Senator Rubio Testimony Federal Agency Virtual Hearing – August 13, 2020

Ambassador Lighthizer, Secretary Perdue, Secretary Ross, thank you for convening these extremely important hearings, and for the opportunity to advocate on behalf of my home state. On behalf of Florida, and all of its growers, I thank you for the strong and serious attention you are paying to the severe harm that Florida's seasonal growers are suffering from due to unreasonable trade-distorting practices on the part of Mexico.

You are here because of your respect for these growers, for the residents of Florida that these growers employ and serve, and for the people of the United States that depend on these growers for fresh produce, especially during the winter months. We are grateful for that respect.

But primarily you are here because of a promise made to me and to the entire Florida congressional delegation, and to this industry in Florida – made both privately, and publicly in Ambassador Lighthizer's letter of January 9, 2020, that these unreasonable trade practices would be thoroughly examined, and an appropriate remedy announced. Although the pandemic has delayed these proceedings, and significantly altered the format, I am pleased you will be able to hear directly from Florida's growers about the severity of the harm they are suffering, and the urgency of this promise being swiftly and fully kept.

As you know from the material submitted to you by this industry, Florida leads the nation in producing seasonal products such as fresh tomatoes and squash. Florida is second in producing other seasonal and perishable produces including bell peppers, strawberries, and many others. I may be biased, but Florida produces the best fruits and vegetables. During the winter and spring months, during which other U.S. produce growers are not yet harvesting, South Florida growers feed more than 150 million people. This industry is critical to a secure national food supply.

As you will hear from those directly impacted, in the last twenty years, the ability for Florida growers' to provide for the nation has been eroded, due to in large part to unfairly priced produce coming from Mexico. Unlike growers in other parts of the country, Mexico's growers do share Florida's season. Quoting from Florida Fruit and Vegetable Association's submission to you:

"In 2009, Florida's fruit and vegetable farming sector contributed approximately 39,000 jobs and \$6.3 billion to Florida's economy. By 2018, those economic numbers for the sector, while still deeply important to the State, had tumbled to approximately 27,000 jobs and a contribution of \$3.2 billion to Florida's economy."

These losses correspond to radical increases in Mexican produce shipments and Mexican market share during the same period. These imported products are priced unfairly low, due in large part to the significant subsidies the Mexican government provides to this industry. These subsidies, which are directed to capitalizing these growers and directly enhancing their export competitiveness, total upwards of \$200 million annually.

This is not a matter of Florida growers needing to "adjust" to a more competitive global market, or some failure to modernize. This is a matter of Florida produce being in the crosshairs of these unfair trade practices.

The importance of a secure domestic food supply has only been strengthened during this pandemic. Florida growers have been absolutely slammed during this crisis, and their economic pain has been exacerbated by the same unreasonable and trade-distorting Mexican trade practices that have been harming this industry for many years. Mexican market share is meaningfully up in 2020 relative to the same months last year—and subsidy activity is up in 2020 as well, demonstrating that even a global emergency will not stop this assault on Florida seasonal produce. As we turn towards economic recovery from this pandemic, Florida producers desperately need this underlying and longstanding problem addressed to have any hope of sharing in our national economic healing.

Seasonal produce growers in the Southeast are hurting, and require your intervention. They are here to tell you what is at stake. Their ask is a simple one: fair trade with our neighbors. Nothing more, nothing less. And I'm here to thank you for your attention to this issue, but also to remind you that nothing less than real, effective, timely, enforceable relief, that is suitable to the particular needs of these produce growers, is acceptable. The remedy that best fits that description is a 301 Action under the Trade Act of 1974. If another remedy is proposed, it must meet these same standards of real, effective, timely, enforceable, and industry-appropriate relief.

The USMCA was a victory for our economy in many ways. I believe it will strengthen American workers and promote opportunities for dignified work, and strengthen our relationships with our neighbors to the north and south. However, as I said at the time, Florida growers were not protected by this agreement, and in fact, they were left out. Your promise to us was that this omission would not be the final word, that the livelihood of Florida growers would not be the price tag of the USMCA. We need you to make good on that promise.

Thank you.

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