Congress of the United States Washington, DC 20515

December 9, 2019

The Honorable Nancy Pelosi Speaker of the House of Representatives Washington, DC 20515

The Honorable Mitch McConnell Majority Leader Washington, DC 20510 The Honorable Kevin McCarthy Minority Leader Washington, DC 20515

The Honorable Chuck Schumer Minority Leader Washington, DC 20510

Dear Speaker Pelosi, Minority Leader McCarthy, Majority Leader McConnell, and Minority Leader Schumer:

As new members of Congress whose districts include innovators and entrepreneurs in the medical device industry, we write in support of urgent action to repeal the medical device tax before the end of the year. The current suspension of the medical device tax expires on December 31, 2019. This looming tax increase will impact medical technology innovation and job creation, and threatens to destabilize the marketplace for this industry and the patients it serves. It is critical to the health and sustainability of this vital American manufacturing industry that this tax not be reinstated.

The states we represent employ many of the 400,000 Americans who work in the medical device industry. These constituents typically earn a salary that is higher than the national average, contributing to our state and local economies. The innovative technology this manufacturing sector and employees create has transformed medical care, creating better outcomes and higher quality care for patients.

Legislation to repeal the medical device tax enjoys broad bipartisan support in both the House and the Senate. Members recognize the impact this tax has on our constituents, both in terms of access to the medical devices and diagnostic tools developed, and in their employment.

The 2.3% tax on revenue, rather than income, is misplaced, and it deters innovation, company formation, and economic growth. As some companies plan their budgets for 2020, they will continue to move forward with decisions based on the assumption that the tax will return.

According to data from the U.S. Department of Commerce, nearly 29,000 American jobs in this industry were lost while the medical device excise tax was in effect from 2013 to 2015. With the tax now suspended, medical technology companies across the country are investing resources

into critical research and development and the jobs that accompany these important activities. This investment leads to advancements that benefit all Americans.

We support repeal of the medical device tax because Americans and patients everywhere who rely upon these innovative technologies will ultimately suffer the burdens if this tax goes back into effect. The House and Senate must act as soon as possible. We owe it to our constituents to act, and we look forward to working with you to accomplish this goal.

Sincerely,

Lizzie Fletcher Member of Congress

Kendra S. Horn Member of Congress

Susie Lee

Member of Congress

Ben McAdams Member of Congress

Kim Schrier

Member of Congress

Joe Cunningham

Member of Congress

Cingy Axne Member of Congress

Chris Pappas

Member of Congress

Lucy McBath

Member of Congress

Jeff Van Drew

Member of Congress

Angie Craig

Member of Congress

Harley Rouda

Member of Congress

Tom Malinowski Member of Congress

Lori Trahan

Member of Congress

Madeleine Dean Madeleine Dean

Member of Congress

Anthony Brindisi Member of Congress

Dean Phillips

Member of Congress

Katie Porter

Member of Congress

Josh Gottheimer Member of Congress

Member of Congress