



August 3, 2015

Denis R. McDonough  
Assistant to the President and  
Chief of Staff  
The White House, 1<sup>st</sup> Floor, West Wing  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

Valerie B. Jarrett  
Senior Advisor and Assistant to the President for  
Intergovernmental Affairs and Public Engagement  
Eisenhower Executive Office Building, Room 130  
1650 Pennsylvania Avenue, NW  
Washington, DC 20501

Dear Mr. McDonough and Ms. Jarrett:

Since taking office, President Obama has issued 12 Executive Orders pertaining to government contracting, resulting in 16 new regulations. While we have openly expressed our support for some, suggested changes to others with which we agree on the intent, and raised major concerns about yet others, the net effect has been to significantly increase the costs of doing business with the government. At a time when government budgets are under siege, cost efficiency is essential, and there is a broad agreement about the need for the government to open its aperture to enable access to the full marketplace of capabilities, this rapid growth in compliance requirements is becoming untenable. Worse, while well intentioned, some of the EOs have required substantial investments in time and systems even though their actual impact is exceedingly minimal. As such, some estimate that nearly thirty cents of every contract dollar goes toward compliance with unique government regulations.

Therefore, on behalf of the thousands of companies our organizations represent and their hundreds of thousands of employees, we respectfully request that no further presidential directives primarily focused on government contractors be issued for the foreseeable future. The impacts, inefficiencies, and in many cases, unintended consequences are such that the interests of the American taxpayer are being significantly and negatively impacted.

This is not just an issue for companies that already operate in the government market. As efforts continue across the administration, and within our member companies, to expand the broad diversity of firms willing and able to support the government and to bring real innovation to bear for our nation, these unique and costly government-unique regulations simply raise an already substantial barrier between the commercial and government marketplaces.

Our member firms stand ready to work with you and all elements of the administration on meaningful improvements to the federal contracting regime and on efforts to appropriately balance oversight and compliance. We would welcome the opportunity to meet and talk with you about the current environment and ways in which we believe our mutual goals can better be achieved.

Thank you for your attention and we look forward to the discussion.

Sincerely,



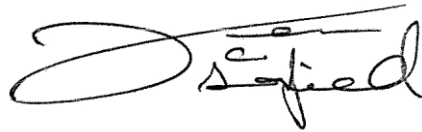
David F. Melcher  
President and CEO  
Aerospace Industries Association



Craig R. McKinley  
General, USAF (Ret.)  
President and CEO  
National Defense Industrial Association



Stan Soloway  
President and CEO  
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Dean Garfield  
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