



R-CALF USA

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September 5, 2024

The Honorable Katherine Tai
U.S. Trade Representative
Office of the U.S. Trade Representative
600 17th Street NW
Washington, DC 20508

TRANSMITTED ELECTRONICALLY

Re: Request for Determination Regarding R-CALF USA's *Protect American Lamb: Petition for Relief by America's Sheep Producers* submitted August 3, 2023.

Dear Ambassador Tai:

Over a year ago, on August 3, 2023, we submitted to you a *Protect American Lamb: Petition for Relief by America's Sheep Producers* in which we asked you to request the U.S. International Trade Commission to initiate a global safeguard (escape clause) and market disruption investigation under the Trade Act of 1974 (section 201 of the Trade Act of 1974). As described in our petition, we firmly believe that lamb and mutton, primarily from Australia, are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic sheep industry.

Data from the U.S. Department of Agriculture show that the volume of imported lamb and mutton have increased by more than 38% during January-June 2024 when compared to the same period in 2023.¹ On August 14, the UI-USU-SDSU Extension Sheep & Goat Monthly Webinar was held and slides presented by Tyler Cozzens, Ph.D., Livestock Marketing Information Center, substantiated the ongoing and rapid contraction of our nation's domestic sheep industry.

In particular, Cozzens presented slides showing 2024 inventory declines in all classes of domestic sheep; a 12% increase in mature sheep slaughter in 2024, corresponding to a 3% increase in lamb and mutton production (meaning fewer sheep will be available for breeding); a 33 million pound (38%) increase in lamb imports; and a 2025 forecast depicting falling production (up to a 2% decline over 2024) and falling lamb prices (up to a 5% decline over 2024). Notably, also, was Cozzens' depiction of the weakening Australian dollar compared to the U.S. dollar since 2012.

¹ See Lamb and mutton: annual and cumulative year-to-date U.S. trade (carcass weight, 1,000 pounds), USDA ERS, accessed Aug. 19, 2024, available at

https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.ers.usda.gov%2Fwebdocs%2FDataFiles%2F81475%2FLambMutton_YearlyFull.xlsx%3Fv%3D5014.5&wdOrigin=BROWSELINK.

In the Aug. 13, 2024, article, “Some Nasty Lamb Spreads” by Matt Dalgleish and published in *Episode 3*, is a chart depicting, *inter alia*, the average monthly spread between Australian lamb prices and U.S. lamb prices.² The chart and attendant narrative reveal that from 2019–2024 (partial) Australian lamb was substantially discounted in price compared to U.S. lamb for most of the period, with nearly a 40% discount during much of 2021 and 2022, and a nearly 60% discount in late 2023. Australia’s substantial price discounts compared to the U.S. gives Australia an outsized advantage in our domestic sheep market and helps explain how Australia continually undercuts our domestic lamb production.

In a previous, Aug. 7, 2024, article in *Episode 3*, “Exports are in Sheep Shape,” also by Matt Dalgleish, is a chart depicting the substantial increase in Australian sheep meat exports to the United States that during July 2024 were running 35% above the five-year seasonal average for July.³ Indeed, the chart reveals that during the first half of 2024, Australian sheep meat exports to the United States were consistently well above 2023 levels and well above the five-year seasonal average.

The combination of Australia’s substantial lamb-price discounts and its substantial increase in sheep meat export volumes is resulting in increased supplies in the domestic market that are putting downward pressure on domestic lamb prices. Although domestic lamb prices began rebounding in April 2024 over 2023 and early 2024 prices, the increased volumes of lower-cost foreign lamb have contributed to steadily declining lamb prices from May through July, with USDA data depicting a 4% drop in prices during that period.⁴

Lower domestic lamb prices, should they continue into 2025 as forecasted by Cozzens and discussed above, will certainly result in the exodus of even more domestic lamb producers than the 12,534 additional sheep operations that had recently exited the industry between the 2017 and 2022 Agriculture Censuses,⁵ leaving the U.S. with a mere 6,376 domestic sheep operations with a flock size of at least 100 head.

In sum, the dire condition of our domestic sheep industry described to you in our August 2023 petition continues to worsen and we are disappointed that our petition, which represents a first meaningful step in mitigating this ongoing crisis, appears to have been ignored.

For purposes of supplementing the existing record associated with our petition and my December 5, 2023, letter, I am attaching additional support letters from the Idaho Wool Growers Association and the Utah Wool Growers Association, along with additional resolutions passed by county commissions in the states of California, Montana, Nevada, Texas and Utah that further demonstrate the profound concern for the viability of America’s lamb producers and the keen desire

² See <https://episode3.net/livestock/some-nasty-lamb-spreads/>

³ See <https://episode3.net/livestock/exports-are-in-sheep-shape/>

⁴ See Livestock and Meat Domestic Data, Livestock Prices, USDA-ERS, available at <https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.ers.usda.gov%2Fwebdocs%2FDataFiles%2F104360%2FLivestockPrices.xlsx%3Fv%3D8545.3&wdOrigin=BROWSELINK>.

⁵ Compare Table 27. Sheep and Lambs Flock Size by Inventory, Sales, and Wool Production: 2017, available at https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1_Chapter_1_US/ to Table 27. Sheep and Lambs Flock Size by Inventory, Sales, and Wool Production: 2022, available at https://www.nass.usda.gov/Publications/AgCensus/2022/Full_Report/Volume_1_Chapter_1_US/st99_1_024_027.pdf.

that your office favorably considers our petition and acts expeditiously to address this serious American crisis.

We recently received anecdotal information indicating that at least some employees in your office do not believe that imported lamb and mutton are causing injury to our domestic sheep industry. If this is the case, we would greatly appreciate word from you regarding whether your office intends to call for an investigation into this matter. If not, then we will pursue other options as it is our mission to take the necessary steps to rebuild and revitalize this important domestic industry.

We respectfully request that you inform us as quickly as possible as to whether the Office of the United States Trade Representative will request the U.S. International Trade Commission to conduct a global safeguard (escape clause) and market disruption investigation under the Trade Act of 1974 (section 201 of the Trade Act of 1974), for the purpose of determining if lamb and mutton are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic sheep industry.

Thank you for your consideration of our request.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Bullard", written in a cursive style.

Bill Bullard, CEO, R-CALF USA
406-670-8157
billbullard@r-calfusa.com

Attachments:

ADDENDUM

County Resolutions and Organizational Support Letters



Resolution 2023-31 The US Sheep Industry

WHEREAS, sheep and lambs provide the economic cornerstone for western states' economies, supporting schools, places of worship, small town businesses, hospitals, and the social infrastructure of rural America.

WHEREAS, sheep perform important environmental purposes by grazing and browsing through noxious and other undesirable and invasive weed species and by reducing excess vegetation in fire prone areas.

WHEREAS, the United States historically protected domestic sheep production from global market distortions through tariffs.

WHEREAS, under the Tariff Act of 1930, tariffs previously enacted in 1890, 1921, and 1922 were increased to \$3 for live sheep, 7 cents per pound for lamb meat, and 5 cents per pound for mutton.

WHEREAS, by 1942, while being protected from global market distortions since 1930 with tariffs, the U.S. sheep inventory reached a historical high of 56.2 million.

WHEREAS, since 1930, Congress has not adjusted tariffs on sheep or sheep meat for inflation, rendering them immaterial today.

WHEREAS, adjusted for inflation, \$3 per head in 1930 is \$54 per head today, 7 cents per pound in 1930 is \$1.25 per pound today, and 5 cents per pound is \$0.89.

WHEREAS, the United States has a long, successful history of maintaining viable domestic production systems for many agricultural commodities through tariff rate quotas, such as those employed to ensure a viable domestic peanut industry, sugar industry, dairy industry, cotton industry, tobacco industry, chocolate industry, and animal feed industry.

WHEREAS, known global market distortions that can be effectively alleviated with a tariff rate quota system include less stringent production practices abroad (e.g., widespread use of compound 1080 abroad while it is severely restricted in the domestic market), global concentration (e.g., JBS dominates the global market in meat trade), persistently devalued exchange rates abroad (e.g., today a dollar's worth of Australian lamb exported to the United States returns \$1.55 to the Australian exporter (i.e., 1 U.S. dollar equals 1.55 Australian dollar).

WHEREAS, the U.S. sheep industry has not been protected from known and debilitating global market distortions for decades, resulting in the following consequences:

- The domestic sheep industry is non-competitive in the global export market.
- In four decades, the U.S. sheep inventory declined 62%, and at 5 million head is now at the lowest level in history.
- In four decades, the number of domestic sheep operations with over 100 head (commercial sheep operations) declined 60%.
- In just the past decade, consumption of sheep meat in America increased 62%.

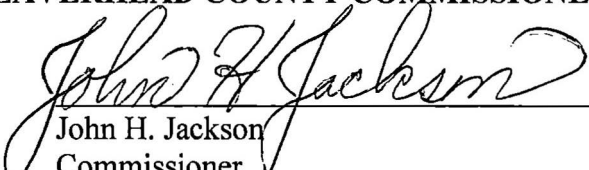
- While lamb/mutton consumption increased since 2012, domestic production declined 16%.
- While consumption increased and production declined since 2012, imports surged 134%.
- By 2022, imported lamb and mutton captured 74% of the domestic market.
- The American sheep industry is the first U.S. livestock sector to be predominantly outsourced.

WHEREAS, without some form of management over current import flows, by way of tariffs, tariff rate quotas, or quantity restrictions, the systemic, downward trajectories of every measure of the American sheep industry's viability foretells the commercial domestic sheep industry will soon become the first livestock industry in America to fall completely to import competition.

THEREFOR, We, the Beaverhead County Commissioners urge Governor Greg Gianforte, U.S. Senators Steve Daines and Jon Tester, and U.S. Representatives Matt Rosendale and Ryan Zinke to urge the Administration and Congress to halt the ongoing injury to the U.S. sheep industry caused by excessive imports and urge the establishment of tariffs and a tariff rate quota system, or some other form of quantity controls that will ensure the viability and competitiveness of the domestic sheep industry.

Dated this 27th day of Nov, 2023.

BEAVERHEAD COUNTY COMMISSIONERS



John H. Jackson
Commissioner

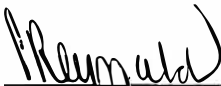


C. Thomas Rice
Commissioner



Michael J. McGinley
Commissioner Chairman

Attest:



Stacey C. Reynolds
Beaverhead County Clerk and Recorder

Idaho Wool Growers Association

Organized September 1893, At Mountain Home, Idaho

February 13, 2024

OFFICERS

Jack Blattner
President
Kuna

J.C. Siddoway
Vice President
St. Anthony

Liz Wilder
Executive Director
Caldwell

R-CALF USA
Care Of: Bill Bullard
PO Box 30715
Billings, MT 59107

RE: Protect American Lamb Initiative

The Idaho Wool Growers Association (IWGA) was established in 1893 as the primary voice for the sheep industry in Idaho. Our members raise and run sheep across Idaho on private, state and federal lands and produce a sustainable product for our customers. Current sheep numbers have been tallied at 235,000 head; approximately 10% of our peak historical numbers. Severe price fluctuations have damaged the domestic industry with imported lamb from Australia and New Zealand dominated sales in the United States.

DIRECTORS

Frank Shirts
Western District

Blake Ball
Eastern District

Mark Henslee
Central District

Sheila Hasselstrom
Northern District

During 2022, the sheep industry, especially in the western United States, suffered from deflated lamb prices, inflated input costs and continued overregulation of public land. Imports now make up approximately 75 percent of the U.S. retail market. The United States imported approximately 23,723 metric tons in 1993. By 2022, imports had increased, to 152,646 metric tons. The strength of the U.S. dollar relative to the Australian and New Zealand dollar give our competitors the ability to undercut the price of American Lamb. Currently, the United States is facing increased imports from the United Kingdom and other nations that seek to expand in the U.S. marketplace.

DIRECTORS AT LARGE

Forrest Arthur

Carol Finney

Elizabeth Moss

Over the last decade the amount of domestic lamb consumed in the United States has trended sharply upward, and through this increase imports have far eclipsed and outpaced the downward trending domestic production. By 2022, imports had captured 74% of the domestic market. The sheep industry is challenged by labor constraints, overregulation, changing public land grazing policies, extreme inflation and imports.

At this juncture, the Idaho Wool Growers Association, support R-CALF USA'S Protect American Lamb Initiative's efforts to protect and strengthen Idaho's sheep industry.

In appreciation of this effort, enclosed is \$1,000 for the Protect American Lamb initiative.

Thank you,

Jack Blattner
President



JEFF FLORES

SUPERVISOR - THIRD DISTRICT

December 21st, 2023

Re: Urgent Need for Trade Protections of American Sheep and Lambs Industry

Dear Sir or Madam,

Sheep and lambs provide the economic cornerstone for western states' rural economies, supporting schools, places of worship, small town businesses, hospitals, and the social infrastructure of rural America. They perform important environmental purposes by grazing and browsing through noxious and other undesirable and invasive weed species and by reducing excess vegetation in fire prone areas. The United States historically protected domestic sheep production from global market distortions through tariffs, such as the Tariff Act of 1930. By 1942, while being protected from global market distortions since 1930 with tariffs, the U.S. sheep inventory reached a historical high of 56.2 million.

Since 1930 however, Congress has not adjusted tariffs on sheep or sheep meat for inflation, rendering them immaterial today. Adjusted for inflation, the 1930's tariffs of \$3 per head in 1930 is \$54 per head today, 7 cents per pound in 1930 is \$1.25 per pound today, and 5 cents per pound is \$0.89. The United States has a long, successful history of maintaining viable domestic production systems for many agricultural commodities through tariff rate quotas, such as those employed to ensure a viable domestic peanut industry, sugar industry, dairy industry, cotton industry, tobacco industry, chocolate industry, and animal feed industry. Known global market distortions that can be effectively alleviated with a tariff rate quota system include less stringent production practices abroad (e.g., widespread use of compound 1080 abroad while it is severely restricted in the domestic market), global concentration (e.g., JBS dominates the global market in meat trade), persistently devalued exchange rates abroad (e.g., today a dollar's worth of Australian lamb exported to the United States returns \$1.55 to the Australian exporter (i.e., 1 U.S. dollar equals 1.55 Australian dollar).

Yet the U.S. sheep industry has not been protected from known and debilitating global market distortions for decades, resulting in the following consequences: The domestic sheep industry is non-competitive in

the global export market. In four decades, the U.S. sheep inventory declined 62%, and at 5 million head is now at the lowest level in history, and the number of domestic sheep operations with over 100 head (commercial sheep operations) declined 60%. In just the past decade, consumption of sheep meat in America increased 62%. While lamb/mutton consumption increased since 2012, domestic production declined 16%. Because consumption increased and production declined since 2012, imports surged 134%. By 2022, imported lamb and mutton captured 74% of the domestic market. The American sheep industry is the first U.S. livestock sector to be predominantly outsourced.

Without some form of management over current import flows, by way of tariffs, tariff rate quotas, or quantity restrictions, the systemic, downward trajectories of every measure of the American sheep industry's viability foretells the commercial domestic sheep industry will soon become the first livestock industry in America to fall completely to import competition. I urge the Administration and Congress to halt the ongoing injury to the U.S. sheep industry caused by excessive imports and urge the establishment of tariffs and a tariff rate quota system, or some other form of quantity controls that will ensure the viability and competitiveness of the domestic sheep industry.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeff Flores", with a long horizontal flourish extending to the right.

Jeff Flores,

3rd District, Kern County Board of Supervisors



January 23, 2024

Board of Supervisors
Kern County Administrative Center
1115 Truxtun Avenue
Bakersfield, CA 93301

**RESPONSE TO JANUARY 9, 2024 REFERRAL REGARDING INCREASED
MARKET CONSTRAINTS ON DOMESTIC SHEEP AND LAMB PRODUCTS**

Fiscal Impact: None

This letter is in response to a Board referral made on January 9, 2024, directing staff to draft a resolution aimed at addressing increasing market constraints on domestic sheep and lamb products.

By and large, concerns regarding this matter would be best directed to the Office of the U.S. International Trade Commission (USITC), which is an agency of the federal government charged with advising the legislative and executive branches on matters of trade. The USITC is responsible for analyzing trade issues such as tariffs and competitiveness and, as a quasi-judicial entity, investigating the impact of imports on U.S. industries and directing actions against unfair trade practices.

Since August of 2023, there has been a push by American sheep producers and a bipartisan call in Congress to the USITC to analyze recent market trends impacting domestic sheep and lamb products. Specifically, stakeholders have requested the Commission to initiate a safeguard investigation under Section 201 of the Trade Act of 1974 to determine if lamb and mutton are being imported into the U.S. in such increased quantities as to be a substantial cause of serious injury to the domestic sheep industry.

Based on U.S. Department of Agriculture data, consumption of lamb and mutton in the U.S. increased by nearly 17 percent from 2018-2022. However, despite this increase in domestic consumption, U.S. sheep and lamb inventory has declined 4 percent since 2018, continuing a long-term downward trajectory.

These trends of decreasing production, while domestic consumption of lamb and mutton have increased, deserve a careful, probing analysis. This is particularly true given the dramatic increase in U.S. market share held by imports since 2012 and the recent 31 percent surge in the volume of imports from 2018 to 2022. As such, a prompt and fair investigation by the USITC of whether the import surge is a substantial cause of serious injury to the U.S. sheep industry is warranted.

Therefore, IT IS RECOMMENDED that your Board adopt the resolution and authorize the Chairman to sign correspondence to the appropriate officials.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Zervis".

James L. Zervis
Chief Administrative Officer

JZ:TBLEGGEN Response to January 9, 2024 referral regarding market constraints on domestic sheep and lamb products .docx ¹

Attachments

cc: County Counsel

GROUND **BOUNDLESS**

BOARD OF SUPERVISORS

SUPERVISORS

Phillip Peters District 1
Zack Scrivner..... District 2
Mike Maggard District 3
David R. Couch District 4
Leticia Perez..... District 5



KATHLEEN KRAUSE
CLERK OF BOARD OF SUPERVISORS
Kern County Administrative Center
1115 Truxtun Avenue, 5th Floor
Bakersfield, California 93301
Telephone (661) 868-3585
TTY Relay 800-735-2929

January 23, 2024

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

Dear Chairman Johanson,

The American sheep producers, along with a bipartisan coalition of members of Congress, have recently urged the Office of the U.S. Trade Representative to work with your Commission to initiate a safeguard investigation under Section 201 of the Trade Act of 1974. The purpose of the investigation would be to determine if lamb and mutton are being imported into the United States in such increased quantities as to be a substantial cause of serious injury to the domestic sheep industry. We urge your favorable consideration of that request.

Based on U.S. Department of Agriculture data, consumption of lamb and mutton in the United States increased by nearly 17 percent from 2018-2022. However, despite this increase in domestic consumption, U.S. sheep and lamb inventory has declined 4 percent since 2018, the continuation of a long-term downward trajectory.

This response by the domestic sheep industry regarding a decrease of production, while domestic consumption of lamb and mutton has increased, deserves a careful, probing analysis. This is particularly true given the dramatic increase in U.S. market share held by imports since 2012 and the recent 31 percent surge in the volume of imports from 2018 to 2022.

These trends support a prompt and fair investigation by the International Trade Commission of whether the import surge is a substantial cause of serious injury to the United States sheep industry. A thorough review and analysis of the issue by your Commission could help ensure the long-term stability and sustainability of this important domestic industry.

The Kern County Board of Supervisors respectfully requests your full consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "David Couch", is written over a horizontal line.

David Couch, Chairman
Kern County Board of Supervisors

cc: The Honorable Katherin Tai, U.S. Trade Ambassador
Honorable Members, Kern Congressional Delegation
National Association of Counties
Carpi & Clay

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF KERN, STATE OF CALIFORNIA**

In the matter of:

Resolution No. 2024-020

**MARKET CONSTRAINTS ON DOMESTIC
SHEEP AND LAMB PRODUCTS**

I, KATHLEEN KRAUSE, Clerk of the Board of Supervisors of the County of Kern, State of California, certify that the following resolution, on motion of Supervisor Perez, seconded by Supervisor Flores, was duly passed and adopted by the Board of Supervisors of the County of Kern at a regular meeting on the 23rd day of January, 2024, by the following vote:

AYES: Peters, Scrivner, Flores, Couch, Perez

NOES: None

ABSENT: None



KATHLEEN KRAUSE
Clerk of the Board of Supervisors
County of Kern, State of California


Deputy Clerk

RESOLUTION

Section 1. WHEREAS:

(a) Sheep, lambs, and the overall livestock and agricultural industry provide an economic cornerstone for western states' rural economies and support the social institutions of rural America; and

(b) Sheep perform important environmental purposes by grazing and browsing through noxious and other undesirable and invasive weed species and by reducing excess vegetation in fire prone areas; and

(c) The United States historically protected domestic sheep production from global market distortions through tariffs; and

(d) By 1942, while being protected from global market distortions through the Tariff Act of 1930, the U.S. sheep inventory reached a historical high of 56.2 million; and

(e) Since 1930, Congress has not adjusted tariffs on sheep or sheep meat for inflation, rendering them immaterial today; and

(f) The United States has a long, successful history of maintaining viable domestic production systems for many agricultural commodities through tariff rate quotas, such as those employed to ensure a viable domestic peanut industry, sugar industry, dairy industry, cotton industry, tobacco industry, chocolate industry, and animal feed industry; and

(g) Known global market distortions include less stringent production practices abroad, global concentration of commodities, and persistently devalued exchange rates abroad; and

(h) The U.S. sheep industry has not been protected from known and debilitating global market distortions for decades, resulting in the following consequences:

- The domestic sheep industry is non-competitive in the global export market.
- In four decades, the U.S. sheep inventory declined 62%, and at 5 million head is now at the lowest level in history.
- In four decades, the number of domestic sheep operations with over 100 head (commercial sheep operations) declined 60%.
- In just the past decade, consumption of sheep meat in America increased 62%.
- While lamb/mutton consumption increased since 2012, domestic production declined 16%.
- While consumption increased and production declined since 2012, imports surged 134%.
- By 2022, imported lamb and mutton captured 74% of the domestic market.
- The American sheep industry is the first U.S. livestock sector to be predominantly outsourced; and

(i) Without some form of intervention by the U.S. International Trade Commission, the systemic, downward trajectories of every measure of the American sheep industry's viability foretells the commercial domestic sheep industry will soon become the first livestock industry in America to fall completely to import competition.

Section 2. IT IS RESOLVED by the Board of Supervisors of the County of Kern, State of California, as follows:

1. The County of Kern urges the U.S. International Trade Commission to investigate the ongoing downward trajectory of the U.S. sheep industry with careful attention to the role of excessive imports, current tariff and tariff rate quota systems, and other forms of quantity controls that will ensure the viability and competitiveness of the domestic sheep industry.

2. The Clerk of the Board shall transmit copies of this Resolution to the following:

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

Katherine Tai
U.S. Trade Ambassador
Office of the U.S. Trade Representative
600 17th Street NW
Washington, D.C. 20508

Senator Alex Padilla
112 Hart Senate Office Building
Washington, D.C. 20510

Senator Laphonza Butler
G-12 Dirksen Senate Office Building
Washington, D.C. 20510

Congressman David Valadao
2465 Rayburn House Office Building
Washington, D.C. 20515

Congressman Jay Obernolte
1029 Longworth House Office Building
Washington, D.C. 20515

#2747264-ASG

COPIES FURNISHED:
see above
1-25-24 MZ

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF MERCED, STATE OF CALIFORNIA**

In the Matter of
Sheep Industry)

RESOLUTION NO. 2024-06

WHEREAS, sheep and lambs provide the economic cornerstone for western states' rural economies, supporting schools, places of worship, small town businesses, hospitals, and the social infrastructure of rural America; and,

WHEREAS, sheep perform important environmental purposes by grazing and browsing through noxious and other undesirable and invasive weed species and by reducing excess vegetation in fire prone areas; and,

WHEREAS, the United States historically protected domestic sheep production from global market distortions through tariffs; and,

WHEREAS, under the Tariff Act of 1930, tariffs previously enacted in 1890, 1921, and 1922 were increased to \$3 for live sheep, 7 cents per pound for lamb meat, and 5 cents per pound for mutton; and,

WHEREAS, by 1942, while being protected from global market distortions since 1930 with tariffs, the U.S. sheep inventory reached a historical high of 56.2 million; and,

WHEREAS, since 1930, Congress has not adjusted tariffs on sheep or sheep meat for inflation, rendering them immaterial today; and,

WHEREAS, adjusted for inflation, \$3 per head in 1930 is \$54 per head today, 7 cents per pound in 1930 is \$1.25 per pound today, and 5 cents per pound is \$0.89; and,

WHEREAS, the United States has a long, successful history of maintaining viable domestic production systems for many agricultural commodities through tariff rate quotas, such as those employed to ensure a viable domestic peanut industry, sugar industry, dairy industry, cotton industry, tobacco industry, chocolate industry, and animal feed industry; and,

WHEREAS, known global market distortions that can be effectively alleviated with a tariff rate quota system include less stringent production practices abroad (e.g. widespread use of compound 1080 abroad while it is severely restricted in the domestic market), global concentration (e.g., JBS dominates the global market in meat trade), persistently devalued exchange rates abroad (e.g. today a dollar's worth of Australian lamb exported to the United States returns \$1.55 to the Australian exporter (i.e. 1 U.S. dollar equals 1.55 Australian dollar); and,

WHEREAS, the U.S. sheep industry has not been protected from known and debilitating global market distortions for decades, resulting in the following consequences:

- The domestic sheep industry is non-competitive in the global export market.
- In four decades, the U.S. sheep inventory declined 62%, and at 5 million head is now at the lowest level in history.
- In four decades, the number of domestic sheep operations with over 100 head (commercial sheep operations) declined 60%.
- In just the past decade, consumption of sheep meat in America increased 62%.
- While lamb/mutton consumption increased since 2012, domestic production declined 16%.
- While consumption increased and production declined since 2012, imports surged 134%.
- By 2022, imported lamb and mutton captured 74% of domestic market.
- The American sheep industry is the first U.S. livestock sector to be predominantly outsourced.

WHEREAS, without some form of management over current import flows, by way of tariffs, tariff rate quotas, or quantity restrictions, the systemic, downward trajectories of every measure of the American sheep industry's viability foretells the commercial domestic sheep industry will soon become the first livestock industry in American to fall completely to import competition.

NOW, THEREFORE, BE IT RESOLVED, we, the Board of Supervisors for the County of Merced request Governor Newsom, United States Senators Padilla and Butler, Congressman Duarte, State Senators Caballero and Alvarado-Gil, and Assembly Members Soria and Alanis to urge Congress and the State Legislature to halt the ongoing injury to the U.S. sheep industry caused by excessive imports and urge the establishment of tariffs and a tariff rate quota system, or some other form of quantity controls that will ensure the viability and competitiveness of the domestic sheep industry.

I, **Raul Lomeli Mendez**, Clerk of the Board of Supervisors of Merced County, do hereby certify that the foregoing resolution was regularly introduced, passed, and adopted by said Board at a regular meeting thereof held on the 23rd day of January, 2024, by the following vote:

SUPERVISORS

AYES: Rodrigo Espinosa, Josh Pedrozo, Daron McDaniel, Lloyd Pareira, Jr.,
Scott M. Silveira

NOES: None

ABSENT: None

WITNESS my hand and the Seal of this Board the 23rd day of January,
2024.



Raul Lomeli Mendez, Clerk

By *Adrian Haniel*
Deputy

RESOLUTION # 2024-9

**A RESOLUTION OF THE BOARD OF SUPERVISORS
OF THE COUNTY OF MODOC,
STATE OF CALIFORNIA, IN SUPPORT OF THE SHEEP INDUSTRY**

WHEREAS, Modoc County is faced with a variety of economic challenges, including the loss of a major industry sector (production agriculture due to drought, fire, and lack of surface irrigation, and timber), and approximately 73% of the total land area in Modoc County is owned or controlled by a government agency; and

WHEREAS, Agriculture and ranching are somewhat steady industries in Modoc County having a gross production value of \$296,269,000 in 2022; and

WHEREAS, the U.S. sheep inventory reached its historical high in 1942 at 56.2 million animals but has since decreased by 62%; and

WHEREAS, the sheep industry in Modoc County has fluctuated greatly from approximately 87,250 sheep/lambs in 1920, as reported in the US Forest Service and USDA financial records with a value of \$942,300, to its current level of 10,000 head in 2022 with a total value of approximately \$2,220,000; and

WHEREAS, foreign imports of lamb and wool into the U.S. have increased 543% over that same time period and now account for 74% of the domestic market; and

WHEREAS, the U.S. has historically protected domestic sheep production from global market distortions through tariffs as it has for other domestic agricultural industries; and

WHEREAS, tariffs have been imposed by the U.S. since 1890 to protect the domestic sheep industry, but have not been adjusted since 1930; and

WHEREAS, the domestic sheep industry must deal with market distortions such as stringent restrictions on predator control and devalued exchange rates abroad; and

WHEREAS, animal production is a major contribution to the U.S. economy, as a sustainable local food system, but sheep also perform important environmental purposes by grazing and browsing through noxious and other undesirable and invasive weed species and by reducing excess vegetation in fire-prone areas such as Modoc County; and

NOW THEREFORE BE IT RESOLVED that the Board of Supervisors of the County of Modoc respectfully requests Congress to work with the Biden administration to revitalize and support the U.S. sheep industry by adjusting tariffs and import quotas to ensure the viability and competitiveness of the domestic industry and for all of the associated economic and environmental benefits provided within the United States of America.

PASSED AND ADOPTED by the Board of Supervisors of the County of Modoc, State of California, on the 6th day of February, 2024 by the following vote:

Motion Approved:

RESULT: APPROVED [UNANIMOUS]

MOVER: Elizabeth Cavasso, Supervisor District IV

SECONDER: Ned Coe, Supervisor District I

AYES: Ned Coe, Supervisor District I, Shane Starr, Supervisor District II, Kathie Rhoads, Supervisor District III, Elizabeth Cavasso, Supervisor District IV

ABSENT: Geri Byrne, Supervisor District V



**BOARD OF SUPERVISORS
OF THE COUNTY OF MODOC**

Shane Starr, Chair

Modoc County Board of Supervisors

ATTEST:

Tiffany Martinez

Clerk of the Board

Resolution 11323-06

WHEREAS, sheep and lambs provide the economic cornerstone for western states' rural economies, supporting schools, places of worship, small town businesses, hospitals, and the social infrastructure of rural America.

WHEREAS, sheep perform important environmental purposes by grazing and browsing through noxious and other undesirable and invasive weed species and by reducing excess vegetation in fire prone areas.

WHEREAS, the United States historically protected domestic sheep production from global market distortions through tariffs.

WHEREAS, under the Tariff Act of 1930, tariffs previously enacted in 1890, 1921, and 1922 were increased to \$3 for live sheep, 7 cents per pound for lamb meat, and 5 cents per pound for mutton.

WHEREAS, by 1942, while being protected from global market distortions since 1930 with tariffs, the U.S. sheep inventory reached a historical high of 56.2 million.

WHEREAS, since 1930, Congress has not adjusted tariffs on sheep or sheep meat for inflation, rendering them immaterial today.

WHEREAS, adjusted for inflation, \$3 per head in 1930 is \$54 per head today, 7 cents per pound in 1930 is \$1.25 per pound today, and 5 cents per pound is \$0.89.

WHEREAS, the United States has a long, successful history of maintaining viable domestic production systems for many agricultural commodities through tariff rate quotas, such as those employed to ensure a viable domestic peanut industry, sugar industry, dairy industry, cotton industry, tobacco industry, chocolate industry, and animal feed industry.

WHEREAS, known global market distortions that can be effectively alleviated with a tariff rate quota system include less stringent production practices abroad (e.g., widespread use of compound 1080 abroad while it is severely restricted in the domestic market), global concentration (e.g., JBS dominates the global market in meat trade), persistently devalued exchange rates abroad (e.g., today a dollar's worth of Australian lamb exported to the United States returns \$1.55 to the Australian exporter (i.e., 1 U.S. dollar equals 1.55 Australian dollar).

WHEREAS, the U.S. sheep industry has not been protected from known and debilitating global market distortions for decades, resulting in the following consequences:

- The domestic sheep industry is non-competitive in the global export market.
- In four decades, the U.S. sheep inventory declined 62%, and at 5 million head is now at the lowest level in history.
- In four decades, the number of domestic sheep operations with over 100 head (commercial sheep operations) declined 60%.
- In just the past decade, consumption of sheep meat in America increased 62%.

- While lamb/mutton consumption increased since 2012, domestic production declined 16%.
- While consumption increased and production declined since 2012, imports surged 134%.
- By 2022, imported lamb and mutton captured 74% of the domestic market.
- The American sheep industry is the first U.S. livestock sector to be predominantly outsourced.

WHEREAS, without some form of management over current import flows, by way of tariffs, tariff rate quotas, or quantity restrictions, the systemic, downward trajectories of every measure of the American sheep industry’s viability foretells the commercial domestic sheep industry will soon become the first livestock industry in America to fall completely to import competition.

THEREFOR, We, the Piute County Commissioners urge Governor Cox, U.S. Senators Lee and Romney, and U.S. Representatives _____ to urge the Administration and Congress to halt the ongoing injury to the U.S. sheep industry caused by excessive imports and urge the establishment of tariffs and a tariff rate quota system, or some other form of quantity controls that will ensure the viability and competitiveness of the domestic sheep industry.

Scott Dalton
 Will Talbot
 Sam Steed

Scott Dalton
Will Talbot
Sam Steed

ATTEST: SCOTT BURNS

Scott Burns - County Attorney
 November 13th, 2023

Resolution #12112023

WHEREAS, sheep and lambs provide the economic cornerstone for western states' rural economies, supporting schools, places of worship, small town businesses, hospitals, and the social infrastructure of rural America.

WHEREAS, sheep perform important environmental purposes by grazing and browsing through noxious and other undesirable and invasive weed species and by reducing excess vegetation in fire prone areas.

WHEREAS, the United States historically protected domestic sheep production from global market distortions through tariffs.

WHEREAS, under the Tariff Act of 1930, tariffs previously enacted in 1890, 1921, and 1922 were increased to \$3 for live sheep, 7 cents per pound for lamb meat, and 5 cents per pound for mutton.

WHEREAS, by 1942, while being protected from global market distortions since 1930 with tariffs, the U.S. sheep inventory reached a historical high of 56.2 million.

WHEREAS, since 1930, Congress has not adjusted tariffs on sheep or sheep meat for inflation, rendering them immaterial today.

WHEREAS, adjusted for inflation, \$3 per head in 1930 is \$54 per head today, 7 cents per pound in 1930 is \$1.25 per pound today, and 5 cents per pound is \$0.89.

WHEREAS, the United States has a long, successful history of maintaining viable domestic production systems for many agricultural commodities through tariff rate quotas, such as those employed to ensure a viable domestic peanut industry, sugar industry, dairy industry, cotton industry, tobacco industry, chocolate industry, and animal feed industry.

WHEREAS, known global market distortions that can be effectively alleviated with a tariff rate quota system include less stringent production practices abroad (e.g., widespread use of compound 1080 abroad while it is severely restricted in the domestic market), global concentration (e.g., JBS dominates the global market in meat trade), persistently devalued exchange rates abroad (e.g., today a dollar's worth of Australian lamb exported to the United States returns \$1.55 to the Australian exporter (i.e., 1 U.S. dollar equals 1.55 Australian dollar).

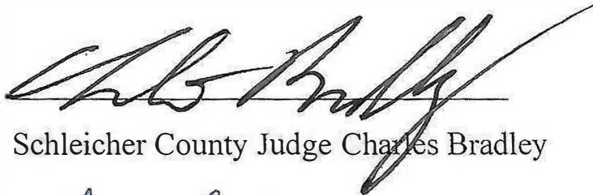
WHEREAS, the U.S. sheep industry has not been protected from known and debilitating global market distortions for decades, resulting in the following consequences:

- The domestic sheep industry is non-competitive in the global export market.
- In four decades, the U.S. sheep inventory declined 62%, and at 5 million head is now at the lowest level in history.
- In four decades, the number of domestic sheep operations with over 100 head (commercial sheep operations) declined 60%.
- In just the past decade, consumption of sheep meat in America increased 62%.

- While lamb/mutton consumption increased since 2012, domestic production declined 16%.
- While consumption increased and production declined since 2012, imports surged 134%.
- By 2022, imported lamb and mutton captured 74% of the domestic market.
- The American sheep industry is the first U.S. livestock sector to be predominantly outsourced.

WHEREAS, without some form of management over current import flows, by way of tariffs, tariff rate quotas, or quantity restrictions, the systemic, downward trajectories of every measure of the American sheep industry’s viability foretells the commercial domestic sheep industry will soon become the first livestock industry in America to fall completely to import competition.

THEREFOR, We, the Schleicher County Commissioners urge Governor Greg Abbott, U.S. Senators John Cornyn, Ted Cruz, and U.S. Representative Tony Gonzales to urge the Administration and Congress to halt the ongoing injury to the U.S. sheep industry caused by excessive imports and urge the establishment of tariffs and a tariff rate quota system, or some other form of quantity controls that will ensure the viability and competitiveness of the domestic sheep industry.


 Schleicher County Judge Charles Bradley



*Approved
 12-11-2023*


 Pct. #1 Commissioner Gary Gibson


 Pct. #2 Commissioner Steve Nelson


 Pct. #3 Commissioner Kirk Griffin


 Pct. #4 Commissioner Chris Meador


 Attest: County Clerk Mary Ann Gonzalez

December 11, 2023

COMMISSIONERS:
Ralph Brown
Scott T. Johnson
Greg Jensen



Steven C. Wall - Clerk/Auditor
Amy Garren-Clark - Assessor
Lindsey Hansen - Treasurer
Jason Monroe - Recorder

A STATEMENT SUPPORTING THE SHEEP AND LAMB INDUSTRY
IN SEVIER COUNTY, UTAH.

WHEREAS, sheep and lambs provide the economic cornerstone for western states' rural economies, supporting schools, places of worship, small town businesses, hospitals, and the social infrastructure of rural America; and,

WHEREAS sheep perform important environmental purposes by grazing and browsing through noxious and other undesirable and invasive weed species and by reducing excess vegetation in fire prone areas; and,

WHEREAS the United States historically protected domestic sheep production from global market distortions through tariffs; and,

WHEREAS, under the Tariff Act of 1930, tariffs previously enacted in 1890, 1921, and 1922 were increased to \$3 for live sheep, seven cents per pound for lamb meat, and five cents per pound for mutton; and,

WHEREAS, by 1942, while being protected from global market distortions since 1930 with tariffs, the U.S. sheep inventory reached a historical high of 56.2 million; and,

WHEREAS, since 1930, Congress has not adjusted tariffs on sheep or sheep meat for inflation, rendering them immaterial today; and,

WHEREAS, adjusted for inflation, \$3 per head in 1930 is \$54 per head today, seven cents per pound in 1930 is \$ 1.25 per pound today, and five cents per pound is \$0.89; and,

WHEREAS, the United States has a long, successful history of maintaining viable domestic production systems for many agricultural commodities through tariff rate quotas, such as those employed to ensure a viable domestic peanut industry, sugar industry, dairy industry, cotton industry, tobacco industry, chocolate industry, and animal feed industry; and,

WHEREAS, known global market distortions that can be effectively alleviated with a tariff rate quota system include less stringent production practices abroad (e.g., widespread use of compound 1080 abroad while it is severely restricted in the domestic market), global concentration (e.g., JBS dominates the global market in meat trade), persistently devalued exchange rates abroad (e.g., today a dollar's worth of Australian lamb exported to the United States returns \$1.55 to the Australian exporter (i.e., 1 U.S. dollar equals 1.55 Australian dollar); and,

UTAH'S TRAIL COUNTRY

Administration Building | 250 North Main - Richfield, Utah 84701 | (435) 896-0400

WHEREAS the U.S. sheep industry has not been protected from known and debilitating global market distortions for decades, resulting in the following consequences:

- The domestic sheep industry is non-competitive in the global export market.
- In four decades, the U.S. sheep inventory declined 62%, and at five million head is now at the lowest level in history.
- In four decades, the number of domestic sheep operations with over 100 head (commercial sheep operations) declined 60%.
- In just the past decade, consumption of sheep meat in America increased 62%.
- While consumption increased and production declined since 2012, imports surged 134%.
- By 2022, imported lamb and mutton captured 74% of the domestic market.
- The American sheep industry is the first U.S. livestock sector to be predominantly outsourced; and,

WHEREAS, without some form of management over current import flows, by way of tariffs, tariff rate quotas, or quantity restrictions, the systemic, downward trajectories of every measure of the American sheep industry's viability foretells the commercial domestic sheep industry will soon become the first livestock industry in America to fall completely to import competition.

NOW THEREFORE, We, the Sevier County Board of County Commissioners urge Governor Cox, United States Senators Lee and Romney, and Representative Maloy to urge the Administration and the United States Congress to halt the ongoing injury to the U.S. sheep industry caused by excessive imports and urge the establishment of tariffs and a tariff rate quota system, or some other form of quantity controls that will ensure the viability and competitiveness of the domestic sheep industry.

ADOPTED BY THE BOARD OF SEVIER COUNTY BOARD OF COMMISSIONERS,



Scott T. Johnson



Ralph Brown



Greg Jensen

UTAH WOOL GROWERS ASSOCIATION



The Honorable Katherine Tai
U.S. Trade Representative
Office of the U.S. Trade Representative
600 17th Street NW
Washington, DC 20508

Dear Ambassador Tai:

The Utah Wool Growers Association is reaching out to express our support of a worldwide safeguard (escape clause) and a comprehensive market disruption inquiry under the Trade Act of 1974 (section 201). This investigation would aim to assess whether there is a notable surge in the importation of sheep, lamb, lamb meat, and mutton into the United States, posing a significant threat of serious harm to the domestic sheep industry. We would appreciate any assistance you could provide looking into this matter to help protect the American Sheep Industry.

Thank you,

The Utah Wool Growers Presidency