



PERSONNEL AND
READINESS

OFFICE OF THE UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

OCT 30 2018

The Honorable James M. Inhofe
Chairman
Committee on Armed Services
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

The Department seeks the Committee's views concerning modification of current restrictions on the sale of automobiles overseas by military exchanges. We received a letter dated January 29, 2018, from members of Congress (Enclosure 1) requesting the Department modify our overseas automobile sales policy to include automobiles assembled in the U.S. and U.S. name-plated automobiles assembled in Mexico or Canada. This would be in addition to our continued sale of U.S. made automobiles and all motorcycles. We agree and support this proposed change.

We also seek the Committee's views regarding the elimination of the remaining exchange merchandise restrictions at Enclosure 2, which are outdated and stifle the military exchanges' ability to meet the needs and expectations of military consumers. The elimination of the restrictions will allow the exchanges to provide a full selection of merchandise and services to our Service members and their families.

The modification of the restrictions on overseas automobile sales, combined with the elimination of the above-referenced merchandise restrictions, will support the Department's efforts to modernize military exchange operations and improve the quality of life of our Service members and their families. Please let me know if you need further information or wish to discuss this letter in more detail. Thank you for your continued commitment to and support of our Service members and their families. I have sent a similar letter to the Chairman of the House Armed Services Committee.

Sincerely,

A handwritten signature in black ink that reads "James N. Stewart". The signature is fluid and cursive, with a large loop at the end.

James N. Stewart
Assistant Secretary of Defense for Manpower
and Reserve Affairs, Performing the Duties
of the Under Secretary of Defense for
Personnel and Readiness

Enclosures:
As stated

cc:
The Honorable Jack Reed
Ranking Member



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WASHINGTON, D.C. 20301-4000

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OCT 30 2018

The Honorable William M. "Mac" Thornberry
Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

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Sincerely,

James N. Stewart
Assistant Secretary of Defense for Manpower
and Reserve Affairs, Performing the Duties
of the Under Secretary of Defense for
Personnel and Readiness

Enclosures:
As stated

cc:
The Honorable Adam Smith
Ranking Member