## Congress of the United States

Washington, DC 20510

June 7, 2019

President Donald J. Trump The White House 1600 Pennsylvania Avenue NW Washington, D.C. 20500

Dear Mr. President:

Why not lobsters?

One of the first victims of retaliation imposed by China after the initial round of tariffs was lobster shipped from Maine. Prior to these tariffs, China had become the second largest importer of Maine lobster. During 2017 – the last full year before the tariffs went into effect – Chinese customers purchased \$128.5 million of lobster from Maine, and during the first half of 2018, U.S. lobster exports to China increased by 169 percent. American lobster dealers were encouraged by this positive trend and optimistic that China would continue to increase its American lobster imports.

Instead, calamity struck when the Chinese retaliated against tariffs that your administration placed on their goods. The latest data from the Maine International Trade Center show that lobster exports to China have plummeted 84 percent since China imposed its retaliatory tariff.

To date, your administration has provided relief to American farmers who have been similarly affected by retaliatory tariffs, but has not provided such relief to the lobster industry, which is an integral part of our state's economy. Our 4,500 state-licensed lobstermen are small business owners who support both our treasured working waterfronts and the livelihoods of 10,000 additional Mainers. As a whole, the lobster industry has an economic impact of about \$1.5 billion per year in Maine.

The loss of Chinese business has caused lasting damage to some of Maine's lobster dealers. Maine Coast, a wholesaler in York, Maine, previously relied on China for approximately 22 percent of its business. Since the tariffs were imposed, however, Maine Coast has lost 90 percent of its Chinese business. While the short-term impact is difficult to endure, Maine Coast and other lobster dealers are perhaps most concerned by the fact that their former Chinese customers have forged new business relationships with Canadian lobster dealers. When the lobster tariffs finally are lifted, Maine lobster dealers still will suffer a long-term, detrimental loss of business to their Canadian competitors.

You have recognized that the federal government should compensate innocent citizens who have been harmed by the trade dispute with China. The \$16 billion in agricultural aid that you have

directed Secretary Purdue to provide farmers, however, will not assist the hardworking people of Maine's lobster industry who – like agricultural farmers — rely on nature's bounty to fuel their livelihood.

The harm caused by Chinese tariffs is especially painful at a time when Maine's lobster industry faces a number of economic and ecological challenges. For example, harvesters are deeply concerned that North Atlantic right whale take reduction efforts will negatively affect their livelihoods. The Maine Congressional Delegation voiced these concerns in a May 28 letter to NOAA Acting Under Secretary Jacobs. Furthermore, rapidly changing ocean conditions, shifting stock patterns, and an expected shortage of bait is placing new strain on Maine's lobstermen. Resilience is a trademark of this iconic industry, but this confluence of factors is a serious threat and the federal government should play a stabilizing role to ensure its continued success.

We respectfully urge you to provide those segments of our lobster industry affected by these tariffs with relief similar to the aid that you are providing to our nation's farmers. Specifically, we request that you provide resources and aid intended to grow domestic demand for U.S. lobster and assist with the development of new export markets. Assistance to the lobster industry will help to lessen the blow of Chinese tariffs on a hallmark American industry that has done nothing to deserve the punishment that it is presently forced to bear.

Sincerely,

SUSAN M. COLLINS United States Senator

Member of Congress

ANGUS S. KING, JR. United States Senator

ARED F. GOLDEN Member of Congress