



Charles Crain

*Managing Vice President,
Policy*

May 13, 2025

The Honorable Brett Guthrie
Chairman
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Guthrie,

On behalf of the National Association of Manufacturers and the 13 million people who make things in America, thank you for your work on the House's reconciliation bill. Passing a reconciliation package with pro-manufacturing energy, environment, health, technology, and tax policies is a crucial component of the NAM's comprehensive manufacturing strategy—which will support our industry's efforts to drive investment, job creation, and growth in America.

The NAM is the largest manufacturing association in the United States, representing small and large manufacturers in every industrial sector and in all 50 states. Small and medium-sized manufacturers make up the majority of manufacturing businesses in the United States and employ approximately 40% of manufacturing workers.

Manufacturers are particularly appreciative of the following provisions included in the Energy and Commerce Committee's bill:

Health

Manufacturers commend the Committee for including much-needed reforms to pharmacy benefit managers' practices in Subtitle D. Increased transparency into PBMs' formulary and coverage decisions will help break the cycle of PBMs increasing health care costs to boost their profits at the expense of patients. Delinking PBM compensation from a drug's list price will reverse PBMs' perverse incentives to drive up list prices, and it will ultimately lower prescription drug costs for patients. These are two of the NAM's top priorities in PBM reform.

We are also pleased to see the reforms for prescription drugs with orphan indications in the Drug Price Negotiation Program included in the bill. Allowing drugs with more than one orphan indication to be exempt from the Drug Price Negotiation Program is a win for patients suffering from rare diseases and the manufacturers committed to finding treatments and cures for these devastating conditions.

Energy

Manufacturers applaud the Committee's commitment to pursuing reforms to our out-of-date and burdensome permitting processes. The United States has abundant supplies of natural gas, oil, coal, hydropower, minerals and metals, nuclear, biomass, wind, and solar resources. Making it easier to utilize all of these resources under an American energy dominance agenda will benefit manufacturers in the United States by making it easier for them to access energy, grow their operations, modernize infrastructure, shore up supply chains, and create jobs.

The Energy and Commerce bill would expedite permitting and application processing with the imposition of variable and voluntary fees that will raise revenue for the federal government. This is a win-win for energy manufacturers and taxpayers. It would allow for the buildout of much-needed pipeline and energy transportation infrastructure, both domestically and across borders. It also would provide commonsense guardrails for judicial review of projects.

Finally, we commend the Committee for establishing the De-Risking Compensation Program, which will provide much needed financial certainty around energy projects whenever there is a change in administrations. This program would provide compensation to sponsors of projects that suffer unrecoverable losses due to qualifying federal actions.

Environment

The Energy and Commerce bill will also target unworkable regulations in order to alleviate the burdens of complying with unobtainable vehicle standards that were finalized even though the U.S. does not have the infrastructure or critical mineral supply chain in place to ensure compliance. Before the federal government advances highly aspirational regulatory policies, we must first have systemic reforms to our permitting processes.

The bill would also repeal and rescind unobligated funds for methane mitigation and monitoring requirements for natural gas systems and extend the start date on which the methane fee will begin to be collected from 2024 to 2034. Manufacturers have been at the forefront of efforts to develop innovative ways to control methane emissions. Natural gas is a critical part of the all-of-the-above energy strategy the U.S. needs, so manufacturers commend the Committee for looking to strike the right balance on regulations for the industry to thrive.

Technology

The NAM applauds the Committee's recognition, in Subtitle C, of the importance of a light-touch regulatory framework to support the development and use of artificial intelligence. AI is crucial to modern manufacturing, and innovation and U.S. leadership in this critical field would be hindered by a patchwork of divergent state laws and regulations.

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Manufacturers again commend you and the Committee for coming together on policies that will lower health care costs in the United States, make America more energy dominant and competitive, and pave the way for greater innovation in artificial intelligence. This legislation has the potential to empower manufacturers to create jobs, invest, grow, and compete into the future.

Sincerely,

A handwritten signature in black ink that reads "Charles F. Crain". The signature is written in a cursive, flowing style.

Charles Crain
Managing Vice President, Policy