

114TH CONGRESS
2D SESSION

H. R. 6056

To assess the impact of the North American Free Trade Agreement (NAFTA), to require further negotiation of certain provisions of NAFTA, and to provide for the withdrawal from NAFTA unless certain conditions are met.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 2016

Ms. KAPTUR introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To assess the impact of the North American Free Trade Agreement (NAFTA), to require further negotiation of certain provisions of NAFTA, and to provide for the withdrawal from NAFTA unless certain conditions are met.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “NAFTA Accountability
5 Act”.

6 **SEC. 2. FINDINGS.**

7 The Congress makes the following findings:

1 (1) RISING DEFICITS IN UNITED STATES TRADE
2 ACCOUNTS.—One of the purposes of the North
3 American Free Trade Agreement (NAFTA), as stat-
4 ed in the preamble, is to “create an expanded and
5 secure market” for goods and services. Instead,
6 NAFTA has resulted in a spiraling United States
7 trade deficit with Mexico and Canada that exceeded
8 \$76,000,000,000 in 2015, and more than
9 \$1,800,000,000,000 since the agreement’s inception.
10 Rather than continuous development and expansion
11 as envisioned and growing trade surpluses for the
12 United States, NAFTA has resulted in United
13 States job losses and escalating trade deficits.

14 (2) EROSION OF THE UNITED STATES MANU-
15 FACTURING BASE.—One of the purposes of NAFTA
16 is to enhance the competitiveness of firms in the
17 global market. However, rather than increase the
18 ability of the manufacturing sector in the United
19 States to compete in the world market, NAFTA has
20 facilitated and accelerated the outsourcing of United
21 States manufacturing facilities and jobs to lower-
22 wage Mexico. Conservatively, NAFTA has led to
23 nearly 1,000,000 American job losses. Conversely,
24 Mexico has become an export platform displacing
25 United States production. An unprecedented flood of

1 imports of manufactured and agricultural goods now
2 enter the United States. Further, Mexico has experi-
3 enced an outsourcing of productivity to even lower-
4 wage China, as Chinese imports to Mexico have
5 grown and are imported into the United States.

6 (3) NAFTA SHOULD NOT BE EXPANDED.—
7 Congress approved NAFTA in order to achieve eco-
8 nomic, social, and environmental benefits for the
9 people of the United States. Based on currently
10 available information, the goals and objectives of
11 NAFTA are not being achieved. Therefore, NAFTA
12 should not be expanded to include any other coun-
13 try.

14 (4) NAFTA TO BE RENEGOTIATED AND BENE-
15 FITS CERTIFIED.—Based on the experience with
16 NAFTA since its implementation, it has become evi-
17 dent that further negotiation is required to resolve
18 fundamental inadequacies within NAFTA with re-
19 spect to trade balances, currency differentials, health
20 and environmental conditions, agricultural provi-
21 sions, systems of justice, and illegal immigration. If
22 NAFTA is to continue, Congress must require cer-
23 tification of specific measures of economic, social,
24 legal, and environmental progress. Otherwise Con-

gress has no choice but to withdraw its approval of
NAFTA.

**SEC. 3. CONDITIONS FOR CONTINUED PARTICIPATION IN
NAFTA.**

(a) IN GENERAL.—

(1) WITHDRAWAL OF APPROVAL.—Notwithstanding any other provision of law, unless each of the conditions described in paragraph (2) is met—

(A) the approval of NAFTA by Congress provided for in section 101(a) of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3311(a)) shall cease to be effective beginning on the date that is 365 days after the date of the enactment of this Act; and

(B) not later than 6 months after the date of the enactment of this Act, the President shall provide written notice of withdrawal to the Governments of Canada and Mexico in accordance with Article 2205 of NAFTA.

(2) CONDITIONS FOR CONTINUING PARTICIPATION IN NAFTA.—The conditions described in this paragraph are met if, not later than 120 days after the date of the enactment of this Act—

(A) the President—

1 (i) renegotiates the terms of NAFTA
2 in accordance with paragraphs (1), (2),
3 and (3) of subsection (b); and

4 (ii) provides the certification to Con-
5 gress described in subsection (b)(8);

6 (B) the Secretary of Labor and the Sec-
7 retary of Agriculture provide the certification
8 described in subsection (b)(4);

9 (C) the Secretary of Commerce and the
10 Secretary of Agriculture provide the certifi-
11 cation described in subsection (b)(5);

12 (D) the Secretary of Agriculture and the
13 Administrator of the Food and Drug Adminis-
14 tration provide the certification described in
15 subsection (b)(6)(A);

16 (E) the Administrator of the Environ-
17 mental Protection Agency submits the certifi-
18 cation described in subsection (b)(6)(B); and

19 (F) the Attorney General of the United
20 States provides the certification described in
21 subsection (b)(7).

22 (b) AREAS OF RENEGOTIATION AND CERTIFI-
23 CATION.—The areas of renegotiation and certification de-
24 scribed in this subsection are as follows:

1 (1) RENEGOTIATE NAFTA TO CORRECT TRADE
2 DEFICITS.—The President is authorized and directed
3 to confer with the Governments of Canada and Mex-
4 ico and to renegotiate the terms of NAFTA to pro-
5 vide for implementation of emergency adjustments of
6 tariffs, quotas, and other measures to stabilize and
7 balance the flow of trade among NAFTA Parties
8 when the United States has an annual deficit in
9 trade of goods and services with another NAFTA
10 Party that—

11 (A) exceeds 10 percent of United States
12 exports to that Party; or

13 (B) equals or exceeds \$500,000,000 for 3
14 or more consecutive years.

15 (2) RENEGOTIATE NAFTA TO CORRECT CUR-
16 RENCY DISTORTIONS.—The President is authorized
17 and directed to confer with the Governments of Can-
18 ada and Mexico and to renegotiate the terms of
19 NAFTA to provide for the implementation of emer-
20 gency adjustments of tariffs, quotas, and other
21 measures to mitigate the adverse effects of rapid or
22 substantial changes in exchange rates between the
23 United States dollar and the currency of another
24 NAFTA Party.

1 (3) RENEGOTIATE NAFTA TO CORRECT AGRI-
2 CULTURAL PROVISIONS.—The President is author-
3 ized and directed to confer with the Governments of
4 Canada and Mexico and to renegotiate the terms of
5 NAFTA to establish and strengthen provisions to
6 prevent imports of agricultural commodities from
7 any NAFTA Party from unfairly displacing United
8 States production, to provide improved mechanisms
9 for relief for United States producers that are ad-
10 versely impacted by such imports, and to address the
11 serious and growing problem of Mexico’s displaced
12 ejido peasant farmers and crime associated with law-
13 lessness in the United States–Mexico border zone.

14 (4) CERTIFICATION OF GAINS IN UNITED
15 STATES JOBS AND LIVING STANDARDS.—If the Sec-
16 retary of Labor and the Secretary of Agriculture,
17 after consultation with appropriate government
18 agencies and citizen organizations, determine that—

19 (A) the number of jobs resulting from in-
20 creased exports of United States goods and
21 services to other NAFTA Parties exceeds the
22 number of jobs lost because of imports of goods
23 and services from other NAFTA Parties since
24 January 1, 1994; and

1 (B) the purchasing power of wage-earners
2 in the United States has increased since Janu-
3 ary 1, 1994,
4 the Secretaries shall so certify to Congress.

5 (5) CERTIFICATION OF INCREASED DOMESTIC
6 MANUFACTURING.—If the Secretary of Commerce
7 and the Secretary of Agriculture, after consultation
8 with the appropriate government agencies and cit-
9 izen organizations, determine that the export of
10 United States manufactured and agricultural goods
11 to NAFTA Parties exceeds the imports of manufac-
12 tured and agricultural goods from NAFTA Parties,
13 the Secretaries shall so certify to Congress. In mak-
14 ing the determination, the Secretaries shall not in-
15 clude any goods originating outside the United
16 States that are exported to another NAFTA Party,
17 nor imports from another NAFTA Party that are
18 destined for other countries.

19 (6) CERTIFICATION RELATING TO HEALTH AND
20 ENVIRONMENTAL STANDARDS.—

21 (A) IN GENERAL.—If the Secretary of Ag-
22 riculture and the Administrator of the Food
23 and Drug Administration, after consultation
24 with appropriate government agencies and cit-
25 izen organizations, determine, with respect to

1 imports from NAFTA Parties, that since Janu-
2 ary 1, 1994, there has been a reduced incidence
3 of contaminated and adulterated food, food con-
4 taining additives or pesticide residues exceeding
5 United States standards, or food containing ad-
6 ditives or pesticide residues which cannot be le-
7 gally used in the United States, the Secretary
8 and Administrator shall so certify to Congress.
9 In making this determination, all foods and
10 food products, including fruits, vegetables,
11 grains, oilseeds, and meats, both fresh and
12 processed, shall be reviewed.

13 (B) BORDER AREA POLLUTION.—If the
14 Administrator of the Environmental Protection
15 Agency determines that conditions affecting
16 public health in the United States–Mexico bor-
17 der zone have not worsened since January 1,
18 1994, the Administrator shall so certify to Con-
19 gress.

20 (7) CERTIFICATION RELATING TO ILLEGAL
21 DRUGS.—If the Attorney General of the United
22 States determines, after a review by the Drug En-
23 forcement Administration and consultation with ap-
24 propriate government agencies and citizen organiza-
25 tions, that increased imports from NAFTA Parties

1 are not resulting in an increase in crime with illegal
2 drugs or other controlled substances from Mexico or
3 Canada, the Attorney General shall so certify to
4 Congress.

5 (8) CERTIFICATION RELATING TO DEMOCRACY
6 AND HUMAN FREEDOMS.—If the President, after
7 consultation with appropriate government agencies,
8 international organizations, and citizen organiza-
9 tions, determines that the Government of Mexico—

10 (A) is elected in free and fair elections;

11 (B) protects the rights of its citizens to or-
12 ganize into political parties;

13 (C) protects the rights of its citizens to
14 free speech and the right of the news media to
15 operate without fear of government control or
16 reprisal;

17 (D) protects the rights of its citizens to as-
18 semble and to organize associations to advance
19 human rights and economic opportunities; and

20 (E) receives fair and impartial litigation of
21 suits and trials according to the rule of law in
22 a transparent justice system,

23 the President shall so certify to Congress.

1 **SEC. 4. SENSE OF CONGRESS THAT NAFTA NOT BE EX-**
2 **PANDED.**

3 Until such time as the conditions described in section
4 3(b) are met, it is the sense of Congress that the President
5 should not engage in negotiations to expand NAFTA to
6 include other countries and that trade promotion authority
7 should not be renewed with respect to the approval of any
8 such expansion of NAFTA.

9 **SEC. 5. DEFINITIONS.**

10 In this Act:

11 (1) **NAFTA.**—The term “NAFTA” means the
12 North American Free Trade Agreement entered into
13 between the United States, Canada, and Mexico on
14 December 17, 1992.

15 (2) **NAFTA PARTY.**—The term “NAFTA
16 Party” means the United States, Canada, or Mexico.

17 (3) **UNITED STATES–MEXICO BORDER ZONE.**—
18 The term “United States–Mexico border zone”
19 means the area that comprises the 12-mile zone on
20 the Mexican side of the United States–Mexico border
21 and the counties within any State of the United
22 States that are contiguous with Mexico.

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