



April 26, 2016

United States House of Representatives
Washington, DC 20515

Dear House Armed Services Committee Member:

The undersigned 12 trade associations ask for your vote in support of an amendment filed by Representatives Walter Jones (R-NC) and Duncan Hunter (R-CA) that strikes Section 807 of H.R. 4909, the FY 2017 National Defense Authorization Act. The House Armed Services Committee markup of H.R. 4909 is scheduled for Wednesday, April 27.

Section 807 seriously harms the U.S. textile, apparel, and footwear industries and our 592,000 workers by weakening the Berry Amendment.

Section 807 inflicts this injury by increasing the Simplified Acquisition Procedure threshold (SAP) from \$100,000 (now \$150,000 as adjusted for inflation) to \$500,000. The effect of this change would be to exempt contracts up to \$500,000 from compliance with both the Berry Amendment¹ and the Kissell Amendment.²

This arbitrary increase to the SAP threshold will hurt U.S. jobs and our country's national security by reducing the number of textile, clothing, and footwear contracts covered by the Berry Amendment — resulting in the allowance of more contracts to be offshored.

¹ The Berry Amendment (10 USC 2533a) is a domestic sourcing preference law. It states that if DoD funds are used, only U.S.-made items can be purchased with respect to certain product categories -- textiles, clothing, hand and measuring tools, and food. There also is a separate Berry Amendment-like statute for specialty metals (10 USC 2533b).

² The Kissell Amendment (6 USC 453b) is a Berry-type law applying to certain textile and clothing purchases made by the Department of Homeland Security.

Below is an analysis of DOD-funded contracts for FY 2014 from USASpending.gov with respect to Federal Supply Classification 83 (textiles, tents, flags, etc.) and Federal Supply Classification (FSC) 84 (clothing and individual equipment etc.) as pertaining to the SAP threshold:

- The dollar amount exempted from Berry would almost double.
- Almost one dollar in five would be exempt from Berry.
- Almost 92 percent of contracts would be open to imports, hurting small businesses.
- If the threshold would have been \$500,000 in FY 2014, 6,813 contracts totaling more than \$337M would have been exempted from the Berry Amendment's U.S.-sourcing requirement.

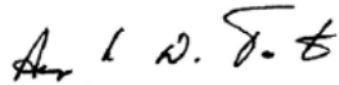
The Jones/Hunter Amendment solves this problem by striking the proposed threshold increase.

Understanding the need for periodic adjustments in the SAP, Congress enacted Public Law 108-375³ which allowed for inflation adjustments to the SAP every five years. This inflation-adjustment mechanism precludes any further need for an increase to the threshold, one which will harm U.S. textile and clothing manufacturing jobs and weaken America's national security.

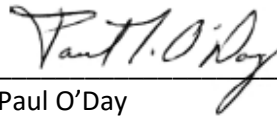
As the House works on this important authorizing bill to defend our country, **we urge that Jones/Hunter Amendment be adopted** so that the FY 2017 NDAA does not erode the important value that the Berry Amendment brings to the U.S. textile, apparel, and footwear industries and our warfighters.

Thank you for your consideration of our views.

Sincerely,



Auggie Tantillo
President
National Council of Textile Organizations



Paul O'Day
President
American Fiber Manufacturers Association



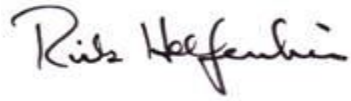
Gifford Del Grande
Chairman
Narrow Fabrics Institute



Bret Kelley
Chairman
United States Industrial Fabrics Institute

³ Section 807 of the Ronald W. Reagan National Defense Authorization Act of 2005 (Pub. L. 108-375) amended the Office of Federal Procurement Policy Act (41 U.S.C. 403 et seq.) by inserting a new Sec. 35A. This law specifies the periodic inflation adjustment to federal acquisition threshold triggers, including the SAP.

http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=108_cong_public_laws&docid=f:publ375.108



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