

# **Citizen Trade Policy Commission**

**Friday, December 2, 2005**

State House, Room 126, Augusta

## **Meeting Summary**

**Members present:** Sen. Margaret Rotundo (co-chair), Rep. John Patrick (co-chair), , Sen. Bruce Bryant, Rep. Roderick Carr, Rep. Deborah Hutton, Cynthia Phinney, Matt Schlobohm, Peter Connell, Bjorn Claeson, Carla Dickstein, Dr. Robert Weiss, , Mark Haggerty, Leslie Manning (on behalf of Vanessa Santarelli, Liz Wyman (on behalf of Linda Pistner) and Stephen Franck (on behalf of Richard Coyle).

**Members absent:** Sen. Kevin Raye, Mary Ellen Johnston, Barbara Van Burgel, Linda Pistner, James Wilfong, Jim Dusch, Richard Coyle, Vanessa Santarelli, and Paul Volckhausen

**Staff present:** Nicole Dube, Legislative Analyst

### **I. Introductions**

Sen. Rotundo convened the Commission meeting and asked Commission members to introduce themselves.

### **II. Briefing from Thea Lee AFL-CIO**

Christina Sevilla gave a brief presentation covering the following areas.

1. The overall case for trade
2. What trade agreements do and do not do
  - Local and federal regulation
  - Procurements
  - Investment rules
  - Consultation with states

Following Christina's prepared statements the Commission asked a series of questions and follow-up questions. Additionally, Alan Stearns asked Christina Sevilla a number of questions and made statements on behalf of the Governor. Per the Commission's request, a transcript of the proceedings is being prepared by staff and will be sent to Commission members and Maine's Congressional Delegation. Additionally, the Commission directed staff to send USTR the list of questions posed to Christina Sevilla for a written response along with a 'thank you' letter.

### **III. Discussion of Border Issues**

Peter Connell

Illegal Installation of Modular homes

Despite changes in federal regulations there is still a significant lack of enforcement of NAFTA provisions at the US-Canadian border to prohibit the entry of Canadian drivers as business visitors

to set modular homes. Canadian workers are performing illegal construction work in the U.S. Some Canadian workers who are permitted to transport and deliver manufactured homes into the U.S. under B-1 visas are then also installing or assembling the manufactured homes at the delivery site which is in violation of NAFTA and immigration laws. It also places these workers in direct competition with U.S. workers, and places American firms at a competitive disadvantage.

Canadian Ombudsman – need place to field complaints and stay on top of issue

- The position was created by legislature during the King Administration, yet was first funded in the first budget of Governor Baldacci's term.
- Governor Baldacci did not nominate a person to the position during his first biennium (the 121<sup>st</sup> Legislature), due to a combination of budget constraints and other factors.
- The 121st Legislature, second regular session, added additional resources to the position's authorized salary, to allow more high profile recruitment.
- Governor Baldacci has not yet nominated anyone to the position, but intends to submit a nomination to the first regular session of the 122<sup>nd</sup> Legislature (this winter).
- The nomination must be confirmed by the Maine Senate.
- The duties of the Ombudsman are enumerated by statute.

Rep. Carr

Based on a 2002 public hearing in Bangor, the Legislature's rural caucus supported legislation to create a the Canadian Trade Ombudsman position. It was passed and funded but was not filled by the Governor. Due to budget shortfalls last session, funding was removed from the position.

Issues – inequity between businesses

Logging Industry – large companies advertise jobs and once they can't hire Maine loggers, they bring in bonded labor

Holton Dairy – wanted to sell ice cream in Canada and was told they were unable to because their quota was filled

Trucking – Canadians bring in potatoes dropping off/picking up loads and putting them in Maine and other places which is illegal

Fasco Manufacturing Company in Lincoln – sold a boiler in Canada but was not allowed to install it. However, Canadian companies can install boilers sold in Maine.

Goding Cement – truck broke down in Canada and sent a mechanic who was not allowed to fix it; they were required to use a Canadian mechanic

Wyman Blueberries

Potatoes

### Over-all Work plan for FY 2005- 06

- Commission will seek to improve relationship with USTR and will work with Maine's Congressional Delegation and other states to achieve this objective
- It was suggested that the Commission review the Federal Trade Act of 2002 because it is coming up for reauthorization in 2007 and the Commission may wish to put together what it thinks should be in a trade agreement
- Trade Promotion Authority – it was suggested that the Commission try to weigh in on this issue and directed staff to go to NCSL's webpage on this topic and send it to Commission members
- IT was suggested that the Commission work with Maine's Congressional Delegation to create more transparency during the negotiation process of trade agreements
- Legislators out-reach effort to educate legislators about the potential and current impacts international trade agreements are having on Maine. Invite Peter Riggs for the Forum on Trade And Democracy to meet with legislative committees to discuss why they need to consider trade matters when working bills
- Directed staff to poll OPLA for trade related items that were associated with the last legislative session
- The Commission agreed the second public hear should be held in central Maine.

### **III. Sub-committee Work Session**

Subcommittees agreed to meet after the adjournment of the Commission and to report back on its work to the full Commission at its next meeting.

### **IV. Adjournment.**

The Commission adjourned its meeting at approximately 1:00PM