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1 HOUSE JOINT RESOLUTION 3

2 WHEREAS, According to the United States Census Bureau,  
3 Illinois is currently the fifth most populous state in the  
4 country, with approximately 12,800,000 residents; and

5 WHEREAS, Illinois is the largest exporting state in the  
6 Midwest, and the fifth largest exporting state in the United  
7 States; and

8 WHEREAS, Since 2009, Illinois exports have increased by  
9 \$26.6 billion, or 64%, outperforming the national average of  
10 53.5%; and

11 WHEREAS, Direct Illinois exports accounted for nearly 10%  
12 of the Gross State Product (GSP); and

13 WHEREAS, The role of Illinois in the global marketplace is  
14 currently in flux as a new United States Trade Representative  
15 takes office and the new presidential administration has  
16 created a White House National Trade Council; and

17 WHEREAS, In recent years, the Illinois General Assembly has  
18 taken action on issues involving international trade which, if  
19 enacted, would almost certainly trigger claims by the World  
20 Trade Organization (WTO) against the United States, and

1 possibly the imposition of countervailing duties or  
2 retaliatory tariffs by U.S. global trading partners; and

3 WHEREAS, The United States Census Bureau generates  
4 international trade statistics relative to the importation and  
5 exportation of products and goods in and to all 50 states and  
6 some territories; and

7 WHEREAS, Comparative advantage is a concept in  
8 international trade law and economics which provides that  
9 countries should be encouraged to produce what they are best at  
10 producing and export such products and goods, and import those  
11 products and goods from a trading partner who is the best at  
12 producing that particular product or good; and

13 WHEREAS, The most recent trade statistics show that the  
14 trade preferences provided to some non-market economies  
15 affects the theory of comparative advantage and possibly  
16 weakens the role that Illinois plays in the global marketplace;  
17 and

18 WHEREAS, According to the United Nations, the World Bank,  
19 and the International Monetary Fund, the United States is the  
20 world's largest economy and China is the second largest economy  
21 in the world based upon their respective GDPs; and

1           WHEREAS, China's accession to the WTO was complete as of  
2           December 11, 2001; and

3           WHEREAS, China's accession to the WTO was unique in that  
4           China was one of the 23 original contracting parties to the  
5           General Agreement on Tariffs and Trade (GATT) in 1948, but  
6           withdrew after the Chinese Revolution in 1949, which pitted the  
7           ideologies of Mao Zedong and Chiang Kai-Shek; and

8           WHEREAS, Under WTO agreements, there are two types of  
9           non-discrimination of interest: the Most Favored Nation (MFN)  
10          principle, and the National Treatment (NT) principle; under the  
11          MFN principle, a WTO member may not discriminate between its  
12          trading partners - goods and services and service providers are  
13          to be accorded MFN, i.e. equal treatment; at the same time, a  
14          WTO member must provide NT - it may not discriminate on its  
15          internal market between its own and foreign products, services,  
16          and nationals; and

17          WHEREAS, China, like all other WTO members, has agreed to  
18          abide by all of the WTO agreements, including those provisions  
19          requiring application of MFN and National Treatment; and

20          WHEREAS, In its Protocol of Accession, China agreed to  
21          undertake additional actions in order to ensure the smooth  
22          phasing in of these non-discrimination principles; and

1           WHEREAS, The WTO system also promotes undistorted trade  
2 through the establishment of disciplines on subsidies and  
3 dumping, allowing WTO members to respond to unfair trade  
4 through the imposition of countervailing or anti-dumping  
5 duties; in addition, WTO members are empowered to impose  
6 temporary safeguard measures, under strict rules, when faced  
7 with a sudden surge in imports causing serious injury to a  
8 domestic industry; and

9           WHEREAS, In other areas, China has committed to abide by  
10 all WTO disciplines relating to subsidies and countervailing  
11 measures, anti-dumping, and safeguards; and

12           WHEREAS, By joining the WTO, China has committed itself to  
13 abide by international treaty rules and the rule of law in the  
14 conduct of trade; and

15           WHEREAS, Illinois has eight foreign trades zones where  
16 foreign and domestic merchandise is considered international  
17 trade and not subject to United States customs duties: Chicago,  
18 Rockford, Quad Cities, Peoria, Decatur, Granite City,  
19 Lawrenceville, and Savanna; and

20           WHEREAS, Illinois maintains 10 foreign trade offices:  
21 Mexico City, Mexico; Toronto, Canada; Brussels, Belgium;

1 Pretoria, South Africa; Jerusalem, Israel; Sao Paulo, Brazil;  
2 Tokyo, Japan; New Delhi, India; and Hong Kong and Shanghai,  
3 China; and

4 WHEREAS, In 1974, Illinois became the first state to open a  
5 trade office in China when it opened an office in Hong Kong;  
6 Illinois added an office in Shanghai in 2000; both trade  
7 offices are dedicated to promoting Illinois-China business  
8 relations; and

9 WHEREAS, Illinois ranks fifth among the 50 states for  
10 exports to China; Illinois exports to China totaled over \$4.71  
11 billion in 2014, a 90.8% increase since 2009; Illinois ranks  
12 third among the 50 states in imports from China, totaling \$29.5  
13 billion in 2014; and

14 WHEREAS, Mexico is a WTO member subject to MFN and NT  
15 principles; Illinois exports to Mexico totaled over \$7.9  
16 billion in 2014, a 123.0% increase since 2009; Illinois imports  
17 from Mexico totaled \$13.3 billion in 2014, a 116.8% increase  
18 since 2009; Illinois ranks fourth among the 50 states in  
19 imports from Mexico and is Mexico's second largest export  
20 partner; and

21 WHEREAS, Russia is a WTO member subject to MFN and NT  
22 principles; Illinois ranks seventh among the 50 states for

1 exports to Russia; Illinois exports to Russia totaled over  
2 \$448.1 million in 2014, a 79.5% increase since 2009; Illinois  
3 ranks seventh among the 50 states in imports from Russia,  
4 totaling \$790.2 million in 2014; therefore, be it

5 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE  
6 HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE  
7 CONCURRING HEREIN, that the Trade Policy Task Force is created  
8 within the Illinois Department of Commerce and Economic  
9 Opportunity - Office of Trade and Investment; and be it further

10 RESOLVED, That the Trade Policy Task Force is charged with  
11 the following duties: (1) analyze important issues relative to  
12 the growth of international trade from and to Illinois; (2)  
13 make recommendations to Congress, the United States Trade  
14 Representative, and the White House National Trade Council  
15 regarding trade policies that best serve Illinois; and (3)  
16 promote the exportation of goods and services from Illinois and  
17 the importation of goods and services into Illinois; and be it  
18 further

19 RESOLVED, That the Trade Policy Task Force shall consist of  
20 the following members:

21 (1) two appointed by the Speaker of the Illinois House  
22 of Representatives - one of which is to be the Chair of the

1 International Trade and Commerce Committee;

2 (2) two appointed by the President of the Illinois  
3 Senate;

4 (3) two appointed by the Minority Leader of the  
5 Illinois Senate;

6 (4) two appointed by the Minority Leader of the  
7 Illinois House of Representatives - one of which is to be  
8 the Minority Spokesman of the International Trade and  
9 Commerce Committee;

10 (5) a representative of a statewide association  
11 representing community businesses, appointed by the  
12 Minority Leader of the Illinois House of Representatives;

13 (6) a representative of a statewide association  
14 representing manufacturers, appointed by the Minority  
15 Leader of the Illinois Senate;

16 (7) four representatives of a statewide association  
17 representing unions, two appointed by the Speaker of the  
18 Illinois House of Representatives and two appointed by the  
19 President of the Illinois Senate;

1           (8) a representative of a statewide association  
2 representing agriculture, appointed by the Speaker of the  
3 Illinois House of Representatives;

4           (9) a representative of a statewide association  
5 representing the chemical industry, appointed by the  
6 Minority Leader of the Illinois Senate;

7           (10) a representative of a statewide association  
8 representing the coal industry, appointed by the Minority  
9 Leader of the Illinois House of Representatives;

10           (11) a representative of a statewide association  
11 representing international trade, appointed by the  
12 President of the Illinois Senate;

13           (12) three appointed by the Governor of Illinois;

14           (13) one appointed by the Mayor of Chicago;

15           (14) one appointed by the Mayor of Rockford;

16           (15) one appointed by the Mayor of Peoria;

17           (16) one appointed by the Mayor of Granite City;



1           (17) one appointed by the Mayor of Lawrenceville; and

2           (18) one appointed by the Mayor of Savanna; and be it  
3 further

4           RESOLVED, That the Illinois Department of Commerce and  
5 Economic Opportunity - Office of Trade and Investment shall  
6 provide administrative support for the Trade Policy Task Force  
7 and shall reimburse for their reasonable and prudent expenses;  
8 and be it further

9           RESOLVED, That the Trade Policy Task Force shall provide a  
10 final report by December 31, 2018.