

CAPITOL STREET

April 3, 2023

Clinical Lab Bill (SALSA Act) Reintroduced

SALSA Could Pass 4Q 2023; VALID Faces Uphill Battle As FDA Moves Ahead

Relevant Companies



Although the SALSA and VALID Acts did not make the cut in the 2022 year-end spending package, both pieces of legislation were re-introduced last week. We see the potential for SALSA to pass into law this year; if the score is acceptable, with another PAMA delay potentially being in the cards. While VALID faces longer odds, FDA intends to regulate on its own. See below for details.

»» Our Take & Next Up

We expect that the SALSA Act has potential to be passed by 4Q 2023, if the CBO score is acceptable (In 2022, it was scored around \$6B cost over ten). We await a formal CBO score. See text of this memo for SALSA bill updates (versus 2022 version). NOTE: we could also see a PAMA delay, as that has happened about 4x already. VALID Act would have to go through the House Energy & Commerce Committee, and full house chamber. FDA guidance on diagnostics regulation is expected this year, separate from any action on VALID, as FDA intends to regulate these types of tests (LDTs), with or without Congress.

Pandemic bill (PAHPA) could be a legislative vehicle for SALSA Act (Fall 2023). *The Pandemic and All Hazards Preparedness Act (PAHPA) provisions ([here](#)), expire at the end of the current FY (September 30, 2023). PAHPA is a major life science priority as it funds the Biomedical Advanced Research and Development Authority (BARDA), which support medical countermeasure and technology development during public health emergencies. In the House, Energy and Commerce Committee Member Rep. Hudson (R-NC) and Health subcommittee ranking member Eshoo (D-CA) released a [Request for Information](#) (RFI) on priorities for the PAHPA reauthorization.*

»» Key Points

SALSA ACT

Saving Access to Laboratory Services Act (SALSA), a positive for clinical labs, was re-introduced this week. The bill was introduced by Sens. Brown (D-OH) and Tillis (R-NC), along with Reps. Hudson (R-NC), Pascrell, Jr. (D-NJ), Bilirakis (R-FL), Peters (D-CA), and Brian Fitzpatrick (R-PA). It has bipartisan & bicameral widespread support ...

Contact us to keep reading and learn more.

team@capitol-street.com