

115TH CONGRESS
1ST SESSION

H. R. 4250

To promote category management principles within the Federal Government,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 3, 2017

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

A BILL

To promote category management principles within 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 “Buy Smarter and Save
5 Act of 2017”.

6 **SEC. 2. ESTABLISHMENT OF FEDERAL PROCUREMENT**
7 **GOALS.**

8 (a) RECOMMENDATIONS.—Beginning with the first
9 fiscal year following the date of the enactment of this Act,
10 and for each succeeding fiscal year, the Director of the

1 Office of Management and Budget, in consultation with
2 the Administrator for Federal Procurement Policy, the
3 Category Management Leadership Council, and a rep-
4 resentative from each Executive agency that is not rep-
5 resented on the Category Management Leadership Coun-
6 cil, shall provide the President with recommendations for
7 the establishment of the following:

8 (1) An annual Governmentwide goal for Execu-
9 tive agencies to reduce the number of contracts for
10 the procurement of common goods and services.

11 (2) An annual Governmentwide goal for Execu-
12 tive agencies to increase spend under management.

13 (3) An annual Governmentwide goal for Execu-
14 tive agencies to use category management to
15 produce savings.

16 (b) ESTABLISHMENT.—

17 (1) GOVERNMENTWIDE GOALS.—The President
18 shall use the recommendations provided under sub-
19 section (a) to establish the annual Governmentwide
20 goals described in such subsection.

21 (2) INDIVIDUALIZED GOALS.—Notwithstanding
22 paragraph (1), the Director, in consultation with the
23 Administrator for Federal Procurement Policy and
24 the Category Management Leadership Council, may
25 establish specific annual goals for procurement and

1 savings that are customized for an individual Execu-
2 tive agency, which may include goals relating to con-
3 tract reduction and spend under management.

4 **SEC. 3. GUIDANCE ON IMPLEMENTATION OF FEDERAL PRO-**
5 **CUREMENT GOALS.**

6 (a) GUIDANCE.—Not later than 90 days after the
7 date of the enactment of this Act, the Director shall de-
8 velop and issue guidance, in accordance with the require-
9 ments described in subsection (b) and the considerations
10 described in subsection (c), for Executive agencies on the
11 implementation of the goals established under section
12 2(b).

13 (b) REQUIREMENTS.—The guidance issued under
14 subsection (a) shall provide, at a minimum, for the fol-
15 lowing:

16 (1) The maintenance of a category hierarchy
17 for common goods and services to be procured using
18 category management, consistent with the consider-
19 ations described in subsection (c).

20 (2) The implementation of Governmentwide
21 standards, policies, and guidelines for category man-
22 agement for Executive agencies.

23 (3) The establishment of a single authoritative
24 source for Governmentwide procurement data that

1 enables category management analytics and report-
2 ing.

3 (4) The maintenance and regular update of a
4 set of criteria for, and list of, preferred Government-
5 wide contract vehicles.

6 (5) A description of the specific data required
7 to be submitted by each Executive agency to the Di-
8 rector relating to the implementation of the goals es-
9 tablished under section 2(b).

10 (6) Guidance on calculating and verifying an-
11 nual contract reduction, spend under management,
12 and savings.

13 (7) The establishment of standards for Execu-
14 tive agencies to measure progress with respect to the
15 implementation described in paragraph (2).

16 (c) CONSIDERATIONS.—In developing guidance under
17 subsection (a), the Director shall take into consideration
18 the application of category management in a manner
19 that—

20 (1) maintains a strong industrial and manufac-
21 turing base in the United States;

22 (2) promotes continuous effective competition;

23 (3) to the greatest extent applicable, complies
24 with the Governmentwide goals for procurement con-

1 tracts established under section 15(g) of the Small
2 Business Act (15 U.S.C. 644(g));

3 (4) maintains regular consultation with and
4 outreach to entities in the private sector;

5 (5) maintains consistency with international
6 trade agreements;

7 (6) accounts for the benefits and costs of the
8 procurement of common goods and services;

9 (7) emphasizes the procurement of common
10 goods and services that are procured routinely and
11 in large amounts; and

12 (8) facilitates the ability to conduct a spend
13 analysis under section 4(b).

14 (d) STANDARDS, POLICIES, AND GUIDELINES.—Not
15 later than 120 days after the date of the enactment of
16 this Act, the Administrator for Federal Procurement Pol-
17 icy, in consultation with the Category Management Lead-
18 ership Council, shall prescribe regulations or issue guid-
19 ance as necessary to implement the Governmentwide
20 standards, policies, and guidelines described in subsection
21 (b)(2).

22 (e) ANNUAL REPORT.—Not later than 180 days after
23 the end of each fiscal year for which a goal is established
24 under section 2(b), the Administrator for Federal Pro-
25 curement Policy shall submit to Congress a report on the

1 implementation of this Act, which shall include, at a min-
2 imum, the following:

3 (1) The progress of the Federal Government in
4 implementing the goals established under section
5 2(b).

6 (2) An assessment of the performance of each
7 Executive agency in implementing the goals estab-
8 lished under section 2(b).

9 (3) The progress achieved by each Executive
10 agency in implementing category management.

11 (4) Small business participation.

12 (5) The state of Governmentwide procurement
13 data in terms of accuracy, accessibility, and com-
14 prehensiveness in data systems such as the Federal
15 Procurement Data System—Next Generation
16 (FPDS—NG), the System for Award Management
17 (SAM), the Contractor Performance Assessment Re-
18 ports System (CPARS), and Acquisition Gateway.

19 (6) The list of preferred Governmentwide con-
20 tract vehicles, as required under subsection (b)(4).

21 (7) Such findings and recommendations as the
22 Administrator considers appropriate.

1 **SEC. 4. CATEGORY MANAGEMENT DUTIES OF EXECUTIVE**
2 **AGENCIES.**

3 (a) IN GENERAL.—The head of an Executive agency
4 shall take the following actions to support category man-
5 agement efforts in the agency:

6 (1) Establish agencywide goals for category
7 management efforts in support of the goals estab-
8 lished under section 2(b).

9 (2) Designate a category management account-
10 ability official.

11 (3) Issue a policy that outlines the role, author-
12 ity, and responsibilities of the category management
13 accountability official and category management
14 practices for the agency.

15 (4) Identify preferred multi-agency and agency-
16 specific category management vehicles in use.

17 (5) Establish and regularly update utilization
18 and spend under management goals for category
19 management efforts.

20 (6) Develop standards to track and assess com-
21 pliance with the goals established under section 2(b),
22 consistent with the guidance issued under section
23 3(a).

24 (b) SPEND ANALYSIS.—Not later than 180 days after
25 the date of the enactment of this Act, and in accordance
26 with the guidance issued under section 3(a), the head of

1 an Executive agency shall conduct a spend analysis of pro-
2 curements by the agency during fiscal year 2017 to estab-
3 lish a baseline for spend under management.

4 **SEC. 5. STUDY BY COMPTROLLER GENERAL.**

5 Not later than 18 months after the date of the enact-
6 ment of this Act, the Comptroller General of the United
7 States shall—

8 (1) conduct a study to assess the impact of the
9 use of Governmentwide procurement contracts and
10 Federal supply schedules on the taxpayer; and

11 (2) submit to Congress a report on the results
12 of such study.

13 **SEC. 6. DEFINITIONS.**

14 In this Act:

15 (1) **EXECUTIVE AGENCY.**—The term “Executive
16 agency” means the following:

17 (A) An Executive department (as defined
18 in section 105 of title 5, United States Code).

19 (B) Environmental Protection Agency.

20 (C) National Aeronautics and Space Ad-
21 ministration.

22 (D) Agency for International Development.

23 (E) General Services Administration.

24 (F) National Science Foundation.

25 (G) Nuclear Regulatory Commission.

1 (H) Office of Personnel Management.

2 (I) Small Business Administration.

3 (J) Social Security Administration.

4 (2) CATEGORY MANAGEMENT.—The term “cat-
5 egory management” means a business practice for
6 reducing duplication in contracting, more effectively
7 leveraging the buying power of the Federal Govern-
8 ment, and promoting the use of best-in-class solu-
9 tions and practices throughout the Federal Govern-
10 ment.

11 (3) COMMON.—The term “common” means,
12 when used with respect to a good or service, that
13 such good or service is—

14 (A) procured by all or most Executive
15 agencies;

16 (B) not unique to the mission of an indi-
17 vidual Executive agency;

18 (C) interchangeable between Executive
19 agencies; and

20 (D) generally available commercially.

21 (4) DIRECTOR.—The term “Director” means
22 the Director of the Office of Management and Budg-
23 et.

1 (5) SPEND UNDER MANAGEMENT.—The term
2 “spend under management” means the number
3 equal to the quotient obtained by dividing—

4 (A) the total spending on preferred Gov-
5 ernmentwide contract vehicles; by

6 (B) the total spending on all Government-
7 wide contract vehicles.

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