

July 6, 2001

Laurie Duarte
General Services Administration
FAR Secretariat (MVR), Room 4035
1800 F Street, NW
Washington, DC 20405

RE: FAR case 2001-014

Dear Ms. Duarte:

The Office of the Chief Counsel for Advocacy of the U.S. Small Business Administration was created in 1976 to represent the views and interests of small business in Federal policy making activities.¹ The Chief Counsel participates in rulemakings and other federal agency activities when he/she deems it necessary to ensure proper representation of small business interests. In addition, the Chief Counsel has a particular interest in ensuring that laws and regulations do not have an adverse impact on competition among businesses of differing sizes. Finally, the Chief Counsel monitors agencies' compliance with the Regulatory Flexibility Act (RFA)² and works with Federal agencies to ensure that their rulemakings are supported by analyses that reveal the impact that their decisions will have on small businesses.

I am writing regarding FAR case 2001-014, Contractor Responsibility, Labor Relations Costs, and Costs Relating to Legal and Other Proceedings. This office supports this proposed rule to revoke the final rule issued on December 20, 2000.

FAR case 2001-014 is an outgrowth of FAR case 99-010 and FAR case 1999-010. This office provided comments on both of the previous FAR cases on November 8, 1999 and on August 30, 2000, respectively. In FAR case 99-010 this office objected to the lack of an Initial Regulatory Flexibility Analysis (IRFA). In FAR case 1999-010 the FAR Council addressed the objection raised in Advocacy's comments by preparing an IRFA, but Advocacy believed the analysis was inadequate and it raised additional questions about the level of impact on a substantial number of small entities. Moreover, it is still the position of this office that sufficient authority is already vested in government contracting officers to prevent contractors that lack responsibility from performing government contracts.

Laurie Duarte
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¹ Pub. L. No. 94-305 (codified as amended at 15 U.S.C. §§634a-g, 637.)

² Pub. L. No. 96-354, 94 Stat. 1164 (1980) (codified as amended at 5 U.S.C. §§601-612.)

This office stands ready to assist you in any way it can. Should you have further questions regarding these comments, please feel to contact Major Clark, Assistant Advocate for Procurement, at (202) 205-7150.

Sincerely,

/s/

Susan M. Walthall
Acting Chief Counsel