

PRESS RELEASE

NCTO Applauds Comprehensive Bipartisan Legislation Closing the De Minimis Loophole to Majority of Textile and Apparel Imports

Aug. 8, 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 “FIGHTING for America Act, a bill that would eliminate de minimis exemptions for import-sensitive products and goods subject to trade remedies, including the majority of textile and apparel imports, while helping staunch the flow of millions of low value duty-free shipments entering the United States daily.

Statement by NCTO President and CEO Kim Glas:

“We commend Senate Finance Committee Chairman Ron Wyden (D-OR), and Senators Sherrod Brown (D-OH), Bob Casey (D-PA), Susan Collins (R-ME), and Cynthia Lummis (R-WY) for their leadership and support for this bipartisan legislation that would tighten the rules for the entry of millions of imported packages coming through the de minimis loophole each day and help level the playing field for domestic textile and apparel manufacturers severely harmed by the onslaught of these shipments.

“This bill eliminates de minimis for the most import-sensitive products and goods subject to trade remedies, including the vast majority of textile and apparel imports from China and the rest of the world. It is a major step in the right direction toward closing the loophole. De minimis shipments have grown exponentially due to the explosion of e-commerce and the growth of companies like Shein and Temu that have built their business models around this duty-free loophole. As a result, the U.S. market has been inundated with a flood of low value, subsidized and often illegal and tainted imports that are endangering U.S. consumers and undermining the U.S. textile and apparel production chain.

“We believe Senator Wyden’s legislation will go a long way toward thwarting bad actors who have been profiting from this unchecked gateway by sending in goods made with forced labor, counterfeits, toxic goods, and illicit narcotics.

“This bill is the most comprehensive approach to de minimis reform to date. It would not only close de minimis to the vast majority of textile and apparel imports, but also impose new penalties for violations, require additional data reporting on all de minimis packages, and impose small customs user fees on packages. We are encouraged by this strong legislative approach and believe it will help shield and support the vital domestic textile and apparel manufacturing supply chain that employs more than 501,000 workers and produces \$64.8 billion in output.”

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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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