



It is Time to Strengthen **U.S. Manufacturing**

Congressional Action Needed to Improve Federal Manufacturing Programs

Overview

The manufacturing sector is vital to national security and the U.S. economy. It is also essential to the future prosperity and long-term competitiveness of the United States. The multiplier effect for manufacturing is also the largest of any sector: every dollar invested in manufacturing generates as much as \$1.89 in business growth in other supporting sectors. Despite the importance and promise of manufacturing, the U.S. share of global manufacturing has declined by as much as 36% in the last 15 years.

The National Institute of Manufacturing Act

The Government Accountability Office estimates that there are 58 manufacturing-related programs across 11 different federal agencies. This makes it needlessly difficult and expensive to carry out their missions and impossible to estimate the total federal investment in manufacturing. The *National Institute of Manufacturing Act*, (S.4194), introduced by Senator Gary Peters (D-Mich.) and supported by AEM, will significantly raise the profile of manufacturing in the federal government, increase efficiencies and collaboration across existing federal manufacturing programs, reduce wasteful spending, and improve the ability and accountability of the federal government to respond to rapid changes in the global manufacturing landscape. The bill will reduce redundancies and improve efficacy across the federal government, and aim to utilize existing funding and personnel to improve overall efficiency. The *National Institute of Manufacturing Act* will provide the manufacturing sector and its workforce the resources and leadership they need.

Specifically, NIMA will:

- Create an independent federal institute – the National Institute of Manufacturing – that will serve as a hub for all federal manufacturing programs in the executive branch and coordinate federal manufacturing policy across agencies.
- Establish a Chief Manufacturing Officer reporting directly to the President of the United States and responsible for developing and carrying out a national manufacturing strategy—including planning for emergencies and supply chain disruptions of national importance.
- Set up a National Manufacturing Council to provide non-partisan and expert advice to the President of the United States on how to strengthen the manufacturing sector and ensure the future competitiveness of U.S. manufacturing in the global economy.
- Retool www.manufacturing.gov into a one-stop hub for manufacturers to access federal manufacturing programs and provide real time feedback.
- Direct the National Institute of Manufacturing to review new regulations that would impact manufacturers.

The *National Institute of Manufacturing Act* was developed with input and support from the Association of Equipment Manufacturers, Alliance for American Manufacturing, National Association of Manufacturers, the National Marine Manufacturers Association, the Motor Equipment Manufacturers Association, American Foundry Society, American Composites Manufacturers Association, Information Technology and Innovation Foundation, the Association for Manufacturing Technology, American Manufacturing Communities Collaborative, Michigan Manufacturing Technology Center, and the Ohio Manufacturing Institute.

AEM is the North American-based international trade group representing off-road equipment manufacturers and suppliers, with more than 1,000 companies and more than 200 product lines in the agriculture and construction-related industry sectors worldwide. The equipment manufacturing industry in the United States supports 2.8 million jobs and contributes roughly \$288 billion to the economy every year.