



July 8, 2022

The Honorable Jim McGovern
Chair, House Committee on Rules
H-312, The Capitol
Washington, D.C. 20515

The Honorable Tom Cole
Ranking Member, House Committee on Rules
H-152, The Capitol
Washington, D.C. 20515

Dear Chair McGovern, Ranking Member Cole, and Members of the Committee:

National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, wishes to share our recommendations with you regarding amendments to H.R. 7900, the Fiscal Year 2023 National Defense Authorization Act (NDAA).

We are requesting the Committee make 21 amendments in order, each of which would reduce authorization levels in the NDAA or improve government for taxpayers. We are also requesting the Committee reject 31 amendments that would raise costs for taxpayers and/or impose burdensome regulations on businesses and consumers.

NTU urges the Rules Committee to **MAKE IN ORDER** the following amendments:

Amendments to Reduce Authorization Levels or Push Down Future Spending

- **Amendment #166 from Reps. Barbara Lee (D-CA), Mark Pocan (D-WI), Peter DeFazio (D-OR), Bonnie Watson Coleman (D-NJ), Jared Huffman (D-CA), and Adrian Espallat (D-NY):** This amendment would reduce authorization levels in H.R. 7900 by \$100 billion, exempting authorizations for personnel and the Defense Health Program. The NDAA topline has grown much too quickly in recent years, and is currently far too high given the nation's historic levels of debt and deficits. Congress must urgently and comprehensively address debt and deficit reduction, and cuts to defense authorization and appropriation levels are an important component of any comprehensive plan.
- **Amendment #169 from Reps. Barbara Lee (D-CA), Mark Pocan (D-WI), Sara Jacobs (D-CA), Bonnie Watson Coleman (D-NJ), Peter Welch (D-VT), Gwen Moore (D-WI), and Adrian Espallat (D-NY):** This amendment would reverse the House Armed Services Committee's (HASC) \$37 billion increase to NDAA authorization levels, relative to the Biden administration's original FY 2023 request. While we prefer the robust authorization cuts offered in Amendment #166, this \$37 billion reduction would nonetheless represent a meaningful effort by Congress to reduce defense spending authorization levels – and, by extension, deficits and debt.
- **Amendment #277 from Rep. David Schweikert (R-AZ):** This amendment would reduce authorization levels by more than \$6 billion, reversing HASC's upward adjustment to the NDAA topline to account for the effects of inflation. While the Department of Defense (DoD) may be facing inflationary pressures

for certain goods and services like other federal departments and agencies, HASC did not offset its inflation adjustments with authorization cuts elsewhere in the NDAA. Any inflation adjustments in the NDAA should be offset with cuts to other parts of the authorizing legislation.

- **Amendment #542 from Reps. John Garamendi (D-CA), Pramila Jayapal (D-WA), and Don Beyer (D-VA):** This amendment would halt funding for the Ground-Based Strategic Deterrent (GBSD) and instead ask DoD to develop a plan for extending the life of the current Minuteman III intercontinental ballistic missile (ICBM). As a coalition of budget and military watchdogs wrote in March 2021, “[t]he current fleet of intercontinental ballistic missiles (ICBMs) will be operational until 2030 due to a \$7 billion life extension program now underway. Given uncertainty over future force requirements and deterrence needs, development of the ICBM follow on, or ground based strategic deterrent (GBSD), is premature.”¹ This amendment from Reps. Garamendi and colleagues would put, at a minimum, a 10-year pause on efforts to fund GBSD.
- **Amendment #569 from Reps. Adam Smith (D-WA) and Jackie Speier (D-CA):** This amendment would allow the Navy to retire nine Littoral Combat Ships (LCS). Though this amendment would move funding from the LCS program into other programs at the Department of Defense, taxpayers will realize multi-year savings by allowing the Navy to retire these ships.
- **Amendment #645 from Rep. Rashida Tlaib (D-MI):** This amendment would strike the NDAA’s prohibition on reductions in the total number of ICBMs. No portion of the defense budget should be immune or exempt from a robust discussion about cuts or cost savings.
- **Amendment #648 from Rep. Rashida Tlaib (D-MI):** This amendment would strike the NDAA’s prohibition on the retirement of Littoral Combat Ships (LCS). As the nonpartisan Taxpayers for Common Sense (TCS) recently wrote, “[t]he Navy shouldn’t be forced to throw good money after bad”; it has already done so with the LCS program.²

Amendments to Improve Congressional and Government Oversight of Spending

- **Amendment #261 from Reps. Abigail Spanberger (D-VA) and Peter Meijer (R-MI):** This amendment would require a Government Accountability Office (GAO) report to Congress on the current “oversight infrastructure” for U.S. emergency spending on Russia’s invasion of Ukraine. Though much of America’s assistance to Ukraine has reflected urgent needs in the country as they face down an invasion from a larger aggressor, the urgency of the invasion should be no excuse for robust oversight to ensure U.S. taxpayer dollars are not being used for wasteful or fraudulent purposes.
- **Amendment #345 from Reps. Peter DeFazio (D-OR), Chip Roy (R-TX), Steve Cohen (D-TN), Peter Meijer (R-MI), and Adam Schiff (D-CA):** This amendment would update and reform the National Emergencies Act (NEA), requiring Congress to affirmatively approve presidential national emergency declarations in order for such declarations to remain in effect longer than 20 legislative days. The NEA has been subject to abuse by presidents of both parties, and we worry about the impact presidential emergency powers could have on America’s taxpayers. NEA reform efforts that return spending power to Congress, where it belongs, are most welcome.
- **Amendment #388 from Rep. Stephen Lynch (D-MA):** This amendment would reauthorize and restore the Commission on Wartime Contracting. During just three years of existence, the Commission

¹ NTU. “Cross-Ideological Coalition IDs \$80B in Possible Pentagon Budget Cuts.” March 24, 2021. Retrieved from: <https://www.ntu.org/publications/detail/cross-ideological-coalition-ids-80b-in-possible-pentagon-budget-cuts>

² Taxpayers for Common Sense. “Thanks for the Legacies.” Retrieved from: <https://taxpayer.net/national-security/thanks-for-the-legacies/> (Accessed July 6, 2022.)

previously uncovered between \$31 billion and \$60 billion lost to waste, fraud, and abuse through wartime contracting in Iraq and Afghanistan.³

- **Amendment #400 from Rep. Pramila Jayapal (D-WA):** This amendment would repeal statutory requirements for the military service branches and combatant commands to furnish unfunded priorities lists (UPLs) to Congress each and every year. UPLs put unnecessary upward pressure on defense authorization and appropriation toplines and undermine civilian leadership at the Pentagon. UPLs are often difficult for the public to access and understand as well, reducing transparency in the DoD budget process.
- **Amendment #422 from Rep. Tim Walberg (R-MI):** This amendment would require DoD and the Department of State, along with USAID, to report to Congress when and why they refuse information requests from the Special Inspector General for Afghanistan Reconstruction (SIGAR). SIGAR is doing critically important work to examine the waste of taxpayer dollars in Afghanistan, and agencies should have to explain and justify any refusal to cooperate with SIGAR.
- **Amendment #467 from Rep. Virginia Foxx (R-NC):** This amendment would establish the first-ever Inspector General (IG) at the Office of Management and Budget (OMB). OMB is an increasingly powerful government agency with significant influence over how the federal government spends taxpayer dollars appropriated by Congress. Independent oversight would be welcome at the agency.
- **Amendment #482 from Rep. Warren Davidson (R-OH):** This amendment would reduce the number of two, three, and four star general billets in years when DoD fails to pass an audit. After Congress required federal agencies to complete annual audits in 1990, DoD didn't even complete its first audit until 2018.⁴ As of November 2021, DoD had completed four audits and failed all four, and the agency does not project it will pass an audit until 2027.⁵ It is time for Congress to insist on more progress from the sprawling and well-funded agency.
- **Amendment #608 from Reps. Nikema Williams (D-GA), Peter Meijer (R-MI), and Sara Jacobs (D-CA):** This amendment would update and modernize Cost of War reporting, which since its enactment in 2017 has been beneficial to American taxpayers seeking to understand the fiscal and financial impacts of war spending.
- **Amendment #647 from Rep. Ed Case (D-HI):** This amendment would require additional layers of oversight on military construction projects with overhead costing more than \$500 million. Congressional and independent oversight is particularly important for the military's most expensive projects.

General Good Government and Pro-Taxpayer Provisions

- **Amendment #18 from Reps. Carolyn Maloney (D-NY), John Sarbanes (D-MD), and Gerald Connolly (D-VA), and Del. Eleanor Holmes Norton (D-DC):** This amendment, the Periodically Listing Updates to Management (PLUM) Act, would codify certain information about the positions and pay of executive branch employees. Just as Americans can currently access basic information about the

³ Commission on Wartime Contracting in Iraq and Afghanistan. "Wartime Contracting Commission closes its doors September 30." September 28, 2011. Retrieved from:

<https://cybercemetery.unt.edu/archive/cwc/20110929230444/http://www.wartimecontracting.gov/index.php/pressroom/pressreleases/209-cwc-nr-50> (Accessed July 6, 2022.)

⁴ Mehta, Aaron. "Here's what the Pentagon's first-ever audit found." *Defense News*, November 16, 2018. Retrieved from: <https://www.defensenews.com/pentagon/2018/11/15/heres-what-the-pentagons-first-ever-audit-found/> (Accessed July 6, 2022.)

⁵ Bubl , Courtney. "The Defense Department Fails Its Audit Again, But Officials Have 'No Doubt' It Will Eventually Pass." *Government Executive*, November 16, 2021. Retrieved from:

<https://www.govexec.com/management/2021/11/defense-department-fails-its-audit-again-officials-have-no-doubt-it-will-eventually-pass/186865/> (Accessed July 5, 2022.)

taxpayer-funded positions of Congressional staff, the general public deserves access to basic information – regularly updated – about individuals serving in taxpayer-funded positions in the executive branch.

- **Amendment #107 from Reps. Ed Perlmutter (D-CO), Nydia Velázquez (D-NY), Warren Davidson (R-OH), Earl Blumenauer (D-OR), David Joyce (R-OH), Barbara Lee (D-CA), and Lou Correa (D-CA):** This amendment, the bipartisan SAFE Banking Act, would allow access to banking services for legitimate hemp and cannabis businesses in states where these products have been legalized.
- **Amendment #165 from Reps. Deborah Ross (D-NC) and Darrell Issa (R-CA):** This amendment, the Inspector General (IG) Access Act, would correct a flaw in current law that prevents the Department of Justice (DOJ) IG from investigating misconduct by certain DOJ personnel.
- **Amendment #463 from Reps. Jackie Walorski (R-IN), Jim Costa (D-CA), Michelle Fischbach (R-MN), and Mariannette Miller-Meeks (R-IA):** This amendment would express a sense of Congress that the federal government should waive requirements requiring “50 percent of U.S. food aid exports to be shipped on U.S. flagged vessels.” This is a very sensible effort by Members of Congress to recognize that current supply chain constraints – and the urgency of food aid, especially to parts of the world experiencing turmoil like Ukraine – render protectionist requirements in the law particularly burdensome and nonsensical. We believe that these requirements should be permanently relaxed, but support any effort to provide even temporary relief.
- **Amendment #631 from Rep. John Rose (R-TN):** This amendment would provide relief for agriculture producers from the Securities and Exchange Commission’s (SEC) rule “Enhancement and Standardization of Climate-related Disclosures for Investors.” NTU is deeply concerned about the regulatory burdens imposed on all U.S. businesses by this rule, and this amendment would provide partial relief from the rule’s burdens for one important sector of the economy.

NTU urges the Rules Committee to **REJECT** the following amendments:

Amendments That Authorize New Spending Without Full Offsets

- **Amendment #148 from Rep. Joe Neguse (D-CO):** This amendment would authorize \$600 million in new spending for a Community Resilience and Restoration Fund and competitive grant program, and does not appear to contain offsets.
- **Amendment #210 from Reps. Elissa Slotkin (D-MI), Lizzie Fletcher (D-TX), Michael Turner (R-OH), Peter Meijer (R-MI), and Young Kim (R-CA):** This amendment would authorize \$1.5 billion in new spending for establishing a program to reduce European reliance on Russian energy, and does not appear to contain offsets.
- **Amendment #249 from Reps. Bennie Thompson (D-MS) and John Katko (R-NY):** This amendment would authorize \$2.44 billion for various Department of Homeland Security initiatives and operations, and does not appear to contain offsets.
- **Amendment #309 from Reps. Al Green (D-TX) and Joe Courtney (D-CT):** This amendment would authorize \$125 million for a Merchant Mariner Equity Compensation Fund, and does not appear to contain offsets.
- **Amendment #317 from Reps. Jim McGovern (D-MA) and Ayanna Pressley (D-MA):** This amendment would authorize \$100 million to create a new grant program for intergenerational housing, and does not appear to contain offsets.

- **Amendment #321 from Reps. Grace Meng (D-NY), Chrissy Houlahan (D-PA), and Lois Frankel (D-FL):** This amendment would authorize \$140 million per year for a Safe from the Start initiative. There appear to be no spending offsets.
- **Amendment #377 from Reps. Mike Quigley (D-IL) and Grace Meng (D-NY):** This amendment would authorize \$1.5 billion to help prevent the spread of zoonotic diseases and disrupt wildlife trafficking. There appear to be no spending offsets.
- **Amendment #726 from Reps. Anna Eshoo (D-CA) and Blake Moore (R-UT):** This amendment would authorize \$3 billion for the Department of Commerce to incentivize domestic manufacturing of printed circuit boards. There appear to be no spending offsets.
- **Amendment #767 from Reps. Tom Malinowski (D-NJ), Dean Phillips (D-MN), Pramila Jayapal (D-WA), Joaquin Castro (D-TX), Katie Porter (D-CA), Sara Jacobs (D-CA), Ro Khanna (D-CA), Colin Allred (D-TX), Andy Levin (R-MI), Earl Blumenauer (D-OR), and Ted Lieu (D-CA):** This amendment authorizes \$20 million in perpetual funding per year for implementing oversight requirements at the Department of State, but only provides spending offsets for one fiscal year (2023).
- **Amendment #770 from Reps. Jim Langevin (D-RI) and Mike Gallagher (R-WI):** This amendment would authorize \$221 million for Critical Technology Security Centers to evaluate and test the security of technologies essential to national critical functions. There appear to be no spending offsets.
- **Amendment #811 from Reps. Maxine Waters (D-CA), Joyce Beatty (D-OH), Jake Auchincloss (D-MA), Emanuel Cleaver (D-MO), and Gregory Meeks (D-NY):** This amendment would authorize \$4 billion to support minority depository institutions and community development financial institutions, with no spending offsets.
- **Amendment #868 from Reps. Gregory Meeks (D-NY), Steve Chabot (R-OH), and Andy Levin (D-MI):** This amendment would authorize \$470 million to combat human rights abuses in Burma, with no spending offsets.
- **Amendment #1020 from Rep. Emanuel Cleaver (D-MO):** This amendment would authorize \$250 million to establish a grant program to promote diversity and inclusion in the appraisal profession, with no spending offsets.

Amendments That Would Put Long-Term, Upward Pressure on the Defense Budget

- **Amendment #13 from Reps. Andy Kim (D-NJ), John Garamendi (D-CA), and Donald Norcross (D-NJ):** This amendment would add a preference to DoD military construction contracts for “firms that certify that at least 51 percent of employees hired to perform the work shall reside in the same state or within a 60-mile radius.” This is a form of local protectionism that could add costs to military construction projects for America’s taxpayers.
- **Amendment #40 from Reps. John Garamendi (D-CA) and Pramila Jayapal (D-WA):** This amendment requires 75 percent of the non-tactical vehicles purchased by DoD to be electric or zero-emission vehicles. This proposal will add significant costs to American taxpayers for the procurement of vehicles by DoD.
- **Amendment #146 from Reps. Jim Banks (R-IN) and Jim Langevin (D-RI):** This amendment would require an annual unfunded priorities list (UPL) for defense-wide research, development, evaluation, and testing (RDT&E). UPLs put unnecessary upward pressure on the DoD topline, undermine civilian leadership and responsible budgeting at the Pentagon, and are not fully transparent to taxpayers and government watchdogs.

- **Amendment #273 from Rep. John Rutherford (R-FL):** This amendment would prohibit the retirement of any Littoral Combat Ship (LCS). The LCS program is wasteful and already outdated in regards to the Navy's needs, and Congress should allow the Navy to retire nine ships as planned
- **Amendment #407 from Rep. Austin Scott (R-GA):** This amendment would require an annual UPL for the POW/MIA Accounting Agency. NTU is opposed to any proposal that adds UPL requirements to defense-related departments, agencies, or commands.
- **Amendment #408 from Rep. Austin Scott (R-GA):** This amendment would require an annual UPL for military construction projects at military education schools. NTU is opposed to any proposal that adds UPL requirements to defense-related departments, agencies, or commands.
- **Amendment #473 from Rep. Jared Golden (D-ME) and Trent Kelly (R-MS):** This amendment would place a floor on DDG-51 multiyear procurement, from no floor under current bill language to a minimum of 10 ships. This will likely raise costs for American taxpayers.
- **Amendment #476 from Rep. Rob Wittman (R-VA):** This amendment would prevent the disposal of LCS unless they "are transferred to the military forces of a nation that is an ally or partner of the United States." The Navy should be able to unconditionally retire LCS; this requirement adds a layer of difficulty to the Navy's efforts to retire LCS.
- **Amendment #809 from Rep. Jan Schakowsky (D-IL):** This amendment would establish a contract preference at DoD for contractors that engage in collective bargaining with their employees. While the U.S. government should not *punish* contractors that engage in collective bargaining, DoD should not be in the business of providing a preference to contractors based on whether or not their workforce is unionized. Such a preference would likely add to costs borne by America's taxpayers for goods and services provided by contractors to DoD.

Protectionist Amendments That Would Increase Taxpayer and Consumer Costs

- **Amendments #20, #21, #22, and #25 from Rep. John Garamendi (D-CA):** Each of these amendments would impose new, burdensome, and protectionist restrictions on taxpayers and international commerce. The first three amendments, in particular, would make it more expensive and difficult for the U.S. to deliver food aid around the world. Given the frequent urgency of U.S.-driven food aid efforts, it is unconscionable that lawmakers would consider restrictions that make the delivery of such aid more expensive and cumbersome for the U.S. government to accomplish.
- **Amendment #65 from Reps. John Garamendi (D-CA), Rob Wittman (R-VA), Chris Pappas (D-NH), and Julia Brownley (D-CA):** This amendment would add a number of domestic sourcing and protectionist requirements to the U.S. export of natural gas and crude oil. Such provisions will add to costs for U.S. companies exporting these products abroad, which those companies could very well pass on to consumers in the form of higher costs.
- **Amendment #672 from Rep. Maxine Waters (D-CA):** This amendment would prohibit "negative credit reporting" resulting from any federal action to broadly cancel federal student loan debt. NTU is deeply troubled by proposals to broadly cancel federal student loan debt, which would merely transfer the costs of student loans from borrowers to taxpayers, and we oppose this amendment on the grounds that it would make widespread cancellation easier for the Biden administration or Congress to implement.
- **Amendment #681 from Rep. Rashida Tlaib (D-MI):** This amendment attempts a narrower, servicemember-focused version of broad consumer legislation the amendment sponsor has previously

advocated for (and failed to pass).⁶ The proposed legislation fails to explain why two years is an appropriate time period to prohibit collection of medical debt, nor does it grapple with the effects that prohibiting collection of medical debt could have on hospitals and providers. NTU is also troubled that the proposed amendment would suppress accurate debt obligations by prohibiting the reporting of medical debt on servicemembers' credit reports. By proposing to suppress information associated with medical debt, credit reports will be incomplete and less predictive of credit scores. Hiding negative information from lenders could also expose taxpayers to potential losses on loans backstopped by the federal government. With less accurate consumer reports and scores, creditors will be inevitably forced to reduce the amount of credit extended and/or raise prices to cover for the additional risk.

- **Amendment #1083 from Reps. Derek Kilmer (D-WA), Brian Fitzpatrick (R-PA), and Adam Smith (D-WA):** This amendment codifies a Biden administration executive order expanding the use of Project Labor Agreements (PLAs) in federal infrastructure projects. NTU previously wrote of this executive order: “These agreements typically require contractors to adhere to union wage scales, hire union labor, follow union work rules, and pay into union benefit plans that other non-union employees will be unlikely to tap into. PLAs are one of the more egregious labor regulations that make building infrastructure projects in the United States more difficult and expensive.”⁷

Measures That Would Increase the Federal Government’s Role in Prescription Drug Pricing

- **Amendment #757 from Rep. Pramila Jayapal (D-WA) and Jan Schakowsky (D-IL):** This amendment would require the federal government to “give preference to a Government-owned” manufacturer for any DoD-owned vaccine “or other medical intervention” relating to COVID-19. Should DoD, the U.S. Walter Reed Army Institute for Research, or any other federal entity successfully develop a COVID-19 vaccine or medical intervention, the license to manufacture and distribute the vaccine should go to the safest, most capable, and most cost-effective bidder. Requiring DoD to ‘prefer’ a Government-owned manufacturer makes little sense to taxpayers or to the beneficiaries of any DoD-developed vaccine.
- **Amendment #961 from Rep. Pramila Jayapal (D-WA) and Jan Schakowsky (D-IL):** This amendment would allow DoD to “select one or more Government-owned” facilities to manufacture insulin. Such a sweeping proposal, which would upend the research and development pipeline for insulin products – including biosimilar competition to brand-name products – and limit future innovations available to consumers should not be considered by Congress in the first place. It should certainly not be included in sweeping, defense policy legislation, when lawmakers are debating thousands of other provisions with multi-billion dollar consequences.

Amendments That Would Impose Heavy-Handed Regulations on the American Public

- **Amendment #333 from Rep. Mark DeSaulnier (D-CA):** This amendment would impose a nationwide ban on e-cigarettes. Such a sweeping regulatory policy has no place in the NDAA. Beyond these

⁶ Congresswoman Rashida Tlaib. “Rep. Tlaib Bill to Remove Medically Necessary Debt from Credit Reports Passes House.” May 14, 2021. Retrieved from:

<https://tlaib.house.gov/media/press-releases/rep-tlaib-bill-remove-medically-necessary-debt-credit-reports-passes-house> (Accessed July 7, 2022.)

⁷ Aiello, Thomas. “Biden Executive Order on Infrastructure Projects Prioritizes Big Labor over Taxpayers.” NTU, February 10, 2022. Retrieved from:

<https://www.ntu.org/publications/detail/biden-executive-order-on-infrastructure-projects-prioritizes-big-labor-over-taxpayers>

process-based concerns, NTU is deeply concerned that a nationwide e-cigarette ban would remove products from the market that help tobacco users quit more harmful products.

- **Amendment #810 from Reps. Kathy Castor (D-FL), Charlie Crist (D-FL), Val Demings (D-FL), Debbie Wasserman Schultz (D-FL), María Elvira Salazar (R-FL), Matt Gaetz (R-FL), and Frederica Wilson (D-FL):** This amendment would permanently ban oil drilling and leasing off of Florida's coast. At a time of sky-high energy prices and ongoing inflation, the U.S. should not be taking major options to increase the nation's oil and gas output off the table.

Sincerely,

Andrew Lautz

Director of Federal Policy

CC: The Honorable Norma Torres
The Honorable Ed Perlmutter
The Honorable Jamie Raskin
The Honorable Mary Gay Scanlon
The Honorable Joe Morelle
The Honorable Mark DeSaulnier
The Honorable Deborah K. Ross
The Honorable Joe Neguse
The Honorable Michael Burgess
The Honorable Guy Reschenthaler
The Honorable Michelle Fischbach