

EDOLPHUS "ED" TOWNS
MEMBER OF CONGRESS
10TH DISTRICT, NEW YORK

ENERGY AND COMMERCE
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COMMERCE, TRADE, AND
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GOVERNMENT REFORM
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FINANCE, AND ACCOUNTABILITY
RANKING MEMBER

Congress of the United States
House of Representatives
Washington, DC 20515-3210

January 25, 2007

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The Honorable Rob Portman
Director
The Office of Management and Budget
725 17th Street N.W.
Washington, D.C. 20503

Dear Director Portman:

As chairman of the House Oversight and Government Reform Subcommittee on Government Management, Organization, and Procurement, I am writing to seek further information about federal policies governing the ability of federal grantees to purchase goods and services through the GSA Schedules Program.

The GSA Schedules Program currently offers more than 4 million commercial goods and services to public sector customers at discounted prices deemed fair and reasonable by GSA contracting officers. The Schedules Program is a tax-saving program that reduces red-tape for vendors and their customers while ensuring the timely delivery of goods and services to federal agencies, state and local governments, public school districts, and cities and towns who choose to participate in the program.

It is my understanding that nearly 35 years ago, the Office of Management and Budget terminated the ability of federal grantees to purchase goods through GSA sources of supply. I believe Congressional oversight of this policy is long overdue. In this regard, I would appreciate your views on whether this procurement policy should be maintained. More specifically, I am seeking further explanation for this OMB policy, reasons for its continued implementation, your recommendations for any statutory changes that may be needed to ensure federal grantee participation in the GSA Schedules Program, and your views on whether this policy maximizes the use of federal grant dollars.

Thank you for your careful consideration of this request. I look forward to receiving your response no later than February 23, 2007.

Sincerely,



Edolphus Towns
Member of Congress