

October 28, 2014

## Key Senators Urge Protection of Cross-Border Data Flows

Dear Technology Committee Member:

Four Senate leaders wrote to the nation's top trade negotiator last week requesting that he "ensure the 21st-century digital economy is not stifled by harmful trade barriers" as the United States negotiates the Trans Pacific Partnership (TPP) trade treaty. Senate Finance Committee Chairman Ron Wyden (D-OR) and Ranking Member Orrin Hatch (R-UT) joined with Senate Commerce Committee Chairman Jay Rockefeller (D-WV) and Ranking Member John Thune (R-SD) to send a letter to Ambassador Michael Froman urging that he "resist any proposal that would create unnecessary limitations on the cross-border transfer, storage and processing of data, or discriminate against digital trade."

Senators Wyden and Hatch are the Senate's lead lawmakers on trade matters, while Senators Rockefeller and Thune have general jurisdiction over technology, communications, and the Internet.

The text of the letter is as follows:

October 24, 2014

Dear Ambassador Froman:

Cross-border data flows power the twenty-first century global economy. American companies move data across the global Internet in order to provide digital goods and services to consumers around the world, as well as boost productivity, streamline operations, and facilitate creativity and problem solving to better compete in the global marketplace. The United States International Trade Commission recently found that the Internet lowers the cost of trade and allows companies to be more efficient, which in turn increases U.S. Gross Domestic Product and employment, raises wages, and generates a digital trade surplus.

The Trans-Pacific Partnership (TPP) negotiations have the potential to produce an agreement that sets a template for high standard, twenty-first century trade agreements. Accordingly, it is clear that a TPP agreement must include meaningful, clear obligations, enforceable through a strong and effective

dispute settlement mechanism, that prohibit unnecessary limitations on the cross-border transfer, storage and processing of data or the physical location of computing infrastructure. In addition, we urge you to stand firm against efforts by other countries to seek reservations and overly broad exceptions that would undermine these obligations and provide lower levels of protection for trade in digital goods and services as compared to other areas of trade.

We appreciate your efforts to date on this issue. A TPP agreement that sets strong rules to protect cross-border data flows will ensure that U.S. businesses and consumers will continue to benefit from the opportunities presented by the growing digital economy.

Sincerely,

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Ron Wyden  
Chairman,  
Senate Committee on Finance

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Orrin G. Hatch  
Ranking Member,  
Senate Committee on Finance

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John D. Rockefeller IV  
Chairman,  
Committee on Commerce,  
Science, and Transportation

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John Thune  
Ranking Member,  
Committee on Commerce,  
Science, and Transportation