

AMTAC

American Manufacturing Trade Action Coalition

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August 14, 2006

The Honorable Charles Grassley
Chairman, Senate Finance Committee
219 Dirksen Office Building
Washington, D.C. 20510

**American Manufacturing Trade Action Coalition Statement Regarding
Miscellaneous Tariff Measures Introduced in the Senate During the 109th Congress**

Dear Mr. Chairman:

I write in response to the July 11, 2006 Senate Finance Committee solicitation of comments regarding miscellaneous tariff measures introduced in the Senate during the 109th Congress.

The American Manufacturing Trade Action Coalition (AMTAC) represents over 200 domestic manufacturing companies in the textile, apparel, furniture, machine tool, steel products, plastics, and other industry sectors. AMTAC supports policies to stabilize the U.S. industrial base and preserve and create American manufacturing jobs.

From the list published at <http://finance.senate.gov/sitepages/2006MTB.htm> we have identified the following bills that we must oppose as harmful to the interest of domestic producers we represent.

AMTAC opposes S. 3362 a bill to exempt woven fiberglass mesh fabric from certain quotas.

AMTAC opposes S. 3493 a bill to provide that quantitative restrictions shall not apply with respect to certain knit performance outerwear pants.

AMTAC opposes S. 3494 a bill to provide that quantitative restrictions shall not apply with respect to woven performance outerwear pants.

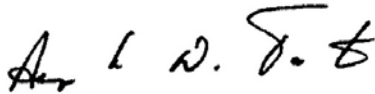
AMTAC opposes the above referenced bills because they would substantively change an existing negotiated agreement with a foreign nation, specifically the U.S. – China Textile Bilateral Agreement of November 2005. This agreement was the result of a protracted and intense set of negotiations. To legislatively override the details of the U.S. – China

Textile Bilateral Agreement would be extremely damaging to the U.S. manufacturers of these products or the component fabrics used in these items. The U.S. – China Textile Bilateral is a careful and balanced agreement that reflects a series of concessions and obligations on the part of both parties. It would be both unfair and unwise for Congress to undermine the compromise struck through this agreement by unilaterally dropping products from quota coverage.

The Miscellaneous Tariff Bill (MTB) is meant primarily for duty suspensions and for legislation that is non-controversial and non-substantive. Each one of these bills would make substantive changes to an existing executive-negotiated agreement and are highly controversial. The inclusion of legislative items that alter an existing U.S. bilateral agreement would establish a very harmful precedent for the MTB process. The MTB simply is not the proper vehicle for this effort.

For all these reasons, AMTAC opposes the inclusion of these bills as part of the MTB, or their passage in any other form. Thank you for your attention to our views on this very important matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Aug. I. N. T. B." with a stylized flourish at the end.

Augustine Tantillo
Executive Director



ROBERT J. "ROBBY" DUNNAGAN

Vice-President, Sales & Marketing

July 14, 2006

The Honorable Charles Grassley
Chairman
Senate Finance Committee
219 Dirksen Senate Office Building
Washington, DC, 20510

Dear Senator Grassley:

I am writing in strong opposition to S. 3362, a bill to exempt certain mesh fiberglass fabrics from quota under the existing U.S./China textile bilateral agreement. This legislation is included on the list of items being considered for inclusion in the Senate Miscellaneous Tariff Bill.

BGF is opposed to this bill because we are a U.S. producer of various types of fiberglass fabrics. Our facilities are located in Virginia, South Carolina, and North Carolina where we employ approximately 850 workers. We have been forced to close one facility in the past few years primarily due to import competition. China has been at the forefront of the import surge in fiberglass fabrics. Currently they are the largest exporter of fiberglass fabric to the U.S. and their exports to our market have increased by over 47% during the past twelve months. We do not want to put our remaining employees at risk.

In addition, we do not believe that this bill fits the criteria for inclusion in the miscellaneous tariff package. Beyond the fact that it is highly controversial, S. 3362 does not deal with tariff rates. Instead, it would alter the recently concluded textile quota agreement the U.S. reached with China. This would establish an extremely negative precedent that could undermine the integrity of the entire U.S./China textile bilateral agreement.

It would be a mistake to give China further access to the U.S. market through the adoption of S. 3362. This is especially true since Chinese exporters enjoy various unfair advantages such as a purposely undervalued currency.

For these reasons, I strongly encourage you to ensure S. 3362 is not included as part of the Miscellaneous Tariff Bill drafted by the Senate Finance committee later this year. Please feel free to contact me if you desire any further information on this matter.

Sincerely,

Robby Dunnagan





August 15, 2006

The Honorable Charles Grassley
Chairman, Senate Finance Committee
219 Dirksen Office Building
Washington, DC 20510

RE: S. 3362 – Legislation to Exempt Woven Fiberglass Mesh Fabric from Quota

Dear Mr. Chairman:

On behalf of the National Council of Textile Organization's (NCTO) and our member companies, I am writing to let you know of our strong opposition to S. 3362 and ask that it be precluded from the proposed miscellaneous tariff bill currently being developed by the Senate Finance Committee.

NCTO is a not-for-profit trade association established to represent the entire spectrum of the United States textile sector, from fibers to yarns to fabrics to finished products, as well as suppliers in the textile machinery, chemical and other such sectors which have a stake in the prosperity and survival of the U.S. textile sector. Our headquarters are in Washington, D.C., and we also maintain an office in Gastonia, NC.

S. 3362 proposes to exempt certain fiberglass mesh fabrics from quota under the existing U.S.-China textile bilateral agreement. As you know, the U.S.-China bilateral agreement was carefully constructed to cover primarily those U.S. products that are import sensitive. This legislation undermines the benefits of this agreement as well as the commitment that was made to U.S. manufacturers of the products covered by the agreement.

Member companies of NCTO have been severely damaged in recent years as a result of a substantial surge of imports from low cost producers that often benefit from state sponsored subsidies. Chinese producers, which enjoy significant export advantages such as a purposely undervalued currency, have been a key driver behind the import surge. China is now the single largest exporter of fiberglass fabric to the U.S. and their exports to our market have increased by more than 47percent during the past twelve months.

Due to China's proven capability to impact the U.S. market, it would be a serious mistake to drop various fiberglass fabrics from the current U.S./China textile bilateral agreement. In addition, the removal of these products from quota would set a dangerous precedent that could render the existing textile bilateral agreement with China useless.

For these reasons, I strongly encourage you to preclude S. 3362 from inclusion in the Miscellaneous Tariff Bill and any other legislative vehicle so as to ensure that this bill is not adopted by Congress.

Thank you for your consideration of these comments and concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Cass Johnson", written over a thin red horizontal line.

Cass Johnson
President
cjohnson@ncto.org