

Union Calendar No. 477

112TH CONGRESS
2^D SESSION

H. R. 5865

[Report No. 112–659, Part I]

To promote the growth and competitiveness of American manufacturing.

IN THE HOUSE OF REPRESENTATIVES

MAY 30, 2012

Mr. LIPINSKI (for himself and Mr. KINZINGER of Illinois) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

SEPTEMBER 10, 2012

Additional sponsors: Mr. MANZULLO, Mr. DINGELL, Mr. SCHILLING, Mr. DOYLE, Mr. LANCE, Mr. LYNCH, Mr. HULTGREN, Mr. GENE GREEN of Texas, Mr. GUTHRIE, Mr. DUNCAN of Tennessee, Mr. MICHAUD, Mr. SHERMAN, Mr. RYAN of Ohio, Mr. WOLF, Mr. DAVIS of Kentucky, Mr. CICILLINE, Ms. SUTTON, and Mr. MURPHY of Connecticut

SEPTEMBER 10, 2012

Reported from the Committee on Energy and Commerce with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

SEPTEMBER 10, 2012

The Committee on the Budget discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on May 30, 2012]

A BILL

To promote the growth and competitiveness of American
manufacturing.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “American Manufac-*
5 *turing Competitiveness Act of 2012”.*

6 **SEC. 2. NATIONAL MANUFACTURING COMPETITIVENESS**
7 **STRATEGY.**

8 *Not later than June 1, 2014, and June 1, 2018, the*
9 *President shall submit to Congress, and publish on a public*
10 *website, a strategy to promote growth, sustainability, and*
11 *competitiveness in the Nation’s manufacturing sector, cre-*
12 *ate well-paid, stable jobs, enable innovation and investment,*
13 *and support national security.*

14 **SEC. 3. MANUFACTURING COMPETITIVENESS BOARD.**

15 *(a) IN GENERAL.—On the first day of each of the two*
16 *Presidential terms following the date of enactment of this*
17 *Act, there is established within the Department of Com-*
18 *merce an American Manufacturing Competitiveness Board.*

19 *(b) MEMBERS.—Members of the Board shall be ap-*
20 *pointed as follows:*

21 *(1) PUBLIC SECTOR MEMBERS.—The President*
22 *shall appoint to the Board—*

23 *(A) the Secretary of Commerce;*

1 (B) *Governors of two States, from different*
2 *political parties, after consulting with the Na-*
3 *tional Governors Association; and*

4 (C) *two other members who are current or*
5 *former officials of the executive branch of govern-*
6 *ment.*

7 (2) *PRIVATE SECTOR MEMBERS.—*

8 (A) *CRITERIA.—Ten individuals from the*
9 *private sector shall be appointed to the Board in*
10 *accordance with subparagraph (B) from among*
11 *individuals with experience in the areas of—*

12 (i) *managing manufacturing compa-*
13 *nies, including businesses with fewer than*
14 *100 employees;*

15 (ii) *managing supply chain providers;*

16 (iii) *managing labor organizations;*

17 (iv) *workforce development;*

18 (v) *finance;*

19 (vi) *analyzing manufacturing policy*
20 *and competitiveness;*

21 (vii) *conducting manufacturing-related*
22 *research and development; and*

23 (viii) *the defense industrial base.*

24 (B) *APPOINTMENT.—The Speaker of the*
25 *House of Representatives and the majority leader*

1 *of the Senate shall each appoint 3 members to*
2 *the Board. The minority leader of the House of*
3 *Representatives and the minority leader of the*
4 *Senate shall each appoint 2 members to the*
5 *Board.*

6 *(c) TERMINATION.—The Board shall terminate 60*
7 *days after submitting its final report pursuant to section*
8 *4(c)(3).*

9 *(d) CO-CHAIRMEN.—The co-chairmen of the Board*
10 *shall be the Secretary of Commerce (or the designee of the*
11 *Secretary) and a member elected by the private sector mem-*
12 *bers of the Board appointed pursuant to subsection (b)(2).*

13 *(e) SUBGROUPS.—The Board may convene subgroups*
14 *to address particular industries, policy topics, or other mat-*
15 *ters and to take advantage of the expertise of other individ-*
16 *uals and entities in matters to be addressed by the Board.*
17 *Such subgroups may include members representing any of*
18 *the following:*

19 *(1) Other Federal agencies, as the co-chairmen*
20 *determine appropriate.*

21 *(2) State, tribal, and local governments.*

22 *(3) The private sector.*

23 *(f) QUORUM.—Ten members of the Board shall con-*
24 *stitute a quorum for the transaction of business but a lesser*

1 *number may hold hearings with the agreement of the co-*
2 *chairmen.*

3 *(g) MEETINGS AND HEARINGS.—*

4 *(1) TIMING AND FREQUENCY OF MEETINGS.—The*
5 *Board shall meet at the call of the co-chairmen, and*
6 *not fewer than 2 times.*

7 *(2) PUBLIC HEARINGS REQUIRED.—The Board*
8 *shall convene public hearings to solicit views on the*
9 *Nation’s manufacturing sector and recommendations*
10 *for the national manufacturing competitiveness strat-*
11 *egy.*

12 *(3) LOCATIONS OF PUBLIC HEARINGS.—The loca-*
13 *tions of public hearings convened under paragraph*
14 *(2) shall ensure the inclusion of multiple regions and*
15 *industries of the manufacturing sector.*

16 *(h) APPLICATION OF FEDERAL ADVISORY COMMITTEE*
17 *ACT.—The Federal Advisory Committee Act (5 U.S.C.*
18 *App.), other than section 14 of such Act, shall apply to the*
19 *Board, including any subgroups established pursuant to*
20 *subsection (e).*

21 **SEC. 4. DUTIES OF THE BOARD.**

22 *(a) IN GENERAL.—The Board shall—*

23 *(1) advise the President on issues affecting the*
24 *Nation’s manufacturing sector;*

1 (2) *conduct a comprehensive analysis in accord-*
2 *ance with subsection (b); and*

3 (3) *develop a national manufacturing competi-*
4 *tiveness strategy in accordance with subsection (c).*

5 (b) *COMPREHENSIVE ANALYSIS.—In developing a na-*
6 *tional manufacturing competitiveness strategy under sub-*
7 *section (c), the Board shall conduct a comprehensive anal-*
8 *ysis of the Nation’s manufacturing sector, taking into con-*
9 *sideration analyses, data, and other information previously*
10 *compiled, as well as relevant reports, plans, or rec-*
11 *ommendations issued by Federal agencies, Federal advisory*
12 *boards, and the private sector. Such analysis shall, to the*
13 *extent feasible, address—*

14 (1) *the value and role of manufacturing in the*
15 *Nation’s economy, security, and global leadership;*

16 (2) *the current domestic and international envi-*
17 *ronment for the Nation’s manufacturing sector, and*
18 *any subsector identified by the Board as warranting*
19 *special study for competitiveness or for comparison*
20 *purposes;*

21 (3) *Federal, State, tribal, and local policies, pro-*
22 *grams, and conditions that affect manufacturing;*

23 (4) *a summary of the manufacturing policies*
24 *and strategies of the Nation’s 10 largest trading part-*
25 *ners, to the extent known;*

1 (5) *new, emerging, or evolving markets, tech-*
2 *nologies, and products for which the Nation’s manu-*
3 *facturers could compete;*

4 (6) *the identification of redundant or ineffective*
5 *government programs related to manufacturing, as*
6 *well as any programs that have improved manufac-*
7 *turing competitiveness;*

8 (7) *the short- and long-term forecasts for the Na-*
9 *tion’s manufacturing sector, and forecasts of expected*
10 *national and international trends and factors likely*
11 *to affect such sector in the future;*

12 (8) *the manner in which Federal agencies share*
13 *information and views with respect to the effects of*
14 *proposed or active regulations or other executive ac-*
15 *tions on the Nation’s manufacturing sector and its*
16 *workforce;*

17 (9) *the recommendations of the Department of*
18 *Commerce Manufacturing Council, whether such rec-*
19 *ommendations have been implemented, and the effect*
20 *of such recommendations; and*

21 (10) *any other matters affecting the growth, sta-*
22 *bility, and sustainability of the Nation’s manufac-*
23 *turing sector or the competitiveness of the Nation’s*
24 *manufacturing environment, particularly relative to*
25 *that of other nations, including—*

1 (A) *workforce skills, gaps, and development;*

2 (B) *productivity and the extent to which*
3 *national economic statistics related to manufac-*
4 *turing accurately measure manufacturing output*
5 *and productivity growth;*

6 (C) *trade policy and balance;*

7 (D) *energy policy, forecasts, and develop-*
8 *ments;*

9 (E) *expenditures on basic and applied re-*
10 *search related to manufacturing technology;*

11 (F) *programs to help small and mid-sized*
12 *manufacturers become more competitive;*

13 (G) *the impact of Federal statutes and regu-*
14 *lations;*

15 (H) *the impact of domestic and inter-*
16 *national monetary policy;*

17 (I) *the impact of taxation;*

18 (J) *financing and investment, including*
19 *challenges associated with commercialization and*
20 *scaling up of production;*

21 (K) *research and development;*

22 (L) *job creation and employment dispari-*
23 *ties;*

24 (M) *levels of domestic production;*

1 (N) adequacy of the industrial base for
2 maintaining national security;

3 (O) protections for intellectual property and
4 the related policies, procedures, and law on tech-
5 nology transfer; and

6 (P) customs enforcement and counterfeiting.

7 (c) NATIONAL MANUFACTURING COMPETITIVENESS
8 STRATEGY.—

9 (1) DEVELOPMENT.—The Board shall develop a
10 national manufacturing competitiveness strategy,
11 based on—

12 (A) the results of the comprehensive analysis
13 conducted under subsection (b); and

14 (B) any other information, studies, or per-
15 spectives that the Board determines to be appro-
16 priate.

17 (2) GOALS AND RECOMMENDATIONS.—

18 (A) GOALS.—The Board shall include in the
19 national manufacturing competitiveness strategy
20 short- and long-term goals for improving the
21 competitiveness conditions of the Nation's manu-
22 facturing environment, taking into account the
23 matters addressed in the comprehensive analysis
24 conducted under subsection (b).

1 (B) *RECOMMENDATIONS.*—*The Board shall*
2 *include in the national manufacturing competi-*
3 *tiveness strategy recommendations for achieving*
4 *the goals provided under subparagraph (A).*
5 *Such recommendations may propose—*

6 (i) *actions to improve manufacturing*
7 *competitiveness to be taken by the President,*
8 *Congress, State and local governments, and*
9 *the private sector;*

10 (ii) *actions to improve government*
11 *policies and coordination among entities de-*
12 *veloping such policies;*

13 (iii) *the consolidation or elimination of*
14 *government programs;*

15 (iv) *actions to improve government*
16 *interaction with the manufacturing sector*
17 *and communication regarding the effects of*
18 *proposed or active government regulations*
19 *or other executive actions on the manufac-*
20 *turing sector and its workforce;*

21 (v) *the reform or elimination of regula-*
22 *tions that place the United States manufac-*
23 *turing sector at a disadvantage relative to*
24 *other nations; and*

1 (vi) actions to reduce business uncer-
2 tainty, including, where appropriate, final-
3 ization of regulations applicable to manu-
4 facturers.

5 (3) *REPORT.*—

6 (A) *DRAFT.*—Not later than 150 days before
7 the date on which the President is required to
8 submit to Congress a report containing a na-
9 tional manufacturing competitiveness strategy
10 under section 2, the Board shall publish in the
11 Federal Register and on a public website a draft
12 report containing a national manufacturing
13 competitiveness strategy. At the same time, the
14 Board shall make available to the public the
15 comprehensive analysis required by subsection
16 (b) and any underlying data or materials nec-
17 essary to an understanding of the conclusions
18 reached.

19 (B) *PUBLIC COMMENT; REVIEW AND REVI-*
20 *SION.*—A draft report published under subpara-
21 graph (A) shall remain available for public com-
22 ment for a period of not less than 30 days from
23 the date of publication. The Board shall review
24 any comments received regarding such draft re-

1 port and may revise the draft report based upon
2 those comments.

3 (C) *PUBLICATION.*—Not later than 60 days
4 before the date on which the President is required
5 to submit to Congress a report containing a na-
6 tional manufacturing competitiveness strategy
7 under section 2, the Board shall submit to the
8 President for review and revision a final report
9 containing a national manufacturing competi-
10 tiveness strategy, and shall publish such final re-
11 port on a public website.

12 (D) *CONTENTS OF REPORT.*—The final re-
13 port submitted under subparagraph (C) shall, to
14 the extent feasible, include—

15 (i) an estimate of the short- and long-
16 term Federal Government outlays and rev-
17 enue changes necessary to implement the
18 national manufacturing competitiveness
19 strategy and an estimate of savings that
20 may be derived from implementation of the
21 national manufacturing competitiveness
22 strategy;

23 (ii) a detailed explanation of the meth-
24 ods and analysis used to determine the esti-
25 mates included under clause (i);

1 (iii) recommendations regarding how
2 to pay for the cost of implementation esti-
3 mated under clause (i); and

4 (iv) a plan for how the recommenda-
5 tions included in the report will be imple-
6 mented and who is or should be responsible
7 for the implementation.

8 (d) *CONSULTATION; NONDUPLICATION OF EFFORTS.*—
9 *The Board shall consult with and not duplicate the efforts*
10 *of the Defense Science Board, the President’s Council of Ad-*
11 *visors on Science and Technology, the Manufacturing Coun-*
12 *cil established by the Department of Commerce, the Eco-*
13 *nomics Security Commission, the Labor Advisory Committee*
14 *for Trade Negotiations and Trade Policy, and other rel-*
15 *evant governmental entities conducting any activities re-*
16 *lated to manufacturing.*

17 **SEC. 5. REQUIREMENT TO CONSIDER NATIONAL MANUFAC-**
18 **TURING COMPETITIVENESS STRATEGY IN**
19 **BUDGET.**

20 *In preparing the budget for each of the fiscal years*
21 *from fiscal year 2016 through fiscal year 2022 under section*
22 *1105(a) of title 31, United States Code, the President shall*
23 *include information regarding the consistency of the budget*
24 *with the goals and recommendations included in the na-*
25 *tional manufacturing competitiveness strategy.*

1 **SEC. 6. DEFINITIONS.**

2 *In this Act:*

3 (1) *BOARD.*—*The term “Board” means—*

4 (A) *during the first Presidential term that*
5 *begins after the date of enactment of this Act, the*
6 *American Manufacturing Competitiveness Board*
7 *established by section 3(a) on the first day of*
8 *such term; and*

9 (B) *during the second Presidential term*
10 *that begins after the date of enactment of this*
11 *Act, the American Manufacturing Competitive-*
12 *ness Board established by section 3(a) on the*
13 *first day of such term.*

14 (2) *PRIVATE SECTOR.*—*The term “private sec-*
15 *tor” includes labor, industry, industry associations,*
16 *academia, universities, trade associations, nonprofit*
17 *organizations, and other appropriate nongovern-*
18 *mental groups.*

19 (3) *STATE.*—*The term “State” means each State*
20 *of the United States, the District of Columbia, and*
21 *each commonwealth, territory, or possession of the*
22 *United States.*

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the Committee of the Whole House on the State of the
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