

**Public Hearing Summary**  
**Maine Citizen Trade Policy Commission**  
**Joint Standing Committee on Agriculture, Conservation and Forestry**  
**November 20, 2014**  
**Room 101, Roberts Learning Center**  
**University of Maine at Farmington**  
**Augusta, Maine**

CTPC Members Present: Senator John Patrick, Senator Troy Jackson, Representative Sharon Anglin Treat, Representative Jeff McCabe, Representative Bernard Ayotte, Steve Cole, Pamela Megathlin, Attorney General Janet Mills, John Palmer, Dr. Joel Kase, Jay Wadleigh, Mike Karagiannes, Mike Herz

ACF Members Present: Representative James Dill, Representative Robert Saucier, Representative Craig Hickman, Representative Donald Marean, Representative Russell Black

Staff: Lock Kiermaier (CTPC Contract), Karen Nadeau-Drillen (ACF Legislative Analyst), Micheal O'Brien (ACF Legislative Analyst)

CTPC Chair Senator Troy Jackson convened the public hearing at approximately 6:45 PM.

To begin the hearing, Senator Jackson asked CTPC members and members of the Joint Standing Committee of Agriculture, Conservation and Forestry to introduce themselves.

Senator Jackson next asked CTPC Chair Representative Sharon Anglin Treat to make some introductory remarks about the purpose of the public hearing. Representative Treat's remarks included the following:

- Most recently, the CTPC has been focusing on reviewing the possible impacts of two international trade treaties on Maine that are currently being negotiated: the TransPacific Partnership (TPP) and the Transatlantic Trade and Investment Partnership (TTIP);
- The CTPC is required by state law to do an assessment of trade impacts on the state once every two years;
- For the 2014 Assessment, the CTPC focused on the topic of agriculture as it is being discussed in the TTIP which is currently being negotiated between the US and member nations of the European Union (EU);
- To conduct the 2014 Assessment, the CTPC contracted with the Institute for Agriculture and Trade Policy and the Maine Farmland Trust;
- The 2014 Assessment raised several significant trade-related issues pertaining to agriculture for the State of Maine:
  - Whether or not the US should agree to limitations on *geographical indications* which are regional names associated with particular foods such as Parmesan cheese or Maine seafood;
  - Possible restrictions on *public procurement programs for food* like those that extend preference to Maine-grown foods;

- The extent to which the TTIP will address *food safety issues*; the primary issue being the extent to which the US and the EU will be bound by common regulations established by either party; and
  - The possible threat posed to the *subsidies provided by the Maine Dairy Stabilization Fund* which is essential to the current level of stability and price supports provided for Maine’s remaining dairy farms; under the TTIP, these subsidies could be considered to be discriminatory and thus be disallowed.
- These modern trade treaties go way beyond the traditional trade topic of allowable tariffs and now extend to issues dealing with domestic regulation on the federal, state and municipal levels; and
  - In addition, a current topic of concern for the CTPC in relation to both the TPP and the TTIP is the issue popularly known as “Fast Track”; Fast Track is the current proposal in front of Congress from the Obama administration which would allow approval of these treaties on a simple up or down vote with limited debate and no amendments being allowed.

At the conclusion of Representative Treat’s comments, Senator Jackson then opened the public hearing to testimony from those members of the public present. From that point on, the public hearing evolved into a public discussion about these trade topics in which no formal oral or written testimony was received. The CTPC and the ACF Committee did engage in a public discussion with several citizens and discussed a number of different trade related-topics:

- The first conversation took place with Mr. Will Bonsall who is an organic farmer interested in crop diversity and resident of Industry. Mr. Bonsall inquired about the context of the meeting and remarked that all the CTPC and AFC members represented either state government or NGOs but that the trade negotiations were taking place on the federal level and stated that it seemed that none of the members had any actual decision making authority regarding these trade agreements. The response from Senator Jackson and others emphasized that this was indeed true but that the CTPC has been actively working for a number of years to influence the final shape and content of these trade agreements through the use of formal letters to the USTR, contacts with Maine’s Congressional delegation and working with similar commissions and like-minded legislators in other states;
- Representative Treat also discussed her membership as a “Cleared Advisor” on the Intergovernmental Advisory Committee to the USTR and how she has continually sought to influence the trade negotiating process and policies from that vantage point. She also mentioned the CTPC’s responsibility to hold two public hearings in different parts of the state every year so as to provide an opportunity to hear from Maine citizens about these trade policies and developments as well as to inform them about the same subjects. She also addressed the progress that the CTPC and others had been able to make in influencing (or delaying) the adoption of the President’s Fast Track proposal;
- Attorney General (and CTPC member) Janet Mills spoke to the ongoing efforts that she and Attorneys General from other states have been making with regards to the contents of these trade treaties, particularly that of the ISDS arbitration provisions and how the inclusion of that process (largely controlled by international corporate interests)

represents a real threat to the sovereignty of a state's ability to adopt and administer laws and regulations which broadly protect the public health and welfare. In particular, Attorney General Mills mentioned the very real threat that these trade agreements may represent to the efforts to enforce the state's public health and safety laws and regulations regarding the use and sale of tobacco. She also mentioned a recent letter to the USTR signed by Chief Justices from most states indicating their grave concerns and reservations regarding the threat that these treaties represent to the sanctity of due process and judicial oversight;

- Next to speak was Cynthia Stancioff from Chesterville who voiced her ongoing concerns and reservations about these international trade treaties and how she doubted that any benefits from these treaties would outweigh the benefits. She stated her belief that these treaties have the potential to tamper with careful and deliberate policy decisions made on the state and local levels and objects to the potential of international corporate interests to override these public policy decisions made by the people of the state of Maine and other states. Representative Treat discussed the recent progress that the CTPC and other entities have made in disseminating public information about these treaties and their potential provisions which are largely negotiated in secret and how the public could actively influence the Congressional decision whether or not to approve the President's Fast Track proposal;
- Senator Patrick commented on the Fast Track proposal and his grave concern as to how that proposal limits congressional debate and prohibits any amendments to these treaties which might pertain to the various agricultural topics highlighted in the 2014 CTPC Assessment;
- Next to speak was Cynthia Phinney from Livermore Falls. Ms. Phinney is current President of the Maine Fair Trade Campaign and is a former member of the CTPC. Ms. Phinney expressed her gratitude for the CTPC's recent focus on agriculture with the important role that small farms plays in Maine's current economy. She stated her belief about the necessity of being able to make policy on a state and local level which supports local farms and agriculture and not having these decisions to be overridden by international trade agreement and how important it is to maintain the present state subsidies for the dairy industry as a means of ensuring the survival of small dairy farms across the state;
- CTPC member Dr. Joel Kase asked about any recent trade consequences of the President's recent trip to China. While acknowledging that all of these trade negotiations are done behind closed doors in near total secrecy, Representative Treat mentioned her many connections across the world with regards to these trade negotiations and a communication that she recently had from a contact in Chile who mentioned that nothing of trade substance had really happened in those meetings. She further mentioned the many trade issues like tobacco that have not yet been resolved in either the TPP or the TTIP and how that lack of progress is actually indicative of the amount of public concern about these proposals;
- Mr. Bonsall asked about potential ways that citizens could be informed about these many trade issues. Representative Treat responded by mentioning how all of the CTPC actions, reports, information and correspondence are posted on the CTPC website. CTPC staff person Lock Kiermaier then informed the meeting how interested parties could get on the CTPC mailing list by contacting him through an existing link on the CTPC website and

how that website can most easily be found by googling “Citizen Trade Policy Commission”;

- Mr. Bonsall next asked about the manner in which the Fast Track proposal is being pushed. Attorney General Mills suggested that the Fast Track concept may be modeled on the federal BRAC procedure for military base closure where recommendations for base closures are made for an up or down congressional vote with no options for further changes, amendments or substitutions;
- CTPC member John Palmer expressed a concern about the lack of knowledge as to what governmental entity will be responsible for the payment of damages resulting from an unfavorable ISDS arbitration decision. Mr. Palmer also stated his dismay over the near total degree of secrecy and lack of transparency by which these trade agreements are currently negotiated under. He also mentioned the alarming access that powerful trade associations have to the trade negotiations to the disadvantage of small businesses without a lot of resources and the success that the CTPC has had in publicizing its various positions and concerns;
- Representative Treat related a recent incident in which the only way she was able to read text of a portion of one of these agreements, even with her status as a USTR Cleared Advisor, was to arrange to read it under the supervision of an FBI agent in their Augusta office and how she was restricted in being able to communicate the contents of what she had read. She contrasted this to the very public manner in which the State Legislature conducts its business;
- Attorney General Mills then discussed a recent letter sent by the states’ Attorneys General to the USTR. This letter did not generate a response from the USTR. However, the National Association of Manufacturers did respond to that letter prompting questions about who has access to the USTR process;
- Representative Treat reviewed the many efforts that the CTPC has made to communicate its concerns with members of Maine’s Congressional delegation and suggested that the election of a new congressperson in the Second Congressional District presented an opportunity for the CTPC and public to communicate concerns about these treaties to that newly elected representative;
- In response to a question about the European reaction to the issues raised about the perspective of small farms in the US, Representative Treat mentioned her recent conversations with members of the European Parliament which indicated very similar interests and concerns regarding policies like “Buy Local”;
- ACF member Representative Saucier asked about the degree to which these trade agreements are forever binding? Representative Treat stated that it is very difficult for a country to withdraw from a trade treaty and that to do so requires that consent of all signatory nations. She also mentioned the fact that the TTIP may seek to establish regulatory councils which would be responsible for reviewing, and in effect, approving/rejecting proposed laws and regulations which might have a bearing on a particular trade treaties raising questions about our sovereignty and ability to follow our Constitution;
- In response to a question about whether the TTP and/or the TTIP will supersede the provisions of NAFTA, Representative Treat stated that it was a great question to which no one currently knows the answer to. In addition, she mentioned that a possible option that would raise significant concerns if it is under consideration by trade negotiators

would be if an international corporation could select a provision of whatever ratified treaty it wanted to further its own perspective or goals;

- In response to a question from John Palmer, Senator Patrick affirmed that there was a recent incident in which the Chinese government threatened a legislator with legal action over a piece of sponsored legislation that the Chinese felt violated the terms of a WTO trade agreement. Representative Treat related this incident to the ability of the aforementioned regulatory councils in the TTIP to reject proposed legislation. In a further response, Senator Patrick questioned whose interests (public or those of international corporations) are best being served by these international trade agreements and stated that he was in favor of trade agreements that fairly protect trade, the environment, public safety and labor agreements;
- Representative Treat reiterated her belief that it is important to continually participate and to state one's beliefs during the process by which trade treaties are negotiated and finally approved. She mentioned that certain trade deals have been turned down and others that have been changed by amendment when approved by Congress;
- Senator Patrick mentioned that prior to the creation of the CTPC in 2003, the only information that was made available to states was through a Single Point of Contact in each Governor's office and he questioned how accessible and transparent that information actually was. He then maintained that the success of the CTPC has led to the establishment of similar commissions in other states and that the CTPC is considered to be a leader in the effort to make the trade negotiating process more transparent and accessible;
- Mr. Bonsall suggested that the real value of a group like the CTPC is to help ensure the accountability of the trade negotiating process and the degree to which the process is transparent and accessible;
- Attorney General Mills mentioned the importance of letting the more than 8,000 farms in Maine know about the 4 predominant previously mentioned issues raised in the 2014 CTPC Assessment; and
- ACF member Representative Black asked how these trade agreements might affect subsidies in the federal Farm Bill. Representative Treat answered by suggesting that agricultural subsidies contained in the Farm Bill as well as agricultural subsidies provided in any of the other countries involved in these agreements are always subject to negotiation, since the goal of these agreements generally is to remove tariffs and subsidies. She stated that because agricultural subsidies are of great importance to every country, trade-offs can be expected, but there is the possibility that U.S. programs could be adversely affected or eliminated.

The public hearing was adjourned by Senator Jackson at approximately 8:20 PM.