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OMB releases third round of FAIR Act lists

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More than 537,000 federal jobs at roughly 30 agencies could be outsourced, the Office of Management and Budget announced Thursday.

The third round of 2002 job inventories, released by OMB in the Feb. 6 *Federal Register*, included the Defense and Transportation departments and 31 other agencies. Of the 1.1 million jobs analyzed in the third round, OMB determined that 1998 Federal Activities Inventory Reform (FAIR) Act rules would allow the private sector to perform slightly more than half, or 537,517 jobs.

The 1998 FAIR Act requires agencies to compile lists of federal jobs that are “commercial in nature” and could be performed by contractors. Every year OMB reviews the lists and releases them to Congress and the public in several rounds.

In the [first](#) and [second](#) 2002 FAIR Act inventories, OMB put a total of 129,284 positions in 55 agencies on the list of jobs eligible for outsourcing.

The other half of the jobs in the third round of inventories—522,634 positions—are “inherently governmental” and are off-limits for outsourcing, according to OMB, which started publishing lists of inherently governmental jobs in 2002. In the first two rounds of 2002, OMB placed a total of 242,193 positions in this category.

In mid-December, the Transportation Department decided that its [air traffic control operations are no longer inherently governmental](#) and classified the controller jobs as Category A commercial. Though Category A jobs are not subject to competition, they could be shifted into another category that would allow the administration to compete them.

OMB has said that requiring agencies to submit inherently governmental jobs allows officials to better scrutinize agencies’ FAIR Act lists, ensuring that the FAIR Act inventories are accurate. Under the FAIR Act, contractors, unions and employees can challenge the lists if they think certain jobs should have been included or excluded.

The Bush administration is relying on accurate FAIR Act lists for use in its competitive sourcing initiative, which requires agencies to compete 15 percent of all jobs on the inventories by October 2003.