

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.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 2016

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

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## 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-

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

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

5       (a) IN GENERAL.—

6           (1) WITHDRAWAL OF APPROVAL.—Notwith-  
7       standing any other provision of law, unless each of  
8       the conditions described in paragraph (2) is met—

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

15           (B) not later than 6 months after the date  
16       of the enactment of this Act, the President  
17       shall provide written notice of withdrawal to the  
18       Governments of Canada and Mexico in accord-  
19       ance with Article 2205 of NAFTA.

20       (2) CONDITIONS FOR CONTINUING PARTICIPA-  
21       TION IN NAFTA.—The conditions described in this  
22       paragraph are met if, not later than 120 days after  
23       the date of the enactment of this Act—

24           (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 AGRICULTURAL PROVISIONS.—The President is authorized and directed to confer with the Governments of Canada and Mexico and to renegotiate the terms of NAFTA to establish and strengthen provisions to prevent imports of agricultural commodities from any NAFTA Party from unfairly displacing United States production, to provide improved mechanisms for relief for United States producers that are adversely impacted by such imports, and to address the serious and growing problem of Mexico’s displaced ejido peasant farmers and crime associated with lawlessness in the United States–Mexico border zone.

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

19                   (A) the number of jobs resulting from increased exports of United States goods and services to other NAFTA Parties exceeds the number of jobs lost because of imports of goods and services from other NAFTA Parties since 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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