

February 9, 2017

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The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, DC 20515

The Honorable Charles Schumer
Minority Leader
United States Senate
Washington, DC 20515

Dear Majority Leader McConnell and Minority Leader Schumer:

On behalf of the CEO members of Business Roundtable, I urge you to vote in favor of S.J. Res.12, a resolution of disapproval under the *Congressional Review Act* that would invalidate the Federal Acquisition Regulatory (FAR) Council regulations implementing the Fair Pay and Safe Workplaces Executive Order (EO) 13673 issued by President Obama on July 31, 2014.

Our members lead companies with more than \$6 trillion in annual revenues and nearly 15 million employees. Many of their companies are federal contractors. We strongly support the goals of ensuring that only responsible companies do business with the federal government and that those companies compete on a level playing field. However, EO 13673 is a costly and flawed regulation that fails to accomplish these goals and should be invalidated for several reasons:

- **EO 13673 Is Unnecessary and Redundant:** The U.S. Department of Labor and federal agencies had sufficient authority under current FAR rules to deal with federal contractors that violate labor laws before these new regulations went into effect.
- **EO 13673 Is Unnecessarily Costly:** The FAR Council's own Regulatory Impact Analysis of these unneeded regulations conservatively estimates the first year of this rule will cost federal contractors and the government \$474 million in added regulatory costs.
- **EO 13673 Requires Redundant Data Collection:** In many instances, the new regulations request contractors to provide data the Administration already has or can obtain from its own databases.

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- **EO 13673 Unfairly Pressures Employers to Settle Meritless Claims:** By making contract decisions contingent on “labor violations,” the new regulations pressure employers to settle meritless claims.
- **EO 13673 Increases Unnecessary Litigation:** The prohibition on pre-dispute agreements for certain violations where federal contracts are for \$1 million or more increases the chances of costly litigation that will cause delays. More appropriate legal channels are available to settle these disputes and eliminate these delays.

For these reasons, the CEO members of Business Roundtable respectfully request that you invalidate EO 13673 by voting “yes” on S.J. Res. 12.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wes Bush', written in a cursive style.

Wes Bush

Chair, Education and Workforce Committee

Business Roundtable

Chairman, Chief Executive Officer and President

Northrop Grumman Corporation