

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.

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## 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

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## 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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