



*John Engler*  
President and CEO

January 27, 2009

The Honorable Nancy Pelosi  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

The Honorable John Boehner  
Minority Leader  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Steny Hoyer  
Majority Leader  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Eric Cantor  
Minority Whip  
U. S. House of Representatives  
Washington, DC 20515

The Honorable James Clyburn  
Majority Whip  
U.S. House of Representatives  
Washington, DC 20515

Dear Madam Speaker, Leader Hoyer, Leader Boehner, Congressman Clyburn, and  
Congressman Cantor:

The National Association of Manufacturers (NAM) is gratified by the commitment of the bipartisan, bicameral Congressional leadership and the Obama Administration to move quickly on a legislative package to help get America working again. Manufacturers recognize that immediate action is needed to address the unprecedented challenges faced by all sectors of the economy.

NAM members believe a balanced tax and investment package designed to have an immediate impact on job providers and the people who depend on them, will go a long way to spur economic revitalization. To this end, we strongly support a number of provisions in the American Recovery and Reinvestment Act scheduled for debate this week. This legislation – which combines targeted tax incentives and increased investment in areas critical to our competitiveness – will help get our nation’s economy back on track and ensure job creation and sustainable economic growth.

In particular, the NAM supports the following measures:

- **Tax Relief for Struggling Companies:** Net operating loss (NOL) relief has a proven track record of helping companies through tough times. Extending the carry back period to five years will provide an immediate infusion of cash for struggling companies of all sizes, in a broad, cross-section of industries. The loss carry back extension will help companies retain jobs, make critical investments and, in some cases, simply keep their doors open.

*Manufacturing Makes America Strong*

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- **Broad Investment Incentives:** Capital investment is key to sustainable economic growth and job creation. Extending the 2008 “enhanced” expensing and “bonus depreciation” provisions that allow all companies to take a current 50 percent write-off will help spur needed investment.
- **Housing:** The housing market collapse remains at the core of our nation’s economic crisis and it is critical that any economic recovery plan include proposals to stabilize and revitalize the housing industry. The proposed enhancements to the home buyers’ tax credit will encourage people to reenter the housing market, helping to retain and create job opportunities in numerous housing-related industry sectors.
- **Energy Efficiency and Renewable Energy:** Energy efficiency upgrades can reduce energy costs. Proposed new incentives and extensions and enhancements of existing provisions will encourage investment in energy efficient equipment and sources of renewable energy. While we support an investment strategy to achieve energy efficiency, the NAM would oppose mandates that lock in higher energy costs for manufacturers. We continue to believe that the adequacy of domestic energy supply remains one of the biggest challenges impacting manufacturers and their decisions on where to locate.
- **Highway, Aviation and Waterways:** Providing additional funding to states and localities struggling to make progress on the growing backlog of transportation infrastructure projects will go a long way to strengthen our nation’s transportation infrastructure, a critical priority for manufacturers. Similarly, funding a 21st century satellite-based air traffic control system will significantly enhance safety and energy efficiency while relieving congestion at our nation’s crowded airports. Likewise, fully funding the Army Corps of Engineers water resources program will address millions of dollars of unmet needs related to high priority operations and maintenance along the inland waterway system.
- **Water and Sewer Facilities:** Funding to update and modernize our nation’s drinking and wastewater infrastructure will help promote sound environmental policy and manufacturing competitiveness, while providing manufacturing and construction jobs.
- **Health Information Technology:** Rising health care costs are a significant concern because they limit manufacturers’ ability to create new jobs or invest in new technologies, ideas, or products. New funding and incentives to promote the widespread adoption of a uniform, interoperable system of health information technology (HIT) will increase transparency, reduce medical costs and improve the quality of patient care.
- **Workforce Development:** Many unemployed workers are not trained in the techniques and technologies necessary to fill a number of the jobs existing today and those that would be created by the stimulus package. These technical jobs require either postsecondary training or specific skills, which is why this must be an important component of any economic stimulus.

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- **Broadband:** Initiatives to promote the deployment of high-speed broadband infrastructure in unserved and underserved areas will help ensure that high-speed Internet service is available everywhere in America. Benefits will be felt immediately in business, education and healthcare.
- **Basic R&D:** Federal funding for basic research and development by the Department of Energy's Office of Science, the Department of Commerce's National Institute of Standards and Technology (NIST) and the National Science Foundation will support our nation's ability to strengthen innovation in industries, foster a green economy and create new jobs in cutting-edge technologies.

The NAM recognizes that action by the House of Representatives will be a significant step. We urge you to move expeditiously to address our economic crisis. Throughout the debate in the House and Senate, we are committed to working with you to strengthen the American Recovery and Reinvestment Act with additional provisions that will also create jobs and have a highly beneficial impact on our economy, including needed pension changes, additional tax relief to accelerate clean coal technologies, incentives to bring foreign earnings back to the United States, expansion of domestic energy resources, such as offshore exploration, and expansion of our nuclear energy infrastructure.

If the National Association of Manufacturers can provide any information on these or any other issues, please do not hesitate to call me at (202) 637-3000.

Thank you for your leadership.

Sincerely,

A handwritten signature in black ink that reads "John Engler". The signature is written in a cursive, flowing style.

John Engler

JE/gjj

cc: All Members, U.S. House of Representatives