

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE RESOLUTION 341

Sponsors: Representatives Gibson, Current (Primary Sponsors); and Starnes.

Referred to: Federal Relations and Trade Issues.

February 22, 2005

1 A HOUSE RESOLUTION URGING THE COMMITTEE ON THE
2 IMPLEMENTATION OF TEXTILE AGREEMENTS TO APPROVE THE
3 SAFEGUARD PETITIONS FILED BY THE UNITED STATES TEXTILE
4 INDUSTRY.

5 Whereas, quotas on imported textile products expired on January 1, 2005; and

6 Whereas, the People's Republic of China is a signatory to the rules set by the
7 World Trade Organization governing fair trade between sovereign nations and that that
8 set of rules allows for the implementation of textile-specific safeguards against imports
9 from China on the basis of market disruption or threat thereof; and

10 Whereas, exporters of textile products from the People's Republic of China
11 have benefited from practices specifically prohibited by the World Trade Organization,
12 including government subsidies, intellectual property piracy, tax rebates and currency
13 manipulation; and

14 Whereas, these illegal and unfair practices have enabled Chinese producers to
15 undercut world manufacturers with artificially low prices; and

16 Whereas, the American textile industry is the most innovative, efficient and
17 productive in the world, well able to compete within the sphere of legitimate, lawful
18 global trade; and

19 Whereas, the American textile industry is crucial to the defense of the nation,
20 providing over 8,000 separate items to the Armed Forces of the United States, the
21 ability to do so being immediately threatened by predatory Chinese trade practices; and

22 Whereas, the government of the People's Republic of China, in joining the
23 World Trade Organization, explicitly agreed to desist from illegal trade strategies and to
24 accept safeguard provisions in the event the disruption, or the threat of disruption to, of
25 the American textile and apparel market could be shown; and

26 Whereas, the textile product categories for which quotas have already been
27 lifted have been severely disrupted, with China's share of the United States import
28 market for those nonquota products growing from less than two percent to more than
29 seventy percent since the beginning of 2002; and

1 Whereas, independent studies and polling from the United States importing
2 and retailing community show that China could capture from fifty to ninety percent total
3 United States market share in textiles and apparel in short order unless the United States
4 government imposes safeguards; Now, therefore,

5 Be it resolved by the House of Representatives:

6 **SECTION 1.** The House of Representatives strongly urges and requests the
7 Committee on the Implementation of Textile Agreements to enact the safeguard
8 provisions on textile and apparel categories on the basis of threat of market disruption as
9 petitioned by the American textile industry.

10 **SECTION 2.** The Principal Clerk shall transmit a certified copy of this
11 resolution to the Committee on the Implementation of Textile Agreements and to North
12 Carolina's congressional delegation.

13 **SECTION 3.** This resolution is effective upon adoption.