November 19, 2021

The Honorable Jack Reed  
Chairman  
Senate Armed Services Committee

The Honorable Adam Smith  
Chairman  
House Armed Services Committee

The Honorable Jim Inhofe  
Ranking Member  
Senate Armed Services Committee

The Honorable Mike Rogers  
Ranking Member  
House Armed Services Committee

Dear Chairmen Reed and Smith and Ranking Members Inhofe and Rogers:

The spending and policy decisions of the Department of Defense should be based on what is in the best interest of our national security. Yet conflicts of interest in the procurement process can create doubt about officials’ actions and whether they unfairly favor specific entities or companies. They also undermine competition and the process by which contractors are awarded work, which should be based on cost considerations and performance to ensure the military gets the quality goods and services it needs. One of the most significant conflicts is the abuse of the “revolving door,” when senior Pentagon officials go to work for defense contractors they were supposed to oversee, and when former industry officials appear to give preferential treatment to their previous employers.

To address this systemic problem, the undersigned individuals and organizations urge you to support the following reforms during the conference for the National Defense Authorization Act for fiscal year 2022 (H.R. 4350/S. 2792):

- **Extend the lobbying cooling off periods for senior officials to two years (Section 6494 in H.R. 4350).** Congress established limits on post-government activities to protect the integrity of the procurement process. Executive orders issued by Presidents Joe Biden, Donald Trump, and Barack Obama went even further to extend post-government lobbying restrictions for political appointees. This provision would make some of those reforms permanent by extending the cooling-off period for some appointees from one year to two years.¹

- **Extend the recusal period for officials who come to work for the Pentagon (Section 1121 in H.R. 4350 and Section 1103 in S. 2792).** Individuals joining the Pentagon after working for or behalf of Department of Defense contractors can create a perception of

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favoritism that undermines competition. Longer recusal periods for those officials will help prevent future conflicts of interest. We urge the committee to adopt the four-year recusal period included in the Senate bill.

- **Include current ethics restrictions in defense acquisition regulations (Section 823 in H.R. 4350).** A recent Government Accountability Office review found that the Department of Defense has not included or considered adding current statutory prohibitions on lobbying into the Defense Federal Acquisition Regulation Supplement (DFARS).\(^2\) Not including these restrictions in acquisition regulations, the GAO wrote, means “DOD may be missing an opportunity to create a sense of shared accountability between the employees and the contractors who hire them and a means of ensuring that the government does not do business with companies whose employees violate the lobbying restriction with their employers’ knowledge.”\(^3\)

These are much-needed reforms because real or perceived conflicts of interest can undermine program success and the public’s faith in the integrity of government operations. For example, court battles and years of reporting alleging that senior Pentagon officials structured the Joint Enterprise Defense Infrastructure (JEDI) program to benefit a single company ultimately resulted in the program’s cancellation.\(^4\) Preventing future such scandals requires creating a system that deters cronyism and self-dealing, which appear to be prevalent in the current system.

The Government Accountability Office audit found that 14 major contractors employed 1,718 former senior military and civilian or acquisition officials as of 2019.\(^5\) In many of these cases, officials are hired explicitly for influence-peddling. A 2018 Project On Government Oversight review found that nearly 90% of the former government officials hired by the top 20 contractors became registered lobbyists.\(^6\) Open Secrets found that this lobbying activity is largely concentrated among the Pentagon’s top contractors, with the top five contractors accounting for more than 50% of the defense industry’s lobbying in 2020.\(^7\) This concentration of influence, alongside increased mergers and acquisitions, creates a key obstacle to reforming the Pentagon’s acquisition system.\(^8\)

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\(^8\) Andrew Hunter, Gregory Sanders, and Zach Huitink, Center for Strategic and International Studies, *Evaluating Consolidation and the Threat of Monopolies within Industrial Sectors*, (February 11, 2019), [https://www.csis.org/analysis/evaluating-consolidation-and-threat-monopolies-within-industrial-sectors](https://www.csis.org/analysis/evaluating-consolidation-and-threat-monopolies-within-industrial-sectors); Tony...
Influence peddling by former senior officials on behalf of defense contractors risks diminishing military effectiveness, undermines competition and performance, and often leads to higher costs for the military and taxpayers. The American people deserve to have a Department of Defense worthy of their trust. Current restrictions have done little to slow the revolving door. It’s clear that systemic legislative change is needed. All of the recommended reforms we’ve listed received bipartisan support in their respective chambers.

We urge you to include these amendments and continue to conduct oversight to ensure that the revolving door does not continue to undermine the integrity of the department’s operations.

Sincerely,

California Clean Money Campaign
Center for International Policy
Citizens for Responsibility and Ethics in Washington (CREW)
Common Cause
Communications Workers of America (CWA)
Council for a Livable World
Defending Rights & Dissent
Demand Progress
Friends Committee on National Legislation
Foreign Policy for America
Government Accountability Project
Issue One
In the Public Interest
International Coalition Against Illicit Economies (ICAIE)
International Corporate Accountability Roundtable (ICAR)
National Priorities Project at the Institute for Policy Studies
Peace Action
Professor Richard Painter
Project On Government Oversight
Public Citizen
Quincy Institute for Responsible Statecraft
Service Employees International Union (SEIU)
Shadow World Investigations
Sisters of Mercy of the Americas – Justice Team
Taxpayers Protection Alliance
Transparency International
Professor James A. Thurber
United Church of Christ, Justice and Local Church Ministries
Alexander S. Vindman
Win Without War
Women’s Action for New Directions (WAND)