

May 8, 2012

The Honorable Howard P. "Buck" McKeon, Chairman
Committee on Armed Services
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

As the House Armed Services Committee works on the 2013 National Defense Authorization Act (NDAA), the undersigned organizations respectfully urge you and members of the Committee to support language to:

- place a moratorium on the insourcing of commercial activities within DoD;
- conduct a "yellow pages" test for all commercial activities currently performed by government employees within DoD;
- lift the moratorium on OMB Circular A-76 competitions within DoD;
- strike language imposing limitations on OMB Circular A-76 competitions within DoD;
- strike the inventory of service contracts; and
- strike the intergovernmental support agreements with state and local governments if such agreements allow for local, state and/or the Federal government to unfairly compete and duplicate those commercial activities available in the private sector.

We believe this request will help you keep anti-taxpayer, anti-free enterprise provisions out of the 2013 NDAA.

According to OMB, GAO and the Center for Naval Analysis, savings of 30% are achieved when implementing competitive sourcing/A-76 public-private cost comparisons to commercial activities currently performed by the government. There are more than 453,000 employees performing commercial activities, according to agency inventories compiled under the Federal Activities Inventory Reform (FAIR) Act of 1998, Public Law 105-270. If competition is applied to all 453,000 DoD FAIR Act positions, the annual savings would exceed \$13 billion.

At a time of 8.1% unemployment and anemic private sector job creation, an annual deficit of \$1.3 trillion, and a national debt of \$15.6 trillion, Congress should be encouraging cost savings and growth in the private sector. Provisions that prohibit, impede, interfere, obstruct, encumber, or delay OMB Circular A-76 or competitive sourcing studies, or that provide for insourcing – the cancelation of contracts to the private sector and the conversion of work to performance by federal employees – should be kept out of the 2013 NDAA.

As the Committee on Armed Services marks up the 2013 NDAA, we respectfully recommend that provisions inhibiting the utilization of the private sector not be included, and that provisions empowering the private sector be included in this bill.

Sincerely,

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Chairman
60 Plus Association



Daniel Faraci
Director, Government Affairs
Alliance for Affordable Services



Peter S. Unger
President & CEO
American Association for Laboratory Accreditation



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