

WASHINGTON, DC 20510

April 8, 2025

The Honorable Howard Lutnick Secretary of Commerce U.S. Department of Commerce 1401 Constitution Avenue, NW Washington, DC 20230

Dear Secretary Lutnick,

We write to express our deep concern regarding the Department of Commerce's recent decision to cancel future funding for ten National Institute of Standards and Technology (NIST) Hollings Manufacturing Extension Partnership (MEP) Centers in Delaware, Hawaii, Iowa, Kansas, Maine, Mississippi, Nevada, New Mexico, North Dakota, and Wyoming. This decision has raised widespread concern across the entire national network of MEP Centers, prompting fears about whether these initial cancellations are the first step in a broader effort to dismantle the program and eliminate federal funding for all 51 centers, with centers in Colorado, Connecticut, Illinois, Indiana, Maryland, Michigan, New York, New Hampshire, North Carolina, Oklahoma, Oregon, Tennessee, Texas, Virginia, Washington, and Wisconsin expected to be notified about their status shortly. Given the MEP program's long-standing, bipartisan support in strengthening small and medium-sized American manufacturers, we share these concerns and urge you to provide clarity and certainty on your plans for the future of the MEP program.

According to the National Association of Manufacturers, 93% of manufacturers have fewer than 100 employees, while 75% have fewer than 20 employees.<sup>1</sup> Small manufacturers rely on MEP Centers for essential support in adopting the latest advanced technologies, updating their cybersecurity, navigating supply chain challenges, and accessing workforce training—resources that are often out of reach for small businesses without this dedicated assistance. These centers drive innovation, boost productivity, and create high-quality jobs, strengthening both local economies and America's global competitiveness. Without this critical federal support, MEP Centers—especially those with the fewest resources, and those serving rural and underserved communities—will be at the greatest risk of closure.

Dismantling this program would not only disrupt benefits for small businesses but also undermine decades of federal investment in domestic manufacturing resilience, which Congress prioritized in the MEP program in the Omnibus Trade and Competitiveness Act of 1988. Congress also reauthorized the MEP program in the CHIPS and Science Act of 2022. NIST was provided \$175 million in Fiscal Year (FY) 2025 to fund the MEP Centers. In FY2024 alone, the MEP National Network resulted in \$2.6 billion in cost savings, \$15 billion in new and retained sales, \$5 billion in new client investments, and over 108,000 jobs created or retained.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> "What's at Stake: Manufacturers Face Devastating Tax Increases in 2025," *National Association of Manufacturers*, (November 14, 2024); <u>https://nam.org/wp-content/uploads/2024/11/Whats-at-Stake-Tax-Compendium.pdf</u>

<sup>&</sup>lt;sup>2</sup> "MEP Economic Impacts Boost Business and Jobs," *National Institute of Standards and Technology*, (March 25, 2025); <u>https://www.nist.gov/news-events/news/2025/03/mep-economic-impacts-boost-business-and-jobs</u>

Additionally, a report by Summit Consulting and the Upjohn Institute found that the MEP program generated a substantial economic and financial return ratio of more than 17:1 for the \$175 million funding invested by the federal government in FY2023. The study also determined that MEP Center projects contributed to an overall increase of nearly 309,000 jobs across the United States.<sup>3</sup>

Given these benefits and the funding in the FY 2025 Continuing Resolution, we request a full explanation of the rationale behind this funding decision and ask that you promptly reconsider. Additionally, we urge the Department of Commerce to provide Congress with an impact assessment detailing how this decision will affect manufacturers in the affected states and regions. This action has caused tremendous uncertainty for all MEP Centers and the thousands of American manufacturing companies and their workers. Therefore, to better understand your plans for renewals across other states in the future, we request a briefing on the way ahead for the overall MEP program prior to making any final non-renewal decisions by April 30, 2025.

Eliminating federal support for MEP Centers would hamper American small and medium-sized manufacturers. We urge you to take immediate action to protect the MEP program and the manufacturers that rely on it. We look forward to your response no later than April 30, 2025, and are ready to work with you to find solutions that maintain and enhance the MEP program's ability to serve America's manufacturing sector.

Sincerely,

Maria Cantwell United States Senator

Charles E. Schumer United States Senator

Martin Heinrich United States Senator

Tammy Baldwin United States Senator

Tammis Virekum

Tammy Duckworth United States Senator

Mazie K. Hirono United States Senator

<sup>&</sup>lt;sup>3</sup> "The National-Level Economic Impact of the Manufacturing Extension Partnership (MEP): Estimates for Fiscal Year 2023," *W.E. Upjohn Institute for Employment Research*, (March 29, 2024); https://research.upjohn.org/reports/301/

Lisa Blunt Rochester United States Senator

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Brian Schatz United States Senator

Lor

Ron Wyden United States Senator

Chris Van Hollen United States Senator

Richard J. Durbin United States Senator

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Ben Ray Lujan United States Senator

Jacky Rosen U.S. Senator

Christopher A. Coons United States Senator

Gary CPeters United States Senator