

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

February 6, 2012

The Honorable John Boehner  
Speaker  
H-232, The Capitol  
Washington, DC 20515

The Honorable Eric Cantor  
Majority Leader  
H-329, The Capitol  
Washington, DC 20515

The Honorable Kevin McCarthy  
Majority Whip  
H-107, The Capitol  
Washington, DC 20515

The Honorable Dave Camp  
Chairman, Committee on Ways and Means  
1102 Longworth House Office Building  
Washington, DC 20515

Dear Speaker Boehner, Leader Cantor, Whip McCarthy and Chairman Camp:

As the most recently elected Republican members of the U.S. House of Representatives, we believe Americans sent us to Washington to reduce the size and scope of the federal government. Our country is facing a host of challenges: out of control government spending, an unemployment rate over 8 percent, regulatory overreach punishing innovation, and a burdensome tax code hurting American businesses. Congress needs to act now to begin reversing these trends.

One issue that we are particularly concerned with is the job-killing medical device tax included in the new health reform law. This new tax, slated to begin in 2013, would raise \$2.2 billion annually on the backs of America's medical device manufacturers. It is already costing American jobs – jobs we cannot afford to lose. The medical device industry is a true American success story, and adding to their tax burden is the wrong approach at the wrong time. As we have already seen, this new tax would severely hamper medical device innovation, patient access to new therapies and treatments, and job creation we desperately need.

Just last November, one medical device company – Stryker Corp. of Kalamazoo, Michigan – announced plans to lay off 5 percent of its workforce and reduce its operating budget by \$100 million by 2013 because of this new tax. The company estimates the restructuring will cost between \$150 and \$175 million, of which approximately \$85 to \$95 million will be reflected in fourth quarter 2011 earnings. Stryker is just one example of the impact this tax would have on medical device manufacturers. A recent study conducted by Furchtgott-Roth in September 2011 projected job losses in the device industry will be in excess of 10 percent of the device workforce. Further, the study suggests U.S. device manufacturers will be more likely to close plants in the U.S. and replace them with plants in foreign countries. According to the chairman of one major U.S. device maker, once these jobs go abroad, they will be nearly impossible to get back.

While this provision was intended as a simple revenue-raiser, it is bad policy that will have severe consequences. The way the tax is structured, it applies only to sales – not profits, which will hit small businesses especially hard. As we all know, small business is the engine of the American economy, and we should not be raising taxes on them during these difficult economic times. Companies are obligated to pay this tax regardless of whether they yield a profit, and in some cases may pay more under this tax than they generate from operations.

We must act now to repeal this onerous and irresponsible tax. With so many jobs hanging in the balance, this should not be a political issue. While our overarching aim is to repeal Obamacare in its entirety, there are some provisions that are causing more and more damage with each passing day. This tax is one of those provisions.

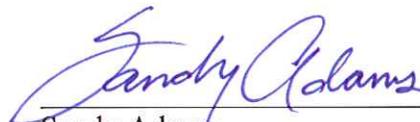
Representative Erik Paulsen of Minnesota introduced H.R. 436, the Protect Medical Innovation Act of 2011, on January 25, 2011, to repeal this tax. Currently, there are 226 cosponsors of the bill, including 87 freshmen. As the vast majority of Republican freshmen in the 112<sup>th</sup> Congress, we believe this is exactly the kind of bill we were elected to pass. We should not wait to act until 2013. The harm is being done now. Companies are planning for this new tax and jobs are being lost in the process.

We respectfully request our Leadership to work with Chairman Camp by bringing H.R. 436 to the floor for a vote as soon as possible. Doing so would protect medical innovation, preserve patient access to care, and create desperately needed jobs.

Sincerely,



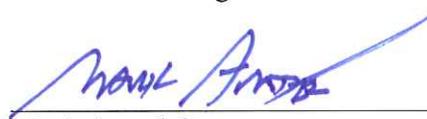
Todd Rokita  
Member of Congress



Sandy Adams  
Member of Congress



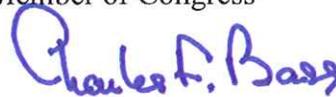
Justin Amash  
Member of Congress



Mark Amodei  
Member of Congress



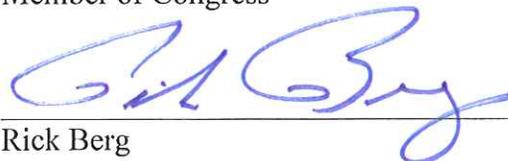
Lou Barletta  
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Charlie Bass  
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Dan Benishek  
Member of Congress



Rick Berg  
Member of Congress

*Diane Black*

Diane Black  
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*Mo Brooks*

Mo Brooks  
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*Larry Bucshon*

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*Ann Marie Buerkle*

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*Steve Chabot*

Steve Chabot  
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*Chip Cravaack*

Chip Cravaack  
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*Rick Crawford*

Rick Crawford  
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*Scott DesJarlais* TN-04

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*Robert Dold*

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*Jeff Duncan*

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*Mike Fitzpatrick*

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*Bill Flores*

Bill Flores  
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*Cory Gardner*

Cory Gardner  
Member of Congress

*Bob Gibbs*

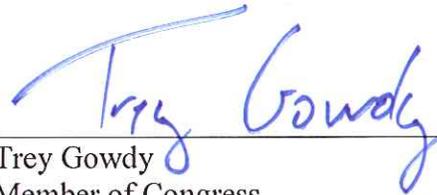
Bob Gibbs  
Member of Congress

*Christopher Gibson*

Christopher Gibson  
Member of Congress



Paul Gosar  
Member of Congress



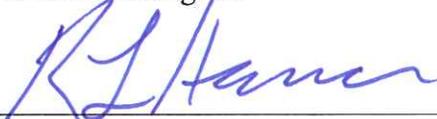
Trey Gowdy  
Member of Congress



Tim Griffin  
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Frank Guinta  
Member of Congress



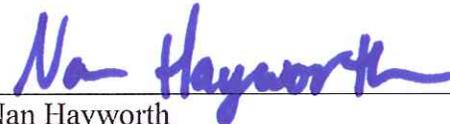
Richard Hanna  
Member of Congress



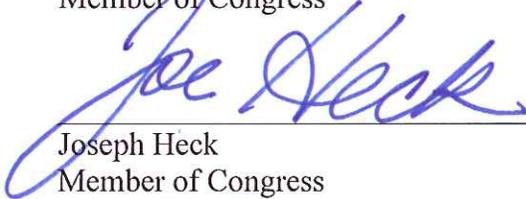
Andy Harris  
Member of Congress



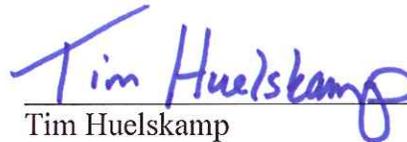
Vicky Hartzler  
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Nan Hayworth  
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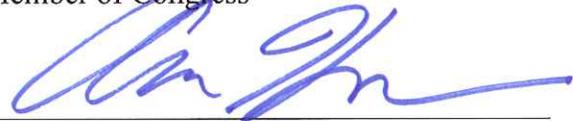
Joseph Heck  
Member of Congress



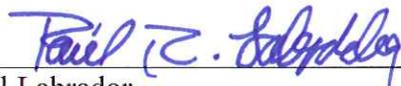
Tim Huelskamp  
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Mike Kelly  
Member of Congress



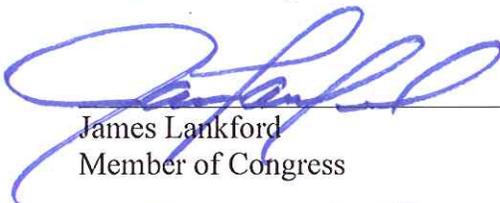
Adam Kinzinger  
Member of Congress



Raul Labrador  
Member of Congress



Jeff Landry  
Member of Congress



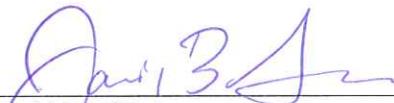
James Lankford  
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Billy Long  
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Tom Marino  
Member of Congress



David McKinley  
Member of Congress



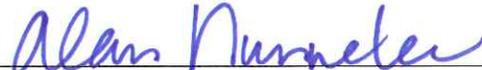
Patrick Meehan  
Member of Congress



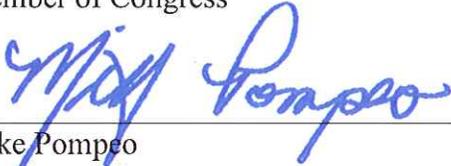
Mick Mulvaney  
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Kristi Noem  
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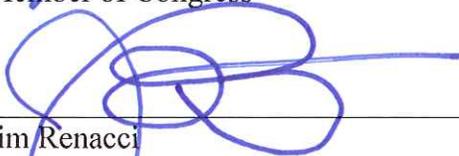
Alan Nunnelee  
Member of Congress



Mike Pompeo  
Member of Congress



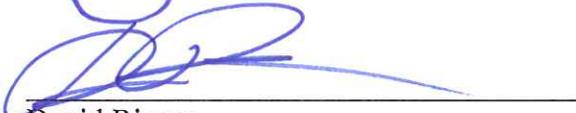
Ben Quayle  
Member of Congress



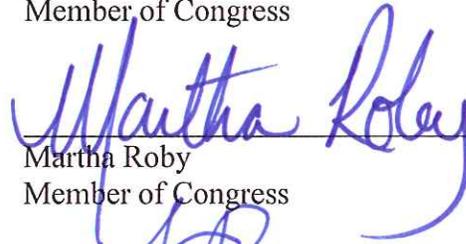
Jim Renacci  
Member of Congress



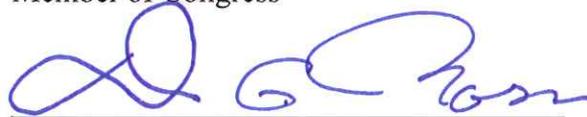
Reid Ribble  
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David Rivera  
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Martha Roby  
Member of Congress



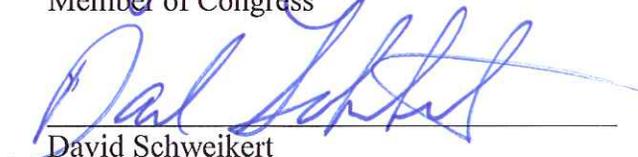
Dennis Ross  
Member of Congress



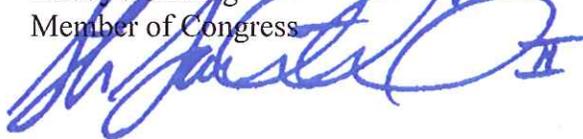
Jon Runyan  
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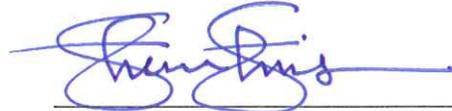
Bobby Schilling  
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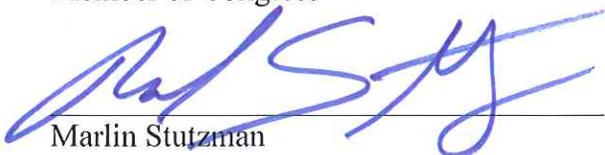
David Schweikert  
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Steve Southerland  
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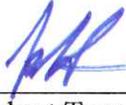
Steve Stivers  
Member of Congress



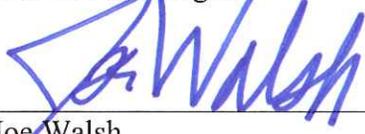
Marlin Stutzman  
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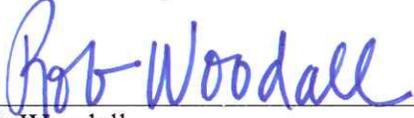
Scott Tipton  
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Robert Turner  
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Joe Walsh  
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Rob Woodall  
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Todd Young  
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Jeff Denham  
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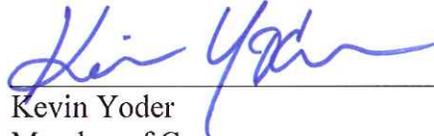
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Tim Walberg  
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Allen West  
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Kevin Yoder  
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Chuck Fleischmann  
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Scott Rigell  
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