

Date: December 13, 2002
Memorandum For: General Services Administration, FAR Secretariat
Attention: Laurie Duarte

Subject: FAR Case 2002-011, Procurement of Printing and
Duplicating through the Government Printing Office (GPO).

The Department of Energy supports the policy decision to eliminate the current FAR requirement which implements the GPO monopoly on the acquisition of Federal printing services. This policy change is consistent with other monopoly-busting decisions such as that taken a number of years ago with respect to General Services Administration's (GSA) central supply programs. However, we believe the proposed rule implementing the new policy is poorly drafted and would benefit from significant revisions prior to its promulgation.

The only real issue that needs to be discussed in the FAR is the status of GPO as a federal supply source, i.e. from a "mandatory" source to an "authorized" source. DOE believes that printing should be treated like any other service that is acquired by the Government. There is no need to create unnecessary statutory or regulatory requirements which are otherwise applicable, such as the proposed regulatory changes at FAR 8.801(b). These proposed new requirements are not applied to federal acquisitions for other supplies and services and we see no need to establish special rules just for the category of printing services, e.g. lower synopsis threshold requirements, procedures on using GSA federal supply schedules/e-commerce, limitations on contract award terms, etc. As necessary, OMB can work with GSA outside of the regulatory process to identify the most appropriate acquisition strategy and methodology for acquiring such services as a central supply source. A regulation is not the place to decide these types of strategies.

It is also noted that the policy set forth in the proposed FAR 8.801(c) permits agencies to use the services of GPO until January 1, 2004 without conducting a competition, however; after January 1, 2004, agencies must demonstrate that GPO "offers the best combination of quality, cost, and delivery or, alternatively, the lowest overall cost in a competition based on cost or price and cost or price related factors." This requirement is not imposed on agencies with respect to any other available government supply source and we question its need. Agencies should be permitted to make sound business decisions in using GPO just as they do in using GSA and other available supply sources.

In conclusion, we believe the proposed regulations establish requirements for printing services that are not consistent with other Federal policies for the acquisition of services and that printing services should not be treated differently. We recommend that the proposed FAR coverage focus on clarifying 8.801 policy by providing that agencies may obtain printing services through (1) contracting with a private source, (2) using GPO as a Federally authorized source, or (3) using in-house printing operations consistent with the requirements of A-76. Regarding the latter requirement, the proposed new language establishes a test for use of in-house services which appears to be inconsistent with A-76 policies. There is no need to establish a separate test if agency in-house services are being reviewed and dealt with in accordance with the A-76 process.

Thank you for considering our comments. Questions regarding our comments should be directed to Steve Zvolensky at 202-586-5936.