

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Full Committee Ranking Member Frank Pallone, Jr.

Hearing on “American Global Competitiveness at 250: Legislative Proposals to Secure U.S. Technology Leadership”

June 30, 2026

American ingenuity and inventiveness are things we can all celebrate. Over the course of our 250-year history, America has been the birthplace of countless innovations from telephones to airplanes to the technology that underlies the internet.

All of us want to see that success continue over the next 250 years, but there is growing evidence that China is pulling ahead in research and technological development. While China advances an integrated industrial strategy, the Trump Administration is dismantling ours.

The Trump Administration illegally froze more than 7,800 federal research grants. The cost of these research cuts is enormous, studies estimate as much as \$1 trillion in GDP. Top talent is leaving the country or choosing not to come here in the first place, handing a generational advantage to our competitors. The Trump Administration has also repeatedly tried to shut down the manufacturing institutes that train our workforce and develop the advanced manufacturing technologies of the future. Just this May the Administration proposed rule changes for federal grants that politicize science and threaten the independence of the scientific research that has made American research the envy of the world.

We cannot compete with China and others while gutting the very institutions designed to make competition possible.

Democrats have offered a different path. Through investments like the CHIPS and Science Act, Democrats fought for the future of American innovation with historic investments to modernize critical domestic sectors and create jobs for Americans. The CHIPS and Science Act invested nearly \$53 billion in the domestic semiconductor supply chain and every public dollar has catalyzed five to seven dollars of private investment. Since enactment, private companies have created 58,000 jobs across 28 states and committed more than \$450 billion in investment. The CHIPS and Science Act invested in America, our workers, and our industries.

Many of the bills before us today address important sectors and technologies for American economic leadership. For example, the Chip EQUIP Act will ensure that CHIPS and Science Act dollars are not used to bolster our adversaries' capacity. Other bills and discussion drafts in this hearing address important issues including robotics, immersive technologies, biosecurity, biomanufacturing, and supply chains for quantum technologies, automobiles, and memory chips. I look forward to working with my colleagues across the aisle on these bills.

June 30, 2026

Page 2

I do have concerns about the PROTECT USA Act, which would force American companies to choose between violating the Act, which exempts companies from foreign regulations related to sustainability and social impacts, or facing penalties in the European Union. This would push our allies away at the very moment we need them in our corner to coordinate a response to China's sustained strategy of hollowing out critical economic sectors. And it would cut American businesses off from global competition which will make them weaker in the long run – not stronger.

Ultimately, American leadership in the next generation of technologies requires investment in research and talent, not the cuts we've seen from the Trump Administration.

Thank you and I yield back.