

SENATE BILL REPORT

SSB 5512

AS PASSED SENATE, MARCH 16, 1993

Brief Description: Studying the impact on state businesses of international trade agreements.

SPONSORS: Senate Committee on Trade, Technology & Economic Development (originally sponsored by Senators M. Rasmussen, Erwin, Bluechel, Skratek, Sheldon and Snyder)

SENATE COMMITTEE ON TRADE, TECHNOLOGY & ECONOMIC DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 5512 be substituted therefor, and the substitute bill do pass.

Signed by Senators Skratek, Chairman; Sheldon, Vice Chairman; Bluechel, Deccio, Erwin, M. Rasmussen, and Williams.

Staff: Midori Okazaki (786-7444)

Hearing Dates: February 12, 1993; February 18, 1993

BACKGROUND:

The current Uruguay round of negotiations of the General Agreement on Tariffs and Trade (GATT), with discussions on reducing agricultural subsidies and application of GATT to trade in service and intellectual property, continues. Legislative debate over the North American Free Trade Agreement (NAFTA) signed in 1992 is expected this year. NAFTA participants constitute over one third of the world's GNP. Implementation of these trade agreements offer both new opportunities and challenges for Washington's small manufacturing and export firms.

SUMMARY:

The Department of Trade and Economic Development shall conduct a study on the effects of the North American Free Trade Agreement and the Uruguay round of the General Agreement on Tariffs and Trade on businesses in the six most significant traded sectors of the state's economy. In conducting the study, the department should utilize existing analyses, data, and studies on the trade agreements.

Appropriation: \$45,000

Revenue: none

Fiscal Note: available

TESTIMONY FOR:

The study properly focuses on sectors, because the trade agreements will affect different sectors differently. The Department of Trade and Economic Development has already done some preliminary work in this regard.

TESTIMONY AGAINST:

The state should not expend resources doing original research when other analyses exist.

TESTIFIED: Rio Howard, Port of Seattle; David Tang, Washington Council for International Trade; Phil Jones