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PSC Welcomes Defense Department's Proposed Rule to Restrict LPTA

Arlington, Va. (Feb. 6, 2019) – The Professional Services Council (PSC) <u>submitted comments</u> on Feb. 1 to the Department of Defense (DoD) in support of its Dec. 4, 2018 proposed rule restricting the use of the Lowest Price Technically Acceptable (LPTA) source selection process for Defense Department services contracts. PSC commended the Department's action and called for uniform limitations on LPTA across the federal government.

The proposed rule would implement Section 813 of the Fiscal Year 2017 National Defense Authorization Act (NDAA), as amended by the FY18 NDAA, which prohibits the Department from using LPTA unless eight defined criteria are met, and specifically requires DoD to avoid—to the maximum extent practicable—using LPTA predominantly for the acquisition of several specified categories of services, including information technology and other knowledge-based professional services.

"PSC acknowledges that LPTA has a place in the acquisition toolbox and, when appropriate, can achieve desired outcomes. However, applying LPTA to complex professional or IT services is particularly ill-advised," <u>wrote PSC Executive Vice President and Counsel Alan Chvotkin.</u> "The implementation of this rule would promote value and innovation within professional and IT services and reduce long-terms costs to the federal government."

Additionally, Section 880 of the FY19 NDAA included nearly identical language restricting LPTA for civilian agencies' services contracts, with the addition of "heath care services and records, and telecommunications devices and services." PSC recommended including these services in any DFARS final rule to create consistency between the FAR and DFARS, and to help contractors that provide services to both defense and civilian agencies operate more effectively and efficiently. PSC pledged to work with the FAR Council and the OFPP Administrator to encourage the adoption of a uniform, government-wide limitation on LPTA.

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About PSC: PSC is the voice of the government technology and professional services industry. PSC's nearly 400 member companies represent small, medium and large businesses that provide federal agencies with services of all kinds, including information technology, engineering, logistics, facilities management, operations and maintenance, consulting, international development, scientific, social, environmental services, and more. Together, the trade association's members employ hundreds of thousands of Americans in all 50 states. Follow PSC on Twitter <u>@PSCSpeaks</u>. To learn more, visit <u>www.pscouncil.org</u>.