



The Honorable Roger Wicker

Chairman
Senate Armed Services Committee
425 Russell Senate Office Building
Washington, DC 20510

The Honorable Jack Reed

Ranking Member
Senate Armed Services Committee
728 Hart Senate Office Building
Washington, DC 20510

The Honorable Mike Rogers

Chairman
House Armed Services Committee
2469 Rayburn House Office Building
Washington, DC 20515

The Honorable Adam Smith

Ranking Member
House Armed Services Committee
2264 Rayburn House Office Building
Washington, DC 20515

September 17, 2026

Dear Chairmen Wicker and Rogers, and Ranking Members Reed and Smith,

During conference negotiations for the National Defense Authorization Act, we urge you to retain either Section 821 of S. 4784, the Senate NDAA, or Section 805 of H.R. 8800, the House-passed NDAA, both of which would require Pentagon contractors to report significant price increases for products or services under a covered contract. Specifically, these provisions would require reporting within 30 days when prices for non-competitive cost-plus contracts reach or exceed 25 percent above the price specified in the contract bid or that the government paid for that product or service in the previous year, or 50 percent above the price paid for that product or service five years earlier.

These commonsense provisions are based on the bipartisan Transparency in Contracting Act, spearheaded by Sens. Chuck Grassley (R-IA), Elizabeth Warren (D-MA), Joni Ernst (R-IA), and Elissa Slotkin (D-MI). This language would protect taxpayers by discouraging contractors from overcharging the Pentagon for products and services, ensuring a stronger return on taxpayer investment. While competition can help ensure fair pricing, this language is focused on non-competitive contracts under which the Pentagon's ability to ensure fair pricing is more limited.

Some price increases are truly unpredictable. However, collectively, they happen so often that it is hardly fair to treat their ongoing occurrence as a surprise. When price increases go underreported, the Pentagon loses out on opportunities to work with contractors to address the root causes of those increases in a timely manner.

As you work to support our national security needs and ensure taxpayers receive a fair deal from the defense industry on vital products and services, it is essential that Pentagon contract officers be kept in the loop when the prices of those products and services spike. We therefore urge you to retain either Section 821 of S. 4784 or Section 805 of H.R. 8800 as they are currently written. Thank you for your consideration.

Sincerely,

Taxpayers for Common Sense

National Taxpayers Union

R Street Institute

Taxpayers Protection Alliance