



THEODORE R. KULONGOSKI
Governor

March 22, 2005

Assigned: Dno/Secy/Gov
cc: Vane
Smith/Pedilla
Dno/Secy
Sub: Procurement
(And Pan FTAs)

Robert B. Zoellick
United States Trade Representative
Executive Office of the President
Washington, D.C. 20506

Dear Mr. Zoellick:

Thank you for your letter of January 28, 2005. My position remains unchanged; I will not agree to extend Oregon's commitment to free trade agreements beyond the commitment made by Oregon Governor Barbara Roberts in 1993. The commitment was to abide by agreements among those member countries of the World Trade Organization. As I have explained on several previous occasions, it is a fundamental states rights issue for Oregon to abide by any bilateral free trade agreement (FTAs).

I understand that the American economy has evolved into a global economy and that trade agreements are a necessity. But these trade agreements must include provisions that guarantee fair trade. Accordingly, Oregon will evaluate whether to participate in trade agreements on a case by case basis using a fair trade standard for each analysis.

Given these requirements, Oregon will not be participating in the Panama and Andean FTAs.

Sincerely,



THEODORE R. KULONGOSKI
Governor

TRK:tc:gsr