



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 6, 2017

### **H.R. 3019** **Promoting Value Based Procurement Act of 2017**

*As ordered reported by the House Committee on Oversight and Government Reform  
on September 13, 2017*

H.R. 3019 would encourage agencies to avoid using the lowest price technically acceptable (LPTA) criteria when procuring information technology services, personal protective equipment, and training and logistics services outside of the United States. The bill also would require a report within one year and subsequently every two years by the Government Accountability Office on the use of the LPTA criteria when agencies award contracts with a value of \$5 million or more.

According to information from the General Services Administration, agencies already authorized to make contract awards using either of two criteria: LPTA or best value. The best value method permits agencies to balance trade-offs between quality and cost. However, because H.R. 3019 does not require the use of a best value contract and agencies are already allowed to consider both criteria, CBO expects that implementing H.R. 3019 would have no significant cost.

The bill could affect direct spending by agencies not funded through annual appropriations; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any net increase in spending by those agencies would not be significant. Enacting H.R. 3019 would not affect revenues.

CBO estimates that enacting H.R. 3019 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 3019 contains no intergovernmental or private-sector mandates as defined in Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Matthew Pickford. This estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.