

EVERYONE BUT US

The Trump Administration and Medical Supply Exports

Report by the Office of Congresswoman Katie Porter (CA-45)
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Summary

Using previously unreported data, this report documents how President Trump has misapplied the Defense Production Act and mismanaged our nation's supply of personal protective equipment and ventilators by exporting needed medical equipment in the face of the threat of COVID-19. The result is an American people who face the apex of this pandemic without life-saving medical equipment.

I have repeatedly urged President Trump to use his authority under the Defense Production Act (DPA) to ensure adequate supplies of Personal Protective Equipment (PPE) and ventilators for health care providers.¹ The DPA exists for exactly the kind of situation we are currently experiencing, when an organized response from industry is vital for national security. The DPA provides a range of authorities, including the ability to compel manufacturers to take government contracts and to make guaranteed loans to businesses so they can expand production.² If used promptly and correctly, this authority would have allowed President Trump to ensure adequate supplies of medical resources to combat the 2019 novel coronavirus (COVID-19). The pleas of doctors and nurses from around the country for medical equipment and protective gear make it clear that President Trump has failed—to date—to use the DPA to protect us in this pandemic.

President Trump also has mishandled our existing supplies of medical supplies. Our review of previously unreported government trade data indicates that the value of U.S. ventilator exports jumped 22.7% percent from January to February.³ We also found that in February 2020, the value of U.S. mask exports to China was 1094% higher than the 2019 monthly average. Our findings correspond to documents revealed by Congressman Lloyd Doggett, showing that as recently as March 2, the Trump Administration was encouraging American businesses to increase exports of medical

¹ Letter from 57 House Democrats to President Trump Urging Use of the Defense Production Act, March 13, 2020. <https://andylevin.house.gov/media/press-releases/57-house-members-urge-president-invoke-defense-production-act-authority>

² “The Defense Production Act of 1950: History, Authorities, and Considerations for Congress,” Congressional Research Service, Updated March 2, 2020. Retrieved at: <https://crsreports.congress.gov/product/pdf/R/R43767>

³ The Harmonized Commodity Description and Coding System (HS) is an international nomenclature for the classification of commodities. HS Code 6307 includes N95 respirators and other similar facemasks. Code 91920 includes products for oxygen therapy, artificial respiration, and or other therapeutic respiration apparatus. Data on U.S. imports and exports, categorized by HS Code, is available at <https://usatrade.census.gov/index.php>. Trade statistics for March are scheduled to be released on May 5, 2020.

supplies, especially to China.⁴ Yet, during this period, the U.S. government was well aware of the harms of COVID-19, including a likely need for additional respirators and masks.

The import data that we identified and reviewed also reveal that the Trump Administration failed to prepare for COVID-19 and to protect the health of Americans. From January to February, when the U.S. should have been stockpiling medical supplies, the value of ventilator imports dropped by more than 10 percent. The data shows a similar pattern with PPE and cleaning supplies, which fell by 11.3%, over \$161 million, from January to February 2020, and N95 masks in particular, which fell by 14.2%.

Just this past Friday, the President said he would use the DPA to block the export of these supplies, but he has—to put it charitably—been inconsistent with his statements about his use of the DPA during this crisis. Secretary of Health and Human Services (HHS) Alex Azar declared a public health emergency on January 31, but it wasn't until six weeks later, on March 13, that President Trump declared a national emergency, which is required to unlock the powers of the DPA. Trump then waited until March 25—yet another week of delay (and more poignantly, an additional 675 deaths) after his initial emergency declaration—to issue Executive Order 13910, allowing Secretary Azar to designate key supplies as "scarce."⁵ Two more days passed before the Administration claimed it was issuing its first order under the DPA, to General Motors to make ventilators. However, as of April 2—three weeks and 5,600 deaths after the initial emergency declaration—no such order had been issued.⁶ At this point, the public has lost trust in the Trump Administration's claims about the steps they are taking to ensure access to medical supplies, including limits on exports.

Congress must do everything in its power to hold President Trump and his administration accountable for their incompetence and callousness in protecting American lives during this pandemic. I have introduced legislation to require the administration to use the DPA, pushed HHS to finalize key DPA regulations, and called for all DPA orders to be made public. I have asked Speaker Pelosi to serve the American

⁴ "Stocks Surge as Central Banks Vow to Act on Coronavirus," New York Times, March 2, 2020. Retrieved at: <https://www.nytimes.com/2020/03/02/business/stock-market-today.html>

⁵ Executive Order 13910, "Preventing Hoarding of Health and Medical Resources To Respond to the Spread of COVID-19," March 23, 2020. Retrieved at: <https://www.federalregister.gov/documents/2020/03/26/2020-06478/preventing-hoarding-of-health-and-medical-resources-to-respond-to-the-spread-of-covid-19>

⁶ "Trump hasn't ordered any ventilators from GM, despite saying he was using wartime powers to force production," by John Fritze and Jayne O'Donnell, USA TODAY, April 3, 2020. Retrieved at: <https://www.usatoday.com/story/news/politics/2020/04/02/coronavirus-trump-said-force-gm-build-ventilators-he-hasnt/5100856002/>

public on the Congressional Oversight Commission or Select Committee to provide vigorous and accessible oversight into the Administration's next actions—or inactions.

My office has responded to 6,132 constituent questions about COVID-19 and continues to receive hundreds of inquiries per day about how to get unemployment insurance, where to donate medical supplies, why small business loan portals are unavailable, and other urgent questions. The most painful questions are those about the lack of personal protective equipment, ventilators, and necessary medications because those questions require speaking the painful truth: our President failed to take COVID-19 seriously until it was too late. Our nation exported lifesaving equipment, failed to harness our manufacturing prowess, and woefully underestimated the need to import additional supplies.

I fear that it will be too late for many Americans who will fall gravely ill and for all our frontline workers who battle this pandemic without necessary equipment. Together, we must bridge divisions, learn from these mistakes, impose consequences for irresponsible government conduct, and pray for our fellow Americans who will suffer from COVID-19.

Very Truly Yours,



Katie Porter
MEMBER OF CONGRESS

