



# Acquisition Reform Working Group

June 7, 2016

Dear Senator:

On behalf of the Acquisition Reform Working Group (ARWG)<sup>1</sup>, we are writing to express our strong opposition to Senate Amendment 4255 offered by Senator Reid (for Senator Blumenthal) and urge you to oppose the amendment if it comes before the Senate for a vote during floor action on the Fiscal Year 2017 National Defense Authorization Act (NDAA).

Senate Amendment 4255 seeks to strike Section 829H of the Senate Armed Services Committee-reported bill, which limits the applicability of Executive Order 13673 to those companies that the government has suspended or debarred because of a federal labor law violation. Rather than following the existing process, Executive Order 13673 and SA 4255, if adopted, would subject companies seeking to do business with the federal government to an unfair, duplicative, unnecessary, and costly bureaucratic process that would have detrimental impacts on both the DoD and industry if applied to the DoD.

Industry supports a goal of ensuring that contractors abide by federal labor laws and those that do not be subject to review by the federal government. Section 829H preserves the current suspension and debarment process for any federal contractor actions that merit review and ensures that those contractors that have been suspended or debarred for a labor violation are required to report under the framework set forth by the Executive Order. Without the protections offered by Section 829H, substantial costs and burdens would be incurred by both government and labor compliant and well-intentioned companies forced to comply with the excessive information and reporting requirements imposed by the Executive Order. In fact, the President has acknowledged that the vast majority of contractors play by the rules when it comes to labor laws, yet these companies would be severely and

<sup>1</sup> The Acquisition Reform Working Group (ARWG) is comprised of the Aerospace Industries Association; Associated Builders and Contractors, Inc.; American Council of Engineering Companies; Financial Executives International’s Committee on Government Business; Information Technology Alliance for the Public Sector; National Defense Industrial Association; Professional Services Council; The Associated General Contractors of America; The Coalition for Government Procurement; and the U.S. Chamber of Commerce. We represent thousands of small, mid-sized and large companies and hundreds of thousands of employees that provide goods, services and personnel to the government.

negatively impacted by the requirements of the Executive Order. Furthermore, both Congress and DOD have sought to remove needless regulations and barriers to entry into the federal marketplace, and to streamline the acquisition process. We strongly believe that Executive Order 13673 will severely undermine those efforts by adding several layers of new, costly, and unnecessary burdens on businesses currently providing, or seeking to provide, goods and services to DOD. Thus, Section 829H protects compliant companies that wish to support our national defense from the excessive regulations being developed to implement the Executive Order, while preserving the government's ability to protect itself against contractors that are not presently responsible and ensuring that DoD will retain access to critical capabilities and innovation.

We therefore request that you oppose Senate Amendment 4255. Thank you for your consideration of our request. If you have any questions, please contact ARWG's project lead on this issue, Roger Jordan of the Professional Services Council staff, at 703-875-8059.

Sincerely,

Aerospace Industries Association  
American Council of Engineering Companies  
Associated Builders and Contractors, Inc.  
Financial Executives International's Committee on Government Business  
Information Technology Alliance for the Public Sector  
National Defense Industrial Association  
Professional Services Council  
The Coalition for Government Procurement  
The Associated General Contractors of America  
U.S. Chamber of Commerce