

WASHINGTON, DC – Congressman Steny H. Hoyer (D-MD) released the following statement today regarding House passage (222-203) of an amendment to the Fiscal Year 2006 Transportation, Treasury and Housing and Urban Development Appropriations Bill:

“Today’s adoption of the Van Hollen amendment is a victory for both federal employees and American taxpayers. This amendment would give lawmakers and OMB an opportunity to revise the currently flawed OMB Circular A-76 privatization process, which was adopted in May 2003, to ensure that when government positions are open for bid, the process is fair to both federal employees and private contractors, as well as produces a cost savings for taxpayers.

“The Van Hollen Amendment would not require the use of the A-76 process that was in use prior to the 2003 rewrite. Rather, it would ensure that the 2003 process is revised to make the improvements that have been recommended by Congressional lawmakers, General Accountability Office’s Comptroller General, and even OMB.

“Perhaps most importantly, the rewrite, if properly carried out, will ensure fair competition by preventing work performed by federal employees from being contracted out without conducting public-private competitions and allowing federal employees to submit their most competitive bids (Most Efficient Organization plans, MEOs), require contractors to at least promise savings sufficient to offset the cost of conducting competitions (“10% Rule”), and prevent contractors from slashing health care benefits in order to submit lower bids. Congress and OMB have already applied these principles to the Defense Department through the 2004 Defense Appropriations Bill and the 2005 Defense Appropriations Bill. Moreover federal employees should also be allowed opportunities to perform new work and contractor work, using the process included in the House-passed 2005 and 2006 Defense Authorization Bills.

“Passage of the amendment will give lawmakers the opportunity to provide federal employees with the same right that contractors have long enjoyed to have agencies’ contracting out decisions reviewed by independent third parties such as the Government Accountability Office and the Court of Federal Claims.

“Today’s victory is part of a broader campaign to defend federal employees from an administration that has gone to war with its employees by trying to strip them of their collective bargaining rights, gut their civil service protections against politics and favoritism, and contract out their jobs with a process that is manifestly unfair to federal employees and taxpayers alike.”

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