

SHERROD BROWN
THIRTEENTH DISTRICT
OHIO

COMMITTEE ON COMMERCE

RANKING MEMBER,
SUBCOMMITTEE ON HEALTH
AND ENVIRONMENT

SUBCOMMITTEE ON ENERGY
AND POWER

COMMITTEE ON
INTERNATIONAL RELATIONS

PACIFIC

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

December 3, 2001

DISTRICT OFFICES:

5201 ABBE ROAD
ELYRIA, OH 44035-1451
(440) 934-6100
FAX (440) 934-6145

124 WEST WASHINGTON STREET, SUITE A
MEDINA, OH 44256-1902
(330) 722-9262

1-800-234-6413 (OH13)

WASHINGTON OFFICE:

201 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-3401
FAX (202) 225-2266

sherrod@mail.house.gov
http://www.house.gov/sherrod/brown/

**FAST TRACK AND THE INVESTOR ISSUE:
FREQUENTLY ASKED QUESTIONS**

Question: Isn't it true that only a few NAFTA Chapter 11 investor cases have been filed and not much money is involved?

Answer: The opposite is true.

Fifteen NAFTA investor cases have been pursued to date, and \$13 billion has been claimed from taxpayers in the three NAFTA countries. Incredibly, companies have claimed a total of \$1.8 billion from U.S. taxpayers. Extending chapter 11 investor rights to millions of new corporations via the Free Trade Area of the Americas (which is covered by the Thomas Fast Track bill) could generate countless new raids on the U.S. treasury. Known cases pending against the United States:

Methanex Corporation—California environmental and public health ban challenged under NAFTA Chapter 11. A Canadian corporation is challenging a 1999 California Executive Order phasing-out the use of the gasoline additive MTBE. MTBE, an animal carcinogen and suspected human carcinogen, is uniquely soluble in water and had been found to be contaminating scarce drinking water around the state. The corporation is claiming damages of \$1 billion. At least 12 other U.S. states already have restrictions on sales of MTBE. Nine states have a ban or phase-out in process.

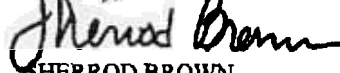
Loewen Group -- A Mississippi Jury Verdict is claimed to be an "Expropriation" under NAFTA Chapter 11. Here, a Canadian funeral conglomerate is suing U.S. taxpayers for \$725 million before a NAFTA tribunal because a jury in the state of Mississippi found it guilty of anti-competitive and predatory business practices in a breach of contract dispute. The company settled in the U.S. court system for \$150 million. Now it is suing in a NAFTA tribunal for 5 times that much from U.S. taxpayers.

ADF Group - U.S. Steel "Buy America" Law Challenged in NAFTA Tribunal by Canadian Contractor. A Canadian steel design and fabrication company which had a contract to work on the rebuilding of the interchanges at the Springfield Virginia "Mixing Bowl" is challenging the U.S. "Buy America" law incorporated into its contract. In accordance with the law that applies to federal highway construction projects, the company was ordered to buy and process steel in the United States. The corporation is claiming damages of \$90 million.

The investment language in H.R. 3005, the Thomas Fast Track bill, opens the door to Chapter 11 problems in future agreements. Don't let Congress repeat the same mistake.

Vote NO on Fast Track

Sincerely,



SHERROD BROWN
Member of Congress

PRINTED ON RECYCLED PAPER