



New Jersey Assembly Majority Office

Speaker Joseph J. Roberts, Jr.
Majority Leader Bonnie Watson Coleman
Speaker Pro Tempore Jerry Green



EGAN'S 'JOBS TRADE AND DEMOCRACY ACT' ADVANCES

Measure Would Reinforce Legislature's Role in Decisions to Bind New Jersey To International Trade Agreements

May 22, 2008

(TRENTON) - The Assembly Labor Committee today released legislation Assemblymen Joseph V. Egan sponsored to provide the public and lawmakers in New Jersey the opportunity to weigh-in on federal international trade policies that could potentially impact the state's economy.

"In today's global marketplace, international trade agreements have a significant impact on our New Jersey's economy, business and jobs," said Egan (D-Middlesex), chairman of the labor panel.

"In these challenging economic times, we must ensure that New Jersey's voice can be heard loud-and-clear before we bind ourselves to accords that may have a detrimental impact on jobs and the economy in the state."

Egan noted that states have enjoyed a significant measure of autonomy to set their own procurement policies. However, recent international trade pacts - including the World Trade Organization's Agreement on Government Procurement, bilateral accords with Chile and Australia, and a growing number of multi-lateral trade agreements - have sought to impose broad restrictions on the ability of a state to set its own procurement rules.

An individual state's decision to abide by international trade agreements negotiated by the United States Trade Representative (USTR) is purely voluntary and have traditionally been given through letters of consent from a governor to the USTR. However, few legislatures have recognized and exercised their power to help determine whether such consent should be given.

"The decision to bind New Jersey to an agreement that would directly impact jobs and business in our state should be done with the Legislature's advise and consent," said Egan.

The Assemblyman noted that in the case of the Central American Free Trade Agreement, the governors of six states - Iowa, Maine, Minnesota, Missouri, Oregon and Pennsylvania - actually withdrew their letters of consent. Governors in Montana and Wisconsin have informed the USTR of their intentions to not bind their states to future trade agreements.

Egan's measure (A-2754) - the "Jobs, Trade and Democracy Act" - would cement the Legislature's role in setting statewide trade policy by empowering state legislators to play a direct role in the decision to bind New Jersey to a trade agreement.

Egan's legislation would:

- Require lawmakers approve any provision that would bind New Jersey to a trade agreement;
- Provide for the designation of four members of the Legislature to serve as official liaisons with the Governor's office and the federal government on trade policy;
- Establish a Citizen's Commission on Jobs, Trade and Democracy to monitor trade negotiations and disputes and assess the social, environmental, legal, and economic impacts of trade agreements and proposed trade agreements through public hearings;

"It is likely that only a few in Trenton have ever recognized that we have a direct role to play in the setting of fair international trade policy," said Egan. "Protecting, preserving, and promoting our state's economy in the global marketplace cannot simply be left to federal officials in the White House. We must ensure that decisions which will impact New Jersey are, in fact, made in New Jersey."

The bill was released from the committee 8 to 0 with 1 abstention. It now heads to the Assembly Speaker, who decides if and when to post them for a floor vote.

<http://www.politickernj.com/gitabajaj/19976/egans-jobs-trade-and-democracy-act-advances>