

**Congress of the United States**  
**Washington, DC 20515**

September 16, 2019

The Honorable Mitch McConnell  
Majority Leader  
Washington DC, 20510

The Honorable Chuck Schumer  
Minority Leader  
Washington DC, 20510

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

The Honorable Kevin McCarthy  
Minority Leader  
Washington, DC 20515

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

As members of the Arizona delegation who support a repeal of the medical device tax, we write to urge bipartisan action before the current suspension of the tax expires on December 31, 2019. We are extremely concerned its resumption will harm innovation in the medical device industry, which provides life-saving technology to millions of patients and supports 400,000 American workers, including over 17,000 in Arizona.

Medical devices improve the lives of millions of Americans. Arizona medical device companies are delivering products that help patients regulate their diabetes, treat cancers, improve mobility, offer pain relief without the need for opioids, and provide other novel solutions that make life better for the American people. We have seen the negative impact the tax can have on this life-saving industry. It is ultimately the patients who rely upon these innovative technologies who will suffer the burden of this tax if it goes back into effect.

First, the medical device tax reduces industry investment in research and development, stifling innovation and reducing patient access to new technologies that improve the quality of care. The medical technology industry is primarily comprised of small businesses. The tax, which is assessed on sales instead of profits, is particularly burdensome for the small, start-ups that drive innovation but have yet to reach profitability. Of the 6,500 medical device manufacturers in the U.S., approximately 80 percent employ fewer than 50 employees.

Second, the medical device tax costs jobs. According to the U.S. Department of Commerce, the U.S. medical technology industry saw jobs fall by nearly 29,000 workers while the medical device excise tax was in effect from 2013 to 2015. A resumption of the tax could erode gains made in employment since then.

The tax will endanger jobs, dampen innovation, and harm the overall quality of health care. Furthermore, the impact in Arizona will be significant. Arizona is a leader in medical technology manufacturing, which employs thousands of Arizonans and contributes almost \$3 billion to our state's economy. Given the potential return of the tax, companies in Arizona are

being forced to make decisions on how to best allocate resources for research and development and employment. They need Congress to act now.

Congress has previously come together to prevent the tax from being reinstated. Legislation to repeal the device tax is both bicameral and bipartisan. Repealing the medical device tax is a commonsense solution that encourages innovation, provides patient access to life-saving medical technology, and spurs job growth in our states and across the country. That is why we are cosponsors of the bipartisan Protect Medical Innovation Act (H.R. 2207/S. 692). We urge our leaders to work together once again to provide patients and this crucial industry relief from the medical device tax. We stand ready to work with you to accomplish this goal.

Sincerely,


  
Kyrsten Sinema  
United States Senator

  
Martha McSally  
United States Senator

  
Tom O'Halleran  
Member of Congress

  
Ann Kirkpatrick  
Member of Congress

  
Paul A. Gosar, D.D.S.  
Member of Congress

  
Andy Biggs  
Member of Congress

  
David Schweikert  
Member of Congress

  
Debbie Lesko  
Member of Congress

  
Greg Stanton  
Member of Congress