

**Statement of the Honorable Mary Bono Mack  
Subcommittee on Commerce, Manufacturing, and Trade  
Legislative hearing on H.R. \_\_\_\_, the “American Manufacturing  
Competitiveness Act of 2012,” and H.R. \_\_\_\_, to repeal an obsolete  
provision in title 49, United States Code, requiring motor vehicle  
insurance cost reporting**

**June 1, 2012**

*(As Prepared for Delivery)*

Throughout our nation’s long history, a growing and robust manufacturing sector has helped to make America great. It’s been a driving force in our economy since the Industrial Revolution.

But as our nation has moved from the Atomic Age to the Space Age to the Information Age, manufacturing has not kept up, losing nearly 6 million American jobs since the beginning of the 21<sup>st</sup> century. Aging, rusting and abandoned factories litter the U.S. landscape.

Statistics show the manufacturing sector was the hardest hit in terms of job losses during the Great Recession. While manufacturing accounts for just a tenth of our nation’s jobs, manufacturing suffered a third of our nation’s job losses.

We have a chance now to reverse this trend, and I applaud the hard work of Mr. Lipinski and Mr. Kinzinger in developing a bipartisan plan for improving manufacturing in the United States.

The American Manufacturing Competitiveness Act of 2012, H.R. 5865, calls for two Presidential reports to Congress, outlining a strategy for promoting growth, sustainability and competitiveness in the manufacturing sector. The reports are due in April 2014 and in 2018.

The Act establishes the American Manufacturing Competitiveness Board consisting of 15 Members, five from the public sector, including two Governors, and ten from the private sector. The five public appointments are made by the President, while the ten private-sector members are appointed by the House and Senate. The Board would be co-chaired by the Secretary of Commerce and one of the private-sector members.

The duties of the Board are to: (1) advise the President and Congress on manufacturing issues; (2) conduct a rigorous analysis of the manufacturing sector; and (3) develop a national competitiveness strategy, which would be made available for public comment and submitted to the President.

The Board will then develop and publish for public comment a draft manufacturing strategy based on its analysis and any other information the Board determines is appropriate.

This strategy will include short-term and long-term goals for improving the competitiveness of U.S. manufacturing as well as recommendations for action.

The second bill before us today, H.R. 5859, repeals an obsolete provision in the United States Code, requiring motor vehicle insurance cost reporting. I also want to commend Mr. Harper and Mr. Owens for their bipartisan work on this legislation.

Here's the problem: In 1993, NHTSA issued a final rule, requiring new car dealers to make available to buyers a booklet containing the latest information on insurance costs. The information is updated by NHTSA annually based on data from the Highway Loss Data Institute.

The information required by this regulation is rarely sought by consumers and its value is highly questionable. Insurance premiums are based primarily on factors that are unrelated to the susceptibility of damage to a vehicle, including the driver's age, driving record, location, and miles driven.

Additionally, a recent survey of 815 members of the National Automobile Dealers Association reported 96 percent of its dealers had never been asked by a customer to see the insurance cost booklet that is at issue.

Clearly, this is yet another example of where the cost of a federal regulation outweighs its potential benefit. As a nation, we simply can't keep doing business this way.

America is at an important crossroads right now. One direction – lined by job-killing regulatory hurdles, a punitive tax code and indecisive political leadership – will lead ultimately to a further erosion of our manufacturing base and lost prosperity for future generations of Americans.

The other direction – where smart policies and smart minds eventually intersect – could lead, instead, to a resurgence in U.S. manufacturing, putting millions of Americans back to work again and breathing new life into the beleaguered Middle Class.

Both of the bills being discussed today are a step in the right direction, and as Chairman of this subcommittee, I plan to bring them up for favorable consideration in the very near future.