

112<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 5865

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 13, 2012

Received; read twice and referred to the Committee on Commerce, Science,  
and Transportation

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## AN ACT

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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “American Manufac-  
3 turing Competitiveness Act of 2012”.

4 **SEC. 2. NATIONAL MANUFACTURING COMPETITIVENESS**  
5 **STRATEGY.**

6 Not later than June 1, 2014, and June 1, 2018, the  
7 President shall submit to Congress, and publish on a pub-  
8 lic website, a strategy to promote growth, sustainability,  
9 and competitiveness in the Nation’s manufacturing sector,  
10 create well-paid, stable jobs, enable innovation and invest-  
11 ment, and support national security.

12 **SEC. 3. MANUFACTURING COMPETITIVENESS BOARD.**

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

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

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

22 (A) the Secretary of Commerce;

23 (B) Governors of two States, from dif-  
24 ferent political parties, after consulting with the  
25 National Governors Association; and

1 (C) two other members who are current or  
2 former officials of the executive branch of gov-  
3 ernment.

4 (2) PRIVATE SECTOR MEMBERS.—

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

10 (i) managing manufacturing compa-  
11 nies, including businesses with fewer than  
12 100 employees;

13 (ii) managing supply chain providers;

14 (iii) managing labor organizations;

15 (iv) workforce development;

16 (v) finance;

17 (vi) analyzing manufacturing policy  
18 and competitiveness;

19 (vii) conducting manufacturing-related  
20 research and development; and

21 (viii) the defense industrial base.

22 (B) APPOINTMENT.—The Speaker of the  
23 House of Representatives and the majority  
24 leader of the Senate shall each appoint 3 mem-  
25 bers to the Board. The minority leader of the

1 House of Representatives and the minority  
2 leader of the Senate shall each appoint 2 mem-  
3 bers to the Board.

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

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

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

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

20 (2) State, tribal, and local governments.

21 (3) The private sector.

22 (f) QUORUM.—Ten members of the Board shall con-  
23 stitute a quorum for the transaction of business but a less-  
24 er number may hold hearings with the agreement of the  
25 co-chairmen.

1 (g) MEETINGS AND HEARINGS.—

2 (1) TIMING AND FREQUENCY OF MEETINGS.—

3 The Board shall meet at the call of the co-chairmen,  
4 and not fewer than 2 times.

5 (2) PUBLIC HEARINGS REQUIRED.—The Board  
6 shall convene public hearings to solicit views on the  
7 Nation’s manufacturing sector and recommendations  
8 for the national manufacturing competitiveness  
9 strategy.

10 (3) LOCATIONS OF PUBLIC HEARINGS.—The lo-  
11 cations of public hearings convened under paragraph  
12 (2) shall ensure the inclusion of multiple regions and  
13 industries of the manufacturing sector.

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

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

20 (a) IN GENERAL.—The Board shall—

21 (1) advise the President on issues affecting the  
22 Nation’s manufacturing sector;

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

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

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

12           (1) the value and role of manufacturing in the  
13          Nation’s economy, security, and global leadership;

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

19           (3) Federal, State, tribal, and local policies,  
20          programs, and conditions that affect manufacturing;

21           (4) a summary of the manufacturing policies  
22          and strategies of the Nation’s 10 largest trading  
23          partners, 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  
9           Nation’s manufacturing sector, and forecasts of ex-  
10          pected national and international trends and factors  
11          likely 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 ef-  
20          fect of such recommendations; and

21          (10) any other matters affecting the growth,  
22          stability, 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 develop-  
2 ment;

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

7 (C) trade policy and balance;

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

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

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

14 (G) the impact of Federal statutes and  
15 regulations;

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

18 (I) the impact of taxation;

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

22 (K) research and development;

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

25 (M) levels of domestic production;

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

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

6           (P) customs enforcement and counter-  
7           feiting.

8           (c) NATIONAL MANUFACTURING COMPETITIVENESS  
9 STRATEGY.—

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

13           (A) the results of the comprehensive anal-  
14           ysis conducted under subsection (b); and

15           (B) any other information, studies, or per-  
16           spectives that the Board determines to be ap-  
17           propriate.

18           (2) GOALS AND RECOMMENDATIONS.—

19           (A) GOALS.—The Board shall include in  
20           the national manufacturing competitiveness  
21           strategy short- and long-term goals for improv-  
22           ing the competitiveness conditions of the Na-  
23           tion’s manufacturing environment, taking into  
24           account the matters addressed in the com-

1           prehensive analysis conducted under subsection  
2           (b).

3           (B)   RECOMMENDATIONS.—The   Board  
4           shall include in the national manufacturing  
5           competitiveness strategy recommendations for  
6           achieving the goals provided under subpara-  
7           graph (A). Such recommendations may pro-  
8           pose—

9                   (i) actions to improve manufacturing  
10                   competitiveness to be taken by the Presi-  
11                   dent, Congress, State and local govern-  
12                   ments, and the private sector;

13                   (ii) actions to improve government  
14                   policies and coordination among entities  
15                   developing such policies;

16                   (iii) the consolidation or elimination of  
17                   government programs;

18                   (iv) actions to improve government  
19                   interaction with the manufacturing sector  
20                   and communication regarding the effects  
21                   of proposed or active government regula-  
22                   tions or other executive actions on the  
23                   manufacturing sector and its workforce;

24                   (v) the reform or elimination of regu-  
25                   lations that place the United States manu-

1 facturing sector at a disadvantage relative  
2 to other nations; and

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

7 (3) REPORT.—

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

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

1 any comments received regarding such draft re-  
2 port and may revise the draft report based  
3 upon those comments.

4 (C) PUBLICATION.—Not later than 60  
5 days before the date on which the President is  
6 required to submit to Congress a report con-  
7 taining a national manufacturing competitive-  
8 ness strategy under section 2, the Board shall  
9 submit to the President for review and revision  
10 a final report containing a national manufac-  
11 turing competitiveness strategy, and shall pub-  
12 lish such final report on a public website.

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

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

1 (ii) a detailed explanation of the  
2 methods and analysis used to determine  
3 the estimates included under clause (i);

4 (iii) recommendations regarding how  
5 to pay for the cost of implementation esti-  
6 mated under clause (i); and

7 (iv) a plan for how the recommenda-  
8 tions included in the report will be imple-  
9 mented and who is or should be respon-  
10 sible for the implementation.

11 (d) CONSULTATION; NONDUPLICATION OF EF-  
12 FORTS.—The Board shall consult with and not duplicate  
13 the efforts of the Defense Science Board, the President’s  
14 Council of Advisors on Science and Technology, the Manu-  
15 facturing Council established by the Department of Com-  
16 merce, the Economic Security Commission, the Labor Ad-  
17 visory Committee for Trade Negotiations and Trade Pol-  
18 icy, and other relevant governmental entities conducting  
19 any activities related to manufacturing.

20 **SEC. 5. REQUIREMENT TO CONSIDER NATIONAL MANUFAC-**  
21 **TURING COMPETITIVENESS STRATEGY IN**  
22 **BUDGET.**

23 In preparing the budget for each of the fiscal years  
24 from fiscal year 2016 through fiscal year 2022 under sec-  
25 tion 1105(a) of title 31, United States Code, the President

1 shall include information regarding the consistency of the  
2 budget with the goals and recommendations included in  
3 the national manufacturing competitiveness strategy.

4 **SEC. 6. DEFINITIONS.**

5 In this Act:

6 (1) BOARD.—The term “Board” means—

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

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

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

22 (3) STATE.—The term “State” means each  
23 State of the United States, the District of Columbia,

1       and each commonwealth, territory, or possession of  
2       the United States.

      Passed the House of Representatives September 12,  
2012.

Attest:

KAREN L. HAAS,

*Clerk.*