



Weekly Report for January 20, 2017

GOVERNMENT CONTRACTS

Recognition of Tribal Organizations for Representation of VA Claimants

The Department of Veterans Affairs ("VA") is amending its regulations concerning recognition of certain national, state, and regional or local organizations for purposes of VA claims representation. Specifically, this final rule allows the Secretary to recognize Tribal organizations in a similar manner as the Secretary recognizes state organizations. The final rule allows a Tribal organization that is established and funded by one or more Tribal governments to be recognized for the purpose of providing assistance on VA benefit claims. In addition, the final rule allows an employee of a Tribal government to become accredited through a recognized state organization in a similar manner as a County Veterans' Service Officer may become accredited through a recognized state organization. The effect of this action is to address the needs of Native American populations which are geographically isolated from existing recognized Veterans Service Organizations ("VSOs") or which may not be utilizing other recognized VSOs due to cultural barriers or lack of familiarity with those organizations. This rule will take effect on February 21, 2017. [82 Fed. Reg. 6265](#).

Federal Acquisition Regulation: Sustainable Acquisition

The Department of Defense, General Services Administration, and National Aeronautics and Space Administration are proposing to amend the Federal Acquisition Regulation to implement Executive Order 13693, Planning for Federal Sustainability in the Next Decade, and the biobased product acquisition provisions of the Agricultural Act of 2014 (also known as the 2014 Farm Bill). The changes made in this proposed rule continue the improvements made by the government to lead by example in protecting the health of our environment by purchasing sustainable products and services. This rule promotes the acquisition of sustainable products, services, and construction methods in order to reduce energy and water consumption, reliance on natural resources, and enhance pollution prevention, within the government. While the anticipated costs associated with this rule are not quantified in dollar amounts, the Councils anticipate that any such impact will be outweighed by the expected benefits of this rule. Comments are due on, or before, March 20, 2017. [82 Fed. Reg. 5490](#).

Department of Labor Federal Civil Penalties Inflation Adjustment Act Annual Adjustments for 2017

The U.S. Department of Labor (“DOL”) is publishing this final rule to adjust for inflation the civil monetary penalties assessed or enforced in its regulations, pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 as amended by the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015 (“Inflation Adjustment Act.”) The Inflation Adjustment Act requires the DOL to annually adjust its civil money penalty levels for inflation no later than January 15. The Inflation Adjustment Act provides that agencies shall adjust civil monetary penalties notwithstanding Section 553 of the Administrative Procedure Act. Additionally, the Inflation Adjustment Act provides a cost of living formula for adjustment of the civil penalties. Accordingly, this final rule sets forth the DOL's 2017 annual adjustments for inflation to its civil monetary penalties. This final rule went into effect on January 13, 2017. [82 Fed. Reg. 5373](#).

Office of Federal Procurement Policy Memorandum: “Service Contract Inventories.”

The Office of Federal Procurement Policy released a memorandum, addressed to Jason Chaffetz (R-UT), Chairman of the Committee on Oversight and Government Reform, providing a summary of agency activities for the Fiscal Year 2015 reporting period based on information provided by covered agencies. Agencies annually develop inventories and analyze the data so that their managers can better understand by function how contracted services are being used, and if the mix of federal employees and contractors for a given program is effectively balanced. Agencies prepare their inventories using a standard format and data sequence set for in the Office of Management and Budget guidance that has been updated periodically through “Alerts” to the acquisition workforce that highlight best practices, including recommendations made by the Government Accountability Office to improve the quality of reporting. The memorandum can be read [here](#).

SMALL BUSINESS COMMITTEE

“Chabot Announces Committee Leadership for 115th Congress.” *Small Business Committee Press Release*, January 17, 2017. Retrieved from <http://smallbusiness.house.gov>.

House Small Business Committee Chairman Steve Chabot (R-OH) announced the Committee’s leadership team for the 115th Congress. Included in the new leadership team are Representatives Trent Kelly (R-MS), who will chair the Subcommittee on Investigations, Oversight and Regulations, and Steve Knight (R-CA), who will chair the Subcommittee on Contracting and Workforce.

OTHER NEWS

“In Final Speech, DOD Acquisition Chief Knocks Congressional Reforms as Unhelpful.” *Federal News Radio*, January 18, 2017. Retrieved from <http://federalnewsradio.com>.

Frank Kendall, the Undersecretary of Defense for Acquisition, Technology and Logistics, used his final public remarks as Pentagon acquisition chief to argue that the Department of Defense has made significant, demonstrable progress in improving outcomes from its procurement system, and that if Congress wants to help, it should largely stay out of the way. Among the data points Kendall wishes would receive more attention: cost growth in major weapons systems is now at a 30-year low, an achievement he said was driven by sound internal management practices like tightly-controlled affordability caps and “should cost” management, not by legislative mandates.

“GAO Ruling Lets GSA Buy the USDA Steak, Not the Mystery Meat.” *Federal News Radio*, January 17, 2017. Retrieved from <http://federalnewsradio.com>.

The General Services Administration (“GSA”) may have just put the first nail in the coffin that eventually will bury the widespread use of “lowest-price, technically acceptable” contracts for services. The Government Accountability Office’s decision to deny four protests of GSA’s Alliant 2 contracts for IT services could end up being a landmark ruling that is that first nail. “This decision changes the paradigm of how the government has traditionally conducted price/cost analysis. It provides the precedent for innovation across the government during the source selection process,” said John Cavadias, the senior contracting officer for GSA’s Alliant 2 Government Wide Acquisition Contract (“GWAC”) Procurement Contracting Office. “This could also result in a significant time savings (shorter procurement lead times), as it already has with programs in GSA.” These were the last four protests stopping Alliant 2 from heading into the home stretch. The 10-year \$50 billion unrestricted and \$15 billion small business versions of the multiple-award GWAC vehicle can now move closer to award of up to 60 vendors.