To streamline the Government’s administrative services support structure, eliminate wasteful duplication, and create a competitive marketplace for delivery of common mission support functions throughout the Federal Government, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. MEADOWS introduced the following bill; which was referred to the
Committee on ____________________

A BILL

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the
“Federal Administrative Streamlining and Trans-
formation Act” or “The FAST Act of 2017”.

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tives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the
“Federal Administrative Streamlining and Trans-
formation Act” or “The FAST Act of 2017”.
(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. Federal Shared Services Marketplace.
Sec. 4. Marketplace performance goals.
Sec. 5. Governance roles and responsibilities.
Sec. 6. Establishment of Federal shared services advisory committee.
Sec. 7. Funding restrictions for agencies.
Sec. 8. Reports on shared services.
Sec. 9. Government accountability office reviews.

**SEC. 2. DEFINITIONS.**

In this Act:

(1) **AGENCY.**—The term “agency” means the agencies listed in section 901(b) of title 31, United States Code.

(2) **DEPUTY DIRECTOR FOR MANAGEMENT.**—The term “Deputy Director for Management” means the Deputy Director for Management of the Office of Management and Budget.

(3) **DIRECTOR.**—The term “Director” means the Director of the Office of Management and Budget.

(4) **LINE OF BUSINESS.**—The term “line of business” means a set of one or more highly related products or services that address a particular agency transaction or business need, such as financial management, human resources management, acquisition, information technology, geospatial, property management, and other administrative services.
(5) **SHARED SERVICE.**—The term “shared service”—

(A) means an administrative service or other function that has been designed to meet common, standardized requirements of multiple agencies for delivery to multiple agencies by third-party providers that specialize in the delivery of such services; and

(B) may consist of any combination of information technology, business processes, or labor components.

(6) **STATE.**—The term “State” means each State of the United States, the District of Columbia, each territory or possession of the United States, and each federally recognized Indian tribe.

**SEC. 3. FEDERAL SHARED SERVICES MARKETPLACE.**

(a) **ESTABLISHMENT.**—Not later than 1 year after the date of the enactment of this Act, the Deputy Director for Management, in consultation with the chief operating officer of each agency and other agency officials designated by the chief operating officer, shall establish a marketplace consisting of acquisition vehicles and service providers to be accessed by agencies for purchases of shared services to be known as the Federal Shared Services Marketplace.
(b) REQUIREMENTS FOR FEDERAL SHARED SERVICES MARKETPLACE.—The Federal Shared Services Marketplace shall meet the following requirements:

(1) Include a listing of shared services that are made available to an agency for procurement which shall include business process, information technology, organization, and labor services.

(2) Employ consistent, transparent, standardized business processes and pricing in the definition of and delivery of services.

(3) Use industry-standard terms and definitions for services and requirements.

(4) Leverage commercial technologies and service platforms that meet standard Governmentwide requirements as determined by the Deputy Director for Management.

(5) Allow agencies to obtain custom functionality for non-standard requirements and other exceptions to this Act only upon review and approval of business case justifications as determined or delegated by the Deputy Director for Management.

(6) Use performance metrics reflecting industry standards and those reasonably expected by agencies using shared services.
(7) Be made available through highly secure modern technology transactional platforms (such as the cloud).

(8) Ensure that customer agencies can purchase shared services through outcome-based and “as-a-service” pricing eligible for funding from agency operating budgets, as appropriate.

(c) AGENCY PARTICIPATION.—

(1) REQUIREMENT TO PURCHASE SHARED SERVICES.—The Administrator of General Services shall establish acquisition vehicles for served services to be used in the Federal Shared Services Marketplace, from which agencies shall be required to purchase shared services that have been designated as market ready by the Deputy Director for Management. Any such services shall meet basic functional requirements common to all agencies using the services, as determined by the Director of the Unified Shared Services Management Office, in consultation with the chief operating officer of each agency and other agency officials designated by the chief operating officer.

(2) TERMINATION OF LEGACY SYSTEMS.—As directed by the Deputy Director for Management, each agency shall initiate orderly termination of
predecessor legacy services and systems upon successfully completing migration to designated shared services.

(3) EXCEPTIONS.—The head of an agency may seek and obtain approval for purchases of non-standard requirements not supported in the Federal Shared Services Marketplace as an exception described in subsection (f).

(d) FUNDING.—The Federal Shared Services Marketplace may receive funding for development, transition, and implementation costs through—

   (1) investment by commercial providers that offer solutions for the Federal Shared Services Marketplace, with reasonable returns on their investments enabled by long-term contracts or other means to be defined by the Director; and

   (2) measurable cost savings realized from successful implementation of the Federal Shared Services Marketplace as defined in policy issued by the Director and subject to review and approval by the Director.

(e) MARKET FLEXIBILITY.—Open market competition, commercial investment, and customer agency choice of providers may drive the Federal Shared Services Marketplace towards increasingly higher states of innovation,
scale, utilization, security, accountability, cost-savings, and customer service.

(f) EXCEPTIONS.—Upon request by the head of an agency, the Deputy Director for Management may make exceptions to the requirements of the Federal Shared Services Marketplace and other requirements of this Act.

SEC. 4. MARKETPLACE PERFORMANCE GOALS.

(a) IMPLEMENTATION.—

(1) IN GENERAL.—The Federal Shared Services Marketplace shall be implemented at a pace to capture 80 percent of Governmentwide activity in each shared service business line within 5 years after initiation of each shared service.

(2) SELECTION OF LINES OF BUSINESS.—Not later than 90 days after the date of the enactment of this Act, the Deputy Director for Management shall select lines of business to be offered in the Federal Shared Services Marketplace and may update which lines of business are selected, as necessary.

(3) DEADLINE FOR MARKET-READY DESIGNATION.—The Deputy Director for Management shall set a deadline by which a line of business selected pursuant to paragraph (2) is designated as ready under paragraph (4).
(4) **DESIGNATION AS MARKET READY.**—The Deputy Director for Management shall designate those lines of business that are ready for inclusion in the Federal Shared Services Marketplace.

(b) **SUBMISSION OF COMPLIANCE PLAN.**—Not later than 120 days after a line of business is designated as ready under subsection (a)(4), the head of each agency shall submit to the Director an agency-wide plan to migrate the agency’s service requirements to a shared service provider within 5 years after initiation of the shared services line of business, or by an earlier date determined by the Deputy Director for Management.

**SEC. 5. GOVERNANCE ROLES AND RESPONSIBILITIES.**

(a) **SHARED SERVICES GUIDANCE.**—The Deputy Director for Management, in consultation with the chief operating officer of each agency, shall establish Government-wide policy to guide the use of shared services across agencies. The Director shall ensure that the Deputy Director for Management and other offices in the Office of Management and Budget have adequate staff and resources to properly fulfill the duties of the Deputy Director for Management described in this Act.

(b) **DUTIES.**—The duties of the Deputy Director for Management include, in consultation with the head of each agency and the Unified Shared Services Management Of-
In the General Services Administration, as appropriate, the following:

1. Initiating and overseeing orderly expansion of the Federal Shared Services Marketplace that is operated and governed by sound, consistent, and transparent business rules and commercial best practices.

2. Setting and tracking progress towards line of business, agency, and overall performance goals in the Federal Shared Services Marketplace, including those described in section 4 and other areas, as appropriate.

3. Serving as the approving authority relative to the identification of new lines of business.

4. Establishing Governmentwide acquisition vehicles and investment financing approaches that meet the requirements of the Federal Shared Services Marketplace that enable private and Federal shared services providers to compete fairly, including incentives that foster investments with measurably achievable positive return on investment across fiscal years and budget accounts.

5. Making determinations on agency requests for exceptions to the Federal Shared Services Mar-
ketplace and other requirements of this Act, as appropriate.

(6) Serving as Chair of the Federal Shared Services Advisory Committee.

(c) THE UNIFIED SHARED SERVICES MANAGEMENT OFFICE.—

(1) ESTABLISHMENT.—There is established an office within the General Services Administration to be known as the Unified Shared Services Management Office.

(2) DIRECTOR.—The head of the Unified Shared Services Management Office is the Director of the Unified Shared Services Management Office, who shall execute the following duties in ongoing consultation with and subject to approval from the Deputy Director for Management:

(A) Assist the Deputy Director for Management in the implementation and operation of the Federal Shared Services Marketplace.

(B) Establish and lead a Governmentwide process, in consultation with the chief operating officer of each agency and other agency officials designated by the chief operating officer, to establish standards and common per-
formance requirements for lines of business and
shared service providers.

(C) Maintain and publish on a public
website performance information about the
Federal Shared Services Marketplace on a reg-
ular basis, including—

(i) supply, cost, and performance data
of the shared service providers offering
services to agencies in the Federal Shared
Services Marketplace; and

(ii) agency anticipated demand for
and use of the Federal Shared Services
Marketplace.

(D) Establish an acquisition strategy for
shared services in accordance with this Act and
the following requirements:

(i) Competition among qualified
shared service providers for access to Gov-
ernmentwide service acquisition vehicles
providing qualified offerings for agency
purchases in a commercially viable shared
services marketplace.

(ii) Acquisition practices similar to
those in the commercial sector to be ap-
proved by the Deputy Director for Man-
agement, including outcome-based and “as-a-service” pricing and those that allow agencies and contractors to recover up-front investments in future years, where appropriate.

(iii) The creation of an environment in the Federal Shared Services Marketplace that provides access to, participation by, and a preference for minority-, veteran-, and women-owned businesses.

(iv) Performance metrics and service level agreements addressing priority Governmentwide objectives including the following:

(I) Cybersecurity.

(II) Customer service quality and performance.

(III) Transaction timeliness, accuracy, and data transparency.

(IV) Agency mission enhancement.

(V) Other areas to be identified by the Deputy Director for Management, the Director of the Unified Shared Services Management Office,
and other agency officials from agencies that use the Federal Shared Services Marketplace.

(E) Develop and implement policies, procedures, and guidance to accomplish the following:

(i) Enable commercial shared services providers to invest, build, and implement shared services in the Federal Shared Services Marketplace and realize reasonable returns over multi-year contracts or other financial arrangements.

(ii) Establish opportunities for public-private partnerships to participate in the Federal Shared Services Marketplace, as approved shared service providers;

(iii) Identify, measure, and realize returns on shared services investments for purposes of reducing costs and accruing savings to support future investments, including an identification of—

(I) baseline costs;

(II) cost savings;

(III) cost avoidance; and
(IV) other factors, as appropriate.

(iv) Determine when lines of business and shared service providers are market ready, capable of meeting customer agency requirements, and authorized to begin actively competing for contracts with agencies in the Federal Shared Services Marketplace.

(v) Ensure that shared services are—

(I) commercially viable and self-sustaining in the Federal Shared Services Marketplace;

(II) operated in compliance with the policies of the Deputy Director for Management and the Unified Shared Services Management Office issued pursuant to this Act; and

(III) reviewed annually.

(vi) Ensure that agency purchases of shared services are executed in accordance with this Act and consistently across the Government.

(F) Serve on the Federal Shared Services Advisory Committee.
SEC. 6. ESTABLISHMENT OF FEDERAL SHARED SERVICES ADVISORY COMMITTEE.

(a) Establishment.—There is established a committee to be known as the Federal Shared Services Advisory Committee (in this section, “Committee”).

(b) Duties.—The duties of the Committee are to provide expert advice on the use of best practices and strategies to overcome barriers to adoption and optimize performance of the Federal Shared Services Marketplace, consistent with the requirements and objectives of this Act.

(c) Meetings.—The Committee shall meet not less than four times annually.

(d) Membership.—

(1) Number and Appointment.—The Committee shall be composed of 15 members appointed by the Deputy Director for Management with at least 1 member as follows:

(A) A senior executive (such as a Chief Executive Officer or a Director) of a Federal shared service provider.

(B) An executive-level representative of a Government-designated private shared services provider or a public-private partnership approved by the Administrator of General Services.
(C) A chief operating officer from at least one large civilian agency and one small civilian agency (that is a member of the Small Agency Council) that uses shared services.

(D) The Deputy Chief Management Officer or successor official of the Department of Defense.

(E) An executive from a State or local government that has used shared services for delivery of common administrative services for at least five years.

(F) An executive-level representative of a commercial sector shared service provider or a customer of such a provider that does not participate in the Federal Shared Services Marketplace.

(G) An employee in the Senior Executive Service of the Small Business Administration.

(H) A shared services expert from the academic community or the non-profit sector.

(I) The Director of the Unified Shared Services Management Office.

(J) The Deputy Director for Management.

(2) TERMS.—
(A) IN GENERAL.—Except as provided in
subparagraphs (B) and (C), each member shall
be appointed for a term of 2 years.

(B) INITIAL APPOINTMENT.—Notwith-
standing subparagraph (A), of the members
first appointed, the Deputy Director for Man-
agement shall designate 6 of such members to
serve a one-year appointment.

(C) PERMANENT MEMBERS.—Notwith-
standing subparagraph (A), the Director of the
Unified Shared Services Management Office
and the Deputy Director for Management shall
serve for the life of the Committee. serve on a
rotating basis for single, staggered two-year
terms

(3) CHAIRPERSON.—The Chairperson of the
Committee shall be the Deputy Director for Man-
agement.

SEC. 7. FUNDING RESTRICTIONS FOR AGENCIES.

(a) RESTRICTIONS ON FUNDS.—An agency may not
expend any appropriated funds to expand staffing of func-
tions or development, modernization, and enhancement
funds to replace or make major repairs or non-essential
enhancements to extend the life of any agency systems
supporting functions for which the Deputy Director for
Management has determined that sufficient shared service
capacity is available in the Federal Shared Services Mar-
ketplace, as determined by the Deputy Director for Man-
agement.

(b) Purchase of Shared Services.—Notwith-
standing limitations in agency-specific appropriations law,
the head of an agency may acquire shared services as es-
tablished in accordance with this Act using purchasing
flexibilities that allow for “as-a-service” pricing and cross-
year funding, in accordance with guidance issued by the
Deputy Director for Management and the Director of the
Unified Shared Services Management Office.

c) Exception.—Each agency that uses shared serv-
ices providers just for that agency shall implement re-
quirements issued by the Deputy Director for Manage-
ment and the Director of the Unified Shared Services
Management Office related to cyber security, performance
measurement, and other areas determined to be necessary
and appropriate by the Deputy Director for Management,
unless the Deputy Director for Management makes an ex-
ception for that agency from such requirements justified
by sound business requirements.

d) Report for Budget Submission.—In pre-
paring migration plans to shared service providers, the
head of each agency shall identify transition-related costs
and estimated savings to be realized over a 5-year reporting period in agency budget submissions to the Director, and shall track and report on actual costs and savings throughout the reporting period.

SEC. 8. REPORTS ON SHARED SERVICES.

(a) Baseline Availability, Use, and Cost Savings Estimate.—

(1) Agency-by-Agency Baseline Assessment.—Not later than 6 months after the date of the enactment of this Act, the head of each agency shall submit to the Deputy Director for Management a report on that agency’s current and future potential use of administrative and mission-related shared services.

(2) Governmentwide Summary Report.—Not later than 9 months after the date of the enactment of this Act, the Deputy Director for Management shall consolidate the results of the reports described in paragraph (1) into a Governmentwide summary that documents the state of shared services availability, use, and potential cost savings from fully optimizing the use of available shared services and identified future shared services and submit the reports and consolidated report to Congress.
(b) **Biennial Shared Services Availability and Utilization Reports.**—Not later than March 30 of the second year following the date of the enactment of this Act and biennially thereafter, the Deputy Director for Management, in consultation with the head of each agency, shall submit to Congress a public report addressing the status of shared services availability, use, and cost savings across the Federal Government.

**SEC. 9. GOVERNMENT ACCOUNTABILITY OFFICE REVIEWS.**

Not later than six months after the date on which the each report in section 8 is submitted by the Deputy Director for Management, the Comptroller General shall review each such report and issue recommendations about how the Deputy Director for Management could improve upon the methodology and content of the report and overall shared services implementation in the future.