

*House & Senate Members Still Seeking Final Passage of Legislation to Block Privatization Efforts Across the Country*

Washington, DC - In response to repeated pressure from Congressman Maurice Hinchey (D-NY), Congressman John Hall (D-NY), U.S. Senator Charles Schumer (D-NY) and U.S. Senator Kirsten Gillibrand (D-NY), Secretary of the Army John McHugh today announced his expectation that the Army will soon formally cancel its efforts to privatize 531 public works and custodial jobs at West Point and will instead maintain them as government positions. McHugh spoke with Hinchey to inform him that he intends for the Army to cancel its privatization efforts. McHugh also spoke with Schumer. The Army's announcement comes as House and Senate defense leaders are debating whether to approve a provision that Hinchey helped author that would prevent the Pentagon from moving forward with its plan to potentially privatize nearly 6,000 civilian and military jobs, including the jobs at West Point.

Hinchey, with the assistance of Hall, helped push the provision through the House as part of the fiscal year 2010 Defense Appropriations bill, but the Senate did not include similar language in its version of the bill. Schumer and Gillibrand are now trying to have the Senate adopt the House language. House and Senate defense spending leaders, including Hinchey, are now working to resolve the differences between the two bills. Hinchey said he is hopeful that the Army's cancellation of its privatization efforts at West Point, will boost support for the provision he helped to sponsor in the House defense bill that would cancel privatization efforts at all other military installations across the country.

"Months of hard work paid off today as the Army finally moved toward abandoning a senseless plan to privatize hundreds of jobs at West Point," Hinchey said. "More than 500 workers at West Point will soon be able to breathe a sigh of relief knowing that their jobs aren't about to be outsourced to a private company in Georgia that would have either fired them or reduced their wages and benefits while keeping more profits for the company's executives. Jobs at West Point and every other military installation across the country should not be privately held and I am hopeful that the Army's announcement will bolster our efforts to pass legislation in the coming weeks that would cancel all other privatization efforts across the country."

Congressman John Hall said, "This is fantastic news and I am incredibly pleased that Secretary McHugh is doing what is right for West Point, the Army, our community, and the taxpayers by keeping these jobs both local and in the government. Allowing the A76 study to go forward would have outsourced West Point's jobs and cost taxpayers more money. The A76 study that

led to the privatization of West Point jobs was inherently flawed, skewed, and discriminatory since its inception. Privatization reviews were commissioned by the Bush administration as part of an ideological effort to outsource government jobs to private companies."

"Ding dong the witch is dead!" Schumer said. "The A-76 process was obviously flawed and relying on its inaccurate data made no sense at all. During a time when we need to maintain as many jobs as possible, cancelling this study will preserve nearly 400 jobs at West Point and save taxpayers money."

"This is great news for West Point and the Hudson Valley," Gillibrand said. "My top priority is keeping New York jobs and rebuilding our economy. Ending this flawed study is the right decision and will ensure these New Yorkers will continue to have the job they deserve and need."

The Army's decision comes less than a week after the Government Accountability Office (GAO) determined that the Defense Department was wrong to seek the privatization of jobs at West Point, citing flaws in the cost comparison analysis that would have led to a waste of taxpayer dollars. In its findings, GAO found that the Pentagon wrongly decided to privatize 394 operations and maintenance jobs at West Point because the process it used to make its determination was severely flawed. Specifically, GAO found that the Pentagon used unrealistic figures provided by the private sector when determining whether it was cost-effective to outsource the government jobs at West Point.

In March, the Pentagon announced its decision to privatize 394 operations and maintenance jobs at West Point that have long been held by government employees. The Department of Defense revealed it was planning to outsource West Point government jobs to a private company from Georgia. The 394 workers at West Point subsequently appealed the Defense Department's decision to GAO, which last week ruled in the workers favor. The Pentagon also sought to privatize an additional 137 custodial jobs at West Point. That plan was previously rejected as part of the A-76 process, but was not formally over. With the Army's announcement today, the 531 jobs at West Point that were once threatened to be privatized are now safe.

While the provision Hinchey and Hall successfully helped push through the House will most likely no longer be needed at West Point, the measure would prevent all other privatization efforts, known as Office of Management and Budget (OMB) Circular A-76 privatization reviews, from being carried out. Those privatization reviews were started during the Bush administration.

Prior to today's announcement, a Pentagon document showed that 3,575 civilian jobs and 2,394 military jobs were in jeopardy of being privatized. The provision Hinchey helped draft would prevent that from happening. The congressman also secured the inclusion of an additional provision in the House version that would block the privatization of more than 20 positions that manage the water and wastewater utilities at West Point. Those jobs remain in jeopardy regardless of the Army's new intentions, but they would be saved under the legislation Hinchey helped sponsor.

Earlier this year, Congress passed legislation that President Obama subsequently signed into law that bars any future privatization studies. Since the West Point study and others were already underway, government jobs at the academy and elsewhere were still eligible to be privatized. Hinchey worked closely with House Appropriations Subcommittee on Defense Chairman John Murtha (D-PA) to ensure the inclusion of the provision blocking the privatization of government jobs.