

ELIJAH E. CUMMINGS
7TH DISTRICT, MARYLAND

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GUARD AND MARITIME TRANSPORTATION
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SUBCOMMITTEE ON DOMESTIC POLICY
SUBCOMMITTEE ON FEDERAL WORKFORCE,
POSTAL SERVICE AND THE DISTRICT OF COLUMBIA

JOINT ECONOMIC COMMITTEE
SENIOR WHIP

Congress of the United States
House of Representatives
Washington, DC 20515

May 28, 2010

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President Barack Obama
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Obama:

As our nation recovers from the most severe economic crisis since the Great Depression, we have a historic opportunity, and responsibility, to ensure that government provides quality services through its contracts, shields taxpayers from waste and fraud, and protects those at the bottom of the economic ladder. Therefore, we support your ongoing efforts to curb waste, fraud and abuse in federal contracting such as the guidance issued by the Office of Management and Budget last fall to increase competition in contracting and the recent memorandum cracking down on contractor tax scofflaws and urge you to continue making needed contracting reforms.

We were particularly encouraged by the White House Task Force of the Middle Class' announcement that it will soon issue recommendations to prevent irresponsible businesses from getting Federal contracts and to address the impact on quality caused by substandard wages and benefits. We urge you to quickly enact these high-road contracting reforms.

There is a pressing need for this measure. The Economic Policy Institute estimates that there were 2 million federal contract workers in 2006; nearly 20 percent of these contract workers earn less than the poverty threshold wage of \$9.91 per hour, and fully 40 percent earn less than a livable wage. A substantial portion of this group lacks affordable health insurance or sick leave.

Not only are such conditions bad for workers, but they are also bad for taxpayers. Taxpayers pay for the hidden costs of poverty wages through Medicaid and other programs and, when workers are poorly treated, taxpayers often receive low quality work. In addition, high road contractors—those who are willing to provide decent pay and benefits—are often discouraged from competing for government contracts if they must engage in a “race to the bottom” in order to win the bidding process. All too often, the results are contract awards of “least value” to the taxpayer and government, instead of the intended “best value.”

Your action to enact high-road contracting reforms and further improve federal contracting will have a direct impact on the economic recovery of our communities and provide a much needed watchdog to oversee a vital sector of our economy.

Together, we must continue to find new ways to promote a strong middle class agenda that expands good jobs and protects taxpayers from waste and abuse.

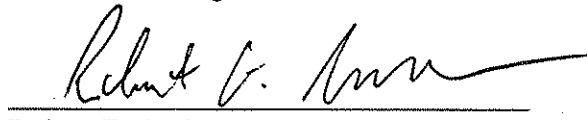
Together, we must continue to find new ways to promote a strong middle class agenda that expands good jobs and protects taxpayers from waste and abuse. We urge you to act quickly on this proposal, before it becomes another casualty of fear mongering and misrepresentations. Opponents are spinning a tale that this measure will reduce competition and squeeze small businesses out of federal contracts when nothing could be further from the truth. In fact, competition is likely to increase and small businesses are protected through a statutory set-aside, which would not be affected by this proposal.

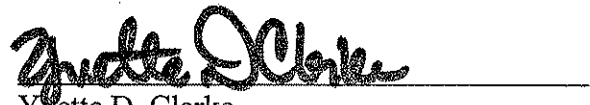
We appreciate your time and consideration.

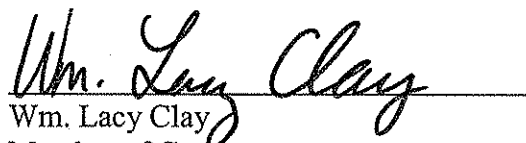
Sincerely,

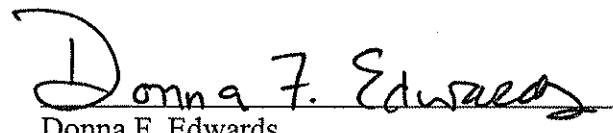

Elijah E. Cummings
Member of Congress

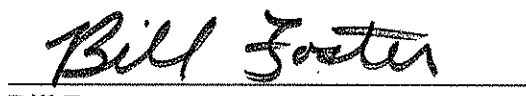

Rosa L. DeLauro
Member of Congress

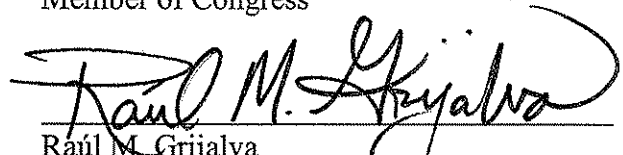

Robert E. Andrews
Member of Congress


Yvette D. Clarke
Member of Congress

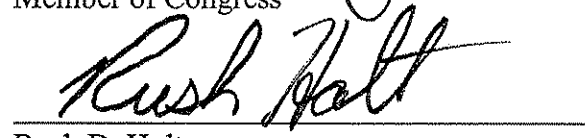

Wm. Lacy Clay
Member of Congress


Donna F. Edwards
Member of Congress


Bill Foster
Member of Congress

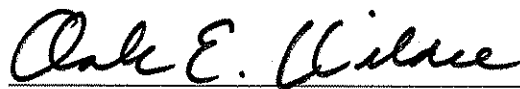

Raúl M. Grijalva
Member of Congress


Phil Hare
Member of Congress

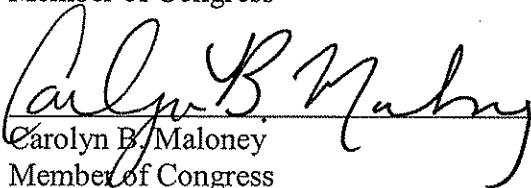

Rush D. Holt
Member of Congress



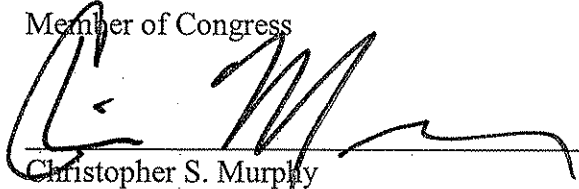
Patrick J. Kennedy
Member of Congress



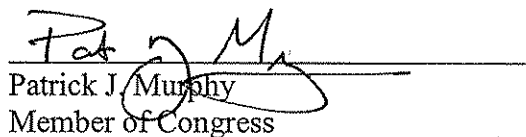
Dale E. Kildee
Member of Congress



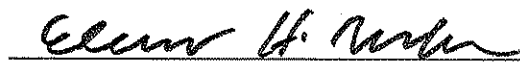
Carolyn B. Maloney
Member of Congress



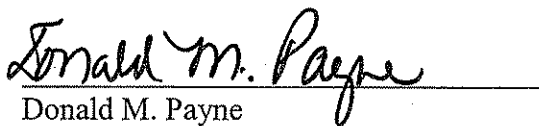
Christopher S. Murphy
Member of Congress



Patrick J. Murphy
Member of Congress



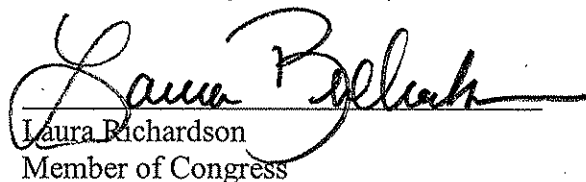
Eleanor Holmes Norton
Member of Congress



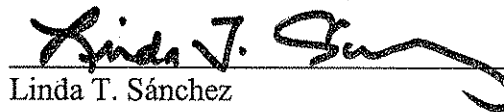
Donald M. Payne
Member of Congress



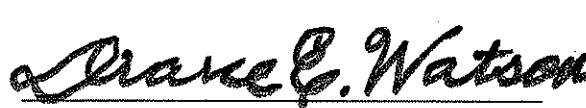
Mike Quigley
Member of Congress



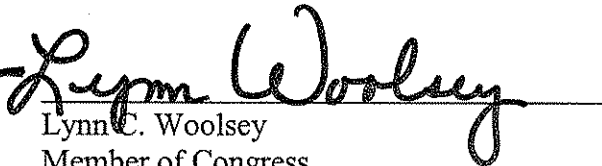
Laura Richardson
Member of Congress



Linda T. Sánchez
Member of Congress



Diane E. Watson
Member of Congress



Lynn C. Woolsey
Member of Congress