

H.R. 1166, Public Health Emergency Medical Supplies Enhancement Act of 2023

As ordered reported by the House Committee on Financial Services on February 28, 2023

By Fiscal Year, Millions of Dollars	2023	2023-2028	2023-2033
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply?	No
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Mandate Effects	
		Contains intergovernmental mandate?	Excluded from UMRA
		Contains private-sector mandate?	Excluded from UMRA
* = between zero and \$500,000.			

During the coronavirus pandemic the Administration—through a series of executive orders—used authorities under the Defense Production Act of 1950 (DPA) to require businesses to prioritize performance and delivery on contracts and orders from the federal government.¹ It also used the act’s authorities to support manufacturing of medical supplies and vaccines, fund projects to expand domestic production of personal protective equipment (PPE), and partner with private companies to distribute PPE.

H.R. 1166 would amend the DPA to specifically incorporate some of the effects of those orders. The bill also would authorize the Federal Emergency Management Agency (FEMA)

1. See, for example, “America’s Supply Chains,” Executive Order 14017, 86 Fed. Reg. 11849 (February 24, 2021), <https://tinyurl.com/bdhmc8kc>; “A Sustainable Public Health Supply Chain,” Executive Order 14001, 86 Fed. Reg. 7219 (January 21, 2021), <https://tinyurl.com/2pa3b7af>; “Combating Public Health Emergencies and Strengthening National Security by Ensuring Essential Medicines, Medical Countermeasures, and Critical Inputs Are Made in the United States,” Executive Order 13944, 85 Fed. Reg. 49929 (August 6, 2020), <https://tinyurl.com/yupmducj>; “Delegating Additional Authority Under the Defense Production Act With Respect to Health and Medical Resources to Respond to the Spread of COVID-19,” Executive Order 13911, 85 Fed. Reg. 18403 (March 27, 2020), <https://tinyurl.com/mr2p7c56>; and “Prioritizing and Allocating Health and Medical Resources to Respond to the Spread of COVID-19,” Executive Order 13909, 85 Fed. Reg. 16227 (March 18, 2020), <https://tinyurl.com/bdehbd47>.



to appoint an outreach representative to work with industry during public health emergencies. FEMA and the Department of Health and Human Services established a position that fulfilled that requirement as part of the Supply Chain Stabilization Task Force, which manages critical shortages of PPE, ventilators, and pharmaceutical materials by coordinating with industry partners. Because H.R. 1166 would codify current practices, CBO estimates that implementing those provisions would not affect the federal budget.

The bill also would require the Administration to report regularly to the Congress during public health emergencies, detailing its use of authorities under the DPA. On the basis of information about similar reports, CBO estimates that satisfying that requirement would cost less than \$500,000 over the 2023-2028 period; any spending would be subject to the availability of appropriated funds.

CBO has not reviewed H.R. 1166 for intergovernmental or private-sector mandates. Section 4 of the Unfunded Mandates Reform Act excludes from the application of that act any legislative provisions that are necessary for national security. CBO has determined that the provisions of the Defense Production Act of 1950, as amended by the bill, would fall under that exclusion.

The CBO staff contacts for this estimate are Caroline Dorminey (for federal costs) and Brandon Lever (for mandates). The estimate was reviewed by Chad Chirico, Deputy Director of Budget Analysis.

A handwritten signature in black ink, appearing to read 'Phillip L. Swagel'.

Phillip L. Swagel
Director, Congressional Budget Office