

## Florida Department of Agriculture and Consumer Services Commissioner Nicole "Nikki" Fried The Capitol

January 15, 2021

U.S. International Trade Commission 500 E Street, SW Washington, DC 20436

RE: Investigation No. 332-581 Monitoring of Fresh or Chilled Strawberries and Investigation No. 332-582 Monitoring of Fresh or Chilled Bell Peppers

Dear Chairman Kearns and Commissioners,

As Florida's Commissioner of Agriculture, and on behalf of our state's \$137 billion agriculture industry, I write today to share my appreciation and support for the U.S. International Trade Commission (USITC) monitoring investigations of imports of fresh or chilled strawberries and bell peppers into the United States that have caused economic harm to domestic growers for more than two decades.

While I am writing on behalf of Florida's seasonal producers and sharing the economic impacts we have measured specific to our state's industry, the harm being caused by Mexico's unfair trade practices is not isolated to Florida or the Southeast, nor is it isolated to these two commodities. This was made clear given the diversity of regions and commodities represented in testimony at the August hearings held by the U.S. Trade Representative along with the U.S. Departments of Agriculture and Commerce regarding trade distorting policies affecting seasonal and perishable products in U.S. commerce.

Enclosed you will find the report the Florida Department of Agriculture and Consumer Services (FDACS) produced that I presented at the August hearings, which shows the undeniable and devastating impact Mexico's agricultural exports have had on Florida agriculture. The report indicates that from 2000-2019, 20 Florida commodities of 24 reviewed experienced declines in market shares, while 13 of these 24 commodities saw Mexico's market share increase by 100 percent or more. Regarding the two commodities the USITC is currently investigating, the report shows that Florida's strawberries market share dropped from 45.9 percent to 29.4 percent during this period, while bell peppers dropped from 45.6 percent to 14.8 percent.

The report also details the lengthy period in which our seasonal producers have suffered without access to remedies or protections to prevent these mounting losses year after year. The urgency of this issue has been laid bare this year, as our domestic industry was upended by COVID-19 market disruptions. Our seasonal crop growers went above and beyond to fill the demand for a safe and secure food supply during this ongoing crisis, while still being subjected to an unfair playing field due to Mexican imports continuing to flood the domestic market.

Given the purview of your investigations into strawberry and bell pepper imports from 2016-2020, FDACS has also produced two additional reports I am including today, which corroborate the apparent widespread market share losses and unfair pricing. For Florida's strawberry growers during the years in question, their market share continued to decline while Mexican imports surged, resulting in a \$16 million decline in annual production value equivalent to 258 jobs lost,

Chairman Kearns and Commissioners January 15, 2021 Page Two

\$1.6 million in decreased indirect tax revenue, and an overall negative economic impact of \$31.7 million. Florida's bell pepper producers experienced even more staggering losses, with the industry suffering an annual production value decline of \$43.5 million – equivalent to 700 jobs lost, a reduction in indirect tax revenue of \$4.3 million, and a \$86.1 million negative economic impact overall.

While the enclosed reports contain an abundance of hard data clearly demonstrating the severe economic damage that foreign trade practices have wrought upon our domestic seasonal produce industry, please remember these startling numbers represent individual American farmers, American jobs, and American communities in need of relief. I stand with our Florida producers in urging the USITC to take immediate action in providing effective and timely remedies to prevent further harm and preserve a safe, strong domestic food supply.

Thank you again for your attention to this critical matter. My Office of Federal Affairs is available for any further assistance you may require as these investigations move forward.

Sincerely,

nicole fried

Nicole Fried Commissioner of Agriculture