



# Congressman Dan Lipinski

## *Getting Americans Back to Work*

My top priority continues to be job creation.

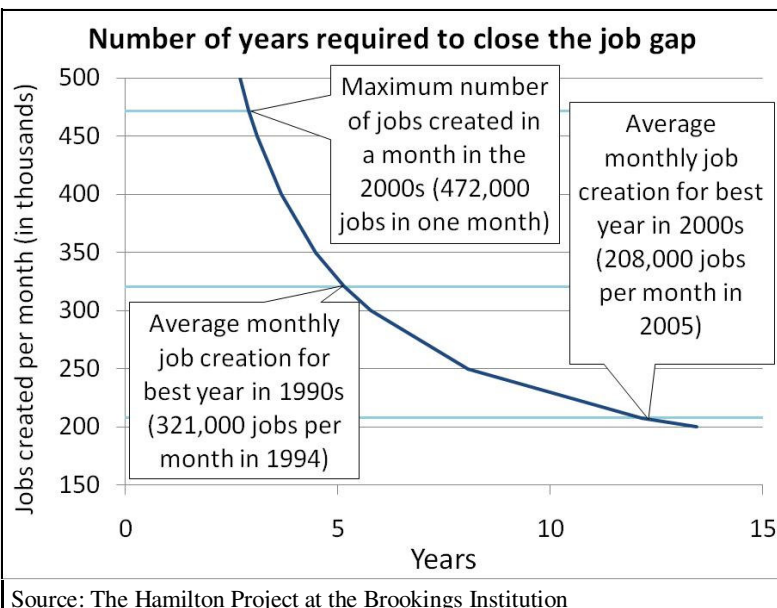
Unemployment remains far too high. Nearly 14 million Americans are out of work, another 8.5 million are working part-time because they cannot find full-time work, and there are currently five unemployed workers for every job opening in America.

While we are moving in the right direction, job growth has been limited and far too slow. At the current pace of job creation, it will take America 24 years to recoup the 5.5 million factory jobs lost in the last decade. That is unacceptable.

**Nearly 14 million Americans are out of work. Half have been jobless for over six months.**

**To get Americans back to work I propose a five-point plan** (right sidebar) to strengthen manufacturing, modernize our infrastructure, improve education and workforce training, level the international playing field, and invest in research and development that creates new businesses and jobs. This plan builds

on the successes I have had in Congress and continues my longstanding efforts on behalf of American workers. While Wall Street was bailed out after the financial crash, most Americans were left behind. **It is time Washington stands up for the middle class and puts America back to work.**



## Five Steps for Job Creation

### 1. Strengthen Manufacturing

- Pass the National Manufacturing Strategy Act, H.R. 1366
- Close loopholes in the Buy American Act and increase enforcement
- Boost manufacturing innovation

### 2. Modernize Our Infrastructure

- Pass the overdue funding bills for Highways and Transit and the FAA
- Facilitate increased private investment in infrastructure projects

### 3. Educate the Workforce

- Improve STEM education in our nation's schools
- Establish effective worker-training programs

### 4. Level the Playing Field

- Pass H.R. 639 to combat China's currency manipulation
- Enforce existing fair trade laws and oppose unfair trade deals
- Improve training for Customs agents to stop illegal imports

### 5. Invest in Innovation

- Double investment in basic research, following through on the America COMPETES Act
- Facilitate turning American R&D into American jobs
- Help innovative small businesses grow

# Strengthen Manufacturing

*To revitalize U.S. manufacturing, start with passing the National Manufacturing Strategy Act and strengthening “Buy American” laws*

A strong manufacturing sector is critical to leading America out of recession and creating good middle-class jobs. But unlike many other countries, America has no strategy for growing domestic manufacturing and reversing the offshoring of jobs.

To change that, **I developed the National Manufacturing Strategy Act, H.R. 1366**. This bill is a powerful tool for producing concrete action to help American manufacturers create jobs. It requires the President to bring together private-sector leaders and government officials to conduct a comprehensive analysis of the manufacturing sector and develop a strategy that includes specific goals and recommendations for promoting its success. To make sure we stay the course, this strategy would be updated every four years and its implementation would be reviewed annually. With the National Manufacturing Strategy in place, it would no longer be possible for Washington to turn a blind eye to manufacturing job losses. Last year, this bill passed the House with overwhelming, bipartisan support, 379 to 38, and I continue to work to see that it becomes law.

It is also critical that we close loopholes in the Buy American Act to do all we can to ensure that the \$530 billion the federal government spends annually on goods and services buys products made by American workers. **I introduced the Buy American Improvement Act to make current laws tougher and more difficult to evade**. Under this bill, products would have to be 75 percent made in America to be considered American-made. In addition, before waiving Buy American requirements federal agencies would be required to consider the impact on domestic employment and to undertake a more thorough search to make sure that no U.S.-made product is available. Finally, agencies would be prohibited from segmenting projects to slip under the minimum purchase threshold level that triggers the Buy American rules.

Today, manufacturing is brutally competitive. To help American manufacturers maintain their edge, I already helped write and pass into law legislation that authorizes a new high-tech manufacturing research program; provides small and medium-sized manufacturers with improved access to powerful supercomputers at our National Laboratories to increase innovation; and includes loan guarantees for manufacturers for the use or production of innovative technologies.

Through these initiatives and many others, I am working to support the manufacturing jobs that made America’s middle class the envy of the world.



Rep. Lipinski held the Census Bureau accountable after it ignored Buy American laws and used taxpayer dollars to purchase foreign-made products.

**American manufacturing workers earn \$70,666 on average, including benefits.**

## Further Steps to Boost Manufacturing

- Pass the Bring Jobs Back to America Act, H.R. 516, which Rep. Lipinski is cosponsoring, to help create incentives such as tax breaks for companies that repatriate jobs to America.
- Help small manufacturers to increase exports by doubling financing for the Export-Import Bank, which assists in financing the export of U.S. goods and services to international markets.
- Strengthen the Foreign Commercial Service, market access, and trade promotion programs at the Department of Commerce.
- Double federal funding for the Manufacturing Extension Partnership, which Rep. Lipinski has helped boost by 40% in four years, to help small manufacturers adopt productivity-increasing technologies.
- Pass the Creating Jobs Through Small Business Innovation Act, H.R. 1425, which includes language Rep. Lipinski wrote to refocus the Small Business Innovation Research program on companies that plan to manufacture in the United States.

# Modernize Our Infrastructure

*Modernizing our infrastructure will put Americans back to work and ensure our competitiveness in the global marketplace*

The American Society of Civil Engineers recently gave our nation's infrastructure a "D" grade. Locally, poor infrastructure contributes to the fact that Chicagoland traffic is the worst in the country, costing the average commuter 70 hours in delays every year and resulting in over \$9.5 billion in wasted fuel and time. An inadequate transportation system also makes business less efficient, hurting job creation. With every \$1 billion of infrastructure investment creating or sustaining 35,000 private sector jobs, modernizing our transportation networks has never been more urgent.

**I have consistently worked to make sure we invest in infrastructure projects that create jobs**, and as a member of the House Transportation and Infrastructure Committee **I have brought back \$160 million for local Third District transportation projects**. I have repeatedly urged Congress and the President to pass a Highway and Transit reauthorization that contains the robust funding necessary to address the challenges we face. I have also supported passage of an FAA bill that invests in airport modernization and a high-tech air traffic control system to reduce the aviation delays that cost our economy \$9.4 billion annually.

We must also look for ways to expand public-private cooperation in funding infrastructure projects. We can begin by enhancing both the Railroad Rehabilitation and Improvement Financing (RRIF) program for rail infrastructure and the Transportation Infrastructure Finance and Innovation Act (TIFIA) program for surface transportation projects of national significance. In addition, we should move forward with establishing a National Infrastructure Bank that will facilitate an influx of private capital into infrastructure projects.

The CREATE rail modernization program is a great example of a successful local public-private partnership (see sidebar). The Illiana Expressway and O'Hare Airport Western Access are other local projects that are good candidates for public-private cooperation.

Keeping our infrastructure in good repair is especially important in Chicago, the nation's transportation hub. If we want to maintain our leading position, we must fight to ensure America addresses its immense infrastructure challenges.

## NextGen: Modernizing Aviation to Boost Economic Growth

Together, Midway and O'Hare airports create \$45 billion in economic activity and support 540,000 jobs. But we need to modernize our air traffic control system to cut down on costly delays and ensure Chicago maintains its position as a global passenger and air freight hub.

The Next Generation Air Transportation System will transform the current ground-based air traffic control radar system into an efficient satellite-based system that would create jobs while expanding capacity, enhancing safety, and reducing costly delays, pollution, and noise.

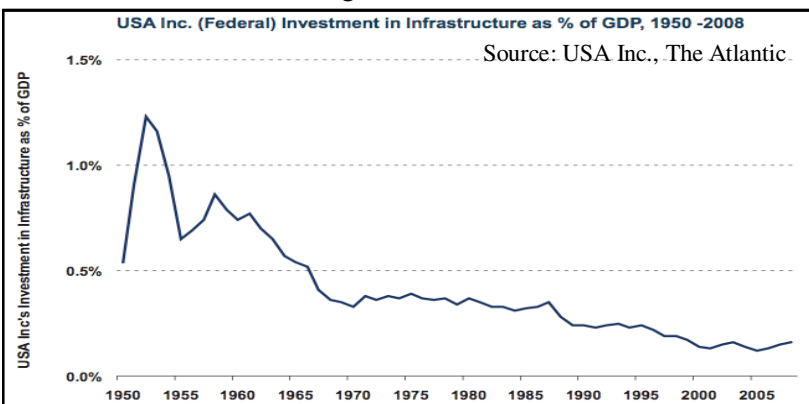
But in order to work, NextGen requires both public and private investment. Rep. Lipinski developed a proposal to create a government-backed loan guarantee program that would allow private investors to provide low interest loans to general aviation users and commercial carriers. Now passage of the FAA reauthorization bill is needed to implement NextGen technology and create jobs.

## CREATE: A Key to Local Jobs

A unique public-private partnership, the CREATE rail modernization program is critical to creating jobs by untangling Chicago's congested rails and roads. Failure to complete the dozens of projects that make up CREATE would mean missing out on 17,000 jobs and \$2 billion in annual economic production in the Chicago area.

To date, Rep. Lipinski has helped secure \$633 million for CREATE. That includes \$133 million for the Englewood Flyover, which will create 1,450 jobs and reduce delays for Rock Island and Southwest Service Metra riders. It also includes \$20 million for the 71st St. underpass in Bridgeview, which will create hundreds of jobs and eliminate lengthy delays for drivers. Both of these projects are scheduled to begin this summer.

Overall, CREATE will reduce congestion for freight trains, drivers, and Metra and AMTRAK riders with track, switch, and signal upgrades and by constructing overpasses and underpasses to end conflicts at crossings.



# Educate the Workforce

*Improve Science, Technology, Engineering, and Math (STEM) education and improve worker training to make sure our workforce is the best in the world*

U.S. students are lagging far behind their foreign counterparts in science and math proficiency. In the knowledge-based economy of the 21<sup>st</sup> Century, this represents a major

**American students rank 31st in math and 23rd in science out of 57 nations.**

hurdle to long-term economic growth and job creation. Nearly 80 percent of 12th graders – those closest to entering the workforce full time – fell short of science proficiency on the most recent National Assessment of Educational Progress. In the 2009

PISA test, American students ranked 31st in math and 23rd in science. Around one-third of the undergraduate degrees earned by U.S. students were awarded in a STEM field, compared with 63 percent in Japan and 56 percent in China.

As a senior member of the Science, Space, and Technology Committee, the top Democrat on the Research and Science Education Subcommittee, and co-chair of the House STEM Education Caucus, **I have helped improve education by helping write and pass the *America COMPETES Act* and its reauthorization.**

These measures included a wide range of initiatives to improve STEM education at all levels, so that students are prepared for the increasingly technical job market. They established programs to improve teacher training in STEM fields; created scholarships to encourage STEM majors and professionals to become teachers; provided hands-on learning opportunities for students at National Laboratories to increase interest in science and technology; authorized a program to ensure that today's STEM graduate students acquire the skills necessary to compete for 21<sup>st</sup> century jobs; increased financial support for graduate education in STEM disciplines; implemented grants to expand education and training in advanced manufacturing at community colleges; and required Manufacturing Extension Partnership Centers to inform colleges of the skills area manufacturers need so students are prepared to join the workforce upon graduation.

At a time when the Department of Labor projects that 75% of the 20 fastest-growing occupations require significant mathematics or science preparation, more work needs to be done to improve education in these fields. I am committed to making sure that America's schools can meet the demand for a skilled, technologically savvy workforce.

## **Praise for the America COMPETES Act**

“This legislation is moving America in the right direction. It is improving the number and quality of STEM teachers [and] increasing support and access for STEM students at the postsecondary level ...”

— **Thomas Donohue**, President and CEO  
U.S. Chamber of Commerce

## **Next Steps for a World Class Workforce**

- Pass the National STEM Education Tax Incentive for Teachers Act, which Rep. Lipinski helped introduce, to give elementary and secondary school STEM teachers a tax credit for their undergraduate education.
- Pass the America Works Act to target existing funding for education and training to programs that teach in-demand skills.
- Permanently extend the existing tax credit to allow employers to provide employees with \$5,250 in tax-free tuition so they can improve their skills in a rapidly changing economy.
- Foster educational partnerships between private companies and academic institutions so that STEM graduates learn the technical skills employers need.
- Increase the number of research scholarships for STEM graduate students.

Undergraduate Degrees, 2004	
Country/Region	Percent STEM
Japan	63.3
China	56.2
South Korea	45.6
United Kingdom	37.6
France	37
Middle East	34.1
Mexico	33.9
United States	32.4

Source: National Science Foundation

# Level the Playing Field

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*Enforce fair trade laws, target currency manipulators, and stop illegal imports to protect American workers and fuel job growth*

Unfair trade practices and lax enforcement of trade laws have put American workers at a disadvantage. I am working to correct this by fighting China's currency manipulation, opposing job-killing NAFTA-style trade deals, improving enforcement of trade laws, and preventing illegal imports.

## **Saving Jobs by Enforcing Trade Laws: Chinese Tire Dumping**

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Chinese tire shipments to the United States nearly quadrupled (to \$1.8 billion) from 2004 to 2008. As a result, several U.S. tire plants were forced to close and 5,000 workers lost their jobs. Under provisions China agreed to before joining the WTO, the U.S. was authorized to impose tariffs in such a situation. At Rep. Lipinski's urging and that of others, President Obama imposed tariffs in September 2009. The results were immediate. Rebounding from job losses, plant closures, and production declines, U.S. tire manufacturers began adding hundreds of jobs and running plants at capacity levels. The lesson is clear: standing up to China and defending American workers pays off. What is disturbing, however, is that this was the first time America invoked a trade remedy that has been available to us for a decade. In many cases, the rules and laws we need to save American jobs already exist. What is lacking is the will to act. We must change that.

Another important issue I am addressing to halt American job losses is "transshipping," which occurs when companies avoid customs duties by hiding their country of origin. Over the last decade, the federal government has failed to collect \$1 billion in duties imposed on foreign companies guilty of trade-law violations, costing thousands of jobs. To stop this, **I am developing legislation to establish public-private partnerships between Immigration and Customs Enforcement and the private sector to help train Customs agents to identify transshipped goods.**

As part of my commitment to fair trade, **I am opposing plans to allow Mexican trucks free access throughout the U.S.** Originating in the NAFTA trade deal, this plan would put both highway safety and American jobs at risk.

China's currency manipulation is the most important trade issue America faces today. By intervening in the market to lower its currency's value, China artificially lowers the price of its exports and inflates the price of American exports to China. If China stopped devaluing its currency, an estimated 500,000 American jobs would be created. That's why I have supported legislation to crack down on currency manipulators. Last year, **I helped introduce and pass in the House the Currency Reform for Fair Trade Act, H.R. 2378.** In the 112<sup>th</sup> Congress, I am cosponsoring this bill again and continuing to work to see it passed into law.

At the same time, I am fighting to make sure the federal government takes action to combat illegal trade practices by foreign countries. Last September, I urged the President to act on a petition from the United Steelworkers seeking redress for illegal subsidies China provides its clean-energy manufacturers. The result of that petition was that China agreed to stop making hundreds of millions of dollars in illegal grants to its wind turbine manufacturers. China is undoubtedly guilty of many more such trade-law violations, and I will continue to press for more action to hold it accountable.

## **Fighting for Fair Trade Deals**

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Ever since the signing of NAFTA, we have seen a dramatic expansion of unfair trade that harms our country. Yet Congress could soon be asked to support a trade agreement with South Korea that fails to incorporate the painful lessons we have learned about the dangers of poorly crafted trade deals.

Rather than creating jobs, this deal – originally drafted and agreed to by the Bush Administration – will cost America jobs. It could open up the U.S. to more goods made in China and possibly even to goods made in belligerent North Korea. That may benefit a few multinational corporations that want to move production overseas, but it won't aid American workers. In fact, one study found the agreement could result in the loss of 159,000 U.S. jobs.

If this deal does not improve dramatically, Rep. Lipinski will not support it. American workers remain the most innovative, productive, and resilient in the world, able to compete and win against those in any country. But the competition must occur on a level playing field, and our government must fight to ensure it does.

**If China stopped devaluing its currency, 500,000 American jobs would be created.**

# Invest In Innovation

## *Support for advanced R&D is critical to job-creating innovation*

In 2005, the prestigious National Academies issued the “Rising Above the Gathering Storm” report, warning that action was needed to prevent America from losing its competitive edge. As a member of the Science, Space, and Technology Committee, **I have helped lead Congress’s response by drafting and passing legislation reauthorizing the National Science Foundation.** This legislation puts us on a path to double investment in research programs; supports transformative research in areas such as advanced manufacturing; and improves programs to ensure discoveries translate into American jobs.

I am also an advocate for strategic R&D opportunities such as nanotechnology and materials science research. By emphasizing these and supporting novel research programs like ARPA-E, which aims to bridge the gap between basic energy research and development and industrial innovation, I am focusing federal R&D spending on the areas with the greatest potential to create jobs.

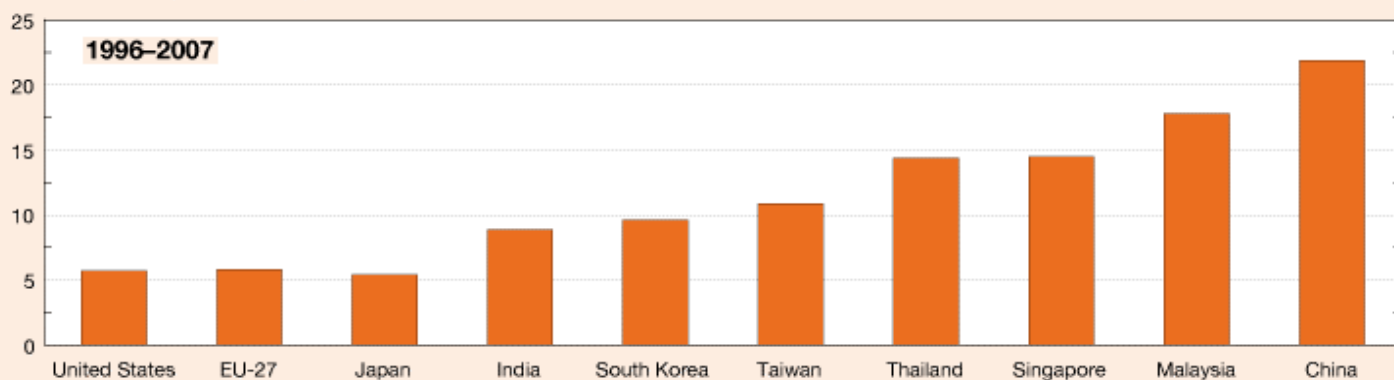
Although government has long played a critical role by investing in research projects that are too long-term for the private sector, most research and development is rightly done by private industry – almost \$300 billion annually, or 70 percent of the total. **To encourage continued private sector investment, I support expanding and making permanent the Research and Development tax credit.** And to smooth the path that leads from a breakthrough discovery to a new company that creates jobs, **I support reforming our patent system.** Right now, the U.S. Patent and Trademark office faces a backlog of 700,000 patent applications. Eliminating this backlog would foster innovation and enable entrepreneurs to secure the financing they need to bring their products to market, creating hundreds of thousands of jobs.

History shows that radical innovation is often the work of individual entrepreneurs and small businesses. That is one reason why small businesses create nearly two-thirds of new jobs nationally. To help small businesses grow, expand, and create jobs, **I cosponsored and helped pass the Small Business Jobs Act, which provides \$12 billion in tax relief and increased access to credit for small businesses.** Since 2008 I have been fighting to reauthorize the Small Business Innovation Research program, which requires agencies to partner with and support R&D done by small businesses, including those backed with venture capital. I will continue to support policies that give our small businesses every chance to succeed.

## **Fulfilling Nanotech’s Promise**

Nanotechnology has enormous potential to create jobs and transform industries ranging from medicine to clean energy. That is why Rep. Lipinski has been a leading advocate for investing in nanotechnology, cosponsoring and helping to pass in the House the reauthorization of the National Nanotechnology Initiative, which coordinates nanotech research across 25 federal agencies and has helped create a network of state-of-the-art nanoscale research centers. Over the last 10 years, America has made a substantial commitment to nanotech research. As a result, we now lead the world in nanotech patents. To make sure that this innovation translates into jobs, Rep. Lipinski has pushed to ensure the NNI is focused on increasing the pace of commercialization, supporting nanomanufacturing research and public-private partnerships that can move discoveries from the laboratory to the factory. We cannot afford to once again follow the unfortunate pattern of American innovations turning into products manufactured in foreign countries.

Percent **Average annual growth of R&D expenditures for United States, EU-27, and selected Asia-8 economies:**



EU = European Union

Science and Engineering Indicators 2010