

STATUTES RELATED TO OUTSOURCING

STATUTE	SUMMARY
Federal Acquisition Inventory Reform Act of 1998, Pub. Law No. 105-270	Requires agencies to annually make available listing of activities performed by government sources that do not involve inherently governmental functions. "Interested parties" may challenge activities included or excluded on the list through an administrative appeal process. The Act does not apply to depot-level maintenance and repair.
Federal Workforce Restructuring Act of 1994, Pub. Law No. 103-226	The Act requires that agencies reduce their total number of employees by one for each vacancy created by receipt of a voluntary separations incentive, and not increase "procurement service contracts . . . except in cases in which a cost comparison demonstrates such contracts would be to the financial advantage of the Federal Government."
10 U.S.C. § 2208	A working capital funded industrial facility (including an Army arsenal) may sell articles that it has manufactured or remanufactured, or provide manufacturing or remanufacturing services to entities outside the DoD if the entity is fulfilling a DoD contract and the DoD solicitation for the contract is open to competition between DoD activities and private firms.
10 U.S.C. § 2461	Sets forth Congressional reporting requirements that must be met before converting functions to contractor performance where those functions had been performed by DoD civilian employees on October 1, 1980.
10 U.S.C. § 2462	DoD must procure supplies or services that do not have to be performed by government personnel from the private sector if the private sector can provide such supply or service at a lower cost. Cost comparisons must be realistic and fair.
10 U.S.C. § 2463	Requires collection of cost data during first five years of contractor performance of function converted from in-house performance. Similar requirement pertains to conversion to in-house performance.
10 U.S.C. § 2464	Core logistics workloads must be performed by government employees. Requirement may be waived under certain circumstances.

10 U.S.C. § 2465	DoD may not contract for the performance of firefighting or security guard functions at any military installation or facility. Exceptions exist.
10 U.S.C. § 2466	Not more than 50 percent of the funds made available for depot-level maintenance and repair may be used to contract for performance by non-government personnel
10 U.S.C. § 2467	For A-76 cost comparisons, DoD must include retirement systems costs of both DoD and the contractor. Also, each DoD officer or employee responsible for the A-76 study must consult during the development of the PWS and management efficiency study with civilian employees who will be affected by the cost comparison (including considering their views on the development and preparation of the PWS and study). The consultation requirement may be met through consultation with employees' union.
10 U.S.C. § 2468	The commander of each military installation has the responsibility to decide which commercial activities will be reviewed under OMB Circular A-76. To the maximum extent practicable, the commander will assist displaced employees in finding new employment.
10 U.S.C. § 2469	OMB Circular A-76 does not apply to any depot-level maintenance and repair workload that has a value of \$3,000,000 or more and is being performed by a depot-level activity of DoD. Such work is subject either to competitions among all depot-level activities or to competitions among private and public sector entities.
10 U.S.C. § 2470	A depot-level activity may compete for the performance of any depot-level maintenance and repair workload of a Federal agency.
10 U.S.C. § 2474	The Secretary of Defense is required to designate each depot-level activity as a Center of Industrial and Technical Excellence in the recognized competencies of the activity. Each Center may enter into public-private partnerships for the performance of depot-level maintenance and repair at such centers. Amounts received by the Center for work performed under the partnership shall be credited to the appropriation or fund that incurs the cost of performing the work.
10 U.S.C. § 4532	Supplies needed for the Army are required to be made in factories or arsenals owned by the U.S. as long as those factories or arsenals can produce the supplies on an economical basis.

10 U.S.C. § 4543	When certain conditions are met, a working-capital funded Army industrial facility (including an Army arsenal) that manufactures large caliber cannons, gun mounts, recoil mechanisms, ammunition, munitions, or components thereof may sell manufactured articles or services to an outside entity.
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