

Citizen Trade Policy Commission

Friday July 16, 2010, 9:00 A.M.

State House, Transportation Committee Room (Rm 126) Augusta

MEETING SUMMARY

Members present: Sen. Troy Jackson, Rep. Margaret Rotundo, Rep. Sharon Treat, Linda Pistner, Malcolm Burson, Michael Roland, Sarah Bigney, Cynthia Phinney, Michael Herz, Paul Volckhausen, Joseph Woodbury and John Palmer.

Trade update from Nora Todd (Rep. Michaud's Office) (by conference call). Congressman Michaud has a number of concerns about the proposed Korean, Panama and Columbia free trade agreements that he and others have expressed in the past. Rep. Michaud doesn't think President Obama has developed his own trade policy so still operating under President Bush's old trade policies. Congressman Michaud is afraid the administration will not seriously address labor and other issues in the Columbia FTA and will just put "window dressing" on agreement and try to pass it through as being changed. There needs to be a focus on benchmarks and make strict targets for lasting change. Korean FTA will likely go first (maybe by the first of the year). The commission should weigh in sooner than later on this FTA by sending a letter to the President, Maine's Congressional Delegation and USTR voicing the commission's concerns. There is not a lot of 'chatter' regarding the Panama FTA. USTR would like to move on Fast Track sometime later this fall. Rep. Michaud wants to support the export initiative but it just seems to be mostly marketing and not sure how it will help Maine. The Trade Act will be introduced again may need to be tweaked in places. The new financial reform bill may not be compliant with FTA so there is a potential for the FTA's to undermine the new reform laws. States' financial regulations may be subject to challenge under FTAs. Encourage the commission to send comments about FTA to Rep. Michaud.

Trade update from Jim Catella (Sen. Snowe's office) (By conference call). Senator Snowe is concerned about the Columbia FTA because of the country's labor practices and about the Panama FTA because of tax haven issues. The Korean FTA remains stalled over autos and beef market access issues. While other issues have been raised, Korea seems only interested in talking about beef and autos. USTR may try to move the Columbia FTA sometime in November so the commission should send its concerns sooner than later. Requested the commission send him its comments on pharmaceuticals, and financial sector issues and he would make sure they are a part of Sen. Snowe's negotiation process. Sen. Snowe has a general concern about FTAs tending toward greater rights for foreign investors and foreign concerns. She is trying to prevent this but needs to find new ways to structure FTAs. The financial reform bill will require the Treasury to consult more closely with states if it chooses to enter into any agreements. Encourage the commission to send any information about FTAs it may have to Sen, Snowe. Having meetings with the commission like this is very helpful.

Task Force report backs or updates. The commission encouraged task force members to meet when possible and to let staff know ahead of time if three or more are planning to meet to discuss commission business so the meeting time and place can be posted on the commission's web page.

Korean Free Trade Agreement The commission voted 10-0 to send a letter to President Obama, Maine's Congressional Delegation and USTR (with an e-mail follow up) raising the commission's concerns about state rights, financial (predatory lending) and pharmaceutical issues surrounding the FTA.

Possible legislation. The commission discussed possible legislation presented in the agenda and agreed to bring up the topic again closer to the beginning of the 125th Legislature.

Policy Statement. Rep. Rotundo said that adopting the policy statement would allow the chairs to act on behalf of the commission when issues arise that require action before the commission can meet on it. This would only apply to issues pertaining to policies outlined in the policy statement document. Anything else would need to go back to the commission to be discussed and voted on in a public forum. The commission voted 10-0 to adopt the policy statement presented at the meeting by staff.

Commission budget. The commission reviewed its budget history and budget for 2011. Rep. Rotundo suggested meeting fewer times but longer meetings.

Agenda items for the next meeting. The commission agreed not to meet in August. The September meeting will start at 9:00AM. Possible agenda items are: Janine Bisailon-Cary (President and State Director of International Trade, MITC) will attend the meeting to discuss MITC's activities and how both groups can improve their working relationship; Sen. Sherman update on LNG impact; allot time for task force member to meet after commission meeting.

Adjournment: The meeting adjourned at approximately 11:15AM.