## FILE NO. 070855

RESOLUTION NO. 323-07

[Resolution - Safeguarding State and Local Governance in Trade Resolution]

Resolution respectfully urging Congress to safeguard domestic regulatory authority and policy space by rejecting any request for renewal of Fast Track Trade Authority, and to create a democratic, inclusive trade negotiating process that includes meaningful consultation with state and local governments and civil society groups.

WHEREAS, Democratic, accountable governance 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 pending trade agreements with Colombia, Peru, Panama and South Korea; and,

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 that exceed those granted to U.S. businesses under state and federal law, subject local 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 local governments; and,

WHEREAS, the current encroachment on state and local governance by international commercial and trade agreements has occurred in no small part because of the secretive and exclusive process by which trade provisions are negotiated; and,

WHEREAS, the recent failure of House leadership to consult other members of Congress, state and local policymakers, and key constituency groups before announcing the

\*\*Mirkarimi\*\* BOARD OF SUPERVISORS conclusion of negotiations with the Bush administration on reforms to the aforementioned trade agreements exemplifies this secretive and exclusive process; and,

WHEREAS, presidential Fast Track Trade Authority eliminates vital checks and balances established in the U.S. Constitution by broadly delegating Congress' exclusive authority to set the terms of trade over to the executive branch such that the executive branch is empowered to negotiate broad-ranging trade agreements in secret and to sign them prior to Congress voting on the agreements; and,

WHEREAS, the ability of the executive branch to negotiate trade agreements in secret and to sign trade agreements prior to Congress' vote of approval means executive branch negotiators are able to ignore congressional negotiating objectives and states' demands, and neither Congress nor the state have any means to enforce any decision regarding what provisions must be contained and what provisions may not be included in any U.S. trade agreement; and,

WHEREAS, Fast Track, which was established in 1974 when trade agreements were limited to traditional matters such as tariffs and quotas is now woefully outdated and inappropriate given the diverse range of non-trade issues now included in "trade" agreements that broadly affect federal, state and local non-trade regulatory authority; and,

WHEREAS, the current grant of Fast Track expires on June 30, 2007;now, therefore, be it

RESOLVED, That the City of San Francisco respectfully calls on Congress to safeguard domestic regulatory authority and policy space by rejecting any request for renewal of Fast Track Trade Authority, and to create a democratic, inclusive trade negotiating process that includes meaningful consultation with state and local governments and civil society groups; and, be it

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

FURTHER RESOLVED, That copies of this resolution be transmitted to the Governor, the California State Legislature, and the Bay Area Congressional delegation.

\*\*Mirkarimi\*\* BOARD OF SUPERVISORS



City and County of San Francisco

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

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## Resolution

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Date Passed:

Resolution respectfully urging Congress to safeguard domestic regulatory authority and policy space by rejecting any request for renewal of Fast Track Trade Authority, and to create a democratic, inclusive trade negotiating process that includes meaningful consultation with state and local governments and civil society groups.

June 12, 2007 Board of Supervisors — ADOPTED Ayes: 10 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

Absent: 1 - Jew

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I hereby certify that the foregoing Resolution was ADOPTED on June 12, 2007 by the Board of Supervisors of the City and County of San Francisco.

ulber Kay Gulbengay Interim Clerk of the Bard Mayor Gavin Newsom

JUN 2 2 2007

Date Approved