

**Statement of
Republican Leader Cathy McMorris Rodgers
CPAC Subcommittee Legislative Hearing on
“Investing in American Jobs: Legislation to Strengthen Manufacturing
and Competitiveness”
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*As Prepared for Delivery***

There are many noteworthy initiatives for us to review today..

Encouraging investment in the U.S, increasing responsibility on e-commerce platforms, assisting the travel and tourism rebound from the pandemic, and promoting clear national strategies for emerging technologies.

It's encouraging to see our members working together. However, many supply chain challenges persist. Just look at the L.A. port. Store shelves are empty and the White House admitted yesterday they cannot guarantee holiday packages will arrive on time. This crisis PLUS labor shortages are increasing costs on Americans when inflation is already at a 13-year high. We should be focused on solutions to strengthen the American economy—not scoring political points with reckless spending.

As Republican leader of this committee, I must also raise concerns with the legislation to authorize over \$40 billion of taxpayer funds as I understand this proposal may serve as the Committee's response to the United States Innovation and Competition Act – USICA – that passed the Senate earlier this year.

While the Senate might have changed the name of Endless Frontiers to USICA, it didn't change my view of this legislation. USICA—which tries to beat the Chinese Communist Party at their own game of expansive government subsidies—is not how we will win the future. We cannot let countries like China control the critical supplies, materials, and technologies that drive the economy and determine the future.

Creating new, duplicative multi-billion dollar programs, and trying to outspend the CCP is not the solution. Instead, we should address significant challenges to the security of our manufacturing sectors and

supply chains like overregulation, permitting reform, tax burdens, and and unclear rules of the road for businesses.

Creating low barriers to entry and lifting the tax and regulatory burdens will lead to economic leadership and prosperity. That is what we set out to do with the American COMPETE Act, which is undergoing Administrative action.

Time and again, the Majority's answer to virtually every pressing issues our country faces is to spend more money. This is unsustainable and will create more problems than it solves. These vulnerabilities in our supply chain were exposed during the COVID-19 pandemic and continue to reverberate across our domestic industries.

Not only are Democrats and the Biden-Harris administration ignoring the underlying causes of the rampant supply chain and domestic manufacturing crises we're seeing their regulations and the reconciliation tax and spending spree will make these issues worse and make us even more dependent on China..

Whether it's the taxpayer-financed rush to green forcing the adoption of renewables and electric vehicles or the innovation-killing socialist price controls on prescription medicines. These reckless priorities will destroy any hope of America being a globally competitive, economic leader.

Throwing another ten or hundred billion dollars to pay off industry will **not** make these issues go away and it certainly **will** make us more reliant on the Chinese Communist Party.

Instead, we should remove the barriers preventing America from on-shoring our vulnerable supply chains and manufacturing emerging technologies. We need permitting and licensing reforms to take advantage America's abundant natural resources so we can secure domestic sources of critical minerals that will fuel the future.

We need to keep the competitive tax code Republicans enacted with the Tax Cuts and Jobs Act, so foreign and domestic companies invest in America. And, we need regulatory reforms that let the private sector innovate. These are the solutions to this supply chain crisis that is raising costs on every family.

That is how we win the future and beat China, not by passing socialist agendas—on the back of CHIPS legislation—that result in more centralized planning from the federal government. Let's do the hard work now, before we move to a markup, so we pass policies that are truly bipartisan consensus of this committee. Thank you, I yield back.