



## Americas Trade and Investment Act (“Americas Act”)

The Americas Act, introduced by U.S. Senators Bill Cassidy (R-LA) and Michael Bennet (D-CO) is a bipartisan piece of legislation aimed at reclaiming manufacturing competitiveness in the Western Hemisphere, with a strong emphasis on textile circularity. Representing the first bipartisan Federal effort focused on textile circularity, it provides historic levels of incentives. This bicameral bill aims to bolster trade in the Americas and promote nearshore and onshore manufacturing by closing the de minimis loophole. Importantly, it achieves these goals without using tax dollars, countering China's outsized influence on the West. It is the first major Western Hemisphere trade initiative since the 1960s.

ACT ([American Circular Textiles](#)) worked closely with the Senators to support the development of Sections 232 and 199b of the bill, which incorporate over \$14B in incentive-based strategies to catalyze and promote domestic textile reuse and recycling, and related businesses in the United States, enabling fashion's circular economy. ACT's press release can be found [here](#).

### The circular fashion provisions within the bill include:

- **15% net income exclusion** for businesses engaged in collecting, reselling, reusing, renting, repairing, sorting, pre-processing, and/or recycling apparel, footwear, accessories and home linens.
- **\$10B in loans and \$3B in grants** for:
  - Programs to carry out reuse and recycling
  - Manufacturing support Programs - to stand up new facilities, expand or retrofit existing facilities, and provide low carbon emissions transportation for covered product collection/drop-off or mail-back, sortation, pre-processing, reuse, and/or recycling.
  - Provision of Components and Machinery - grants and loans to the businesses to provide components, chemicals/solvents, or machinery necessary for covered product transportation, collection, mail-back, sortation, pre-processing, reuse or recycling.
- **\$1 billion innovation** program for research and development related to textile reuse and recycling.
- **\$100 million public education program**

*Please find the Senate Bill [here](#). For ease of reference, ACT (American Circular Textiles) supported the development of **Sec 232**, which you can find starting on page 74 of the Bill draft. Section **199B** is the corresponding amendment to the IRS tax code to allow for the tax deduction indicated in Sec. 232. That can be found on page 93.*

### Want to Support? Get involved!

**Contact your representatives:** One of the best things you can do if you want to see Americas Act advance is to contact your [elected officials](#) and explain why the legislation is vital for circular textile organizations, communities and economic development. In an effort to make that easy for you, we prepared a toolkit, which can be found in the main menu of our website. It includes a [letter template](#) to send to your representatives and a [one-pager](#) of talking points, along with social media assets.