



PRESS RELEASE

NCTO Releases Statement Welcoming New Bipartisan Legislation Aimed at Combatting International Trade Crimes & Fraud

July 26, 2024

WASHINGTON, D.C. – National Council of Textile Organizations (NCTO) President and CEO Kim Glas issued the following statement today welcoming the introduction of the bipartisan "Protecting American Industry and Labor from International Trade Crimes Act," a bill that aims to combat trade fraud and hold those committing the crimes accountable.

Statement by NCTO President and CEO Kim Glas:

"We commend Chairman John Moolenaar (R-MI) and Ranking Member Raja Krishnamoorthi (D-IL), who lead the House Select Committee on the CCP, along with Congresswoman Ashley Hinson (R-IA) and others for introducing this <u>bipartisan legislation</u> that will put real teeth into combatting trade crimes that are undermining American textile and apparel manufacturers.

"NCTO has called for additional federal tools and resources to urgently address the pervasive trade crimes impacting our industry as well as other U.S. manufacturing sectors. We are pleased that this legislation will do exactly that by establishing a formal structure within the Department of Justice's Criminal Division dedicated to aggressively prosecute international trade crimes.

"The U.S. textile and apparel supply chain has been severely harmed by rampant trade fraud, including an onslaught of imported products made with forced labor, which circumvent the U.S. ban on these imports, fraudulent rules of origin claims under our free trade agreements, and evasion of duties through abuse of the de minimis trade

loophole. This had resulted in the closure of 18 textile plants over the past several months and job losses, combined with closures in Western Hemisphere trade partners who have suffered tens of thousands of job losses.

"We believe this bipartisan legislation is a critical step forward in confronting such massive fraud and will serve to hold bad actors accountable and help shield our vital domestic industries from these crimes."

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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 501,755 in 2023.
- · The value of shipments for U.S. textiles and apparel was \$64.8 billion in 2023.
- · U.S. exports of fiber, textiles and apparel were \$29.7 billion in 2023.
- 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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