



June 6, 2022

The Honorable Gina M. Raimondo
Secretary, U.S. Department of Commerce
1401 Constitution Avenue, N.W.
Washington, D.C. 20230

Dear Secretary Raimondo:

Thank you for your work to secure the United States' competitiveness on the global stage and for your support of bipartisan innovation legislation in Congress. As members of the New Democrat Coalition's Rural Reinvestment Task Force, we write today to express our support for ensuring that rural America is prioritized when the Department of Commerce distributes funds and other resources made available in bipartisan innovation legislation related to strengthening America's competitiveness that is negotiated between the House and Senate.

The bipartisan innovation legislation will promote American global leadership, security, and competitiveness; counter the influence and market abuses of adversarial powers; grow our economy, create jobs, and help ease long-term inflationary pressures; strengthen and diversify our global and domestic supply chains; boost production of American-made semiconductors; and usher in the next generation of breakthrough research and technology. To ensure we can unlock the full potential of every community in America toward these goals, we must invest in and leverage the talent and potential of rural America.

Specifically, both the House-passed America COMPETES Act and Senate-passed USICA include \$52 billion in funding to incentivize investment in facilities and equipment for semiconductor fabrication, assembly, testing and research and development. This legislation would also create the Office of Supply Chain Resiliency and authorize \$45 billion for grants, loans and loan guarantees to support supply chain resilience and manufacturing of critical goods, industrial equipment and manufacturing technology. We urge the Department of Commerce to use the semiconductor funding and supply chain resilience resources to incentivize semiconductor manufacturing in rural areas, and to support rural jobs and economies with supply chain resilience resources. Data shows that manufacturing provides more jobs and higher earnings in rural areas than many other sectors and that rural manufacturing plants survive longer than urban ones, making rural America an ideal fit for these new, important investments.¹

¹ "Rural Manufacturing Survival and Its Role in the Rural Economy." Economic Research Service. U.S. Department of Agriculture. Oct. 25, 2017. <https://www.ers.usda.gov/amber-waves/2017/october/rural-manufacturing-survival-and-its-role-in-the-rural-economy/>

The House bill also authorizes \$4 billion for the Economic Development Administration to carry out a place-based economic development program, the Recompete pilot grant program, which would empower persistently distressed communities to create lasting economic growth and jobs. Rural America has been largely left behind by the economic growth and opportunities of recent decades, and Recompete grants would provide critical resources to these communities to address their unique challenges and rebuild their economies for the future. The House and Senate legislation also include funding to seed new regional technology hubs outside of areas where most of the investments and jobs of the technology industry are concentrated. Tech hub funding can be paired with the increased funding for basic and applied science where there are research universities, national labs, or other research institutions in or serving rural communities. Investments such as these are a strong step towards ensuring that rural America can succeed in the 21st century economy.

The House bill also includes Trade Adjustment Assistance (TAA) provisions, including \$9 billion in funding over seven years for the TAA for Community Colleges and Career Training Program. This program, developed during the Obama Administration, seeks to offset trade disruptions in the domestic job market by increasing the ability of community colleges to address the challenges of today's workforce. There are approximately 250 rural community colleges across the United States, and an even greater number of community colleges that serve a primarily rural student population. These institutions are anchors of our communities, and we encourage the Department to utilize new investments in the TAA for Community Colleges and Career Training Program to help bolster their workforce training and education activities.

Again, thank you for your work in helping our country emerge even stronger from this pandemic than we were before it. Rural America stands ready to help the United States build back better. Please do not hesitate to reach out with any questions or concerns.

Sincerely,



Rep. Cheri Bustos

Co-Chair

New Democrat Coalition Rural Reinvestment
Task Force



Rep. Cindy Axne

Co-Chair

New Democrat Coalition Rural Reinvestment
Task Force



Rep. Derek Kilmer

Chair Emeritus

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Rep. Jim Costa

Member

New Democrat Coalition Rural Reinvestment
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Rep. Tom O'Halleran

Member

New Democrat Coalition Rural Reinvestment
Task Force



Rep. Ron Kind

Member

New Democrat Coalition Rural Reinvestment
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cc: Secretary Marty Walsh