

Congress of the United States
Washington, DC 20515

April 3, 2020

The Honorable Sonny Perdue
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave, S.W.
Washington, DC 20520

Dear Secretary Perdue:

We write to request that you use funds from the Coronavirus Aid, Relief, and Economic Stabilization (CARES) Act to provide immediate financial support to North Carolina tobacco growers negatively impacted by COVID-19.

As you know, tobacco has historically been the cash crop and backbone of rural North Carolina's economy. While growers continue to seek alternative crops, such as hemp, sweet potatoes, and stevia, tobacco remains an essential source of jobs and income. Over time, China has become a critically important customer for U.S. tobacco leaf. But in 2018, the Chinese government entity responsible for tobacco leaf procurement suspended all purchases of U.S. tobacco, causing the loss of \$400 million in annual U.S. economic activity and 2,400 jobs, predominantly in North Carolina.

Fortunately, thanks to the President and you, tobacco was included in the Phase One Trade Agreement with China. As part of that agreement, China committed to purchase an additional \$32 billion in U.S. agricultural products over the next two years. As a result, in late January, talks were well underway for Chinese purchases of U.S. tobacco leaf to recommence. However, shortly thereafter, the COVID-19 outbreak peaked in China, causing all economic activity, including discussions on additional U.S. tobacco leaf purchases, to cease.

Economists estimate that resumption of tobacco purchases by China could have increased the value of farm production by over \$100 million annually. This would have largely restored the annual \$400 million loss in economic activity experienced by farm families and rural communities and the accompanying jobs. But because finalization of a purchase agreement from China was not reached as a result of the COVID-19 pandemic, these benefits have been lost.

To help remedy this urgent situation, we respectfully ask that you use resources from the CARES ACT to provide immediate assistance to our nation's tobacco growers. These are challenging times for our country, and we commend the Administration's continued efforts to combat and mitigate the consequences of COVID-19 to our nation's agriculture community. Thank you for your consideration.

Sincerely,

/s/ Richard Burr
Richard Burr
United States Senator

/s/ Thom Tillis
Thom Tillis
United States Senator

/s/ David Rouzer
David Rouzer
Member of Congress

/s/ Richard Hudson
Richard Hudson
Member of Congress

/s/ George Holding
George Holding
Member of Congress