

United States Senate

WASHINGTON, DC 20510

October 20, 2017

The Honorable John McCain
Chairman
Senate Committee on Armed Services
228 Russell Senate Office Building
Washington, DC 20510

The Honorable Mac Thornberry
Chairman
House Committee on Armed Services
2216 Rayburn House Office Building
Washington, DC 20515

The Honorable Jack Reed
Ranking Member
Senate Committee on Armed Services
228 Russell Senate Office Building
Washington, DC 20510

The Honorable Adam Smith
Ranking Member
House Committee on Armed Services
2216 Rayburn House Office Building
Washington, DC 20515

Dear Chairmen McCain and Thornberry and Ranking Members Reed and Smith:

As you work to complete the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2018, we are writing to respectfully request that section 863 of the Senate-passed bill, which eliminates a number of critical Buy American requirements in defense procurement laws, be excluded from the final NDAA conference bill. Doing so is a commonsense “Buy American, Hire American” policy that supports our domestic industrial base and our national and economic security.

Section 863 of the Senate-passed NDAA would eliminate current Buy American requirements that certain defense components for Navy ships and other defense programs—like valves, air circuit breakers, machine tools, anchor chain, propellers, passenger buses, chemical weapons antidotes, and photovoltaic devices—be supplied by companies qualified in the National Technology and Industrial Base (NTIB).¹ Eliminating these current requirements would open this section of the defense acquisition market to unfairly-subsidized foreign competition, placing the U.S. industrial base at risk, and have the additional effect of undercutting U.S. steel and iron producers because foreign manufacturers of these components do not use U.S. raw materials.

Jeopardizing the stability of companies—located in states across the country—that manufacture these defense components would harm our military’s ability to rely on secure and stable supplies in an increasingly dynamic global security environment. If domestic sources for critical defense components exit the market, our military could be forced into relying on countries that do not share our interests, including strategic adversaries like China or Russia, or countries with lax supply chain security practices, for parts and supplies. This would unnecessarily inject risk into the defense acquisition system, ranging from counterfeit parts to uncertain lifecycle sustainment

¹ As defined in 10 U.S.C. §2500, the NTIB means the persons and organizations that are engaged in research, development, production, integration, services, or information technology activities conducted within the United States, the United Kingdom of Great Britain and Northern Ireland, Australia, and Canada.

support to cybersecurity vulnerabilities. On the other hand, domestic content restrictions help ensure that critical products meet our military's high standards for reliability, availability, and maintainability, supporting the warfighter's safety and effectiveness.

The Trump Administration opposes section 863 of the Senate-passed bill. Its Statement of Administration Policy (SAP) notes its strong objection on national security grounds:


Defense Industrial Base: The Administration strongly objects to section 863, which would sunset certain procurement requirements related to sourcing goods exclusively from the national technology and industrial base. The existing procurement requirements act as a key guarantor of strategic supply chain security. They protect DOD's ability to reliably source goods such as chemical weapons antidotes and components for naval vessels, among others.

Eroding Buy American requirements also runs counter to two Presidential initiatives—President Trump's Executive Order directing the Pentagon to strengthen domestic manufacturing capabilities and his "Buy American, Hire American" Executive Order to better enforce current domestic content laws.

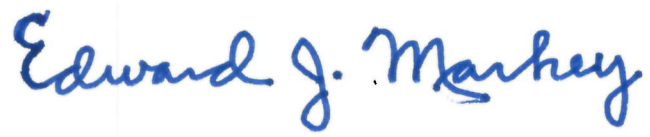
Excluding section 863 of the Senate-passed NDAA would maintain the existing domestic content requirements that Department of Defense components have complied with for years. It is also important to note that these requirements can be waived for cost, schedule, and non-competitive reasons. In other words, Department of Defense components retain flexibility under these laws.

In light of the national and economic security reasons detailed above and because the problematic provisions in question are not included in the House-passed bill, we request that the NDAA Conference Committee exclude section 863 of the Senate-passed bill. Thank you for your consideration of this request and for your work on behalf of the men and women of the United States military, their families and America's defense workforce.

Sincerely,



Tammy Baldwin
United States Senator



Edward J. Markey
United States Senator



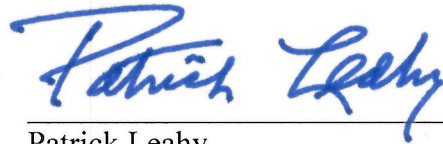
Debbie Stabenow
United States Senator




Sheldon Whitehouse
United States Senator



Sherrod Brown
United States Senator



Patrick Leahy
United States Senator



Ron Wyden
United States Senator



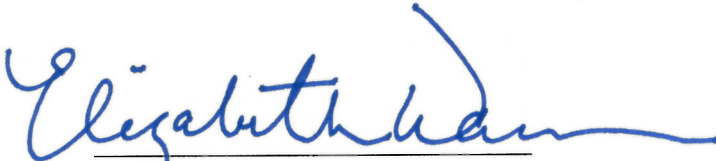
Robert Menendez
United States Senator



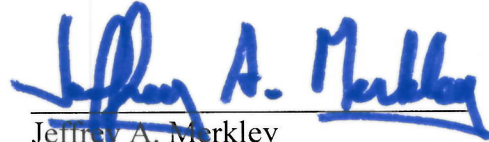
Al Franken
United States Senator




Jeanne Shaheen
United States Senator



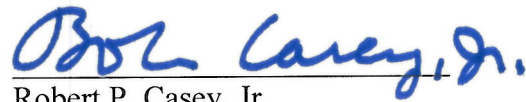
Elizabeth Warren
United States Senator



Jeffrey A. Merkley
United States Senator



Chris Murphy
United States Senator



Robert P. Casey, Jr.
United States Senator



Gary C. Peters
United States Senator



Bill Nelson
United States Senator