

1 HOUSE JOINT RESOLUTION NO. 21

2 INTRODUCED BY W. CURDY

3
4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF
5 MONTANA URGING THE PRESIDENT AND CONGRESS TO CONSIDER FURTHER ENGAGEMENT IN
6 MULTILATERAL TRADE AGREEMENTS, PARTICULARLY THOSE AFFECTING TRADE IN AGRICULTURE,
7 LIVESTOCK, AND OTHER PRODUCTS IN WHICH MONTANA HAS A TRADE SURPLUS, AND AVOIDING THE
8 USE OF TARIFFS THAT CREATES WINNERS AND LOSERS IN TRADE AND CREATES SHIFTING WORLD
9 MARKETS AND POTENTIAL ECONOMIC INSTABILITY.

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11 WHEREAS, the age of multilateral trade agreements under the World Trade Organization and other
12 far-reaching trade pacts helped to boost the economies of industrialized countries and emerging markets alike
13 from post-World War II days through the 1990s; and

14 WHEREAS, recent protectionist measures, particularly U.S. imposition of tariffs on aluminum and steel
15 and retaliatory tariffs from China on a range of agricultural and other U.S. products, have begun to undermine
16 multilateral trade agreements and impact Montana businesses, including raising the cost of raw aluminum
17 products for manufacturers in Bonner and Kalispell, decreasing the production at REC Silicon in Butte, and cutting
18 into Montana imports from China, which U.S. census data reported as \$68.3 million in 2017, as well as Montana's
19 2017 estimated exports to China of an estimated \$116.3 million, with China no longer purchasing wheat from the
20 United States as of March 2018, according to U.S. Wheat Associates; and

21 WHEREAS, abrogation of multilateral trade agreements has particular potential to harm Montana's farm
22 and ranch industry by increasing prices for Montana agricultural trade in comparison with its competitors, as
23 evidenced by the reduction in Japanese tariffs under the Comprehensive and Progressive Agreement for
24 Trans-Pacific Partnership that took effect in late 2018 and resulted in Japanese tariffs for Australian and Canadian
25 milling wheat dropping from \$150 per metric ton to an effective tariff of about \$85 per metric ton, while Montana
26 and other U.S. wheat producers remain under the \$150 per metric ton tariff, according to U.S. Wheat Associates;
27 and

28 WHEREAS, while bilateral trade agreements are one good step and regional free-trade agreements are
29 better because they involve more buyers, multilateral agreements bring the most partners to the table, leaving
30 fewer nations out of low-tariff trade relationships.

1 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE
2 STATE OF MONTANA:

3 (1) That the United States Congress should work with the administration to encourage renewed efforts
4 at multilateral trade agreements with traditional trade partners.

5 (2) That the administration should direct the United States Trade Representative to reopen negotiations
6 aimed at joining a multilateral trade agreement, such as the Comprehensive and Progressive Agreement for
7 Trans-Pacific Partnership that many of America's and Montana's trading partners in Asia joined in late 2018.

8 (3) That the Secretary of State send a copy of this resolution to the President of the United States, the
9 Speaker of the United States House of Representatives, and the Majority Leader of the United States Senate to
10 show support for multilateral trade agreements and concern about the harm to Montanans, particularly farmers
11 and ranchers, from the use of tariffs that help only some industries at the expense of others and increase costs
12 to American consumers.

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