

109TH CONGRESS
1ST SESSION

H. R. 2066

To amend title 40, United States Code, to establish a Federal Acquisition Service, to replace the General Supply Fund and the Information Technology Fund with an Acquisition Services Fund, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 4, 2005

Mr. TOM DAVIS of Virginia (for himself and Mr. HUNTER) introduced the following bill; which was referred to the Committee on Government Reform

A BILL

To amend title 40, United States Code, to establish a Federal Acquisition Service, to replace the General Supply Fund and the Information Technology Fund with an Acquisition Services Fund, 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 “General Services Ad-
5 ministration Modernization Act”.

6 **SEC. 2. FEDERAL ACQUISITION SERVICE.**

7 (a) ESTABLISHMENT.—

1 (1) IN GENERAL.—Section 303 of title 40,
2 United States Code, is amended to read as follows:

3 **“§ 303. Federal Acquisition Service**

4 “(a) ESTABLISHMENT.—There is established in the
5 General Services Administration a Federal Acquisition
6 Service. The Administrator of General Services shall ap-
7 point a non-career employee as Commissioner of the Fed-
8 eral Acquisition Service, who shall be the head of the Fed-
9 eral Acquisition Service.

10 “(b) FUNCTIONS.—Subject to the direction and con-
11 trol of the Administrator of General Services, the Commis-
12 sioner of the Federal Acquisition Service shall be respon-
13 sible for administering the Acquisition Services Fund
14 under section 321 of this title and carrying out functions
15 related to the uses for which such Fund is authorized
16 under such section, including any functions that were car-
17 ried out by the entities known as the Federal Supply Serv-
18 ice and the Federal Technology Service and such other
19 related functions as the Administrator considers appro-
20 priate.

21 “(c) REGIONAL EXECUTIVES.—The Administrator
22 may appoint up to five Regional Executives in the Federal
23 Acquisition Service, to carry out such functions within the
24 Federal Acquisition Service as the Administrator con-
25 siders appropriate.”.

1 (2) CLERICAL AMENDMENT.—The item relating
2 to section 303 at the beginning of chapter 3 of such
3 title is amended to read as follows:

“303. Federal Acquisition Service.”.

4 (b) EXECUTIVE SCHEDULE COMPENSATION.—Sec-
5 tion 5316 of title 5, United States Code, is amended by
6 striking the item relating to the Commissioner of the Fed-
7 eral Supply Service of the General Services Administration
8 and inserting the following:

9 “Commissioner of the Federal Acquisition Serv-
10 ice, General Services Administration.”.

11 (c) REFERENCES.—Any reference in any other Fed-
12 eral law, Executive order, rule, regulation, reorganization
13 plan, or delegation of authority, or in any document—

14 (1) to the Federal Supply Service is deemed to
15 refer to the Federal Acquisition Service;

16 (2) to the GSA Federal Technology Service is
17 deemed to refer to the Federal Acquisition Service;

18 (3) to the Commissioner of the Federal Supply
19 Service is deemed to refer to the Commissioner of
20 the Federal Acquisition Service; and

21 (4) to the Commissioner of the GSA Federal
22 Technology Service is deemed to refer to the Com-
23 missioner of the Federal Acquisition Service.

1 **SEC. 3. ACQUISITION SERVICES FUND.**

2 (a) ABOLISHMENT OF GENERAL SUPPLY FUND AND
3 INFORMATION TECHNOLOGY FUND.—The General Supply
4 Fund and the Information Technology Fund in the Treas-
5 ury are hereby abolished.

6 (b) TRANSFERS.—Capital assets and balances re-
7 maining in the General Supply Fund and the Information
8 Technology Fund as in existence immediately before this
9 section takes effect shall be transferred to the Acquisition
10 Services Fund and shall be merged with and be available
11 for the purposes of the Acquisition Services Fund under
12 section 321 of title 40, United States Code (as amended
13 by this Act).

14 (c) ASSUMPTION OF OBLIGATIONS.—Any liabilities,
15 commitments, and obligations of the General Supply Fund
16 and the Information Technology Fund as in existence im-
17 mediately before this section takes effect shall be assumed
18 by the Acquisition Services Fund.

19 (d) EXISTENCE AND COMPOSITION OF ACQUISITION
20 SERVICES FUND.—Subsections (a) and (b) of section 321
21 of title 40, United States Code, are amended to read as
22 follows:

23 “(a) EXISTENCE.—The Acquisition Services Fund is
24 a special fund in the Treasury.

25 “(b) COMPOSITION.—

1 “(1) IN GENERAL.—The Fund is composed of
2 amounts authorized to be transferred to the Fund or
3 otherwise made available to the Fund.

4 “(2) OTHER CREDITS.—The Fund shall be
5 credited with all reimbursements, advances, and re-
6 funds or recoveries relating to personal property or
7 services procured through the Fund, including—

8 “(A) the net proceeds of disposal of sur-
9 plus personal property;

10 “(B) receipts from carriers and others for
11 loss of, or damage to, personal property; and

12 “(C) receipts from agencies charged fees
13 pursuant to rates established by the Adminis-
14 trator.

15 “(3) COST AND CAPITAL REQUIREMENTS.—The
16 Administrator shall determine the cost and capital
17 requirements of the Fund for each fiscal year and
18 shall develop a plan concerning such requirements in
19 consultation with the Chief Financial Officer of the
20 General Services Administration. Any change to the
21 cost and capital requirements of the Fund for a fis-
22 cal year shall be approved by the Administrator. The
23 Administrator shall establish rates to be charged
24 agencies provided, or to be provided, supply of per-

1 sonal property and non-personal services through the
2 Fund, in accordance with the plan.

3 “(4) DEPOSIT OF FEES.—Fees collected by the
4 Administrator under section 313 of this title may be
5 deposited in the Fund to be used for the purposes
6 of the Fund.”.

7 (e) USES OF FUND.—Section 321(c) of such title is
8 amended in paragraph (1)(A)—

9 (1) by striking “and” at the end of clause (i);

10 (2) by inserting “and” after the semicolon at
11 the end of clause (ii); and

12 (3) by inserting after clause (ii) the following
13 new clause :

14 “(iii) personal services related to the
15 provision of information technology (as de-
16 fined in section 11101(6) of this title);”.

17 (f) PAYMENT FOR PROPERTY AND SERVICES.—Sec-
18 tion 321(d)(2)(A) of such title is amended—

19 (1) by striking “and” at the end of clause (iv);

20 (2) by redesignating clause (v) as clause (vi);

21 and

22 (3) by inserting after clause (iv) the following
23 new clause:

24 “(v) the cost of personal services em-
25 ployed directly in providing information

1 technology (as defined in section 11101(6)
2 of this title); and”.

3 (g) TRANSFER OF UNCOMMITTED BALANCES.—Sub-
4 section (f) of section 321 of such title is amended to read
5 as follows:

6 “(f) TRANSFER OF UNCOMMITTED BALANCES.—Fol-
7 lowing the close of each fiscal year, after making provision
8 for a sufficient level of inventory of personal property to
9 meet the needs of Federal agencies, the replacement cost
10 of motor vehicles, and other anticipated operating needs
11 reflected in the cost and capital plan developed under sub-
12 section (b), the uncommitted balance of any funds remain-
13 ing in the Fund shall be transferred to the general fund
14 of the Treasury as miscellaneous receipts.”.

15 (h) CONFORMING AND CLERICAL AMENDMENTS.—

16 (1) Section 322 of such title is repealed.

17 (2) The heading for section 321 of such title is
18 amended to read as follows:

19 **“§ 321. Acquisition Services Fund”.**

20 (3) The table of sections for chapter 3 of such
21 title is amended by striking the items relating to sec-
22 tions 321 and 322 and inserting the following:

“321. Acquisition Services Fund.”.

23 (4) Section 573 of such title is amended by
24 striking “General Supply Fund” both places it ap-
25 pears and inserting “Acquisition Services Fund”.

1 (5) Section 604(b) of such title is amended—

2 (A) in the heading, by striking “GENERAL
3 SUPPLY FUND” and inserting “ACQUISITION
4 SERVICES FUND”; and

5 (B) in the text, by striking “General Sup-
6 ply Fund” and inserting “Acquisition Services
7 Fund”.

8 (6) Section 605 of such title is amended—

9 (A) in subsection (a)—

10 (i) in the heading, by striking “GEN-
11 ERAL SUPPLY FUND” and inserting “AC-
12 QUISITION SERVICES FUND”; and

13 (ii) in the text, by striking “General
14 Supply Fund” and inserting “Acquisition
15 Services Fund”; and

16 (B) in subsection (b)(2)—

17 (i) by striking “321(f)(1)” and insert-
18 ing “321(f)”; and

19 (ii) by striking “General Supply
20 Fund” and inserting “Acquisition Services
21 Fund”.

1 **SEC. 4. PROVISIONS RELATING TO ACQUISITION PER-**
2 **SONNEL.**

3 Section 37 of the Office of Federal Procurement Pol-
4 icy Act (41 U.S.C. 433) is amended by adding at the end
5 the following new subsections:

6 “(i) **PROVISIONS RELATING TO REEMPLOYMENT.**—

7 If an individual receiving an annuity from the Civil Service
8 Retirement and Disability Fund on the basis of such indi-
9 vidual’s service becomes reemployed in an acquisition-re-
10 lated position (as described in subsection (g)(1)(A)), such
11 annuity shall not be discontinued thereby. An individual
12 so reemployed shall not be considered an employee for the
13 purposes of chapter 83 or 84 of title 5, United States
14 Code.

15 “(j) **RETENTION BONUSES.**—

16 “(1) The head of each executive agency, after
17 consultation with the Administrator, shall establish
18 policies and procedures under which the agency head
19 may pay retention bonuses to employees holding ac-
20 quisition-related positions (as described in subsection
21 (g)(1)(A)) within such agency, except that the au-
22 thority to pay a bonus under this subsection shall be
23 available only if—

24 “(A) the unusually high or unique quali-
25 fications of an employee or a special need of the

1 agency for the services of an employee makes
2 the retention of such employee essential; and

3 “(B) the agency determines that, in the
4 absence of such a bonus, it is likely that the
5 employee would leave—

6 “(i) the Federal service; or

7 “(ii) for a different position in the
8 Federal service under conditions described
9 in regulations of the Office.

10 “(2)(A) Payment of a bonus under this sub-
11 section shall be contingent upon the employee enter-
12 ing into a written agreement with the agency to
13 complete a period of service with the agency in re-
14 turn for the bonus.

15 “(B)(i) The agreement shall include—

16 “(I) the length of the period of service re-
17 quired;

18 “(II) the bonus amount;

19 “(III) the manner in which the bonus will
20 be paid (as described in paragraph (3)(B)); and

21 “(IV) any other terms and conditions of
22 the bonus, including the terms and conditions
23 governing the termination of an agreement.

24 “(3) A bonus under this subsection—

1 “(A) may not exceed 50 percent of the
2 basic pay of the employee;

3 “(B) may be paid to an employee—

4 “(i) in installments after completion
5 of specified periods of service;

6 “(ii) in a single lump sum at the end
7 of the period of service required by the
8 agreement; or

9 “(iii) in any other manner mutually
10 agreed to by the agency and the employee;

11 “(C) is not part of the basic pay of the em-
12 ployee; and

13 “(D) may not be paid to an employee who
14 holds a position—

15 “(i) appointment to which is by the
16 President, by and with the advice and con-
17 sent of the Senate;

18 “(ii) in the Senior Executive Service
19 as a noncareer appointee (as such term is
20 defined under section 3132(a) of title 5,
21 United States Code); or

22 “(iii) which has been excepted from
23 the competitive service by reason of its
24 confidential, policy-determining, policy-
25 making, or policy-advocating character.”.

1 **SEC. 5. EFFECTIVE DATE.**

2 This Act and the amendments made by this Act shall
3 take effect 60 days after the date of the enactment of this
4 Act.

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