To amend title 41, United States Code, and the Internal Revenue Code of 1986, to ensure availability of personal protective equipment during pandemics and other public health emergencies through stockpile requirements and domestic manufacturing incentives, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Made in America: Preparation for a Pandemic Act of 2020”.

SECTION 2. REQUIREMENT TO STOCKPILE PERSONAL PROTECTIVE EQUIPMENT.

SECTION 3. INCENTIVES FOR DOMESTIC MANUFACTURING.

SECTION 4. REPORTS.

SECTION 5. SUNSET PROVISIONS.

SEC. 2. REQUIREMENT TO MAINTAIN SUFFICIENT PERSONAL PROTECTIVE EQUIPMENT STOCKPILE AND DOMESTIC SUPPLY CHAINS FOR NATIONAL SECURITY PURPOSES.

(a) In general.—Chapter 83 of title 41, United States Code, is amended by adding after section 8302 the following:

"§ 8302A. Personal protective equipment stockpile and domestic supply chains

"(a) Domestic content requirement.—

"(1) In general.—To ensure strategic domestic supply chain capabilities for national security purposes, not less than 25 percent of the amount of personal protective equipment in the Strategic National Stockpile shall be comprised of personal protective equipment that is produced in the United States.

"(2) Requirement to procure items produced in the United States.—If the requirement under paragraph (1) is not satisfied, until such requirement is satisfied no Federal funds may be used to procure an item that is personal protective equipment for the Strategic National Stockpile unless that item is produced in the United States."
“(3) **DIRECTOR.**—The Director shall work with the Secretary to ensure that the requirement under paragraph (1) is satisfied.

“(4) **EXCEPTION.**—Paragraph (2) shall not apply with respect to the procurement of an item that is personal protective equipment if the Secretary and the Director determine jointly that—

“(A) applying such paragraph would be inconsistent with the public interest or national security interest;

“(B) such item is not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality;

“(C) applying paragraph (2)—

“(i) with respect to a contract, cooperative agreement, or transaction to be entered into on or before the date that is 5 years after the date of the enactment of the Made in America: Preparation for a Pandemic Act of 2020, will increase the cost of such contract, cooperative agreement, or transaction by more than 50 percent; and
“(ii) with respect to a contract, cooperative agreement, or transaction to be entered into after the date that is 5 years after the date of the enactment of the Made in America: Preparation for a Pandemic Act of 2020, will increase the cost of such contract, cooperative agreement, or transaction by more than 25 percent; or

“(D) such item is, or includes, materials determined to be nonavailable in accordance with section 25.104 of the Federal Acquisition Regulation.

“(5) Notification of noncompliance required.—If the Director determines that the requirement in paragraph (1) is not satisfied, the Director shall—

“(A) submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Oversight and Reform of the House of Representatives quarterly—

“(i) a notification stating that such requirement has not been satisfied; and

“(ii) a report on—
“(I) the personal protective equipment in the Strategic National Stockpile;

“(II) any contract entered into in the prior quarter for the procurement of personal protective equipment not produced in the United States, including the exception under subsection (a)(4) applied with respect to such contract; and

“(III) any actions taken by the Director to ensure that the requirement under paragraph (1) is satisfied; and

“(B) post on the internet website maintained by the General Services Administration at beta.SAM.gov (or any successor site) each notification required by subparagraph (A)(i).

“(b) SUFFICIENCY OF STRATEGIC NATIONAL Stockpile.—The Director shall ensure that the Strategic National Stockpile includes an amount of personal protective equipment sufficient to meet the health security needs of the United States for 1 year during a pandemic or other emergency declared under section 319 of the Public
Health Service Act (42 U.S.C. 247d), including any renewal thereof.

“(c) APPLICATION.—This section shall be applied in a manner consistent with United States obligations under international agreements.

“(d) DEFINITION.—In this section—

“(1) DIRECTOR.—The term ‘Director’ means the Director of the Office of Management and Budget.

“(2) PERSONAL PROTECTIVE EQUIPMENT.—

The term ‘personal protective equipment’ means an item designed to protect the wearer or user from the spread of infection or illness, including a facemask, face covering, face shield, gown, coverall, glove, goggle, respirator, protective eyewear, biohazard container, shoe cover, hood, helmet, sleeve, scrub suit, surgical drape, human remains bag, towel, disinfecting wipe, triage tent, medical tent, or hand sanitizer.

“(3) PRODUCED IN THE UNITED STATES.—The term ‘produced in the United States’ means, with respect to an item—

“(A) the item that is manufactured or assembled in the United States; and
“(B) the total value of the parts or components contained in the item that are not grown, reprocessed, reused, manufactured, or assembled in the United States does not exceed 25 percent of the total purchase price of the item.

“(4) STRATEGIC NATIONAL STOCKPILE.—The term ‘Strategic National Stockpile’ means the Strategic National Stockpile under section 319F–2 of the Public Health Service Act (42 U.S.C. 247d–6b).

“(5) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.

“(e) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to limit the private distribution, purchase, or sale of personal protective equipment from sources other than the Strategic National Stockpile.”.

(b) EFFECTIVE DATE.—This section, and the amendments made by this section, shall take effect on the date that is six months after the date on which this section is enacted.

(e) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 83 of title 41, United States Code, is amended by adding after the item related to section 8302 the following new item:

“8302A. Personal protective equipment stockpile and domestic supply chains.”.
SEC. 3. PANDEMIC PREPARATION TAX CREDIT.

(a) In General.—Subpart D of part IV of sub-
chapter A of chapter 1 of the Internal Revenue Code of
1986 is amended by adding at the end the following new
section:

“SEC. 45U. PANDEMIC PREPARATION TAX CREDIT.

“(a) Allowance of Credit.—For purposes of sec-
tion 38, the pandemic preparation tax credit determined
under this section for the taxable year is an amount equal
to 20 percent of the qualified expenses paid or incurred
by the taxpayer during such taxable year for purposes of
producing personal protective equipment (including a com-
ponent, part, or raw material of such personal protective
equipment) that qualifies for addition to the Strategic Na-
tional Stockpile under section 8032A(a)(1) of title 41,
United States Code.

“(b) Denial of Double Benefit.—No deduction
or credit shall be allowed under any other provision of this
chapter with respect to the amount of the credit deter-
mined under this section.”.

(b) Credit Made Part of General Business
Credit.—Section 38(b) of the Internal Revenue Code of
1986 is amended by striking “plus” at the end of para-
graph (32), striking the period at the end of paragraph
(33) and inserting “, plus”, and adding at the end the
following new paragraph:
“(34) the pandemic preparation credit determined under section 45U.”.

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end the following new item:

“Sec. 45U. Pandemic preparation tax credit.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.