



AMERICANS *for* TAX REFORM

Grover G. Norquist
President

May 27, 2008

Dear Representative:

On behalf of Americans for Tax Reform I am urging you to remove all provisions from H.R. 5658, the "National Defense Authorization Act of 2009" which limit and restrict the government's ability to engage in public-private partnerships and competitive sourcing in accordance with OMB Directive A-76.

Competitive sourcing is vital to limiting the size of government. It allows the private sector to offer more cost-effective alternatives for those commercial jobs performed by bureaucrats. Just like in the real world, the highest-value service receives the contract. Regardless of whether the government continues to perform the service or a private company takes over, cost savings are achieved in the process and taxpayers can breathe a little easier.

Specifically, measures introduced by Rep. Nancy Boyda (D-Kan.) call for a three-year moratorium on public-private partnerships with the Defense Department. This measure, unconscionably passed by the House Armed Services Committee undercuts the ability for the government to function at an optimal level. **DOD has estimated the cost savings attributed to public-private partnerships from 2003-2007 at \$2.95 billion with a return of \$20 for every \$1 spent on competition.**

Injecting free market forces into government services acts as a catalyst for cost reduction and more sensible government. There exists a direct correlation between an increase in competitive sourcing and a reduction of government expenditures and pressure for higher taxes. The same services that the government now provides will be done with greater quality, efficiency and (best of all) at a lower cost to the taxpayer.

The removal of legislation that discourages competitive sourcing is critical to foster a more effective and efficient government.

ATR will key vote at least one competitive sourcing vote in our annual Congressional scorecard and **ATR MAY RATE this vote.** Exposing and eliminating inefficient and ineffective government expenditures is your responsibility to the American taxpayer. Competitive sourcing is one of the best ways to protect taxpayers against government waste.

Onward,

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