

United States Senate  
WASHINGTON, DC 20510

November 3, 2006

The Honorable Carlos M. Gutierrez  
Secretary of Commerce  
Washington, DC

The Honorable Susan C. Schwab  
United States Trade Representative  
Washington, DC

Dear Secretary Gutierrez and Ambassador Schwab:

We are writing to express our serious concerns with promises made by the Administration – though a September 28<sup>th</sup> letter to Senators Elizabeth Dole and Lindsey Graham – to monitor textile and apparel imports from Vietnam and self-initiate antidumping investigations. While we understand the pressures facing the domestic textile industry, we believe that the Administration should have consulted with other Members of Congress before committing itself to a process that will have profound implications for our constituents.

First, we are extremely troubled with the Administration's decision to use our trade remedy laws as a tool in the legislative process. The antidumping laws provide detailed and clearly delineated rules governing the circumstances under which the remedy may be invoked. We believe that the integrity of those laws and the perception of fairness in their administration are significantly compromised by their use in this manner. We further believe that no new precedent should be set by this action.

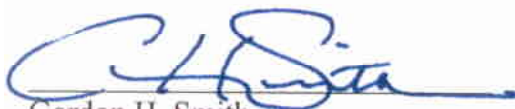
Second, we are concerned that the proposed program will burden and therefore discriminate against trade in textile and apparel products from Vietnam. Our bilateral trade agreement and Vietnam's entry into the World Trade Organization (WTO) are intended to facilitate and increase bilateral trade flows. Any unilateral steps by the United States that would burden or restrict trade with Vietnam outside of existing legal constraints and procedures would be wholly inconsistent with this goal. In this regard, we seek assurances that the proposed program will not establish any additional requirements or altered standards for importers and exporters of Vietnamese textiles and apparel.

In your letter to Senators Dole and Graham, you committed to consult with industry and make information available to interested private sector parties. We believe that such parties must include importers and retailers, as they are key stakeholders in this process. As such, we seek your assurance that you will work closely with U.S. textile and apparel importers ensuring that they have the opportunity to provide input and to review and comment on key aspects of the process that is being developed.

Finally, we reiterate our concern with the manner in which the commitments were made without consultation with other Members of Congress. The bilateral agreement with Vietnam included several provisions specifically designed to address domestic textile industry concerns with textile trade, and the agreement has been presented to Congress on that basis. Through its actions, the Administration has effectively altered the terms negotiated with the Vietnam and presented to Congress. This approach not only damages the United States' credibility in the eyes of our trading partners, but it makes it difficult for Congress to evaluate and act expeditiously when agreements are presented. Furthermore, it undermines the trust between the executive and legislative branches that is needed for our government to function effectively and efficiently.

We support granting Vietnam permanent normal trade relations (PNTR). We believe that Vietnam's accession to the WTO will open new doors of opportunity for businesses, workers and agriculture communities both in the United States and Vietnam. However, we do not support the Administration's decision to enter into side agreements with individual senators that will come at great cost to our constituents. We request a response to our concerns prior to the Senate vote on granting Vietnam PNTR. We thank you for your consideration of our views and look forward to working with you to ensure an open and transparent process.

Sincerely,



Gordon H. Smith  
United States Senate



Dianne Feinstein  
United States Senate