June 22, 2017

TechNet Endorses Thornberry Proposal To Maximize Online Marketplaces In Defense Procurement

Urges House Armed Services Committee to approve it at next Wednesday's NDAA markup

Washington, D.C. — TechNet, the national, bipartisan network of innovation economy CEOs and senior executives, today endorsed H.R. 2511, the *Defense Acquisition Streamlining and Transparency Act,* a bill introduced last month by House Armed Services Committee Chairman Mac Thornberry (R-TX) to modernize the Department of Defense's procurement practices by making it easier to purchase commercially available products from online marketplaces. A modified version of the proposal is expected to be reintroduced next Monday and marked up by the full House Armed Services Committee on Wednesday, June 28.

"TechNet is committed to ensuring that the federal government's technology systems and procurement practices are modern, secure, and efficient, and fully maximize state-of-the-art commercial technologies available today," said TechNet President and CEO Linda Moore in a letter to Thornberry. **"[W]e believe the federal government needs more flexible procurement programs and practices, especially as it relates to technology.**

"Among the current challenges to achieving this goal are outdated laws and regulations that make it difficult to purchase commercially available products from online marketplaces where goods and services can often be purchased and delivered more quickly than through other channels and at a lower cost to the taxpayer," Moore continued. **"As the House Armed Services Committee marks up the *2018 National Defense Authorization Act* (NDAA), TechNet offers our support for H.R. 2511 and encourages the Committee to adopt it."**

The full text of the letter is below.

June 21, 2017

The Honorable Mac Thornberry
Chairman
House Armed Services Committee
2216 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Thornberry:

As the national, bipartisan network of innovation economy CEOs and senior executives, TechNet is committed to ensuring that the federal government's technology systems and procurement practices are modern, secure, and efficient, and fully maximize state-of-the-art commercial technologies available today. As a guiding principle, we believe the federal government needs more flexible procurement programs and practices, especially as it relates to technology. Among the current challenges to achieving this goal are outdated laws and regulations that make it difficult to purchase commercially available products from online marketplaces where goods and services can often be purchased and delivered more quickly than through other channels and at a lower cost to the taxpayer.

In order to modernize the federal government's procurement practices and promote a free market in defense acquisition practices, we were encouraged by your introduction of H.R. 2511, the *Defense Acquisition Streamlining and Transparency Act*, as well as your willingness to seek input over the past month on ways to improve this proposal. This bill contains provisions that leverage innovative technology to address procurement and management challenges at the Department of Defense. As the House Armed Services Committee marks up the *2018 National Defense Authorization Act* (NDAA), TechNet offers our support for H.R. 2511 and encourages the Committee to adopt it.

We believe H.R. 2511 — particularly the concepts outlined in Section 101, "Procurement through online marketplaces," and Section 401, "Transparency of defense system data" — helps foster a climate of innovation and competition. Both of these provisions focus on speed and access by leveraging modern technologies and methodologies. Section 101 would allow the Department of Defense to gain access to commercial-off-the-shelf (COTS) items via commercial marketplaces. We applaud this provision as a modern solution to commercial item procurement reform. Additionally, Section 401 promotes open architecture and transparency in collecting and comparing Department of Defense data. Today's Department of Defense data is often housed in silos and not interoperable, which limits the Department's ability to conduct data analysis and make better purchasing decisions.

Both of these provisions prioritize military operations above unnecessary bureaucracy. TechNet believes this proposal will empower the Department of Defense to act as an innovative leader and help the federal government meet today's missions in a connected and digital world. We commend your leadership in this endeavor and look forward to working with you to enact the legislation.

Sincerely,

Linda Moore
President & CEO

cc: Ranking Member Adam Smith (D-WA)

About TechNet
TechNet is the national, bipartisan network of technology CEOs and senior executives that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic startups to the most iconic companies on the planet and represents more than 2.5 million employees in the fields of information technology, e-commerce, advanced energy, biotechnology, venture capital, and finance. TechNet has offices in Washington, D.C., Silicon Valley, San Francisco, Sacramento, Austin, Boston, Seattle, Albany, and Tallahassee.

###