Federal Update

Mexico’s President Urges Federal Lawmakers to Pass USMCA

Mexican President Andres Manual Lopez Obrador delivered a letter to Congress urging lawmakers to support the United States-Mexico-Canada Agreement. The letter discusses areas along the U.S.-Mexico border that have raised the minimum wage, further pushing Obrador’s case to pass the trade deal. Mexico ratified the agreement on June 19. In Canada, the agreement is still making its way through the legislative process.

The letter that was delivered to Representative Richard Neal (D-Mass.) can be found here.

China Asks WTO for $2.4 Billion Sanctions Against U.S.

China is seeking $2.4 billion in sanctions against the U.S. in response to tariffs after a partial victory was recorded by Beijing in early July. In the Appellate Body of the World Trade Organization (WTOAB) ruling, which challenged a range of punitive tariffs levied by the U.S. over the years, Chinese officials say the U.S. has not complied with the ruling that claims the methodology used for calculating Chinese subsidies was faulted. Since the decision was made, the U.S. renewed its criticism of WTOAB’s ruling, claiming judicial overreach and procedural violations.

China’s appeal will be heard Oct. 28 by the World Trade Organization’s Dispute Settlement Body.

The July 16 WTOAB decision can be read here.

Department of Labor Issues Final Rule for Drug Testing Potential Employees

On Oct. 3, the Department of Labor published its final rule on unemployment drug testing. The rule permits states to identify additional occupations where employers conduct drug testing as a standard for obtaining or maintaining employment in addition to providing greater flexibility to identify occupations for which they will conduct testing for the unemployment insurance program. This rule is in response to a 2017 Resolution of Disapproval issued by Congress.

Read the full rule here.
Arizona December 2019 Meeting:

The next LED Committee meeting will be at the 2019 NCSL Capitol Forum Dec. 10-13 in Phoenix. The committee has scheduled the following sessions:

- Efforts to Update the Community Reinvestment Act.
- How to Create an Innovative Economy in Your State.
- States’ New Economic Development Tool: Opportunity Zones.
- International Trade Discussion.

More information on the NCSL Capitol Forum can be found [here](#).

NCSL Outreach to Congress

Last month, NCSL’s LED Committee sent two letters to Congress:

Letter urging Congress to support funding for the Export-Import Bank can be found [here](#).

Letter urging Congress to pass the Affordable Housing Credit Improvement Act can be found [here](#).