

1 SJR81  
2 192050-3  
3 By Senators Dial, Holley, Albritton, Allen, Beasley,  
4 Blackwell, Brewbaker, Bussman, Chambliss, Coleman-Madison,  
5 Dunn, Figures, Glover, Hightower, Holtzclaw, Livingston,  
6 Marsh, McClendon, Melson, Orr, Pittman, Reed, Sanders,  
7 Sanford, Scofield, Shelnutt, Singleton, Smith, Smitherman,  
8 Stutts, Waggoner, Ward, Whatley and Williams  
9 RFD: Rules  
10 First Read: 27-FEB-18

1 SJR81

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4 ENROLLED, SJR81,

5 SUPPORTING ALABAMA'S KITCHEN AND BATH CABINETRY  
6 INDUSTRY AND URGING CONGRESS TO TAKE ACTION.

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8 WHEREAS, manufacturing is a significant component to  
9 Alabama's economic growth and viability and also represents a  
10 substantial contribution in the area of employment, new job  
11 creation, innovation, and capital investment; and

12 WHEREAS, Alabama's kitchen and bath cabinet  
13 manufacturing sector comprises an important portion of Alabama  
14 manufacturing; and

15 WHEREAS, the continued proliferation of kitchen and  
16 bath cabinet manufacturers and the accompanying job growth and  
17 capital investment throughout Alabama is essential in  
18 assisting the continued stability of Alabama's economy; and

19 WHEREAS, manufacturing kitchen and bath cabinets in  
20 Alabama and across the United States represents the provision  
21 of products necessary: (1) to all citizens whether they own or  
22 rent homes or are in the process of remodeling; or (2) to  
23 wholesalers, builders, and other entities in the chain of new  
24 construction; and

1           WHEREAS, the Alabama and nationwide kitchen and bath  
2 manufacturing sector is perilously close to extinction from  
3 the threat of trade imbalance between the United States and  
4 foreign exporters of kitchen and bath cabinets; and

5           WHEREAS, this threat and the potential harm in the  
6 form of lost industry, jobs, and economic stability is eerily  
7 similar to the vanquished wooden furniture industry which was  
8 hearty and vibrant at one point in our history, until these  
9 same unchecked export and import practices drove American  
10 furniture manufacturers out of business; and

11           WHEREAS, the import threat, primarily from China, in  
12 the form of "dumping" and exporter tax concessions (subsidy  
13 rate) is having a material effect on this industry at the  
14 state and national level; and

15           WHEREAS, despite the United States cabinet  
16 manufacturing industry employing state of the art, innovative  
17 practices in providing the world's finest quality of kitchen  
18 and bath cabinetry, the nation's industry is experiencing  
19 significant injury due to the trade imbalance caused by unfair  
20 and often illegal global trade practices; and

21           WHEREAS, foreign countries, manufacturers, and  
22 exporters, such as China, are employing illegal trade schemes  
23 and distorted marketing practices such as "dumping" and  
24 receipt of local tax concessions or other "exporting country  
25 benefits" that allow below United States market pricing; and

1           WHEREAS, foreign exporting countries, predominantly  
2           China, are "dumping" kitchen and bath cabinets into the United  
3           States at a record pace and are accounting for a historically  
4           high percentage of the United States market; and

5           WHEREAS, the "dumping" margin is estimated to be  
6           around 140 percent while the subsidy rate is estimated to be  
7           around 20 percent; and

8           WHEREAS, naturally, these global market conditions  
9           and practices, to date, unchecked by our government, have  
10          resulted and will continue to result in, a significant loss of  
11          jobs in Alabama and across the United States; and

12          WHEREAS, the need for tariffs in the domestic  
13          kitchen and bath cabinet manufacturing industry is urgent and  
14          readily apparent; and

15          WHEREAS, Chinese imports have penetrated all  
16          distribution points in the United States market; and

17          WHEREAS, the expansion of Chinese imports, having  
18          doubled from 2012 to 2016, has allowed an invasion at all  
19          price points; and

20          WHEREAS, the current United States market share for  
21          Chinese cabinet imports is estimated to be at around 15  
22          percent and increasing each year; and

23          WHEREAS, this growth of imports from China has  
24          caused an increase in Chinese manufacturers and United States  
25          companies importing Chinese cabinets; and

1           WHEREAS, currently there exists over 300 Chinese  
2 cabinet manufacturers exporting cabinets and over 550 United  
3 States companies importing these cabinets; and

4           WHEREAS, these trends are driving prices of Chinese  
5 cabinets at all price points even lower; and

6           WHEREAS, although "Made in the U.S.A." once carried  
7 some priority with buyers, this premium and other non-price  
8 selling points do not influence a purchaser when the price is  
9 driven so low directly because of unfair trade practices being  
10 tolerated and allowed by Chinese manufacturers and United  
11 States importers of these Chinese cabinets; and

12           WHEREAS, obtaining success in the realm of fair  
13 trade through tariffs involves industry support, litigation in  
14 the arena of "Anti-Dumping" and "Counter-Vailing Duties," and  
15 political action; and

16           WHEREAS, such political action requires grassroots,  
17 state level mandates and resolutions along with state and  
18 federal representative interest and support; and

19           WHEREAS, successful litigation and adequate industry  
20 support work hand in hand and makes political action  
21 essential; and

22           WHEREAS, political action from Alabama and on a  
23 multi-state level could prompt a proliferation of the required  
24 industry support and even push the current administration in  
25 Washington, D.C., to self-initiate an investigation into

1 unfair and illegal "dumping" and subsidizing which could in  
2 and of itself lead to tariffs; now therefore,

3 BE IT RESOLVED BY THE LEGISLATURE OF ALABAMA, BOTH  
4 HOUSES THEREOF CONCURRING, that we strongly urge Alabama's  
5 entire congressional delegation and United States President  
6 Donald Trump to take all necessary action to defend the  
7 domestic wooden kitchen and bath manufacturing industry from  
8 continued injury being caused by the unfair and illegal  
9 practices of foreign cabinet exporters, specifically China.

10 BE IT FURTHER RESOLVED, that the Alabama and United  
11 States kitchen and bath manufacturing industry is not looking  
12 to our state and federal government to foster protectionism or  
13 special treatment, but instead is seeking merely to create a  
14 level playing field in the realm of competition through the  
15 enforcement of applicable law.

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President and Presiding Officer of the Senate

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Speaker of the House of Representatives

SJR81  
Senate 15-MAR-18  
I hereby certify that the within Senate Joint Resolution  
originated in and was adopted by the Senate.

Patrick Harris,  
Secretary.

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House of Representatives  
Adopted: 21-MAR-18

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By: Senator Dial