Washington, DC, June 22, 2011 - A broad based coalition of 31 national and regional business, taxpayer and free market organizations has sent a <u>letter</u> to House Appropriations Committee Chairman Harold Rogers (R-KY) recommending that the remaining 2012 appropriation bills are "clean bills", free of damaging language that inhibits the ability of federal agencies to contract with the private sector, including small business, and to taxpayers.

The coalition's action comes on the heels of two successful votes in the House striking anti-A76 Office of Management and Budget (OMB) Circular language from the DHS and USDA appropriation bills, H.R. 2017 and H.R. 2112 respectively, and the inclusion of a "Sense of Congress" <u>amendment</u> placing a moratorium on the insourcing of commercial activities to H.R. 1540, the 2012 National Defense Authorization Act (NDAA).

The amendment to H.R. 2017, the DHS appropriations bill, sponsored by Rep. Pete Sessions (R-TX), struck Section 514 of H.R. 2017. Section 514 would have placed a moratorium on certain OMB Circular A-76 competitions within DHS. The Sessions' amendment was approved June 2 by a recorded vote, 218-204.

The amendment to H.R. 2112, the agriculture appropriations bill, also sponsored by Rep. Sessions, struck language that would have continued burdensome requirements imposed on USDA agencies before OMB Circular A-76 competitions could be conducted. The Sessions amendment was approved June 15 by a 226-199 vote.

The next three bills working their way through the House Appropriations Committee, those providing funds for the Department of Defense, Energy and Water Development, and Financial Services, all contain language restricting competitions to determine whether private companies can provide commercially-available services more efficiently and at a better value to the taxpayer than government employees.

"We believe Congress should be taking steps to encourage the creation of more private sector jobs, not growing government. This letter respectfully recommends that Chairman Rogers, who has voted both times to remove the harmful language, to make sure legislative fixes on the floor on future appropriations bills are no longer needed," said letter cosigner John Palatiello, President of the <u>Business Coalition for Fair Competition</u> (BCFC).

The letter noted that at a time of 9.1% unemployment and anemic private sector job creation, an annual deficit of \$1.5 trillion, and a national debt of \$14.3 trillion, Congress should be encouraging cost savings and growth in the private sector. Provisions like those stricken from H.R. 2017 and H.R. 2112 that prohibit, impede, interfere, obstruct, encumber, or delay OMB Circular A-76 or competitive sourcing studies, or that provide for insourcing - the cancellation of contracts to the private sector and the conversion of work to performance by federal employees - should be kept off all remaining appropriations bills.

Palatiello concluded, "The will of Congress has spoken. It is time to prevent these damaging provisions from finding their way into funding bills in the first place. We look forward to working with members of Congress to enact clean legislation, and to lessen the impact adverse government policies, such as attempts to block A-76 cost competitions for commercially

available goods and services, are having on private sector job creation, including in small business, and the size and cost of government, the deficit and the national debt. Congress should help implement the "'Yellow Pages' Test" - if a product or service can be found from a private business in the Yellow Pages, the government should probably NOT be doing it, or at least open the activity to competition from the private sector," said John Palatiello, President of BCFC.

Organizations signing the letter were: 60 Plus Association; Aerial Services, Inc.; Alliance for Worker Freedom (AWF); American Bus Association (ABA); American Council of Engineering Companies (ACEC); Americans for Limited Government (ALG); Americans for Tax Reform (ATR); Business Coalition for Fair Competition (BCFC); Center for Fiscal Accountability (CFA); Construction Industry Round Table (CIRT); Council for Citizens Against Government Waste (CCAGW); Fairfax County Chamber of Commerce; Fairness in Procurement Alliance (FPA); Helicopter Association International (HAI); Hispanic Leadership Fund; LDB & Assoc.; Management Association for Private Photogrammetric Surveyors (MAPPS); Minority Business RoundTable (MBRT); National Air Transportation Association (NATA); National Association of RV Parks & Campgrounds (ARVC); National Child Care Association (NCCA); National Taxpayers Union (NTU); Northern Virginia Technology Council (NVTC); Public Service Research Council; Small Business & Entrepreneurship Council (SBEC); TechAmerica; Textile Rental Services Association (TRSA); The Associated General Contractors (AGC); The Frederick Douglass Foundation; U.S. Chamber of Commerce; United Motorcoach Association (UMA).