

STATEMENT OF SEN. PAUL G. KIRK, JR.
Ad Hoc Subcommittee on Contracting Oversight of the U.S. Senate
Committee on Homeland Security and Governmental Affairs
Achieving the President's Objectives: New OMB Guidance to Combat Waste,
Inefficiency, and Misuse in Federal Government Contracting
Wednesday, October 28, 2009

Chairman McCaskill, I commend you for holding this hearing today on abuses in federal government contracting. The issue goes to the heart of the public's faith in their government's willingness and ability to spend tax dollars wisely.

President Obama has called for reforms of the current process, including greater accountability to see that federal contracts are bid appropriately.

We know that in numerous cases in the previous Administration, contractors repeatedly failed to meet their obligations, yet they continued to be awarded large federal contracts.

I look forward to today's hearing on the specific steps the Administration is taking to achieve greater fairness and competitiveness in such contracts, including its efforts to open federal contracting opportunities to small and medium-sized businesses.

In many cases, large contracts can be won only by large companies, but it's essential that small and medium-sized businesses have a fair opportunity on contracts that fit their scale.

Small businesses in Massachusetts tell me of the difficulty they face in becoming prime contractors, either because of trouble getting on the GSA Schedule or being limited to subcontracting from major corporations.

Most small businesses don't have the resources to deal with unnecessary red tape, so they're reluctant to waste time, energy and capital when the odds are stacked against them. One leader in the Massachusetts small business community tells me that "the record has been pretty dismal" when it comes to accessing federal contracts for such firms.

I'm also interested in hearing about the guidance the Administration is providing to agencies on the need for a clear distinction in the mixed federal and contractor workforce between roles that are inherently governmental and those which may be outsourced. A particular issue here is how the new guidance will respect the privacy rights of Americans whose personal information is held by federal agencies.

People deserve assurance that their private information will be protected, and that such protection will be a primary consideration in decisions on whether work must be done by the federal workforce or private contractors.

Again, I commend the Chair for holding this hearing, and I look forward to the testimony of our witness.