



Press Statement

NCTO Welcomes House passage of NDAA Conference Report; Urges Swift Senate Passage

December 8, 2020

WASHINGTON DC —The National Council of Textile Organizations (NCTO), representing the full spectrum of U.S. textiles from fiber through finished sewn products, welcomes House passage of the National Defense Authorization Act (NDAA) of Fiscal Year 2021.

"We applaud the House of Representatives for passing the NDAA, a bill that will strengthen the Berry Amendment, which supports tens of thousands of jobs in the U.S. textile industry and other manufacturing sectors," said NCTO President and CEO Kim Glas. "We also extend special thanks to Rep. Patrick McHenry (R-NC) and Rep. Bill Pascrell (D-NJ), cochairs of the House Textile Caucus, for their leadership and support of this important provision."

The NDAA bill rolls back the threshold for Berry compliance requirements and Defense Department acquisitions to \$150,000 and adjusts future increases for inflation, which the U.S. textile industry has long supported.

In the Fiscal Year 2018 NDAA bill, Congress raised the Simplified Acquisition Threshold (SAT) to \$250,000--a higher threshold that put more than \$50 million worth of Berry contracts annually at risk of being outsourced to China and other foreign countries. As the SAT increases, the incentive for sourcing textiles, apparel and footwear abroad grows. (See a broad industry coalition Letter sent in September to the chairman and ranking member of the House Armed Services Committee.)

Resetting the contracting threshold back to \$150,000 in the new NDAA bill ensures that tens of millions of U.S. taxpayer dollars will be spent here at home on quality goods manufactured by U.S. workers from U.S. materials.

The Senate is likely to pass the bill shortly. It will then go to the president for his signature.

"Berry ensures our warfighters and military personnel are wearing high-quality,100% Made-in-America textile and apparel products, including mission critical personal protective gear,"

Glas added. "It also helps maintain America's warm industrial base and safeguards our national security from unreliable foreign supply chains in China and other countries for essential military materials. We urge the Senate to swiftly approve the report and President Trump to sign it into law."

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NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers, including artificial and synthetic filament and fiber producers.

- U.S. employment in the textile supply chain was 585,240 in 2019.
- The value of shipments for U.S. textiles and apparel was \$75.8 billion in 2019.
- U.S. exports of fiber, textiles and apparel were \$29.1 billion in 2019.
- Capital expenditures for textile and apparel production totaled \$2.5 billion in 2018, the last year for which data is available.

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