



Bill Would Reform A-76 Outsourcing Process

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By Jason Miller

Two Democratic lawmakers want to temporarily suspend the use of Office of Management and Budget Circular A-76 at the five largest agencies until they make changes to how the process works.

Sen. Barbara Mikulski (D-Md.) and Rep. Paul Sarbanes (D-Md.) introduced companion bills yesterday detailing changes to how agencies outsource work.

"Over the last decade, we have been much too quick to outsource many of government's most basic functions," said Sarbanes in a release. "The desire to do so reflected a political ideology of shrinking the government workforce - even if it meant diminishing the quality or increasing the cost of government services."

Mikulski said she's been fighting the outsourcing of federal jobs throughout her career, and this bill would "level the playing field for federal employees and to protect them against unfair contracting out policies."

The suspension of A-76 at the five largest agencies would be temporarily until the OMB director and the agencies' inspector generals determine the reforms detailed in the bill have been "substantially implemented."

The bill does not say how the five largest are determined - by number of employees or by procurement budget or another measurement.

The Correction of Longstanding Errors in Agencies Unsustainable Procurements (CLEAN UP) Act comes as the Office of Federal Procurement Policy is redefining what it means for jobs to be inherently governmental, close to inherently government and critical.

OFPP issued the draft definition more than a year ago, and is expected to issue a final rule in the coming months. It's been almost a year since OFPP stopped accepting comments on the proposed changes to inherently governmental.

"We are finalizing the policy letter and expect to issue it soon," said OMB spokeswoman Moira Mack in an e-mail statement.

Two other members of Congress introduced bills in April doing the opposite, requiring agencies not to compete with the private sector for commercial goods or services.

Rep. John Duncan (R-Tenn.) and Sen. John Thune (R-S.D.) introduced the companion bills, the Freedom from Government Competition Act, would require agencies to obtain goods and services from the private sector unless certain conditions prevented them from doing so. Both bills were referred to their respective oversight committees, the House Oversight and Government Reform, and the Senate Homeland Security and Governmental Affairs, respectively.

Under the Mikulski-Sarbanes bill, agencies would have to

- Ensure that work that meets the statutory and regulatory definitions of inherently governmental or closely related to inherently governmental is actually performed by federal employees.
- Give federal employees opportunities to perform new work and certain types of outsourced work, including work that was contracted out without competition and work that is contracted out but is being poorly performed.
- Establish inventories of specific contracts identical to the one already developed by the Department of Defense. The inventory would be used to determine, among other things, which contracts include inherently governmental work, which contracts were awarded without competition, and which contracts are being poorly performed.
- Determine whether they are now experiencing or will in the future experience shortages of categories of federal employees and devise plans for addressing those shortages.

Additionally, the legislation would reform the A-76 process by "charging in-house workforces only for actual overhead costs, abolishing automatic recompetition of in-house workforces and imposing firm time limits on studies."

Both bills were sent to their respective oversight committees as well, House Oversight and Government Reform, and the Senate Homeland Security and Governmental Affairs, respectively.

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