

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-3313**

June 25, 2025

The Honorable Mike Crapo  
Chairman, Senate Finance Committee  
United States Senate  
Washington, D.C. 20510

Dear Chairman Crapo,

We hope this letter finds you well and thank you for the great work you are doing for the country. We write to express our gratitude for the removal of the tobacco duty drawback provision from the Senate's version of the One Big Beautiful Bill. This is a novel issue, but a vitally important one for many in the agricultural sectors. Our relief arises solely from the consistent responses offered by farmers and agriculture partners in our states. Repealing this longstanding feature of U.S. trade policy will harm the American workers and businesses it aims to protect—especially American tobacco farmers who rely on the stability this policy provides.

Once included in the House version, agricultural stakeholders uniformly voiced strong opposition to repealing drawback. The duty drawback is vital for American tobacco farmers because it ensures access to export markets as domestic demand for tobacco declines. Per Kimberly Foley, the Executive Director of Tobacco Associates, “(w)e must keep our eyes on the opportunities that lie beyond our borders. Export growth is not just our future, it’s our present. Duty drawback plays a quiet but essential role in keeping U.S. leaf attractive on the international stage.” Eliminating the provision would reduce demand for U.S. grown tobacco that enters global supply chains and jeopardize their economic well-being.

While the provision as included in the House-passed bill targets only tobacco, agricultural leaders view this not as a “one crop” issue, but rather one that will ultimately have negative impacts on all crops and the communities in which they are produced. That is why voices from across the country have publicly stated their opposition to the repeal of the duty drawback for tobacco including:

- North Carolina Agriculture Commissioner Steve Troxler
- South Carolina Agriculture Commissioner Hugh Weathers
- North Carolina Chamber of Commerce
- Tobacco Growers of North Carolina
- The Farm Bureaus of North Carolina, Georgia, South Carolina and Virginia

- North Carolina Sweetpotato Commission
- North Carolina Soybeans Producers Association
- North Carolina Peanut Growers Association
- North Carolina Cotton Producers Association
- Virginia Agribusiness
- Virginia Agricultural Growers Association
- Virginia Cotton Growers Association
- Virginia Grain Producers Association
- Virginia Soybean Association
- Virginia Tobacco Growers Association
- U.S. Tobacco Cooperative

Tobacco has always been, and remains, a key economic driver for North Carolina and other states that supports vital agricultural and manufacturing industries. According to a recent analysis from the John Locke Foundation, the total economic impact of the tobacco industry in North Carolina alone “is \$49 billion of output (revenue), \$32 billion added to GDP, 101,900 jobs created, and labor earnings of \$10 billion...Once the additional economic impact from households spending their labor earnings is included in the analysis, the tobacco industry generates \$74 billion of output, \$48 billion added to GDP, 196,000 jobs created, and labor earnings of \$16 billion from all the products it produces.”[1]

The present and future of American tobacco farmers, their families and their communities is at risk. We appreciate your attention to this important matter and request not including the repeal of the duty drawback incentive for tobacco in the Senate version of the One Big Beautiful Bill.

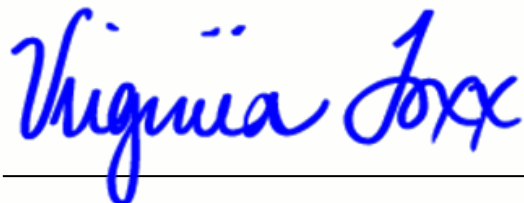
Sincerely,



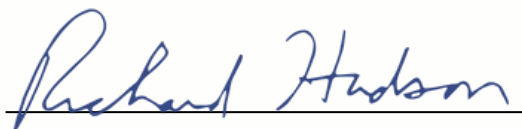
Brad Knott  
Member of Congress



Chuck Edwards  
Member of Congress



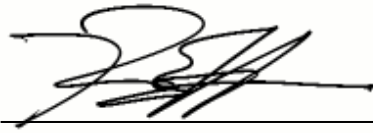
Virginia Foxx  
Member of Congress



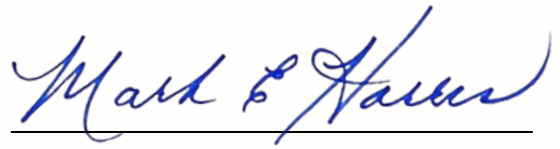
Richard Hudson  
Member of Congress

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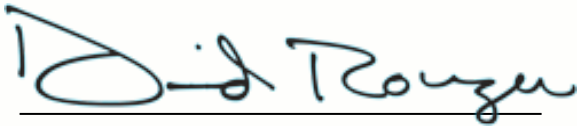
[1] John Locke Foundation: “Regulatory Smoke: The Economic Impacts of Proposed FDA Tobacco Regulations”



Pat Harrigan  
Member of Congress



Mark Harris  
Member of Congress



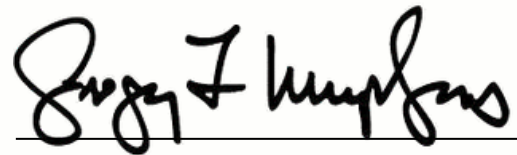
David Rouzer  
Member of Congress



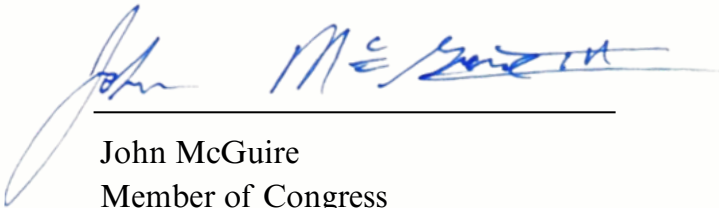
Tim Moore  
Member of Congress



Addison McDowell  
Member of Congress



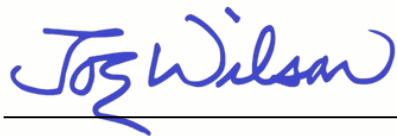
Gregory Murphy M.D.  
Member of Congress



John McGuire  
Member of Congress



Russell Fry  
Member of Congress



Joe Wilson  
Member of Congress

Attachments:

Friends of North Carolina Agriculture Letter Dated 5/30/25

CC:

Senate Majority Leader John Thune  
Senate Majority Whip John Barrasso  
Senate Finance Committee Members  
Speaker Mike Johnson