

Testimony on The Trump Administration’s Approach to Foreign Arms Sales Reform

Before the House Foreign Affairs Committee

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Chairman Mast, Ranking Member Meeks, and distinguished Members of the Committee, thank you for the opportunity to testify today on the Trump Administration’s comprehensive reform of the United States foreign arms transfer system. I am Stan Brown, Senior Bureau Official for the Bureau of Political-Military Affairs at the Department of State. I appreciate this Committee’s sustained engagement on foreign military sales and broader security cooperation, including our prior collaboration through the FMS Reform Task Force. I welcome the opportunity to discuss how the Administration is modernizing this critical instrument of American statecraft.

The Strategic Imperative for Reform

Arms transfers are among the most consequential foreign policy tools available to the United States. They strengthen our alliances, enhance interoperability, deter aggression, and sustain the technological, economic, and industrial foundation of our national defense. In the last fiscal year, the Department of State authorized more than \$330 billion in arms exports through the Foreign Military Sales (FMS) and Direct Commercial Sales (DCS) systems. That demand reflects the trust our allies and partners place in American defense technology and in the United States as the security partner of choice.

However, record demand alone does not guarantee strategic advantage. The global security environment has changed, and ongoing conflicts have underscored the importance of our production capacity, supply chain resilience, and timely delivery. Despite the strength of our defense industrial base, our system has not always operated at the speed or scale required to meet urgent operational demands – whether ours or our partners’ and allies’. Magazine depth and production

throughput matter profoundly to deterrence and warfighting readiness. We must therefore ensure that our arms transfer enterprise supports not only our foreign partner capability but also domestic industrial revitalization and sustained readiness for the Joint Force.

Executive Orders Driving Reform

Recognizing these realities, President Trump has directed the most significant overhaul of the arms transfer enterprise in decades.

In April 2025, the President signed Executive Order 14268, “Reforming Foreign Defense Sales to Improve Speed and Accountability,” which directed the consolidation of parallel decision-making processes across the interagency, reduction of unnecessary regulatory burdens, strengthened U.S. government collaboration with industry, and enhanced competitiveness for American firms marketing top-of-the-line defense articles abroad.

In January of this year, the President issued another Executive Order prioritizing the warfighter in defense contracting, making clear that U.S. firms’ timeliness, production capacity, and quality are core national interests. That directive emphasized that U.S. defense contractors must meet the highest standards to ensure the advancement of our national security objectives.

Most recently, on February 6, the President signed an Executive Order establishing the America First Arms Transfer Strategy (AFATS). This strategy aligns our arms transfers with domestic industrial revitalization, allied burden-sharing, and national security imperatives. It integrates economic security into national security policy and makes clear that our arms transfers to foreign partners must expand the capacity of our defense industrial base so it is able to remain the Arsenal of Freedom for the United States and our partners and allies.

The America First Arms Transfer Strategy

The America First Arms Transfer Strategy represents a strategic reorientation of our security cooperation enterprise. Historically, our arms transfer system has been largely partner-driven, responding to requests for equipment and capabilities as they arise. Under AFATS, we aim to use our arms transfers as a deliberate mechanism to strengthen the U.S. Defense Industrial Base (DIB), operationalize burden sharing, close critical supply chain gaps, and incentivize innovation at home.

The strategy directs the U.S. government to leverage foreign demand and capital to expand domestic production capacity, incentivize both legacy manufacturers and new entrants to the sector, and ensure that the capabilities we promote align with the needs of the U.S. Joint Force. It encourages aggregation and direction of allied demand toward operationally relevant capabilities across the full spectrum of weapons and platforms, including "good enough" capabilities that can be delivered at speed and volume.

AFATS focuses arms transfers to help intentionally build capacity to benefit the U.S. joint force and deliver solutions to partners quickly. We will continue to support our allies' procurement of high-end, world-leading systems that only the United States can provide. At the same time, deterrence in today's environment often requires scalable, affordable capabilities that can be produced and fielded in months, rather than years. Affordable mass does not mean reduced effectiveness. In many cases, operational outcomes depend on availability, positioning, and quantity as much as technological sophistication. Our objective is a defense industrial base capable of delivering both.

State's Role in Implementation

Implementation of AFATS relies heavily on the Department of State's global diplomatic footprint. Our Chiefs of Mission and Political-Military Officers serve as the tip of the spear, working alongside Military Groups in our Missions' country teams. Together, they are uniquely positioned to balance partners' operational requirements with available solutions that can be delivered rapidly and at scale.

In practice, this means offering partners the full spectrum of exquisite systems and affordable mass alternatives, aligned with their budgets, operational capacity, and technology security requirements. It also means we will be working closely with the Department of War and the broader interagency to ensure foreign capital is steered toward expanding production lines that enhance U.S. readiness and are prepared to meet partner demand. Foreign demand should expand production capacity in the United States, not merely add to years long production backlogs.

To enhance accountability and execution, the President has established the Promoting American Military Sales Task Force, chaired by the National Security Advisor. This body oversees implementation and ensures interagency alignment with AFATS objectives. We have also committed to publishing aggregate quarterly performance metrics to increase transparency and provide Congress and the American people with clear visibility into system performance.

Concrete Reforms Already Implemented

The Department has already implemented meaningful reforms to support this transformation. We conducted a comprehensive review of defense articles restricted to government-to-government transfer channels and reduced that list by nearly one-third, narrowing these restrictions to sensitive subsystems rather than entire platforms where appropriate. We modernized our export policy for advanced unmanned aircraft systems to reflect technological realities and strategic needs. In coordination with the Department of War, we have consolidated technology release processes and begun developing measurable accountability standards for both FMS and DCS processes. We are also supporting the Department of War's efforts to integrate exportability requirements earlier in the design and acquisition lifecycle. We have also begun developing measurable accountability standards for both FMS and DCS processes. These steps reduce friction, improve speed, and align policy with strategic objectives.

Encouraging Burden-Sharing and Industrial Expansion

AFATS strengthens allied burden-sharing by encouraging our partners to align their increased defense spending with scalable production and emerging capabilities that reinforce both allied deterrence and U.S. industrial health.

Mechanisms such as Prioritized Ukraine Requirement List (PURL) and Joint Ukraine Multinational Program – Services, Training, and Articles Rapid Timeline (JUMPSTART) have demonstrated how allied investment can serve as a multiplier, accelerating development. Programs like the Extended Range Attack Munition, or ERAM, illustrate this model in practice— combining U.S. prototyping, allied financial participation, and innovative use of the Department’s security assistance tools to create production capacity and build resilience in the U.S. DIB that would not otherwise exist.

Foreign arms sales should strengthen not only an ally’s military capability, but also America’s manufacturing base and technological edge.

Legislative Partnership Required

While executive action has established the framework for reform, full realization of these objectives requires targeted legislative updates in three areas.

First, Congressional notification thresholds governing defense transfers are outdated and no longer reflect economic reality. Several were last adjusted decades ago, and inflation has significantly eroded their relevance. As a result, routine transactions now trigger the procedural timelines that were designed in 2002 for far more strategically significant transfers. Updating these thresholds would not reduce Congressional oversight; it would modernize it by allowing Congress to focus its attention on transfers that raise genuine strategic, political, or technological sensitivities, while reducing unnecessary delays on lower-risk cases. In a competitive global defense market, speed matters. When approvals are delayed for routine cases, partners and allies face capability gaps and consider turning to alternative suppliers for the capabilities we want to provide them, with long-term interoperability and geopolitical consequences, in addition to long-term consequences for the health of our own industrial base. H.R. 3616, sponsored by

Representative Zinke, shows the way forward on thresholds, and we urge the committee to join the Administration in its support.

Second, under current law, the Department of State does not have access to Foreign Military Sales surcharge collections to support necessary staffing to execute our statutory responsibilities effectively. Granting access to a portion of a surcharge foreign partners pay as part of their FMS cases would close a statutory gap to ensure that the Department of State – which has oversight and approval responsibilities under the Arms Export Control Act – has stable, sustainable resources to perform its oversight mission. The Department of War currently uses more than \$1.4 billion annually from surcharge collections to staff its global security cooperation enterprise. The Department of State, and specifically the Office of Regional Security and Arms Transfers within the Bureau of Political-Military Affairs, is required to review and clear all FMS cases for foreign policy and technology release considerations, yet the office has no comparable access to those resources.

Finally, we would like to work with you to expand authorities for FMF Loans and Loan Guarantees. In recent years, FMF loans to Poland and Romania have demonstrated the powerful potential of FMF loan program to strengthen U.S. national security by enabling key partners to invest in American-made defense systems—supporting U.S. jobs in Alabama, Arizona, Arkansas, Florida, and Texas, as well as industry and innovation across our nation. We need to acknowledge that today, other countries are offering much more competitive financing packages that are steering partners away from U.S. companies. We need to bridge this gap, refocus on competitiveness, and ensure our allies are capable of defending themselves with reliable, proven systems built by the best defense industrial base in the world.

Conclusion

The America First Arms Transfer Strategy ensures that arms transfers serve our national interest by strengthening the U.S. defense industrial base, encouraging

partner and allied burden-sharing, accelerating innovation, and delivering capabilities at speed and scale.

In an era defined by contested supply chains, rapid technological change, and intensifying geopolitical competition, the United States must remain the security partner of choice for our partners and allies – not only because we produce the most advanced defense articles in the world, not only because our innovative defense industry can also provide scalable, affordable solutions to pair with these exquisite capabilities, but because we can deliver them when they are needed most.

I look forward to working with this Committee to implement these reforms fully and effectively. Thank you, and I welcome your questions.

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