



PRESS RELEASE

Bipartisan Group of 38 Lawmakers Sends Letter to Secretary of Commerce Urging Support of Strong CAFTA-DR Rules of Origin & Warning Against Importer-led Attempts to Change Rules

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WASHINGTON –A bipartisan group of 38 lawmakers sent a [letter](#) to Commerce Secretary Gina Raimondo urging her support of the current rules of origin in the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) that are working to spur significant investment and employment in the region.

The lawmakers also warned that attempts by certain importers to amend the rules would open the back door to China and significantly harm investment in the U.S. - CAFTA region and the vibrant textile and apparel co-production chain in the U.S. and the region, which employs more than one million workers.

“The rules of origin governing textile and apparel production and trade under CAFTA-DR have clear benefits and have strengthened our regional supply chains by fostering a stable business environment where American and regional manufacturers can thrive. We strongly urge you to continue following the longstanding CAFTA-DR short supply list process, which requires requestors to submit public petitions for review, and reject requests to circumvent it,” the letter states.

“Bypassing the existing short supply petition and review system could result in non-signatory nations gaining a backdoor entrance to CAFTA-DR benefits. We fear that the People’s Republic of China (PRC), as the dominant global supplier of yarns and fabrics, would be the major winner under this proposal,” they wrote.

Please also see a press release from Rep. McHenry quoting NCTO President and CEO Kim Glas [here](#).

The letter, made public today, was sent in advance of a Senate Finance Subcommittee [hearing](#) titled, “Economic Cooperation for a Stronger and More Resilient Western Hemisphere,” scheduled for today at 3 pm.

Many in Congress and the administration have maintained support for a strong rules-based CAFTA-DR. Most recently, U.S. Trade Representative, Ambassador Katherine Tai, voiced her strong support for the current CAFTA-DR rules in a special video presentation at NCTO’s annual meeting at the end of March. See her remarks [here](#).

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NCTO is a Washington, DC-based trade association that represents domestic textile manufacturers.

- U.S. employment in the textile supply chain was 538,067 in 2022.
- The value of shipments for U.S. textiles and apparel was \$65.8 billion in 2022.
- U.S. exports of fiber, textiles and apparel were \$34 billion in 2022.
- Capital expenditures for textiles and apparel production totaled \$2.27 billion in 2021, the last year for which data is available.

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