



June 4, 2026

The Honorable Mike Rogers
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

The Honorable Adam Smith
Ranking Member
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Rogers and Ranking Member Smith:

On behalf of the U.S. Chamber of Commerce (Chamber) and its members, we write to respectfully draw the Committee's attention to two matters of significant concern as you consider H.R. 8800, the National Defense Authorization Act for Fiscal Year 2027, Chairman's Mark.

Section 842 — Intellectual Property Ombudsman; Voluntary Expert Mediation for Certain Intellectual Property Matters

The Chamber supports Section 842 of the Chairman's Mark. The matter of the right to repair defense equipment remains a consequential and evolving issue, and one on which the Chamber has actively engaged with its membership to advance a balanced and workable resolution. Absent a collaborative framework between manufacturers and the Department of Defense, the consequences could be severe: erosion of our legacy defense industries, compromise of airworthiness certifications, diminished participation by non-traditional contractors, and a chilling effect on the private equity and venture capital investment that is essential to growing the defense industrial base.

Section 842 is a well-crafted compromise that affords the Pentagon greater operational control than available today, while preserving and encouraging the use of existing contractual authorities and redefined requirements in collaboration with industry. The Chamber believes this approach offers the best available path toward minimizing or eliminating unintended harm to the defense industrial base.

The Chamber and its members are strongly opposed to any attempt to impose a more expansive right-to-repair framework that would grant the Pentagon broad authority to access, compel the disclosure of, or effectively seize manufacturers' intellectual property, trade secrets, or proprietary technical data. The long-term costs of such a policy would far outweigh any near-term operational benefit. Reduced industry participation, diminished innovation, and an erosion of the defense industrial base are consequences no short-term gain can justify.

Attempted Codification of the Administration's Executive Order Titled "Prioritizing the Warfighter in Defense Contracting"

The Chamber is aware that while H.R. 8800 does not currently address this matter, an Amendment is anticipated that would seek to codify aspects of President Trump's January 7, 2026 Executive Order, "Prioritizing the Warfighter in Defense Contracting," specifically through restrictions on corporate stock buybacks for companies whose programs are over cost and over schedule. The Chamber believes that any legislative effort to codify the Executive Order's provisions through stock buyback restrictions would significantly exceed the President's stated intent and transform a targeted policy directive into a blunt and overreaching statutory mandate.

The Chamber respectfully but firmly opposes any such legislative effort. A U.S. Chamber of Commerce study examining buyback activity across a broad sample of 10,000 companies over a 17-year period found that stock buybacks provide meaningful benefits to investors and the broader capital markets. Reduced stock price volatility, enhanced market liquidity, lower transaction costs, and greater stability for retail investors during periods of market turbulence are all proven benefits of stock buybacks. Since the Executive Order was published, the Chamber has observed companies voluntarily curtailing buyback activity. Legislating restrictions on this practice represents a flawed and unwarranted intrusion into free market mechanisms and would not address the underlying challenges the Executive Order seeks to remedy.

The Chamber urges the Committee instead to direct its focus toward the authorization of more multi-year procurement programs. Such authorities provide the demand signal and long-term planning confidence that defense companies need to make the capital investments that both the Administration and Congress have identified as essential to national security.

Conclusion

The U.S. Chamber of Commerce remains committed to constructive engagement with Congress as you work to finalize the National Defense Authorization Act for Fiscal Year 2027. We stand ready to serve as a resource for the Committee and look forward to continued collaboration in support of both the warfighter and the industries that enable their success.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith Webster", with a horizontal line extending to the right.

Keith Webster
President
Defense and Aerospace Council
U.S. Chamber of Commerce