

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**HOUSE RESOLUTION 1787**

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Sponsors: Representatives Glazier, Farmer-Butterfield, Frye, Hilton (Primary Sponsors); Alexander, Harrison, Martin, Rapp, and Weiss.

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Referred to: Rules, Calendar, and Operations of the House.

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June 15, 2005

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

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

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

9 Be it resolved by the House of Representatives:

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

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

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

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

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