

The “Supply Chain Disruptions Relief Act” ([H.R. 700/S. 443](#))

Request for Cosponsors – May 9, 2023

The National Automobile Dealers Association (NADA), representing over 16,500 franchised new car dealers nationwide, is respectfully requesting that you cosponsor the "Supply Chain Disruptions Relief Act," [H.R. 700/S. 443](#).

H.R. 700/S.443 is a technical and non-controversial bill that would allow businesses on LIFO extended time to replace vehicle inventories as pandemic-related global disruptions and reduced auto production made it nearly impossible to replenish new vehicle supply. The legislation is identical to H.R. 7382 from the 117th Congress, which had 174 [cosponsors](#). Unfortunately, the House ran out of time to consider H.R. 7382 after the Senate passed S. 4105 (the identical bill) by unanimous consent on Dec. 22, 2022.

The "Supply Chain Disruptions Relief Act" is still important to small business dealers. Though inventory has improved since hitting historic lows in September 2021, it is still well below what was considered normal before the pandemic. Under the legislation, dealers would have until the end of 2025 to replenish inventory and compute LIFO reserve/LIFO recapture for years 2020 and 2021.

The “Supply Chain Disruptions Relief Act,” provides a congressional finding that the conditions necessary to allow businesses on LIFO extended time to replace vehicle inventories under existing law have been met. The Treasury Department has indicated its [support](#) for a “legislative solution” to this issue and is working cooperatively with Congress on this bill.

We urge you to cosponsor the “Supply Chain Disruptions Relief Act.” Please see the NADA LIFO issue brief [here](#), bill text [here](#) and recent testimony from the Oklahoma Automobile Dealers Association submitted to the House Ways and Means Committee [here](#) for a field hearing on the state of the economy. Additionally, the **American Institute of CPAs (AICPA)** sent a [letter](#) in support of the “Supply Chain Disruptions Relief Act”. The National Association of Minority Automobile Dealers (NAMAD) and the American International Automobile Dealers Association (AIADA) also support this legislative solution.

Cosponsor Contacts:

House members who want to cosponsor H.R. 700 should have their staff contact:

- Mimi Bair (mimi.bair@mail.house.gov) with Rep. Jodey Arrington (R-Texas) or
- Sam Ropa (sam.ropa@mail.house.gov) with Rep. Dan Kildee (D-Mich.)

Senators who want to cosponsor S. 443 should have their staff contact:

- Chad Bolt (chad_bolt@brown.senate.gov) with Sen. Sherrod Brown (D-Ohio) or
- Cody Sims (cody_sims@scott.senate.gov) with Sen. Tim Scott (R-S.C.)