



Biz Groups Want Congress to Protect Outsourcing

By Alice Lipowicz

Jun 23, 2011

A group of business and taxpayer organizations is urging Congress to strengthen outsourcing and limit insourcing language in the upcoming fiscal 2012 appropriations bills.

The 31 organizations in the Business Coalition for Fair Competition are seeking support for provisions in the bills that uphold competitive sourcing and increased contracting with the private sector, according to a June 22 news release.

Such bills ought to be "free of damaging language that inhibits the ability of federal agencies to contract with the private sector, including small business," the group said.

Competitive sourcing, a policy advanced by the George W. Bush administration, refers to federal agencies' option to outsource certain activities if the private sector can perform them more cost-effectively than the government can. Those public/private competitions are generally conducted using methodologies outlined in the Office of Management and Budget's Circular A-76.

The coalition maintains that expanding outsourcing and reducing insourcing would strengthen private job creation and innovation. However, supporters of insourcing have argued that federal contracting has grown too quickly and contractors might now be performing work more appropriately handled by federal employees.

The coalition sent a letter to Rep. Harold Rogers (R-Ky.), chairman of the House Appropriations Committee, expressing support for two recent amendments related to Circular A-76 in the spending bills for the Homeland Security and Agriculture departments. They also advocated that similar action be taken on upcoming bills.

Rep. Pete Sessions (R-Texas) introduced an amendment to the spending bill for DHS that strikes down a proposed moratorium on certain Circular A-76 competitions at the agency. Sessions' amendment was approved by a vote of 218-204, the coalition said.

Sessions also sponsored an amendment to the USDA budget bill that withdraws certain requirements that must be met before the agency can conduct Circular A-76 competitions. That amendment was approved by a vote of 226-199.

Appropriations bills for defense, energy and water development, and financial services are pending, but all contain language restricting Circular A-76 competitions, according to the coalition.

Organizations signing the letter include the Northern Virginia Technology Council, TechAmerica, Associated General Contractors of America and U.S. Chamber of Commerce.