



Fairfax County Board Asks Federal Government to Stop Insourcing

The Fairfax County Board of Supervisors asked Sens. Jim Webb and Mark Warner to end the Obama administration's practice of absorbing private contractor jobs into the federal government.

County officials suggested in a letter to the senators that Webb and Warner add a provision to the defense authorization bill or other legislation that would put a moratorium on the practice known as "insourcing" in which the government takes on work previously performed by private contractors, sometimes literally taking workers away from private firms to perform the same duties directly for a federal agency.

That practice is costing Northern Virginia's government contractors millions of dollars in work, they said.

The letter, introduced to the board by Supervisor Pat Herrity, is similar to letters sent by other local governments and business groups that complained that there is no evidence that insourcing benefits the federal government.

"What we've seen from government policies is arbitrary numbers and arbitrary goals to in-source functions of the federal government without some sort of measure for why," said Josh Levi, vice president for policy at the Northern Virginia Technology Council.

Fairfax stands to lose a large portion of its tax base if insourcing continues, said County Board Chairwoman Sharon Bulova. Federal contracts in the county in 2009 totaled nearly \$40 billion, according to Census Bureau figures.

Northern Virginia communities share anecdotes of private contractors who were told on a Friday that they would start receiving government paychecks on Monday.

"That phenomenon is becoming more commonplace," Levi said. "It adds a sense of unpredictability and chaos to the private sector."

One of those casting doubt on the value of insourcing is Defense Secretary Robert Gates, who said in August that while the Pentagon was "reducing contractors, we weren't seeing the savings we had hoped from in-sourcing."