



**JIM DOYLE**  
GOVERNOR  
STATE OF WISCONSIN

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May 27, 2004

The Honorable Robert B. Zoellick  
United States Trade Representative  
600 17<sup>th</sup> Street, N.W.  
Washington, D.C. 20508

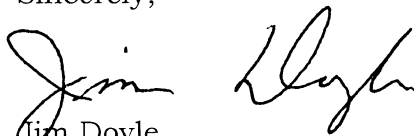
Dear Ambassador Zoellick:

Please accept this letter as notice of Wisconsin's decision not to be bound by the government procurement chapter of the U.S.-Central America Free Trade Agreement (CAFTA).

While Wisconsin remains committed to fair trading, I am not prepared to pledge the state to an agreement with uncertain benefits to Wisconsin businesses and which may limit certain programs that advance Wisconsin's public policy objectives. For example, it is unclear whether Wisconsin laws encouraging the purchase of recycled goods and requiring prevailing wages on certain state contracts would be in conflict with CAFTA's sub-central government procurement commitments. Additionally, in the absence of demonstrable opportunities for Wisconsin workers relating to government contracts in the five CAFTA countries, and the nationwide concern about the detrimental impact of outsourcing on manufacturing jobs, I need to retain flexibility for the state as a purchasing entity as we look to retain high-quality, high-paying local jobs here in Wisconsin.

As I stated in my letter of May 14 concerning the U.S.-Australia Free Trade Agreement, Wisconsin intends to review all bilateral and multilateral agreements on a case-by-case basis. Consistent with that policy - and with what I understand is your office's current position on trade negotiations - Wisconsin will not be bound by any unilateral decision of the federal government to include this state in the government procurement chapters of trade agreements.

Sincerely,

  
Jim Doyle  
Governor