



United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE *107th* CONGRESS, SECOND SESSION

WASHINGTON, TUESDAY, OCTOBER 2, 2001

Senate

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2002

Mr. CARPER. Mr. President, under the unanimous consent agreement adopted a few minutes ago, no further amendments are in order.

Senator Torricelli, Senator Biden, and I have expressed a strong interest in an issue that cannot be addressed on the floor through amendment and, as it turns out, may not need to be offered through an amendment. I want to take a moment to speak to that before we come to the vote.

Before doing so, I again compliment Senator Levin, the Chairman of the committee, and the ranking Republican, Senator WARNER, helping us to navigate through some difficult waters as we come to the close of debate on this bill.

The issue that Senator Torricelli and Senator Biden and I expressed concern about involves the Department of Defense. The Department of Defense, it turns out, is the only consumer of a military grade propellant which is manufactured through a joint venture between two companies, General Dynamics Ordnance Tactical Systems and Alliant Techsystems.

Previously, nitrocellulose, which is used to make this propellant had been provided to General Dynamics by two sources: Alliant Techsystems, and Expro, Inc. Green Tree Chemical Technologies, which it turns out has operations in the State of the Presiding Officer and is headquartered in the State of Delaware, provided Expro with base components used to manufacture

nitrocellulose. Since the joint venture with Alliant Technologies, General Dynamics terminated their contract with Expro, Inc.

Concerns have been expressed by Green Tree Technologies that with the current joint venture we would end up with a sole source provider for nitrocellulose. This propellant is used to make, among other things, weapons; and if there is only one provider of nitrocellulose we may put ourselves in some jeopardy as a nation if we should lose that one source.

There are further concerns that have been raised with respect to possible antitrust violations. For this reason, the Federal Trade Commission has opened an investigation concerning the joint venture between General Dynamics and Alliant Techsystems. Since the Department of Defense is the only purchaser of military-grade nitrocellulose, they have the determining role in whether or not the FTC moves forward with their review.

Senator Torricelli prepared an amendment. It is not going to be offered, but it is an amendment that says we need the Department of Defense, specifically the Army, to signal to the FTC that they have an understanding of the concerns over the possible antitrust issues and concerns over permitting this joint venture to go forward, limiting ourselves to one source for nitrocellulose.

The amendment encourages the Department of Defense to express its view

of the Federal Trade Commission investigation within 30 days of enactment. It is my understanding that the Department of Defense will formally indicate their view of the FTC investigation in the coming week.

What we had sought to accomplish through amendment appears to have been accomplished without the adoption of this amendment, which I believe is good news, not just for Green Tree Technologies, but I think it is good news for the Department of

Defense and ultimately for the taxpayers of this country. With sign off from the Department of Defense, the FTC is free to move forward and to make whatever rulings or decisions they see fit.

While the amendment will not be offered, I want to say to Senator Torricelli, thank you very much for raising this issue and providing the leadership here in the Senate for the committee to make sure we address these matters.