

United States Senate

WASHINGTON, DC 20510

April 28, 2006

The Honorable Ted Stevens
Chairman
Senate Defense Appropriations
Subcommittee
Washington, DC 20510

The Honorable Daniel K. Inouye
Ranking Member
Senate Defense Appropriations
Subcommittee
Washington, DC 20510

Dear Chairman Stevens and Senator Inouye:

Thank you for your support over the past several years for the Procurement Technical Assistance Program (PTAP), which is funded and administered through the Defense Logistics Agency's Office of Small and Disadvantaged Business Utilization. Given the program's increasing demands, we respectfully request your support of \$28,400,000 in the FY2007 Defense Appropriations Bill and Report. This is \$8,600,000 above the FY2007 budget request and \$1,300,000 above the FY2006 funding level.

Ninety three Procurement Technical Assistance Centers (PTACs) – with over 250 local offices in virtually every state—form a nationwide network of dedicated procurement professionals who provide critical assistance to small businesses seeking to participate in Defense and other federal agency procurement contracts. PTACs generate new suppliers for the Defense Department, resulting in a stronger industrial base, greater competition, and a more prudent expenditure of taxpayer dollars. PTACs are also a resource for small businesses to obtain information and training on acquisitions procedures, specialized solicitations, and federal contracting.

The federal government spends over \$200 billion per year procuring goods and services, posing significant opportunities for small businesses and suppliers. Reductions in the acquisition workforce, contract bundling, and E-government have increased the demand for PTAC services. PTACs meet this challenge by offering a wide array of services for small businesses – most at no charge – on every phase of government contracting including, one-on-one counseling sessions, classes, seminars, and matchmaking events, among others.

The PTACs hold 220,000 counseling sessions with nearly 55,000 active clients each year, and nearly 50% of these clients are new entrants into the DoD market. In 2003, as a result of these efforts, 88,000 PTAC clients were awarded \$13.3 billion in government contracts – a 23% increase over 2002 and 36% increase over 2001. These federal contracts created or retained 417,425 jobs – a 19% increase over 2002 and 39% increase over 2001. The PTAP performance represents a return of \$597.50 for every federal dollar spent on the program.

While PTAP has been part of the budget request since 1999 and is in DoD's Future Years Defense Program, the request is far short of the necessary funding to meet the needs of the nation's small businesses. DLA has been forced to deny requested funds to some PTACs who have identified the need and have secured their non-federal matching funds. Given the value of the PTAP to the defense procurement process and to our nation's small business community, we thank you for your consideration of our request for the PTAP program in FY2007.

Sincerely,

Sam Brown

Max Baucus

Jack Reed

Patrick Leahy

Jim Talent

Michael B. Enzi

Tom F. Kelly

Art Barr

Steve Johnson

Olympia Snowe

Mary Landsea

Rebbie Stabenow

P. L. Chafee

Hillary Rodham Clinton

John E. Sununu

Rep. Sununu

Chuck Schumer

Kent Conrad

John Comyn
Robert Mering
Norm Cotman

Elizabeth Dale
John Hill
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Susan M. Collins
Paul Kennedy
Mike DeWitt

George Allen
Byron L. Simpson

James
Lesly Reubens

James M. Jeffords