

BOARD OF SUPERVISORS

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KATHLEEN KRAUSE
CLERK OF BOARD OF SUPERVISORS
Kern County Administrative Center
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Bakersfield, California 93301
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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 blue 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:

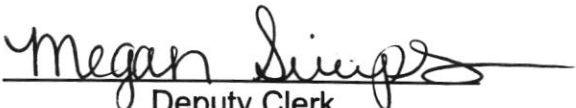
AYES: Peters, Scrivner, Flores, Couch, Perez

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

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