

<p><b>Secured Key Improvements in USMCA</b></p>	<p>NCTO spearheaded efforts to improve textile provisions in the renegotiation of NAFTA. NCTO engagement resulted in new requirements to use various regional components, such as sewing thread and pocketing fabrics; reductions to certain tariff preference levels; the closure of buy-American loopholes; and stronger customs enforcement tools in the new the U.S.-Mexico-Canada Agreement (USMCA). USMCA was signed on November 30, 2018 and awaits Congressional approval.</p>
<p><b>Blocked Harmful Changes to the Berry Amendment</b></p>	<p>During consideration of the 2019 National Defense Authorization Act, NCTO identified troubling provisions in the legislation’s early iterations and led a multi-industry coalition to prevent their inclusion in the final bill. One proposal would have gutted current law by excluding all commercially available products from Berry Amendment coverage. Another proposal would have exempted non-textile components like zippers and buttons from domestic sourcing requirements.</p>
<p><b>Advocated for Important Farm Bill Programs</b></p>	<p>Every five years Congress considers legislation to set agriculture policy and fund farm programs. During consideration of the FY 2019-23 Farm Bill, NCTO lobbied for farm programs that balance the needs of growers and textile manufacturers of natural fibers such as cotton and wool. Key programs associated with the cotton and wool sectors were fully funded and extended as part of the final version of the Farm Bill, which was passed and signed into law in late December.</p>
<p><b>Engaged in China 301 Tariff Process</b></p>	<p>NCTO supported the Trump administration’s Section 301 case against China’s intellectual property abuses, testifying on and submitting written comments documenting the damaging effects of China’s IP theft on U.S. textile manufacturers. In doing so, NCTO advised placing tariffs on finished products, such as apparel and home furnishings, which would bring greater benefit to the North American textile supply chain. NCTO was also successful in removing products such as rayon fibers and most textile machinery, while continuing to push for an exclusion process for items not available domestically.</p>
<p><b>Supported Passage of the MTB and Fought Damaging Petitions</b></p>	<p>NCTO supported adoption of the Miscellaneous Tariff Bill (MTB) to ensure access to necessary manufacturing inputs not available from U.S. producers. During the MTB process, NCTO worked with member companies to remove objectionable textile and apparel products from consideration. The MTB was signed in October.</p>
<p><b>Engagement to Improve Textile Customs Enforcement</b></p>	<p>NCTO brought congressional, administration, and industry stakeholders together to generate renewed focus on customs enforcement in the textile sector. Working with key congressional allies, meetings were held with Customs and Border Protection (CBP) Commissioner Kevin McAleenan and CBP Executive Assistant Commissioner Brenda Smith to review the agency’s enforcement activities. CBP has committed to improve its engagement with the industry through better communication, transparency, and collaboration.</p>
<p><b>Formed Microfiber Committee</b></p>	<p>NCTO formed a committee on microfibers to address issues related to microscopic plastic fragments found in the environment. NCTO responded to microfiber legislation in California and Connecticut and is a member of a Connecticut group developing a consumer awareness program on microfibers. The committee is also working with others, including European counterparts, to determine solutions to the microfiber issue.</p>
<p><b>Grew NCTO Military Activities</b></p>	<p>NCTO continues to engage directly with the Defense Logistics Agency (DLA), the Dept. of Defense procurement arm that buys almost \$2 billion in clothing &amp; textiles annually, and was one of only six associations invited by the DLA Director to join his industry association advisory group. NCTO also worked closely with the Commerce Dept. Bureau of Industry and Security on its competitiveness study of the domestic textile industry, especially as it relates to the Berry Amendment. The BIS study, released in August, showed strong domestic textile industry support for our military.</p>
<p><b>Completed Successful Merger with AFMA</b></p>	<p>On April 1, the American Fiber Manufacturers Association was successfully merged into NCTO. NCTO now serves as the formal advocacy entity for an industry segment that employs 27,000 U.S. workers with annual domestic sales exceeding \$8 billion. The merger allows for expanded membership and an enhanced NCTO political footprint.</p>
<p><b>Continued Industry-Wide Public Relations Campaign</b></p>	<p>NCTO continued its <i>American Textiles: We Make Amazing™</i> campaign to rebrand the U.S. textile industry, helping to garner an ad equivalency value of more than \$2.2 million in earned media. NCTO also launched a new brand journalism website called <i>Textiles in the News</i> with newsfeed and original content at <a href="http://www.textilesinthenews.org">www.textilesinthenews.org</a>.</p>