

Thursday, June 30, 2005

Van Hollen Statement on A-76 Amendment to Protect Federal Employees

Washington, D.C. -

Mr. Chairman, I yield myself 3 1/2 minutes.

Mr. Chairman, this amendment deals with the process that we now have in place in the Federal Government for contracting out work that is performed by Federal employees around the country, in other words, what process is in place for privatizing certain Federal Government jobs. That process, which is known by the Office of Management and Budget, A-76 process, is a broken process. In fact, both Federal Government employees and private contractors have serious legitimate concerns and complaints about the existing competitive sourcing process. This amendment would, in fact, encourage OMB to go back to the drawing board and develop a competitive sourcing process that addresses everybody's concerns. And it is an amendment that is identical, word for word, to an amendment that has passed the House on this appropriations bill in the last 2 years.

And we have passed this bill for the past 2 years for a very simple reason. We recognize that the existing contracting out process is unfair and that it needs to be fixed. And that has not changed from last year to this year. In fact, already this year the Appropriations Committee and this House have recognized the fact that the existing contracting out process is broken because we have passed a number of bills to change that on an ad hoc basis. For example, the Defense appropriations bill, which has already passed this House, changed the A-76 contracting out rules for Department of Defense Federal employees in a number of ways. It insured, first of all, that Federal employees of the Department of Defense would always have the opportunity to compete to keep their jobs through forming what is known as the most efficient organization. The Defense appropriations bill also required that when a private contractor is trying to take over work it demonstrates that it can provide some minimal level of savings to the taxpayer. After all, that is what competition should be about.

That is something the GAO has recommended, and it is something the Appropriations Committee put in the Defense appropriations bill but it is not part of the normal contracting out process. The Defense appropriation bill also prevents private contractors from gaining an advantage by providing less health benefits to their employees. We as a Federal Government should be setting an example to the public, not trying to encourage people to dump health coverage for their employees. And so the appropriations for defense did that.

There are also things we did with respect to the authorization bill for the Defense Department that changed the contracting out rules. For example, we made sure that during the appeals process, that the appeals rights of Federal employees would be the same as appeal rights for private contractors. That seems to make sense. That is only fair.

In fact, if you look at different appropriations bills that have come out, the Homeland Security appropriations bill, the Interior appropriations bill, the Agriculture appropriations bill, all of those bills had changes to this contracting out process.

So the question arises if the Appropriations Committee itself has changed the contracting out rules in all these other bills, does it not make sense to ask the Office of Management and Budget to go back and get it right, come up with a uniform policy that applies government wide, rather than have five different tests in different appropriations bills.

That is what this amendment is all about. It does not get rid of the competitive sourcing rules. It would say to OMB, go back to the rules that were in place before May 2003 until you fashion a new set of rules that make sense for everybody.

Mr. Chairman, I reserve the balance of my time.