

# HOUSE BILL REPORT

## SSB 5512

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As Reported By House Committee On:  
Trade, Economic Development & Housing

**Title:** An act relating to study of international trade agreements.

**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).

**Brief History:**

Reported by House Committee on:  
Trade, Economic Development & Housing, April 1, 1993,  
DPA.

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### HOUSE COMMITTEE ON TRADE, ECONOMIC DEVELOPMENT & HOUSING

**Majority Report:** Do pass as amended. Signed by 8 members: Representatives Wineberry, Chair; Shin, Vice Chair; Campbell; Conway; Morris; Quall; Springer; and Valle.

**Minority Report:** Do not pass. Signed by 5 members: Representatives Forner, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Casada; Schoesler; and Wood.

**Staff:** Charlie Gavigan (786-7340).

**Background:** The current Uruguay round of negotiations of the General Agreement on Tariffs and Trade (GATT) continues, with discussions on reducing agricultural subsidies and application of GATT to trade in service and intellectual property. 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 gross national product. Implementation of these trade agreements offers both new opportunities and challenges for Washington's businesses and citizens.

**Summary of Amended Bill:** 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 GATT on the Washington economy and environment, and on businesses in the six most significant traded sectors of the state's economy. In conducting the study, the department must consult with several agencies and organizations, and should utilize existing analyses, data, and studies on the trade agreements.

If funding is not provided for the bill in the 1993-95 omnibus appropriations act by June 30, 1993, this act is null and void.

**Amended Bill Compared to Substitute Bill:** The study analyzes the impacts of the trade agreements on the economy and the environment in addition to the impact on businesses in the six largest trade sectors. The \$45,000 appropriation is removed and a null and void clause is added.

**Fiscal Note:** Available.

**Effective Date of Amended Bill:** Ninety days after adjournment of session in which bill is passed. However, the bill is null and void if not funded in the budget.

**Testimony For:** The GATT and NAFTA trade agreements will significantly impact Washington State's economy and exporting businesses. It is important that available information be consolidated by one state agency and that the Legislature be provided with an analysis of the impacts of these agreements so that appropriate responses can be taken.

**Testimony Against:** None.

**Witnesses:** Senator Marilyn Rasmussen, prime sponsor (pro).