

Written Testimony

Introduction

Chairman Rogers, Ranking Member Smith, and distinguished Members of the Committee, thank you for inviting me here to discuss acquisition reform at the Department of Defense. I am honored to be joined by Acting Service Acquisition Executives from the Army, Mr. Jesse Tolleson Jr.; Navy, Mr. Jason Potter; and Air Force, Mr. William Bailey; and Space Force, Maj Gen Stephen Purdy for today's hearing. As the Under Secretary of Defense for Acquisition and Sustainment, I am committed to fulfilling my responsibility to deliver integrated capabilities to our warfighters at speed and scale, and to sustain those systems throughout their lifecycle. Your invitation for my appearance at today's hearing demonstrates your continued leadership and this committee's commitment to success on this critical mission.

To ensure that we equip the warfighter with the needed capabilities to deter and defeat our adversaries, I have prioritized fostering a robust industrial base and empowering and incentivizing our acquisition workforce to harness innovative practices that remove barriers, drive speed, and reduce delivery schedule. I appreciate the Chairman and Ranking Member's bipartisan leadership on the House Armed Services Committee to champion bold reforms, especially with the Streamlining Procurement for Effective Execution and Delivery (SPEED) Act, and your committed partnership with the Department to improve the Defense Acquisition System (DAS). The SPEED Act addresses many aspects of acquisition reform, including some the Department is already pursuing.

Under President Trump and Secretary Hegseth's leadership, the Department is leaning forward to reform acquisition in response to executive orders aimed at simplifying how we do business. We have a bold strategy aimed to streamline processes, reduce regulations, strengthen the acquisition workforce, and simplify requirements, prioritizing greater speed and flexibility to drastically improve execution. The Deputy Secretary, Service Secretaries, and I are conducting comprehensive reviews of each Major Defense Acquisition Programs (MDAPs) to ensure they align with the Department's priorities and are positioned to deliver high performance capabilities on schedule and budget. We are focused on revitalizing our defense industrial base, including the defense primes, mid-tier suppliers, small businesses, new non-traditional defense company

entrants, and our organic industrial base. By shifting towards a preference for commercial products and services, and by replicating best practices applied in our nation's high growth, high-tech commercial marketplace, the Department aims to outpace global threats and increase speed and innovation in an iterative environment. These changes hinge on the skill and motivation of our defense acquisition workforce that is properly trained, educated, and incentivized to drive change and implement these reforms. I will work with the Defense Acquisition University (DAU) and other Department training platforms to update the competencies of the acquisition workforce to reflect our acquisition reform priorities.

The Department can accelerate acquisition if we prioritize greater adoption of commercial solutions. I recognize there are unique defense requirements that necessitate custom solutions, but I also know that many capabilities can be adapted from existing commercial offerings, delivering speed and cost savings by leveraging investments made for a broader market. The Department's pivot to buying commercial will create opportunities to deliver capabilities faster, often cheaper, and fuel industrial base investments in both traditional and non-traditional defense businesses without compromising the mission and the unique demands of combat operations. The Department also recognizes the need to become a more reliable and predictable customer. To get there – we are continuously improving communication strategies to provide industry with clear, consistent, and focused demand signals. For example, we are expanding the use of multi-year procurement contracts, providing our industry with greater certainty and outlook on future demand, incentivizing long-term investments in fragile supply chains, manufacturing processes, and workforce development plans, and expanding facilities to meet the needs of the Department.

Given the state of the world and the threats we face, the Department must make bold changes to move faster and acquire advanced capabilities to maintain our military advantage. Traditionally, defense acquisition would take its time to "burn down acquisition risk," which only shifts the risk to the Warfighters operating with decades-old legacy systems and low availability rates. Speed must now prevail as paramount to deliver capabilities that address the warfighter's priority needs and counter emerging threats. We will deliver fast and iteratively

improve our capabilities from warfighters' feedback both in the material solutions we deliver and how they evolve their operations to most effectively employ those capabilities.

Alignment and collaboration among Congress (bi-partisan and bi-cameral), the White House, and Pentagon are essential to achieve these bold reforms to modernize the defense enterprise for the 21st Century. I look forward to an impactful and productive partnership with this committee in working through these reforms together. Our national security environment requires urgency and bold actions.

Moving Faster

All levels of the Department understand the urgency of rapidly delivering capabilities to our warfighters at speed and scale. Acceleration is a top priority for both the Administration, and this Department, and we are working to deliver capability to the field at maximum speed to prioritize more flexible contracting approaches that lower barriers to entry and speed up access to non-traditional vendors.

One of Secretary Hegseth's earliest actions was to issue a directive to the Department's components to maximize utilization of the Software Acquisition Pathway, in tandem with Other Transaction Authority via the Commercial Solutions Openings (CSO) process to accelerate the process to acquire digital tools. Contracting mechanisms like CSOs and OTs enable the Department to partner with startups and non-traditional defense companies without the burden of having to navigate through traditional FAR-based contracting processes. The Department is also working with other federal agencies to drastically streamline the Federal Acquisition Regulation and subsequently the defense supplementals to deregulate procurement while providing contracting officers ample guidance.

Recently, my office issued implementing guidance for EO 14271, "Ensuring Commercial, Cost-Effective Solutions in Federal Contracts." While the Department's unique warfighting mission necessitates the continued use of non-commercial products and services for specific, critical capabilities, we are committed to maximizing the use of commercial solutions

wherever feasible. Through a focus on commercial approaches, we seek to leverage the innovation and efficiency of our commercial market to reduce the time to delivery and achieve cost-savings for the Department without undermining security needs or unique requirements. To that end, we are redoubling our efforts to establish requirements that avoid inadvertently disqualifying readily available commercial offerings.

Beyond contracting, including FAR and non-FAR based models, my office is leading the charge to improve how the Department develops and delivers capability. As we execute President Trump's Executive Order on Modernizing Defense Acquisitions, the Department will explore options to empower our Program Managers and Program Executive Officers, improve our ability to collaborate with industry, develop more flexible tools for the acquisition community, and explore new models for acquisitions that drive down timelines and improve our ability to deliver the capabilities warfighters need. I am looking forward to collaborating with this committee on the SPEED Act and our own Department reform efforts to meet the needs of the next generation of warfighting.

Partnering with Industry

Revitalizing the defense industrial base is foundational to restoring deterrence. Under President Trump and Secretary Hegseth's leadership, we are executing a deliberate, data driven strategy to rebuild U.S. defense production capacity and shore up domestic supply chains.

We are leveraging key authorities, including Title III of the Defense Production Act (DPA) and the Industrial Base Analysis (IBAS) program, to address fragile nodes across priority sectors – like energetics, microelectronics, castings and forgings, and strategic and critical minerals. These investments are enabling the Department to revitalize diminishing and fragile supply chains. They have catalyzed public-private partnerships and have grown new suppliers across the country.

As briefly mentioned, expanding participation in the defense ecosystem has pushed us to intentionally reduce barriers to entry for small businesses and non-traditional vendors. Through

Other Transaction Authorities (OTAs), the CSO process, and improved acquisition guidance, we are fostering competition and accelerating innovation. These vehicles offer a unique ability to scale the Department's efforts to foster competition and collaboration between the government, traditional businesses, and non-traditional vendors.

Efforts like this are about more than improving industrial capacity – they are part and parcel of ensuring a resilient, responsive, and an adequately distributed defense complex capable of both meeting wartime demands, and maintaining a credible military posture that effectively deters adversaries.

Acquisition Workforce

The long-term durability of acquisition reform hinges on the strength of the acquisition workforce. The Department's 167,000 acquisition professionals - 90% of whom are civilians, and 10% Military – are the engine behind every contract award, system delivery, and industrial base investment. We are committed to equipping them with modern tools, flexible policies, effective incentives, deserved recognition, and world-class training.

In support of the FY2025 National Defense Authorization Act, the Defense Acquisition University has deployed pilot Field Training Teams to serve as trusted partners, providing point-of-need training and advice to reshape defense acquisition practices and enable innovation across the Department. Additionally, in accordance with a directive from the Secretary of Defense, the Defense Acquisition University, in partnership with the Defense Innovation Unit, is deploying training to the acquisition workforce to increase the speed and scale of our acquisition by effectively leveraging the software acquisition pathway and other innovative practices. Furthermore, my office is developing an implementation plan to guide reform efforts across the acquisition workforce in line with Executive Order (EO) 14265, "Modernizing Defense Acquisitions and Spurring Innovation in the Defense Industrial Base."

Major Defense Acquisition Program (MDAP) Reviews

Executive Order (EO) 14265 “Modernizing Defense Acquisitions and Spurring Innovation in the Defense Industrial Base” includes a review of Major Defense Acquisition Programs (MDAPs). The Department is evaluating the health and performance of all our major defense acquisition programs.

The Services, in partnership with OUSD(A&S), are analyzing program and contracts data and preparing briefing materials to enable these reviews. If analysis identifies programs that should be considered for cancellation, the Department, and the President, will carefully consider the potential impacts of such cancellations, including impact to warfighter operations and the industrial base.

Ongoing review of MDAPs and other major systems will continue to highlight areas for program improvement, the need for focused effort to address issues and accelerate delivery, and considerations for resourcing within existing topline and the President’s Budget to meet Secretary of Defense priorities and national security objectives.

Foreign Military Sales

The FMS program is also one of those objectives – it is an immeasurably critical tool of U.S. foreign policy and a force multiplier for the defense industrial base. In response to the President’s Executive Order on Reforming Foreign Defense Sales to Improve Speed and Accountability, A&S is working with our interagency partners to implement reforms that accelerate case processing, reduce regulatory barriers, and better align export approvals with U.S. strategic priorities.

We are also working to incorporate FMS demand more deliberately into DoD planning and procurement cycles, improving co-production frameworks with trusted allies, examining options to plan better for exportability, and promoting allied interoperability across key defense systems. We are committed to a transparent, effective, and strategically aligned FMS process that

increases investment in the US defense industrial base, improves production efficiencies, increases production capacity, stimulates innovation, maximizes value, and creates economies of scale that benefit both U.S. industry and our international partners.

Conclusion

The scale and sophistication of the threats we face, the pace of technological change, and the urgency of demand on our acquisition system to deliver high performance systems that are relevant to the fight on time and within cost parameters – require a bold transformation of how the Department acquires capability. My office is dedicated to mission success, leading implementation of necessary reforms across the acquisition community. We must continue to advance these reforms to accelerate and scale the delivery of capability to our warfighters. Reforms will not happen overnight, but we are committed to driving change at the speed of relevance.

Thank you for your invitation to testify before the committee and work collaboratively to improve acquisition. I look forward to your questions.