

## **Generalized System of Preferences (GSP) Update**

There has not been much progress extending the Generalized System of Preferences (GSP) program, which has been separated from ATPA legislation, and which is being held up by the Senate.

Senator Jeff Sessions (R-AL) has put a hold on legislation (preventing a senate vote) that would extend GSP on behalf of a sleeping bag company in Alabama that is being hurt by imports of sleeping bags from Bangladesh. A possible solution to this issue would be passing legislation extending GSP, but eliminating preferential duty rates for sleeping bags from Bangladesh (satisfying Senator Sessions and his constituent). However, Senate Minority Leader Mitch McConnell (R-KY) has blocked this possible compromise because of a Kentucky company that imports sleeping bags from Bangladesh! So, as long as Senator Sessions maintains his hold on the GSP legislation, and Senator McConnell blocks the compromise, GSP is going to remain expired.

We will continue to update you as these issues progress.