



Defense Bill has 4 Provisions to Turn Back the Clock on Insourcing

By Matthew Weigelt May 31, 2011

The Defense Authorization bill that the House of Representatives passed May 26 would change the direction of public/private competition in the Defense Department, potentially leading to more outsourced work.

The House passed its version of the fiscal 2012 National Defense Authorization Act (H.R. 1540) by a vote of 322-96. The bill includes a number of amendments that push for more public/private competition and a decrease in previous insourcing measures.

The bill has several provisions that deal with what the House says is the way to balance DOD's workforce.

- DOD officials would have to set policies for determining the best mix of civilian, military and private sectors to work efficiently and appropriately when dealing with inherently governmental functions and jobs closely associated with those functions. The provision would require officials to figure out the right number of federal employees and military personnel to do DOD's work.
- Officials would have to include contractors, along with the government's employees, in their reports to Congress on the workforce.
- Related to a controversial contracting issue, the House proposes lifting the temporary suspension of competitions between public employees and contractors to give DOD's work to whomever can do it best.
- House members also included a provision that said DOD should not start or continue to provide a service or product if the product or service is available in the commercial marketplace at a reasonable price. That same amendment takes a hard stance against insourcing, saying DOD should not take a contractor's job simply because it's been outsourced, unless the job is an inherently governmental function.

Previous Congresses set moratoriums on competitive sourcing and pushed agencies to pull work away from contractors to counteract what lawmakers had said was the Bush administration's drive to outsource government work. These days, the Obama administration has similar concerns about too much outsourcing. Procurement policy officials are been working to "rightsize" the federal workforce.

One House member said the bill has strong bipartisan support from Armed Services Committee members, with only one committee member voting against it. It would provide what military and defense officials asked for in hearings.

Rep. Randy Forbes (R-Va.), chairman of the committee's Readiness Subcommittee, said DOD can't carry out its work with only civilian employees or military personnel and contractors can't do everything.

"There are some people who don't like the word 'balance,'" he said. "They want every single employee to be a government employee. Then there are other people who want everybody to be in the private sector."

The provisions now have to pass the Senate, which has its version of the bill.