

December 18, 2002

To: Mr. David C. Childs
Office of Federal Procurement Policy
Office of Management and Budget
725 17th St. NW
New Executive Office Building, R00m 9013
Washington DC, 20503

Dear Mr. Childs,

This FAX transmitted letter is in response to the notice in the Federal Register, Volume 67, Number 223, dated November 19, 2002, concerning Performance of Federal Activities. This notice proposes revision to the Office of Management and Budget (OMB) Circular Number A-76, "Performance of Commercial Activities".

Reading through the notice, it appears to be based primarily on speculation, not factual evidence. The document leads this taxpayer to believe that there is in fact already a pre-determined decision made to privatize much of the Federal Government, and this action will only serve to validate that decision. There is very little factual evidence listed to support this effort. In the overview section it states that the purpose is: "To lower costs for taxpayers and improve program performance to citizens..... The proposed revisions would: Significantly expand the use of public private competition....." This statement can be proven false in numerous State and Federal government decisions to privatize what were previously governmental functions. In the State of Montana, private (for profit) enterprises have taken over the costs of running prisons. This endeavor has become costly to the point that prisoners from other states are being brought in to maintain income to operate the prison. This is being done in spite of assurances that this would never occur. At the Federal level, during the 2002 wild land fire season, over \$400 million in suppression costs was paid to contractors out of the total bill of \$600 million. There is no incentive for contractors in this case to put fires out, since it in essence puts them out of work. There are documented cases of contract crews citing safety reasons to disengage from fire duties, but remaining in pay status. This has cost the taxpayer huge increases in suppression costs and fire losses.

Section C, "Shortcomings of Current Circular A-76 Processes" states: "Many believe the process is susceptible to gaming". This statement is an unsupported opinion, not a documented fact. All of Section C is opinion based on third party beliefs and opinions.

This whole proposal appears to be an attempt by private interests to expand their profit making potential into the federal government at the expense of the taxpayer. This process of favoring big business over the taxpayer appears to be supported by the President through this OMB process. I believe that this notice is flawed, based on opinion not fact, and profit speculation by special interest groups. As a taxpayer, I find not logical, economical, or practical reason that this proposal should be given credence.

My input is that the above-mentioned proposal be withdrawn, and no further action taken to implement the process of revising the A-76 process. Any future efforts to revise the A-76 process should be aimed at improving efficiencies and lower costs to the taxpayer, not expanded opportunities for special interests and corporations to profit from these operations.

Thank you for your consideration of these comments.

Sincerely,

Pat Wilson, Taxpayer
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