

United States Senate

WASHINGTON, DC 20510

June 16, 2017

The President
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

We write in response to the May 18, 2017 letter from United States Trade Representative, Robert E. Lighthizer, notifying Congress of your Administration's intent to begin renegotiation of the North American Free Trade Agreement (NAFTA) in 90 days. For years, we have supported strong Buy American policies because we believe that American businesses and workers should get preferential access to taxpayer-funded U.S. government contracts. However, NAFTA creates loopholes in Buy American requirements by providing Mexican and Canadian companies the same access to taxpayer-funded U.S. government projects as American companies. You have promised the American people a "Buy American" trade policy and we would urge you to follow through on this commitment and close this loophole by removing the government procurement chapter from NAFTA in order to restore American manufacturing and ensure that taxpayer dollars are used to create jobs in the United States.

On March 10, 2017, Senators Baldwin and Merkley provided your Administration an advance copy of a Government Accountability Office report prepared in response to our inquiries about the effect of trade agreements on our nation's government procurement activities and domestic industries. The report's key finding is that the United States reported opening *twice as much* procurement to foreign firms as the next five largest World Trade Organization (WTO) Agreement on Government Procurement (GPA) signatories *combined* (European Union, Japan, South Korea, Norway, and Canada). For many years, domestic manufacturers and many members of Congress have noted the much greater value of U.S. government procurement relative to almost every other trading partner. Providing U.S. firms with opportunities to bid on a smaller amount of government contracting in other countries is not a sound trade-off for providing preferential access for foreign goods and firms to our larger pool of government contracts. For the first time, this report definitively shows that even with regard to the European Union, which has procurement activity of similar value to the United States, we have given away much more access than we received.

Your staff has referenced the GAO report as a justification for your Presidential Executive Order on Buy American and Hire American. That order recognizes that Buy American policies, "promote economic and national security . . . help stimulate economic growth, create jobs at decent wages, strengthen our middle class, and support the American manufacturing and defense industrial bases." The order calls for an assessment of the impacts of our free trade agreements on the operation of domestic preference laws. Removing the procurement chapter (Chapter 10)

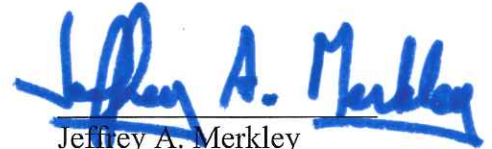
of NAFTA is a necessary first step to maximizing “the use of goods, products, and materials produced in the United States” as called for in your Executive Order.

There is broad support among the American people for Buy American policies and the GAO report makes clear that including government procurement in free trade agreements is a losing proposition. The renegotiation of NAFTA presents a great opportunity to change the status quo and we would urge you to fight for bold reforms that benefit American workers during your negotiations.

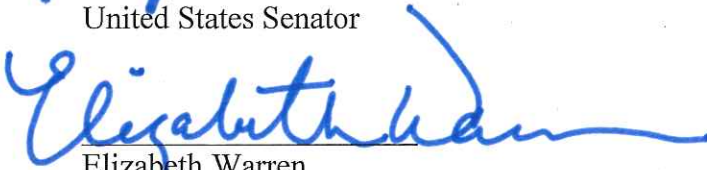
Sincerely,



Tammy Baldwin
United States Senator



Jeffrey A. Merkley
United States Senator



Elizabeth Warren
United States Senator



Sheldon Whitehouse
United States Senator



Tammy Duckworth
United States Senator



Gary C. Peters
United States Senator



Christopher Murphy
United States Senator



Debbie Stabenow
United States Senator



Robert P. Casey, Jr.
United States Senator