SHARICE DAVIDS

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COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

COMMITTEE ON SMALL BUSINESS

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The Honorable Nancy Pelosi Speaker U.S. House of Representatives Washington, D.C. 20515

The Honorable Kevin McCarthy Minority Leader U.S. House of Representatives Washington, D.C. 20515

The Honorable Eddie Bernice Johnson Chairwoman Committee on Science, Space, and Technology Washington, D.C. 20515 The Honorable Steny Hoyer Majority Leader U.S. House of Representatives Washington, D.C. 20515

The Honorable Steve Scalise Minority Whip U.S. House of Representatives Washington, D.C. 20515

The Honorable Frank Lucas Ranking Member Committee on Science, Space, and Technology Washington, D.C. 20515

Dear Speaker Pelosi, Majority Leader Hoyer, Minority Leader McCarthy, Minority Whip Scalise, Chair Johnson and Ranking Member Lucas,

Thank you for your leadership in bringing the *America COMPETES Act* to the House floor last month and in proceeding to a conference with the Senate on this bipartisan legislation.

As you know, this bill contains important provisions that will bolster domestic semiconductor manufacturing, invest in research and development and science education, make our nation more competitive on the global stage, and address the root causes of inflation. From the classroom to the factory floor to the White House, many voices have been calling on Congress to send this bipartisan bill to the President's desk, and we must deliver.

As the conference committee begins their negotiations on the *America COMPETES Act*, I want to emphasize the provisions that address our Strategic National Stockpile (SNS). At the beginning of the COVID-19 pandemic, hospitals and health care providers were quickly overwhelmed and faced devastating shortages of personal protective equipment (PPE). This was a direct effect of the long-standing decline of American manufacturing. By the early 2000s, nearly 90 percent of medical masks in the U.S. were being produced overseas.¹ As of November 2020, the SNS held fewer than 50 percent of the N95 respirator masks that the Trump administration promised it would in May 2020.²

¹ <u>"US medical supply chains failed, and COVID deaths followed," The Associated Press.</u>

² "U.S. Supplies of Covid-19 PPE Fall Short of Targets," The Wall Street Journal.

A lack of domestic PPE manufacturing, strained supply chains, and market concentration in China has led to the price gouging of life-saving medical supplies, widespread counterfeit PPE, health care providers being forced to unsafely reuse masks and gowns, and, undoubtedly, the prolonging of this public health crisis.

As the pandemic continued, manufacturers across the country stepped up to the challenge. They pivoted their assembly lines and retrained their workers to supply our communities with desperately needed PPE. That includes small businesses in my district like Dentec Safety Specialists, which stopped making N95 respirator masks in 2008 due to competition from China but resumed during this crisis thanks to state and federal *CARES Act* funding.³ Their story inspired me to introduce the *SUPPLIES Act*, which would create a grant program for small businesses looking to pivot to PPE production in times of need.

Now, with the strong Make it in America provisions included in the *America COMPETES Act*, we have the opportunity to resolve supply chain risks, reduce our reliance on foreign manufacturers, and support those small business champions.

Among those provisions is a \$1.5 billion supply chain flexibility pilot program that would boost and maintain SNS reserves of PPE and other critical medical supplies. It includes my amendment that would direct the Department of Health and Human Services to consider small- and medium-sized manufacturers—like Dentec—when distributing this grant money and establishing cooperative agreements.

When it comes to national emergencies like the COVID-19 pandemic, we need all hands on deck. Small- and medium-sized businesses are the backbone of Kansas' 3rd District and so many others nationwide. Provisions in the *America COMPETES Act* that bolster the SNS and give small- and medium-sized businesses a seat at the table will create jobs, accelerate our recovery, and ensure preparedness for future emergencies.

I urge the conferees to maintain my House-passed amendment in any final text of this U.S. competition bill and look forward to working with you to get this bipartisan effort to the President's desk.

Sincerely,

Representative Sharice L. Davids Member of Congress

³ "Sharice Davids' bill creates federal grants for companies to make COVID-19 supplies," The Kansas City Star.