

June 17, 2002

Ms. Susan Schneider
Defense Acquisition Regulations Council
Office of the Undersecretary of Defense (AT&L)DP(DAR)
IMD 3C132
3062 Defense Pentagon
Washington, D.C. 20301-3062

Re: DFARS Case 2002-D003

Dear Ms. Schneider:

This is in response to the above-referenced interim rule which was issued April 26, 2002, and is eligible for comment until June 25, 2002. On behalf of UNITE, the largest apparel and textile workers union in North America, I appreciate the opportunity to comment on this important issue.

As you know, this interim rule was issued as a result of Section 811 of the Fiscal Year 2002 Defense Authorization Act, which requires the Department of Defense (DoD) to conduct market research before purchasing a product listed in the Federal Prison Industries (FPI) catalog to determine whether the FPI product is comparable in price, quality, and time of delivery to products available from the private sector.

The intent of this provision is obviously to open contracts previously held solely by FPI to civilian contractors for the opportunity to bid. However, after reviewing the rule, we have the following observation and recommendation:

Prior to the issuance of this rule, FPI has been defined as an "other than small" business, and therefore has not been eligible to compete for small business set-aside contracts. However, it is my understanding that this rule, as currently written, would now permit FPI to compete for small business set aside contracts. This provision completely violates the Congressional intent of Section 811, and absolutely must be rescinded. If finalized in its current form, this provision would essentially maintain the status quo with respect to FPI's monopoly on products it manufactures.

The implementation of Section 811 and the corresponding rule is a groundbreaking step that will allow responsible domestic manufacturers to compete for additional Department of Defense contracts. However, it is vital that the rule be fully consistent with Congressional intent.

UNION OF NEEDLETRADES, INDUSTRIAL AND TEXTILE EMPLOYEES, AFL-CIO, CLC

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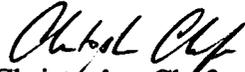
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Hundreds of thousands of manufacturing jobs have been lost in apparel and textiles to offshore production in recent years. U.S. garment workers should not also have to lose their jobs to inmates. I look forward to the development of a final version of this rule that will help U.S. garment workers, as intended.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Chafe".

Christopher Chafe
Political and Legislative Director