

United States Senate

WASHINGTON, DC 20510

July 30, 2020

The Honorable Jason E. Kearns
Chairman
U.S. International Trade Commission
500 E Street, SW
Washington, D.C. 20436

The Honorable Randolph J. Stayin
Vice Chairman
U.S. International Trade Commission
500 E Street, SW
Washington, D.C. 20436

RE: Inv. No. 701-TA-650-651

Dear Chairman Kearns and Vice Chairman Stayin:

I write to express concern over the pending "Phosphate Fertilizers From Morocco and Russia" investigation before the U.S. International Trade Commission. As a Senator representing a state where the largest economic driver is agriculture, I am concerned the countervailing duties under consideration would have significant negative impacts on farm profitability for Nebraskans.

Phosphorous is a primary nutrient for plant growth and the fertilizer is used in fruit and vegetables, alfalfa, sugar beets, cotton, sorghum, wheat, corn and soybeans. U.S. and international demand for the phosphate fertilizer fluctuates with planting seasons and the number of acres planted. It's further affected by weather and field work. These variations in demand should not be factors for determining if countervailing duties should be applied. The phosphate fertilizer industry operates in a highly competitive global market. With the consideration of a potential duty being imposed, price disruptions for the domestic market will react and conservative estimates are expected to increase costs of phosphate fertilizer by \$80 per ton. This price increase would come at a time where net farm income in 2020 is estimated to decline by \$3 billion and net cash income to decline by \$18 billion.

I respectfully request the U.S. International Trade Commission investigators communicate, coordinate, and consult with the United States Department of Agriculture (USDA) and solicit the economic data on the impact higher fertilizer prices would have on American farmers and producers.

As the Commission reviews the investigation report and moves to a proposed vote, I would request careful consideration is given to the enormous negative impacts higher duties would have on U.S. farmers and producers in our states.

Sincerely,

A handwritten signature in blue ink that reads "Ben Sasse". The signature is written in a cursive style with a large, sweeping "S" at the end.

Ben Sasse
United States Senator

CC: The Honorable Wilber Ross, United States Department of Commerce