



June 10, 2024

Honorable Michael Burgess
Chairman
House Committee on Rules
H-312, The Capitol
Washington, D.C. 20515

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

Dear Chairman Burgess and Ranking Member McGovern:

I write to you today on behalf of the Project On Government Oversight (POGO) to share our recommendations for the House Committee on Rules, as you decide which amendments will be made in order under the rule governing consideration of H.R. 8070, Servicemember Quality of Life Improvement and National Defense Authorization Act for Fiscal Year 2025.

POGO is a nonpartisan, independent watchdog that investigates and exposes waste, corruption, abuse of power, and when the government fails to serve the public or silences those who report wrongdoing. We champion reforms to achieve a more effective, ethical, and accountable federal government that safeguards constitutional principles.

Several proposed amendments to H.R. 8070 would serve as critical efforts to correct weak cost or pricing data disclosure requirements and an overly broad “commercial item” definition — both of which put the Pentagon at a disadvantage when negotiating with defense contractors.¹

POGO strongly supports the following amendments:²

Amendment #143

Representative Jan Schakowsky (D-IL)

Increases contractor accountability by ensuring that the commercial item prior determination exemption isn’t further weakened to include all subcomponents of the commercial item.³

¹ Scott Amey and Julia Gledhill, “Close Accountability Loopholes for Military Contractors,” Project On Government Oversight, April 28, 2022, <https://www.pogo.org/fact-sheets/close-accountability-loopholes-for-military-contractors>.

² Numbers and summaries of listed amendments are those provided online by the House Rules Committee. See “H.R. 8070 – Servicemember Quality of Life Improvement and National Defense Authorization Act for Fiscal Year 2025,” Committee on Rules, United States House of Representatives, last accessed June 5, 2024, <https://rules.house.gov/bil/118/hr-8070>.

³ This amendment would strike Section 811 from H.R. 8070.

Amendment #148

Representative Jan Schakowsky (D-IL)

Ensures that DOD contracting officers receive the most recent costs and price information on a subcontract or purchase order.⁴

Amendment #167

Representatives Barbara Lee (D-CA), Mark Pocan (D-WI), Sara Jacobs (D-CA), Jan Schakowsky (D-IL), and Lloyd Doggett (D-TX)

Increases the number of government contracts that are subject to cost and pricing data reporting requirements and accountability standards. The amendment redefines commercial products, lowers the reporting threshold for pricing data waivers, and requires the DOD to increase their scrutiny of pricing data when awarding defense contracts.⁵

Amendment #390

Representatives Lloyd Doggett (D-TX) and Ralph Norman (R-SC)

Establishes a panel of experts to review contracts for major weapons systems, spare parts, 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.⁶

Amendment #392

Representatives Lloyd Doggett (D-TX) and Ralph Norman (R-SC)

Eases the burden to redetermine whether a product is a commercial item and ensures contracting officers can access the information they need to determine price reasonableness when dealing with commercial items that have no useful sales data.⁷

“Amendment to Rules Committee Print 118-36 Offered by Ms. Schakowsky of Illinois,” Committee on Rules, United States House of Representatives, May 29 2024, https://amendments-rules.house.gov/amendments/SCHAKO_080_xml240530122220265.pdf?_gl=1*1q2uikt*_ga*MTc0MDM3NDMzLjE2NTk5NzUyMDM.*_ga_N4RTJ5D08B*MTcxNzY3OTM0OC4wLjAuMTcxNzY3OTM0OC4wLjAuMA.

⁴ This amendment would strike Section 812 from H.R. 8070.

“Amendment to Rules Committee Print 118-36 Offered by Ms. Schakowsky of Illinois,” Committee on Rules, United States House of Representatives, May 29, 2024, https://amendments-rules.house.gov/amendments/SCHAKO_081_xml240530123426812.pdf?_gl=1*oamv1b*_ga*MTQxNjc3NjAyMi4xNzExNjQ3MDE4*_ga_N4RTJ5D08B*MTcxNzUyODg3Mi40LjEuMTcxNzUyOTA5MS4wLjAuMA.

⁵ “Amendment to Rules Committee Print 118-36 Offered by Ms. Lee of California,” Committee on Rules, United States House of Representatives, May 30, 2024, https://amendments-rules.house.gov/amendments/LEE_090_xml240530134048067.pdf.

⁶ “Amendment to Rules Committee Print 118-36 Offered by Mr. Doggett of Texas,” Committee on Rules, United States House of Representatives, May 28, 2024, https://amendments-rules.house.gov/amendments/DOGGET_064_xml240531105531137.pdf.

⁷ “Amendment to Rules Committee Print 118-36 Offered by Mr. Doggett of Texas,” Committee on Rules, United States House of Representatives, May 29, 2024, https://amendments-rules.house.gov/amendments/DOGGET_066_xml240531105743050.pdf.

Amendment #394

Representatives Lloyd Doggett (D-TX) and Ralph Norman (R-SC)

Requires the submission of certified cost and pricing data for commercial products or services when an acquisition is valued at more than \$5 million.⁸

Amendment #1156

Representative John Garamendi (D-CA)

Fixes loopholes in existing requirements for pricing data by clarifying when cost or pricing data is required. Makes clear that requirements to provide cost or pricing information can only be waived when there is a price competition that results in at least two responsive and viable offers.⁹

POGO also strongly supports the amendment to repeal the requirements for unfunded priorities lists. This requirement encourages irresponsible resource prioritization for a wide range of defense entities and is opposed even from within the Pentagon.¹⁰

Amendment #524

Representatives Pramila Jayapal (D-WA), Tom McClintock (R-CA), John Garamendi (D-CA), Warren Davidson (R-OH), and Seth Moulton (D-MA)

Repeals the statutory requirement requiring Department of Defense officials to submit unfunded priorities lists to Congress each year outside the formal budget request process.¹¹

These amendments present an opportunity to help usher in a new era of spending at the Pentagon, improving the quality of information that procurement officials and policymakers have at their disposal when making decisions that will impact readiness for years and decades to come.

⁸ “Amendment to Rules Committee Print 118-36 Offered by Mr. Doggett of Texas,” Committee on Rules, United States House of Representatives, May 29, 2024, https://amendments-rules.house.gov/amendments/DOGGET_067_xml240531110001042.pdf.

⁹ “Amendment to H.R. 8070 Offered by Mr. Garamendi of California,” Version 2, Committee on Rules, United States House of Representatives, June 3, 2024, https://amendments-rules.house.gov/amendments/GARAME_188_xml240603143650858.pdf?_gl=1*1obupbn*_ga*Mjg2MDg0NDY2LjE3MTc0MDg5OTE.*_ga_N4RTJ5D08B*MTcxNzYxODMwOC4xLjEuMTcxNzYxOTczOC4wLjAuMA.

¹⁰ Dylan Hedtler-Gaudette and Omar Tabuni, “Fact Sheet: The Problem with Unfunded Priorities Lists,” Project On Government Oversight, May 21, 2024, <https://www.pogo.org/fact-sheets/fact-sheet-the-problem-with-unfunded-priorities-lists>; John M. Donnelly, “Pentagon Comes Out Against Law Requiring Military Wish Lists,” *Roll Call*, March 28, 2023, <https://rollcall.com/2023/03/28/pentagon-comes-out-against-law-requiring-military-wish-lists/>.

¹¹ “Amendment to Rules Committee Print 118-36 Offered by Ms. Jayapal of Washington,” Committee on Rules, United States House of Representatives, May 30, 2024, https://amendments-rules.house.gov/amendments/JAYAPA_042_xml240531124145284.pdf.

I urge you to rule these amendments in order so that the House of Representatives may vote to prioritize the needs and interests of service members and taxpayers ahead of the interests of defense contractors.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Danielle Brian". The signature is written in a cursive, flowing style.

Danielle Brian
Executive Director