

July 30, 2019

Hearing Title: The United States-Mexico-Canada Agreement on Tuesday, July 30, 2019

From: Scott Talbott, Senior Vice President of Government Relations, Electronic Transactions Association 1620 L Street, N.W. #1020 Washington, D.C. 20036

The Honorable Chuck Grassley
Chairman
Committee on Finance
United States Senate
Washington, DC 20515

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
Washington, DC 20515

Dear Chairman Grassley and Ranking Member Wyden:

On behalf of the members of the Electronic Transactions Association (ETA), I am writing in support of the United States-Mexico-Canada Agreement (USMCA). Ratifying the USMCA would strengthen U.S. cross border digital trade leadership and advance electronic payment products and services ability to grow platforms and services that enable engagement with the digital economy.

As the Committee holds its July 30th hearing on the USMCA trade agreement, we urge Committee members to take into account the significance of the digital trade rules on the United States economy and to take the necessary steps to ratify the USMCA and start receiving the myriad of benefits. Similarly, ETA is working with the Canadian government and asking them to take the appropriate steps to ratify the trade agreement.

ETA is the leading trade association for the payments industry, representing over 500 companies that offer electronic transaction processing products and services; its membership spans the breadth of the payments industry to include independent sales organizations, payments networks, financial institutions, transaction processors, mobile payments products and services, payments technologies, equipment suppliers, and online small business lenders.

Digital technology drives global commerce and ensures payments happen on time and in the right amount. The USMCA promotes and sets a new and important precedent for modern trade rules that reflect the importance of data, technology, and innovation in the United States – and the North American – economy.

Businesses and entrepreneurs in every American state and every community use the internet to sell and export their goods and services across the globe and the USMCA provides strong provisions in the agreement allow for the free flow of information across borders. Additionally, the USMCA encourages governments to release non-sensitive data in an open format so companies have the opportunity to build additional applications and services. This is essential to

the vibrancy of the international economy and ensures American businesses and entrepreneurs can easily access data and provide services to partners in Canada and Mexico.

The USMCA also limits government restrictions on information flow across borders, recognizing that wide availability of information leads to more trade and economic growth. By barring any country from requiring any sector to use or locate computing facilities in their territory as a condition for conducting business, this provision will allow companies to store their

data wherever they choose. Reducing the cost and regulatory burdens of doing business in other countries and ensuring their data isn't vulnerable to attack. Leveraging the global, interconnected nature of the internet is beneficial to all consumers - especially for United States small businesses expanding into new markets.

The USMCA reflects the important principle that consumers' privacy should be protected no matter what country and individual or business is located. The USMCA promotes flexible but strong privacy laws and cybersecurity standards to protect people's data without prohibiting the movement of data across borders.

Ratification of the USMCA would be a boost for the American economy and bring predictable rules for all companies that use electronic payments in North America. The United States has an important opportunity to continue to be the world's leader in global commerce by passing the USMCA. We urge the Administration and Congress to work together to do so.

We appreciate your leadership on this important issue. If you have any questions, please feel free to contact me directly at stalbott@electran.org.

Sincerely,



Scott Talbott
Senior Vice President of Government Relations
Electronic Transactions Association

