



May 10, 2018

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

Dear Chairman Thornberry,

As the committee contemplates the important task of marking up the National Defense Authorization Act (NDAA), we commend your hard work to balance priorities for effective defense of our nation with the costs borne by taxpayers to achieve that vital goal. It is in that spirit that I write to share the views of the National Taxpayers Union (NTU) on one issue of particular interest to taxpayers: the Joint Enterprise Defense Infrastructure, or JEDI, cloud computing contract.

As you may know, NTU has long been a proponent of government-wide procurement solutions that harness the best the private sector has to offer in terms of commercial off-the-shelf (COS) technological innovation that has been strengthened by the rigors of the marketplace. We believe in legislative and administrative policies that support open competition and transparent, accountable procurement processes. For example, we have supported legislation to enhance infrastructure competition, as well as processes to ensure open competition for replacement of the UH-1N helicopter.

We have often observed that government, and the Department of Defense in particular, has been particularly resistant to innovations in both IT and hardware. Since the 1970s, through at least half a dozen major legislative efforts that continue today, we have sought modernization of the IRS's antiquated approaches toward data in the Individual and Business Master Files as well as the Case Management System. We were among the first organizations to call for more widespread acceptance of cloud-based email service in government, and for the first generation of consolidated data centers in the Department of Defense.

For all of these reasons, we have encouraged the Department of Defense to embrace new ways of thinking about contracted IT procurement. Next generation cloud-based data and analytical services, developed on commercial platforms but tailored to specific government needs, can provide interoperability, security, and adaptability on a scale that neither traditional commercial purchases nor government-housed IT development can facilitate. It is a new pathway in procurement that can create opportunities for government, for taxpayers, and for all participants in the marketplace.

This new pathway need not, and should not, close off other avenues for IT and other procurements. Congress should resist the temptation to require the Department of Defense to pursue only one route. Last year, we joined with a number of other center-right organizations in a coalition letter warning against language in Section 883 of the Senate NDAA (S. 1519) that would have required all at-risk IT projects to be run through the General Services Administration's Office of 18F, and in Section 886 that would have required the Department of Defense to use open source for unclassified software not falling under the Arms Export Control Act. This language went too far, by effectively closing off options in the private sector that could deliver the best value for taxpayers.

Accordingly, the Pentagon's revised RFP for JEDI was wise to emphasize a full, fair, and open competition and to allow for, among other things, "any kind of teaming/partnership arrangement" among potential vendors to fulfill the requirements. It is important not to write an RFP for a predetermined outcome, which NTU has witnessed many times before. Speculation is rife about who would win the contract, and the Pentagon must remain committed to the principle of a transparent bidding process. Recent legislation providing that Congress be kept informed of efforts to ensure the JEDI RFP process is indeed open, fair, and competitive, remains prudent. We likewise urge you and your fellow committee members to oppose any efforts to introduce language that would undermine such a process.

Sincerely,

A handwritten signature in black ink, appearing to read 'Pete Sepp', written in a cursive style.

Pete Sepp
President
National Taxpayers Union

Cc: Members of the House Armed Services Committee