United States Senate

WASHINGTON, DC 20510

March 1, 2024

The Honorable Alejandro Mayorkas Secretary of Homeland Security U.S. Department of Homeland Security 2707 Martin Luther King Jr Ave SE Washington, DC 20528

Dear Secretary Mayorkas,

We are pleased to see that you are directing Customs and Border Protection, Homeland Security Investigations, and other agencies and offices in DHS to significantly increase their work detecting, preventing, and prosecuting customs violations and fraud harming the U.S. textile industry. Moreover, we applaud your decision to create a comprehensive enforcement plan within 30 days.¹

The scale and scope of illegal customs practices undercutting the competitiveness of domestic manufacturers is daunting, and this problem cannot be fixed without a robust, expeditiously deployed enforcement plan.

Harmful and illegal customs practices take various forms, including but not limited to current implementation and the abuse of the Sec. 321 de minimis tariff wavier system, circumvention of the Uyghur Forced Labor Prevention Act, Sec. 301 penalty tariffs and other trade enforcement measures, and false origin claims under U.S. free trade agreements that displace domestic and regionally-produced textiles and apparel. As part of your enforcement plan, we encourage you to comprehensively address each of these avenues for fraud, including by exercising the administration's considerable authorities to confront the massive unregulated trade entering the U.S. via the de minimis exception, which is exacerbating the economic crisis faced by American manufacturers and retailers and allowing entry of goods made with forced labor, illegal drugs like fentanyl, and fake and unsafe products.

Immediately implementing a strong customs enforcement plan is critical to the future of the U.S. textile industrial base. After facing decades of unfair trade practices, textiles manufacturers are seeing unprecedented demand destruction and dangerously low capacity utilization rates. The textiles industry contributes significantly to the U.S. economy and supplies essential products, such as national defense materials and medical personal protective equipment. Furthermore, this enforcement plan is necessary to further the goals of the President's U.S. supply chain resilience

¹ "Readout of Secretary of Homeland Security Alejandro N. Mayorkas' Meeting with the National Council of Textile Organizations: Homeland Security," U.S. Department of Homeland Security, January 30, 2024, <u>https://www.dhs.gov/news/2024/01/30/readout-secretary-homeland-security-alejandro-n-mayorkas-meeting-national-council</u>.

project that you helped launch in November of last year.² The textiles industry employs nearly 550,000 U.S. workers and produces almost \$66 billion in output annually.³ Without an expeditious and effective enforcement plan, the devastation felt throughout the production chain will only worsen.

In closing, we welcome your call for an action plan and will be keenly interested in the contents and follow-through given its importance to our constituents and American economic competitiveness.

Sincerely,

Sheldon Whitehouse United States Senator

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Elizabeth Warren United States Senator

United States Senator

Shurrod Brown

Sherrod Brown United States Senator

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Mark R. Warner United States Senator

K., UNW-S

Raphael Warnock United States Senator

² "Fact Sheet: President Biden Announces New Actions to Strengthen America's Supply Chains, Lower Costs for Families, and Secure Key Sectors," The White House, November 27, 2023, <u>https://www.whitehouse.gov/briefing-room/statements-releases/2023/11/27/fact-sheet-president-biden-announces-new-actions-to-strengthen-americas-supply-chains-lower-costs-for-families-and-secure-key-sectors/.</u>

³ "U.S. Textile Industry," National Council of Textile Organizations, <u>http://www.ncto.org/facts-figures/us-textile-industry/</u>.

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