

**Calendar No. 618**

116TH CONGRESS }  
2d Session }

SENATE

{ REPORT  
116-315 }

PROMOTING RIGOROUS AND INNOVATIVE  
COST EFFICIENCIES FOR FEDERAL  
PROCUREMENT AND ACQUISITIONS  
ACT OF 2019

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R E P O R T

OF THE

COMMITTEE ON HOMELAND SECURITY AND  
GOVERNMENTAL AFFAIRS  
UNITED STATES SENATE

TO ACCOMPANY

S. 3038

TO PROMOTE INNOVATIVE ACQUISITION TECHNIQUES AND  
PROCUREMENT STRATEGIES, AND FOR OTHER PURPOSES



DECEMBER 14, 2020.—Ordered to be printed

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Mr. JOHNSON, from the Committee on Homeland Security and Governmental Affairs, submitted the following

**R E P O R T**

[To accompany S. 3038]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (S. 3038), to promote innovative acquisition techniques and procurement strategies, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

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I. PURPOSE AND SUMMARY

The purpose of S. 3038, Promoting Rigorous and Innovative Cost Efficiencies for Federal Procurement and Acquisitions Act of 2019, or the PRICE Act of 2019, is to encourage innovation in Federal procurement. The PRICE Act encourages reform by identifying and promoting best practices to modernize how the Federal Government operates, including with regard to small business participation in the Federal marketplace. S. 3038 does this by requiring the Department of Homeland Security (DHS) to develop guidance and training to improve procurement methods based on the experience of its Procurement Innovation Lab (PIL). Additionally, S. 3038 re-

quires the Administrator of the Office of Federal Procurement Policy (OFPP) to convene the Chief Acquisition Officers Council (CAO Council) to identify and widely disseminate best practices in modernizing Federal contracting, including utilizing small businesses.

## II. BACKGROUND AND THE NEED FOR LEGISLATION

The PIL is housed in the DHS Office of the Chief Procurement Officer.<sup>1</sup> The PIL’s mission is to “foster a culture of procurement excellence where smart risk-taking and innovation assure DHS mission success.”<sup>2</sup> The overall objectives of the PIL are “lowering barriers to entry for small businesses and non-traditional vendors, encouraging competition, shortening time to award, and increasing the likelihood of successful outcomes under contract performance.”<sup>3</sup> In 2019, the PIL supported all nine of the DHS components, issuing awards for 52 projects.<sup>4</sup> It also conducted webinars to spread best practices, conducting 49 webinars for 10,105 attendees in 2019.<sup>5</sup> The PIL has been invited to conduct training events for OFPP and other agencies, as well as DHS components.<sup>6</sup>

In order to further improve the PIL’s ability to communicate procurement best practices through the Federal Government, and to improve utilization of acquisition innovation best practices generally, the PRICE Act requires the PIL to issue an annual report on its business projects and encourages dissemination of acquisition best practices—including those practices that improve the utilization of small businesses.

The PRICE Act also requires that the Administrator of the OFPP convene the CAO Council to identify best practices for modernizing Federal contracting and disseminate that information across the Federal Government—again, making sure that small business contracting is included. The CAO Council, or a working group of the council, is required to report to Congress within one year and provide briefings on its methods to share innovative practices. Providing concrete examples of success and sharing best practices government-wide will give the acquisition workforce much needed practical support to improve the procurement process.

## III. LEGISLATIVE HISTORY

S. 3038 was introduced on December 12, 2019, by Senators Gary Peters (D–MI), and Joni Ernst (R–IA). The bill was referred to the Committee on Homeland Security and Governmental Affairs. Senators Michael Enzi (R–MT) and Thomas Carper (D–DE) later joined as co-sponsors.

The Committee considered S. 3038 at a business meeting on July 22, 2020. The legislation passed by voice vote *en bloc* with Senators Johnson, Portman, Paul, Lankford, Romney, Scott, Enzi, Hawley, Peters, Carper, Hassan, Harris, and Rosen present.

<sup>1</sup> Procurement Innovation Lab, *Fiscal Year 2019 Yearbook: Coaching Innovation*, July 9, 2020, available at <https://beta.sam.gov/api/prod/opps/v3/opportunities/resources/files/0d6c4363097c4a98941f68a5d9ab3544/download?api-key=null&token=>.

<sup>2</sup> *Id.* at 2.

<sup>3</sup> *Id.* at 5.

<sup>4</sup> *Id.* at 9.

<sup>5</sup> *Id.* at 10.

<sup>6</sup> Jason Miller, *How DHS’ innovation lab is helping other offices get into shape*, *Federal News Network* (Sept. 18, 2018), available at <https://federalnewsnetwork.com/acquisition-policy/2018/09/how-dhs-innovation-lab-is-helping-other-acquisition-offices-get-into-shape/>.

## IV. SECTION-BY-SECTION ANALYSIS OF THE BILL, AS REPORTED

*Section 1. Short Title.*

This section establishes the short title of the bill as the “Promoting Rigorous and Innovative Cost Efficiencies for Federal Procurement and Acquisitions Act of 2019” or the “PRICE Act of 2019.”

*Section 2. Findings.*

This section contains findings regarding DHS and its procurement operations. These findings include that small business participation in the Federal marketplace is not only important economically, it is also required by law. Over the past ten years, DHS has received top ratings for small business utilization.

*Section 3. Definitions.*

This subsection establishes the definitions of terms used in this bill.

*Section 4. Procurement Innovation Lab Report.*

This section requires the PIL to issue an annual report and describes the contents of that report. This section also requires the DHS Under Secretary for Management to develop guidance and offer training to contracting personnel, and share any best practices found. This section also sunsets the report three years after enactment.

*Section 5. Council.*

This section requires the CAO Council to convene within 45 days to examine best practices in acquisition innovation, including small business contracting, and disseminate this information. It permits, but does not require, a working group on these topics. The working group, or the CAO Council as a whole, is required to examine acquisition innovation, report to Congress, and brief Congressional staff. These duties terminate 30 days after the staff briefings.

## V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill and determined that the bill will have no regulatory impact within the meaning of the rules. The Committee agrees with the Congressional Budget Office’s statement that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

## VI. CONGRESSIONAL BUDGET OFFICE COST ESTIMATES

CBO failed to provide the Committee with a cost estimate in time for the final reporting deadline of the 116th Congress.

## VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

Because S. 3038 would not repeal or amend any provision of current law, it would make no changes in existing law within the

meaning of clauses (a) and (b) of paragraph 12 of rule XXVI of the Standing Rules of the Senate.

