



February 23, 2010

Dear Senator:

On behalf of the Construction Industry Round Table (CIRT), I want to respectfully urge the Senate Small Business Committee to strike section 305 from S.2989, the Small Business Contracting Revitalization Act, when it comes before the committee for mark-up.

While it is true CIRT's membership represents the larger firms in the design and construction community, we have a unique understanding of the complex procurement relationships that exist among contractors, subcontractors, and owners (i.e. federal agencies) which are able to deliver excellent results *when* a healthy and natural mix of size firms are permitted to compete for the federal work. This is why we firmly believe removal of section 305 from S. 2989, which would repeal the Small Business Competitiveness Demonstration Program (SBCDP) – a highly successful program that has been in place since 1988 – is absolutely essential.

- SBCDP helps provide small business in all industry sectors an opportunity to benefit from small business set asides. Prior to enactment of SBCDP, small business set asides were concentrated in a few, select professions/industry groups (construction, engineering (including surveying and mapping), dredging, waste disposal, ship repair), resulting in an artificially high number of set asides, while denying small, emerging firms (including minority owned firms, woman owned firms, veteran owned firms) in other industry categories an opportunity to benefit from competition for contracts through small business set asides.
- SBCDP gave firms in traditionally underrepresented industries a chance to break into Federal contracting by expanding set aside opportunities in their industries.
- SBCDP also gave firms in industries with high set sides an opportunity to grow, without growing out of the Federal market.
- SBCDP has created a balance for those industries that historically had too many set asides and those that did not have enough set asides. Un-doing SBCDP will upset this fragile balance at a time when there is already too much volatility in the market.

If repealed, SBCDP will increase unemployment in industries particularly hard hit by the current recession – such as CIRT's construction, architectural, and engineering companies – by reducing Federal procurements on which our leading firms can compete. Repeal of SBCDP will allow Federal agencies to go back to their old ways; taking the easy way out and loading up set asides in a handful of industries, while failing to aggressively and affirmatively seek new places to utilize set asides in order to give more small business an opportunity to penetrate the Federal market.

The Small Business Competitiveness Demonstration Program has been a great success, it's been integrated smoothly into the fabric of federal procurement procedures, and it has met its original goals. There are no compelling reasons to abandon or repeal this policy. For the reasons enumerated above, we strongly urge your vote to strip section 305 from the final version of S.2989.

Sincerely,

Mark A. Casso, Esq.
President

Construction Industry Round Table

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