

June 8, 2015

The Honorable Diana DeGette
2368 RHOB
Washington, DC 20515

The Honorable Jared Polis
1433 LHOB
Washington, DC 20515

The Honorable Scott Tipton
218 CHOB
Washington, DC 20515

The Honorable Ken Buck
416 CHOB
Washington, DC 20515

The Honorable Doug Lamborn
2402 RHOB
Washington, DC 20515

The Honorable Mike Coffman
2443 RHOB
Washington, DC 20515

The Honorable Ed Perlmutter
1410 LHOB
Washington, DC 20515

Dear Colorado Delegation,

We are writing to ask for your support on legislation to protect the Colorado economy. We are asking for your support for H.R. 2393. This legislation would repeal mandatory Country of Origin Labeling (COOL) measures for beef and pork. This repeal would prevent Colorado from being negatively affected by trade tariff retaliation.

As you may or may not be aware, on May 18th, the World Trade Organization (WTO) ruled against the United States regarding COOL. This ruling is the fourth time that the WTO has found COOL to be in violation of the United States' trade obligations to Canada and Mexico. The decision made on May 18th is the final ruling in the WTO dispute settlement process - with no possibility of further appeal.

The WTO has found that our current COOL program violates trade agreements by essentially acting as a barrier to trade. This ruling has drawn retaliatory tariff threats from Canada and Mexico. Unless the U.S. repeals the current mandatory COOL rules, U.S. agricultural and manufacturing exports to Canada and Mexico, including those from Colorado, will be faced with these imminent retaliatory tariffs and this retaliation could occur as early as this summer.

As Canada and Mexico are some of Colorado's best customers, this is certainly an outcome we wish to avoid. If these tariffs move forward, trade will not only become less efficient and more costly, it could also be in jeopardy.

Furthermore, these tariffs would not just be on goods exported from Colorado to Canada and Mexico but it will also affect those being imported into the state as well. With more than \$8.8 billion in bilateral trade between Canada and Mexico on the line, as well as 140,000 jobs across the state, we do not believe this is a risk we should take.

In food and agriculture alone, Colorado exports are valued at \$718 million annually to both Canada and Mexico. Clearly this is a relationship the state cannot afford to lose, and it's not just agriculture that is affected, COOL's retaliation will also have far reaching consequences on the manufacturing industry as well.

As the above data indicates, the Colorado economy will be harmed unless Congress acts to repeal COOL. The U.S. House of Representatives Committee on Agriculture voted in favor of a bipartisan bill, H.R. 2393, which repeals COOL measures for beef and pork. This is a welcome first step that, if ultimately adopted into law, would ensure compliance with the WTO and avoid retaliatory tariffs from Canada and Mexico.

As Colorado's industry representatives with the state's best interest in mind, we kindly ask you to support H.R. 2393 and avoid an unnecessary stress to Colorado's economy.

Sincerely,

Colorado Business Roundtable
Colorado Farm Bureau
Colorado Cattlemen's Association
Colorado Retail Council
Rocky Mountain Food Industry Association
Colorado Livestock Association
Cargill
JBS