

March 15, 2018

The Honorable Trey Gowdy, Chairman
The Honorable Elijah Cummings, Ranking Member
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman and Ranking Member:

We commend you for scheduling a March 15 markup of [H.R. 1339](#), the "Freedom From Government Competition Act (FFGCA) of 2017" sponsored by Rep. John J. "Jimmy" Duncan, Jr. (R-TN) and 15 cosponsors including several members of the Committee. In 2016, the concept of this bill was the subject of a hearing before the Subcommittee on Government Operations.

The Federal government employs some 2 million Executive Branch, Non-Postal, Full-time, Permanent Employees. Some 1,120,000 of those employees – are in jobs that are “commercial” in nature according to agency inventories compiled under the Federal Activities Inventory Reform (FAIR) Act of 1998, Public Law 105-270 and posted by the Office of Management and Budget (OMB) in 2015. Only a handful of the 1,120,000 current commercial positions have been studied to determine whether government employees or private sector workers can perform these activities more effectively. 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. If competition is applied to all of these FAIR Act positions, the annual savings may reach up to \$27 billion.

Not only do Federal agencies duplicate private business, but many engage in unfair government competition with the private sector. Each time there has been a White House Conference on Small Business (1980, 1986, and 1995), one of the top issues identified by American entrepreneurs is unfair government-sponsored competition with the private sector.

FFGCA does not mandate privatization. It does, however, provide for a fair and equitable process to review every commercial activity in the government. It preserves those activities that are inherently governmental (those only the government should do), injects competition into those that are commercial in nature, and provides several options for the Executive Branch to implement that competition. H.R. 1339 implements a “Yellow Pages Test” to make certain government is not unfairly competing with small business and to assure that products and services are provided at the best value to the taxpayer.

The undersigned organizations respectfully request the Committee on Oversight and Government Reform swiftly report H.R. 1339 favorably out of committee.

Sincerely,

American Association for Laboratory Accreditation
American Bus Association
American Council of Engineering Companies
Associated Builders and Contractors
Associated General Contractors
Association of TeleServices International
Business Coalition for Fair Competition
Construction Industry Round Table
Design Professionals Coalition
Health Agents for America
Independent Electrical Contractors
Independent Office Products & Furniture Dealers Alliance
Insights Association
Land Improvement Contractors of America
MAPPS
Mechanical Contractors Association of America
Minority Business RoundTable
National Association of RV Parks & Campgrounds
National Electrical Contractors Association
National Office Products Alliance
National Railroad Construction and Maintenance Association
National Small Business Association
National Society of Professional Surveyors
National Utility Contractors Association
National Veteran Small Business Coalition
National Waste & Recycling Association
Office Furniture Dealers Alliance
Precious Metals Association of North America
Small Business & Entrepreneurship Council
Specialty Graphic Imaging Association
United Motorcoach Association
US Chamber of Commerce
Virginia Small Business Partnership

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