

Congress of the United States
Washington, DC 20515

January 17, 2023

The Honorable Gina Raimondo
Secretary of Commerce
1401 Constitution Avenue, NW
Washington, D.C. 20230

The Honorable Katherine Tai
United States Trade Representative
600 17th Street, NW
Washington, D.C. 20508

Dear Secretary Raimondo and Ambassador Tai:

We write with great concern regarding the devastation of the domestic shrimping industry along America's Gulf Coast due to foreign shrimp imports. Coupled with record high fuel prices and labor shortages that result in many shrimping vessels remaining tied up at docks, Gulf shrimpers are on the verge of a major collapse.

Since 2020, half-yearly shrimp imports are up 37.5 percent to an estimated 713 million pounds of shrimp. The value of these imports has increased nearly 54 percent since 2020. Estimates for 2022 show that two billion pounds of shrimp may be imported this year, several million pounds over the total amount of all shrimp that Americans consume each year. The National Oceanic and Atmospheric Administration (NOAA) estimates that 70 to 85 percent of seafood consumed in the United States is imported, with China, Thailand, Indonesia, Vietnam, and Ecuador being the major exporters. This is not a new issue; in fact, it dates back to the early 2000s.

In 2005, the International Trade Commission (ITC) unanimously found that Brazil, China, Ecuador, India, Thailand, and Vietnam had injured U.S. shrimpers by illegally dumping into the U.S. market. The ITC investigation found that these unfair pricing practices resulted in thousands of lost jobs, hundreds of business closures, and the loss of approximately \$4.4 billion in U.S. economic activity. During this time frame, from 2000 to the first half of 2004, imports from these countries increased to 71 percent and prices fell from \$5.12 to \$3.14 per pound—all due to foreign producers selling below their own cost of production. The effects have been devastating to the U.S. shrimping industry.

Additionally, much of the shrimp being imported does not meet our domestic health standards. When performing field inspections, the Food and Drug Administration routinely find that more than 10 percent of imported shrimp contain banned antibiotics used in aquaculture practices. Left unchecked, these contaminated shrimp are entering our markets and posing a health risk to Americans—all while our safe, domestic producers are flooded out.

Today, the average “head on” price of shrimp is \$1 or less per shrimp. The number of commercial shrimp licenses purchased across the Gulf of Mexico has plummeted over the last 20 years, with only 950 in 2021, and conservative estimates are that an additional 100 or more permits may have been lost by the end of 2022. Fuel prices and labor shortages are plaguing the industry as well, decreasing the incentive for shrimpers to perform their jobs, as the cost of sailing their vessels negates any profit from the sale of their shrimp. According to the U.S. Energy Information Administration, the price of diesel has nearly doubled over the past two years, from an average of \$2.40 per gallon in 2020 to more than \$4 per gallon this year. As of November 2022, prices for diesel across the Texas Gulf Coast ranged from \$4.53 to \$5.59 per gallon. This increase is ultimately resulting in seafood prices rising, making it impossible to compete with foreign products that often do not hold up to our domestic health standards.

These negative impacts are not isolated to the shrimping industry; our ports are affected as well. With dozens of ports along the Gulf of Mexico, this is very concerning to us. Shrimpers are major customers at our ports, and with many vessels unable to harvest shrimp due to the factors outlined above, our ports are losing business.

With these concerns in mind and with the domestic shrimp industry in need of immediate intervention, we would appreciate a response to the following questions by February 1, 2023:

1. Secretary Raimondo: It is your responsibility to represent U.S. businesses, including Gulf Coast shrimpers who are being squeezed out of the market by foreign competitors. What direct steps will your office take to ensure the industry remains competitive?
2. Ambassador Tai: Every year millions of pounds of shrimp are dumped in the U.S. market, injuring the industry. What direct steps will your office take to investigate and stop this unfair trade practice?
3. Secretary Raimondo: As you know, international trade influences the level of employment, income, and other labor market outcomes. What policies is your office using or looking to implement to mitigate the effects that foreign shrimp import practices are having on our labor force, specifically?
4. Ambassador Tai: In 2021, your office announced a decision to impose a tariff on Indian shrimp imports. What have been the effects of this tariff, and is your office considering expanding these tariffs to Ecuador, Thailand, Vietnam, China, and Indonesia?

Sincerely,



RANDY K. WEBER
United States Representative



GARRET GRAVES
United States Representative



VICENTE GONZALEZ
United States Representative



TROY E. NEHLS
United States Representative



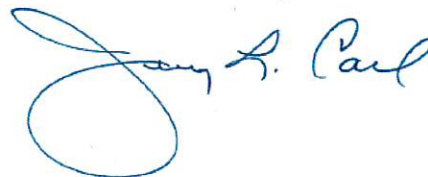
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