

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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HOUSE RESOLUTION DRHR60493-RF-10 (06/02)

Sponsors: Representatives Glazier, Farmer-Butterfield, Frye, and Hilton (Primary Sponsors).

Referred to:

1 A HOUSE RESOLUTION URGING THE PRESIDENT OF THE UNITED STATES
2 TO CONTINUE IN EFFECT THE CURRENT SAFEGUARDS LIMITING THE
3 INCREASE IN IMPORTS OF CHINESE TEXTILES AND URGING THE
4 CONGRESS TO EXPAND THE TRADE ADJUSTMENT ASSISTANCE
5 PROGRAM AND RAISE THE FUNDING CAP.

6 Whereas, international trade agreements have contributed to the loss of more
7 than 65,000 jobs in the North Carolina textile and apparel industry since 2001; and

8 Whereas, imports of textile goods from China have increased dramatically
9 since January 1, 2005, when the quotas restricting import levels for textile and apparel
10 products expired pursuant to agreements negotiated through the World Trade
11 Organization (WTO); and

12 Whereas, China's ability to flood the global market with cheap textile and
13 apparel products is facilitated by its unfair subsidization of its textile and apparel
14 manufacturers and its currency manipulation, in violation of WTO agreements; and

15 Whereas, North Carolina's political leaders have repeatedly called on the
16 President and his administration to limit the unfair and illegal growth in Chinese
17 imports; and

18 Whereas, the recent and dramatic increase in imports has disrupted the United
19 States textile industry to the degree that the current administration has imposed
20 safeguards as allowed under the WTO rules, to limit the growth in Chinese imports in
21 certain categories to 7.5 percent a year; and

22 Whereas, these safeguards can provide North Carolina with vital time to
23 diversify the State's economy and retool its textile industry, thereby reducing the State's
24 vulnerability to global pressures and increasing the State's competitiveness worldwide;
25 and

26 Whereas, the rise in Chinese imports since January 1, 2005, has been
27 accompanied by an increase in the number of textile and apparel jobs lost in North

1 Carolina, with more than 3,300 North Carolina announced job losses due to business
2 closings and permanent layoffs in the first four months of this year; and

3 Whereas, the federal government has recognized its responsibility to assist
4 workers who lose their jobs as a result of the globalization of trade with the transition to
5 new, gainful employment through the creation of the U.S. Department of Labor's Trade
6 Adjustment Assistance (TAA) program; and

7 Whereas, workers whose jobs are lost to China and other countries with
8 which the United States may not have a preferential trade agreement are not currently
9 eligible for the TAA program, and the resources provided by the TAA program are
10 insufficient to meet its intended goals; Now, therefore,

11 Be it resolved by the House of Representatives:

12 **SECTION 1.** The House of Representatives urges the President of the
13 United States and his administration to continue the imposition of China safeguards
14 limiting the growth in imports of targeted textile and apparel products.

15 **SECTION 2.** The House of Representatives urges Congress to provide
16 desperately needed assistance to North Carolina's dislocated textile and apparel workers
17 through reforming the TAA program by:

- 18 (1) Expanding eligibility to include workers whose jobs are lost to China
19 and other countries with which the United States may not have a
20 preferential trade agreement;
- 21 (2) Raising the national funding cap on the TAA program in order to
22 ensure that there are adequate dollars available to serve all workers
23 who are eligible for services;
- 24 (3) Increasing the Health Coverage Tax Credit to cover eighty percent
25 (80%) of dislocated workers' health care premiums, so that more
26 workers can afford to take advantage of the TAA program;
- 27 (4) Providing automatic eligibility for the TAA program for textile and
28 apparel workers; and
- 29 (5) Allowing the State to use a portion of the TAA program funding for
30 administrative purposes.

31 **SECTION 3.** The Principal Clerk shall transmit a certified copy of this
32 resolution to the President of the United States, the Committee on the Implementation of
33 Textile Agreements, and the members of the North Carolina congressional delegation.

34 **SECTION 4.** This resolution is effective upon adoption.