

118TH CONGRESS
2D SESSION

S. 4055

To provide for a pilot program to improve contracting outcomes, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 22, 2024

Mr. PETERS (for himself and Mr. LANKFORD) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To provide for a pilot program to improve contracting outcomes, 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 “Improving Contracting
5 Outcomes Act of 2024”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) **APPROPRIATE CONGRESSIONAL COMMIT-**
9 **TEES.**—The term “appropriate congressional com-
10 mittees” means the Committee on Homeland Secu-

1 rity and Governmental Affairs of the Senate and the
2 Committee on Oversight and Accountability of the
3 House of Representatives.

4 (2) CHIEF FINANCIAL OFFICER ACT AGENCY.—
5 The term “Chief Financial Officer Act Agency”
6 means an agency listed in section 901(b) of title 31,
7 United States Code.

8 (3) COST AVOIDANCE.—The term “cost avoid-
9 ance” refers to—

10 (A) reductions in the need for increased
11 funding if present management practices con-
12 tinued;

13 (B) unfunded requirements that were
14 avoided; and

15 (C) productivity gains, such as reduction in
16 required labor hours, reduction in contract du-
17 plication, and use of shared contract programs.

18 (4) COST SAVINGS.—The term “cost savings”
19 means reductions to budget lines or funded pro-
20 grams resulting from a new policy, process, or activ-
21 ity with no adverse impact on mission.

22 (5) END USER.—The term “end user” means
23 the internal stakeholder that uses the product or
24 service procured.

1 (6) HEAD OF CONTRACTING ACTIVITY.—The
2 term “head of contracting activity” has the meaning
3 given the term “head of the contracting activity” in
4 section 2.101 of the Federal Acquisition Regulation.

5 (7) MILITARY DEPARTMENT.—The term “mili-
6 tary department” has the meaning given the term in
7 section 101(a)(8) of title 10, United States Code.

8 (8) MULTIPLE AWARD CONTRACT.—The term
9 “multiple award contract” means—

10 (A) a contract that is entered into by the
11 Administrator of General Services under the
12 multiple award schedule program referred to in
13 section 3012(3) of title 10, United States Code;
14 or

15 (B) a multiple award task order contract
16 that is entered into under the authority of title
17 10 or title 41, United States Code.

18 (9) SENIOR PROCUREMENT EXECUTIVE.—The
19 term “senior procurement executive” has the mean-
20 ing given the term in section 1702(c) of title 41,
21 United States Code.

22 (10) TRANSACTIONAL DATA.—The term “trans-
23 actional data” refers to order details, including unit
24 price, quantity, and line item descriptions.

1 **SEC. 3. PILOT PROGRAM TO IMPROVE CONTRACTING OUT-**
2 **COMES.**

3 (a) IN GENERAL.—Not later than 180 days after the
4 date of the enactment of this Act, the Administrator for
5 Federal Procurement Policy shall initiate a pilot program
6 to improve contracting outcomes.

7 (b) PURPOSE.—The purpose of the pilot program is
8 to identify and assess innovative approaches for estab-
9 lishing and using outcome-oriented contracting metrics,
10 and the potential to establish and use outcome-oriented
11 contracting metrics at each Chief Financial Officer Act
12 Agency and military department.

13 (c) KEY ELEMENTS.—The pilot program initiated
14 pursuant to subsection (a) shall—

15 (1) comprise no less than three Chief Financial
16 Officer Act Agencies, and at least one military de-
17 partment;

18 (2) span a period of two years;

19 (3) demonstrate how senior procurement execu-
20 tives can establish quantitative outcome-oriented
21 contracting metrics and corresponding goals—

22 (A) expressed on an annual basis;

23 (B) for each Head of Contracting Activity;

24 and

25 (C) representing, at a minimum—

26 (i) cost avoidance or cost savings;

1 (ii) timeliness of deliveries in terms of
2 end users' receipt of a product or the start
3 of a service;

4 (iii) quality of deliverables in terms of
5 end users' satisfaction with a delivered
6 product or provided service; and

7 (iv) end user satisfaction with the de-
8 gree and nature of collaboration between
9 the end user and the relevant procurement
10 officials;

11 (4) illustrate how senior procurement executives
12 can use the quantitative outcome-oriented con-
13 tracting metrics and goals required under paragraph
14 (3) to—

15 (A) assess the performance of procurement
16 organizations on an ongoing basis;

17 (B) identify and share leading practices
18 that Heads of Contracting Activity and other
19 procurement officials can use to achieve desired
20 contracting outcomes;

21 (C) evaluate key factors affecting con-
22 tracting outcomes, including—

23 (i) collaboration with key stake-
24 holders, particularly requirements genera-
25 tors, pre- and post-contract award; and

1 (ii) contractor performance; and

2 (5) assess the benefits and drawbacks of
3 leveraging various data sources when establishing
4 and using the outcome-oriented contracting metrics
5 and goals required under paragraphs (3) and (4), re-
6 spectively, including, at a minimum—

7 (A) data stored in the Contractor Perform-
8 ance Assessment Reporting System; and

9 (B) transactional data for orders against
10 multiple award contracts.

11 (d) **RULE OF CONSTRUCTION.**—Nothing in this sec-
12 tion shall be construed as precluding senior procurement
13 executives from establishing or maintaining additional per-
14 formance metrics and goals, in particular metrics and
15 goals for small business utilization.

16 **SEC. 4. OFFICE OF FEDERAL PROCUREMENT POLICY RE-**
17 **PORTING.**

18 (a) **INTERIM REPORT.**—

19 (1) **IN GENERAL.**—Not later than 2 years after
20 the date of the enactment of this Act, the Adminis-
21 trator for Federal Procurement Policy shall submit
22 to the appropriate congressional committees and the
23 Comptroller General of the United States an interim
24 report on the pilot program required under section
25 3.

1 (2) PURPOSE.—The purpose of the interim re-
2 report shall be to identify how each of the senior pro-
3 curement executives participating in the pilot pro-
4 gram are meeting the requirements under section
5 3(c).

6 (3) KEY ELEMENTS.—The interim report shall
7 identify, at a minimum—

8 (A) each quantitative outcome-oriented
9 contracting goal established pursuant to section
10 3(c)(3), including—

11 (i) a precise definition that includes
12 the methodology and data used to measure
13 actual performance against the goal; and

14 (ii) the rationale for the goal;

15 (B) illustrative examples of how each sen-
16 ior procurement executive has used quantitative
17 outcome-oriented contracting metrics and goals
18 to identify and share leading practices and key
19 factors affecting contracting outcomes pursuant
20 to section 3(e)(4); and

21 (C) data improvement initiatives, informed
22 by the assessment required under section
23 3(e)(5), including a plan of action and mile-
24 stones to improve the reliability of relevant
25 data, including at a minimum—

1 (i) data stored in the Contractor Per-
2 formance Assessment Reporting System;
3 and

4 (ii) transactional data for orders
5 against multiple award contracts.

6 (b) FINAL REPORT.—

7 (1) IN GENERAL.—Not later than three years
8 after the date of the enactment of this Act, the Ad-
9 ministrator for Federal Procurement Policy shall
10 submit to the appropriate congressional committees
11 and the Comptroller General of the United States a
12 final report on the pilot program required under sec-
13 tion 3.

14 (2) PURPOSE.—The purpose of the final report
15 shall be to identify how each of the senior procure-
16 ment executives participating in the pilot program
17 met the requirements under section 3(c), and assess
18 the potential to establish and use outcome-oriented
19 contracting metrics and goals at each Chief Finan-
20 cial Officer Act Agency and military department in
21 the future.

22 (3) KEY ELEMENTS.—The final report shall
23 identify, at a minimum—

24 (A) any modifications to the outcome-ori-
25 ented metrics and goals established pursuant to

1 section 3(c)(3) since the issuance of the interim
2 report required under subsection (a), includ-
3 ing—

4 (i) modifications to the definitions for
5 the metrics and goals; and

6 (ii) the rationale for any modifica-
7 tions;

8 (B) examples of how each senior procure-
9 ment executive has used outcome-oriented con-
10 tracting metrics and goals to identify and share
11 leading practices and key factors affecting con-
12 tracting outcomes pursuant to section 3(c)(4)
13 during the preceding year;

14 (C) a description of progress against the
15 plan of action and milestones required under
16 subsection (a)(3)(C), including qualitative de-
17 scriptions of significant challenges and limita-
18 tions hindering data improvement efforts; and

19 (D) observations from the Administrator
20 for Federal Procurement Policy regarding the
21 respective advantages and disadvantages of var-
22 ious approaches for establishing and using out-
23 come-oriented contracting metrics and goals.

1 **SEC. 5. GOVERNMENT ACCOUNTABILITY OFFICE REPORT-**
2 **ING.**

3 Not later than 180 days after receiving the interim
4 and final reports required under section 4, the Comptroller
5 General of the United States shall provide the Comptroller
6 General's independent observations on the report to the
7 appropriate congressional committees.

○