

COUNCIL OF DEFENSE AND SPACE INDUSTRY ASSOCIATIONS

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June 4, 2001
CODSIA Case No. 12-99

Ms. Laurie Duarte
General Services Administration
FAR Secretariat (MVP)
1800 F Street, N.W.
Room 4035
Washington, D.C. 20405

RE: FAR Case 1999-010 (Stay)

Dear Ms. Duarte:

The undersigned members of the Council of Defense and Space Industry Associations (CODSIA) appreciate the opportunity to offer comments on the 270-day stay (FAR Case 1999-010 stay) in the implementation of the final rule on "Contractor Responsibility, Labor Relations Costs, and Costs Relating to Legal and Other Proceedings," which was published in the *Federal Register* on April 3, 2001 (66 Fed. Reg. 17754).

Formed in 1964 by industry associations with common interests in the defense and space fields, CODSIA is currently composed of eight associations representing over 4,000 member firms across the nation who employ the preponderance of the two million men and women in the defense industry. Participation in CODSIA projects is strictly voluntary. A decision by any member association to abstain from participating in a particular activity is not necessarily an indication of dissent.

We strongly support the stay in the final contractor responsibility rule issued on December 20, 2000. The original 30-day period before the rule was to take effect was too short for the member companies of the associations represented by CODSIA to institute the necessary record keeping and expansion of compliance programs to fulfill their new responsibilities. This is especially true since that 30-day period spanned a holiday season when many of the member firms of the associations represented by CODSIA are shut down for at least a week. This lack of time would have been a problem in any case, considering the potential liability under the Civil False Claims Act and the Defective Pricing Act for any unintended false certifications. However, because of the increased cost and burdens imposed on contractors and contracting officers by the rule, we must stress that **no amount of time** would be sufficient to ensure compliance. The procurement process should not be the vehicle for resolving labor/management problems. Under separate cover we will be providing detailed comments on the revocation of

Ms. Laurie Duarte

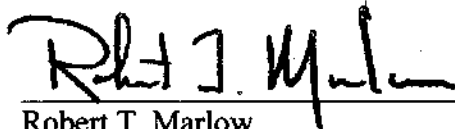
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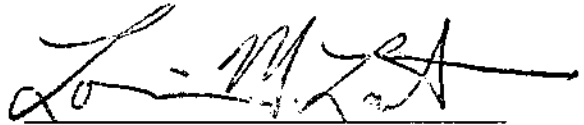
the final rule (FAR Case 2001-014), published at 66 Fed. Reg. 17758 on April 3, 2001.
CODSIA members strongly support revocation of that rule.

The far-reaching implications of this rule are such that the most prudent course of action was to stop its publication and implementation. The undersigned member associations strongly support the **STAY** in the final contractor responsibility rule.

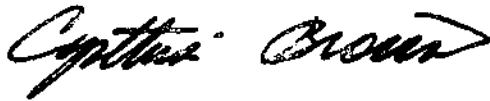
Sincerely,



Robert T. Marlow
Vice President, Government Division
Aerospace Industries Association



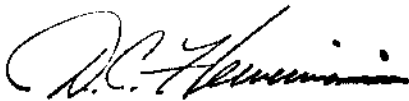
Lorraine M. Lavet
Chief Operating Officer
American Electronics Association



Cynthia Brown
President
American Shipbuilding Association



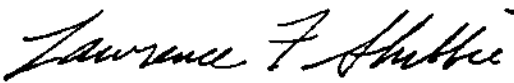
Gary D. Engebretson
President
Contract Services Association



Dan C. Heinemeier
President, GEIA
Electronic Industries Alliance



Thomas J. Duesterberg
President and CEO
Manufacturers Alliance/MAPI



Lawrence F. Skibbie
President
National Defense Industrial Association



Charles H. Cantus
Vice President, Government Relations
Professional Services Council