one or both of the Latin American pacts, said Dan Griswold, director of the Cato Institute's trade policy section.

Both Gresser and Griswold said they believed there would be votes to pass all of them if Obama made a big push.

#### DOHA ROUND, RUSSIA WTO

The three FTA countries will be listening for a clear signal from Obama in his State of the Union speech on January 25, and so will negotiators in Geneva trying to finish the 9-year-old Doha round of world trade talks.

Those negotiations aimed at opening agriculture, manufacturing and services markets around the world have recently shown renewed signs of life.

But to convince the other 152 members the United States is serious about a deal, "Obama is going to have to take on the farm lobby the way he hasn't done before," Griswold said.

The United States has been pushing big developing countries like China, India and Brazil to make better offers in the negotiations to open their markets, while fending off pressure for deeper cuts in U.S. farm subsidies.

The huge U.S. budget deficit could change that dynamic and help Obama strike a deal since it will be harder for U.S. farmers to resist spending cuts when programs from Medicare to defense are facing the ax, Gresser said.

If nations agree to bigger tariff cuts and significantly greater market openings than now on the table, the deal could lift global growth by as much as \$283 billion a year, according to the Peterson Institute for International Economics.

Even if a Doha round is not finished, there is a good chance Russia's nearly 19-year-old bid to join the WTO could conclude in 2011, bringing the largest economy outside the WTO into the rules-based trading system.

To accomplish that, Obama needs to persuade Russia to address U.S. concerns in areas ranging from meat trade to intellectual property rights enforcement.

He also will have to convince Congress to grant "permanent normal trade relations" to Russia by finally removing a Cold War restriction known as the Jackson-Vanik amendment.

That measure used the threat of higher U.S. tariffs on imports from centrally planned economies to promote the rights of Jews and other religious minorities to emigrate freely.

#### CHINA, APEC

Meanwhile, concerns in Congress about China's trade and currency practices remain strong as U.S. lawmakers accuse Beijing of deliberately undervaluing its currency to give Chinese companies a trade



advantage. The yuan's value is certain to be a topic when Obama meets with Chinese President Hu Jintao in Washington later this month.

But efforts in Congress to get tough with China over its currency policies may have "hit the high-water mark" in 2010, when the Senate killed a bill that would have ramped up pressure on China to let its currency rise, Griswold said.

Supporters have vowed to try again but will face a tougher environment with Republicans controlling the House.

As the host this year of the 21-member economy Asia Pacific Economic Cooperation forum, the United States has an opportunity to advance open trade among countries that already account for about 60 percent of world economic growth.

When Obama, Hu and other APEC leaders gather in Honolulu in November for their annual summit, one major development could be the announcement that the United States has struck a deal with eight APEC members -- Vietnam, Malaysia, New Zealand, Australia, Chile, Peru, Singapore and Brunei -- on terms of the Transpacific Partnership pact.

If a deal is reached, it could become a "pathway" agreement for an even bigger pact covering all 21 APEC members.

## ANNEX 1B

## GENERAL AGREEMENT ON TRADE IN SERVICES

## PART I SCOPE AND DEFINITION

Article I Scope and Definition

## PART II GENERAL OBLIGATIONS AND DISCIPLINES

Article II Most-Favoured-Nation Treatment  
Article III Transparency  
Article III *bis* Disclosure of Confidential Information  
Article IV Increasing Participation of Developing Countries  
Article V Economic Integration  
Article V *bis* Labour Markets Integration Agreements  
Article VI Domestic Regulation  
Article VII Recognition  
Article VIII Monopolies and Exclusive Service Suppliers  
Article IX Business Practices  
Article X Emergency Safeguard Measures  
Article XI Payments and Transfers  
Article XII Restrictions to Safeguard the Balance of Payments  
Article XIII Government Procurement  
Article XIV General Exceptions  
Article XIV *bis* Security Exceptions  
Article XV Subsidies

## PART III SPECIFIC COMMITMENTS

Article XVI Market Access  
Article XVII National Treatment  
Article XVIII Additional Commitments

## PART IV PROGRESSIVE LIBERALIZATION

Article XIX Negotiation of Specific Commitments  
Article XX Schedules of Specific Commitments  
Article XXI Modification of Schedules

## PART V INSTITUTIONAL PROVISIONS

Article XXII Consultation  
Article XXIII Dispute Settlement and Enforcement  
Article XXIV Council for Trade in Services  
Article XXV Technical Cooperation  
Article XXVI Relationship with Other International Organizations

**PART VI FINAL PROVISIONS**

- Article XXVII Denial of Benefits
- Article XXVIII Definitions
- Article XXIX Annexes

- Annex on Article II Exemptions
- Annex on Movement of Natural Persons Supplying Services under the Agreement
- Annex on Air Transport Services
- Annex on Financial Services
- Second Annex on Financial Services
- Annex on Negotiations on Maritime Transport Services
- Annex on Telecommunications
- Annex on Negotiations on Basic Telecommunications

## GENERAL AGREEMENT ON TRADE IN SERVICES

*Members,*

*Recognizing* the growing importance of trade in services for the growth and development of the world economy;

*Wishing* to establish a multilateral framework of principles and rules for trade in services with a view to the expansion of such trade under conditions of transparency and progressive liberalization and as a means of promoting the economic growth of all trading partners and the development of developing countries;

*Desiring* the early achievement of progressively higher levels of liberalization of trade in services through successive rounds of multilateral negotiations aimed at promoting the interests of all participants on a mutually advantageous basis and at securing an overall balance of rights and obligations, while giving due respect to national policy objectives;

*Recognizing* the right of Members to regulate, and to introduce new regulations, on the supply of services within their territories in order to meet national policy objectives and, given asymmetries existing with respect to the degree of development of services regulations in different countries, the particular need of developing countries to exercise this right;

*Desiring* to facilitate the increasing participation of developing countries in trade in services and the expansion of their service exports including, *inter alia*, through the strengthening of their domestic services capacity and its efficiency and competitiveness;

*Taking* particular account of the serious difficulty of the least-developed countries in view of their special economic situation and their development, trade and financial needs;

Hereby agree as follows:

### PART I

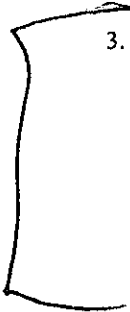
#### SCOPE AND DEFINITION

##### *Article I*

##### *Scope and Definition*

1. This Agreement applies to measures by Members affecting trade in services.
2. For the purposes of this Agreement, trade in services is defined as the supply of a service:
  - (a) from the territory of one Member into the territory of any other Member;
  - (b) in the territory of one Member to the service consumer of any other Member;
  - (c) by a service supplier of one Member, through commercial presence in the territory of any other Member;

- (d) by a service supplier of one Member, through presence of natural persons of a Member in the territory of any other Member.



3. For the purposes of this Agreement:

- (a) "measures by Members" means measures taken by:
  - (i) central, regional or local governments and authorities; and
  - (ii) non-governmental bodies in the exercise of powers delegated by central, regional or local governments or authorities;

In fulfilling its obligations and commitments under the Agreement, each Member shall take such reasonable measures as may be available to it to ensure their observance by regional and local governments and authorities and non-governmental bodies within its territory;

- (b) "services" includes any service in any sector except services supplied in the exercise of governmental authority;
- (c) "a service supplied in the exercise of governmental authority" means any service which is supplied neither on a commercial basis, nor in competition with one or more service suppliers.

## PART II

### GENERAL OBLIGATIONS AND DISCIPLINES

#### *Article II*

##### *Most-Favoured-Nation Treatment*

1. With respect to any measure covered by this Agreement, each Member shall accord immediately and unconditionally to services and service suppliers of any other Member treatment no less favourable than that it accords to like services and service suppliers of any other country.
2. A Member may maintain a measure inconsistent with paragraph 1 provided that such a measure is listed in, and meets the conditions of, the Annex on Article II Exemptions.
3. The provisions of this Agreement shall not be so construed as to prevent any Member from conferring or according advantages to adjacent countries in order to facilitate exchanges limited to contiguous frontier zones of services that are both locally produced and consumed.

#### *Article III*

##### *Transparency*

1. Each Member shall publish promptly and, except in emergency situations, at the latest by the time of their entry into force, all relevant measures of general application which pertain to or affect the operation of this Agreement. International agreements pertaining to or affecting trade in services to which a Member is a signatory shall also be published.

5. If, in the conclusion, enlargement or any significant modification of any agreement under paragraph 1, a Member intends to withdraw or modify a specific commitment inconsistently with the terms and conditions set out in its Schedule, it shall provide at least 90 days advance notice of such modification or withdrawal and the procedure set forth in paragraphs 2, 3 and 4 of Article XXI shall apply.

6. A service supplier of any other Member that is a juridical person constituted under the laws of a party to an agreement referred to in paragraph 1 shall be entitled to treatment granted under such agreement, provided that it engages in substantive business operations in the territory of the parties to such agreement.

7. (a) Members which are parties to any agreement referred to in paragraph 1 shall promptly notify any such agreement and any enlargement or any significant modification of that agreement to the Council for Trade in Services. They shall also make available to the Council such relevant information as may be requested by it. The Council may establish a working party to examine such an agreement or enlargement or modification of that agreement and to report to the Council on its consistency with this Article.

(b) Members which are parties to any agreement referred to in paragraph 1 which is implemented on the basis of a time-frame shall report periodically to the Council for Trade in Services on its implementation. The Council may establish a working party to examine such reports if it deems such a working party necessary.

(c) Based on the reports of the working parties referred to in subparagraphs (a) and (b), the Council may make recommendations to the parties as it deems appropriate.

8. A Member which is a party to any agreement referred to in paragraph 1 may not seek compensation for trade benefits that may accrue to any other Member from such agreement.

#### *Article V bis*

##### *Labour Markets Integration Agreements*

This Agreement shall not prevent any of its Members from being a party to an agreement establishing full integration<sup>2</sup> of the labour markets between or among the parties to such an agreement, provided that such an agreement:

- (a) exempts citizens of parties to the agreement from requirements concerning residency and work permits;
- (b) is notified to the Council for Trade in Services.

#### *Article VI*

##### *Domestic Regulation*

1. In sectors where specific commitments are undertaken, each Member shall ensure that all measures of general application affecting trade in services are administered in a reasonable, objective and impartial manner.

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<sup>2</sup>Typically, such integration provides citizens of the parties concerned with a right of free entry to the employment markets of the parties and includes measures concerning conditions of pay, other conditions of employment and social benefits.

2. (a) Each Member shall maintain or institute as soon as practicable judicial, arbitral or administrative tribunals or procedures which provide, at the request of an affected service supplier, for the prompt review of, and where justified, appropriate remedies for, administrative decisions affecting trade in services. Where such procedures are not independent of the agency entrusted with the administrative decision concerned, the Member shall ensure that the procedures in fact provide for an objective and impartial review.

(b) The provisions of subparagraph (a) shall not be construed to require a Member to institute such tribunals or procedures where this would be inconsistent with its constitutional structure or the nature of its legal system.

3. Where authorization is required for the supply of a service on which a specific commitment has been made, the competent authorities of a Member shall, within a reasonable period of time after the submission of an application considered complete under domestic laws and regulations, inform the applicant of the decision concerning the application. At the request of the applicant, the competent authorities of the Member shall provide, without undue delay, information concerning the status of the application.

4. With a view to ensuring that measures relating to qualification requirements and procedures, technical standards and licensing requirements do not constitute unnecessary barriers to trade in services, the Council for Trade in Services shall, through appropriate bodies it may establish, develop any necessary disciplines. Such disciplines shall aim to ensure that such requirements are, *inter alia*:

- (a) based on objective and transparent criteria, such as competence and the ability to supply the service;
- (b) not more burdensome than necessary to ensure the quality of the service;
- (c) in the case of licensing procedures, not in themselves a restriction on the supply of the service.

5. (a) In sectors in which a Member has undertaken specific commitments, pending the entry into force of disciplines developed in these sectors pursuant to paragraph 4, the Member shall not apply licensing and qualification requirements and technical standards that nullify or impair such specific commitments in a manner which:

- (i) does not comply with the criteria outlined in subparagraphs 4(a), (b) or (c); and
- (ii) could not reasonably have been expected of that Member at the time the specific commitments in those sectors were made.

(b) In determining whether a Member is in conformity with the obligation under paragraph 5(a), account shall be taken of international standards of relevant international organizations<sup>3</sup> applied by that Member.

6. In sectors where specific commitments regarding professional services are undertaken, each Member shall provide for adequate procedures to verify the competence of professionals of any other Member.

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<sup>3</sup>The term "relevant international organizations" refers to international bodies whose membership is open to the relevant bodies of at least all Members of the WTO.

# Voting Sheets



HOUSE COMMITTEE ON STATE-FEDERAL RELATIONS AND VETERANS AFFAIRS

EXECUTIVE SESSION on HCR 3

BILL TITLE: urging increased consideration and preservation of local authority in international trade and investment agreements.

DATE: January 27, 2011

LOB ROOM: 203

Amendments:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Vita

Seconded by Rep. Blankenbeker

Vote: 10-0 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: 10-0

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted.

Rep. Kirsten L. Larsen, Clerk

*Kirsten L. Larsen*

HOUSE COMMITTEE ON STATE-FEDERAL RELATIONS AND VETERANS AFFAIRS

EXECUTIVE SESSION on HCR 3

BILL TITLE: urging increased consideration and preservation of local authority in international trade and investment agreements.

DATE: 1/27/11

LOB ROOM: 203

Amendments:

Sponsor: Rep.	OLS Document #:
Sponsor: Rep.	OLS Document #:
Sponsor: Rep.	OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. *Vita*

Seconded by Rep. *Blankenbeker*

Vote: (Please attach record of roll call vote.) *10-0*

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: *10-0*

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

*Kirsten*  
Rep. ~~Kirsten~~ L. Larsen, Clerk

STATE-FEDERAL RELATIONS AND VETERANS AFFAIRS

Bill #: HCR 3 Title: Review in needed consideration + preservation of local  
activity in international trade + investment agreements.

PH Date: 1, 20, 11

Exec Session Date: 1, 27, 11

Motion: \_\_\_\_\_ Amendment #: \_\_\_\_\_

MEMBER	YEAS	NAYS
Baldasaro, Alfred P, Chairman	X	
Christiansen, Lars T		
Smith, Todd P		
Cunningham, Steven L	X	
Kingsbury, Robert P		
Larsen, Kirsten L	X	
Lundgren, David C		
McCarthy, Frank H	X	
Notter, Jeanine M	X	
Tamburello, Daniel J	X	
Vita, Lucien A	X	
Rokas, Theodoros V	X	
Domingo, Baldwin M		
Hofemann, Roland P		
Theberge, Robert L	X	
Spainhower, Dale S		
<i>Blankenbeter</i>	X	
TOTAL VOTE:	10	0

# Committee Report

**CONSENT CALENDAR**

**January 27, 2011**

**HOUSE OF REPRESENTATIVES**

**REPORT OF COMMITTEE**

The Committee on STATE-FEDERAL RELATIONS AND VETERANS AFFAIRS to which was referred HCR3,

AN ACT urging increased consideration and preservation of local authority in international trade and investment agreements. Having considered the same, report the same with the following Resolution:  
**RESOLVED, That it is INEXPEDIENT TO LEGISLATE.**

**Rep. Lucien A Vita**

**FOR THE COMMITTEE**

## COMMITTEE REPORT

Committee:	<b>STATE-FEDERAL RELATIONS AND VETERANS AFFAIRS</b>
Bill Number:	<b>HCR3</b>
Title:	<b>urging increased consideration and preservation of local authority in international trade and investment agreements.</b>
Date:	<b>January 27, 2011</b>
Consent Calendar:	<b>YES</b>
Recommendation:	<b>INEXPEDIENT TO LEGISLATE</b>

### STATEMENT OF INTENT

This bill contends that supranational treaties including the Free Trade Area of The Americas (FTAA), the United States-Chile Agreement, the General Agreement On Trade In Services (GATS), the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO) contain provisions that will result in the shifting of the power to regulate zoning, ground water and natural resource protection, corporate ownership of land and law enforcement by courts away from state and local governments. However, a review of web sites dedicated to the above treaties failed to produce any evidence that would support this position. Further, aside from the text of the bill, the sponsor failed to provide any documentation in support of his contentions, nor did any witnesses appear in support of the bill. In addition, this bill focuses on the threat of loss of state and local sovereignty due to the possible impact of a certain few treaties, addressing only a small part of a much larger issue; the process by which bureaucrats, who are not representatives of the people, are allowed to approve treaties and agreements with other countries and supranational organizations. This violation of the constitutional requirement for Congressional Oversight (Article 2, Section 2) has been justified by the need for expediency, has resulted in hundreds of agreements and treaties becoming law without the protection of a two-thirds majority vote of the United States Senate and will be addressed in this session by HCR 6.

Vote 10-0.

Original: House Clerk  
Cc: Committee Bill File

Rep. Lucien A Vita  
FOR THE COMMITTEE

Original: House Clerk  
Cc: Committee Bill File

## CONSENT CALENDAR

### STATE-FEDERAL RELATIONS AND VETERANS AFFAIRS

**HCR3**, urging increased consideration and preservation of local authority in international trade and investment agreements. **INEXPEDIENT TO LEGISLATE.**

Rep. Lucien A Vita for STATE-FEDERAL RELATIONS AND VETERANS AFFAIRS. This bill contends that supranational treaties including the Free Trade Area of The Americas (FTAA), the United States-Chile Agreement, the General Agreement On Trade In Services (GATS), the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO) contain provisions that will result in the shifting of the power to regulate zoning, ground water and natural resource protection, corporate ownership of land and law enforcement by courts away from state and local governments. However, a review of web sites dedicated to the above treaties failed to produce any evidence that would support this position. Further, aside from the text of the bill, the sponsor failed to provide any documentation in support of his contentions, nor did any witnesses appear in support of the bill. In addition, this bill focuses on the threat of loss of state and local sovereignty due to the possible impact of a certain few treaties, addressing only a small part of a much larger issue; the process by which bureaucrats, who are not representatives of the people, are allowed to approve treaties and agreements with other countries and supranational organizations. This violation of the constitutional requirement for Congressional Oversight (Article 2, Section 2) has been justified by the need for expediency, has resulted in hundreds of agreements and treaties becoming law without the protection of a two-thirds majority vote of the United States Senate and will be addressed in this session by HCR 6. **Vote 10-0.**

Original: House Clerk  
Cc: Committee Bill File

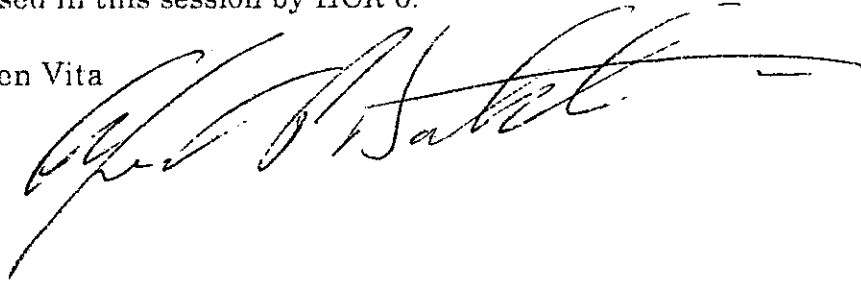


HCR 3 urging increased consideration and preservation of local authority in international trade and investment agreements.

ITL CC 10-0

This bill contends that supranational treaties including the Free Trade Area of The Americas (FTAA), the United States-Chile Agreement, the General Agreement On Trade In Services (GATS), the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO) contain provisions that will result in the shifting of the power to regulate zoning, ground water and natural resource protection, corporate ownership of land and law enforcement by courts away from state and local governments. However, a review of web sites dedicated to the above treaties failed to produce any evidence that would support this position. Further, aside from the text of the bill, the sponsor failed to provide any documentation in support of his contentions, nor did any witnesses appear in support of the bill. In addition, this bill focuses on the threat of loss of state and local sovereignty due to the possible impact of a certain few treaties, addressing only a small part of a much larger issue; the process by which bureaucrats, who are not representatives of the people, are allowed to approve treaties and agreements with other countries and supranational organizations. This violation of the constitutional requirement for Congressional Oversight (Article 2, Section 2) has been justified by the need for expediency, has resulted in hundreds of agreements and treaties becoming law without the protection of a two-thirds majority vote of the United States Senate and will be addressed in this session by HCR 6.

Rep. Lucien Vita

A handwritten signature in black ink, appearing to read "Rep. Lucien Vita", written over a horizontal line.

COMMITTEE REPORT

COMMITTEE: State, Federal Relations & Veterans Affairs

BILL NUMBER: HCR 3

TITLE: urging increased consideration & preservation of local authority in international trade & investment agreements.

DATE: \_\_\_\_\_ CONSENT CALENDAR: YES  NO

- OUGHT TO PASS
- OUGHT TO PASS W/ AMENDMENT
- INEXPEDIENT TO LEGISLATE
- INTERIM STUDY (Available only 2<sup>nd</sup> year of biennium)

Amendment No. \_\_\_\_\_

STATEMENT OF INTENT:

~~THIS BILL ADDRESSES ONLY A SMALL PART OF A MUCH LARGER ISSUE; THE APPROVAL OF TREATIES & AGREEMENTS WITH OTHER COUNTRIES & SUPRANATIONAL ORGANIZATIONS WITHOUT THE PROTECTION OF CONGRESSIONAL OVERSIGHT. THE FULL <sup>SCOPE</sup> OF THIS ISSUE WILL BE ADDRESSED BY HCR 6.~~

COMMITTEE VOTE: 10-0

- Copy to Committee Bill File
- Use Another Report for Minority Report

RESPECTFULLY SUBMITTED: \_\_\_\_\_  
 Rep. [Signature]  
 For the Committee  
Jucieri A. Vito

## **STATE-FEDERAL RELATIONS & VETERANS AFFAIRS**

**HCR 3**, urging increased consideration and preservation of local authority in international trade and investment agreements. **MAJORITY: INEXPEDIENT TO LEGISLATE. MINORITY: OUGHT TO PASS.**

Rep. Lucien A. Vita for the **Majority** of State-Federal Relations & Veterans Affairs: HCR 3 contends that supranational treaties including the Free Trade Area of The Americas (FTAA), the United States-Chile Agreement, the General Agreement On Trade In Services (GATS), the North American Free Trade Agreement (NAFTA) and the World Trade Organization (WTO) contain provisions that will result in the shifting of the power to regulate zoning, ground water and natural resource protection, corporate ownership of land and law enforcement by courts away from state and local governments. However, a review of web sites dedicated to the above treaties failed to produce any evidence that would support this position. Further, aside from the text of the bill, the sponsor failed to provide any documentation in support of his contentions, nor did any witnesses appear in support of the bill. In addition, this bill focuses on the threat of loss of state and local sovereignty due to the possible impact of a certain few treaties, addressing only a small part of a much larger issue; the process by which bureaucrats, who are not representatives of the people, are allowed to approve treaties and agreements with other countries and supranational organizations. This violation of the constitutional requirement for Congressional Oversight (Article 2, Section 2) has been justified by the need for expediency, has resulted in hundreds of agreements and treaties becoming law without the protection of a two-thirds majority vote of the United States Senate and will be addressed in this Session by HCR 6.

*AVB*