Rozanne Andersen <Andersen@acainternational.org> 12/19/2002 04:37:48 PM

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To: David C. Childs A-76comments/OMB/EOP@EOP

cc: See the distribution list at the bottom of this message Subject: Comments on Circular A-76 Revision

<<A-76 Response Letter 12-19-02.doc>> Rozanne M. Andersen ACA International, General Counsel Senior Vice President of Legal and Government Affairs Phone: 952-928-8000 Ext. 132 Fax: 952-915-3922

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- A-76 Response Letter 12-19-02.doc

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December 19, 2002

Mr. David Childs Office of Federal Procurement Policy Office of Management and Budget 725 17th Street, NW NEOB Room 9013 Washington, DC 20503

Dear Mr. Childs:

ACA International, Inc. is an international trade association of credit and debt collection professionals who provide a variety of accounts receivable management services. Headquartered in Minneapolis, ACA International serves members in the United States, Canada and 55 other countries worldwide.

ACA International has approximately 5,100 members, including third-party collection agencies, credit grantors, attorneys and vendor affiliates. Members comply with all applicable federal and state laws and regulations regarding debt collection, as well as the ethical standards and guidelines established by the organization.

ACA International, Inc. supports the A-76 revisions, as they will open up jobs to all Americans, including small businesses, and help eliminate unfair government competition. Entrepreneurs and workers will have new opportunities to seek work previously unavailable to the private sector.

We particularly support the presumption that all activities are "presumed to be commercial" as this reinforces and supports the longstanding policy of both Democrat and Republican Administrations to rely on the private sector for goods and services.

The revisions state that a "standard competition shall not exceed 12 months." We strongly support this move to make the time frames for conducting public-private competitions more reasonable, and in line with standard procurements.

The report of the Commercial Activities Panel noted that the government already has an established mechanism to ensure high value service -- that is the procurement process of the Federal Acquisition Regulation (FAR.), a system all private sector contractors compete under daily. The panel specifically recommended conducting public-private competitions using the FAR. Acting upon that recommendation, the proposed Circular A-76 revisions would establish a FAR based process, based on best value, for certain procurements.

We support the provisions that eliminate unfair competition under Agency-to-Agency arrangements. These provisions would eliminate the current practice that permits Federal agencies to obtain commercial work non-competitively from other Federal agencies, and for state and local government.

The ability for all parties to compete on a fair and level playing field is the ultimate measure of a successful A-76 process. We believe the revisions to Circular A-76 will do just that.

ACA International favors greater competition and privatization of government services and contracts. Outsourcing reduces the size of government and increases efficiency by limiting government to performing only its core mission functions.

Furthermore, our membership is particularly interested in the Internal Revenue Service's (IRS) proposal to use private collection agencies to collect part of the \$200 billion in unpaid federal taxes. ACA recognizes the IRS's inherent responsibility to establish the procedures and processes related to the collection of federal income taxes. The decision to outsource the collection of unpaid taxes to third party debt collection agencies would not undermine or conflict with this responsibility. Rather, ACA members could help the federal government improve its financial forecast by returning up to \$50 billion to the national economy within a legislative and regulatory framework that protects the private citizen and well as the interests of the government. Moreover, the outsourcing of past due federal income taxes is not intimately related to the public interest as to mandate performance by government personnel.

ACA International supports privatization efforts and the proposed revisions to Circular A-76. We are working with the U.S. Chamber of Commerce and other pro-business organizations to enact meaningful government reform.

Sincerely Yours,

Vic York ACA International President

 cc: Giovanni Coratolo, U.S. Chamber of Commerce Director, Small Business Council ACA International Executive Committee Gary Rippentrop, ACA International CEO Rozanne Andersen, ACA International General Counsel, Senior Vice President of Legal and Governmental Affairs