

JIM COSTA

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WATER, POWER AND OCEANS

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

December 7, 2015

The Honorable Mitch McConnell
Majority Leader
United States Senate
The Capitol, Room S-230
Washington, DC 20510

The Honorable Harry Reid
Minority Leader
United States Senate
US Capitol, Room S-221
Washington, DC 20510

The Honorable Kevin McCarthy
Majority Leader
United States House of Representatives
The Capitol, H-107
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
United States House of Representatives
The Capitol, H-204
Washington, DC 20515

Dear Majority Leader McConnell, Minority Leader Reid, Majority Leader McCarthy and
Minority Leader Pelosi:

This morning, a World Trade Organization (WTO) arbitrator ruled that Canada and Mexico can impose retaliatory tariffs of slightly more than \$1 billion on imported U.S. goods because of damages caused by the mandatory U.S. Country-of-Origin-Labeling (COOL) rule for meat. On June 10, 2015, the House of Representatives passed legislation, H.R. 2393, *the Country-of-Origin-Labeling Amendments Act of 2015*, of which I was the lead Democrat sponsor, which would modify the Agricultural Marketing Act of 1946 to repeal COOL requirements for beef, pork and chicken. As the omnibus appropriations bill is being negotiated, I strongly urge the inclusion of this language so that we can resolve this issue once and for all and prevent the heavy hammer of trade retaliations being leveled on Americans farmers, ranchers, dairy producers and manufactures.

All Americans – not just those involved in agriculture and manufacturing –will feel economic damages if COOL is not fixed in the omnibus appropriations bill and retaliatory tariffs are allowed to take effect. The U.S. needs to take action to prevent the implementation of these retaliatory tariffs before they do irreparable damage to distinct industries and impact the overall economy.

Finally, the U.S. Department of Agriculture's (USDA) Agricultural Marketing Service (AMS), which enforces COOL, has said repeatedly that "[t]he COOL program is neither a food safety or traceability program, but rather a consumer information program." Since its implementation, our livestock markets have been faced with major costs and little benefit. Additionally, the USDA released an economic impact analysis to Congress (as mandated by the 2014 Farm Bill) that said that consumers will, over the long run, face higher beef and pork prices and producers will not see any economic benefit as a result of COOL requirements.

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Letter to Leadership re: COOL

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I appreciate your attention to this matter and I strongly urge the inclusion of H.R. 2393 to the Omnibus Appropriations bill to resolve the trade dispute with Canada and Mexico and prevent retaliatory tariffs from occurring on American products.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jim Costa", is positioned above the printed name.

JIM COSTA

Member of Congress