
(April 26, 2005) Statement by the Hon. Daniel Lipinski, 26 April, 2005 H.R. 1158

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H.R. 1158, Steel and Aluminum Energy Conservation

and Technology Competitiveness Act

Mr. Speaker, I yield myself such time as I may consume. I want to join the gentlelady from Illinois, Mrs. Biggert in support of H.R. 1158, the Steel and Aluminum Energy Conservation and Technology Competitiveness Act. I commend her for her support today, as well as the gentlelady from Pennsylvania, Ms. Hart, for taking a leadership role in pursuing this legislation dating back to the last Congress. This bill will benefit our constituents, Democrat and Republican alike, and it has been a pleasure to have this opportunity to work in a bipartisan effort to bring this measure to the Floor today.

Today, almost one-quarter of the steel production in the United States is in the Chicago/Northern-Indiana region, but our country no longer hails as the world's leading producer. My constituents in the Third District of Illinois have been especially impacted by the changes that have come with increased foreign competition. Families and communities have been badly hurt by job losses. But the impact has also been felt in other places around the country. My father-in-law in Johnstown, PA lost his job as a steelworker when his plant was forced to close. This bill will help prevent further losses of good American jobs by increasing the competitiveness of our domestic manufacturing. I also strongly believe that the overall prospects for the American steel industry have an important bearing on our future economic security as well as our national security. For these reasons, I strongly support this bill, which has become known as the Metals Initiative.

This bill, improving upon a program which was originally passed by the 100th Congress, authorizes federal cost sharing of research. The goals of this research are threefold: Increased Competitiveness for the U.S. Metals Industries, Energy Efficiency, and A Cleaner Environment. The development of technologies that will increase energy efficiency as well as improve our international competitiveness is key to maintaining our national security both from an economic and a military perspective. Likewise, the implementation of more environmentally-friendly technologies that reduce emissions or reduce demand for petroleum will result in both a public benefit - a cleaner environment, and a private benefit - a cut in the costs of production.

The Metals Initiative has three very important provisions that make it a common-sense vehicle for pursuing cooperation between government and industry. First, there is the payback provision which requires that the federal investment be repaid out of net proceeds of commercialization once the technology is developed. This provision prevents the program from taking on the negative connotations of a mere federal subsidy. Instead, it provides a framework for these domestic companies, their employees and the communities that rely upon their revenue bases, to benefit from the new technologies that are made possible through this public-private partnership.

The second provision that makes this partnership work is the 70 percent/30 percent, government/industry cost share. When industry puts their own money at risk, the projects get senior management attention. Historically these types of steel research and development projects have yielded results that meet national needs and are highly marketable, producing a win/win situation.

The third provision calls for industry ownership of intellectual property produced from the research. Twenty-five years of experience under the Bayh-Dole Act has shown that when ownership of patents is left with inventors, the likelihood that patents will be put to commercial use dramatically increases. This factor creates opportunities for economic growth and better job security for hard-working Americans.

The Metals Initiative is simply a great example of how public-private partnerships can benefit both taxpayers and shareholders; it will help enrich the overall economy, offer much-needed stimulation for the growth of technology in key industries, and protect the environment. With recent changes in trade laws and other international forces at work, we owe it especially to the people who work in these industries. All Americans benefit from such common sense programs. I urge my colleagues to support H.R. 1158 today and vote yes on this bill.

I reserve the balance of my time.