

# **Make It In America Legislation:** **A Stronger Economy Through** **Manufacturing**



When more products are made in America, there will be greater opportunity for our people to Make It In America. House Democrats' Make It In America plan focuses on creating the best conditions for American businesses to manufacture their products, innovate, and create jobs right here in the U.S. President Obama has already signed ten Make It In America bills into law, many of which passed Congress with bipartisan support. Leaders in business and labor alike support the Make It In America plan because it will set us on a solid path forward to a future of greater competitiveness, more jobs, and long-term economic success.

## **FOUR PRIORITY AREAS CENTRAL TO ACHIEVING MANUFACTURING GROWTH**

Since the Make It In America plan was launched, House Democrats have met with a variety of stakeholders – businesses, labor representatives, entrepreneurs, innovators, economists – and repeatedly heard the same ideas about what it will take to Make It In America. That's why the Make It In America plan for the 113th Congress is focused on four key priorities that can bring about the changes needed to help businesses grow and create jobs here, and which are the most likely to draw bipartisan support. These priorities are central to creating jobs, helping manufacturers produce more goods here, maintaining America's innovation edge, and preparing a highly skilled workforce.

### **Adopt and pursue a national manufacturing strategy**

Right now, American manufacturers are facing international competitors that benefit from other nations' carefully crafted manufacturing strategies. Such comprehensive strategies include tax incentives, investments in research, skills development initiatives, and support for infrastructure projects in order to help their manufacturers get ahead. A sustained national focus is necessary to ensure our policies are appropriately targeted and flexible to help our manufacturers compete. To do so, we must begin with a well-developed national strategy of our own.

- **Make It in America Manufacturing Act of 2013** (Rep. Cicilline, H.R. 375): Establishes a competitive incentive grant program that will promote public-private partnerships and encourage an approach to enhancing the manufacturing industry that is driven by stakeholders at the regional, state, and local levels. Grant funds can be used to establish a revolving loan fund to make low-interest loans to manufacturers, or to award sub-grants to not-for-profit third parties, such as community colleges, to support training and education initiatives that align with employer demand, or to provide technical assistance to manufacturers to help them boost exports or pursue new opportunities in domestic supply chains and markets. Partners will be empowered to target strategies and

investments to the particular needs of their state or region, and the bill will provide the resources manufacturers need to retool and retrofit their operations, close the skills gap, improve energy or process efficiency, and compete and succeed in the 21st century economy.

- Advancing Innovative Manufacturing Act of 2013 (Rep. E. B. Johnson, H.R. 1421): Creates industry-led consortia that will identify, prioritize, and address long-term, pre-competitive industrial research needs in advanced manufacturing; establishes a pilot program to promote advanced manufacturing and enhance the innovative capabilities and competitiveness of small and medium-sized manufacturers; creates a pilot program to award “innovation vouchers” worth up to \$20,000 that small and medium-sized manufacturers can use to acquire technical expertise; and amends America COMPETES to provide competitive, merit-reviewed grants to community colleges for the development and implementation of innovative advanced manufacturing curricula and degree or certification programs.
- American Manufacturing Competitiveness Act of 2013 (Rep. Lipinski, H.R. 2447): Directs the White House National Science and Technology Council, in consultation with business, labor and academia, to develop a national manufacturing competitiveness strategy that will attract manufacturing businesses to our shores, help them compete overseas, enable innovation, and encourage them to expand and create well-paying jobs here in the U.S.
- Economy, Energy and Environment Initiative to Support Sustainable Manufacturing (E3) Act (Rep. Esty, H.R. 2873): Supports sustainable manufacturing by authorizing the Departments of Energy, Commerce, Labor, Agriculture and EPA and SBA to coordinate and target federal resources to assist manufacturers in becoming more efficient, competitive and sustainable.

### **Promote the export of U.S. goods**

Manufacturers need access to markets, both domestic and international, in order to sell their products. That requires reliable physical and telecommunications infrastructure, enforcement of fair trading rules, and targeted assistance to compete successfully in global markets. Businesses that Make It In America ought to be able to sell their products not just at home but easily do so throughout the world.

- Multimodal Opportunities Via Enhanced Freight Act of 2013 or the “MOVE Freight Act of 2013” (Rep. Sires, H.R. 974): Calls for the development of a National Freight Strategic Transportation Plan to assess the current national freight transportation system, designate priority freight corridors and gateways, and create a proposed investment plan to develop the priorities. It also creates a National Freight Infrastructure Investment Grants program, which would fund eligible projects such as port development, freight rail improvement, and intelligent transportation systems.

- American Textile Technology Innovation and Research for Exportation (ATTIRE) Act (Rep. D. Price and Rep. Coble, H.R. 937): Creates a competitive grant program to fund research and innovation and to promote increased textile exports.
- Clean Energy Technology Manufacturing and Export Assistance Act of 2013 (Rep. Matsui, H.R. 400): Establishes a Clean Energy Technology Manufacturing and Export Assistance Fund, to be administered through the International Trade Administration, to ensure that U.S. clean energy technology firms have the information and assistance they need to be competitive and to create clean energy technology sector jobs.
- Put America Back to Work Now Act (Rep. Connolly, H.R. 535) and Build America Bonds Act of 2013 (Rep. Neal, H.R. 789): Permanently extends the Build America Bonds program to help states and local governments leverage private capital to create jobs today and build the infrastructure that is the backbone of future economic growth.
- The Customs Training Enhancement Act (Rep. Lipinski, H.R. 1322): Creates a public-private partnership between the U.S. Customs and Border Protection and American manufacturers to provide specialized training to CBP agents to prevent mislabeled or transshipped items from entering the U.S.
- Currency Reform for Fair Trade Act (Reps. Levin and Tim Ryan, H.R. 1276): Levels the trade playing field by holding accountable countries that create an unfair trade advantage by manipulating their currency.
- Global Free Internet Act of 2013 (Rep. Lofgren, H.R. 899): Establishes a government task force that would review, prioritize, and act on attempts by foreign governments to degrade or disrupt the flow of goods, services, and/or content on the Internet.
- New Alternative Transportation to Give Americans Solutions (NAT GAS) Act (Rep. Larson, H.R. 1364): Provides incentives to encourage private investment in natural gas refueling infrastructure and the production and purchasing of natural gas vehicles and trucks that utilize growing low-cost U.S. natural gas supplies as a way to get goods to market.
- Invest in American Jobs Act of 2013 (Rep. Rahall, H.R. 949): Strengthens existing Buy America requirements for investments in highway, bridge, public transit, rail, and aviation infrastructure and equipment to ensure that all of the steel, iron, and manufactured goods used in these projects is produced in the United States. The bill also applies Buy America requirements to other transportation and infrastructure investment where such requirements do not exist in current law, including rail infrastructure grants, loans, and loan guarantees, Clean Water State Revolving Fund grants, and Economic Development Administration (EDA) grants.

- Enforcing Orders and Reducing Customs Evasion (ENFORCE) Act (Rep. Long and Rep. Linda Sanchez, H.R. 1440): Establishes new procedures for investigating claims that foreign manufacturers are evading anti-dumping and countervailing duty orders to better enforce trade laws and prevent illegal imports.
- Export Promotion Reform Act (Rep. Engel, H.R. 1409): Strengthens the interagency Trade Promotion Coordinating Committee (TPCC); increases coordination among federal export programs; requires the government to gather input from more sources, including small and medium-sized businesses, when drafting strategic plans for federal trade promotion policies; and directs ambassadors to develop country-specific commercial diplomacy plans to increase U.S. exports.
- Bridge to Jobs Act (Rep. Hahn, H.R. 1419): Authorizes vital infrastructure spending that would put Americans back to work, repair our nation’s crumbling bridges, and revitalize our ailing economy. Each state would be eligible to receive a grant to repair, reconstruct, or replace a bridge that has been deemed “structurally deficient” by the Federal Highway Administration.
- Reducing Waste and Increasing Efficiency in Trade Act (Rep. Bera, H.R. 3004): Helps promote exports by creating the International Trade Data System to electronically link together U.S. government agencies to oversee the flow of goods that drive our economy. This data system will increase government efficiency and security while improving trade facilitation and enforcement.
- Miscellaneous Tariff Bill: Eliminates duties on certain products not produced in the U.S., particularly raw materials and intermediate inputs that are used by U.S. manufacturers, reducing these manufacturers’ production costs and making them more competitive.
- National Infrastructure Development Bank: Establishes a federal funding mechanism to facilitate efficient investments in and financing of infrastructure projects—from leading-edge broadband networks and energy delivery systems to modern ports—that foster economic development and keep America competitive.

### **Encourage businesses to bring jobs and innovation back to the U.S.**

In order to maintain a strong economy and remain the world’s leader in innovation, we must encourage businesses to move jobs and innovation back to the U.S. where possible, and keep them here. When manufacturing moves overseas, innovation follows. As businesses face challenges including rising global shipping costs and times, and supply chain concerns, we have an opportunity to create an environment that capitalizes on the advantages the U.S. has to offer to get businesses to stay and invest here.

- Research and Development Tax Credit Extension Act of 2013 (Rep. Carney, H.R. 905): Make permanent and expand the Research and Development Tax Credit so research investments can draw capital that create tomorrow's jobs.
- The Bring Jobs Home Act of 2013 (Rep. Pascrell, H.R. 851): Eliminates the tax deduction for moving expenses for companies sending jobs overseas and provides a new tax credit for companies that bring jobs back to the U.S.
- Patriot Corporations of America Act of 2013 (Rep. Schakowsky, H.R. 929): Rewards companies that voluntarily meet "patriotic" standards (e.g., produce at least 90 percent of their goods and services in the U.S., spend at least 50 percent of their R&D budgets in the U.S., pay at least 70 percent of the cost of health insurance premiums) by giving them preference in government contracting and a 5 percent reduction in their taxable income.
- Market Based Manufacturing Incentives Act of 2013 (Rep. Honda, H.R. 615): Allows a tax credit for the purchase of new products certified as assembled in the U.S. and consisting of at least 60 percent of components assembled in the U.S.
- Advanced Vehicle Technology Act of 2013 (Rep. Peters, H.R. 1027): The bill reauthorizes the Department of Energy's Vehicle Technologies research programs (FreedomCar and the 21st Century Truck Partnership) so that the next generation of advanced vehicles can be built in America.
- American Jobs Matter Act (Rep. Bustos, H.R. 1332): Directs federal contracting officers, government-wide, to solicit optional information regarding the impact a contract award may have on U.S. job creation and authorizes the use of this information in award decisions.
- Small Business Start-up Savings Accounts (Rep. Sewell, H.R. 1323): Establishes tax-preferred savings accounts for small businesses to grow and create jobs.
- Rare Earths Materials: Two bills have been introduced. Securing Energy Critical Elements and American Jobs Act of 2013 (Rep. Swalwell, H.R.1022), and the Resource Assessment of Rare Earths (RARE) Act of 2013 (Reps. Hank Johnson and Markey, H.R. 981). These bills support the assessment and development of U.S. capacity in the production rare earth minerals critical to the manufacture of energy, electronics, and other technologies.
- Congressional Made in America Promise Act (Rep. Kaptur, H.R. 194): Adds a new section to the Buy America laws to ensure that the U.S. Congress buys American made goods. Also eliminates the Buy America waiver for products that bear an official insignia of the House of Representatives, the Senate, or the Congress. Under current law, there is no requirement that Legislative Branch agencies procure American made products.

- American Export Promotion Act of 2013 (Rep. Gallego, H.R.1420): Authorizes the International Trade Administration's (ITA) Market Development Cooperator Program (MDCP). The program awards grants of financial and technical assistance to support trade association or local chamber of commerce projects that enhance the global competitiveness of U.S. industries. Successful grantees pay a minimum of two-thirds of the project cost and agree to sustain the project after the MDCP award period ends. On average from 1997 through 2012 projects generated \$258 in exports for every \$1 in MDCP awards made by ITA.
- Security in Energy and Manufacturing (SEAM) Act (Rep. Sinema, H.R. 1424): Expands the SEAM tax credit, initially created in the Recovery Act, to equip, expand, or establish manufacturing facilities in the U.S. that make advanced energy products. The program has already created more than 17,000 jobs and incentivized \$5.4 billion in private-sector investment.
- SelectUSA Authorization Act of 2013 (Rep. Ruiz, H.R. 1413) Authorizes the SelectUSA program, a foreign direct investment initiative designed to promote the U.S. as the foremost place in the world to conduct business.
- Partnering with American Manufacturers for Efficiency and Competitiveness Act (Rep. Murphy, H.R. 1418): Reauthorizes a National Institute of Standard and Technology (NIST) grant program that incentivizes the development of new, cutting edge, public-private manufacturing assistance programs to generate jobs, promote commercialization of environmentally focused materials and processes, increase energy efficiency, and improve competitiveness. The bill would boost small businesses' manufacturing capability by promoting the use of clean, high-tech, and efficient processes.
- The Innovative Technologies Investment Incentives Act (Rep. Van Hollen, H.R.1415): Accelerates innovation by providing a 25% tax credit for qualified equity investments in eligible high technology and biotechnology small businesses.
- Cooperative Research and Development Fund Authorization Act of 2013 (Rep. Lujan, H.R. 1711): Authorizes a dedicated fund to provide for the government's share and enable small businesses to participate in Cooperative Research and Development Agreements (CRADAs) with the Department of Energy. CRADAs enable collaboration between a business and a national lab to develop the lab's technological innovations for manufacture and sale in the commercial marketplace.
- Advanced Composites Development Act of 2013 (Rep. Michaud, H.R. 2034): Establishes composites research centers through the Department of Transportation, Department of Energy, Department of Defense, and Department of Homeland Security. Each center will operate as a university-private sector partnership and will focus on problems that can be solved in five years through development of an advanced composite material. By

working with the private sector and focusing on efforts that can realistically be moved out of the research stage in a relatively short period of time, each center will produce new composites with immediate, practical applications for manufactured goods.

- All-American Flag Act (Rep. Braley and Rep. King, H.R. 2355): Requires that any United States flags acquired for use by the federal government be entirely manufactured in the United States. While federal law currently requires that American flags purchased and used by the government are American made, it only requires that at least 50% of the materials used to make the flag are American made.
- GREEN Act of 2013 (Rep. Payne, H.R. 2863): Creates a lending program with a local match requirement to provide up to \$2 million in financial assistance and \$100,000 in technical assistance to small businesses that create green manufacturing, energy-efficiency retrofit, and other green jobs in low-income communities.
- Corporate Tax Reform: Reform could lower the corporate tax rate and bring investment back to make American business and the American worker more competitive globally. Our corporate tax system is far too confusing and inefficient. It causes economic distortions by forcing managers to make decisions based on tax consequences rather than on solid business principles. Many of these decisions, unfortunately, send investment and jobs overseas.

### **Train and secure a twenty-first century workforce**

American businesses can only remain competitive when they have the trained and educated workers they need. We must strengthen our education and skills-training programs to make sure our workers are getting the preparation and certifications they need, and we ought to ensure that all those we train in high-demand skills have an opportunity to find work and contribute to our economy.

- Workforce Investment Act (Rep. Tierney, H.R. 798): Reauthorizes the Workforce Investment Act in a responsible way that ensures workers can obtain jobs and build careers through strategic partnerships and enables businesses to identify and hire qualified personnel to grow and continue our economic recovery.
- American Manufacturing Efficiency & Retraining Investment Collaboration (AMERICA Works) Act (Rep. Schneider and Rep. Barletta, H.R. 497): Strengthens our workforce by helping American workers earn certifications, degrees, and qualifications for the jobs American industry needs to fill.
- Strengthening Employment Clusters to Organize Regional Success (SECTORS) Act (Rep. Loeb sack, H.R. 919): Facilitates partnerships between employers, educators, and local workforce administrators to train workers for some of the most needed 21st century jobs.

- Job Skills for America's Students Act of 2013 (Rep. Takano, H.R. 1271): Allows a \$2,000-per-student tax credit to employers that partner with educational institutions to provide skills training.
- National Fab Lab Network Act (Rep. Foster, H.R.1289): Creates a national network of "Fab Labs," a local lab equipped with basic design and fabrication machines and materials that are available for public use. Such labs would make available the same tools that are used in modern manufacturing and give both children and adults experience using them as a way to increase the number of people ready to enter the manufacturing workforce.
- Workforce Development Tax Credit Act of 2013 (Rep. Sewell, H.R. 1324): Provides a tax credit to businesses that develop an apprenticeship training program (50 percent credit on the first \$2,000 in wages in a taxable year for each apprentice). The tax credit increases for businesses that hire and retain the apprentices for at least two consecutive years after completion of apprenticeship training (40 percent credit for the first \$6,000 in wages).
- Job Opportunities Between our Shores (JOBS) Act (Rep. Enyart, H.R. 1436): Establishes a Workforce Investment Act pilot program to provide targeted investments to partnerships of community/technical colleges, local workforce investment boards and advanced manufacturing firms to design and implement education and training programs for current and prospective workers.
- Broadband Adoption Act of 2013 (Rep. Matsui, H.R. 1685): Brings broadband into the homes of more American families, enabling more Americans to receive the training and education required to enter the 21<sup>st</sup> century digital economy. Increasing broadband also helps manufacturers and small businesses connect with customers and market their products. The bill modernizes the FCC's Lifeline program to provide low-income households with broadband service alongside, or as an alternative to, the program's traditional support of telephone service.
- Workforce Development Investment Act of 2013 (Rep. Kuster, H.R. 1747). Creates a \$2,000-per-student tax credit to employers that partner with community colleges or other educational institutions to provide skills training.