Legislative Bulletin September 9, 2013

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H.R. 2052 - Global Investment in American Jobs Act of 2013, as amended (Terry, R-NE)

<u>Order of Business</u>: The legislation is expected to be considered on September 9, 2013, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

<u>Summary</u>: H.R. 2052 directs the Secretary of Commerce, in coordination with the Federal Interagency Investment Working Group, to conduct an interagency review of the global competitiveness of the United States in attracting foreign direct investment.

The legislation specifies that the review shall include a particular focus on:

- "the current economic impact of foreign direct investment in the United States, including both costs and benefits, with particular focus on manufacturing, research and development, trade, and jobs;
- "trends in global cross-border investment flows and the underlying factors for such trends;
- ➤ "federal government policies that are closely linked to the ability of the United States to attract and retain foreign direct investment;
- > "foreign direct investment as compared to direct investment by domestic entities;
- ➤ foreign direct investment that takes the form of greenfield investment as compared to foreign direct investment reflecting merger and acquisition activity;
- "the unique challenges posed by foreign direct investment by state-owned enterprises;
- "ongoing Federal Government efforts to improve the investment climate and facilitate greater levels of foreign direct investment in the United States;
- "innovative and noteworthy State, regional, and local government initiatives to attract foreign investment; and
- "initiatives by other countries in order to identify best practices for attracting foreign direct investment."

Within one year after enactment, the Secretary of Commerce shall issue a report to Congress regarding the findings of their review.

The legislation contains a sense of Congress, stating that:

- ➤ "the ability of the United States to attract foreign direct investment is directly linked to the long-term economic prosperity, global competitiveness, and security of the United States;
- ➤ "it is a top national priority to enhance the global competitiveness, prosperity, and security of the United States by-
 - o "removing unnecessary barriers to foreign direct investment and the jobs that it creates throughout the United States; and
 - o "promoting policies to ensure the United States remains the premier global destination in which to invest, hire, innovate, and manufacture products;
- "maintaining the United States commitment to open investment policy encourages other countries to reciprocate and enables the United States to open new markets abroad for United States companies and their products;
- ➤ "while foreign direct investment can enhance the Nation's economic strength, policies regarding foreign direct investment should also reflect national security interests and should not disadvantage domestic investors or companies; and
- United States efforts to attract foreign direct investment should be consistent with efforts to maintain and improve the domestic standard of living."

<u>Additional Information</u>: The House of Representatives passed similar legislation, H.R. 5910, on September 19, 2012, by a voice vote. The RSC Legislative Bulletin for H.R. 5910 can be viewed here.

<u>Committee Action</u>: H.R. 2052 was introduced on May 20, 2013, and was referred to the House Energy and Commerce Subcommittee on Commerce, Manufacturing, and Trade. A full committee markup was held on July 16, 2013, and the legislation was approved, as amended, by unanimous consent.

Administration Position: No Statement of Administration Policy is available.

<u>Cost to Taxpayers:</u> CBO estimates that implementing H.R. 2052 would cost about \$1 million over the 2014-2018 period for staff and administrative activities involved in conducting the review and preparing the report. CBO's report can be <u>viewed here</u>.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

<u>Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?</u>: No.

<u>Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?</u>: The legislation does not contain earmarks, limited tax benefits, or limited tariff benefits.

<u>Constitutional Authority</u>: Rep. Terry states: "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3 of the United States Constitution." The statement can be <u>found here</u>.

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H.R. 2844– Federal Communications Commission Consolidated Reporting Act of 2013 (Scalise, R-LA)

<u>Order of Business</u>: The legislation is scheduled to be considered on September 9, 2013, under a motion to suspend the rules and pass the bill, which requires a two-thirds majority vote for passage.

Summary: H.R. 2844 requires the Federal Communications Commission (FCC) to report to Congress on the state of the communications marketplace. This report is due during the last quarter of every even-numbered year, and it shall be available on the FCC's website.

The report shall:

- 1. "assess the state of competition in the communications marketplace, including competition to deliver voice, video, and data services among providers of telecommunications, providers of commercial mobile service (as defined in section 332), multichannel video programming distributors (as defined in section 602), broadcast stations, providers of satellite communications, Internet service providers, and other providers of communications services;
- 2. "assess the state of deployment of communications capabilities, including advanced telecommunications capability (as defined in section 706 of the Telecommunications Act of 1996 (47 U.S.C. 1302)), regardless of the technology used for such deployment, including whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion;
- 3. "assess whether laws, regulations, or regulatory practices (whether those of the Federal Government, States, political subdivisions of States, Indian tribes or tribal organizations (as such terms are defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)), or foreign governments) pose a barrier to competitive entry into the communications marketplace or to the competitive expansion of existing providers of communications services;
- 4. "describe the agenda of the Commission for the next 2-year period for addressing the challenges and opportunities in the communications marketplace that were identified through the assessments under paragraphs (1) through (3); and

5. "describe the actions that the Commission has taken in pursuit of the agenda described pursuant to paragraph (4) in the previous report submitted under this section."

The Commission is directed to consider all forms of competition. This includes the effects of intermodal competition, facilities-based completion, and competition from new and emergent communication services, including the Internet.

The Commission shall compile a list of geographical areas that are not served by any provider of advanced telecommunications capability. The Commission may use readily available data to draw appropriate comparisons between the United States communications marketplace and the international communications marketplace and to correlate its assessments with demographic information.

The legislation makes a number of conforming amendments, and consolidates multiple redundant reports.

<u>Additional Information:</u> H.R. 2844 is similar to the text of <u>H.R. 3310</u>, which passed in the 112th Congress by voice vote on May 30, 2012. The RSC Legislative Bulletin for H.R. 3310 can be viewed <u>here</u>.

According to House Report 112-443, H.R. 3310 would reduce the reporting burdens on the Commission by consolidating eight separate FCC reports into a single biennial report timed to the Congressional calendar. To reflect the convergence of the communications marketplace, the new report requires the FCC to conduct a holistic review of the communications marketplace. And to streamline the operations of the FCC, the bill eliminates twelve outdated reports from the Communications Act, including reports repealed more than a decade ago and a report on competition between telegraph companies and telephone companies.

As amended, H.R. 2844 would include a <u>provision</u> to extend the deadline for certain elements of the report in the event that a Commission chairman is sworn in during the last quarter of an even-numbered year.

<u>Committee Action</u>: H.R. 2844 was introduced on July 26, 2013, and was referred to the House Energy and Commerce Subcommittee on Communications and Technology. The subcommittee held a markup on July 30, 2013 and July 31, 2013, and favorably reported the legislation, as amended, by voice vote.

Administration Position: No Statement of Administration Policy is available.

<u>Cost to Taxpayers</u>: CBO¹ estimates that implementing the provisions of H.R. 2844 would not have a significant net effect on the agency's discretionary costs.

Does the Bill Expand the Size and Scope of the Federal Government?: No.

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¹ http://www.cbo.gov/publication/44539

<u>Sector Mandates?</u>: According to CBO, H.R. 2844 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

<u>Does the Bill Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?</u>: The legislation does not contain earmarks, limited tax benefits or limited tariff benefits.

<u>Constitutional Authority</u>: Rep. Scalise states: "Congress has the power to enact this legislation pursuant to the following: Article I, Section 8, Clause 3 of the United States Constitution." The statement can be <u>found here</u>.

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