

November 20, 2025

The Honorable Mike Rogers
Chair
House Armed Services Committee
2216 Rayburn House Office Building
Washington, DC 20515

The Honorable Roger Wicker
Chair
Senate Armed Services Committee
Russell Senate Building, Room 228
Washington, DC, 20510

The Honorable Adam Smith
Ranking Member
House Armed Services Committee
2216 Rayburn House Office Building
Washington, DC 20515

The Honorable Jack Reed
Ranking Member
Senate Armed Services Committee
Russell Senate Building, Room 228
Washington, DC, 20510

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

As you finalize the conference package for the National Defense Authorization Act (NDAA) FY 26, we want to highlight several provisions that will significantly impact the AbilityOne Program and the tens of thousands of Americans it employs. SourceAmerica strongly supports measures that strengthen the Berry Amendment and ensure our military continues to receive the highest quality, American-made goods. However, we are concerned about provisions that circumvent the AbilityOne Program through sole-source contracting, raise the Standard Acquisition Threshold (SAT), and broaden the use of Intergovernmental Support Agreements (IGSAs) beyond their original intent. We also encourage the establishment of a 1% contracting goal for the AbilityOne Program to expand employment opportunities for people with disabilities.

The AbilityOne Program, created by Congress through the Javits–Wagner–O’Day Act, is the largest source of employment for people who are blind or have significant disabilities. It uses federal procurement to create jobs while providing reliable, high-quality products and services to federal agencies. Studies show that every dollar spent through AbilityOne returns at least two dollars to taxpayers through reduced reliance on federal benefits, lower unemployment, and the continued production of essential goods for government operations.

SourceAmerica is one of two Central Nonprofit Agencies designated by the U.S. AbilityOne Commission to administer the program. Its network of 575 nonprofit agencies employs nearly 59,000 people with disabilities, including more than 2,400 veterans, who manufacture and supply mission-critical products such as uniforms, protective gear, medical kits, and American flags. Despite this impact, recent procurement and regulatory shifts have increasingly disadvantaged the program, threatening job opportunities for people with disabilities and veterans alike.

We respectfully urge conferees to address the following priorities:

- **Strengthen the Berry Amendment:** Support provisions in both H.R. 3838 (SPEED Act) and S. 2296 that reinforce “Made in America” requirements. We particularly endorse the SPEED Act’s closure of the \$150,000 “small purchase” loophole, incorporation of the BOOTS Act, and Senate provisions prohibiting sourcing from China, Russia, or other adversaries. Additionally, SourceAmerica believes full funding for Title III of the Defense Production Act will further strengthen our domestic industrial base.
- **Remove the “Rule of Two” for Veteran-Owned Small Businesses:** While SourceAmerica supports expanding opportunities for veterans, the proposed sole-source directive would preempt the AbilityOne Program and eliminate thousands of jobs for people with disabilities including disabled veterans. We look forward to collaborating on future language that supports both groups without undermining existing employment programs.
- **Reconsider the SAT Increase:** The proposed jump from \$350,000 to \$10 million would reserve most small and mid-size contracts exclusively for small businesses, unintentionally excluding AbilityOne nonprofits that do not technically qualify (being nonprofits instead of for profits). This change would freeze program growth and risk significant job losses.
- **Return IGSA to Their Original Purpose:** The Department of War’s expanding use of IGSA to replace contracted services circumvents the Federal Acquisition Regulation and Service Contract Act. These agreements were intended for limited municipal services, not to replace federal contracts that employ people with disabilities through Congressional directive. Misuse of IGSA costs jobs and ultimately increases taxpayer burden by returning individuals with disabilities to unemployment status.
- **Establish a 1% AbilityOne Contracting Goal:** Despite its proven success, the AbilityOne Program remains the only federal contracting program without a statutory goal. A modest 1% requirement would create thousands of new jobs, reduce dependency on federal assistance, and strengthen domestic manufacturing capacity. This goal has long been supported by the Department of War and has robust bipartisan support in Congress.

Thank you for your continued partnership with SourceAmerica and the AbilityOne network as you shape this year’s NDAA to strengthen both our national defense and our nation’s workforce.

Sincerely,



Rick Terrazas
Vice President, Government Affairs
SourceAmerica