

July 14, 2011

The Honorable Eric Cantor
United States House of Representatives
303 Cannon House Office Building
Washington, DC 20515

Dear Majority Leader Cantor;

On behalf of the nearly 350 member companies of the Professional Services Council, I am writing to urge your support for an amendment being offered by Representative Pete Sessions to the Financial Services and General Government Appropriations bill (H.R. 2434) that would give all federal agencies the flexibility to use smart management techniques by using the Office of Management and Budget Circular A-76 (A-76) to conduct public-private competitions. Consistent with the recommendation of the Department of Defense, the amendment by Rep. Sessions would strike the current blanket restrictions on using A-76 as contained in Section 733 of H.R. 2434.

A-76 is not a tool to drive either outsourcing or insourcing. Rather, it is a tool to enable the government to use competitive procedures to determine the most efficient means by which to perform its work. When used, A-76 cost comparisons allow agencies to evaluate the cost of in-house performance against the costs of private sector performance when making sourcing decisions. Although the A-76 process is not perfect, it is a reliable tool for federal agencies that helps maximize taxpayer savings while enabling the latest, most efficient, private sector efficiencies to be brought to bear on behalf of the federal government. Prior restrictions on the use of A-76 have both eliminated the competition tool—which is widely recognized to be the most effective means of generating higher performance and greater efficiency—and significantly restricted the ability of businesses, including small businesses, to compete for work and offer savings to the federal government. During this time of tight budgets and high unemployment, it is unreasonable to perpetuate an arbitrary moratorium on the A-76 process.

The House has already approved similar amendments by Rep. Sessions to repeal the moratorium on A-76 actions contained in the Appropriations Committee-reported versions of the fiscal year 2012 Defense, Homeland Security, Agriculture, and Energy & Water bills. In addition to action on these appropriations bills, the House-passed version of the fiscal year 2012 National Defense Authorization Act requires the A-76 moratorium applied to DoD in 2009 be lifted once DoD has submitted a report on the department's policies regarding public-private competitions. In that report, which was submitted to Congress on June 23, 2011, DoD recommended removing the moratorium because it "hampers the department's ability to meet statutory obligations."

We therefore strongly support this important Sessions amendment and urge you to vote in favor of it.

Thank you for your attention to this important matter. If you have any questions or need any additional information, please do not hesitate to contact Roger Jordan of the Professional Services Council staff or me.

Sincerely,

A handwritten signature in black ink, appearing to read "Stan Soloway". The signature is stylized and cursive, with the first letters of the first and last names being prominent.

Stan Soloway
President & CEO