



ACQUISITION
AND SUSTAINMENT

THE UNDER SECRETARY OF DEFENSE

3010 DEFENSE PENTAGON
WASHINGTON, DC 20301-3010

The Honorable Jim Banks
U.S. House of Representatives
Washington, DC 20515

JUL 22 2024

Dear Representative Banks:

Thank you for your June 14, 2024 letter to Secretary Lloyd J. Austin III, encouraging the DoD to take steps to increase the use of the AbilityOne Program. Additionally, your letter refers to an AbilityOne Program contracting goal that was a recommendation in the reports to Congress submitted by The Panel on DoD and AbilityOne Contracting Oversight, Accountability, and Integrity ("The Panel"). I am responding on the Secretary's behalf.

The DoD contracting and purchasing workforce supports the AbilityOne employment mission through the procurement of products and services in compliance with the Federal Acquisition Regulation (FAR) subpart 8.7. The total DoD acquisition workforce is critical to expanding business with the AbilityOne Program by identifying new product lines and services to meet mission requirements. My team has implemented a number of actions, such as offering quarterly AbilityOne training through the Defense Acquisition University to assist the acquisition workforce in increasing business with the AbilityOne Program, of which creates and sustains jobs in the performance of DoD contracts.

The most significant step the Department has taken to increase business with the AbilityOne Program is the establishment of a DoD-wide AbilityOne Representative (ABOR) Program. The ABOR Program has made a fundamental shift in DoD business with the AbilityOne Program by appointing representatives across the DoD. The ABOR Program was a recommendation of The Panel and consistent with the contemporaneous guidance issued by the Office of Federal Procurement Policy (OFPP) memorandum, "Increasing the Participation of Americans with Disabilities in Federal Contracting." The Panel recommendation and the OFPP guidance directed applicable Federal agencies to make a minimum management level pledge equal to at least one percent of the agency's total amount of funds obligated for annual contracts on AbilityOne products and services from the Procurement List (reference FAR subpart 8.7). The DoD is making progress on its management level pledge to increase contract spend by one percent for AbilityOne products and services. As a result of the diligent efforts of the ABORs, in FY2023, DoD contracting professionals procured an unprecedented \$2.66 billion (0.58 percent of \$456 billion total spend) in products and services from AbilityOne nonprofit agencies. This is an increase in the FY 2022 AbilityOne contract spend of \$2.49 billion.

While the OFPP guidance and the DoD ABOR Program facilitate a one percent pledge for AbilityOne participation in contracting, in order to significantly increase our business, the DoD strongly supports the request of The Panel for Congress to enact a one percent statutory

AbilityOne Program contract goal for the DoD. We need a statutory AbilityOne Program contracting goal for the following reasons:

- Without an enforceable AbilityOne statutory contract goal, acquisition officials are reluctant to work with the AbilityOne Program to add NEW products and services to the Procurement List at a time when they must meet statutory procurement and competition goals. A statutory goal will provide the acquisition workforce with the needed justification to pursue new lines of business with AbilityOne. This will have the effect of sustaining and increasing employment for individuals who are blind or have other significant disabilities and for service-disabled veterans who are employed through the AbilityOne Program.
- A statutory goal will elevate the AbilityOne Program's visibility within the acquisition community and would foster creative collaboration between the ABORs and the AbilityOne network to match capabilities and capacity with customer requirements and develop new lines of effort; all of which create employment growth and sustain existing jobs for the AbilityOne workforce.
- A statutory goal will encourage Federal prime contractors to create new supplier and customer relationships with the AbilityOne nonprofit agencies and expand subcontracting opportunities.
- A statutory goal will drive performance metrics similar to other statutory socioeconomic program goals in contracting such as the small business programs.
- The Panel's four annual reports to Congress requested Congress enact a statutory DoD AbilityOne contract goal. These reports were coordinated with 19 Federal agencies and, when applicable, cleared by the Office of Management and Budget.
- The AbilityOne nonprofit agencies are a critical source and supplier for the U.S. industrial base. An example, during the pandemic, 95 percent of the AbilityOne workforce demonstrated their capabilities when they continued working to perform critical services such as deep cleaning of military treatment facilities and ramping up production lines for Personal Protection Equipment and hand sanitizers. In times of war, AbilityOne companies have surge capacity and run shifts around the clock to provide military uniforms and first aid kits that the Defense Logistics Agency purchases for deploying forces.

Over the past decade, the DoD AbilityOne procurement dollars have experienced minimal growth. A statutory contracting goal has the potential to double the DoD prime contracting business with the AbilityOne Program and to sustain and create more employment for individuals with disabilities on DoD contracts in communities across the Nation. This goal gives these individuals the opportunity to participate in all aspects of economic, social, and civic life.

Thank you for your letter. The Department remains committed to a strong partnership with the AbilityOne Program and appreciates the contributions of the AbilityOne workforce to military readiness. I have sent an identical response to the other signatories of your letter.

Sincerely,

A handwritten signature in blue ink that reads "William A. LaPlante". The signature is written in a cursive style with a large, stylized "W" and "L".

William A. LaPlante