



# INTERNATIONAL FEDERATION OF PROFESSIONAL & TECHNICAL ENGINEERS AFL-CIO & CLC

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October 31, 2017

Hon. John McCain, Chairman  
Senate Armed Services Committee  
228 Russell Senate Office Building  
Washington, DC 20510

Hon. Mac Thornberry, Chairman  
House Armed Services Committee  
2120 Rayburn House Office Building  
Washington, DC 20515

Hon. Jack Reed, Ranking Senator  
Senate Armed Services Committee  
228 Russell Senate Office Building  
Washington, DC 20510

Hon. Adam Smith, Ranking Member  
House Armed Services Committee  
2120 Rayburn House Office Building  
Washington, DC 20515

Dear Chairmen McCain & Thornberry and Ranking Members Reed & Smith,

On behalf of the 90,000 members of the International Federation of Professional and Technical Engineers (IFPTE), I am writing regarding your work on the Fiscal Year 2018 (FY18) National Defense Authorization Act (NDAA) conference report. In addition to IFPTE's October 24<sup>th</sup> letter, this letter serves to flag a few more important provisions that will be considered during the NDAA conference.

IFPTE urges you to reject the inclusion of the following provisions into the final conference report:

1. Title VIII, Subtitle E, Sections 851 through 855 of the Senate-passed NDAA - These provisions, which are not included in the House-passed NDAA, expand the definition and scope of 'commercial items', opening the door for a significant transfer of key industrial base work being performed at our nation's military depots to private sector entities. Not only is it strategically unwise to endanger the institutional knowledge of the complex and highly technical military readiness functions performed at depots, it would harm military readiness and our national and homeland security. Furthermore, this would no doubt cause inherently governmental and closely associated inherently governmental functions at our depots to be unjustly and recklessly targeted for privatization. While IFPTE understands that the rationale for expanding the definition is apparently aimed at reducing regulation, we nonetheless feel that its impact will be a negative one for the depots organic industrial base and will harm their ability to maintain in-house control of core depot functions.

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2. Section 829 of the Senate-passed NDAA to make all service contracts performance-based logistics contracts – Not included in the House-passed NDAA, this Senate provision mandates that all service contracts over \$10 million be procured through performance-based logistics contracts. The only way to get around the requirement would be to seek a waiver from the Undersecretary of Defense for Acquisition and Sustainment. This provision eliminates the ability of the DoD to properly manage and control its private sector workload that is used to supplement, not replace, DoD's in-house organic industrial base. Furthermore, there is no exemption for depot level maintenance and logistics capabilities, thereby opening the door for the contracting of core government functions performed at our military depots. This provision will be costly and likely decrease our military readiness and should not be included in the final NDAA conference report.
  
3. Section 818 of the Senate-passed NDAA that weakens Buy America requirements – Not included in the House bill, this Senate provision would weaken our domestic and economic security by eliminating critical Buy America requirements as a part of the DoD's procurement process. Specifically, Section 863 would allow contractors that make up the DoD's military supply chain to further skirt Buy America requirements, which would erode our national defense industrial base and cause a loss of defense related jobs here in the United States. While American taxpayers generally expect that their dollars be reinvested in American workers, with the help of past anti-worker trade agreements, many defense contractors are now able to avoid complying with the intent of Buy America requirements. In fact, in Fiscal Year 2013 (FY13), nearly \$20 billion of defense spending went to foreign companies. For lawmakers to weaken Buy America provisions even further would be doing a disservice not only to our military readiness, but also to working families. Please do not include Section 863 of the Senate NDAA in the final conference report.

Thank you for your consideration. If you have any questions, please contact IFPTE legislative director, Matt Biggs at (202) 239-4880.

Sincerely,



Gregory J. Junemann  
President