



July 23, 2010

The Honorable Harry Reid
Majority Leader
U.S. Senate
Washington, DC 20510

Dear Mr. Leader:

The Business Coalition for Fair Competition (BCFC) is a national coalition of businesses, associations, taxpayer organizations and think tanks that are committed to reducing all forms of unfair government created, sponsored and provided competition with the private sector. BCFC believes the free enterprise system is the most productive and efficient provider of goods and services and strongly supports the Federal government utilizing the private sector for commercially available products and services to the maximum extent possible.

BCFC opposes S. 3628, the Democracy is Strengthened by Casting Light on Spending in Elections (DISCLOSE) Act, as currently drafted.

We object to the way government contractors and government employee unions are treated differently in the bill. In particular, Section 101 prohibits independent expenditures and electioneering communications by private sector government contractors. However, Section 101 fails to create any or equal restrictions on political participation by government employee unions.

This legislative inequity will exacerbate an unlevel playing field for performance of commercial activities. The Federal government should rely on the private sector for commercially available products and services. There are over 850,000 Federal government employees engaged in commercial activities. Not only are these activities performed by government employees, but many of these activities duplicate and compete with private sector firms, including small business. In fact, unfair government competition has been a top issue of every White House Conference on Small Business. Therefore, additional legislative restrictions on government contractors without equal restrictions on government employee unions compound unfair government competition with the private sector.

BCFC urges the Senate to strike Section 101 or include a similar limitation/restriction on government employee unions.

Sincerely,

A handwritten signature in black ink, appearing to read "John M. Palatiello". The signature is fluid and cursive, with the first name "John" being particularly prominent.

John M. Palatiello, President
Business Coalition for Fair Competition (BCFC)

1856 Old Reston Avenue, Suite 205, Reston, Virginia 20190
P (703) 787-6665 F (703) 787-7550
johnp.bcfc@gmail.com • www.governmentcompetition.org