

103<sup>D</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 4486

To prohibit any executive branch agency from entering into any service contract if the services procured under the contract can be performed at a lower cost by employees of the agency.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 25, 1994

Ms. NORTON introduced the following bill; which was referred to the  
Committee on Government Operations

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## A BILL

To prohibit any executive branch agency from entering into any service contract if the services procured under the contract can be performed at a lower cost by employees of the agency.

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. PROHIBITION ON ENTERING CERTAIN SERVICE**  
4 **CONTRACTS.**

5 (a) PROHIBITION.—An agency in the executive  
6 branch of the Federal Government may not enter into a  
7 service contract, unless—

8 (1) the agency has determined—

1 (A) the total cost to the Federal Govern-  
2 ment of procuring services under the contract;  
3 and

4 (B) the total cost to the Federal Govern-  
5 ment of having those services performed by em-  
6 ployees of the agency; and

7 (2) the costs determined under paragraph  
8 (1)(A) are less than the costs determined under  
9 paragraph (1)(B).

10 (b) COST COMPARISON.—The comparison of costs re-  
11 quired by subsection (a)(2) shall be made pursuant to the  
12 criteria set forth in Office of Management and Budget  
13 Circular A-76, as in effect on the date of the enactment  
14 of this Act.

15 (c) APPLICATION.—Subsection (a) shall apply with  
16 respect to contracts awarded after the date of enactment  
17 of this Act.

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

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