December 11, 2014

Dear Representative:

The National Association of Manufacturers (NAM)—the largest manufacturing association in the United States—supports the Consolidated and Further Continuing Appropriations Act, 2015 (H.R. 83). By funding the bulk of the federal government through the remainder of the fiscal year, the legislation will send an important signal of stability and certainty to our nation’s job creators.

As outlined below, the bill addresses a number of important issues that will help the manufacturing sector and the broader economy continue to rebound. Also highlighted for your review are key policies we look forward to working with you on in the coming months.

- **Country of Origin Labeling (COOL):** The NAM supports language in the bill that would require the Administration to work with Congress to amend current law to ensure the U.S. COOL program for beef, pork and poultry complies with our international trade obligations. While the language does not include a full legislative contingency plan if there is a final finding of noncompliance by the World Trade Organization (WTO), it does signal Congressional recognition and understanding of this issue. The NAM will continue to work with Congress to ensure a full contingency plan going forward to avoid the potential application of $2 billion in retaliatory tariffs on U.S. exports to Canada and Mexico, which would significantly harm manufacturers’ competitiveness in our two largest export markets and impact the entire supply chain for affected commodities.

- **Manufacturing Innovation:** The bill includes the bipartisan Revitalize American Manufacturing and Innovation (RAMI) Act, H.R. 2996. This legislation has the potential to strengthen the technology leadership position that manufacturers have worked for years to establish. By creating a network of innovation centers, RAMI brings together businesses, schools and the government in a joint effort to accelerate the transfer of advanced manufacturing technology and techniques into the commercial sector to ensure manufacturers are able to meet the challenges and demands of the 21st-century marketplace.

- **Environmental Regulations:** NAM members also are pleased with language in the bill that reins in several unbalanced environmental regulations, such as those involving the sage grouse and the Clean Water Act. However, there are many more regulations that need the attention of Congress, including ozone air quality standards, greenhouse gas standards of performance for power plants, the pending proposed rule expanding the definition of “waters of the United States,” and many others. The NAM looks forward to working with Congress in the coming year to make these regulations more reasonable.
- **Consumer Product Safety Commission (CSPC):** The NAM is pleased that the bill provides funds for the CPSC to reduce the burden of third-party testing. This provision makes clear that the CPSC should meet its statutory requirements and reduce the unnecessary burdens imposed on manufacturers. Manufacturers are encouraged by language that affirms Congressional intent as discussed in House Report 113-508. That report makes clear that Congress opposes “making unnecessary changes to a [voluntary] recall system that has worked well over the past 40 years, owing to a successful partnership between businesses and the Commission.” The report language also expresses concern over a CPSC proposal to change its interpretation of rules governing information disclosure. Congress encourages the CPSC to work with industry and stakeholders as it considers potential changes. Additionally, the report language expresses an expectation that CPSC actions associated with the Chronic Hazard Advisory Panel’s (CHAP) report on phthalates be transparent and “ensure an appropriate peer review process is in place.”

- **Internet Tax Freedom:** The legislation also extends, through fiscal year 2015, the current moratorium on taxing Internet access. The moratorium—in place since 1998—has helped spur the broadband investment that has contributed significantly to the growth of the manufacturing sector in the United States. Extending the current ban on new state and local taxes on Internet access will ensure that important technological innovations continue. While this temporary extension is helpful, we strongly urge Congress to make the ban permanent to ensure continued robust broadband adoption and investment in the United States and promote competitiveness and job creation.

- **Export Import Bank:** The bill contains an NAM-supported provision that prohibits the Ex-Im Bank from blocking financing for coal-fired or other power-generation projects in countries eligible for International Development Association (IDA) assistance and IDA “blend” countries, as long as the financing would increase the export of U.S. goods or services and prevent the loss of U.S. jobs. In December 2013, Ex-Im Bank approved new guidelines to deny financing for these kinds of projects. Restricting access to financing for U.S. exporters to support new power-generation projects in foreign markets would hinder manufacturers and their employees that are at the forefront of developing clean coal technologies.

- **Hours of Service:** Manufacturers also appreciate the inclusion of language that will provide much needed regulatory relief for commercial for-hire motor carriers, private trucking fleets and manufacturers who rely on trucks to deliver inputs and finished products. The one-year pause of the trucking Hours of Service 34-hour restart provision and the requirement for the Secretary of Transportation to further study the burdensome aspects of the restart provision are welcome developments that are strongly supported by manufacturers.

- **Pensions:** For Manufacturers that sponsor pension plans, the bill includes an important provision clarifying that manufacturers making routine changes to their business operations will not be subject to unnecessary and costly increases in the pension plan liabilities.

- **Labor:** Manufacturers also support a provision on the National Labor Relations Board’s (NLRB) “e-Card Check” initiative, which would prevent the NLRB from issuing a rule that promotes coercion in the union election process. We are also pleased to have a provision included relating to the new silica rule, which acknowledges that outdated
technology should be replaced with what is currently available as the new standard is
developed. Moving forward, we look forward to working with Congress to prevent
implementation of a dangerous rule we expect to be finalized later this month by the
National Labor Relations Board (NLRB). The “Ambush Election Rule”— proposed by the
Labor Board earlier this year— will shorten the timeframe for a representation election to
as little as 10 to 14 days. Currently, over 90 percent of elections are held within 56 days.
A shorter time frame will limit an employee’s ability to make an informed decision on
union representation and hamper an employer’s ability to adequately prepare for the
election. The NLRB’s own data shows little justification for the rule. It is critical this
damaging rule be eliminated before it does serious and lasting harm in the workplace.

In sum, manufacturers very much appreciate the bipartisan effort of lawmakers to reach
agreement on a bill that ensures funding for the bulk of the federal government for the
remainder of fiscal year 2015 and addresses several key issues facing NAM members.
Manufacturers look forward to building on this effort in the 114th Congress. Thank you in
advance for supporting this important legislation.

Sincerely,

[Signature]