



TO RELIEF OF TEXAS BUSINESS LEADERS, CONGRESS REACHES DEAL ON NEW NORTH AMERICAN TRADE AGREEMENT

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By J. Edward Moreno (*The Texas Tribune*)

WASHINGTON — Congress on Tuesday reached an agreement with the Trump administration on a new North American free trade deal, leading lawmakers and business leaders in Texas to breathe a sigh of relief.

Hours after Democrats brought forth articles of impeachment, House Speaker Nancy Pelosi, D-California, announced the deal alongside over a dozen Democrats, among them Texas freshman U.S. Reps. Veronica Escobar, D-El Paso, Colin Allred, D-Dallas, and Lizzie Fletcher, D-Houston.

U.S. Rep. Lloyd Doggett, D-Austin, a senior member of the Ways and Means Committee, called the deal a “21st Century trade agreement that not only encourages more trade but adds protection for the environment and workers.”

“While imperfect, the new tools included for effective enforcement should become the minimum included in future trade negotiations,” Doggett said in a statement adding that it could be approved as soon as next week.

The United States-Mexico-Canada Agreement will replace the North American Free Trade Agreement. On Tuesday, U.S. Trade Representative Robert Lighthizer was in Mexico City presenting the agreement to the Mexican government. The House will likely pass the agreement in the coming weeks.

The months leading up to the agreement were particularly stressful for Texans in Congress, as the border state’s economy relies heavily on trade, particularly with Mexico. Republicans have often blamed the deal’s slow negotiations on Democrats’ preoccupation with impeachment proceedings.

As recently as last week, many were beginning to lose faith that the deal would pass this year. Last week, over half of Texas’ 36-member congressional delegation made statements pushing for approval.

The Trump administration reached a deal with Mexico and Canada more than a year ago, but Democrats objected to certain provisions, arguing that it was too friendly to pharmaceutical companies, didn’t do enough to protect workers and failed to hold manufacturers accountable to environmental laws. Generally, Republicans agreed with the deal.

U.S. Rep. Kevin Brady, R-The Woodlands, recently characterized the negotiations as “salami” legislation, in which a small piece is brought up and addressed at a time. That resulted in frustrating talks with trade representatives in Mexico, which passed massive labor reform as part of the agreement and then received more demands from U.S. representatives. U.S. Rep. Henry Cuellar, a Democrat from Laredo and one of the members most involved in the negotiations, stood next to over a dozen of his Republican colleagues pushing for the deal to pass.

Ultimately, Democrats included a provision that allows American inspectors to enter Mexican factories to check for labor violations, which Mexico was not particularly averse to. They also pushed the Trump administration to remove a provision establishing a 10-year protection period for biologic drugs, which opponents say would allow drug companies to keep prices high — that was particularly important for representatives in border communities, whose constituents often buy prescription drugs in Canada or Mexico.

Meanwhile, Cuellar’s colleagues from the Rio Grande Valley, U.S. Reps. Vicente Gonzalez and Filemon Vela, sent a letter to Pelosi urging her to include provisions that would require security measures in highways that lead to Texas border cities. As those highways have become more dangerous to drive on, cities like McAllen and Brownsville have lost sales tax revenue as tourism from Mexico declines. As party leadership inched toward a deal, those security provisions did not appear to come up.

Business leaders in the state praised the deal on the whole, however, saying free trade was vital to the economies on both sides of the Texas-Mexico border.

“Following more than 30 months of negotiations, political maneuvering, and the economic uncertainty that resulted, I am excited that the USMCA is moving forward,” said [Justin Yancy, president of the Texas Business Leadership Council](#).

“This is a big win for Texas,” he added.