

DEPARTMENT OF THE AIR FORCE HEADQUARTERS AIR FORCE MATERIEL COMMAND

20 October 2025

MEMORANDUM FOR Chairman, Senate Armed Services Committee
Ranking Member, Senate Armed Services Committee

FROM: AFMC/CC

Air Force Materiel Command

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SUBJECT: URGENT -- Critical Contractor Accountability and National Security Dependencies

1. IMMEDIATE CONGRESSIONAL ATTENTION REQUIRED

- 2. This memorandum requests urgent Congressional intervention regarding an unprecedented contractor management crisis that poses significant risks to national security, acquisition integrity, and defense program continuity.
- 3. **CRITICAL SITUATION OVERVIEW:** Stark Industries, holder of 17 active DoD contracts totaling \$47.3 billion across critical weapons systems, has created an untenable situation where exceptional technical performance is coupled with systematic disregard for security protocols, regulatory compliance, and oversight mechanisms.

4. KEY NATIONAL SECURITY CONCERNS:

- a. **Strategic Vulnerability:** Multiple critical weapons systems now dependent on proprietary technology understood by a single individual, creating unacceptable single-point-of-failure in national defense architecture.
- b. **Security Violations:** Within the last 90 days alone, documented incidents include unauthorized flight operations in restricted airspace, improper classified information handling, international airspace violations affecting three allied nations, and AI systems with unexplained security clearances.
- c. **Oversight Failure:** Traditional contractor management mechanisms have proven completely ineffective. Despite 6 formal warnings, 11 security violation reports, and 4 credential suspensions, violations continue unabated.
- 5. **THE DILEMMA:** The contractor simultaneously represents our most capable defense industrial partner and our most significant compliance failure. Contract termination or debarment actions would cause immediate and severe harm to national defense capabilities across advanced propulsion, precision munitions, and next-generation power systems.

6. REQUESTED IMMEDIATE ACTIONS:

- a. Emergency oversight hearing on contractor accountability in advanced technology programs
- b. Legislative review of authorities for managing strategically essential but non-compliant contractors
- c. Development of special compliance framework for unique mission-critical situations
- d. Congressional engagement with contractor leadership through appropriate channels
- 7. **BOTTOM LINE:** After 77 years of managing complex defense contractors, Air Force Materiel Command faces an entirely new challenge a contractor who is simultaneously indispensable and ungovernable. We have exhausted administrative remedies and require Congressional assistance to resolve this threat to acquisition integrity and national security.
- 8. Time-sensitive Congressional action is essential to protect both program integrity and defense capabilities.

MICHAEL T. HARRIS, General, USAF Commander, Air Force Materiel Command