

Council of Defense and Space Industry Associations
4401 Wilson Blvd. Suite 1110
Arlington, Virginia 22203
codsia@codsia.org
www.codsia.org

CODSIA Case 2018-006

By email

19 Sep 18

Linda Nielsen
Director Defense Acquisition Regulatory Council
OUSD (A&S) DPC/DARS
Room 3B941
3060 Defense Pentagon
Washington, DC 20301-3060

RE: DFARS Case 2017-D019 Performance-Based Payments and Progress Payments

Dear Ms. Nielsen:

The member associations of the Council for Defense and Space Industry Associations (CODSIA)¹ respectfully request a 60-day extension to submit detailed comments concerning DFARS Case 2017-D019. Prior to the public meeting held on this rule on 11 Sep 18, CODSIA had begun to identify a number of substantive and procedural issues concerning the proposed rule. During the public meeting exchanges with Mr. Assad, additional issues were also identified and introduced by both presenters and by Mr. Assad which require research and discussions with other officials in order to submit meaningful comments concerning the rule. In addition, Ms. Lord provided an interview to Defense News on 14 Sep 18 raising additional issues concerning both the rulemaking process and the substance of the rule itself.

There are issues concerning the financial impacts of this rule which were identified during the public meeting that require obtaining information from the Office of the Secretary of Defense and then conducting analysis of that data.

During the public meeting, we were also made aware of a “new” system for tracking industry performance. After making inquiries with our member companies and various officials in DCMA, we can’t find specific information concerning this system, nor have we been able to determine how to access the system to examine the data it provides or how that information relates to the procedures in the proposed rule. We understand that CODSIA will need to obtain further information about this “system” from Ms. Sumpter and then analyze that information in order to respond to the rule in a meaningful manner.

¹ CODSIA was formed in 1964 by industry associations with common interests in federal procurement policy issues at the suggestion of the Department of Defense. CODSIA consists of seven associations – Aerospace Industries Association (AIA), American Council of Engineering Companies (ACEC), Associated General Contractors (AGC), Information Technology Alliance for Public Sector (ITAPS), National Defense Industrial Association (NDIA), Professional Services Council (PSC), and U.S. Chamber of Commerce. CODSIA’s member associations represent thousands of government contractors nationwide. The Council acts as an institutional focal point for coordination of its members’ positions regarding policies, regulations, directives, and procedures that affect them. A decision by any member association to abstain from participation in a particular case is not necessarily an indication of dissent.

Council of Defense and Space Industry Associations
4401 Wilson Blvd. Suite 1110
Arlington, Virginia 22203
codsia@codsia.org
www.codsia.org

CODSIA Case 2018-006

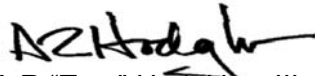
This proposed rule will change decades long practices by the Department in terms of contract financing. The addition of Progress Payments in the coverage of the rule was a surprise to industry, as it was not part of the Congressional direction nor their intent on this topic. Furthermore, DoD did not engage industry in any dialogue regarding their intentions for these proposed changes before the proposed rule was issued. It is not apparent to industry that there is any reason to rush to implementation of this rule. There are no apparent reasons for not having a more fulsome discussion of the specifics of the proposal and full consideration of all of the issues and their impacts on both DoD and the industrial base that supports it.

We look forward to your favorable consideration of our request.

Sincerely,



John Luddy
Vice President National Security
Aerospace Industries Association



A.R. "Trey" Hodgkins, III, CAE
Senior Vice President, Public Sector
Information Technology Alliance for the
Public Sector



Wesley P. Hallman
Senior Vice President for Policy
National Defense Industrial Association



Alan Chvotkin
Executive Vice President and Counsel
Professional Services Council



Neil L. Bradley
Senior Vice President & Chief Policy Officer
U.S. Chamber of Commerce