

September 21, 2020

The Honorable Adam Smith Chairman, Committee on Armed Services U.S. House of Representatives Washington, DC 20515 The Honorable Mac Thornberry Ranking Member, Committee on Armed Services U.S. House of Representatives Washington, DC 20515

Dear Chairman Smith and Ranking Member Thornberry,

On behalf of the members of our undersigned associations and the thousands of workers engaged in textiles, apparel and other sewn products, footwear, and specialty metals manufacturing in the United States, we urge you to support inclusion of Section 814 from the Senate version of the FY 2021 National Defense Authorization Act (NDAA) in the final NDAA conference report.

Section 814 strengthens the Berry Amendment (10 U.S.C. §§2533a), a longstanding bulwark that requires the Defense Department to supply our troops with U.S. made textiles, apparel and other sewn products, and footwear. This provision supports the employment of tens of thousands of Americans in manufacturing facilities throughout the United States and remains popular across a wide cross-section of the House of Representatives.

The Berry Amendment contains several carefully constructed and limited exceptions, one of which applies to contracts valued below the simplified acquisition threshold (SAT). In 2017, as part of the FY 2018 NDAA, Congress adopted a Section 809 recommendation to increase the SAT from \$150,000 to \$250,000. Unfortunately, this increase applied to the Berry Amendment as well, creating a significant loophole in the importation security protections the Berry Amendment has long offered.

As a result, contracts valued at less than \$250,000 may be entirely sourced from manufacturers outside the United States. Even contracts above \$250,000 may be broken up into smaller contracts and awarded to foreign manufacturers. As the SAT gets larger the incentive and opportunity for foreign sourcing of textiles, clothing, and footwear only grows.

Section 814 of the Senate bill accomplishes several important reforms. It delinks the Berry Amendment from the SAT and establishes a new threshold for small purchases back at the \$150,000 level. It indexes this level for inflation to be adjusted every 5 years. Finally, it forbids contracts from being artificially divided so they can be solicited below the new threshold level. Combined, these reforms restore an integral part of the Berry Amendment protections.

The lessons of the past five months have taught us the perils of having security-related supply chains dependent upon foreign sources. Thankfully, the Berry Amendment has protected the textile, apparel, and footwear supply chain for generations. With your support, and if the final conference report can include Section 814 of the Senate version, the Berry Amendment will continue to do that for generations more.

Thank you for your continued strong support for the warm industrial base that supports American war fighters.

Thank you,

AFL-CIO

Alliance for American Manufacturing American Apparel & Footwear Association American Sheep Industry Association INDA, Association of the Nonwoven Fabrics Industry. Narrow Fabrics Institute National Cotton Council National Council of Textile Organizations Parachute Industry Association SEAMS Association South Carolina Textile Council U.S. Footwear Manufacturers Association U.S. Industrial Fabrics Institute United Steelworkers (USW) Warrior Protection & Readiness Coalition (WPRC)