



## **REQUIRE THE FEDERAL GOVERNMENT TO BUY AMERICAN MORE OFTEN**

### ***The Berry Amendment Strengthens our Economy and National Security***

#### **ISSUE:**

It is vital to America's national security that the U.S. military maintain the ability to source high-quality, innovative textile materials, apparel and personal equipment from a vibrant U.S. textile industrial base. Key to this goal is defending and strengthening the Berry Amendment ([10 USC 2533a](#)), a law requiring the Department of Defense (DOD) to buy textile and clothing products made with virtually 100 percent U.S. content and labor.

The U.S. textile industry provides high-tech and functional components for the U.S. government, including more than \$1.8 billion worth of vital uniforms and equipment for our armed forces each year. The Department of Defense estimates that over 8,000 different textile items are purchased for use by the U.S. military, and this figure rises to more than 30,000-line items when individual sizes are considered. As domestic suppliers, U.S. textile mills provide the highest quality goods on a timetable that our armed forces demand.

#### **The Simplified Acquisition Threshold**

All military orders at or above the Simplified Acquisition Threshold (SAT) are subject to Berry and must be sourced wholly in the United States. The FY 2018 National Defense Authorization Act (NDAA) raised the SAT from \$150,000 to \$250,000, affecting approximately \$50 million worth of textile and apparel orders annually. Raising the SAT level increases the likelihood that a significant amount of U.S. defense spending will flow to non-market economies like China at the expense of American jobs.

As such, we support a de-coupling of the Berry Amendment from the SAT and reversion of the threshold level for Berry purchases back to \$150,000. Further, future Berry threshold increases should be tied to increases to the Consumer Price Index (CPI). Language affecting this change was included in the Senate FY 2020 NDAA but was not agreed to by House conferees as part of the final FY 2020 Conference Report.

#### **Domestic Non-Availability Determination (DNAD)**

Under Berry, a domestic non-availability determination may be granted if DOD concludes that an input or item in question cannot be acquired when needed in a satisfactory quality and enough quantity at U.S. market prices. Items afforded a DNAD waiver can be sourced offshore and used as inputs in items that continue to qualify as Berry compliant. The U.S. textile industry has long been concerned that the DNAD process is plagued by a lack of transparency leading to the possible overuse of the DNAD process.

#### **ACTION REQUESTS:**

**To create more jobs and strengthen America's national security, USIFI and NFI request the following actions with respect to the FY 2021 NDAA:**

- **De-couple the Berry Amendment from the SAT and bring future increases in line with CPI**
- **Direct the DOD to provide greater transparency as to the number of DNAD waivers in existence under Berry and how the determination process currently operates**