

Congress of the United States
House of Representatives
Washington, DC 20515-3102

July 23, 2021

The Honorable Tom Vilsack
U.S. Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Ave., SW
Washington, D.C. 20250

The Honorable Gina Raimondo
Secretary of Commerce
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, D.C. 20230

The Honorable Xavier Becerra
Secretary of Health and Human Services
U.S. Department of Health and Human Services
200 Independence Ave. SW
Washington, D.C. 20201

Dear Secretary Vilsack, Secretary Raimondo and Secretary Becerra,

I write to express grave concerns about Mexico's onion trade practices, safety standards and labor conditions that may be contributing to an unfair advantage over American onion growers.

Many of my constituents have alerted me to the possibility of *dumping*¹ of onions from the Republic of Mexico into the United States, directly affecting onion growers in my district in New Mexico and across the country. They have also expressed concern about the potential involvement of Mexican drug cartels and other transnational organizations in the Mexican onion trade.

Mexican onion producers are flooding the U.S. market with their produce, endangering the viability of American onion production. The United States consumes approximately 380 loads of onions daily.² U.S. farmers produce an average of 430 loads daily.³ Mexican onion producers are importing between 150 and 200 loads daily to the U.S., which is approximately half of our domestic consumption.⁴ This number continues to increase every year, regardless of weather conditions, domestic prices, or production costs. This has created a potentially unfair trading condition for American producers and may equate to a form of trade dumping.

Additionally, standards and verification for food safety in Mexico are considerably less stringent and inconsistently enforced. The U.S. Department of Agriculture (USDA) reports that Mexico is among the leading countries associated with food shipments refused by the Food and Drug

¹ According to Investopedia: "Dumping in international trade is defined as when a country or company exports a product at a price that is lower in the foreign importing market than the price in the exporter's domestic market."

² Data provided by various New Mexican onion farmers.

³ Data provided by various New Mexican onion farmers.

⁴ Data provided by various New Mexican onion farmers.

Administration (FDA), with vegetables accounting for the majority of refusals from that country.⁵ According to the Congressional Research Service, “most produce refusals were due to violative residues (such as pesticides); filth, microbial pathogens, and bacterial contamination (mostly *Salmonella*); and improper process filing.”⁶ The regulation of Mexican food safety seems to be spotty at best. Major food safety issues for Mexican produce include water quality for crop irrigation, sanitation required in the field and for field workers harvesting crops, and regulations of insecticides and fertilizers. The Centers for Disease Control and Prevention (CDC) determined that a 2008 *Salmonella* Saintpaul outbreak strain in irrigation water and on serrano peppers from a Mexican farm sickened 1442 persons, including 115 people in New Mexico.⁷

Other multistate foodborne illness outbreaks have been associated with other types of Mexican produce. From 2015-2016, the U.S. Food and Drug Administration (FDA) investigated a multistate outbreak of *Salmonella* Poona in the United States linked to “slicer” cucumbers grown in Baja, Mexico.⁸ Of the 907 people determined to have been infected during outbreak, a reported 37 people were in New Mexico. In 2019, FDA investigated a U.S. multistate outbreak of *Cyclospora* illnesses linked to fresh basil exported from Morelos, Mexico.⁹

Even more concerning is that farmers have reached out to inform me that many of the field inspections during the height of the pandemic in 2020 in Mexico were cancelled.¹⁰ Conversely, U.S. farmers face strict food safety guidelines. The USDA reports that average costs of compliance with produce safety requirements under the FDA Food Modernization Act (FSMA, P.L. 111-353) range from \$1,700 to \$37,000 per operation, depending on farm size.¹¹ Despite statutory requirements and agency assurances, Mexico’s compliance and controls are not equivalent. It is vital for America to ensure that all our trade partners have the same food safety standards as our nation’s farmers, not only to facilitate fair trade but also to protect Americans from food contamination.

⁵ J. Bovay, *FDA Refusals of Imported Food Products by Country and Category, 2005-2013*, March 2016, Table 3, https://www.ers.usda.gov/webdocs/publications/44066/57014_eib151.pdf.

⁶ Renee Johnson, “Efforts to Address the Safety of FDA-Regulated Food Imports,” *Congressional Research Service*, May 5, 2016.

⁷ CDC, “Multistate Outbreak of *Salmonella* Saintpaul Infections Linked to Raw Produce,” August 28, 2008, <https://www.cdc.gov/salmonella/2008/raw-produce-8-28-2008.html>.

⁸ FDA, “FDA Investigated Multistate Outbreak of *Salmonella* Poona Linked to Cucumbers.” March 24, 2016, <https://www.fda.gov/food/outbreaks-foodborne-illness/fda-investigated-multistate-outbreak-salmonella-poona-linked-cucumbers>.

⁹ FDA, “Outbreak Investigation of *Cyclospora*: Imported Fresh Basil (July 2019),” November 19, 2019, <https://www.fda.gov/food/outbreaks-foodborne-illness/outbreak-investigation-cyclospora-imported-fresh-basil-july-2019>.

¹⁰ FDA, “Coronavirus (COVID-19) Update: FDA Outlines Inspections and Assessment Activities During Pandemic, Roadmap for Future State of Operations,” May 5, 2021, <https://www.fda.gov/news-events/press-announcements/coronavirus-covid-19-update-fda-outlines-inspection-and-assessment-activities-during-pandemic>.

¹¹ J. Bovay, et al., *Estimated Costs for Fruit and Vegetable Producers To Comply With the Food Safety Modernization Act’s Produce Rule*, August 2018, Table 4, <https://www.ers.usda.gov/webdocs/publications/89749/eib-195.pdf>. Estimates reflect the full cost of compliance upon implementation of all rule components in 2020 to 2022 (depending on farm size), relative to a farm that has not adopted any food safety practices.

Labor cost in Mexico also disadvantages American farmers. Our country's federal and state governments burden U.S. farmers with severe regulation, unemployment taxes, state and federal taxes, food safety training, and insurance costs. Mexico does not have these same government regulations or expenses nor consistent enforcement of such requirements. For instance, the cost to produce a sack of onions can be increased by \$10 for a US farmer, while a Mexican farmer only faces a \$5 increase due to less government regulation or expenses necessary for food safety.¹²

Finally, it is well documented that Mexican drug cartels have infiltrated the avocado industry in Mexico.¹³ These vicious killers used extortion to take over land and production and became informal owners or silent controlling partners throughout the avocado industry in Mexico. According to the *Los Angeles Times* in 2019, "Mexico's multibillion-dollar avocado industry, headquartered in Michoacán state, has become a prime target for cartels, which have been seizing farms and clearing protected woodlands to plant their own groves of what locals call 'green gold.'¹⁴" Cartels also moved into other sectors including agricultural goods and timber.¹⁵ It is rumored that the Mexican onion sector also faces cartel infiltration. This would be yet another source of income for a true national security threat, Mexican drug cartels. If cartels do have a controlling stake in the onion sector, they may be commingling shipments of onions and drugs, using this method to smuggle in drugs that are killing tens of thousands of Americans every year.

As Mexican produce floods the U.S. market, these concerns have created a crisis for onion farmers in New Mexico and around the country. I ask that you consider seeking remedies for these problems. I further request the following:

- A meeting with an official from each of your departments to discuss this matter in depth and seek solutions.
- Given that the U.S. imports a majority of its foreign sourced produce from Mexico and Mexico is among the leading countries associated with food import refusals, what additional steps is the FDA taking to ensure Mexican produce is safe for American consumers beyond its standard protocols?
- During the height of the COVID-19 pandemic, the FDA delayed surveillance inspections of food production inspections for foreign producers; however, they continued to perform "mission critical" inspections, including those performed on imported products at the

¹² Data provided by various New Mexican onion farmers.

¹³ Kate Linthicum, "Inside the bloody cartel war for Mexico's multibillion-dollar avocado industry," *Los Angeles Times*, November 21, 2019, <https://www.latimes.com/world-nation/story/2019-11-20/mexico-cartel-violence-avocados>.

¹⁴ Ibid.

¹⁵ Peter O'Dowd and Allison Hagan, "Why Avocados Attract Interest of Mexican Drug Cartels, WBUR, February 7, 2020, <https://www.wbur.org/hereandnow/2020/02/07/avocados-mexican-drug-cartels>.

border.¹⁶ Has the FDA resumed surveillance inspections of food production inspections for Mexican producers? Has the FDA resumed all inspections and what percentage of Mexican food producers that export to the U.S. is routinely inspected by the FDA?

- What steps are your agencies taking to investigate any connections between the Mexican onion industry and transnational criminal organizations? Please provide my office an update on your findings and next steps.

I ask that you respond to these questions in writing by August 20, 2021, by 5 PM. Thank you for your attention to this letter.

Sincerely,



Yvette Herrell
Member of Congress

¹⁶ FDA, "Coronavirus (COVID-19) Update: FDA Outlines Inspections and assessment Activities During Pandemic, Roadmap for Future State of Operations," May 5, 2021, <https://www.fda.gov/news-events/press-announcements/coronavirus-covid-19-update-fda-outlines-inspection-and-assessment-activities-during-pandemic>.