

## EXECUTIVE ORDER

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### ENSURING COMMERCIAL, COST-EFFECTIVE SOLUTIONS IN FEDERAL CONTRACTS

By the authority vested in me as President, by the Constitution and laws of the United States of America, it is hereby ordered:

Section 1. Purpose. A major goal of my Administration is to eliminate unnecessary and imprudent expenditures of taxpayer dollars. Previous administrations evaded statutory preferences and abused the Federal contracting framework by procuring custom products and services where a suitable or superior commercial solution would have fulfilled the Government's needs. Doing so simultaneously stifled the integration of commercially available innovations in Government procurement while increasing Government spending, resulting in avoidable waste and costly delays to the detriment of American taxpayers. My Administration will enforce existing laws directing the Federal Government to utilize, to the maximum extent practicable, the competitive marketplace and the innovations of private enterprise to provide better, more cost-effective services to taxpayers.

Sec. 2. Policy. It is the policy of my Administration that agencies shall procure commercially available products and services, including those that can be modified to fill agencies' needs, to the maximum extent practicable, including pursuant to the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355, as amended) (FASA).

Sec. 3. Definitions. For purposes of this order:

(a) "Agency" means an executive department, a military department, or any independent establishment within the meaning of 5 U.S.C. 101, 102, and 104(1), respectively, and any wholly

owned Government corporation within the meaning of 31 U.S.C. 9101(c).

(b) "Approval authority" means the senior procurement executive, designated pursuant to 41 U.S.C. 1702(c), who is responsible for management direction of the acquisition system of an agency, including implementation of the unique acquisition policies, regulations, and standards of the agency.

(c) "Contracting officer" has the meaning given in 48 C.F.R. 2.101.

Sec. 4. Review of Pending Actions. (a) Within 60 days of the date of this order, each agency's approval authority shall direct the agency's contracting officers to conduct a review of all open agency solicitations, pre-solicitation notices, solicitation notices, award notices, and sole source notices for non-commercial products or services, such as highly specialized, Government-unique systems, custom-developed products or services, or research and development requirements where the agency has not identified a satisfactory commercial option. Each contracting officer shall consolidate each such agency solicitation, pre-solicitation notice, solicitation notice, award notice, and sole source notice into a proposed application requesting approval for the purchase of the non-commercial products or services, which shall be submitted to the agency's approval authority. The proposed applications shall contain the market research and price analysis used to determine the availability of commercial products and services to meet the Government's needs and to justify the procurement of a non-commercial product or service, as required by 41 U.S.C. 3307(d) and 10 U.S.C. 3453(c) and 3453(d), as applicable, and the rationale for pursuing a Government-unique, custom-developed or otherwise non-commercial product or service.

(b) Within 30 days of the date of the receipt of the proposed applications for solicitation of non-commercial products or services under subsection (a) of this section, each approval authority shall:

- (i) assess each proposed application's compliance with FASA, including the sufficiency of the market research and price analysis provided in support of the procurement of non-commercial products or services, and take appropriate action with respect to any deficiencies in the proposed application, including returning the application or any portion of the application to the contracting officer for additional research or action with respect to potential commercial products or services; and
- (ii) make appropriate recommendations to advance the solicitation of commercial products or services where those products or services would be sufficient to serve the applicable procurement needs.

(c) Within 120 days of the date of this order and annually thereafter, each agency's approval authority shall provide a report to the Director of the Office of Management and Budget (OMB) detailing the agency's compliance with FASA and its progress toward implementing the policies of this order.

Sec. 5. Oversight of Non-Commercial Procurements. (a)

Whenever an agency proposes to solicit a non-commercial product or service, the applicable contracting officer shall provide the agency's approval authority with a description of the proposed procurement, which shall include the specific reasons a non-commercial product or service is required, including all market research and price analysis in support of the proposed solicitation for such product or service. The approval

authority shall review and approve or deny the proposal in writing.

(b) In conducting the review under subsection (a) of this section, the approval authority may seek input regarding the proposal from the Director of OMB. In such cases, the Director of OMB, in consultation with the Administrator for Federal Procurement Policy, shall review and assess the validity of the proposal, including the thoroughness of the market research and price analysis, and shall notify the approval authority in writing whether the Director of OMB recommends that the proposal be approved or denied.

Sec. 6. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

- (i) the authority granted by law to an executive department or agency, or the head thereof; or
- (ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

DONALD J. TRUMP

THE WHITE HOUSE,

April 15, 2025.