SECOND REGULAR SESSION

SENATE BILL NO. 930

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR GREEN.

Read 1st time January 23, 2006, and ordered printed.

4458S.01I

TERRY L. SPIELER, Secretary.

AN ACT

To amend chapters 21 and 620, RSMo, by adding thereto four new sections relating to trade agreements.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapters 21 and 620, RSMo, are amended by adding thereto

- 2 four new sections, to be known as sections 21.850, 21.852, 620.1600, and 620.1602,
- 3 to read as follows:
 - 21.850. 1. As used in sections 21.850 to 21.852, the term "office"
- 2 shall mean the office of trade enforcement created under section
- 3 **620.1600**, RSMo.
- 4 2. This state shall not be bound by any trade agreement without
- 5 the consent of the general assembly.
- 3. The following actions are required before this state shall
- 7 consent to the terms of a trade agreement:
- 8 (1) When a request has been received, any member of the general
- 9 assembly may submit to the general assembly, on a day on which both
- 10 houses are in session, a copy of the final text of the trade agreement,
- 11 together with:
- 12 (a) A report by the office including an analysis of how the trade
- 13 agreement may change or affect existing state law;
- 14 (b) A statement of any administrative action proposed to
- 15 implement these trade agreement provisions in this state; and
- 16 (c) Legislation authorizing this state to agree to the specific listed
- 17 provisions of the trade agreement in question;
- 18 (2) A public hearing, with adequate public notice, shall occur
- 19 before the general assembly votes on the bill; and
- 20 (3) Legislation authorizing this state to agree to the trade

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21 agreement shall be passed by both houses of the general assembly and 22 signed by the governor.

- 21.852. 1. Subject to appropriation from the general revenue fund, 2 two individuals shall be appointed, at the beginning of each legislative 3 session, as general assembly points of contact. The general assembly 4 points of contact shall serve as such until the final day of the legislative 5 session. The speaker of the house of representatives shall appoint one 6 general assembly point of contact and the president pro tem of the senate 7 shall appoint the other general assembly point of contact. The general 8 assembly points of contact shall not be compensated for their services, 9 but they shall be reimbursed for actual and necessary expenses incurred 10 in the performance of their duties.
- 2. The specific duties of the general assembly points of contact shall include, but not be limited to, the following:
- 13 (1) Serving as liaisons between the general assembly and the 14 United States government on trade-related matters and as liaisons 15 between the general assembly and the governor on trade-related matters;
- 16 (2) Serving as the designated recipients of federal requests for 17 consent or consultation regarding investment, procurement, services, or 18 other provisions of international trade agreements that impinge on this 19 state's laws or rules;
- 20 (3) Transmitting information regarding federal requests for 21 consent to the governor, the attorney general, the general assembly, and 22 the office:
- 23 (4) Issuing a formal request to the office and other appropriate 24 state agencies to provide analysis of all proposed trade agreements' 25 impact on this state's legislative authority and the economy of this state;
- 26 (5) Informing all members of the general assembly on a regular 27 basis of ongoing trade negotiations and dispute settlement proceedings 28 including the impact such negotiations and proceedings may have on this 29 state;
- 30 (6) Communicating the interests and concerns of the general 31 assembly to the United States trade representative regarding ongoing 32 and proposed trade negotiations; and
- 33 (7) Notifying the United States trade representative of the outcome 34 of any legislative action by the general assembly relating to trade 35 agreements.

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620.1600. 1. As used in sections 620.1600 to 620.1602, the following terms shall mean:

- 3 (1) "Commission", the citizen's commission on globalization created 4 under section 620.1602;
- 5 (2) "Department", department of economic development;
- 6 (3) "Office", the office of trade enforcement.
- 7 2. There is hereby established within the department the "Office 8 of Trade Enforcement".
- 9 3. Subject to appropriations from the general revenue fund, the 10 specific duties of the office shall include, but not be limited to, the 11 following:
- 12 (1) Monitoring trade negotiations and disputes impacting this 13 state's economy;
- 14 (2) Analyzing pending trade agreements this state is considering 15 agreeing to and providing analysis to the governor, the general assembly, 16 the commission, and the public;
- 17 (3) Providing technical assistance to workers and firms impacted 18 by unfair trade practices;
- 19 (4) Annually providing a trade impact report to the governor, the 20 general assembly, the commission, and the public;
- 21 (5) Providing additional research and analysis as requested by the 22 governor, the general assembly, and the commission.
- 4. Each annual trade impact report required under subdivision (4) of subsection 3 of this section shall include:
- 25 (1) An audit of the amount of public contract work being 26 performed overseas;
- 27 (2) An audit of the materials, products, supplies, provisions, and 28 other needed articles used by this state's government that are procured 29 from outside of the United States;
- 30 (3) A study of the impact of trade upon this state's employment 31 levels, tax revenues, and retraining and adjustment costs;
- 32 (4) An analysis of the constraints trade rules place on this state's 33 regulatory authority, including but not limited to, this state's ability to 34 preserve enforcement, protect public health and safety, and provide 35 public services; and
- 36 (5) Findings and recommendations of specific actions this state 37 should take in response to the impact of trade. Such actions may

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- 38 include, but shall not be limited to, the following:
- 39 (a) Revocation of the state's consent to be bound by the 40 procurement rules of international trade agreements;
- (b) Prohibition of offshore performance of state contract work and preferences for materials, products, supplies, provisions, and other needed articles produced, manufactured, compounded, made, or grown within the United States in state purchasing;
- 45 (c) State support for cases brought under federal trade laws by 46 residents of this state;
- 47 (d) State advocacy for reform of trade agreements and trade laws 48 at the federal levels; and
- 49 (e) Implementation of a growth strategy formulated with business, 50 labor, and community participation. Such a strategy may include, but 51 not be limited to:
- a. More effective early warning and layoff aversion measures;
- b. Increased assistance and adjustment programs for displaced
 workers and trade-impacted communities;
- 55 c. Stronger standards and accountability for recipients of state 56 subsidies and incentives;
- 57 d. Investments in workforce training and development;
- e. Investments in technology and infrastructure; and
- f. Increased access to capital for local producers.
- 5. (1) The department shall have the authority to promulgate rules necessary for the administration of this section.
- (2) Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid and void.
- 72 6. Pursuant to section 23.253, RSMo, of the Missouri Sunset Act:
- 73 (1) The provisions of the new program authorized under this 74 section shall automatically sunset six years after the effective date of this

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75 section unless reauthorized by an act of the general assembly; and

76 (2) If such program is reauthorized, the program authorized under 77 this section shall automatically sunset twelve years after the effective 78 date of the reauthorization of this section; and

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79 (3) This section shall terminate on September first of the calendar 80 year immediately following the calendar year in which the program 81 authorized under this section is sunset.

620.1602. 1. There is hereby created the "Citizen's Commission on Globalization".

- 2. The commission shall consist of twelve members. The governor 3 4 shall appoint four members to the board, one who shall represent the 5 interest of employers in this state, one who shall represent the interest 6 of labor organizations in this state, one who shall represent the interests 7 of community organizations in this state, and one who shall represent the 8 interest of the government of this state. The speaker of the house of 9 representatives shall appoint four members to the board, one who shall 10 represent the interest of employers in this state, one who shall represent 11 the interest of labor organizations in this state, one who shall represent the interest of community organizations in this state, and one who shall represent the interest of the government of this state. The president pro tem of the senate shall appoint four members to the board, one who shall represent the interest of employers in this state, one who shall represent the interest of labor organizations in this state, one who shall represent the interests of community organizations in this state, and one member who shall represent the interest of the government of this state. Each commission member shall serve for a term of two years. 19
- 3. The commission members shall not be compensated for their services, but they shall be reimbursed for actual and necessary expenses incurred in the performance of their duties. The department shall provide staff to the commission and aid it in the performance of its duties.
- 4. The specific duties of the commission shall include, but not be limited to:
 - (1) Assessing the legal and economic impacts of trade agreements;
- 28 (2) Providing input on the annual trade impact report;

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29 (3) Holding public hearings on the impacts of trade on this state 30 and its communities, as well as the impact the annual trade impact

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- 31 report has had on this state; and
- 32 (4) Making policy recommendations to the governor, general 33 assembly, any congressional delegation of this state, and United States 34 trade negotiators.
- 5. (1) The department shall have the authority to promulgate rules necessary for the administration of this section.
- (2) Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid and void.
- 6. Pursuant to section 23.253, RSMo, of the Missouri Sunset Act:
- 48 (1) The provisions of the new program authorized under this 49 section shall automatically sunset six years after the effective date of this 50 section unless reauthorized by an act of the general assembly; and
- 51 (2) If such program is reauthorized, the program authorized under 52 this section shall automatically sunset twelve years after the effective 53 date of the reauthorization of this section; and
- 54 (3) This section shall terminate on September first of the calendar 55 year immediately following the calendar year in which the program 56 authorized under this section is sunset.