

## February 1, 2022

\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*

NTU urges all Representatives to vote "NO" on H.R. 4521, the America COMPETES Act of 2022. This legislation would authorize hundreds of billions of dollars in new federal spending, includes no significant offsets for this new spending, and would address policymakers' concerns about China with more federal subsidies and more red tape. The legislation also includes tens of billions of dollars in authorizations for programs that are unrelated to the chips shortage or concerns with China, such as funding for coral reef conservation, wildlife trafficking, and antitrust enforcement. Lawmakers should seek to address chip shortages and related supply-chain issues with deregulation and free trade initiatives, not billions in new spending America's taxpayers cannot afford.

In May 2021, NTU <u>wrote</u> that the Senate's U.S. Innovation and Competition Act (USICA) would "saddle future generations with even more debt that they will eventually have to pay back." We urged a "NO" vote on USICA, but unfortunately the Senate passed the legislation. Worse yet, House leadership has now introduced competing legislation that, based on our <u>analysis</u>, appears to include even *more* spending and *more* debt than the USICA package. America COMPETES appears to include no meaningful and significant offsets for hundreds of billions of dollars in new proposed spending. Saddling current and future taxpayers with piles of new debt is no way for America to win the future, especially against an adversary like China.

What is perhaps most bizarre about America COMPETES is the legislation's lack of focus, as much of the bill's text and spending appears focused on issues other than China and the ongoing <a href="chips:shortage">chips:shortage</a> in the U.S. The legislation would raise the long-term budgets of the National Science Foundation (NSF) and the National Institute of Standards and Technology (NIST) by 111 percent and 71 percent respectively over six years. The legislation includes the National Apprenticeship Act, which NTU <a href="key-voted">key-voted "NO"</a> almost a year ago today. America COMPETES also includes spending for coral reef conservation, wildlife trafficking, antitrust enforcement, and other initiatives that appear to have little (or nothing) to do with the chips shortage and related supply-chain issues. We encourage lawmakers to reject this legislation.

Roll call votes on H.R. 4521 will be <u>significantly weighted</u> in NTU's annual Rating of Congress and a "NO" vote will be considered the pro-taxpayer position.