



June 26, 2017

Dear Members of the Senate and House Armed Service Committees:

The undersigned represent a broad, bipartisan consensus of groups concerned about responsible and effective defense spending. We are opposed to the authorization for an economic order quantity for the F-35 Joint Strike Fighter (JSF) Program. While the JSF Program office has sought authorization for this for several years, the program has still not met the statutory requirements for what will be in effect a significant production increase that would waste millions in taxpayer dollars.

The F-35 program has still not finished the design phase, let alone the critical operational testing period necessary to determine whether the F-35 can actually fulfill its intended combat role.<sup>1</sup> Until the program successfully completes combat testing, it is impossible to know if any of the parts to be purchased will work in the final design. The program has already been forced to redesign major components, including the landing gear and wings for the F-35C. The Government Accountability Office also recently reported

<sup>1</sup> Dan Grazier, "F-35 Continues to Stumble," Straus Military Reform Project, March 30, 2017. <http://www.pogo.org/straus/issues/weapons/2017/f35-continues-to-stumble.html>

that costs to fix design flaws discovered so far have already climbed to \$1.77 billion.<sup>2</sup> As the program gets further into the testing, more design problems will be uncovered, pushing those costs even higher.

This is what Frank Kendall, the Pentagon's former top weapons buyer, called "acquisition malpractice."<sup>3</sup> The well-known problems with the F-35 program have created deep public doubts, even garnering questions about affordability from the President.<sup>4</sup>

The figure quoted by the GAO is based on known design flaws exposed during the easiest testing exercises on the 217 F-35s purchased already. If authorized, the economic order quantity would purchase parts for approximately 440 more. At the same discovery rate of future design flaws, the cost to retrofit the aircraft to be built under this authorization would be \$3.6 billion. That is nearly double the purported \$2 billion the JSF Program office claims would be saved with an economic order quantity.

The history of this program, and upcoming testing challenges, make it unlikely this purchase will save money. Previous studies, including one by the Government Accountability Office, found multiyear procurement authority actually *increased* costs 10 to 30 percent.<sup>5</sup> There are even more cost risks for the F-35 in 2017 since there are far too many unknowns with the program now. It has yet to even begin the rigorous process of operational testing to prove the design is effective.

The scale of the challenges remaining with the F-35 is easily quantified in the latest annual report from the Director of Operational Test and Evaluation office. According to the report, the F-35 still has 276 "Critical to Correct" deficiencies that must be fixed before the development process ends because they could "lead to operational mission failures during IOT&E or combat." Of the 276, 72 were listed as "priority 1," which are service-critical flaws that would prevent the services from fielding the jets until they are fixed.<sup>6</sup>

Congress typically authorizes most weapons buying programs on a year-by-year basis to ensure proper oversight of the program and to maintain incentives for the contractor to satisfactorily perform. Multi-year contracts put taxpayers on the hook for several years, which is why federal law includes a number of criteria for approval, including that the contract must promote national security, result in substantial savings, have little chance of being reduced, and have a stable design. Any approval of this kind of block buy must include independent certification the program meets those requirements. At this point approving a multi-year buy would go against the Pentagon's own financial management regulations and unnecessarily increase risk to taxpayers.<sup>7</sup>

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<sup>2</sup> Government Accountability Office, *F-35 Joint Strike Fighter: DoD Needs to Complete Developmental Testing Before Making Significant New Investments*, April 2017. <https://www.gao.gov/assets/690/684207.pdf>

<sup>3</sup> Frank Kendall, "The Original Better Buying Power – David Packard Acquisition Rules 1971," Department of Defense Acquisition, Technology & Logistics, May-June 2013. Available at <http://www.dtic.mil/docs/citations/ADA608641>.

<sup>4</sup> Lauren Chadwick, "Most Voters Favor Defense Cuts. Most Politicians Don't," *Time*, March 10, 2016.

<http://time.com/4253842/defense-spending-obama-congress-poll-voters/>; A majority of voters surveyed in Ohio last year favored cancelling the F-35 Program outright and wanted to see the current fleet of aircraft upgraded instead. Jack Torry, "Ohio voters favor cancelling jet fighter," *Dayton Daily News*, March 9, 2016.

<http://www.mydaytondailynews.com/news/local-military/ohio-voters-favor-cancelling-jet-fighter/G2RsFDRRANJMCDKndliePJ/>

<sup>6</sup> Director of Operational Test & Evaluation, "F-35 Joint Strike Fighter (JSF)," FY 2016 Annual Report, January 2017, p. 54. <http://www.dote.osd.mil/pub/reports/FY2015/pdf/dod/2015f35jsf.pdf>

<sup>7</sup> DoD 7000.14-R, "Financial Management Regulation," October 2008.

[http://comptroller.defense.gov/Portals/45/documents/fmr/Volume\\_02a.pdf](http://comptroller.defense.gov/Portals/45/documents/fmr/Volume_02a.pdf)

At an absolute minimum, the F-35 test program already in place must be executed to understand exactly what this aircraft can and cannot do competently. That means suspending, not increasing, further F-35 production—including production of the parts that will go into it—until those tests are complete and honestly reported to the Secretary of Defense, the President, and Congress.

Sincerely,

Campaign for Liberty

Coalition to Reduce Spending

Council for a Livable World

Freedom Works

Friends Committee on National Legislation

Iraq Veterans Against the War

London Center for Policy Research

National Priorities Project

National Taxpayers Union

Project On Government Oversight

Taxpayers for Common Sense

Taxpayers Protection Alliance

United Methodist Church, General Board of Church Society

Win Without War