



# SouthEastern Arizona Governments Organization

*Serving our member governments and their constituents since 1972*

## RESOLUTION NO. 2019 - 04

### A RESOLUTION OF THE SOUTHEASTERN ARIZONA GOVERNMENTS ORGANIZATION URGING CONGRESS TO RATIFY THE U.S. - MEXICO - CANADA AGREEMENT NEGOTIATED BY THE OFFICE OF THE U.S. TRADE REPRESENTATIVE WITHOUT FURTHER DELAY.

**WHEREAS**, the SouthEastern Arizona Governments Organization (SEAGO) is a council of governments serving the four-county region of Cochise, Graham, Greenlee, and Santa Cruz Counties; and

**WHEREAS**, approximately one-third of Arizona's border with Mexico and five land ports of entry are located in the SEAGO region, and as a result, no other part of Arizona is more dependent upon international trade and foreign direct investment; and

**WHEREAS**, on February 23, 2018, the SEAGO Executive Board passed Resolution No. 2018 - 01, urging the affected countries to update and modernize the North American Free Trade Agreement (NAFTA) in order to maintain the vibrant and successful economic relationship between the U.S., Mexico, and Canada; and

**WHEREAS**, on November 30, 2018, the United States, Mexico, and Canada reached an agreement, now known as the United States-Mexico-Canada Agreement (USMCA), which rebalances and modernizes NAFTA to better serve the interests of American workers, farmers, ranchers, and businesses, and support mutually beneficial trade, leading to freer markets, fairer trade, and robust economic growth in North America; and

**WHEREAS**, the positive impact on the economies of the U.S. and Arizona from trade with Mexico and Canada has been well documented by extensive analysis and data. For example<sup>1</sup>:

- In 2018, Arizona exported \$7.8 billion in manufactured goods to Canada and Mexico including electrical equipment and components; semiconductors and electronic components; fabricated metal products; aerospace products and parts; communications equipment; motor vehicle parts; navigational equipment, and laboratory and control instruments.
- Approximately 90% or \$1.1 billion of Arizona's metal ores were exported to Mexico and Canada in 2017.
- Arizona farmers and agricultural industries regularly export around 55 percent of their products to Canada and Mexico – accounting for nearly \$800 million of goods each year.
- According to the U.S. Census Bureau, Arizona had \$20.4 billion in total trade with USMCA markets in 2018.
- Between 2015 and 2017, U.S. exports to Canada and Mexico resulted in an average trade surplus of \$32.7 billion with our USMCA partners.
- More than 228,000 Arizona jobs and more than 2 million American jobs are dependent on the annual trade and investment relationship with Mexico and Canada.

### SEAGO

#### Member Entities

##### *Cochise County*

*Benson*

*Bisbee*

*Douglas*

*Huachuca City*

*Sierra Vista*

*Tombstone*

*Willcox*

##### *Graham County*

*Pima*

*Safford*

*San Carlos*

*Apache Tribe*

*Thatcher*

##### *Greenlee County*

*Clifton*

*Duncan*

##### *Santa Cruz County*

*Nogales*

*Patagonia*

### SEAGO Main Office

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520-432-9168 Fax

[www.seago.org](http://www.seago.org)

**NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:**

**THAT** Congressional passage of the United States-Mexico-Canada Agreement will help United States and Arizona manufacturers grow, compete globally and support millions of well-paying manufacturing jobs;

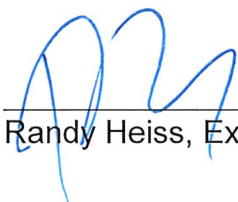
**THAT** due to improvements in areas like rules of origin, expanded agricultural sector access, and enhanced protections for intellectual property, the USMCA builds on Arizona's already highly competitive business environment and positions Arizona for even more robust economic growth;

**THAT** failure to ratify the USMCA would put Arizona at a serious disadvantage in its ability to compete in the global market, and represent a missed opportunity as the new agreement plays to the state's strengths and strategically advantageous location as a border state; and

**THAT** for the above-stated reasons, the SEAGO Executive Board hereby urges Congress to ratify the USMCA negotiated by the Office of the U.S. Trade Representative without further delay.

Passed and adopted by the SEAGO Executive Board on this 22<sup>nd</sup> day of November 2019.

  
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David Gomez, Chair  
SEAGO Executive Board  
*Richard Ortega for*

  
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Randy Heiss, Executive Director

<sup>i</sup> Data from *The USMCA and its Impact on Arizona – Policy Review, March 2019* by the North American Research Partnership and Crossborder Group.