



BEFORE THE SENATE TRANSPORTATION, COMMERCE & WORKFORCE COMMITTEE
Proponent Testimony on Senate Resolution 376
October 23, 2019

Chairman McColley, Ranking Member Antonio and members of the Senate Transportation, Commerce & Workforce Committee, my name is Keith Lake and I am the Vice President of Government Affairs for the Ohio Chamber of Commerce. I am here today to testify as a proponent on Senate Resolution 376, which urges the U.S. Congress to ratify the United States-Mexico-Canada Agreement, or USMCA.

The Ohio Chamber is the state's leading business advocate, and we represent nearly 8,000 companies that do business in Ohio. Our mission is to aggressively champion free enterprise, economic competitiveness and growth for the benefit of all Ohioans.

As you know, the U.S.-Mexico-Canada Agreement was negotiated by Pres. Trump to replace the 25-year-old North American Free Trade Agreement, better known as NAFTA.

Ohio has benefited immensely from NAFTA. Thanks to NAFTA, virtually all North American trade is tariff-free, and it has helped us build deeply integrated supply chains that not only support jobs, but also generate new business for Ohio's manufacturers, service providers and farmers. It results in lower prices that save Ohio families real dollars on their purchases and saves companies real dollars on their raw materials and other inputs, which enhances their competitiveness.

Overall, U.S. exports of goods and services to Canada and Mexico have more than tripled under NAFTA, and Canada and Mexico account for more than half of all of Ohio's exports. Canadians alone buy more than 40 percent of goods made in Ohio and sent abroad. In addition, nearly 500,000 Ohio jobs rely on North American trade.

However, after two-plus decades, there are things in need of modernization and there are things that weren't part of the original deal that need to be addressed. An updated free trade agreement is essential for almost every industry in Ohio.

USMCA will preserve jobs in the industrial and agricultural sectors, add protections for intellectual property rights, and cut red tape that will aid a range of small businesses and innovators in Ohio. Additionally, businesses whose bottom lines rely on E-commerce are going to have even more access to Canada and Mexico, thanks to the agreement's new digital economy provisions. With these, and other, updates reflected in the USMCA, it has the potential to be even more beneficial.

Businesses large and small stand only to gain from USMCA, which is why the Ohio Chamber has previously joined with the U.S. Chamber and state chambers across the nation in urging Congress to put politics aside and approve the pact this fall.

In short, the Ohio Chamber believes that you can't be pro-business and anti-USMCA. That's why we support SR 376, and urge you and your colleagues to join us in letting Congress know that now is the time to pass the United States-Mexico-Canada Agreement. Thank you.