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Moolenaar, LaHood Introduce NO GOTION Act to Stop Taxpayer Funding of CCP Companies

Congressman John Moolenaar and Congressman Darin LaHood (R-IL) have introduced the *No Official Giveaways Of Taxpayers' Income to Oppressive Nations (NO GOTION) Act.* The bill would prohibit companies affiliated with the Chinese Communist Party (CCP) from receiving green energy production tax credits implemented by the Biden administration in the Inflation Reduction Act (IRA). The legislation comes in response to Gotion Inc., a subsidiary of the CCP-affiliated Gotion High-Tech, planning to build battery factories in Michigan and Illinois, which would qualify for the tax credits under the IRA.

"The NO GOTION Act is a simple three-page bill that will prohibit CCP-affiliated companies, including Gotion, from receiving the federal tax dollars of hardworking American families. If America is going to have a secure energy supply, we cannot give federal tax credits to CCP-controlled companies and allow them to expand their influence in the U.S.," **said Moolenaar**. "Quite simply, the tax dollars of the American people should not be used to pad the profits of a company beholden to the CCP."

"As a member of the House Select Committee on the Chinese Communist Party (CCP) and the House Intelligence Committee, I have seen the malign efforts that the CCP, and other foreign adversaries like Iran and Russia, are engaged in to undermine our domestic supply chains and national security," **said LaHood.** "Hard-working taxpayers should not be on the hook for billions in federal subsidies funneling to companies beholden to malign actors, like the CCP. It is clear that the so-called 'Inflation Reduction Act' is being leveraged by foreign adversaries to exploit loopholes to gain generous incentives and dominate key technologies in the United States. Congress and the federal government should be promoting pro-growth tax policy that supports American businesses and this commonsense bill is a positive step to get us back on track."

"Under no circumstance should the United States allow our adversaries to benefit from American taxpayers' hard-earned income," **said Congressman Rob Wittman (VA-01), a co-sponsor of the legislation.** "I am proud to join my colleagues in introducing the NO GOTION Act, which is a

critical measure to deny green energy tax benefits from going to companies that are created, organized, or controlled by Russia, Iran, North Korea, and China."

In a media report last month, a Gotion official said the company is "reviewing and assessing" how it can use the green energy tax credits President Joe Biden signed into law in 2022. In September 2022, Gotion Inc.'s plans were initially approved by local leaders to build a battery component factory in Mecosta County, Michigan. In September 2023, Gotion Inc. announced plans to build a similar factory in Manteno, Illinois.

In a recent Foreign Agents Registration Act <u>filing</u>, Gotion Inc. claimed it was "wholly owned and controlled by" Gotion High-Tech, which is based in China. According to Gotion High-Tech's bylaws, it is required "to carry out Party activities in accordance with the Constitution of the [Chinese Communist Party]."

The *NO GOTION Act* is cosponsored by Rep. Mike Gallagher (R-WI), the Chairman of the Select Committee on the Strategic Competition between the United States and the CCP, as well as Reps. Jack Bergman (R-MI), Mike Bost (R-IL), Neal Dunn (R-FL), Drew Ferguson (R-GA), Carlos Giménez (R-FL), Bill Huizenga (R-MI), John James (R-MI), Blaine Luetkemeyer (R-MO), Nicole Malliotakis (R-NY), Lisa McClain (R-MI), Mary Miller (R-IL), Greg Murphy, M.D. (R-NC), David Schweikert (R-AZ), Michelle Steel (R-CA), Greg Steube (R-FL), Claudia Tenney (R-NY), and Tim Walberg (R-MI). The full text of today's bill can be found here.

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