



Congress of the United States
House of Representatives
Washington, DC 20515

September 30, 2016

President Barack Obama
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Obama:

We write as a bipartisan Congressional delegation on behalf of the New York dairy industry that faces a significant threat to its access to foreign markets. New York State is the third largest milk producer in the United States and exports the equivalent of more than 13 million gallons of milk each year. We are concerned that Canada's National Ingredients Strategy and Ontario's highly-targeted special Class 6 pricing programs were constructed to limit our dairy farmer's ability to export to Canada, New York's most important foreign market. We urge you to direct U.S. Trade Representative Froman to address this issue with his Canadian counterparts. We must take all necessary actions to eliminate these unfair barriers to trade and preserve access to this market.

New York dairy companies have made substantial investments to produce an ultra-filtered milk product (UF85) intended for export to Canadian cheese manufacturers. This investment and the sales that followed were made in response to the duty-free access for UF85 secured under the North American Free Trade Agreement (NAFTA). Earlier this year, the Ontario Farm Products Marketing Commission (OFPMC) proposed a modification of Ontario Regulation 753 which created a new milk price class for UF85 with a base price derived from the cost of imported products. This artificially eliminated the price advantage of the efficiently produced American UF85 while billing references protect the value of the Canada Class 3 product. Also troubling are recent proposals to change the quantities of UF85, or Class 6 product, permitted in different types of cheese production, which could further erode U.S. export opportunities. The Dairy Farmers of Ontario acknowledge in their Submission to the Advisory Committee for Milk dated March 7, 2016, that these proposals invite a World Trade Organization (WTO) challenge.

Dairy companies from our state indicate they have already lost considerable export sales as a result of the Ontario Class 6 pricing policy. The proposed National Ingredients Strategy appears to take this concept and expand it significantly while retaining the same underlying objective, to limit the opportunity of U.S. dairy exporters.

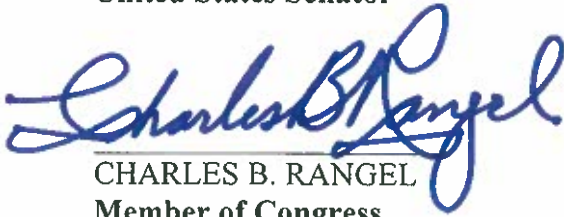
It is imperative that the Administration take decisive action and reject Canada's restrictive trade policies and reinforce the value of concessions previously secured under NAFTA. Thank you for your attention to this important issue and to ensure equitable and fair market access for U.S. dairy producers.

Sincerely,



KIRSTEN GILLIBRAND
United States Senator

CHARLES E. SCHUMER
United States Senator



CHARLES B. RANGEL
Member of Congress



BRIAN HIGGINS
Member of Congress



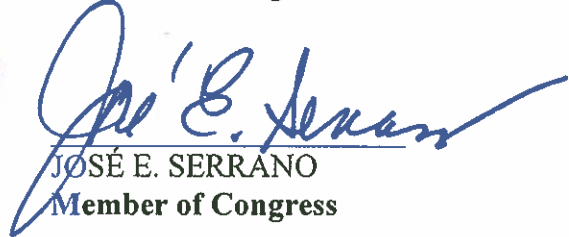
NYDIA VELÁZQUEZ
Member of Congress



STEVE ISRAEL
Member of Congress



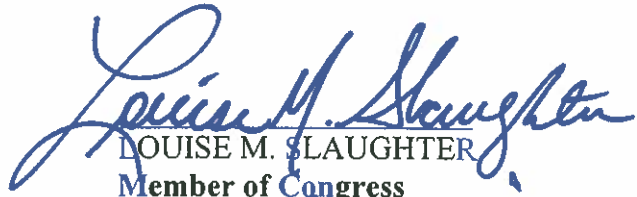
DANIEL M. DONOVAN, JR.
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