AMENDMENT TO RULES COMMITTEE PRINT 117–31

OFFERED BY MS. HOULAHAN OF PENNSYLVANIA

Page 785, insert after line 11 the following:

Subtitle C—Defense Supply Chain Risk Management

SEC. 20221. RISK MANAGEMENT FOR DEPARTMENT OF DEFENSE SUPPLY CHAINS.

(a) RISK MANAGEMENT FOR ALL DEPARTMENT OF DEFENSE SUPPLY CHAINS.—Not later than 180 days after the date of the enactment of this Act, the Under Secretary of Defense for Acquisition and Sustainment shall—

(1) develop and issue implementing guidance for risk management for Department of Defense supply chains for materiel for the Department, including pharmaceuticals;

(2) identify, in coordination with the Commissioner of Food and Drugs, supply chain information gaps regarding reliance on foreign suppliers of drugs, including active pharmaceutical ingredients and final drug products; and

(3) submit to Congress a report regarding—

(A) existing information streams, if any, that may be used to assess the reliance by the Department of Defense on high-risk foreign suppliers of drugs;

(B) vulnerabilities in the drug supply chains of the Department of Defense; and

(C) any recommendations to address—

(i) information gaps identified under paragraph (2); and

(ii) any risks related to such reliance on foreign suppliers.

(b) RISK MANAGEMENT FOR DEPARTMENT OF DEFENSE PHARMACEUTICAL SUPPLY CHAIN.—The Director of the Defense Health Agency shall—

(1) not later than one year after the issuance of the guidance required by subsection (a)(1), develop and publish implementing guidance for risk management for the Department of Defense supply chain for pharmaceuticals; and

(2) establish a working group—

(A) to assess risks to the pharmaceutical supply chain;

(B) to identify the pharmaceuticals most critical to beneficiary care at military treatment facilities; and

(C) to establish policies for allocating scarce pharmaceutical resources in case of a supply disruption.

(c) RESPONSIVENESS TESTING OF DEFENSE LOGISTICS AGENCY PHARMACEUTICAL CONTRACTS.—The Director of the Defense Logistics Agency shall modify Defense Logistics Agency Instructions 5025.03 and 3110.01—

(1) to require Defense Logistics Agency Troop Support to coordinate annually with customers in the military departments to conduct responsiveness testing of the Defense Logistics Agency's contingency contracts for pharmaceuticals; and

(2) to include the results of that testing, as reported by customers in the military departments, in the annual reports of the Warstopper Program.