



October 26, 2016

Speaker of the House Paul D. Ryan
The House of Representatives
Washington, D.C. 20515

Senate Majority Leader Mitch McConnell
U.S. Senate
Washington, D.C. 20510

House Democratic Leader Nancy Pelosi
The House of Representatives
Washington, D.C. 20515

Senate Democratic Leader Harry Reid
U.S. Senate
Washington, D.C. 20510

Dear Speaker Ryan and Leaders McConnell, Pelosi, and Reid:

We are writing to urge you to support the Trans-Pacific Partnership Agreement (TPP) and to ask that you work with the Administration to find a path forward for passage of TPP this year. Passage of TPP is vital to ensuring that the U.S. financial services sector remains a vibrant engine for domestic and global growth.

The financial sector directly employs over 6 million in the United States (2015) and supports millions of more jobs in every community in the country. The financial services sector's future also depends on the ability to compete for global opportunities. More than 600,000 U.S. jobs in the financial sector are directly supported by financial services exports (Department of Commerce). The U.S. financial services sector exported \$104 billion globally in 2014 and accounted for a \$35 billion surplus in financial services and insurance trade (SelectUSA), among the largest of all sector specific categories.

The TPP is a strong agreement which modernizes rules that will enable our member companies to support global value chains, to help expand participation by small and medium-sized enterprises in the Asia-Pacific region and to deliver quality banking, insurance and securities services to consumers and clients. The TPP provides for a level playing field through non-discrimination commitments for investors and investments in financial services. It promotes market access through obligations prohibiting countries from imposing quantitative restrictions on the number or total value of financial institutions they will accept. The TPP also includes rules for financial institutions to provide new services, which enables innovation and growth as businesses move into the future. New financial services commitments address cross-border delivery of electronic payment card services and disciplines to create a level playing field with government owned/sponsored postal entities supplying insurance. Also important is that TPP, like other free trade agreements and the World Trade Organization services rules, preserves the right of financial regulators to maintain, adopt or change existing measures to protect the safety and soundness of their economies to ensure financial stability.

Notably, the U.S. Department of Treasury and the Office of the U.S. Trade Representative's (USTR) recently recognized the need to address data localization measures in the financial services sector. A newly announced U.S. policy would prevent governments from requiring financial institutions to use or locate computing facilities in their respective territories so long as the government has access to financial data that it needs for regulatory and supervisory purposes. We support the Administration's commitment to reach a binding and enforceable obligation with TPP parties with respect to this issue, such as through ongoing Trade in Service Agreement (TiSA) negotiations and other avenues. We also appreciate the Administration's commitment to ensuring that future TPP parties will

be subject to the new policy. The development of this important new data localization approach has enabled the financial services sector to stand squarely behind the TPP.

A failure to act on TPP this year will have real consequences and it is entirely possible that the other parties to the agreement will move ahead without us. Should this happen, the United States could lose the benefits of rules that will ensure the U.S. financial services sector remains the world leader and be forced to forego the multiple economic opportunities afforded by a high quality, 21st century trade agreement that covers almost 40 percent of global GDP.

TPP is an important commercial agreement that will support job growth in the financial services sector and among other sectors of the U.S. economy by advancing non-discriminatory treatment and the rule of law in the Asia-Pacific region. Financial companies value TPP because it ensures we can better serve our customers, and future customers, as they seek to export, invest or expand in the region. The growth and opportunity presented by the Asia-Pacific region will largely determine the future success of this sector. Securing passage of TPP this year will send an important signal that the United States remains committed to a rules-based system that allows our American firms to compete in this dynamic part of the world.

Sincerely,

American Council of Life Insurers
American Insurance Association
Coalition of Services Industry
The Council of Insurance Agents & Brokers

Financial Services Forum
Financial Services Roundtable
Reinsurance Association of America
Securities Industry and Financial Markets Association

Cc: Chairman Kevin Brady
Chairman Orrin G. Hatch
Ranking Member Sander M. Levin
Ranking Member Ron Wyden