

Rachel Jones Vice President Energy & Resources Policy

August 4, 2021

The United States Senate Washington, DC 20510

Dear Senator:

Now is the time for bold infrastructure investment and immediate actions to address climate change. The National Association of Manufacturers commends the U.S. Senate for moving forward H.R. 3684, the Infrastructure Investment and Jobs Act. This historic investment will support our economic recovery and provide the foundation for decades of American economic and environmental leadership.

Manufacturers in America are committed to the communities in which they live and serve, and dedicated to protecting the health, safety and vibrancy of those communities. Through constant innovation, investment and dedication, manufacturers in the U.S. have become leaders in environmental stewardship and sustainability, while continuing to be the engine that drives our economic growth and prosperity. As a result of our relentless drive toward sustainability, the manufacturing sector in the U.S. today is a clean and efficient operation that is technology driven and dedicated to the planet and its people. That should be recognized and rewarded, not punished.

Unfortunately, a misguided provision in H.R. 3684 would single out U.S. chemical and metals sectors for a \$14 billion Superfund tax increase. The new tax should be dropped. For the chemical sector alone, the tax would make 44 plants uncompetitive and create conditions that could engender shutdowns. The new taxes would set back innovation in the U.S. and ultimately cost consumers. While the tax would be first placed on basic chemicals and metals, those are the building blocks for energy efficiency technologies, semiconductors, water treatment and disinfection, batteries, wind turbine blades, building materials, new road and bikeway surfaces and other advanced energy technologies this bill rightfully seeks to support and deploy.

Because of the negative impacts of this tax on manufacturers, supply chains, and costs to consumers, Congress phased out this tax in 1995. That was the right thing to do decades ago and it is the right thing to do today. Adding these taxes now will hurt global competitiveness and make critical products more expensive to all Americans. The NAM urges the Senate to adopt infrastructure legislation without reinstating a Superfund tax that is harmful to critical manufacturing sectors and undercuts the very goals of this bold infrastructure investment.

Sincerely,

Rachel Jones Vice President Energy & Resources Policy