

103^D CONGRESS
1ST SESSION

H. R. 1702

Entitled the "Government Procurement Act of 1993".

IN THE HOUSE OF REPRESENTATIVES

APRIL 7, 1993

Mrs. BENTLEY (for herself and Mr. VALENTINE) introduced the following bill;
which was referred jointly to the Committees on Government Operations
and Armed Services

A BILL

Entitled the "Government Procurement Act of 1993".

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Government Procure-
5 ment Act of 1993".

6 **SEC. 2. AMENDMENTS.**

7 (a) CIVILIAN PROCUREMENT.—Section 303B of the
8 Federal Property and Administration Services Act of 1949
9 (41 U.S.C. 253b) is amended by adding at the end thereof
10 the following new subsection:

1 “(g)(1) In evaluating an offeror’s price contained in
2 any bid or proposal for any procurement in excess of
3 \$100,000, the head of the agency shall treat as containing
4 the lowest price that bid or proposal which will yield the
5 lowest net cost to the Government.

6 “(2) In determining net cost to the Government, the
7 head of the agency shall deduct from the price offered—

8 “(A) the income taxes withheld or otherwise
9 paid on wages paid to the offeror’s employees for
10 work on performance on the procurement contract;

11 “(B) projected corporate income taxes to be
12 paid by the offeror to the Government on any profits
13 made on the procurement;

14 “(C) any other rebate, refunds, assessments, or
15 other receipts which are likely to accrue to the Gov-
16 ernment as a consequence of the offeror’s perform-
17 ance of the procurement contract.

18 “(3) The Administrator of the Office of Federal Pro-
19 curement Policy shall, pursuant to section 6 of the Office
20 of Federal Procurement Policy Act, prescribe policies for
21 the implementation of this subsection.”.

22 (b) DEFENSE AGENCIES.—Section 2305 of title 10,
23 United States Code, is amended by adding at the end
24 thereof the following new subsection:

1 “(e)(1) In evaluating an offeror’s price contained in
2 any bid or proposal for any procurement in excess of
3 \$100,000, the head of the agency shall treat as containing
4 the lowest price the bid or proposal which will yield the
5 lowest net cost to the Government.

6 “(2) In determining net cost to the Government, the
7 head of the agency shall deduct from the price offered—

8 “(A) the income taxes withheld or otherwise
9 paid on wages paid to the offeror’s employees for
10 work on performance on the procurement contract;

11 “(B) projected corporate income taxes to be
12 paid by the offeror to the government on any profits
13 made on the procurement;

14 “(C) any other rebate, refunds, assessments, or
15 other receipts which are likely to accrue to the Gov-
16 ernment as a consequence of the offeror’s perform-
17 ance of the procurement contract.

18 “(3) The Administrator of the Office of Federal Pro-
19 curement Policy shall, pursuant to section 6 of the Office
20 of Federal Procurement Policy Act, prescribe policies for
21 the implementation of this subsection.”.

22 (c) CONFORMING AMENDMENTS.—(1) Section
23 303B(d)(4) of the Federal Property and Administrative
24 Services Act of 1949 is amended by striking “subsection
25 (b)” and inserting “subsections (b) and (g)”.

1 (2) Section 2305(b)(4)(D) of title 10, United States
2 Code, is amended by inserting after “paragraph (2)” the
3 following “of this subsection and subsection (e)”.

4 **SEC. 3. EFFECTIVE DATE.**

5 The amendments made by this Act shall apply with
6 respect to any procurement (the notice for which is pub-
7 lished) (the contract for which is awarded) (other test) on
8 or after (to be supplied).

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