



Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Alpha Properties Investment Group, Inc.

File: B-239845

Date: June 12, 1990

Truman Dollar, for the protester.
Catherine M. Evans, and John M. Melody, Esq., Office of the
General Counsel, GAO, participated in the preparation of the
decision.

DIGEST

Protest of award to state government entity is without merit where solicitation is issued on unrestricted basis; there is no requirement that the government equalize the competitive position of all offerors unless the advantage is the result of unfair action by the government.

DECISION

Alpha Properties Investment Group, Inc., protests the award of a contract to an agency of the state of Michigan under a request for proposals (RFP) issued by the United States Department of Agriculture (USDA) for office space. Alpha alleges that the awardee enjoyed an unfair competitive advantage because, as an agency of the state government, it is not subject to federal tax or local property taxes and thus was able to offer a substantially lower price.

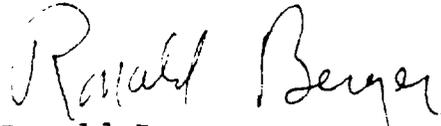
We dismiss the protest.

A state or local government entity is not prohibited from competing with commercial concerns in a federal procurement in the absence of any statutory or regulatory policy to that effect. See Planning and Analysis, Inc., B-213941, Apr. 20, 1984, 84-1 CPD ¶ 451. In an unrestricted procurement such as this one, an agency may not reject an offer submitted by a local government entity simply because of its status. Id. While certain offerors may enjoy a competitive advantage as a result of federal, state or local programs, a procuring agency is not required to equalize the competition by taking such advantages into account unless the competitive advantage is the result of preference or unfair action by

048743/111584

the agency. Id. There is no evidence of any improper agency conduct here; the awardee was simply able to offer USDA the best price.

The protest is dismissed.

A handwritten signature in cursive script that reads "Ronald Berger". The signature is written in dark ink and is positioned above the typed name and title.

Ronald Berger
Associate General Counsel