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September 26, 2017

The Honorable Robert Lighthizer
United States Trade Representative
600 17th Street NW
Washington, DC 20006

RE: Florida Chamber of Commerce Supports Needed Improvements to Modernize NAFTA

Dear Ambassador Lighthizer,

As you continue to lead efforts currently underway to modernize NAFTA, the Florida Chamber of Commerce would like to express its support for needed improvements. We encourage leaders to consider the important role trade plays in Florida's economy, as well the need to address unfair trading practices which have created an un-level playing field for some of Florida's producers, especially those in our agriculture sector.

Florida is now the third most populous state with over 20 million citizens - and we're still growing. By 2030, six million more residents will call Florida home and two million more jobs will be needed. To prepare for this continued growth and ensure Florida remains successful, we must continue to seek new opportunities. International trade and investment have been important factors in Florida's success – our current and future economy is tied to our ability to be a successful hub for international trade and investment.

Today, if Florida were a country, it would be the 16th largest in the world by gross domestic product. Free and fair trade is essential to Florida's global competitiveness, and policies that enhance competition in the global marketplace, reduce or eliminate trade and investment barriers will further grow Florida jobs.

The Facts are Undeniable:

- More than 2 million Florida jobs depend on trade - that's 1 in 5 Florida jobs
- 40% of Florida origin exports are destined to countries with which the U.S. has a free trade agreement
- Florida is third in the U.S. in "export intensity"
- 61,000 Florida companies export
- \$4 billion in agricultural exports to over 170 countries

Canada, Mexico and the U.S. are not just trade partners, they are supply chain and production partners. We live in a globally integrated economy and are keenly aware that NAFTA has had an overall beneficial impact on Florida.

Our relationship with Canada is highly diversified. Canadians and Canadian companies are involved in a variety of sectors and industries: real-estate, manufacturing, financial sector, etc. Our trade relationship is also extensive. Twenty-two percent of Florida's agricultural exports are destined to Canada, Canadian buyers, represented almost 19 percent of Florida's foreign real-estate sales, and there are nearly 300 Canadian companies in Florida.

Florida's relationship with Mexico has changed dramatically. In the past two years, Florida-origin exports increased by about 18 percent. In 2016, the *Florida Ports Council* signed an MOU with *The Coordination of Ports and Merchant Marine of Mexico* for the purposes of enhancing and expanding trade opportunities. Since then, Florida has seen a marked increase in waterborne-trade with Mexico with several Florida ports added new

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dedicated services. Mexican investment in Florida is also increasing. There is a greater corporate presence from Mexico in Florida than ever before.

While Florida has benefited from trade, it has not always been fair trade. We urge the Administration to ensure a level playing field exists for all of Florida's producers and businesses. Florida jobs depend on trade with Canada and Mexico— directly and indirectly. While it's important that we "do no harm" in the NAFTA negotiations to preserve market access, we must also enforce the rule of law and ensure that our trade partners honor their commitments as well as address unfair trading practices. In Florida, NAFTA has created an un-level playing field for our farming community which has been significantly harmed.

We ask that the Administration consider the following objectives that would benefit Florida's workers and exporters.

"Do no harm":

- Maintain and expand market access
- Improve competitive opportunities
- Deepen collaborations to grow opportunities for small businesses
- Retain investor dispute settlement provisions (ISDS)

Trade in Goods:

- Pursue the elimination of non-tariff barriers such as non-scientificallly supported phytosanitary restrictions, licensing and permits on goods
- Reduce or eliminate non-tariff barriers to U.S. agriculture exports
- Pursue a more open and fair market access for U.S. agricultural exports
- Level the playing field on tax treatment

Trade in Services:

- Expand market access opportunities for U.S. services exports to obtain more fair and open conditions
- Seek commitments to improve transparency and regulatory predictability

Enforce trade agreements/trade remedies:

- Seek strong and enforceable standards
- Uphold U.S. ability to vigorously enforce that our trade partners honor the commitments – including addressing subsidies and market access barriers that lead to dumping
- Improve on commitments to and seek elimination of unjustified technical barriers to trade

Modernize:

- Strengthen and enforce intellectual property protections standards and ensure that fair and non-discriminatory market access opportunities are available to U.S. companies and individuals that require intellectual property protection
- Provide for improved access of U.S. companies to bid for government contracts
- Secure U.S. Investments overseas
- Seek to ensure that tariff and non-tariff barriers are not imposed on products delivered electronically
- Promote an open market environment for digital trade in goods and services

The Florida Chamber appreciates the opportunity to provide these comments offering guidance as well as the Florida business community's perspective on priorities for NAFTA modernization. A *new* NAFTA should endeavor to deepen valuable trade ties, grow economic opportunities, and addresses deficiencies that where harmful for Florida's farmers and exporters. We welcome any opportunity to provide additional input as the negotiations proceed.

Sincerely,



David A. Hart
Executive Vice President

cc: Florida Congressional Delegation
Governor Rick Scott
Commissioner Adam Putnam
Syd Kitson, Chair, Florida Chamber of Commerce
Mark Wilson, Florida Chamber President and CEO