



The Honorable Tina Smith
720 Hart Senate Office Building
Washington, DC 20510



DEAR SENATOR SMITH,

On behalf of Minnesota's agriculture and food sector, we urge you to support ratification of the United States–Mexico–Canada Agreement (USMCA). At \$1.6 billion in 2016, Minnesota's combined agricultural exports to Canada and Mexico exceed our exports to China. Ratifying this new trade agreement is critical toward ensuring access to these markets.



Minnesota's economy depends on our ag and food sector; which is our state's 2nd largest economic driver. With more than \$7 billion in exports in 2016, Minnesota is the 4th largest agricultural exporting state in the nation. According to the Minnesota Department of Agriculture, since the ratification of the North American Free Trade Agreement (NAFTA) 25 years ago, Minnesota's ag and food trade with Canada and Mexico more than tripled.



Minnesota's food producers and processors were already facing significant headwinds before the President announced that he wished to renegotiate NAFTA in May 2017. The subsequent Section 232 tariffs on imported steel and aluminum levied by the Administration in July 2018 made matters dramatically worse.



Predictably, these tariffs resulted in retaliatory measures on U.S. commodities such as pork, beef, dairy, soy, corn, and sugar products, among many others. The removal of the Section 232 tariffs, and the subsequent ratification of USMCA, would relieve the tariffs on many of these products which have had a devastating effect on Minnesota's rural communities.



The passage of USMCA will result in increased market access for Minnesota farmers and food producers. According to a study conducted by the Department of Agricultural Economics at Purdue University, increased market access for U.S. agriculture will increase by approximately \$450M dollars annually under USMCA. Additionally, the same study concludes that the U.S. decision to maintain Section 232 tariffs on steel and aluminum on the two countries will cause U.S. agricultural exports to decline by \$1.8B dollars annually, dwarfing any gains made by USMCA. Successfully ratifying USMCA and removing the 232 tariffs would go a long way toward restoring calm to our ag and food markets and normalizing trade relations with our closest partners.



Our respective organizations support efforts toward a reliable and efficient trade environment for our farmers and food processors. The USMCA will assist in Minnesota's ability to remain competitive in international markets, and we respectfully ask you to support its swift passage.



Sincerely,



**Minnesota AgriGrowth Council
Cooperative Network
Midwest Food Products Association,
Minnesota Association of Wheat Growers
Minnesota Grain & Feed Association
Chicken and Egg Association of Minnesota
Minnesota Corn Growers Association**



**Minnesota Milk Producers Association
Minnesota Cattleman's Association
Minnesota Pork Producers Association
Minnesota Soybean Growers Association
Minnesota Turkey Growers Association
Southern Minnesota Beet Sugar Cooperative**

