



## PURCHASE AMERICAN-MADE MEDICAL PERSONAL PROTECTIVE EQUIPMENT (PPE)

### *A Strong Domestic Production Base for PPE is Good for Healthcare and National Security*

#### Issue

At the height of the COVID-19 crisis, hospital systems and front-line medical providers nationwide were confronted with devastating shortages of textile-based personal protective equipment (PPE). These shortages were the result of a nearly complete dependence on offshore suppliers of PPE, who dominate global production of these life-saving materials. Shortages were further exacerbated when the world's largest supplier of PPE, China, decided to restrict exports of key PPE items in the early months of the pandemic. If the United States is to reconstruct a vibrant, self-sufficient PPE industry, federal policy must be enacted with the intention to incentivize and nurture a domestic PPE manufacturing chain.

#### Background

As America faced overwhelming challenges in responding to COVID-19, the U.S. textile industry stepped forward and answered America's call during this time of crisis. Numerous domestic textile manufacturers retooled production lines and retrained workers to provide U.S.-made PPE to front-line medical workers. In doing so, they were able to manufacture and supply hundreds of millions of urgently needed items including face masks, isolation gowns, and their textile components at a time when global supply failed to meet the needs demanded by this crisis. While great strides have been made in developing a U.S. PPE manufacturing base, the right policy framework will be critical to ensure the level of domestic self-sufficiency that we have learned the hard way is essential to both our healthcare readiness and national security. These policy changes should include:

- Approve legislation modeled on the Berry Amendment, which is used by the Department of Defense, to require all federal purchases of PPE meet a 100% U.S. content and labor standard.
- Require that federal PPE contracts with U.S. producers be issued for a period of at least three years to provide domestic manufacturing with enough contract stability to incentivize the long-term capital investments needed to expand production.
- Establish a "Best Value" contracting basis for federal PPE procurement rather than the lowest price to prevent U.S. tax dollars from being spent on imported PPE that often benefits from state-sponsored production and export subsidies.
- Create federal incentives, such as tax credits and improved Medicaid reimbursements, for private sector purchases of American-made PPE to encourage domestic PPE sourcing on the part of large hospital systems and other commercial healthcare providers.

#### ACTION REQUESTS:

**To create a self-sufficient U.S. PPE production base that bolsters America's healthcare preparedness, economic strength, and national security, federal policymakers should urgently move to adopt:**

- **Legislative and regulatory changes that establish a Berry Amendment procurement system for all federal PPE purchases and create other vital incentives to help re-shore and expand this critical production chain.**