

AFL-CIO

LEGISLATIVE ALERT

October 26, 2017

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

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

The Honorable Adam Smith
Ranking Member
House Committee on Armed Services
2340 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

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

On behalf of the AFL-CIO, I write to express opposition to section 863 of the Senate-passed National Defense Authorization Act (NDAA) for Fiscal Year 2018. Section 863 would eliminate important Buy American requirements for defense procurement and weaken our defense industrial base. We urge NDAA conferees to remove section 863 and strengthen the existing domestic content procurement requirements that have benefited our national and economic security.

The American people support Buy American policies that effectively invest hard-earned tax dollars here in the U.S. and employ American workers. It does not make sense to outsource any vital defense-related components. Doing so creates an unacceptable opening for unfairly subsidized foreign companies with weak supply chain security policies. Our men and women in uniform should not be dependent upon potential geopolitical adversaries for critical components.

In its Statement of Administration Policy (SAP) on the NDAA the Trump Administration “strongly objects to section 863” and stated, “The existing procurement requirements act as a key guarantor of strategic supply chain security.” The administration’s position is consistent with President Trump’s Executive Order to strengthen the domestic manufacturing capabilities of the Department of Defense (DOD), as well as his “Buy American, Hire American” Executive Order. These are policies that the American people strongly support.

Congress should not be weakening our existing defense industrial base. The effort should be on strengthening Buy American requirements. In the last decade the DOD has spent over \$200 billion of the American taxpayers’ money to purchase foreign made goods. Many of these foreign purchases derived from flagrant non-compliance with existing Buy American

requirements and the abuse of an unaccountable waiver system. These foreign purchases hurt American businesses and resulted in a loss of good paying jobs here in the U.S.

The NDAA should ensure our national security. Unfortunately, section 863 undercuts that mandate. As the Conference Committee works to complete the 2018 NDAA, I strongly urge you to eliminate section 863, which would weaken our defense industrial base and harm the U.S. economy. Congress should not be in the business of taking unnecessary risks with our national and economic security.

Sincerely,



William Samuel, Director
Government Affairs

American Federation of Labor and Congress of Industrial Organizations

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RICHARD L. TRUMKA
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