RON KIND THIRD DISTRICT, WISCONSIN SENIOR WHIP

WAYS AND MEANS COMMITTEE

Congress of the United States House of Representatives

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The Honorable Sonny Perdue United States Secretary of the Agriculture 1400 Independence Ave, NW Washington DC 20250

The Honorable Robert Lighthizer United States Trade Representative 600 17th St NW Washington, DC 20508

June 21, 2017

Dear Secretary Perdue and Ambassador Lighthizer,

Thank you again for the ongoing communication with me regarding the benefits and potential of dairy trade for Wisconsin in the context of a renegotiation of the North American Free Trade Agreement. I was pleased to see Secretary Perdue visit Toronto this month and to put our Wisconsin dairy farmer's trade frictions with Canadian policies – currently taking the form of their new Class 6 and 7 pricing programs – take a prominent role in your discussions.

In your statement after the visit and meetings with Canadian officials, including Canadian Minister of Agriculture and Agri-Food Lawrence MacAulay and current Premier of Ontario Kathleen Wynne, the Secretary stated that he had laid out a "great framework to begin renegotiating NAFTA." This would be a welcome development from both the level of specificity in the Administration's letter notifying Congress of their intention to renegotiate NAFTA and the discussion I had with Ambassador Lighthizer a few weeks ago where no such framework was outlined. I hope you will share with me and other members of the Committee of jurisdiction the specifics of this framework as soon as possible.

As Secretary Perdue notes in his statement – Canada's new pricing system for Class 6 and 7 milk must be a priority for these negotiations, but the NAFTA landscape for Wisconsin's dairy farmers is much more complex than that. In stark contrast to their struggles in Canada, The U.S.-Mexico portion of NAFTA has been an unmitigated success for Wisconsin's dairy industry. The agreement eliminated all dairy tariffs with Mexico and firmly installed Mexico as the U.S.'s top dairy export market - light-years ahead of all other trading partners. The \$1 billion in product that U.S. dairy exports to Mexico accounts for approximately 3% of all U.S. milk production in 2016. NAFTA renegotiation must solve issues on our northern border without creating new problems to our south.

While I have been encouraged by the level of engagement on far on this issue, I believe your understanding of the nuances surrounding NAFTA renegotiation for Wisconsin's dairy would benefit strongly from visiting with some of the dairy farmers in my district. I would be happy to

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facilitate such a visit in whatever way possible. Thank you and I look forward to hearing from you both with more information on the framework you have created with our Canadian friends and to ensure that your negotiations are as informed as possible.

Sincerely,

Ron Kind

Member of Congress