



TTAA Legislative Update

March 21, 2022



Senate Takes Up America COMPETES Act, FY 2023 Budget Arrives Soon

The Senate takes up a major bill, the America Creating Opportunities for Manufacturing, Pre-Eminence In Technology, and Economic Strength Act of 2022 (shot-title America COMPETES Act) today.

This bill, H.R. 4521, passed the House on February 2nd. The plan is for the Senate to vote its own version and then go to conference with the House to write a final bill.

The House bill has no tax title, thus it isn't suitable to enact an extension of the Employee Retention Tax Credit (ERTC), expanded WOTC Credit, and other small business recommendations unless the Senate adds tax provisions to the bill.

Small business advocates view is to continue urgent contacts with Senate Finance Committee Chairman Ron Wyden and other Senate leaders to enact ERTC, WOTC, to support financially stressed firms by drawing millions of low-wage, low-participation workers into employment.

Looking ahead, the Biden administration will soon send its Fiscal Year 2023 Budget of the Federal Government to the Hill. The budget is must-do legislation, and congressional leaders—who've just completed the FY 2022 budget—tell us they've already set in motion the process of preparing another Omnibus as soon as Congress determines the top-line numbers.

Also very soon, the Biden Administration plans to send Congress a bill to restore the expanded child credit and several other programs carried over from the failed BBB Act. We can expect Congressional Democrats to fold these latest Biden proposals into the FY 2023 Omnibus as its battle plan for the November election.

Thus small business grassroots campaign will carry into the elections again; and around the corner, calendar 2023 will launch another fight to make the Work Opportunity Tax Credit permanent.



TTAA Signs onto American Energy Leadership Letter to President Biden

Dear Mr. President:

We appreciate your attention to the financial impact that energy issues, including the current geopolitical strife, existing and proposed policies, and the post-pandemic economic recovery are having on American's daily lives. As you know, increased costs for motor fuels and home heating are among the most significant financial obligations our citizens face. Coupled with overall inflation, which is compounded by surging energy prices, Americans are paying more for all goods and services – from a gallon of milk to an Uber ride – as manufacturers and service providers try to recover their energy costs.

It's important to remember that the U.S. led the world in oil and natural gas production with record highs in 2019, and the benefits of that status was shared by producing and non-producing states alike. The oil and natural gas industry comprised more than 11.3 million total jobs or 5.6 percent of total U.S. employment. This accounted for more than \$892.7 billion in labor income, or 6.8 percent of our nation's labor income.

The industry represents a significant part of our nation's economic and fiscal future, and our energy independence hinges on sound policy that incentivizes resource development, modernizes energy infrastructure, and streamlines burdensome regulations. Yet, despite the crisis in Ukraine, the inflation crippling our return to economic normalcy, and demand for petroleum products far outpacing supply, policymakers continue to hinder the oil and natural gas industry's efforts to increase production and reestablish our nation's energy independence, stability, and security.

To avoid further economic impact, policymakers and your administration could help ensure accessible, affordable, and reliable U.S. energy by doing the following:

- Provide certainty on oil and natural gas leasing by compelling the Department of Interior (DOI) to meet deadlines and honor its obligation to lease on federal lands and waters.
- Permit energy infrastructure and halt the Federal Energy Regulatory Commission's increased regulatory barriers for approving natural gas pipelines.
- Execute the laws that mandate the DOI to complete a long-term offshore program to avoid unnecessary production and development disruption. No offshore lease sales can be held without the five-year program in place and the next program, which should be in place by July 1, is severely behind schedule, and will not be finalized by the time the current program expires.

Without hyperbole, the need for abundant, dependable, and affordable energy has never been more important for our nation and the world – now and in the future. The U.S. Energy Information Administration expects that natural gas could provide 34 percent of U.S. primary energy demand in 2050, and the world's energy use in 2040 will still depend on oil and natural gas. The world needs energy leadership, and the U.S. is positioned to reassume the role.

We appreciate your consideration of the state of our nation's energy security as well as its impact on the world's energy needs. We look forward to collaborating with you and your administration on efforts to support policies that ensure long-term American energy leadership, security, and progress, including those that result in the continued operation of existing oil and natural gas pipelines, the construction of new pipelines, the resumption of consistent, credible federal lease sales, and the immediate preparation of a new five-

year program to guide future offshore leasing.

Sincerely,

TTAA; API (American Petroleum Institute), TIA, and other trade associations



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