# 

## HOUSE MEMORIAL 86

# 53rd legislature - STATE OF NEW MEXICO - SECOND SESSION, 2018

#### INTRODUCED BY

Nathan P. Small and Larry R. Scott

### A MEMORIAL

RECOGNIZING THE IMPORTANCE OF THE NORTH AMERICAN FREE TRADE
AGREEMENT TO NEW MEXICO'S ECONOMY, TO OTHER STATES ON THE
BORDER WITH MEXICO AND TO THE GENERAL AMERICAN ECONOMY;
REQUESTING THAT THE UNITED STATES GOVERNMENT COMMIT TO
PROTECTING THE CURRENT AND ONGOING INVESTMENT THAT IS
PREDICATED ON THE AGREEMENT AS IT NEGOTIATES WITH MEXICO AND
CANADA TO MODERNIZE THE AGREEMENT.

WHEREAS, for over two decades, the North American Free
Trade Agreement, commonly referred to as NAFTA, has
strengthened the economic, cultural and strategic bonds between
the United States of America, Mexico and Canada; and

WHEREAS, in a review of the North American Free Trade

Agreement, the international trade administration of the United

States department of commerce reported that American exports to

.210004.2

Canada and Mexico had grown by nearly four hundred thirty billion dollars (\$430,000,000,000) during the agreement's first twenty years; and

WHEREAS, in 2015, Fortune magazine reported that total trade among the three countries was nearly one trillion dollars (\$1,000,000,000,000); and

WHEREAS, in January 2018, global affairs Canada reported that annual New Mexico exports of good and services to Canada total three hundred thirty-nine million dollars (\$339,000,000) and that Canadian travelers spend twenty-nine million dollars (\$29,000,000) in New Mexico annually;

WHEREAS, in 2016, the border industrial association reported that since 2007, all four of the border states have experienced strong growth in their international exports to Mexico; and

WHEREAS, respectively, California has experienced fortysix percent growth, Texas has experienced sixty-five percent
growth, Arizona has experienced seventy-five percent growth and
New Mexico has experienced three hundred fifty percent growth;
and

WHEREAS, forty-five percent of New Mexico's current international export trade is with Mexico and, of the ten thousand four hundred jobs in New Mexico that are directly tied to the North American Free Trade Agreement, most are tied to trade with Mexico; and

.210004.2

2

3

5

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

WHEREAS, vast international logistics routes have been developed to take advantage of the consumer and labor markets created by the North American Free Trade Agreement; and

WHEREAS, Union Pacific, with the help of millions of dollars of tax expenditure incentives from the state of New Mexico, has built a large transmodal shipping center in the Sunland Park/Santa Teresa area in New Mexico to serve the national and international trade that is leveraged through the North American Free Trade Agreement; and

WHEREAS, the Union Pacific transmodal shipping center is the linchpin for the Sunset limited shipping route serving communities through its eastern branches from New Orleans, Louisiana, and Houston, Texas, to Long Beach, California, at its western terminus; and

WHEREAS, significant public and private business investment is ongoing in a number of locations in New Mexico to develop warehousing, manufacturing and distribution facilities to leverage the potential of the logistics routes created by the North American Free Trade Agreement; and

WHEREAS, the existing and growing business sector tied to the North American Free Trade Agreement is a critical element in the diversification of New Mexico's job market;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
REPRESENTATIVES OF THE STATE OF NEW MEXICO that the United
States government be requested to commit to continuing

.210004.2

negotiations until a modernized North American Free Trade Agreement is completed that does not undercut existing investment or disrupt the ongoing investment in infrastructure and promotes the full potential for economic growth of the partners to the agreement; and

BE IT FURTHER RESOLVED that copies of this memorial be sent to the president of the United States, the president of Mexico, the prime minister of Canada, the United States secretary of state, the United States trade representative, the secretary of economy of Mexico, the minister of foreign affairs of Canada and the governor of New Mexico.

- 4 -