April 13, 2010

To: Members, CA State Assembly Committee on Jobs, Economic Development and the Economy

From: California Coalition for Free Trade

Re: AJR 27 (Torrico) – US-Colombia Free Trade Agreement
   Scheduled for hearing in the Assembly Committee on Jobs, Economic Development and the Economy on Tuesday, April 20.

We, the undersigned companies and business organizations of the California Coalition for Free Trade, urge a NO vote on California AJR 27 which memorializes Congress to oppose the Free Trade Agreement between the United States and Colombia. This resolution is a symbolic gesture that, while not legally binding, would cast the FTA and Colombia—an important trading partner and a partner in stopping drug trafficking—in an unproductive light if it were to pass.

The US-Colombia FTA was signed in 2006, but is pending US Congressional approval. US Congressional approval of this FTA is important to an improved US economy and opens more trade opportunities. The FTA will eliminate tariffs and other barriers to trade in goods and services, promote economic growth and enhance trade between the United States and Colombia. In 2009, the United States exported over $9.5 billion worth of goods to Colombia, with total trade amounting to over $20.7 billion.

Additionally, the US-Colombia FTA offers tremendous opportunities for California’s exporters. Colombia is California’s 35th largest trading partner, exporting more than $320 million in goods in 2009. It is important to continue the expansion of international trade and investment, fair and equitable market access for California products, and the elimination of impediments to the international competitiveness of California businesses.

In the recent years Colombia’s economy has experienced positive growth due to the government’s efforts to reduce debt, promote exports, and improve security.
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This has promoted increased confidence in the future of Colombia's economy within the business sector at home and abroad.

Colombia is a dynamic economy with a pro-U.S. government, and with whom U.S. trade has nearly doubled in recent years. Over 9,000 U.S. companies export their products to Colombia and more than 85 percent of these are small and medium-sized companies. U.S. farmers and ranchers sell agricultural products to these markets, and U.S. manufacturers are enjoying double-digit sales growth that will only grow when the tariffs are removed.

A US-Colombia Free Trade Agreement is a critical element of the US strategy to liberalize trade through multilateral, regional and bilateral initiatives. The agreement will also increase momentum toward lowering trade barriers and set a positive example for other small economies in the Western Hemisphere.

The US - Colombia FTA will generate new export opportunities for US and California agriculture, industry, service providers and workers. In Colombia, the agreement will attract new investment, create jobs and raise living standards.

Per the U.S. Department of Commerce International Trade Administration, the U.S.-Colombia Free Trade Agreement offers tremendous opportunities for California's exporters. When the Agreement enters into force, 80 percent of U.S. consumer and industrial exports to Colombia, including nearly all information technology products, mining, agriculture, construction equipment, medical and scientific equipment, auto parts, paper products, and chemicals, will be duty-free immediately. The remaining tariffs phase out over 10 years.

U.S. farmers and ranchers will also become much more competitive, benefiting from immediate duty-free treatment of 77 percent of current U.S. agriculture exports. Key U.S. agriculture exports such as cotton, wheat, soybeans, high-quality beef, apples, pears, peaches, cherries, and almonds will be duty-free upon entry into force of the Agreement. Colombia will phase out all other agricultural tariffs within 19 years.

California is one of the ten largest economies in the world with a gross state product of approximately $1.8 trillion. As one of the largest exporting states, with exports to 226 economies around the world, international related commerce accounts for approximately one-quarter of the state's economy.

America's standing as a world leader depends directly upon our competitive success in the global economy. For the past half century, the United States has led the world in breaking down barriers to trade and in creating a fairer and freer international trading system based on market economics and the rule of law.
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Increased market access achieved through trade agreements has played a major role in our nation's success as the world's leading exporter.

The US – Colombia Free Trade Agreement will benefit California and the United States as a whole, and we appreciate your consideration of a NO vote on this symbolic legislative measure.

Cc: The Honorable Alberto Torrico, Member, California State Assembly

32 South, Inc.
Applied Materials, Inc.
Arrowhead Credit Union
Bear Creek Winery
Blue Diamond Growers
California Business Ventures
Cange International Inc.
Caterpillar Inc.
Chevron
Citigroup, Inc.
CNA Insurance Companies
De Avila Law Firm
DHL Express
East Bay CITD
El Camino College CITD
Express Employment Professionals
Fernandez Barragan & Associates
Fillner Construction Inc.
Fox Entertainment Group
Fox Legal Group
Foxx Hunter Farms
Gathers Strategies, Inc.
General Electric
HBLA Certified Public Accountant
Hitchcock Automotive Resources
Hitchcock Commercial Properties
Holtouse, Carlin & VanTright
Hunter International
Intel Corporation
International Information Specialists
International Technical Services
Ironstone Vineyards
Irvine Chamber of Commerce
John Kautz Farms
Kikkoman Foods Inc.
LA Metro Hispanic Chambers of Commerce
Long Beach Area Chamber of Commerce
Los Angeles Area Chamber of Commerce
Lyles Diversified, Inc.
McKenna, Long & Aldridge
Merrill Lynch - Mill Valley
Montebello Chamber of Commerce
Monterey Bay International Trade Assn
Moon Shot Communications
Motion Picture Assn. of America
News Corp
North County BMW
Northern California World Trade Center
Northridge Toyota
OceanWind International Inc.
Oliva Global Communications
Oracle Corporation
Orange County Bus. Council
Otis McAllister, Inc.
Pacific Resources
Paramount Farms
Puente Hills Toyota
RB International
Ruiz Foods
Safeway, Inc.
San Dimas Chamber of Commerce
Silicon Valley CITD
South Bay BMW
So. Orange Cty Reg Chambers of Comm.
SunWest Foods, Inc
The Boeing Company
The California Parks Co.
The Dow Chemical Company
Toyota of Santa Barbara
Voilard Enterprises
WJ Byrnes & Co.