February 1, 2018

The Honorable Trey Gowdy  
Chairman  
Committee on Oversight & Government Reform  
2157 Rayburn  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Elijah Cummings  
Ranking Member  
Committee on Oversight & Government Reform  
2471 Rayburn  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman Gowdy and Ranking Member Cummings:

The American Council of Engineering Companies (ACEC) – the voice of America’s engineering industry – strongly supports H.R. 1339, the Freedom from Government Competition Act, and encourages the committee to approve this important legislation.

ACEC is a national federation of 52 state and regional councils representing the great breadth of America’s engineering industry. Member firms employ more than 600,000 engineers, architects, land surveyors, scientists, and other specialists, responsible for more than $200 billion of private and public works annually. Several thousand of our member companies contract with government agencies to plan, design, and oversee construction and inspection of infrastructure projects, to conduct environmental assessments, and provide many other engineering needs.

H.R. 1339 recognizes that public agencies can and should rely on the skills and expertise that private sector firms provide. They can use local firms to meet tight project deadlines and identify innovative ways to get projects done. Market competition in the private sector drives firms to meet their clients’ schedule and budget needs in an efficient and cost-effective manner.

Unfortunately, while many public agencies partner very effectively with engineering firms, there are some that do not take advantage of these benefits. Even though there is nothing inherently governmental about engineering and design, some agencies maintain sizable in-house workforces to perform services that are commercially available in the private sector. This essentially amounts to sole-source, non-competitive contracts, with no incentive for innovation and no market pressure for cost savings or other efficiencies. Local firms, many of them small businesses, are shut out from competing for federally funded projects.

A recent academic study from New York University (NYU) underscores the value of a partnership approach. NYU researchers found significant savings when agencies contract out to the private sector, and documented additional benefits for public agencies, including the capacity and flexibility to meet fast-track deadlines, access to unique skills and technical expertise, innovative problem solving, and better management of risk.
Enactment of H.R. 1339 would put into place a standard and expectation for federal agencies to obtain these many benefits and would ensure that limited taxpayer funds are used efficiently and cost effectively.

We look forward to working with you and the members of the committee to advance this bill. Thank you for your consideration.

Sincerely,

[Signature]

David A. Raymond
President & CEO