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October 29, 2025

The Honorable John Thune Majority Leader United States Senate

The Honorable Mike Johnson Speaker U.S. House of Representatives The Honorable Charles Schumer Minority Leader United States Senate

The Honorable Hakeem Jefferies Minority Leader U.S. House of Representatives

Re: End Shutdown and Prioritize Enactment of the FY26 DoD Appropriations Act

Dear Majority Leader Thune, Minority Leader Schumer, Speaker Johnson, and Minority Leader Jefferies:

On behalf of the members of the National Defense Industrial Association (NDIA), we respectfully ask Congress to end the lapse in appropriations and prioritize enactment of the full-year Fiscal Year (FY) 2026 Department of Defense (DoD) Appropriations Act as soon as possible.

NDIA is the nation's largest defense industry association, representing more than 1,500 corporate members from small, medium, and large businesses spread throughout the country. While many larger defense contractors prudently planned to perform at-risk work without pay to manage a shutdown for a short duration, this cannot be sustained indefinitely. Additionally, a majority of NDIA members are small businesses with limited cash flow availability to sustain operations during a shutdown. This is why impacts on the U.S. DIB will likely become even more visible the longer the shutdown persists.

Contracts awarded in and funded with prior year funding can be executed and invoices can be paid until funds are exhausted. However, most contracts have a requirement for government oversight in their execution. When personnel responsible for contract oversight execution are not deemed essential during a shutdown, execution of the contract can only proceed to a certain point.

As the shutdown continues, contract performance and delivery schedules will slip, which will eventually become permanent backlogs that must be bought down with additional investment. Cashflow restrictions will increase supply chain instability as orders are terminated and smaller, vulnerable suppliers start to leave the U.S. DIB for less volatile sectors. Vendor staff, which includes skilled and experienced employees who are either furloughed and/or laid off to mitigate cash flow challenges, may choose to leave the U.S. DIB and never return. It is, therefore, critical that Congress end the shutdown and replenish Department accounts used for military pay.

On behalf of NDIA's members, we thank you for your continued support of the U.S. military and the U.S. DIB. To mitigate the long-term impacts and costs of the shutdown, NDIA respectfully asks Congress to end the shutdown and pass the FY2026 DoD Appropriations Act as soon as possible.

Sincerely,

Hon. David L. Norquist NDIA President and CEO

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## CC:

Senator Susan Collins
Senator Patty Murray
Senator Mitch McConnell
Senator Christopher Coons
Representative Tom Cole
Representative Rosa DeLauro
Representative Ken Calvert
Representative Betty McCollum
Senator Roger Wicker
Senator Jack Reed
Representative Mike Rogers
Representative Adam Smith