### 112TH CONGRESS 1ST SESSION

# H. R. 2188

To require government-wide application of continuous process improvement methods to reduce waste and improve the effectiveness of the Federal Government, and for other purposes.

## IN THE HOUSE OF REPRESENTATIVES

June 15, 2011

Mr. Latham (for himself and Mr. Burgess) introduced the following bill; which was referred to the Committee on Oversight and Government Reform

# A BILL

To require government-wide application of continuous process improvement methods to reduce waste and improve the effectiveness of the Federal Government, and for other purposes.

- 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. SHORT TITLE.
- 4 This Act may be cited as the "LESS Government
- 5 Act".
- 6 SEC. 2. FINDINGS; POLICY.
- 7 (a) FINDINGS.—The Congress finds the following:

- 1 (1) Nearly 100 major United States corpora-2 tions, and many government entities around the 3 world, have reduced waste in their operations and 4 improved the quality of the goods and services they 5 provide by implementing a continuous process im-6 provement methodology known as lean six sigma.
  - (2) Use of this methodology has resulted in average cost reductions greater than 25 percent while also improving the quality of goods and services.
  - (3) The piloted use of lean six sigma within the Department of Defense and several other departments and agencies has demonstrated that it can successfully be applied across the Federal Government.
  - (4) Continuous process improvement is essential for Federal agencies to be successful in setting and meeting performance goals and is a key component that is missing from current statutory requirements for performance improvement efforts.
  - (5) Clear direction and authority from Congress is needed to ensure this innovative management process from the private sector is applied across the Federal Government to achieve waste reduction and optimal efficiency.

1	(b) Congressional Statement of Policy.—It
2	shall be the policy of the United States—
3	(1) to reduce waste and improve the effective-
4	ness of the Federal Government through the use of
5	continuous process improvement methods;
6	(2) to require each Federal agency to imple-
7	ment the necessary capabilities to fully institu-
8	tionalize such methods within such agency to reduce
9	waste while maintaining or improving the level of
10	services provided by the Federal Government; and
11	(3) to return savings from such methods to the
12	United States Treasury to reduce the deficit.
13	SEC. 3. CONTINUOUS PROCESS IMPROVEMENT.
14	(a) Continuous Process Improvement De-
15	FINED.—Section 1101 of title 31, United States Code, is
16	amended by adding at the end the following new para-
17	graph:
18	"(3) 'continuous process improvement' means a
19	management methodology (commonly referred to as
20	lean six sigma) that combines tools to improve proc-
21	ess speed, reduce waste, and incorporate require-
22	ments with data driven project analysis to provide

products and services with improved quality at lower

cost.".

23

24

1	(b) Agency Performance Reporting.—Sub-
2	section (c) of section 1116 of such title is amended—
3	(1) in paragraph (6)(E), by striking "; and;
4	(2) in paragraph (7), by striking the period and
5	inserting "; and; and
6	(3) by inserting at the end the following new
7	paragraph:
8	"(8) describe the implementation of continuous
9	process improvement, including information on each
10	of the following:
11	"(A) The extent to which employees have
12	received continuous process improvement train-
13	ing appropriate to the position of such em-
14	ployee, and its relation to the deployment goals
15	in a typical application of continuous process
16	improvement.
17	"(B) A description of the application of
18	continuous process improvement in cost-reduc-
19	tion projects, including any performance or
20	quality improvements and cost savings realized
21	as a result of such application.
22	"(C) A comparison of the implementation
23	results to the goal of a 25 percent cost reduc-
24	tion per project.".

```
1
        (c) Implementation Results.—Subsection (c) of
 2
   section 1122 of such title is amended—
 3
             (1) in paragraph (8), by striking "; and";
 4
             (2) in paragraph (9), by striking the period and
        inserting "; and"; and
 5
 6
             (3) by adding at the end the following new
 7
        paragraph:
             "(10) a description of the results of the govern-
 8
 9
        ment-wide implementation of continuous process im-
10
        provement.".
11
        (d) CHIEF OPERATING OFFICER REQUIREMENT.—
12
    Subsection (b) of section 1123 of such title is amended—
13
             (1) in paragraph (3), by striking "; and;
             (2) in paragraph (4), by striking the period and
14
        inserting "; and"; and
15
             (3) by inserting at the end the following new
16
17
        paragraph:
18
             "(5) implement continuous process improve-
19
        ment within the agency.".
20
        (e) Performance Improvement Officer Re-
21
    QUIREMENT.—Paragraph (2) of section 1124(a) of such
22
   title is amended—
             (1) in subparagraph (E), by striking "; and";
23
24
             (2) in subparagraph (F), by striking the period
        and inserting "; and"; and
25
```

1	(3) by inserting at the end the following new
2	subparagraph:
3	"(G) advise and assist the head of the
4	agency and the Chief Operating Officer on im-
5	plementing the continuous process improvement
6	within the agency.".
7	(f) Performance Improvement Council.—Sub-
8	section (b) of section 1124 of such title is amended—
9	(1) in paragraph (1)—
10	(A) by redesignating subparagraphs (C)
11	and (D) as (D) and (E), respectively; and
12	(B) by inserting after subparagraph (B),
13	the following new subparagraph:
14	"(C) an appropriate expert designated by
15	the Director of the Office of Management and
16	Budget pursuant to paragraph (4);"; and
17	(2) by adding at the end the following new
18	paragraph:
19	"(4) Designation of expert on continuous
20	PROCESS IMPROVEMENT.—The Director of the Of-
21	fice of Management and Budget shall appoint a
22	highly-qualified expert on continuous process im-
23	provement to serve as a member of the Performance
24	Improvement Council to advise on the implementa-

- 1 tion of continuous process improvement across agen-
- 2 cies.".
- 3 SEC. 4. CENTER OF EXCELLENCE FOR CONTINUOUS PROC-
- 4 ESS IMPROVEMENT.
- 5 (a) IN GENERAL.—Chapter 11 of title 31, United
- 6 States Code, is amended by adding at the end the fol-
- 7 lowing new section:
- 8 "§ 1126. Center of Excellence for continuous process
- 9 improvement
- 10 "(a) In General.—The Director of the Office of
- 11 Management and Budget shall designate a center of excel-
- 12 lence for continuous process improvement training, from
- 13 within the Department of Defense.
- 14 "(b) Functions.—The Director shall ensure that
- 15 the center designated under subsection (a) provides agen-
- 16 cies with a common set of approaches to training and de-
- 17 ployment of continuous process improvement.".
- 18 (b) Designation.—The Director of the Office of
- 19 Management and Budget shall designate the center of ex-
- 20 cellence required under section 1126(a) of title 31, United
- 21 States Code, as added by subsection (a), not later than
- 22 90 days after the date of the enactment of this Act.
- 23 (c) Technical and Conforming Amendment.—
- 24 The table of contents for chapter 11 of title 31, United

- 1 States Code, is amended by inserting after the item relat-
- 2 ing to section 1125 the following new item:

"1126. Center of excellence for continuous process improvement.".

#### 3 SEC. 5. PREPARATION AND SUBMISSION OF APPROPRIA-

- 4 TIONS REQUESTS TO THE PRESIDENT.
- 5 Paragraph (1) of section 1108(b) of title 31, United
- 6 States Code, is amended by adding at the end the fol-
- 7 lowing: "The head of each agency shall include informa-
- 8 tion on the results of cost-reduction projects using contin-
- 9 uous process improvement in each relevant appropriation
- 10 request for the agency, and an explanation of how any
- 11 savings from such implementation have impacted the
- 12 agency's request.".
- 13 SEC. 6. EFFECTIVE DATE.
- Except as otherwise expressly provided under this
- 15 Act, this Act and the amendments made by this Act shall
- 16 take effect 6 months after the date of the enactment of
- 17 this Act.

 $\bigcirc$