



To: Chair Tom Cole, Ranking Member Jim McGovern, and Members of the House Rules Committee

From: National Taxpayers Union

Date: July 12th, 2023

Subject: NTU Supported Amendments to be Made In Order to H.R. 2670, the National Defense Authorization Act for Fiscal Year 2024

I. Introduction and Key Taxpayer Considerations

Dear Chair Cole and Ranking Member McGovern:

In the event that additional amendments are made in order, we are writing to express our support for the following amendments to H.R. 2670, the National Defense Authorization Act for Fiscal Year 2024. These amendments would reduce wasteful and excessive spending by the Department of Defense and enhance oversight and accountability of its contracts and programs. These amendments are consistent with the goals of fiscal responsibility, transparency, and efficiency that should guide our national defense policy.

Amendment No. 46 by Reps. Lee (D-CA), Pocan (D-WI), and Espaillat (D-NY), which would reduce the NDAA top line by \$100 billion and hold harmless all accounts that support pay and benefits for personnel and dependents. This amendment would bring the defense budget in line with historical averages and reduce the burden that continuing deficits bring to bear upon the overall economy.

Amendment No. 302 by Reps. Garamendi (D-CA), Deluzio (D-PA), and Doggett (D-TX), which would fix loopholes in existing requirements for pricing data by clarifying when cost or pricing data is required. This amendment would ensure that the Department of Defense pays fair and reasonable prices for goods and services by requiring contractors to provide accurate and complete information on their costs and profits.

Amendment No. 311 by Reps. Deluzio (D-PA), Doggett (D-TX), Garamendi (D-CA), Tokuda (D-HI), Panetta (D-CA), Raskin (D-MD), Khanna (D-CA), Ellzey (R-TX), and Crow (D-CO), which would lower the mandatory disclosure threshold for contractors to provide certified cost and pricing information from \$2,000,000 to \$750,000. This amendment would increase transparency and accountability in defense contracting by expanding the scope of contracts that are subject to cost or pricing data requirements. It would also help prevent overpayments and fraud by allowing the Department to verify the reasonableness of contractor proposals.

Amendment No. 435 by Reps. Jayapal (D-WA), McClintock (R-CA), Davidson (R-OH), and Garamendi (D-CA), which would repeal the statutory requirement that the Department of Defense submit unfunded priorities lists to Congress outside the formal budget request process. This amendment would eliminate a wasteful and unnecessary practice that undermines fiscal discipline and congressional oversight by allowing the

Department to circumvent the budget process and lobby for additional funding for programs that are not justified or prioritized by its own strategic planning.

Amendment No. 509 by Rep. Beyer (D-VA), which would reduce wasteful spending by striking section 1641 and section 1642 which provide funding for the nuclear sea-launched cruise missile program (SLCM-N) and mandate quarterly reports on the progress of the SLCM-N program's development. This amendment would save taxpayers significant sums of money by avoiding development of another missile program.

Amendment No. 661 by Reps. Norman (R-SC), Doggett (D-TX), and Crane (R-AZ), which would require the cost of any project funded with financial support from the Department of Defense to disclose the cost to taxpayers. This amendment would enhance public awareness and accountability of how defense dollars are spent by requiring contractors, grantees, and other recipients of Department funds to display a prominent statement on any physical object or digital product resulting from such funds that indicates the amount of federal funding involved and the percentage of total project costs.

Amendment No. 1260 by Reps. Doggett (D-TX), Deluzio (D-PA), Garamendi (D-CA), and Khanna (D-CA), which would establish a panel of government and industry experts to review contracts for major weapons systems and services to determine whether the Department paid excessive prices and make recommendations to ensure the Department pays fair and reasonable prices in future contracts. This amendment would create an independent and objective mechanism to evaluate the effectiveness and efficiency of defense contracting and identify opportunities for cost savings and performance improvements. It would also provide valuable information and guidance to the Department and Congress on how to improve the acquisition process and avoid waste, fraud, and abuse.

Amendment No. 1332 by Reps. Hageman (R-WY) and Lee (D-CA), which would require the Department of Defense to submit a plan to Congress on measures it will take to prevent the annual budget request from reaching \$1 trillion. This amendment would compel the Department to adopt a more realistic and responsible approach to defense planning and budgeting by setting a reasonable limit on its future spending growth. It would also encourage the Department to prioritize its most critical needs and eliminate unnecessary or low-value programs.

These amendments will reduce taxpayers' financial burden by cutting excessive and wasteful defense spending, ensuring fair and reasonable prices for defense goods and services, increasing transparency and accountability in defense contracting and budgeting, and promoting fiscal discipline and oversight in defense policy.

Should the opportunity arise, we respectfully request that you make these amendments in order for consideration on the House floor. We appreciate your attention to this matter and your leadership on the Rules Committee.

II. Contact Information

Thank you for your consideration. Should you have any questions about the content in this memo, please do not hesitate to reach out to Nicholas Johns at NJohns@ntu.org