

United States Senate

WASHINGTON, DC 20510

April 13, 2018

The Hon. Robert Lighthizer
United States Trade Representative
Office of the United States Trade Representative
607 17th St NW
Washington, D.C. 20508

Dear Representative Lighthizer,

As United States Senators representing the second leading pecan-producing state, we write to express our deep concern with the retaliatory tariffs implemented by the Chinese government on 128 American product lines, including an additional 15 percent tariff on U.S. pecans, in response to U.S. tariffs on steel and aluminum products imports. We respectfully request you consider how recent U.S. trade actions against China and retaliatory tariffs will harm American pecan growers and devastate rural agriculture economies.

As you are aware, pecans are the only tree nut indigenous to North America, and the United States is the world's leading producer of pecans. The United States is responsible for about 80 percent of the world's pecan supply, harvesting up to 300 million pounds of pecans every year, and China and Hong Kong have been the industry's largest export market.

Farmers and growers play a critical role in New Mexico's economy and have shaped our state's history, as many growers in New Mexico come from families that have cultivated land for generations. In our home state of New Mexico, pecan production totaled 72.0 million pounds in 2016 and the value of production totaled \$213.1 million, a record high for the crop. However, increased tariffs are already causing significant uncertainty and will make farming difficult for our states growers and producers.

Furthermore, restrictive import tariffs on U.S. pecans will undermine the concerted efforts of American pecan growers to reduce Chinese tariffs on pecans from 24 percent in 2015 to 7 percent and constrain recent export growth. In 2017, exports of both in-shell and kernels to China and Hong Kong reached record levels of 30,551 metric tons, valued at \$197 million. Some of this increase can be attributed to the reductions in the import tariff.

Given the impact of the administration's trade policies impact on New Mexico, we urge you to carefully consider the negative impact restrictive import tariffs on pecans will have on U.S. pecan growers and rural economies across the country.

Thank you for your prompt attention to this matter.

Sincerely,

A handwritten signature in blue ink that reads "Tom Udall". The signature is stylized, with the first name "Tom" and last name "Udall" clearly legible.

TOM UDALL
United States Senator

A handwritten signature in blue ink that reads "Martin Heinrich". The signature is stylized, with the first name "Martin" and last name "Heinrich" clearly legible.

MARTIN HEINRICH
United States Senator

CC: Sony Perdue, Secretary, Department of Agriculture