

**ELIZABETH DOLE**  
NORTH CAROLINA

555 DIRKSEN SENATE OFFICE BUILDING  
WASHINGTON, DC 20510  
(202) 224-6342  
FAX: (202) 224-1100

# United States Senate

WASHINGTON, DC 20510

COMMITTEES:  
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URBAN AFFAIRS  
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March 7, 2005

The Honorable Michael Chertoff  
Secretary of Homeland Security  
U.S. Department of Homeland Security  
Washington, D.C. 20528

Dear Secretary Chertoff:

I am writing to bring to your attention my concern regarding the proper use of congressionally appropriated funds for the U.S. Customs Service for fiscal years 2004 and 2005. It is critical that the U.S. Customs Service fulfill its commitments to spend earmarked funds as they have been designated in both the authorization and appropriations processes.

As you know, the Trade Act of 2002 (P.L. 107-210) authorized \$9.5 million for textile transshipment enforcement operations. This authorization provided for the hiring and training of 72 new Customs personnel to focus solely on the enforcement provisions of our international trade agreements. Funding for these positions was provided in the FY2004 and FY2005 Homeland Security appropriations bills. It is my understanding from reports by the textile industry that not one single new agent has been hired as a result of these actions. There is much concern that Customs personnel in the textile enforcement division, previously responsible for quota data entry and monitoring, may have been simply redeployed to other divisions within Customs now that quotas have been removed against China, rather than trained as enforcement agents.

My concern is amplified by industry reports that the Customs Service has repeatedly stalled in answering questions regarding the hiring and training of the much needed additional Customs agents. It seems as if Customs has been able to divert the focus to highlight successes of the service, rather than directly addressing their failure to use funds for textile and apparel enforcement. It is my understanding that these problems within the U.S. Customs Service are not at the Textile Enforcement Division, but rather at a much higher level.

I ask that the Department of Homeland Security provide a complete accounting as to how this money has been spent, including an evaluation of the implementation of original Congressional Spending Plans, which were submitted to Congress. This report should include whether the earmarked funds have been used for the hiring and training of additional import specialists and other resources within the Textiles Enforcement Division, as was outlined in Section 352 of the Trade Act.

The textile industry is very important to my home state of North Carolina and has already suffered significant industry job loss as a result of ineffective implementation of the China

**GREENVILLE OFFICE:**

306 SOUTH EVANS STREET  
GREENVILLE, NC 27858  
(252) 329-1093  
FAX: (252) 329-1097

**HENDERSONVILLE OFFICE:**

401 NORTH MAIN STREET  
SUITE 200  
HENDERSONVILLE, NC 28792  
(828) 898-3747  
FAX: (828) 898-1267

**RALEIGH OFFICE:**

310 NEW BERN AVENUE  
SUITE 122  
RALEIGH, NC 27601  
(919) 856-4630  
FAX: (919) 856-4053

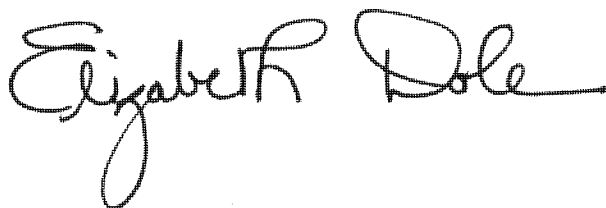
**SALISBURY OFFICE:**

225 NORTH MAIN STREET  
SUITE 304  
SALISBURY, NC 28144  
(704) 633-5011  
FAX: (704) 633-2937

safeguard mechanism. If China follows current trends, it is estimated by the textile industry that 650,000 American textile and apparel jobs will be lost within two years. This would have a disastrous effect on the textile industry, including a potential closure of 1,300 more textile plants, many of which are in North Carolina. Moreover, now that the quotas have been lifted against China, it is more critical than ever to have agents who are devoted to textile enforcement, which aids in the effective implementation of the China safeguard. Since textile imports have one of the highest tariff levels, the enforcement of current trade laws is essential to ensure that money due to the U.S. Treasury is not lost.

Thank you in advance for the consideration of this request. I hope that you will act expeditiously and require the U.S. Customs Service to submit detailed reports of how the FY2004 and FY2005 funds have been spent. I can be reached at (202) 224-6342 if I can be of further assistance.

With my warmest best wishes,

A handwritten signature in black ink that reads "Elizabeth R. Dole". The signature is written in a cursive style with a large, looped initial "E".