



## PRESS RELEASE

### **The U.S. Government Must Act Now to Step Up Uyghur Forced Labor Prevention Act Enforcement and Close De Minimis Loophole Imperiling American Manufacturers and Facilitating Dangerous Products to Our Doors**

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WASHINGTON, D.C. – Unless Congress and the administration take immediate and aggressive action to step up enforcement against China’s predatory trade practices, the massive surge of imports arriving daily containing apparel made with slave labor, dangerous narcotics, and counterfeits will continue to imperil consumers, ravage our communities, and devastate the vital U.S. manufacturing base.

That is the strong message being delivered by National Council of Textile Organizations (NCTO) President and CEO Kim Glas who is testifying at a congressional hearing today on “Exploitation and Enforcement: Evaluating the Department of Homeland Security’s Efforts to Counter Uyghur Forced Labor.”

See her written testimony [here](#) and view the livestream of the Homeland Security Committee’s Subcommittee on Oversight, Investigations and Accountability hearing [here](#).

“Chinese cotton products made with forced labor in Xinjiang, in the most abhorrent conditions, are flooding the global marketplace, making their way both directly and indirectly to the U.S.,” Glas said, noting that around 72 percent of all Chinese cotton products contain Xinjiang cotton, leading to forced labor textiles and apparel leaking into supply chains in the U.S. and our free trade agreement regions. “As a result, American textile plants have been forced to idle equipment and lay off workers, while some companies have been put out of business entirely.

“Not only are we failing to stop forced labor trade that Congress explicitly acted to address through the Uyghur Forced Labor Prevention Act (UFLPA), but we are rewarding China with duty-free access under the de minimis provision of our trade law. The de minimis loophole has become a superhighway for illicit goods as a result of ineffective rulemaking and a lack of adequate congressional action and it’s a threat to us all,” Glas said.

Congress should take the following steps to counter these practices:

- Get aggressive on oversight of customs enforcement of UFLPA and require Customs officials to testify regularly. Detail to Congress and the public a robust forward-leaning enforcement plan to crack down on this illegal trade, increase penalties and other deterrent mechanisms, and include measurable benchmarks for enforcement for this sector and beyond.
- Close the de minimis loophole for e-commerce with a legislative fix to address the flood of fentanyl, forced labor goods, and counterfeits and pressure the administration to immediately use its executive authorities to close it. This trade is uncontrollable and impossible to monitor; it makes enforcement of UFLPA impossible.
- Urge the administration to utilize and expand the UFLPA Entity List more robustly as a deterrent. To date, only 27 entities have been placed on the list and all operate within China. Expand the list and include companies outside of China.
- Aggressively step up enforcement, inspections, and penalties to include more testing, including verification visits in our free trade agreement partners, and coordination.

“I want to sincerely thank Subcommittee Chairman Dan Bishop (R-NC) and Ranking Member Glenn Ivey (D-MD) for holding this important oversight hearing,” Glas said.

“Consider this: Billions of dollars’ worth of Chinese apparel coming through the de minimis loophole and tainted by forced labor, is getting VIP treatment on its way straight to our front doors, at the expense of workers and manufacturers in the U.S. and our critical regional supply chains. This is all rewarded by the U.S. government. We must stop China’s forced labor regime and support American companies and workers who are being exploited as a result.

“This is an economic fire, a health fire, and human rights fire — and we need it extinguished immediately. An aggressive enforcement plan, coupled with a set of rational revisions to the outdated and now extremely dangerous de minimis loophole in our trade law would prevent the continuation of this devastation, but Congress and the Executive Branch must decisively act now.”

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NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers.

- U.S. employment in the textile supply chain was 538,067 in 2022.
- The value of shipments for U.S. textiles and apparel was \$65.8 billion in 2022.
- U.S. exports of fiber, textiles and apparel were \$34 billion in 2022.
- Capital expenditures for textiles and apparel production totaled \$2.27 billion in 2021, the last year for which data is available.

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