



# State of Wisconsin

LEGISLATIVE REFERENCE BUREAU

## **RESEARCH APPENDIX -** **PLEASE DO NOT REMOVE FROM DRAFTING FILE**

Date Transfer Requested: 07/01/2005 (Per: CMH)



### Appendix – Part 02 of 09

☞ The 2005 drafting file for: LRB 05b0649

LRB 05b0760

LRB 05b0807

LRB 05b0650

LRB 05b0696

LRB 05b0699

LRB 05b0700

LRB 05b0701

LRB 05b0761

has been copied/added to the 2005 drafting file for

# **LRB 05b0809**

2005 DRAFTING REQUEST

Senate Amendment (SA-AB100)

Received: 06/29/2005

Received By: pdykman

Wanted: Today

Identical to LRB:

For: Judith Robson (608) 266-2253

By/Representing: Sargent, Justin

This file may be shown to any legislator: NO

Drafter: pdykman

May Contact:

Addl. Drafters:

Subject: Memorials - to Congress  
Legislature - miscellaneous

Extra Copies: RAC  
JTK  
JK  
RPN

Submit via email: YES

Requester's email: Sen.Robson@legis.state.wi.us

Carbon copy (CC:) to:

Pre Topic:

No specific pre topic given

Topic:

CAFTA with extra points

Instructions:

See Attached SR 8 plus points regarding NCSL, League of Wisconsin Municipalities

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?							
/1	pdykman 06/29/2005	lkunkel 06/29/2005	chaugen 06/29/2005		mbarman 06/29/2005	mbarman 06/29/2005	

FE Sent For:

<END>

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/?            pdykman

*Ch*  
*6-29*      *Ch*  
*5*      *6-29*

FE Sent For:

<END>



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRBb0760/1  
PJD:.....

SENATE AMENDMENT,  
TO 2005 ASSEMBLY BILL 100

*ran  
redraft  
for 60756/1*

~~*Went*~~  
*1 pm*

*Add insert*

1 At the locations indicated, amend the engrossed bill as follows:

2 1. Page 981, line 18: after that line insert:

3 "(3dw) URGING CONGRESS TO NOT ENTER INTO THE CENTRAL AMERICA FREE TRADE  
4 AGREEMENT UNTIL THE UNITED STATES HAS A GREATER UNDERSTANDING OF THE IMPACTS  
5 OF THE NORTH AMERICAN FREE TRADE AGREEMENT AND THE WORLD TRADE  
6 ORGANIZATION.

7 (a) 1. The United States of America has always been the world leader in  
8 promoting free trade, which is the hallmark of our capitalistic society.

9 2. Free trade only thrives when there is a level playing field of government  
10 regulation between trading partners.

11 3. The 1993 North American Free Trade Agreement (NAFTA) was supposed to  
12 bring additional prosperity to the United States and level the playing field with  
13 Canada and Mexico, perpetuating free trade between our nations.

1           4. Notwithstanding the good intentions of NAFTA, our nation has suffered the  
2 loss of almost 900,000 jobs due to NAFTA, many of them in the manufacturing sector.

3           5. The United States has gone from a trade surplus with Mexico prior to NAFTA  
4 to a substantial trade deficit.

5           6. The United States is a current member of the World Trade Organization  
6 (WTO), which has been called "The United Nations of World Trade".

7           7. The United States consistently bows to the wishes of the WTO, allowing an  
8 international governing body to dictate what our laws should be.

9           8. Both the WTO and NAFTA, through the use of trade tribunals, now claim  
10 sovereign authority to overrule decisions of American courts and make awards to  
11 foreign businesses for violations of trade agreements.

12           9. Both the WTO and NAFTA shift power away from state and local  
13 governments towards international trade tribunals operating under international  
14 law, instead of domestic statutory or constitutional law.

15           10. The United States is considering entering into the Central America Free  
16 Trade Agreement (CAFTA) in 2005.

17           11. Based upon the experience that the United States has had with NAFTA and  
18 the WTO, United States membership in the planned CAFTA would increase the  
19 exodus of manufacturing from Wisconsin and the United States to other countries.

20           (b) The legislature of the state of Wisconsin respectfully but firmly urges all  
21 members of the United States Congress to vote "no" on any agreement for the United  
22 States to enter into the CAFTA at this time.

23           (c) The legislature of the state of Wisconsin urges the United States Congress  
24 to not enter into the CAFTA until the United States has a greater understanding of  
25 the impacts of NAFTA and the WTO.



2005-2006 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRBb0760/lins  
PJD:.....

LPS:  
text: \*NS: subd

1           10. The National Conference of State Legislatures has taken a very strong  
2           position against preemption of state and local laws by trade agreements as stated in  
3           <http://www.ncsl.org/statefed/econdev.htm#freetrade>: "NCSL also believes that these  
4           agreements to liberalize the world trading and investment system can and must be  
5           harmonized with traditional American values of constitutional federalism. In  
6           particular, NCSL recognizes that reservations can be made to trade and investment  
7           agreements that limit the unnecessary preemption of state law and that preserve the  
8           authority of state legislatures. Implementing legislation for trade and investment  
9           agreements also can and should be crafted to include protections for our  
10          constitutional system of federalism. ... Therefore, reservations must be made to  
11          trade and investment agreements to <sup>single quotes</sup>carve out state laws that might otherwise be  
12          subject to challenge. Particular care must be exercised to ensure that state tax laws  
13          and revenue systems are not subject to unjustified challenge under international  
14          agreements. Provisions must also be made in federal implementing legislation that  
15          commit the federal government to protect state lawmaking authority when it is  
16          exercised in conformity with accepted U.S. constitutional principles of  
17          nondiscrimination against foreign commerce." ✓

LPS: text: \*NS: subd

18          11. The League of Wisconsin Municipalities has taken a strong position against  
19          the preemption of local government actions and laws as stated in  
20          <http://www.lwm-info.org/legislative/resolutions/2003.html>. The League: ✓

21          ☐ "1. Urges the President and members of Congress to oppose the FTAA and the  
22          GATS, and any other international agreements that:

1 a. include regulatory expropriation or investor-to-state dispute resolution  
 2 clauses like the NAFTA provisions that corporations have used to challenge  
 3 legitimate local government actions;

4 b. allow unelected trade bureaucrats to declare legitimate health, safety,  
 5 environmental, or consumer protection standards to be "barriers to trade;"

6 c. lead to significant losses of family-supporting jobs, and their replacement  
 7 with low-paying, no-benefit, non-union service jobs;

8 d. do not protect workers' right to organize in all signatory countries;

9 e. could be used to force preemption of local rule, local control and home rule;  
 10 or

11 f. give more rights to major corporations while limiting the ability of local  
 12 communities to pursue goals like environmental protection, public health, and  
 13 economic development." ✓

14 LPS: text: \*NS: subd  
 12. Faith Informs Perspectives on CAFTA, says The SHARE Foundation at  
 15 [http://www.share-elsalvador.org/cafta/faith\\_perspective.htm](http://www.share-elsalvador.org/cafta/faith_perspective.htm). It reports that

16 The Bishops' Secretariat of Central America (SEDAC) and the Chairmen of the  
 17 Domestic and International Policy Committees of the United States Conference of  
 18 Catholic Bishops (USCCB) issued a Joint Statement Concerning the U.S.-Central  
 19 American Free Trade Agreement (US-CAFTA) at  
 20 [http://www.wola.org/economic/cafa\\_c\\_a\\_bishops\\_statement.htm](http://www.wola.org/economic/cafa_c_a_bishops_statement.htm), which includes:

21 "According to our pastoral vision, which is inspired by the Gospel and the  
 22 Church's social teaching, the human person must be at the center of all economic  
 23 activity. Free trade agreements, such as CAFTA, should be a way of achieving  
 24 authentic human development that upholds basic values such as human dignity,



1 solidarity and subsidiarity. Whether such treaties are ethical or not depends on how  
2 these values are pursued.

3 "We believe that in an increasingly interdependent world, it is essential that  
4 economic globalization be made more human by globalizing solidarity among people  
5 everywhere. If this is not done, then, as Pope John Paul II has said, the poorest  
6 appear to have little hope (Ecclesia de Eucharistia, 20).<sup>single quote</sup> Indeed, if globalization is  
7 ruled merely by the laws of the market applied to suit the powerful, the consequences  
8 cannot but be negative (Ecclesia in America, 20).<sup>single quote</sup>

9 "Taking into consideration the concerns of the poor – who make up the majority  
10 of the people in Central America – and before any possible ratification of the  
11 US-CAFTA takes place by the national legislative bodies, we respectfully request:

12 11. That the Free Trade Agreement should contribute to sustainable human  
13 development, especially among the poorest and most vulnerable sectors. This agenda  
14 should include adequate financial resources that will enable the countries of Central  
15 America to invest not only in their trade capacity, but in social and human  
16 development.

17 22. That the countries' governments take as much time as necessary to provide  
18 adequate information and foster broad debate about the content and impact of the  
19 Free Trade Agreement that will serve as the basis for discussion in our respective  
20 legislatures.

21 33. The moral measure of any trade agreement should be how it affects the lives  
22 and dignity of poor families and vulnerable workers whose voice should receive  
23 special attention in this discussion."

24 <sup>lps. text: \*NS: subd</sup> 13. A number of Protestant Churches have taken a position similar to those  
25 bishops, stressing:

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<http://www.mcc.org/us/globalization/viewpoints/cafta.html>

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“Any trade agreement should preserve government authority to regulate foreign investment in order to achieve national sustainable development policies. Governments should be able to establish performance requirements in order to support an emerging productive sector or meet community development plans. Equally, governments should be able to impose capital controls to protect their economies and citizens from destructive flows of speculative investment.

“The rights established under international human, labor and environmental agreements and conventions should take precedence over investor rights. The Investor-State clause in NAFTA, the U.S.-Chile FTA and the proposed Free Trade Area of the Americas (FTAA) grants foreign investors the right to sue governments for compensation over public-interest laws that could undermine their potential profits. Alarming, 27 cases have been brought under NAFTA, many against local environmental laws. This provision has also been used to threaten governments considering new laws or regulations for public health and safety. Any trade agreement should reject investor-to-state lawsuits and require foreign investors to work within the laws and court systems of the host country. Disputes between countries should be resolved in an accountable and transparent manner, and with the participation of all affected parties.”

<http://capwiz.com/churchworld/issues/alert/?alertid=7535196&type=CO>

And  
Similarly

more  
to pg. 5  
insert

“Scripture addresses many unjust economic practices, including monopolistic greed that deprives people of their homes and livelihoods (Isaiah 5:8) and exploitation of workers (James 5:4). CAFTA gives every indication of promoting these terrible injustices. In a Pastoral Letter of the Council of Churches of Latin America: Nicaragua, Costa Rica & Panama, Central American church leaders

1 express opposition to CAFTA, because it is "incompatible with human development."

2 "Every human institution," they go on to say, "should be for the development of life

3 *Δ.Δ.Δ* ↑ moved from pg 4 insert (NO #



State of Wisconsin  
2005 - 2006 LEGISLATURE

LRBb0760/1  
PJD:lmk:ch

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TO 2005 ASSEMBLY BILL 100

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