Congress of the United States
Washington, DC 20515

May 4, 2017

Secretary Wilbur L. Ross Jr.
The Department of Commerce
1401 Constitution Ave., N.W.
Washington, D.C. 20230

Dear Secretary Ross,

We are writing today to raise concerns regarding unfair trade practices with respect to Mexico's exports of produce to the United States, which are undercutting Florida's specialty crop industry. Mexican growers in particular have a long history of flooding the U.S. market with tomatoes at below-market prices, a practice referred to as dumping. However, it is no longer just tomatoes that are being dumped into U.S. markets, Mexico's exports of bell peppers, strawberries and watermelon have soared over the past couple of years—which is disproportionately impacting the economic vitality of Florida's unique agriculture industry.

Florida's farmers and ranchers provide an economic impact of over $120 billion and serve as the foundation for over 2 million jobs. Furthermore, Florida is the second largest producer of specialty crops in the United States. Our state's special climate and fertile growing regions mean Florida is the sole U.S. producer of many fruits and vegetables during the winter months before most domestic producers begin their harvests.

Unfortunately, after the implementation of the North American Free Trade Agreement (NAFTA) in 1994, imports of many agricultural products from Mexico increased substantially and Mexico began dumping tomatoes and other specialty crops into the U.S. at below-market prices. Coupled with Mexico's inexpensive labor force, its favorable growing conditions and expanding greenhouse production systems, the resulting impact has been a Mexican growing season that directly competes with Florida's specialty crop industry.

In 1996, Florida growers filed a complaint with the International Trade Commission charging that the lower tariff on Mexican tomatoes – a result of NAFTA – had caused significant harm to domestic producers. In October of 1996, the Department of Commerce reached an agreement with Mexican producers and exporters of tomatoes under which Mexican tomato growers agreed to revise their prices and set a minimum reference price in order to eliminate the injurious effects of fresh tomato exports to the U.S. The so-called "suspension agreement" remained in place for years and was renewed in 2002 and 2008. Another agreement established in 2013 raised the reference prices at which tomatoes can be sold in the U.S. to better reflect the changes in the marketplace and to account for winter and summer growing seasons. However, the lack of enforcement of these agreements has intensified conditions allowing Mexican produce to once again flood the U.S. market.

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Tomatoes are just one example of how high volumes of these commodities are pouring into the U.S. market at prices significantly below the cost of production. When the trade framework allows unfairly subsidized commodities to be dumped into U.S. markets, it results in negative repercussions on U.S. producers and causes disproportionate economic injury to Florida's specialty crop industry.

As Members of Congress representing Florida, we know how instrumental trade is to Florida's economy. Our state exports over $4 billion worth of products to over 170 countries and territories around the world each year. Florida is uniquely and strategically located in the Western Hemisphere, boasting state-of-the-art economic infrastructure, a multilingual workforce and a concentration of corporate and financial resources. Specifically, Florida has 15 seaports, with Miami recognized as the "trade and logistics hub of the Americas." Florida produces the highest-quality agricultural commodities in the world and can successfully compete in a global market, if it's operating on a level playing field. Unfortunately, the current trade environment created under NAFTA is anything but fair, particularly when it comes to policies impacting Florida's specialty crop growers and producers.

Our country's trade laws provide a variety of avenues to address unfair and injurious trade practices resulting from foreign government subsidies, dumping, and surging imports. We need to implement a trade agenda that will strictly enforce U.S. trade laws and to ensure that a fair and level playing field exists for America's farmers, ranchers, and businesses.

We respectfully request that you initiate an investigation into Mexico's unfair trade practices and its dumping of specialty crops into U.S. markets. Furthermore, as the U.S.–Mexico trade relationship is reexamined, we urge the U.S. Commerce Department, the U.S Trade Representative, and the U.S. International Trade Commission to develop a new agreement that will protect Florida's domestic agriculture industry, a critical pillar of our state's economy, and compel our Mexican counterparts to compete on a level playing field.

Sincerely,

Thomas J. Rooney
Member of Congress

Ted S. Yoho, DVM
Member of Congress

Mario Diaz-Balart
Member of Congress

John Rutherford
Member of Congress

Brian Mast
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