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January 27, 2025

Mr. Michael Duffey Deputy Chief of Staff U.S. Department of Defense 1000 Defense Pentagon Washington, D.C. 20301-1000

Dear Mr. Duffey:

Congratulations on your nomination to serve as the next Under Secretary of Defense for Acquisition and Sustainment (USD(A&S)) of the Department of Defense (DoD or 'the Department'). I look forward to your upcoming testimony before the Senate Armed Services Committee.

As Under Secretary, you would oversee a requested acquisition budget of \$311 billion,<sup>1</sup> and be responsible for overseeing all matters related to "acquisition; contract administration; logistics and materiel readiness; installations and environment; operational energy; nuclear, chemical, and biological defense; the acquisition workforce; and the defense industrial base."<sup>2</sup> The USD(A&S) must ensure that DoD affordably delivers and sustains "secure, resilient, and preeminent capabilities to the warfighter,"<sup>3</sup> awards contracts appropriately and fairly, and manages requests of companies seeking to sell their technologies to DoD.<sup>4</sup> And your appointment comes as many of DoD's procurement programs continue to be identified as at high-risk for fraud, waste, and abuse.<sup>5</sup>

Your record raises significant concerns about your ability to effectively execute the role of Under Secretary of Defense for Acquisition and Sustainment. Your direct involvement in decisions to violate the law and disregard Congressional authority in the events that led to President Trump's first impeachment raises concerns about your integrity and character.<sup>6</sup> Your disregard for accountability

 <sup>4</sup> U.S. Department of Defense, Office of the Assistant Secretary of Defense for Acquisition, "Defense Pricing, Contracting, and Acquisition Policy - Contract Policy," <u>https://www.acq.osd.mil/asda/dpc/cp/index.html;</u> U.S.
 Department of Defense, Office of the Assistant Secretary of Defense for Acquisition, "Contract Policy - Doing Business with the Department of Defense (DoD)," <u>https://www.acq.osd.mil/asda/dpc/cp/policy/doing-business-with-dod.html</u>.
 <sup>5</sup> Government Accountability Office, "High-Risk Series: Efforts Made to Achieve Progress Need to Be Maintained and Expanded to Fully Address All Areas," April 2023, pp. i-ii, <u>https://www.gao.gov/assets/gao.23-106203.pdf</u>.

<sup>6</sup> CNN, "Trump appointee put a freeze on Ukraine aid despite concerns from career officials," Sara Murray and Rene Marsh, October 10, 2019, <u>https://www.cnn.com/2019/10/10/politics/ukraine-aid-omb-political-appointee-congress-impeachment/index.html</u>.

<sup>&</sup>lt;sup>1</sup> Congressional Budget Office, "Long-Term Implications of the 2025 Future Years Defense Program," November 2024, p. 15, <u>https://www.cbo.gov/publication/61017</u>.

<sup>&</sup>lt;sup>2</sup> U.S. Department of Defense, Office of the Under Secretary of Defense for Acquisition & Sustainment, "Dr. William A. LaPlante," <u>https://www.acq.osd.mil/leadership/as/dr-william-laplante.html.</u>

<sup>&</sup>lt;sup>3</sup> U.S. Department of Defense, Office of the Under Secretary of Defense for Acquisition & Sustainment, <u>https://www.acq.osd.mil/</u>.

and Congressional oversight, with your failure to answer a deposition request and then a subpoena issued by the House,<sup>7</sup> bodes poorly for your plans to be honest and open with Congress and the American people when overseeing acquisitions and contracts for programs that uphold our national security and help to protect our servicemembers. And your involvement in Project 2025 opens a series of questions about your policy judgment.

This record raises serious questions about your qualifications to serve in any capacity – let alone a critical national security position.

In the letter below, I provide additional detail on these concerns and a series of questions about them, as well as how you plan to address the risks of fraud, waste, and abuse in DoD acquisitions. I request that you come to your Senate Armed Services Committee nomination hearing prepared to answer these questions, and that you provide written answers no later than February 3, 2025.

#### Your Direct Role in the Unlawful Freezing of Aid to Ukraine

As the then-Associate Director for National Security Programs at the Office of Management and Budget (OMB), you were directly involved in and played a substantial role in the events that led to President Trump's first impeachment.<sup>8</sup> In December 2019, President Trump was impeached for high crimes and misdemeanors for illegally seeking assistance from Ukraine for help in winning the 2020 election against President Joe Biden and blocked aid to Ukraine in his efforts to pressure them to do so.<sup>9</sup> You personally "asked the Pentagon to freeze \$250 million in scheduled military aid to Kyiv after a phone call between Mr. Trump and President Volodymyr Zelensky[y] of Ukraine in which Mr. Trump asked Mr. Zelensky[y] to investigate his political rival Joseph R. Biden Jr."<sup>10</sup> The nonpartisan and independent Government Accountability Office (GAO) determined that freezing this aid violated the *Impoundment Control Act of 1974*.<sup>11</sup>

Congress began to authorize funding for Ukraine under the Ukraine Security Assistance Initiative in the fiscal year (FY) 2016 National Defense Authorization Act (NDAA).<sup>12</sup> One condition of this funding, beginning under the FY 2017 NDAA, was that the Department of Defense had to certify, in coordination with the State Department, that Ukraine was taking "substantial actions to make defense institutional reforms."<sup>13</sup> Congress continued to authorize this funding under the FY 2018 and FY

<sup>&</sup>lt;sup>7</sup> House Foreign Affairs Committee, "OMB and State Department Officials Subpoenaed in House Impeachment Inquiry," press release, October 25, 2019, <u>https://democrats-foreignaffairs.house.gov/press-releases?ID=9735AD69-380C-4205-8299-3CCBAB1D23BE</u>; H.Res.755, *Impeaching Donald John Trump, President of the United States, for high crimes and misdemeanors*, <u>https://www.congress.gov/bill/116th-congress/house-resolution/755</u>.

<sup>&</sup>lt;sup>8</sup> CNN, "Trump appointee put a freeze on Ukraine aid despite concerns from career officials," Sara Murray and Rene Marsh, October 10, 2019, <u>https://www.cnn.com/2019/10/10/politics/ukraine-aid-omb-political-appointee-congress-impeachment/index.html</u>.

<sup>&</sup>lt;sup>9</sup> H.Res.755, *Impeaching Donald John Trump, President of the United States, for high crimes and misdemeanors,* <u>https://www.congress.gov/bill/116th-congress/house-resolution/755;</u> BBC News, "Trump impeachment: The short, medium and long story," February 5, 2020, <u>https://www.bbc.com/news/world-us-canada-49800181.</u>

<sup>&</sup>lt;sup>10</sup> New York Times, "Trump Names His Picks for Top Pentagon Roles," John Ismay, December 22, 2024, <u>https://www.nytimes.com/2024/12/22/us/trump-pentagon-defense-nominees.html</u>.

<sup>&</sup>lt;sup>11</sup> U.S. Government Accountability Office, "Decision: Matter of: Office of Management and Budget—Withholding of Ukraine Security Assistance," January 16, 2020, p. 1, <u>https://www.gao.gov/assets/b-331564.pdf</u>.

<sup>&</sup>lt;sup>12</sup> National Defense Authorization Act for Fiscal Year 2016, Public Law 114-92, Sec. 1250.

<sup>&</sup>lt;sup>13</sup> National Defense Authorization Act for Fiscal Year 2017, Public Law 114-328, Sec. 1237.

2019 NDAAs,<sup>14</sup> and on May 23, 2019, DoD certified to Congress that Ukraine had taken sufficient actions to release security assistance funds to it.<sup>15</sup>

After DoD announced its plans on June 18, 2019 to provide \$250 million of "security cooperation" funds for additional training, equipment, and advisory efforts to build the capacity of Ukraine's armed forces,"<sup>16</sup> it prompted "a newspaper article that in turn cause[d] Trump to ask for details on the program."<sup>17</sup> You began to take steps in your role at OMB to ultimately support President Trump's decision to withhold aid to Ukraine despite it already having been appropriated and authorized by Congress.<sup>18</sup> Some key actions that you took include the following:

- Communicating directly to OMB and DoD personnel President Trump's desire to hold • aid to Ukraine and preparing to implement it despite career officials' concerns this could violate the law. A career OMB official testified that he learned of the "President's direction to hold military funding for Ukraine" after he returned from leave on July 18 and "[o]n the 19th, [you] shared that [you] had communicated this direction to the Department of Defense."<sup>19</sup> He also testified that you "expressed a desire to create an apportionment that would implement the hold."<sup>20</sup> The career OMB official raised concerns about this, explaining that doing so "would raise a number of questions that we would need to address" and that he "advised that we would want to consult with our Office of the General Counsel on those questions first."<sup>21</sup> He also raised concerns that this could be a violation of the Impoundment Control Act.<sup>22</sup>
- Directing DoD not to spend the funds after President Trump's call with President • Zelenskyv. During a July 25 call with President Zelenskyv, President Trump pushed the president of Ukraine to investigate President Biden and his son.<sup>23</sup> Just 91 minutes after the call ended, you sent an email to the Pentagon, telling them not to spend the security assistance funds for Ukraine, writing that, "Based on guidance l have received and in light of the Administration's plan to review assistance to Ukraine, including the Ukraine Security Assistance Initiative, please hold off on any additional DoD obligations of these funds, pending direction from that process," and adding that, "Given the sensitive nature of the

<sup>&</sup>lt;sup>14</sup> National Defense Authorization Act for Fiscal Year 2018, Public Law 115-91, Sec. 1234; John S. McCain National Defense Authorization Act for Fiscal Year 2019, Public Law 115-232, Sec. 1246.

<sup>&</sup>lt;sup>15</sup> Letter from Under Secretary of Defense for Policy John C. Rood to Senate Foreign Relations Committee Chairman James E. Risch, May 23, 2019, p. 1, https://www.foreign.senate.gov/imo/media/doc/5-23-

<sup>19%20</sup>DoD%20Notification%20on%20USAI.pdf.

<sup>&</sup>lt;sup>16</sup> U.S. Department of Defense, "DOD Announces \$250M to Ukraine," press release, June 18, 2019, https://www.defense.gov/News/Releases/release/article/1879340/dod-announces-250m-to-ukraine/.

<sup>&</sup>lt;sup>17</sup> The Center for Public Integrity, "Timeline: How Trump withheld Ukraine aid," R. Jeffrey Smith, December 13, 2019, https://publicintegrity.org/national-security/timeline-how-trump-withheld-ukraine-aid/

<sup>&</sup>lt;sup>18</sup> CNN, "White House budget officials laid groundwork to freeze Ukraine aid before July 25 call, heavily redacted emails show," January 22, 2020, https://www.cnn.com/2020/01/22/politics/new-omb-ukraine-documents-americanoversight/index.html.

<sup>&</sup>lt;sup>19</sup> House Permanent Select Committee on Intelligence, joint with the House Committee on Oversight and Reform and the House Committee on Foreign Affairs, "Deposition of: Mark Sandy," November 16, 2019, pp. 31-32, https://www.documentcloud.org/documents/6592845-2019-11-Mark-Sandy-Final-Redacted/.

<sup>&</sup>lt;sup>20</sup> *Id.*, p. 33.

 $<sup>^{21}</sup>$  *Id*.

<sup>&</sup>lt;sup>22</sup> *Id.*, pp. 34-35.

<sup>&</sup>lt;sup>23</sup> New York Times, "Full Document: Trump's Call with the Ukrainian President," October 30, 2019, p. 4, https://www.nytimes.com/interactive/2019/09/25/us/politics/trump-ukraine-transcript.html.

request, I appreciate your keeping that information closely held to those who need to know to execute the direction."<sup>24</sup> That day, "having received the go-ahead from the budget office's lawyers," an OMB official inserted "a footnote into the budget document that prohibited the Pentagon from spending any of the aid until Aug. 5" per your suggestion on July 19 to "attach a footnote to a routine budget document saying the money was being temporarily withheld" and consultations with you and a DoD official regarding the August 5<sup>th</sup> date.<sup>25</sup> The OMB official testified that during his 12 years working at OMB he could not recall ever having "worked on any holds that came after a congressional notification."<sup>26</sup>

- Implementing the hold despite knowing it was a likely violation of the Impoundment Control Act. It is clear you were aware of legal concerns related to the decision to withhold aid given a prep sheet you were provided to represent OMB at a Deputies Small Group meeting on July 26 that stated "Deputies will likely seek clarity on why the decision was made" and highlighted concerns about Impoundment Control Act violations in a section titled "Potential Legal Issue."<sup>27</sup> An OMB official testified that "As the hold was extended, we continued to express concerns about potential implications vis-a-vis the Impoundment Control Act. We expressed those concerns to Mike Duffey, and, on every occasion, we advised him to speak to the general counsel."<sup>28</sup>
- Overtaking an OMB career official's authority to oversee the freeze and continuing to block DoD from spending the funding, despite congressional and DoD concerns. On July 31, the White House took the "very unusual step" of removing the authority of the OMB career official to oversee the aid freeze,<sup>29</sup> giving the authority for approving apportionments over to you instead.<sup>30</sup> You reportedly "said that it was in essence a joint decision reflecting both guidance from the Acting Director and also [your] support."<sup>31</sup> The OMB career official was not aware of any other instance "of any other political appointments being given the responsibility to authorize appointments as happened here."<sup>32</sup> A DoD official reported saying

<sup>&</sup>lt;sup>24</sup> U.S. Senate, "Proceedings of the United States Senate in the Impeachment Trial of President Donald John Trump: Part II," p. 82, <u>https://www.govinfo.gov/content/pkg/CDOC-116sdoc12/pdf/CDOC-116sdoc12-pt2.pdf</u>; ABC News, "White House official ordered aid to Ukraine be withheld 91 minutes after Trump call with Ukraine president, documents show," Olivia Rubin, December 22, 2019, <u>https://abcnews.go.com/Politics/trump-admin-forced-turn-ukraine-aiddocuments/story?id=67869710</u>.

<sup>&</sup>lt;sup>25</sup> New York Times, "Behind the Ukraine Aid Freeze: 84 Days of Conflict and Confusion," Eric Lipton, Maggie Haberman, and Mark Mazzetti, July 29, 2021, <u>https://www.nytimes.com/2019/12/29/us/politics/trump-ukraine-military-aid.html?smid=nytcore-ios-share</u>; House Permanent Select Committee on Intelligence, joint with the House Committee on Oversight and Reform and the House Committee on Foreign Affairs, "Deposition of: Mark Sandy," November 16, 2019, p. 94, <u>https://www.documentcloud.org/documents/6592845-2019-11-Mark-Sandy-Final-Redacted/</u>.
<sup>26</sup> Id., p. 87.

<sup>&</sup>lt;sup>27</sup> American Oversight, "OMB Records of Communications Related to Ukraine Assistance Funding," March 10, 2020, p. 621, <u>https://www.documentcloud.org/documents/6808139-OMB-Records-of-Communications-Related-to-</u>Ukraine/?mode=document#document/.

<sup>&</sup>lt;sup>28</sup> House Permanent Select Committee on Intelligence, joint with the House Committee on Oversight and Reform and the House Committee on Foreign Affairs, "Deposition of: Mark Sandy," November 16, 2019, p. 131, https://www.documentcloud.org/documents/6592845-2019-11-Mark-Sandy-Final-Redacted/.

<sup>&</sup>lt;sup>29</sup> New York Times, "Behind the Ukraine Aid Freeze: 84 Days of Conflict and Confusion," Eric Lipton, Maggie Haberman, and Mark Mazzetti, July 29, 2021, <u>https://www.nytimes.com/2019/12/29/us/politics/trump-ukraine-military-aid.html?smid=nytcore-ios-share.</u>

<sup>&</sup>lt;sup>30</sup> House Permanent Select Committee on Intelligence, joint with the House Committee on Oversight and Reform and the House Committee on Foreign Affairs, "Deposition of: Mark Sandy," November 16, 2019, p. 63, https://www.documentcloud.org/documents/6592845-2019-11-Mark-Sandy-Final-Redacted/.

<sup>&</sup>lt;sup>31</sup> *Id.*, p. 102.

<sup>&</sup>lt;sup>32</sup> *Id.*, p. 105.

"at an interagency meeting on July 31, that Congress had to be notified [of the hold] under law" but that "there was no such notice to [her] knowledge, or preparation of such a notice, to [her] knowledge."<sup>33</sup> There were "at least half-dozen" holds between August and September.<sup>34</sup> While other members of the Trump administration continued to pressure Ukraine, you "had taken to issuing footnotes every few days to block the Pentagon spending."<sup>35</sup> Throughout the course of the events involving the withholding of this aid to Ukraine, Senate Republicans, including Senators Ron Johnson and Rob Portman, raised concerns about the hold directly with the President, and staff from then-Senate Armed Services Committee Chair James Inhofe reached out to inquire about the hold.<sup>36</sup>

- Continuing the hold despite DoD concerns it would impact its ability to enact the policy. On August 20, 27, and 31, the notes you wrote from OMB no longer included the line stating, "Based on OMB's communication with DOD on July 25, 2019, OMB understands from the Department that this brief pause in obligations will not preclude DOD's timely execution of the final policy direction."<sup>37</sup> A career OMB official testified that this was omitted because "DOD stated it could no longer support that sentence" due to concern about how the hold "might affect their ability to fully obligate by the end of the fiscal year."<sup>38</sup> He also confirmed that you were "also aware of the concern" of DoD.<sup>39</sup> You also appeared to ignore DoD's earlier request on August 12 to add "but that execution risk increases with continued delays" to the end of this line.<sup>40</sup>
- Blaming DoD for the funding delay despite personally directing them to withhold the aid. A member of President Trump's team admitted that the security assistance was tied to the Ukraine's willingness to launch the investigations and that he had told a Ukrainian official on September 1 "the resumption of U.S. aid would likely not occur until Ukraine provided the public anti-corruption statement that we had been discussing for many weeks."<sup>41</sup> The day

https://www.documentcloud.org/documents/6592845-2019-11-Mark-Sandy-Final-Redacted/.

<sup>&</sup>lt;sup>33</sup> Center for Public Integrity, "Trump Administration officials worried Ukraine aid halt violated spending law," R. Jeffrey Smith, December 21, 2019, https://publicintegrity.org/national-security/trump-administration-officials-worried-ukraineaid-halt-violated-spending-law/.

<sup>&</sup>lt;sup>34</sup> House Permanent Select Committee on Intelligence, joint with the House Committee on Oversight and Reform and the House Committee on Foreign Affairs, "Deposition of: Mark Sandy," November 16, 2019, p. 77, https://www.documentcloud.org/documents/6592845-2019-11-Mark-Sandy-Final-Redacted/.

<sup>&</sup>lt;sup>35</sup> New York Times, "Behind the Ukraine Aid Freeze: 84 Days of Conflict and Confusion," Eric Lipton, Maggie Haberman, and Mark Mazzetti, July 29, 2021, https://www.nytimes.com/2019/12/29/us/politics/trump-ukraine-militaryaid.html?smid=nvtcore-ios-share.

<sup>&</sup>lt;sup>36</sup> Id.; CNN, "White House budget officials laid groundwork to freeze Ukraine aid before July 25 call, heavily redacted emails show," January 22, 2020, https://www.cnn.com/2020/01/22/politics/new-omb-ukraine-documents-americanoversight/index.html.

<sup>&</sup>lt;sup>37</sup> U.S. Government Accountability Office, "Decision: Matter of: Office of Management and Budget-Withholding of Ukraine Security Assistance," January 16, 2020, pp. 3-4, https://www.gao.gov/assets/b-331564.pdf.

<sup>&</sup>lt;sup>38</sup> House Permanent Select Committee on Intelligence, joint with the House Committee on Oversight and Reform and the House Committee on Foreign Affairs, "Deposition of: Mark Sandy," November 16, 2019, p. 128,

<sup>&</sup>lt;sup>39</sup> *Id.*, p. 130.

<sup>&</sup>lt;sup>40</sup> Just Security, "Exclusive: Unredacted Ukraine Documents Reveal Extent of Pentagon's Legal Concerns," Kate Brannen, January 2, 2020, https://www.justsecurity.org/67863/exclusive-unredacted-ukraine-documents-reveal-extent-ofpentagons-legal-concerns/.

<sup>&</sup>lt;sup>41</sup> Washington Post, "With revised statement, Sondland adds to testimony linking aid to Ukraine investigations that Trump sought," November 5, 2019, https://www.washingtonpost.com/world/national-security/with-revised-testimonysondland-ties-trump-to-quid-pro-quo/2019/11/05/3059b3b8-ffec-11e9-9518-1e76abc088b6 story.html; Washington Post,

<sup>&</sup>quot;Ambassador Gordon Sondland's supplemental declaration," November 4, 2019, p. 2,

after the House announced it would investigate President Trump's efforts to pressure Ukraine into helping with his reelection,<sup>42</sup> you sent an email to DoD in response to its official raising concerns that the money would not be able to be fully obligated based on the hold.<sup>43</sup> You wrote in this September 10 email that, "OMB developed a footnote authorizing DoD to proceed with all processes necessary to obligate funds. If you have not taken these steps, that is contrary to OMB's direction and was your decision not to proceed. If you are unable to obligate the funds, it will have been DoD's decision that cause any impoundment of funds" therefore, "suggesting that responsibility for any failure should not rest with the White House."<sup>44</sup> The top budget official at DoD, who had been pushing back against your efforts to freeze the aid, was so shocked by your assertion that she replied, "You can't be serious. I am speechless."<sup>45</sup> On September 11, President Trump suddenly reversed course that day and agreed to lift the hold.<sup>46</sup>

Under the Constitution, Congress holds the "power of the purse."<sup>47</sup> The Constitution determines that, "[n]o Money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law"<sup>48</sup> and mandates that once Congress enacts a law, the President must "take care that the laws be faithfully executed."<sup>49</sup> The *Impoundment Control Act of 1974* "requires the President to transmit a special message to Congress whenever the President, the OMB Director, or a department or agency officer or employee proposes a *deferral* of budget authority."<sup>50</sup> The authority ultimately falls under Congress whether to accept these rescission proposals.<sup>51</sup>

On January 16, 2020, the GAO found this was not a programmatic delay and concluded that "OMB violated the ICA" because "OMB withheld funds for a policy reason, which is not permitted."<sup>52</sup> This

https://www.washingtonpost.com/context/ambassador-gordon-sondland-s-supplemental-declaration/50217038-5265-4017-a37b-3c0627c4902e/.

<sup>&</sup>lt;sup>42</sup> House Foreign Affairs Committee, "Three House Committees Launch Wide-Ranging Investigation into Trump-Giuliani Ukraine Scheme," press release, September 9, 2019, <u>https://democrats-foreignaffairs.house.gov/press-</u> releases?ID=D365D32B-D9D1-4A68-B07E-28B95DA593B0.

<sup>&</sup>lt;sup>43</sup> Just Security, "Exclusive: Unredacted Ukraine Documents Reveal Extent of Pentagon's Legal Concerns," Kate Brannen, January 2, 2020, <u>https://www.justsecurity.org/67863/exclusive-unredacted-ukraine-documents-reveal-extent-of-pentagons-legal-concerns/</u>.

<sup>&</sup>lt;sup>44</sup>*Id.*; New York Times, "Behind the Ukraine Aid Freeze: 84 Days of Conflict and Confusion," Eric Lipton, Maggie Haberman, and Mark Mazzetti, July 29, 2021, <u>https://www.nytimes.com/2019/12/29/us/politics/trump-ukraine-military-aid.html?smid=nytcore-ios-share.</u>

<sup>&</sup>lt;sup>45</sup> Just Security, "Exclusive: Unredacted Ukraine Documents Reveal Extent of Pentagon's Legal Concerns," Kate Brannen, January 2, 2020, <u>https://www.justsecurity.org/67863/exclusive-unredacted-ukraine-documents-reveal-extent-of-pentagons-legal-concerns/</u>.

<sup>&</sup>lt;sup>46</sup> New York Times, "Behind the Ukraine Aid Freeze: 84 Days of Conflict and Confusion," Eric Lipton, Maggie Haberman, and Mark Mazzetti, July 29, 2021, <u>https://www.nytimes.com/2019/12/29/us/politics/trump-ukraine-military-aid.html?smid=nytcore-ios-share.</u>

<sup>&</sup>lt;sup>47</sup> Congressional Research Service, "Congress's Power Over Appropriations: Constitutional and Statutory Provisions," Sean M. Stiff, June 16, 2020, p. 1, <u>https://crsreports.congress.gov/product/pdf/IF/IF11577</u>.

<sup>&</sup>lt;sup>48</sup> U.S. Constitution, Article I, § 9, cl. 7

<sup>&</sup>lt;sup>49</sup> U.S. Constitution, Article II, § 3.

 <sup>&</sup>lt;sup>50</sup> Congressional Research Service, "Congress's Power Over Appropriations: Constitutional and Statutory Provisions," Sean M. Stiff, June 16, 2020, p. 2, <u>https://crsreports.congress.gov/product/pdf/IF/IF11577</u>; 2 U.S.C. 17B §684.
 <sup>51</sup> Congressional Research Service, "Congress's Power Over Appropriations: Constitutional and Statutory Provisions," Sean M. Stiff, June 16, 2020, p. 2, <u>https://crsreports.congress.gov/product/pdf/IF/IF11577</u>; 2 U.S.C. 17B §638(b).
 <sup>52</sup> U.S. Government Accountability Office, "Decision: Matter of: Office of Management and Budget—Withholding of Ukraine Security Assistance," January 16, 2020, pp. 1 and 7, <u>https://www.gao.gov/assets/b-331564.pdf</u>.

was the first and only time OMB was faulted for violating the Act.<sup>53</sup> It also determined that "OMB's justification for withholding falls squarely within the scope of an impermissible policy deferral."<sup>54</sup> As the GAO explained, "Faithful execution of the law does not permit the President to substitute his own policy priorities for those that Congress has enacted into law."<sup>55</sup> Your actions in the course of these events give the strong appearance that you knowingly violated the law and the Constitution – and that you were an important participant in events that ultimately resulted in the President's impeachment.

Given your direct involvement in these events, I request answers to the following questions:

- 1. When did you first learn that President Trump wanted to freeze aid to Ukraine?
- 2. When did you first learn that President Trump wished to withhold this aid in order to pressure Ukraine into investigating President Biden and his son?
  - a. In what manner did you learn this information? Please include any details on whom you learned this information from as well as whether this was during a verbal conversation, phone call, email, or otherwise.
- 3. Did you instruct an OMB official on July 25 to insert the footnote to "a footnote into the budget document that prohibited the Pentagon from spending any of the aid until Aug. 5?"<sup>56</sup>
- 4. Why did you and the Trump Administration take the "very unusual step" of removing the career OMB official's authority to oversee the aid freeze?<sup>57</sup>
- 5. Why did you decide to freeze this aid, despite concerns that this would violate the ICA?
- 6. Please provide unredacted copies of any emails, correspondence, or other materials related to the freezing of aid to Ukraine.
- 7. Have you been approached by any Russians, or any other foreign countries, including for business opportunities, since 2016?
- 8. Please disclose any foreign contacts you have had since 2016.
- 9. What is your understanding of the ICA?
- 10. When do you think it is appropriate to not spend money that is authorized or appropriated by Congress?
- 11. As a political appointee, what do you understand your role to be in seeking and listening to the advice of career civil servants?
- 12. If you are confirmed as USD(A&S), do you commit to enacting the laws set by Congress?
- 13. If you are confirmed as USD(A&S), do you commit to upholding and following the Constitution, including ensuring that the President must "take care that the laws be faithfully executed?"<sup>58</sup>
- 14. What is your understanding of the authority of lawmaking power that the Constitution vests to Congress?<sup>59</sup>

<sup>57</sup> Id.

<sup>&</sup>lt;sup>53</sup> A review of Westlaw's Comptroller General decisions found no other instances of OMB violating the ICA [on file with the Office of Senator Elizabeth Warren].

<sup>&</sup>lt;sup>54</sup> U.S. Government Accountability Office, "Decision: Matter of: Office of Management and Budget—Withholding of Ukraine Security Assistance," January 16, 2020, p. 6, <u>https://www.gao.gov/assets/b-331564.pdf</u>.

<sup>&</sup>lt;sup>55</sup> *Id.*, p. 1.

<sup>&</sup>lt;sup>56</sup> New York Times, "Behind the Ukraine Aid Freeze: 84 Days of Conflict and Confusion," Eric Lipton, Maggie Haberman, and Mark Mazzetti, July 29, 2021, <u>https://www.nytimes.com/2019/12/29/us/politics/trump-ukraine-military-aid.html?smid=nytcore-ios-share.</u>

<sup>&</sup>lt;sup>58</sup> U.S. Constitution, Article II, § 3.

<sup>&</sup>lt;sup>59</sup> U.S. Constitution, Article I, § 8, cl. 18.

### **Disregard for Congressional Authority and Oversight**

In addition to your disregard for Congress's authority to obligate funds and set the laws, you also refused to comply with a deposition request part of the impeachment inquiry and ignored a subpoena from the three House committees that led the impeachment inquiry.<sup>60</sup> Under federal law, it is a misdemeanor criminal offense for any person who has been summoned by Congress who "willfully" fails to comply with a subpoena "upon any matter under inquiry before either House…or any committee of either House of Congress."<sup>61</sup> Your refusal to comply with the subpoena—under the direction of President Trump—was so significant that it was one of the reasons that President Trump was charged with the second article of impeachment for Obstruction of Congress.<sup>62</sup> You were listed by name in Article II of the 2019 impeachment resolution passed by the House.<sup>63</sup>

Your blatant disregard for Congressional authority and refusal to comply with a valid subpoena from Congress raises concerns about your understanding of the role that Congress has in funding the Department and establishing the laws under which it operates.

Due to these significant concerns, I request answers to the following questions:

- 1. Why did you refuse to answer the subpoena that the House issued to you?<sup>64</sup>
- 2. If you are confirmed as Under Secretary of Defense for Acquisition and Sustainment, will you commit to refusing to follow illegal orders from the President?
- 3. Will you commit to testify before Congress if you are called by Congress to provide a deposition or if you are issued a subpoena?
- 4. Will you commit to providing information or documents to Congress if you are requested to do so or issued a subpoena?
- 5. Will you ensure your staff complies with Inspector General deadlines established for requested communications, providing witnesses, providing documents, and that those witnesses will be protected from reprisal for their testimony?
- 6. If you are not able to comply with Inspector General requests and deadlines, will you notify the Republican and Democratic members of the committee regarding the basis for any good faith delay or denial?
- 7. Will you commit to following current DoD precedent for responding to information requests, briefings, and other inquiries from Congress, including the Senate and House Armed Services Committees and their minority members?

<sup>&</sup>lt;sup>60</sup> House Foreign Affairs Committee, "OMB and State Department Officials Subpoenaed in House Impeachment Inquiry," press release, October 25, 2019, <u>https://democrats-foreignaffairs.house.gov/press-releases?ID=9735AD69-380C-4205-8299-3CCBAB1D23BE</u>; H.Res.755, *Impeaching Donald John Trump, President of the United States, for high crimes and misdemeanors*, <u>https://www.congress.gov/bill/116th-congress/house-resolution/755</u>.

<sup>&</sup>lt;sup>61</sup> 2 U.S.C. § 192.

<sup>&</sup>lt;sup>62</sup> H.Res.755, *Impeaching Donald John Trump, President of the United States, for high crimes and misdemeanors,* <u>https://www.congress.gov/bill/116th-congress/house-resolution/755</u>.

<sup>&</sup>lt;sup>63</sup> *Id.* 

<sup>&</sup>lt;sup>64</sup> Id.

### Your Direct Involvement in Project 2025

I am also concerned by several of the policies that you have developed as part of Project 2025. Despite President Trump's repeated attempts to distance himself from Project 2025 during the campaign, he has already reversed course, bringing on numerous individuals who directly participated in its creation. For your part, you led a nearly 45-minute "private training" video on the federal budget.<sup>65</sup> In a chapter that you contributed to entitled, "Executive Office of the President of the United States," Project 2025 states that the Office of Federal Procurement Policy "should be engaged early and often in OMB's effort to drive policy, including by obtaining transparency about entities that are awarded federal contracts and grants and by using government contracts to push back against woke policies in corporate America."<sup>66</sup> This begs the question of whether you would use your role to police the personnel and Human Resources decisions of defense contractors, rather than prioritizing government contracts that advance U.S. national security and support our servicemembers.

Project 2025 also suggests several other policies that would relate to your role as USD(A&S), if you are confirmed. It recommends requiring the USD(A&S) as well as "the Under Secretary for Research and Engineering, and all service secretaries to conduct 'Night Court' and use existing authorities to terminate outdated or underperforming programs."<sup>67</sup> While addressing outdated or underperforming programs is important, the details regarding how you would approach this project are critical.

Project 2025 also argues for "reducing the number of procurement competitions"<sup>68</sup> and states that "[s]enior acquisition leaders should design a system that allows decision-makers to stay within the law but bypass unnecessary departmental regulations."<sup>69</sup> I am concerned by whether these policy plans will reduce necessary competition and favor the biggest – or most politically connected – defense contractors. This is a particularly important question given that just the top 10 contractors account for 42 percent of DoD's obligated funds already.<sup>70</sup>

In other areas, Project 2025 has made recommendations that appear to represent good policy. For example, it notes that, "The critical shortage of trained and certified acquisition personnel must be addressed with urgency in order to support DOD mission objectives and goals."<sup>71</sup> The GAO has determined that DoD's reductions of its civilian acquisition workforce by 50 percent from September 1989 to September 1999 "produced serious imbalances in the skills and experience of the highly talented and specialized civilian acquisition workforce, putting DOD on the verge of a retirement-

<sup>&</sup>lt;sup>65</sup> ProPublica, "Project 2025 Private Training Video: Federal Budget," August 10, 2024, https://www.youtube.com/watch?v=RnlJ r7Thsc.

<sup>&</sup>lt;sup>66</sup> The Heritage Foundation, "Mandate for Leadership: The Conservative Promise – Project 2025 Presidential Transition Project," April 2023, p. 48, <u>https://static.project2025.org/2025\_MandateForLeadership\_FULL.pdf</u>.

<sup>&</sup>lt;sup>67</sup> *Id.*, p. 96.

<sup>&</sup>lt;sup>68</sup> *Id.*, p. 97.

<sup>&</sup>lt;sup>69</sup> *Id.*, p. 98.

<sup>&</sup>lt;sup>70</sup> SAM.gov, "Top\_100\_Contractors\_Report\_Fiscal\_Year\_2023," DoD (9700) Tab,

https://sam.gov/api/prod/databank/v1/reports/static/download?fileName=Top\_100\_Contractors\_Report\_Fiscal\_Year\_202\_3&fileType=xlsx.

<sup>&</sup>lt;sup>71</sup> The Heritage Foundation, "Mandate for Leadership: The Conservative Promise – Project 2025 Presidential Transition Project," April 2023, p. 98, <u>https://static.project2025.org/2025\_MandateForLeadership\_FULL.pdf</u>.

driven talent drain."<sup>72</sup> While DoD has taken "steps to increase the size and skills of its acquisition workforce,"<sup>73</sup> it is critical to maintain a strong civilian acquisition workforce.

If you are confirmed, you will be responsible for "overseeing the modernization of nuclear forces, including the nuclear command, control, and communications system, and the development of capabilities to counter weapons of mass destruction."<sup>74</sup> Project 2025 calls for the administration to "[a]ccelerate the development and production of the Sentinel intercontinental ballistic missile to reduce the risk inherent in an aging Minuteman III force in light of China's nuclear modernization breakout<sup>75</sup> This is promoting a program that is costing billions more of taxpayer dollars than originally claimed. The Sentinel program is now estimated to cost nearly \$140.9 billion after a threeyear delay and an 81 percent cost overrun causing a Nunn-McCurdy breach that required a review by the Air Force to determine if the program is worth pursuing.<sup>76</sup> Accelerating this acquisition would worsen the inherent problems of program mismanagement in an unprecedented sole-source contract for a program of this size. Project 2025 also argues for rejecting proposals that DoD itself has supported regarding nuclear capabilities. Specifically, it calls for "[r]eject[ing] any congressional proposals that would further extend the service lives of U.S. capabilities such as the Minuteman III ICBM."<sup>77</sup> Last February, the commander of Strategic Command provided testimony to the Senate Armed Services Committee stating that, "It is critical that the Air Force, with the support of Congress, continue investments to ensure sustainment of MMIII to manage end-of-life margin until it is fully replaced by a modern ICBM weapon system."<sup>78</sup>

Your job will also be to help advise the Secretary and President on how to balance competing national security needs across portfolios. The significant costs of all of the military service's modernization programs have earned this decade a "Terrible 20s" moniker that one conservative analyst warned would lead America to "sleepwalk into strategic insolvency and its consequences."<sup>79</sup> Project 2025 calls for expanding the United States' nuclear arsenal,<sup>80</sup> which is likely to cost at least

<sup>&</sup>lt;sup>72</sup> Government Accountability Office, "Defense Workforce: Opportunities for more Effective Management and Efficiencies," Elizabeth A. Field and Suzanne M. Perkins, July 26, 2023, p. 3, <u>https://www.gao.gov/assets/gao-23-106966.pdf</u>.

<sup>&</sup>lt;sup>73</sup> Id.

<sup>&</sup>lt;sup>74</sup> 10 U.S.C. 133b (b)(6)

<sup>&</sup>lt;sup>75</sup> The Heritage Foundation, "Mandate for Leadership: The Conservative Promise – Project 2025 Presidential Transition Project," April 2023, p. 114, <u>https://static.project2025.org/2025\_MandateForLeadership\_FULL.pdf</u>.

<sup>&</sup>lt;sup>76</sup> Bulletin of the Atomic Scientists, "Memo to Trump: Cancel US Air Force's Sentinel ICBM program," Mackenzie Knight, January 17, 2025, <u>https://thebulletin.org/2025/01/memo-to-trump-cancel-us-air-forces-sentinel-icbm-program/;</u> AP News, "New Sentinel nuclear weapons program is 81% over budget. But Pentagon says it must go forward," Tara Copp, July 9, 2024, <u>https://apnews.com/article/nuclear-sentinel-weapon-icbm-cost-</u>

<sup>&</sup>lt;u>39c69242301b2a273111d161573f5c56;</u> GAO, "Weapon Systems Annual Assessment: DOD Is Not Yet Well-Positioned to Field Systems with Speed," June 2024, <u>https://www.gao.gov/assets/gao-24-106831.pdf</u>

<sup>&</sup>lt;sup>77</sup> The Heritage Foundation, "Mandate for Leadership: The Conservative Promise – Project 2025 Presidential Transition Project," April 2023, p. 124, <u>https://static.project2025.org/2025\_MandateForLeadership\_FULL.pdf</u>.

<sup>&</sup>lt;sup>78</sup> Senate Committee on Armed Services, "Statement of Anthony J. Cotton, Commander of United States Strategic Command before the United States Committee on Armed Services," February 29, 2024, p. 11, <u>https://www.armed-services.senate.gov/imo/media/doc/cotton\_statement.pdf</u>.

<sup>&</sup>lt;sup>79</sup> American Enterprise Institute, "The 2020s Tri-service Modernization Crunch," Mackenzie Eaglen, March 23, 2021, https://www.aei.org/research-products/report/2020s-tri-service-modernization-crunch/.

<sup>&</sup>lt;sup>80</sup> The Heritage Foundation, "Mandate for Leadership: The Conservative Promise – Project 2025 Presidential Transition Project," April 2023, p. 94, <u>https://static.project2025.org/2025\_MandateForLeadership\_FULL.pdf</u>.

\$1.5 trillion.<sup>81</sup> At the same time, the Navy is pursuing a shipbuilding plan that will cost at least \$340 billion, which the Congressional Budget Office determined would increase the Navy's shipbuilding costs by an average of "\$40 billion (in 2024 dollars) over the next 30 years, which is about 17 percent more than the Navy estimates."<sup>82</sup>

Given my concerns about whether and how you will implement these recommended policies, I request answers to the following questions:

- 1. The Project 2025 chapter—to which you contributed—states that the Office of Federal Procurement Policy "should be engaged early and often in OMB's effort to drive policy, including by obtaining transparency about entities that are awarded federal contracts and grants and by using government contracts to push back against woke policies in corporate America."<sup>83</sup> As USD(A&S), would your priority be using government contracts to advance U.S. national security and support our servicemembers or to police the personnel and HR decisions of defense contractors?
  - a. How do you plan to use your role to influence the 'woke' policies in corporate America?
  - b. Which policies do you plan to target?
- 2. If you are confirmed as USD(A&S), what standards will you follow to determine which programs are "outdated or underperforming?"<sup>84</sup>
  - a. What guardrails will you put in place to prevent undue influence from defense contractors in determining which programs are outdated or underperforming?
- 3. Do you support Project 2025's recommendation to create a 'Night Court' and "terminate outdated or underperforming programs?"<sup>85</sup> If so, how will you approach this process to ensure that decisions are fair, transparent, and non-political?
- 4. Do you support "reducing the number of procurement competitions?"<sup>86</sup> If so, why?
  - a. How do you think reducing competition impacts the quality of the products and weapons systems that DoD uses?
- 5. Do you agree that "[t]he critical shortage of trained and certified acquisition personnel must be addressed with urgency in order to support DOD mission objectives and goals?"<sup>87</sup>
  - a. If so, how do you plan to address this shortage if you are confirmed as USD(A&S)?
- 6. Do you support "[a]ccelerat[ing] the development and production of the Sentinel intercontinental ballistic missile?"<sup>88</sup>
  - a. If so, why do you support a program with an 81 percent cost overrun?
- 7. What is your understanding of the significance of a Nunn-McCurdy breach?

<sup>&</sup>lt;sup>81</sup> Arms Control Association, "U.S. Nuclear Modernization Programs," August 2024, https://www.armscontrol.org/factsheets/us-modernization-2024-update.

<sup>&</sup>lt;sup>82</sup> Congressional Budget Office, "An Analysis of the Navy's 2025 Shipbuilding Plan," January 2025, <u>https://www.cbo.gov/publication/61155</u>.

 <sup>&</sup>lt;sup>83</sup> The Heritage Foundation, "Mandate for Leadership: The Conservative Promise – Project 2025 Presidential Transition Project," April 2023, p. 48, <u>https://static.project2025.org/2025\_MandateForLeadership\_FULL.pdf</u>.
 <sup>84</sup> Id., p. 96.

<sup>&</sup>lt;sup>85</sup> *Id*.

<sup>&</sup>lt;sup>86</sup> *Id.*, p. 97.

<sup>&</sup>lt;sup>87</sup> *Id.*, p. 98

<sup>&</sup>lt;sup>88</sup> *Id.*, p. 114.

- a. What do you understand your role to be in ensuring that programs do not reach this significant cost overrun threshold if you are confirmed as USD(A&S)?
- 8. Do you support "[r]eject[ing] any congressional proposals that would further extend the service lives of U.S. capabilities such as the Minuteman III ICBM?"<sup>89</sup>
  - a. If so, why do you support this despite DoD providing testimony that the "Air Force, with the support of Congress, continue investments to ensure sustainment of MMIII to manage end-of-life margin until it is fully replaced by a modern ICBM weapon system?" <sup>90</sup>
- 9. Do you agree with any of these statements:
  - a. "all U.S. nuclear capabilities and the infrastructure on which they rely date from the Cold War and are in dire need of replacement;"<sup>91</sup>
  - b. "Missile defense has been underprioritized and underfunded in recent years;"<sup>92</sup> and that
  - c. "[t]he United States manifestly needs to modernize, adapt, and expand its nuclear arsenal?"<sup>93</sup> If so, which ones?
- 10. How much funding will be needed to update nuclear capabilities? Please provide a dollar amount.
- 11. Do you support expanding the U.S. nuclear arsenal? If so, with which weapons?
- 12. Which systems in the U.S. nuclear arsenal do you consider out of date?
- 13. How do you think increasing our nuclear weapons will impact our adversaries' interest in doing the same?

#### Addressing Risks of Waste, Fraud, and Abuse in DoD Acquisition

DoD's contracts must be awarded based on national security needs and performance. Your past behavior, especially in relation to the events for which President Trump was impeached, raises serious concerns about your integrity and character, and whether you will ensure DoD contracts are awarded fairly and based on the best interests of taxpayers and national security. DoD's acquisition program "has been the target of contracting-related fraud schemes"<sup>94</sup> and "GAO has long reported that DOD's procurement processes are vulnerable to waste, fraud, and abuse."<sup>95</sup> In just four years, there were over 1,500 contracting fraud cases that resulted in monetary judgments, with over \$6.6 billion in recoveries.<sup>96</sup> A number of major DoD contractors have made donations to President Trump's inauguration in order to ingratiate themselves with the new administration to avoid

<sup>&</sup>lt;sup>89</sup> *Id.*, p. 124.

<sup>&</sup>lt;sup>90</sup> Senate Committee on Armed Services, "Statement of Anthony J. Cotton, Commander of United States Strategic Command before the United States Committee on Armed Services," February 29, 2024, p. 11, <u>https://www.armed-services.senate.gov/imo/media/doc/cotton\_statement.pdf</u>.

 <sup>&</sup>lt;sup>91</sup> The Heritage Foundation, "Mandate for Leadership: The Conservative Promise – Project 2025 Presidential Transition Project," April 2023, p. 123, <u>https://static.project2025.org/2025\_MandateForLeadership\_FULL.pdf</u>.
 <sup>92</sup> Id., p. 126.

<sup>&</sup>lt;sup>93</sup> *Id.*, p. 94.

 <sup>&</sup>lt;sup>94</sup> Government Accountability Office, "DOD Fraud Risk Management: Actions Needed to Enhance Department-Wide Approach, Focusing on Procurement Fraud Risks," August 19, 2021, <u>https://www.gao.gov/products/gao-21-309</u>.
 <sup>95</sup> Id., Highlights p. 1.

<sup>&</sup>lt;sup>96</sup> *Id.*, p. 8.

regulation and win government contracts: Lockheed Martin and Boeing each donated \$1 million to the inauguration.<sup>97</sup>

As co-founder of the private equity Carlyle Group, David Rubenstein, explained, big donors "would like to get the policies they believe in from the federal government — more oil drilling, easier antitrust policy, more favorable crypto policy, less bank oversight. They also want more support for helping American companies invest overseas, and have ready access to government officials."<sup>98</sup> Congress appropriates funds to the Department of Defense, and the Senate Armed Services Committee authorizes these programs annually. I have serious concerns about whether you will faithfully execute these laws if you are put under any political pressure to do otherwise.

If confirmed to this role, it is your job to make sure DoD negotiates fair deals for the Department. It is critical that DoD continues to assess certified cost and pricing data from contractors to ensure that the costs of government contracts are fair and reasonable.<sup>99</sup> However, there continue to be "chronic issues" of contractors refusing to provide data to DoD<sup>100</sup> or claiming they are unable to do so.<sup>101</sup> I introduced the bipartisan *Stop Price Gouging the Military Act* to address contractors overcharging DoD, including by requiring contractors to provide cost or pricing information to the Department if the price competition does not result in a minimum of two responsive and reasonable offers.<sup>102</sup> I have also fought against contractor price gouging by pushing the Department of Defense Inspector General to conduct an investigation on TransDigm Group Inc. overcharging the Department.<sup>103</sup> It ultimately resulted in TransDigm agreeing to return \$16.1 million to DoD.<sup>104</sup>

<sup>100</sup> Government Accountability Office, "Spare Part Contracts: Collecting Additional Information Could Help DOD Address Delays in Obtaining Cost or Pricing Data," May 26, 2021, p. 7, <u>https://www.gao.gov/assets/720/714558.pdf</u>.
 <sup>101</sup> U.S. Department of Defense, Office of the Inspector General, "The Air Force Did Not Adequately Determine or Document Fair and Reasonable Prices for Lot 7 Sole-Source Initial Spare Parts for the C-5 Aircraft," February 7, 2017, pp. 5-13, <u>https://media.defense.gov/2017/Feb/07/2001714317/-1/-1/1/DODIG-2017-053.pdf</u>; U.S. Department of Defense, Office of the Inspector General, "U.S. Air Force Spent Billions on F117 Engine Sustainment Without Knowing What a Fair Price Was," March 11, 2016, p. 1, <u>https://media.defense.gov/2016/Mar/11/2001714219/-1/-1/1/DODIG-2016-059.pdf</u>; U.S. Department of Defense, Office of the Inspector General, "Naval Supply Systems Command Needs to Improve Cost Effectiveness of Purchases for the Phalanx Close-In Weapon System," December 19, 2014, p. 11, <u>https://media.defense.gov/2018/Jul/23/2001945902/-1/-1/1/DODIG-2015-053.PDF</u>.

https://www.reuters.com/article/idUSKBN193270/.

<sup>&</sup>lt;sup>97</sup> CBS News, "Lockheed Martin donates \$1 million to Trump inaugural committee," Jennifer Jacobs and Arden Farhi, January 10, 2025, <u>https://www.cbsnews.com/news/lockheed-martin-donates-1-million-inaugural-committee/</u>; BBC News, "Boeing and Google each give \$1m for Trump inauguration," João da Silva, January 10, 2025, <u>https://www.bbc.com/news/articles/cgly2krddwgo</u>.

 <sup>&</sup>lt;sup>98</sup> New York Times, "A Trump Oligarchy Is Moving to Washington, and Buying Up Prime Addresses," Elisabeth Bumiller, January 19, 2025, <u>https://www.nytimes.com/2025/01/19/us/politics/trump-billionaires-washington-homes.html</u>.
 <sup>99</sup> U.S. Department of Defense, Office of the Under Secretary of Defense for Acquisition and Sustainment, "PGI 215.4 – Contract Pricing, PGI 215.402 Pricing Policy," <u>https://www.acq.osd.mil/dpap/dars/pgi/pgi\_htm/current/PGI215\_4.htm;</u> ProPricer, "Know TINA's Threshold: Embrace the Truth in Negotiations Act," November 22, 2022, <u>https://www.propricer.com/blog/know-tinas-thresholdembrace-the-truth-in-negotiations-act</u>.

 <sup>&</sup>lt;sup>102</sup> Office of U.S. Senator Elizabeth Warren, "Senators Warren, Braun, Representative Garamendi Reintroduce Bipartisan Stop Price Gouging the Military Act," press release, June 20, 2023, <u>https://www.warren.senate.gov/newsroom/press-releases/senators-warren-braun-representative-garamendi-reintroduce-bipartisan-stop-price-gouging-the-military-act</u>.
 <sup>103</sup> Reuters, "TransDigm's shares fall as Senator Warren seeks probe," June 12, 2017,

<sup>&</sup>lt;sup>104</sup> Reuters, "TransDigm to repay \$16 million for overcharging the Pentagon," May 24, 2019, <u>https://www.reuters.com/article/economy/transdigm-to-repay-16-million-for-overcharging-the-pentagon-idUSKCN1SU2AO/</u>.

I have also fought against excessive and dangerous consolidation in the defense industry, including helping to block Lockheed Martin's purchase of Aerojet Rocketdyne, and ensuring that DoD has stronger authorities to push back against industry consolidation.<sup>105</sup> Excessive consolidation harms innovation, raises costs for DoD, and puts the defense industrial base at risk.<sup>106</sup>

It's also critical to ensure that DoD officials are not tempted to award contracts in ways that would benefit their post-government employment opportunities, as DoD officials often turn to contractors after leaving the Department to get lucrative pay and contract deals.<sup>107</sup> I have pushed for DoD officials to not engage in lobbying activities or work for contractors after leaving the military. Several senior military leaders have voluntarily agreed not to work for defense contractors or to recuse themselves from potential conflicts of interest, including Secretary of Defense Lloyd Austin III<sup>108</sup> and General Charles C.Q. Brown, the Chairman of the Joint Chiefs of Staff.<sup>109</sup>

I request further information on how you will approach these problems.

- 1. What is your understanding of the Procurement Integrity Act and your obligations under that law?
- 2. Do you believe that it is important to be able to assess accurate cost and pricing data from contractors?
- 3. If you are confirmed as USD(A&S), how do you plan to obtain cost and pricing data from contractors to determine that the cost of DoD contracts is fair and reasonable?
  - a. How do you plan to do so in cases where contractors refuse to or claim they are unable to turn over this data?
- 4. If you are confirmed as USD(A&S), what steps will you take to ensure that contractors are not price gouging or overcharging DoD?
- 5. If you are confirmed as USD(A&S), will you commit to seeking refunds from contractors and companies that overcharge DoD?

https://www.warren.senate.gov/imo/media/doc/DoD%20Revolving%20Door%20Report.pdf.

<sup>&</sup>lt;sup>105</sup> Reuters, "Lockheed scraps \$4.4 billion deal to buy Aerojet amid regulatory roadblocks," February 14, 2022, <u>https://www.reuters.com/business/aerospace-defense/lockheed-martin-terminates-44-bln-deal-acquire-aerojet-rocketdyne-2022-02-13/;</u> Roll Call, "Lawmakers request review of two defense industry acquisitions," John Donnelly, July 1, 2024, <u>https://rollcall.com/2024/07/01/lawmakers-request-review-of-two-defense-industry-acquisitions/;</u> National Defense Authorization Act for Fiscal Year 2024, Public Law 118-31, Sec. 857.

<sup>&</sup>lt;sup>106</sup> Office of U.S. Senator Elizabeth Warren, "Warren, Rounds Call on Pentagon to Address Excessive Defense Industry Consolidation that Jeopardizes National Security," press release, March 18, 2024,

 $<sup>\</sup>label{eq:https://www.warren.senate.gov/oversight/letters/warren-rounds-call-on-pentagon-to-address-excessive-defense-industry-consolidation-that-jeopardizes-national-security.$ 

<sup>&</sup>lt;sup>107</sup> Project on Government Oversight, "The Pentagon's Revolving Door Keeps Spinning: 2021 in Review," Ryan Summers, January 20, 2022, <u>https://www.pogo.org/analysis/the-pentagons-revolving-door-keeps-spinning-2021-inreview</u>; Office of U.S. Senator Elizabeth Warren, "Pentagon Alchemy: How Defense Officials Pass Through the Revolving Door and Peddle Brass for Gold," April 26, 2023,

<sup>&</sup>lt;sup>108</sup> Office of U.S. Senator Elizabeth Warren, "In Response to Senator Warren's Questions, Secretary of Defense Nominee General Lloyd Austin Commits to Recusing Himself from Raytheon Decisions for Four Years," press release, January 19, 2021, <u>https://www.warren.senate.gov/newsroom/press-releases/in-response-to-senator-warrens-questions-secretary-of-</u> <u>defense-nominee-general-lloyd-austin-commits-to-recusing-himself-from-raytheon-decisions-for-four-years</u>.

<sup>&</sup>lt;sup>109</sup> Office of U.S. Senator Elizabeth Warren, "At Hearing, Warren Secures Ethics Commitment Joint Chiefs of Staff Nominee General Brown; Reiterates Concern over Senior Military Holds," press release, July 11, 2023, <u>https://www.warren.senate.gov/newsroom/press-releases/at-hearing-warren-secures-ethics-commitment-joint-chiefs-of-staff-nominee-general-brown-reiterates-concern-over-senior-military-holds.</u>

- a. If so, how do you plan to do so?
- 6. Do you believe there is excessive consolidation in the defense industry?
  - a. If so, what do you believe to be the ramifications of that?
- 7. If you are confirmed as USD(A&S), how will you support competition in the defense industry?
- 8. If you own any defense contractor stock, will you divest it to avoid even the appearance of a conflict of interest?
- 9. If you are confirmed, will you commit to not seeking any employment with or compensation from a defense contractor, including through serving on a board, as a consultant, or as a lobbyist, for four years after leaving office?
- 10. If you are confirmed, will you commit to not engaging in any lobbying activities, including "behind-the-scenes" lobbying, focused on DoD or any of its components for four years?

## **Conclusion**

Your record raises significant concerns about your ability to effectively execute the role of Under Secretary of Defense for Acquisition and Sustainment. This record reveals that, if you are confirmed as Under Secretary of Defense for Acquisition and Sustainment, the Senate would be supporting the confirmation of an individual who has shown disregard for the Constitution, Congressional authority, and our nation's laws.

I request that you come to your Senate Armed Services Committee nomination hearing prepared to answer my questions about these matters, and that you provide written answers no later than February 3, 2025.

Sincerely,

Elizabeth Warren United States Senator