

**[DISCUSSION DRAFT]**

JUNE 14, 2013

113TH CONGRESS  
1ST SESSION

**H. R.** \_\_\_\_\_

To promote strategic sourcing principles within the Federal Government.

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IN THE HOUSE OF REPRESENTATIVES

Mr. GRIFFIN of Arkansas introduced the following bill; which was referred to  
the Committee on \_\_\_\_\_

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**A BILL**

To promote strategic sourcing principles within the Federal  
Government.

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 “\_\_\_\_\_ Act

5 of 2013”.

1 **SEC. 2. GOALS FOR STRATEGIC SOURCING OF FEDERALLY**  
2 **PROCURED GOODS AND SERVICES.**

3 (a) REQUIREMENT TO ESTABLISH GOALS FOR PUR-  
4 CHASES AND SAVINGS USING STRATEGIC SOURCING.—

5 The President shall establish—

6 (1) an annual Government-wide goal to procure  
7 goods and services using strategic sourcing, in ac-  
8 cordance with this section; and

9 (2) an annual Government-wide goal for savings  
10 resulting from the use of strategic sourcing, in ac-  
11 cordance with this section.

12 (b) AMOUNT OF PROCUREMENT GOAL.—The goal for  
13 procurement of goods and services established under sub-  
14 jection (a) shall be—

15 (1) in each of fiscal years 2014 and 2015, at  
16 least \$100,000,000,000; and

17 (2) in each of fiscal years 2016, 2017, and  
18 2018, at least \$150,000,000,000.

19 (c) AMOUNT OF SAVINGS GOAL.—The goal for sav-  
20 ings resulting from the use of strategic sourcing estab-  
21 lished under subsection (a) shall be—

22 (1) in each of fiscal years 2014 and 2015, at  
23 least \$10,000,000,000; and

24 (2) in each of fiscal years 2016, 2017, and  
25 2018, at least \$7,500,000,000.

1 **SEC. 3. IMPLEMENTATION OF STRATEGIC SOURCING**  
2 **GOALS BY OFFICE OF MANAGEMENT AND**  
3 **BUDGET.**

4 (a) GUIDANCE BY OFFICE OF MANAGEMENT AND  
5 BUDGET.—The Director of the Office of Management and  
6 Budget shall issue guidance to executive agencies for im-  
7 plementing the goals established under section 2. The Di-  
8 rector may set specific goals for procurement and savings  
9 that are customized to individual executive agencies.

10 (b) MATTERS COVERED.—In the guidance issued  
11 under subsection (a), the Director shall include, at a min-  
12 imum, the following:

13 (1) Criteria for the goods and services to be  
14 procured using strategic sourcing, with an emphasis  
15 on the largest categories of spending.

16 (2) A description of the specific data required  
17 to be submitted by executive agencies to the Director  
18 regarding implementation of the goals.

19 (3) Guidance on calculating and verifying sav-  
20 ings generated from strategic sourcing.

21 (4) Standards to measure progress towards  
22 meeting savings goals.

23 (5) Procedures to hold agencies accountable  
24 and ensure that agencies are achieving their stra-  
25 tegic sourcing goals.

1           (6) Procedures to ensure that an agency is not  
2           making purchases that significantly exceed the re-  
3           quirements of the agency, including purchases of  
4           ammunition.

5           (c) RELATIONSHIP TO FEDERAL STRATEGIC  
6 SOURCING INITIATIVE.—In issuing guidance under this  
7 section, the Director may take into account and be con-  
8 sistent with the Federal Strategic Sourcing Initiative man-  
9 aged by the Office of Federal Procurement Policy to the  
10 extent such Initiative is consistent with the requirements  
11 of this Act.

12          (d) REPORT.—Not later than 180 days after the end  
13 of a fiscal year for which a goal is established under sec-  
14 tion 2, the Director shall submit to Congress a report on  
15 the implementation of this Act. The report shall include,  
16 at a minimum—

17           (1) the amount of spending for goods and serv-  
18           ices that was strategically sourced during the year  
19           covered by the report;

20           (2) the extent of savings realized by executive  
21           agencies during that year; and

22           (3) such findings and recommendations as the  
23           Director considers appropriate.

1 **SEC. 4. STRATEGIC SOURCING DUTIES OF LARGE FEDERAL**  
2 **PROCUREMENT AGENCIES.**

3 (a) IN GENERAL.—The Secretary of a covered de-  
4 partment shall take the following actions to support stra-  
5 tegic sourcing efforts in the department:

6 (1) Establishment of department-wide goals and  
7 savings targets for strategic sourcing efforts in sup-  
8 port of the goals established under section 2.

9 (2) Establishment of a strategic sourcing ac-  
10 countability official within the department.

11 (3) Issuance of a policy that outlines the role,  
12 authority, and responsibilities of the strategic  
13 sourcing accountability official and department prac-  
14 tices for strategic sourcing.

15 (4) Identification of strategic sourcing contracts  
16 already in use and establishment of utilization goals  
17 for current and future strategic sourcing efforts.

18 (5) Development of standards to track and as-  
19 sess compliance with strategic sourcing goals.

20 (b) SPEND ANALYSIS REQUIREMENT.—Not later  
21 than six months after the date of the enactment of this  
22 Act, the Secretary of a covered department shall conduct  
23 a spend analysis of procurements by the department dur-  
24 ing fiscal year 2012 to identify, assess, and quantify goods  
25 and services suitable for strategic sourcing. Based on the  
26 analysis, the Secretary shall select at least one good or

1 service to strategically source from the top 20 procure-  
2 ment spending categories identified in the analysis for im-  
3 plementation in fiscal year 2014.

4 **SEC. 5. DEFINITIONS.**

5 In this Act:

6 (1) EXECUTIVE AGENCY.—The term “executive  
7 agency” has the meaning given the term “Executive  
8 agency” in section 105 of title 5, United States  
9 Code.

10 (2) COVERED DEPARTMENT.—The term “cov-  
11 ered department” means the Department of De-  
12 fense, the Department of Homeland Security, the  
13 Department of Energy, the Department of Veterans  
14 Affairs, the National Aeronautics and Space Admin-  
15 istration, and the Department of Health and Human  
16 Services.

17 (3) STRATEGIC SOURCING.—The term “stra-  
18 tegic sourcing” means a structured and collaborative  
19 process of critically analyzing an organization’s  
20 spending patterns to better leverage its purchasing  
21 power, reduce costs, and improve overall perform-  
22 ance.