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WATER, PARKS AND WILDLIFE

March 19, 2014

The Honorable Jerry Brown  
Governor of California  
State Capitol, Suite 1173  
Sacramento, CA 95814

RE: Presidential Executive Order Dated February 19, 2014 – Import/Export Efficiencies

Dear Governor Brown:

I am writing to urge you to direct your Administration to take any and all necessary steps to bring the state into compliance with President Obama's Executive Order to streamline the import and export process for America's businesses.

This new Executive Order will cut processing and approval times for businesses that export American-made goods by completing the International Trade Data System (ITDS) before the end of the year of 2016. Today, businesses submit their information by paper to government agencies delaying commerce through long turnaround times, sometimes for days to move goods across the border. The ITDS, as described in section 405 of the Security and Accountability for Every Port Act of 2006 (the "SAFE Port Act") (Public Law 109-347), is an electronic information exchange capability, or "single window," through which businesses will transmit data required by participating agencies for the importation or exportation of cargo.

California had a record year of exporting goods to international markets in 2013. With the increasing export market in California, the ITDS will help us better manage, promote, and assist businesses in meeting demand through international trade. California's merchandise export trade for all of 2013 totaled \$168.13 billion, finishing ahead of the \$161.70 billion recorded in 2012.

While technology exports increased in four sectors: navigational equipment, magnetic and optical media, communications equipment and computer and peripheral equipment, California still had the largest decrease in tech exports, declining \$1.3 billion from 2011 to 2012. Texas for the first time surpassed California as the leading tech exporter in 2012. Clearly, there is still work that our state can do to increase predictability and confidence for the private sector to better facilitate international trade, especially from one of our core industries – technology.

California's 11 ports generate more than \$40 billion in annual economic activity. The Northwest is already realizing a drop in its market share due to the investment and expansion that Canada has made at Prince Rupert. Further, ports in Mexico and the Gulf states are boosting capacity as the Panama Canal nears completion of a \$5.25 billion widening that allows the world's largest cargo ships to bypass the West Coast. California must maintain its competitive advantage through efficiencies at our ports, quick and secure transport of goods to their destination, and every effort to streamline government regulations that are outdated or negatively impact the ability of U.S. companies to import or export goods.

In the Executive Order the President states, *"It is the policy of the United States to promote commerce through the effective implementation of an ambitious 21st century trade agenda and vigorous enforcement of our Nation's laws relating to trade, security, public health and safety, the environment, and natural resources. In support of these goals, and to ensure that our Nation is well-positioned to compete in an open, fair, and growing world economy, the Federal Government must increase efforts to improve the technologies, policies, and other controls governing the movement of goods across our national borders."* This sentiment for an aggressive 21<sup>st</sup> century trade agenda must be the policy of California, as well. We cannot continue to take our ports and geographical location for granted, or we will fall too far behind our competitors.

I am pleased to see that the federal government is beginning to take the necessary steps to ensure that we develop the most efficient infrastructure to facilitate and modernize the way that our government agencies interact with businesses. Through the federal "single-window" system connecting the trade community with the U.S Department of Customs and Border Protection and 47 other government agencies, businesses will save time and money by reducing the time for clearing goods from many days to, in some cases, seconds, eliminating paperwork, and creating a more efficient government.

It is time to take meaningful action to support our international trade economy, and I call upon you to direct your Administration to coordinate with the federal government in streamlining our import and export processes.

Sincerely,



TRAVIS ALLEN  
Assemblyman  
72<sup>nd</sup> Assembly District