

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074
MINORITY (202) 225-5051
<https://oversight.house.gov>

April 4, 2023

The Honorable Shalanda Young
Director
Office of Management and Budget
725 17th Street, NW
Washington, DC 20503

Dear Director Young:

We are writing you regarding the Administration's implementation of the Federal Activities Inventory Reform (FAIR) Act of 1998 (P.L. 105-270).

The FAIR Act requires each federal agency to annually file with the Office of Management and Budget (OMB) an inventory of non-inherently governmental activities the agency performs using federal employees. After a consultation and review of the inventory by the OMB Director, these agency lists are to be transmitted to Congress and made available to the public. The objective is to facilitate the outsourcing by federal agencies of those non-inherently governmental activities that can be performed better and more cost-effectively by the private sector.

At a time of surging annual deficits, the Administration should be using all cost-saving tools at its disposal – including outsourcing functions that can be performed more efficiently by the private sector. Yet, we note that, under the President's Fiscal Year (FY) 2024 budget proposal, the federal civilian workforce (excluding Defense Department employees) would grow by 148,000 – just over 10.5 percent – in just the two years from FY 2022 to FY 2024.

While OMB circular A-76 provides guidance to agencies on how to comply with the FAIR Act, it appears the annual inventories are not being comprehensively conducted under this Administration. For instance, the most recent FAIR Act inventory posted on the website of the General Services Administration is for FY 2018. Many more recent agency inventories posted online are done so in formats that are barely decipherable.

Therefore, please provide the following information by April 14, 2023:

1. The number of federal employees, collectively and by agency, who are currently performing non-inherently governmental functions;
2. The names of the agencies that have not filed their most-recently required FAIR Act inventories, and for each such agency, the number of years since it has last filed a FAIR Act inventory; and

3. A description of the processes and procedures by which OMB is vetting these agency inventories and utilizing them to help determine which activities agencies should consider outsourcing.

The on-time posting of clear and comprehensive FAIR Act inventories is a key element of open and transparent government. Use of the inventories in decisions about outsourcing is a needed component of sound federal financial stewardship. We would like to work with OMB going forward to ensure full compliance with both the letter and the spirit of the FAIR Act.


Attached are instructions for producing documents and information to the Committee. If you have any questions, please contact the Committee on Oversight and Accountability Majority staff at (202) 225-5074.

The Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate “any matter” at “any time” under House Rule X. Thank you for your attention to this important issue.

Sincerely,



Nancy Mace
Chairwoman
Subcommittee on Cybersecurity, Information
Technology and Government Innovation



Lisa McClain
Chairwoman
Subcommittee on Health Care
and Financial Services



Pete Sessions
Chairman
Subcommittee on Government Operations and
the Federal Workforce

cc: The Honorable Gerald Connolly, Ranking Member
Subcommittee on Cybersecurity, Information, Technology and Government Innovation

The Honorable Katie Porter, Ranking Member
Subcommittee on Health Care and Financial Services

The Honorable Kweisi Mfume, Ranking Member
Subcommittee on Government Operations and the Federal Workforce