

Congress of the United States
Washington, DC 20515

January 29, 2018

The Honorable Patrick M. Shanahan
Deputy Secretary
United States Department of Defense
1010 Defense Pentagon
Washington, DC 20301-1010

Dear Mr. Shanahan:

We applaud your efforts to eliminate unnecessary and outdated regulations and to modernize the operations of Military Exchanges, which play such a vital role in contributing to the quality of life for servicemembers and their families. We write to bring to your attention an issue that aligns with your modernization objectives.

Guidance in the Armed Services Exchange Regulations (ASER) governing Military Exchange sales of motor vehicles to servicemembers overseas has never been updated. This guidance, written in 1983, is one of the most egregious examples of why the outdated ASER needs to be updated for the modern era.

Motor vehicles are currently available for purchase at roughly 100 Military AutoSource (MAS) locations outside the United States, including in combat zones. Under ASER, vehicles available for sale at MAS locations are limited to "US-made automobiles and foreign name-plated vehicles with at least 75-percent US or Canadian content." Thus, certain vehicles with 74-percent American parts manufactured in the US by American workers cannot be sold because of this outdated content restriction.

Automobile manufacturing, of course, has changed greatly in the last 34 years, with many "foreign name-plated" manufacturers having large assembly plants in the US that contribute billions of dollars to our economy and employ tens of thousands of American workers. Many of these workers have children or other close family members serving overseas on our behalf; these servicemembers are in essence being denied the opportunity to support their loved ones' jobs back home by purchasing the vehicles they help manufacture.

We understand that a formal request has been submitted to update ASER to permit the sale of all US-assembled automobiles at MAS locations. The request is under review by the Office of Military Community and Family Policy (OMCFP). We support the request and believe that the OMCFP should expedite its review and forward an updated ASER to the House and Senate Armed Services Committees as soon as possible.

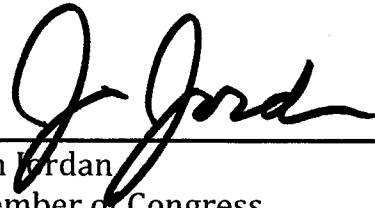


Thank you for your consideration of this letter and for your service to our nation. Please do not hesitate to contact us if we may provide further information on this matter.

Sincerely,



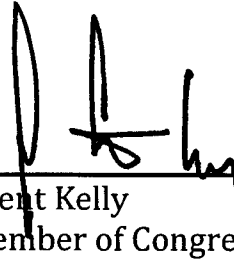
Tom Graves
Member of Congress



Jim Jordan
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Martha Roby
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Trent Kelly
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