CALIFORNIA CHAMBER of COMMERCE

JENNIFER BARRERA
President and Chief Executive Officer



February 28, 2025

The Honorable Scott Bessent Secretary, U.S. Treasury Department

The Honorable Howard Lutnick Secretary, U.S. Department of Commerce

The Honorable Brooke Rollins Secretary, U.S. Agriculture Department

The Honorable Jamieson Greer Ambassador Office of the U.S Trade Representative's Office

Dear Secretaries Bessent, Lutnick, Rollins and Ambassador Greer,

On behalf of the California Chamber of Commerce, I extend our congratulations on your appointment and confirmation to your positions. With a new administration and as the 119th Congress convenes in Washington, DC for session, the CalChamber urges you to consider our international trade priorities and concerns outlined below.

The California Chamber of Commerce is committed to supporting a free trade agenda that fosters economic growth and job creation. We oppose protectionist measures, which disrupt global supply chains, raise consumer prices, and hinder the competitiveness of California businesses. A focus on trade agreements instead will ultimately lower both tariff and non-tariff barriers and help create long-term, sustainable economic growth.

While strategic use of tariffs or the threat of tariffs may be a meaningful negotiation tool, the reality of tariffs would be quite different. Raising tariffs results in higher prices to the consumer for the specific product protected and in limited choices of products for consumers. Further, increased tariffs cause a net loss of jobs in related industries, retaliation by U.S. and California trading partners, and violate the spirit of our trade agreements.

The CalChamber instead seeks commercially meaningful outcomes in negotiations with regions around the world and supports bilateral, regional and multilateral trade agreements which are critical to consumers, workers, businesses, farmers and ranchers, and would allow the United States to compete with other countries that are already negotiating agreements with each other.

California is the 5th largest economy in the world with a gross state product of nearly \$4 trillion. In 2023, California exported close to \$180 billion to 227 foreign economies with the same top trade partners as the United States: Mexico, Canda and China.

International trade and investment are a major part of the economic engine for the state of California that broadly benefits businesses, communities, consumers and state government. California's economy is more diversified than ever before, and the state's prosperity is tied to exports and imports of both goods and

services by California-based companies, to exports and imports through California's transportation gateways, and to inflows and outflows of human and capital resources.

The CalChamber, in keeping with longstanding policy, supports expansion of international trade and investment, fair and equitable market access for California products abroad, and elimination of disincentives that impede the international competitiveness of California business.

Thank you for your consideration. The CalChamber would welcome further discussion. Please contact Mrs. Susanne Stirling, Senior Vice President – International Affairs at the CalChamber Susanne.stirling@calchamber.com with any questions.

Regards,

Jennifer Barrera

President and Chief Executive Officer

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cc: California Congressional Delegation

California Lt. Governor Eleni Kounalakis, Ambassador/CA Trade Representative

Mr. Nathan Barankin, Chief of Staff to California Governor Newsom Ms. Becca Prowda, Director of Protocol, Office of the Governor

Ms. Dee Dee Myers, Director, Governor's Office of Business & Economic Development