

105TH CONGRESS
1ST SESSION

H. R. 2712

To require executive branch agencies annually to review the costs of service contracts and to report to Congress on such review.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 23, 1997

Mr. CUMMINGS (for himself, Ms. NORTON, Mr. FORD, and Mr. WYNN) introduced the following bill; which was referred to the Committee on Government Reform and Oversight

A BILL

To require executive branch agencies annually to review the costs of service contracts and to report to Congress on such review.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. REVIEW OF SERVICE CONTRACTS.**

4 (a) REVIEW.—Each year each agency in the executive
5 branch of the Federal Government shall review each serv-
6 ice contract entered into by the agency during the year
7 under review to determine whether the total cost to the
8 agency of the contract exceeded the price originally agreed

1 upon by the agency and the contractor for the service con-
2 tract.

3 (b) COST COMPARISON.—For each service contract
4 for which an agency determines, in its review under sub-
5 section (a), that the total cost of the contract exceeded
6 the price originally agreed upon, the agency shall compare
7 the total cost of procuring the services under a contract
8 to the total cost of performing the services by employees
9 of the agency. Such cost comparison shall be made pursu-
10 ant to the criteria set forth in Office of Management and
11 Budget Circular A–76, as in effect on the date of the en-
12 actment of this Act.

13 (c) REPORT TO CONGRESS.—The head of each agen-
14 cy in the executive branch of the Federal Government shall
15 submit to Congress a report each year on the results of
16 the review under subsection (a) and on the cost compari-
17 sons carried out under subsection (b).

18 (d) APPLICATION.—This section shall apply with re-
19 spect to contracts awarded after the date of enactment
20 of this Act.

21 (e) SERVICE CONTRACT DEFINED.—For the pur-
22 poses of this section, the term “service contract” has the
23 meaning given such term in part 37 of title 48 of the Code
24 of Federal Regulations.

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