

April 16, 2014

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Washington, DC 20510

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U.S. House of Representatives
Washington, DC 20515

Senator Mitch McConnell
United States Senate
Washington, DC 20510

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President
AMT – The Association For Manufacturing Technology

We are writing as members of the 2014-15 Board of Directors of AMT – The Association For Manufacturing Technology on behalf of America’s manufacturing technology industry to urge your action on a pro-manufacturing agenda in 2014 that helps accomplish three goals: levels the global playing field for American companies; improves access and support to programs that boost innovation; and provides increased education and training opportunities for students and job seekers in manufacturing.

America’s power to provide opportunity for our citizens, defend our shores and compete on the world stage depends on our ability to produce innovative products with talented and trained workers. Unfortunately too often, rather than providing a foundation which encourages innovation and growth, our government creates roadblocks that get in the way of our competitiveness.

There are numerous bipartisan efforts currently underway that would represent major progress toward strengthening American manufacturing if enacted into law. We respectfully suggest you begin work on areas where you can agree.

Comprehensive Tax Reform

While our competitors in the developed world have made significant strides in lowering corporate tax rates, the U.S. has done little to alleviate the tax burden on American businesses. In fact, the haphazard nature in which our tax policy is legislated and applied has stymied investment and hiring in an already sluggish economy. Congress must act now to restore certainty and level the playing field for manufacturers by passing long-term tax reform. We commend the House and Senate tax-writing committees for their commitment to this effort. They spent considerable time and resources laying the groundwork; now it is up to Congress to finish the job.

AMT supports transitioning to a territorial system of taxation that lowers rates for all manufacturers, including the many small companies that don’t file corporate taxes. In addition, we support an accelerated capital cost recovery system that eventually leads to full expensing of capital equipment purchases. This is the way to ensure American companies can modernize their facilities and keep pace with manufacturing technology innovations. In the short term, we urge permanent extension of an improved R&D tax credit that is accessible to a greater number of businesses and extension of 2013 Sec. 179 expensing limits. Chairman Camp’s proposal includes a number of these key provisions and is a good starting point toward reform.

Meaningful Regulatory Reform

The deleterious effects of overzealous regulation on manufacturers, particularly small companies, are well documented. In many cases, the cost of compliance far outweighs any tangible benefit. In other examples, such as export controls, outdated policies prevent U.S. businesses from pursuing lucrative market opportunities.

AMT members support sound regulatory policy that improves the working environment for businesses and their employees. The process for promulgating regulations should be uniform across agencies; transparent to include all stakeholders; and based on cost/benefit analysis and measurable results. The package of regulatory reform bills that recently passed the House accomplishes these goals with provisions that improve transparency and accountability in the regulatory process. The package also reduces costs by ensuring the best alternatives are considered and implemented.

Trade Promotion Authority

The global market for manufactured goods is worth \$11 trillion, and the vast majority of the consumers live outside the United States. Trade agreements are one of the best ways to solidify a fair and open trade environment on a level playing field. The Bipartisan Congressional Trade Priorities Act (S. 1900/H.R. 3830) would renew TPA for up to seven years, giving the United States a critical tool in negotiating and implementing market-opening trade agreements that will make manufacturers more competitive globally. We urge Congress to work with the Administration to expeditiously enact Trade Promotion Authority to open markets globally and drive economic growth.

Support for Rapid Innovation

Technology is dramatically changing the face of manufacturing today, but not the important role it plays in economic growth, national security and job creation. If the U.S. is to remain a world-class competitor, the federal government must raise its game in nurturing a culture of innovation. Two bipartisan initiatives before Congress underscore a commitment to high-risk research and breakthrough innovation. First, the America COMPETES Act, which supports many cutting-edge federal manufacturing technology R&D programs, should be reauthorized.

Secondly, Congress should pass the Revitalize American Manufacturing and Innovation Act (S. 1468/H.R. 2996), which creates a network of manufacturing innovation institutes modeled after America Makes, the pilot manufacturing innovation institute focused on additive manufacturing and 3D printing. In just over a year, America Makes has become a model of public-private collaboration in manufacturing technology. AMT is a founding partner of America Makes and is proud to have several members working on new and existing projects. We are looking forward to working on the recently announced institutes in Chicago, Detroit and Raleigh.

Smartforce-Building Initiatives

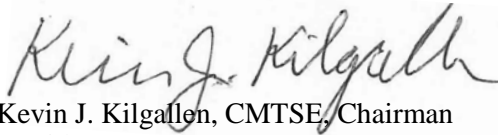
During his State of the Union, the President announced several key Administration initiatives underway to boost education and training opportunities for prospective workers in the 21st century workplace. At AMT, we call this building our "Smartforce." These initiatives will be driven by collaboration of stakeholders and led by Vice President Biden. AMT applauds these efforts to: reform existing programs; identify and implement best practices; and strengthen the role of community colleges in the coalition of stakeholders. Congress can build on this work by passing federal legislation based on successful state initiatives, such as The New Skills for New Jobs Act (S. 1795), modeled after the Michigan New Jobs Training Program.

Sensible Immigration Reform

Lastly, Congress can make history by coming together on immigration reform. A reasonable bill has already passed the Senate that addresses border security, a pathway to citizenship, and visas for highly-skilled workers. We respectfully request that you work across the aisle to get a bill to the President's desk.

Jumpstarting American manufacturing is the clear path toward sustainable economic growth, improved national security, and building a 21st century workforce. Congress has the responsibility of ensuring that a competitive manufacturing sector is at the top of our legislative agenda. Above, we have outlined several initiatives with some level of bipartisan support that would improve the climate for manufacturing growth. Please join with your colleagues in acting on these proposals.

Thank you for your consideration.



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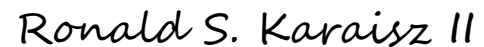
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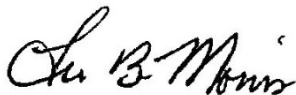
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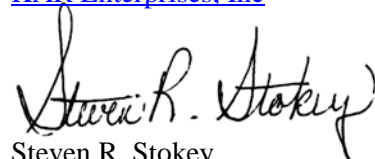
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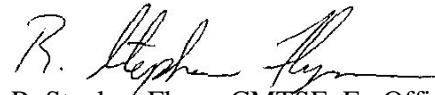
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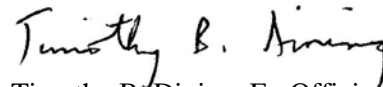
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