



June 20, 2011

General Services Administration
Regulatory Secretariat (MVCB)
Attn: Hada Flowers
1275 First Street, NE
Washington, DC 20417

Re: FAR Case 2010-010, Service Contracts Reporting
Requirements

Dear Ms. Flowers,

On behalf of The Coalition for Government Procurement, the following comments are provided on the proposed rule amending the Federal Acquisition Regulation (FAR) to implement section 743 of Division C of the Consolidated Appropriations Act of 2010.

The Coalition for Government Procurement is a non-profit association of more than 300 firms selling commercial services and products to the Federal Government. Our members collectively account for approximately 70% of the sales generated through the GSA Multiple Award Schedules (MAS) program and about half of the commercial item solutions purchased annually by the Federal Government. Many of our members also are information technology contractors on most, if not all, of the Governmentwide Acquisition Contracts. In addition, our members are contractors on many agency wide multiple award contracts as well as multi-agency contracts. Coalition members include small, medium and large business concerns. The Coalition is proud to have worked with Government officials over the past 30 years towards the mutual goal of common sense acquisition.

The implementation of section 743 of Division C of the Consolidated Appropriations Act would amend the FAR to require service contractors to submit information annually to executive agencies, with the exception of the Department of Defense. The reports would be provided to populate agency-level inventories for service contracts. It would also establish a new FAR subpart 4.16, entitled Service

Contracts Inventory, describing the collection, management, and reporting of this information. In addition, a new clause, 52.204-XX Service Contract Reporting Requirements, would be created to incorporate into specific solicitations and contracts. Under this proposed rule, contractors would be required to submit the following four data elements for each covered contract or order for a given year by October 31st annually:

- (1) Contract number and, as applicable, task order number
- (2) The total dollar amount invoiced for services performed during the previous fiscal year under the contract
- (3) The number of contractor direct labor hours expended on the services performed during the previous fiscal year
- (4) Data reported by subcontractors

The Coalition believes that implementing a new system for reporting is duplicative of the efforts the Government already has in place to collect service contract information. The information that the proposed rule contemplates reporting is basic contract information and is already in the possession of the Government. As the rule states, contractors currently provide this information on invoices for cost-reimbursement, time-and-materials, and labor-hour contracts. The Coalition believes that it is unnecessarily burdensome to require contractors to report the same data in multiple locations. The Government should look first to the information already in its possession before creating a new data collection requirement for private contractors.

As such, the Coalition does not believe that adding a new FAR subpart 4.16 is necessary and would only impose additional reporting burdens and expenses for contractors. The increased compliance cost of this duplicative reporting has the potential to be passed along to Federal agencies at a time when the Government is looking to reduce burdens on industry and create jobs. This reporting requirement simply adds to overhead costs.

In the spirit of Executive Order 13563 Improving Regulation and Regulatory Review, the Coalition recommends that the Government carefully consider whether the additional regulatory burden imposed by a new FAR subpart 4.16 is in the best interest of the Government and the American taxpayer. Before creating additional requirements, the Government should contemplate what is already being reported by contractors and how it collects and utilizes this information. If Federal agencies are required to report service contract information to the Office of Management and Budget

on an annual basis, they should first identify the internal resources available that have this information (such as the invoices mentioned above) before imposing additional burdens on industry which are likely to come at an additional cost.

The Coalition appreciates the opportunity to submit comments on this proposed rule. If you have any questions please do not hesitate to call me at (202) 331-0975 or rwaldron@thecgp.org.

Regards,

Roger Waldron
President