



International Association of Machinists & Aerospace Workers

IAM Supports NDAA Amendment to Strengthen Buy American Requirements for Defense Procurement

The U.S. defense industrial base is essential to our economic and national security. The defense industry also provides millions of high-skill jobs across the country in the manufacturing sector and beyond. These jobs generate hundreds of billions of dollars in wages and benefits annually, and provide significant tax revenues to fund essential government services.

U.S. defense spending consistently accounts for more than 3% of Gross Domestic Product and is vitally important to the health and competitiveness of many domestic industries, including aerospace, steel and aluminum, shipbuilding, electronics and communications. A healthy domestic defense industrial base also ensures that the United States can supply the weapons and materials our men and women in uniform need for mission success and guards against the perils of becoming dependent on foreign governments for the tools required for national defense. The United States currently faces supply chain vulnerabilities in systems across all four branches of the military, on items including semiconductors, rare earth minerals, high-tech magnets, armor plate, specialty metals, telecommunications equipment, machine tools and more.

For all of these reasons, the Machinists Union strongly supports an amendment to the Fiscal Year 2024 National Defense Authorization Act (NDAA) offered by Senator Tammy Duckworth (D-IL) and Congressman Donald Norcross (D-NJ) entitled, Enhanced Domestic Content Requirement for Major Defense Acquisition Programs. This amendment would dramatically strengthen our domestic industrial base by increasing Buy American domestic content requirements from 55% to 75% for all new Major Defense Acquisition Programs.

Buy American domestic content requirements serve the public good by targeting our tax dollars for the purchase of American made products and services, thereby employing U.S. workers and putting our federal tax receipts to work here at home. Regrettably, current Buy American provisions in defense procurement are woefully insufficient and are riddled with loopholes that undermine the positive economic potential of billions of taxpayer dollars while undermining the supply chain of our defense industrial base.

The Department of Defense (DOD) is the world's largest purchaser of manufactured products, but unfortunately in the last decade, the DOD has spent hundreds of billions in U.S. taxpayers' dollars to purchase foreign-made goods and services. Many of these foreign purchases by the DOD ignore the intent and spirit of Buy American policy by deliberately exploiting loopholes in existing requirements.

The impact of these foreign purchases has been the loss of good-paying jobs, depriving many Americans of a path to the middle class and reducing much-needed tax revenue for strained government budgets. In addition, reliance on foreign sources for sensitive defense technologies and materials not produced in the United States threatens our national security and compromises the integrity of our industrial base.

Senator Duckworth and Congressman Norcross introduced similar language as an amendment to the Fiscal Year 2023 NDAA, which ultimately passed into the House version of the bill. **This Congress, we urge all lawmakers to support this amendment to the FY24 NDAA in both the House and Senate.**