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Board President
General Manager,
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Polytechnic State
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Christopher Valadez,
President, Grower Shipper
Association of Central
California

The Honorable Eleni Kounalakis
State Capitol, Suite 1114
Sacramento, CA 95814

Dear Lieutenant Governor Kounalakis:

Thank you for your leadership in chairing the International Affairs and Trade Development Interagency Committee and serving as the Governor's Representative for International Affairs and Trade Development. As the fifth largest economy in the world, trade is vital to the long-term prosperity of communities and regions throughout our state. International trade fuels economic growth, supporting and creating good jobs in diverse communities, as well as raising living standards for individuals and families. When California invests in trade, we are investing in our future.

As the California State Board of Food and Agriculture, we cannot overstate the importance of international trade to California's farmers and ranchers. California is the largest agricultural producer (\$50 billion) and exporter (\$20.5 billion) in the nation. On average, 28 percent of agricultural production is exported supporting more than 168,000 jobs throughout the economy. These statistics are important despite the fact that many times our farmers and ranchers are at a disadvantage on the global stage.

Tariffs and non-tariff barriers are some of the key factors that impact the overall competitiveness of California agriculture in foreign markets. Our products are truly the best in the world, with high quality characteristics, food safety, and environmental standards that define and exemplify the California brand. However, these desirable qualities come at a cost that is magnified when high tariffs are in place. Our products are available at an already high cost to foreign market consumers. Tariffs increase this cost, while our foreign competitors benefit. The nation's current trade disruptions have made this all the more challenging. In addition, when we lose markets, they are very difficult and costly to regain.



Trade policy is a federal issue, but California can play a role. We have a Congressional Delegation whose size and importance can help prioritize and advance federal trade issues that have an impact on California workers, employers and communities. Your support in advancing international trade issues that are vital to California's farmers and ranchers at the federal level would be most appreciated. Supporting international trade agreements that provide beneficial returns to California's agricultural community should be a priority. When the many diverse jobs created by trade throughout the state are evaluated it is clear that agricultural trade is important to both urban and rural communities.

As a Board, we look forward to your advocacy and support on behalf of California's farmers and ranchers on the advancement and ratification of federal trade agreements that bring true benefits to agriculture, rural communities, and job creation in California. The most immediate priority agreement is the United States – Mexico – Canada – Agreement (USMCA). Further, we would request your support in addressing retaliatory tariffs enacted by trade partners as a response to the federal implementation of Section 232 and 301 provisions. These trade restrictions should be removed.

China also represents a significant trade challenge to California's farmers and ranchers. While we understand and support mutually beneficial trade between the U.S. and China, we acknowledge the substantial complexity of issues that exists between our national governments. We defer to California's Congressional Delegation to support and advise on this critical issue, understanding the unique role that California agriculture has in international trade for our nation.

In conclusion, trade is critical for California agriculture. Your support and advocacy on behalf of our farmers and ranchers is most appreciated. Please let us know how our Board can support your international trade development and expansion efforts. Our farmers and ranchers produce a diversity of crops, under the most stringent regulations, that result in food of the highest quality, grown with the most significant food safety standards with an unparalleled dedication to environmental stewardship.

Trade is an important contributor to the long-term prosperity of our state. We look forward to working with you in advocating on behalf of California agriculture.

Sincerely,


Don J. Cameron

cc: Karen Ross, California Department of Food and Agriculture
Lenny Mendonca, Governor's Office of Business and Economic Development