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House Armed Services Committee Member Day Testimony
National Defense Authorization Act for Fiscal Year 2022
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Thank you, Chairman Smith and Ranking Member Rogers, for allowing Members to provide their views on this year's National Defense Authorization Act (NDAA) to the House Armed Services Committee, and thank you for your work on behalf of our nation's Armed Forces. As you begin the process of writing this year's NDAA, I ask that you strongly consider key priorities for which I have fought in recent years.

All these priorities have received consistent support from both sides of the aisle, including during consideration of the most recent NDAA. These are actions that will help to strengthen economic relations with one our oldest allies; support job growth and strengthen our nation's defense industrial base; protect the rights of our men and women in uniform; and ensure our Navy's supremacy and readiness.

Strengthening U.S.-Portugal Trade Relations

I ask that you please support the establishment of a reciprocal trade visa program between the United States and Portugal. Portugal was one of the first countries to recognize the United States after the Revolutionary War. Today, Portugal is one of our nation's strongest allies, and one of our closest economic partners. The United States is Portugal's largest trading partner outside of the European Union, as well as the fifth largest export market for Portuguese goods.

Bilateral trade between the United States and Portugal has continued to grow steadily in recent years. Between 2010 and 2015, there was a thirty percent increase in trade between the United States and Portugal, and in 2015 bilateral trade between our two nations reached \$4.2 billion. There are also currently over 130 American companies with operations in Portugal in a wide range of industries, including pharmaceuticals, technology, banking, and the health sector.

In 2018, the United States' direct investment position in Portugal was \$2.8 billion, an increase of 37 percent from 2017. The direct investment position from Portugal in the United States, however, experienced a 3.5% decrease to \$1 billion from 2017 to 2018.

While the majority of the countries within the European Union had pre-existing bilateral investor treaties with the United States before joining the EU, Portugal did not and is one of only five EU countries whose citizens are not currently eligible for E-1 or E-2 visas. In the absence of a bilateral treaty, which Portugal cannot enter due to the rules of the European Union, Congress has the power to authorize E-1 and E-2 visa benefits to other countries. And we have exercised our authority to do so for both Israel, in 2012 and New Zealand in 2018. I'm pleased to support this effort to do the same for Portugal.

Last year, the House Armed Services Committee included a provision in their markup of the NDAA for Fiscal Year 2021 which I authored that would extend these visa benefits to Portugal. Just recently, I reintroduced the Advancing Mutual Interests and Growing Our Success, or

AMIGOS, Act. The AMIGOS Act would extend E-1 and E-2 nonimmigrant visas in a reciprocal manner with Portugal, should they extend the same visa privileges to U.S. nationals. This is a bill that has strong bipartisan support in both the House and the Senate. Congressman David Valadao is a lead Republican cosponsor in the House, while Senator Pat Toomey is a lead cosponsor in the Senate. Also, in addition to being adopted without opposition by the House Armed Services Committee last year, the full House also passed the AMIGOS Act by voice vote in December of 2019.

Extending these trade visas to Portugal not only gives Portuguese businesses an opportunity to invest in the United States, but it supports a mutually beneficial relationship that promotes jobs in both countries and growth in United States businesses and economy.

Establishment of a Southern New England Regional Commission

I would also ask that you support the establishment of a regional commission to promote manufacturing and industry in Southern New England. One of the most important things done in the NDAA each year is providing support to our nation's defense industrial base. Each year, the NDAA authorizes new programs to spur defense manufacturing, strengthen procurement law, and grow American jobs. During consideration of the FY2021 NDAA, the House passed an amendment I authored which would strengthen defense manufacturing and industry in my home state and the surrounding region.

The establishment of a Southern New England Regional Commission would lead to the investment of federal funds into Rhode Island, Massachusetts, and Connecticut to build upon regional strengths, such as defense manufacturing. This commission would allow areas within these three states to work together to leverage federal resources to promote economic development in the defense manufacturing industry, as well as industries such as renewable energy, maritime economy, infrastructure, and many others. Administrative costs are shared by states and the federal government, while the commission's activities are federally funded.

Commissions like the Southern New England Regional Commission identify and address regional economic underdevelopment. A similar effort was made in 2008 with the establishment of the Northern Border Regional Commission. The commission was created to alleviate economic distress in Northern Maine, New Hampshire, Vermont, and New York, and received a funding of \$20 million in FY 2019.

Protecting the Employment Rights of Servicemembers

I ask your support for clarifying that the statutory rights of servicemembers and their families under the Uniformed Services Employment and Reemployment Rights Act (USERRA) cannot be waived through forced arbitration unless it is agreed to after a dispute arises. This provision passed in the House as a floor amendment to the NDAA for both FY 2020 and FY2021, and both times it passed with bipartisan support.

American servicemembers, veterans, and their families have sacrificed much in service to our country. They have fought to protect the fundamental idea that we are a nation of laws and

institutions that guarantee the rights and prosperity of every American. Since the Second World War, Congress has created many laws, including USERRA, to provide essential protections that guarantee every veteran and active-duty service member—including the Reserves and National Guard—the right to be free from workplace discrimination on the basis of their military service, and the right to their day in court to enforce these protections.

For too long, however, forced arbitration has eroded these fundamental protections by funneling service members' claims into a private system set up by corporations without the same procedural safeguards of our justice system. Buried deep within the fine print of everyday contracts, forced arbitration clauses prevent the brave men and women in uniform—as well as their family members—from having their day in court to hold corporations accountable for breaking the law.

This is nothing short of a corporate takeover of our nation's system of laws, and the American people have had enough. The overwhelming majority of voters—including 83% of Democrats and 87% of Republicans—support ending forced arbitration. It is time to act.

This provision which I have authored would end this shameful practice by clarifying that arbitration clauses are only enforceable if agreed to by service members or their families after a dispute arises, thereby protecting their rights under USERRA.

U.S. Submarine Programs and Submarine Industry

Finally, I ask that you continue to strongly support our nation's submarine fleet. The Virginia Class and Columbia Class Submarine programs play a critical role in preserving America's naval supremacy around the world. In Rhode Island, these programs directly support more than 4,000 ship building jobs. Thanks to the support provided by Congress, this number is expected to increase by about 1,300 jobs in the coming year. I ask that the committee continue to support the two-ship per year build rate for the Virginia Class Submarine program, and continue to support the development of the Columbia Class program- which the Navy has identified as its number one priority.

As these programs continue to move forward, I also ask that you continue to support submarine supplier and submarine workforce development efforts. The Virginia and Columbia Class programs rely on an industrial supply base for development of critical components. However, since the end of the Cold War, the submarine supply base has shrunk by nearly 12,000 suppliers. With the ongoing production of the Virginia and Columbia submarines, it will be necessary to ensure that the supply chain remains robust to ensure efficient and on-time construction and delivery.

Ongoing efforts in these programs will also require the hiring of approximately 17,000 new workers to maintain build rates. To meet this challenge, the Department of Defense has implemented an initiative to produce more highly skilled workers to meet anticipated needs. These efforts have helped produce a robust workforce in Rhode Island, and it is important that these development efforts continue. This committee's support for submarine workforce development in the past has been critical, and I ask that you continue these efforts.

Thank you again for receiving my testimony regarding these priorities for the FY 22 NDAA, and I ask that the committee provide them with its full support.