

<p>Promoted Personal Protective Equipment (PPE) Reshoring and Policy Reform</p>	<p>NCTO played a critical role on government contracting and procurement issues, bringing together the entire domestic PPE supply chain and closely coordinating with White House advisers, key government agencies, and others to get vital PPE product to front-line workers battling the COVID-19 pandemic. NCTO also worked to shape and garner support for legislation aimed at expanding domestic procurement requirements for PPE and building a permanent domestic PPE supply chain. NCTO testified before Congress, the U.S. International Trade Commission, and supplied comments to the administration on the public health industrial base and necessary policy reforms.</p>
<p>Advanced Industry Priorities in Coronavirus Stimulus Packages</p>	<p>NCTO worked closely with key congressional offices throughout the year to include the industry’s priorities in several iterations of coronavirus stimulus and economic relief packages. NCTO lobbied for immediate stimulus relief to the manufacturing sector and its workforce and pushed for access to vital support like the Paycheck Protection Program and tax incentives to help promote the domestic manufacturing industrial base and hiring of workers. Congress passed three separate stimulus packages in the early months of the pandemic. In a final push in December, Congress passed a \$900 billion fourth stimulus package that took effect at the end of the year and included a one-time enhancement of funding for cotton processors through the Economic Adjustment Assistance for Textile Mills program.</p>
<p>Strengthened the Berry Amendment</p>	<p>Following years of sustained lobbying and engagement with key allies on Capitol Hill, NCTO secured a major, long sought-after win for the U.S. textile industry in the FY2021 National Defense Authorization Act. The new law decouples the Berry Amendment from the simplified acquisition threshold, resets the Berry threshold from \$250,000 to \$150,000, and chains future increases to the consumer price index. Closing this contracting loophole will reserve an additional \$50 million-plus in Berry-compliant contracts for domestic textile manufacturers instead of having U.S. taxpayer dollars spent offshore.</p>
<p>Fought Expansion of Generalized System of Preferences (GSP)</p>	<p>Brands and importers continued efforts in 2020 to expand the duty-free preferences afforded developing countries under the GSP program to textiles and apparel. NCTO joined with Western Hemisphere allies to voice strong, united opposition to undermining our negotiated free trade agreement structure. NCTO’s active lobbying efforts produced significant opposition to such proposals, preventing an expansion bill from being introduced, and instead leading to the introduction of a House resolution opposing expansion of GSP. The GSP program lapsed at the end of the 2020 as Congress did not reauthorize it.</p>
<p>Supported China and Vietnam 301 Enforcement Activities</p>	<p>NCTO continued its support for the Section 301 case against China’s intellectual property abuses, promoting tariffs on finished products, such as apparel and home furnishings, to bring greater benefit to the North American textile supply chain. NCTO also advocated for exclusions for manufacturing inputs not available domestically. In addition to the China case, the administration launched dual 301 investigations into Vietnam’s currency practices and timber trade in October. NCTO supplied public comments supporting the initiation of the currency case and pointed to the United States’ ever-growing trade imbalance with Vietnam in textiles and apparel.</p>
<p>Expanded Industry-Wide Public Relations Campaign</p>	<p>NCTO expanded its efforts to amplify the voice of the American textile industry through a multi-pronged communications strategy, including an industry video campaign showcasing efforts in PPE production and policies needed to re-shore PPE production permanently. NCTO launched a public PPE database to provide a directory of domestic medical textile producers and increased coordination with key Hill offices to amplify industry’s PPE efforts. Through internal efforts and the amplification of the industry’s PPE news, NCTO generated an ad equivalency value of more than \$20.04 million in earned media, an increase of 325% over 2019.</p>
<p>Engaged in Emerging Per-and-Polyfluoroalkyl Substances (PFAS) Regulatory Issue</p>	<p>Regulators have intensified scrutiny of PFAS chemicals in the wake of growing environmental concerns with certain applications, such as long-chain fluorinated polymers that are used in fire suppressing foams. These concerns have resulted in initiatives at both the state and federal levels of the U.S. government and abroad to tightly regulate PFAS chemicals individually and as a class. NCTO’s FluoroTechnology Working Group continued to monitor and engage on this issue in 2020, including submitting comments to European government regulatory entities, interacting with U.S. government regulatory agencies, and monitoring federal legislative initiatives associated with PFAS restrictions.</p>
<p>Grew NCTO Military Activities</p>	<p>NCTO continued to engage directly with the Defense Logistics Agency (DLA), the Department of Defense procurement arm that buys almost \$2 billion in clothing and textiles annually. NCTO participated in numerous DLA planning and information-sharing forums including DLA Troop Support’s Clothing & Textiles partners meetings. NCTO was one of a small number of associations invited by the DLA Director to join his industry advisory group.</p>
<p>Supported Miscellaneous Tariff Bill (MTB) Process and Petition Vetting</p>	<p>NCTO maintained its support of the MTB by seeking a three-year renewal of the MTB beyond its 2020 expiration. NCTO engaged in the extensive process of vetting over 2,500 petitions filed for duty breaks and worked closely with member companies to address concerns with potentially harmful petitions filed on fully finished products. While Congress failed to pass the MTB prior to the end of the year, they are expected to move quickly to address the legislation in 2021. NCTO will continue to work on behalf of its members to monitor the MTB process, press for its passage, and keep the membership informed.</p>