

**Opening Statement of the Honorable Leonard Lance
Subcommittee on Commerce, Manufacturing, and Trade
Markup on H.R. 2052, the "Global Investment in American Jobs Act of 2013"**

May 22, 2013

(As Prepared for Delivery)

Welcome to the subcommittee's mark-up of H.R. 2052, the Global Investment in American Jobs Act of 2013. This is a bipartisan piece of legislation that instructs the Department of Commerce to conduct an interagency review that identifies barriers to foreign investment in the United States and makes recommendations on ways to lower or eliminate these unnecessary barriers.

Foreign firms have a positive direct investment presence in every state: in 2010 U.S. affiliates of foreign firms employed an estimated 5.6 million Americans - workers who made, on average, \$77,000 per year. These U.S. subsidiaries invested \$41.3 billion in research and development efforts and \$149 billion in capital expenditures that same year. In the manufacturing sector alone, Foreign Direct Investment inflows were nearly \$84 billion in 2012 according to the National Association of Manufacturers.

The United States should be a leader in attracting foreign investment. We have a stable government, safe working conditions, and the most skilled workforce in the world. Unfortunately, according to the testimony of the Organization for International Investment at our legislative hearing last month, the United States' share of foreign direct investment dropped from 41 percent in 1999 to 17 percent in 2011.

We are here today to begin reversing that trend. Our long-term global competitiveness and economic success as a nation are directly tied to our ability to attract foreign investment.

In my home state of New Jersey, foreign firms employed 256,700 people as recently as the beginning of 2011. This accounts for nearly 7% of total private-sector employees in an age of 9% statewide unemployment.

The capacity to support further foreign investment is great, as New Jersey's advanced distribution network of planes, trains, ships, and automobiles sits in the heart of the East Coast corridor. The state of New Jersey is working constantly to attract new foreign firms, but more can be done at the federal level to support these efforts and similar efforts by other states. In the interest of my state and my country, all opportunities to improve the investment climate should be pursued, and I am confident they will be once the Global Investment in American Jobs Act becomes law.

When considering new rules and regulations, this subcommittee wants Congress and regulatory agencies to remember any potential impact on the ability of the U.S. to attract foreign direct investment. There are a number of areas within the purview of the federal government where we can improve the domestic climate for foreign direct investment. It is my hope – and that of Chairman Terry, Ranking Member Schakowsky, and the rest of our subcommittee – that the report at the heart of this legislation will highlight those areas, both for the administration – where it can act on its own authority – and for Congress – where the administration lacks the authority to act of its accord.

Creating high-paying job opportunities, putting Americans to back to work, and incentivizing companies to come to our shores are all bipartisan priorities. This bipartisan legislation will help us identify changes we can make to achieve these goals.

I am pleased to report that our subcommittee worked closely in a bipartisan fashion to craft this legislation. I extend on behalf of Chairman Terry thanks to Congresswoman Schakowsky for her effort. I also thank the Majority Chief Deputy Whip, Peter Roskam, and Congressman John Barrow for joining us in crafting this bipartisan legislation to promote job creation. We are pleased to have these three outstanding legislators join Chairman Terry as original cosponsors today.

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