

ALERT

Trump Administration Seeks to Consolidate Government Procurement, Eliminating Duplicative Contract Vehicles

March 24, 2025

WHAT: The Trump Administration's ongoing effort to rein in government spending continues with the issuance of an Executive Order (EO) aimed at consolidating federal procurement authority in the U.S. General Services Administration (GSA). The EO also seeks to eliminate duplicative government-wide acquisition contracts (GWACs) for the acquisition of information technology (IT) and other "common goods and services" that are procured government-wide and identified in categories previously established by the Category Management Leadership Council led by the Office of Management and Budget (OMB).

Entitled "Eliminating Waste and Saving Taxpayer Dollars by Consolidating Procurement," this latest EO calls for consolidation of procurement authority in GSA, by requiring all federal agencies to develop plans to have GSA "conduct domestic procurement with respect to common goods and services" on behalf of the agency. The EO also calls for GSA to be designated as the "executive agent" for all IT GWACs, and to "rationalize" existing GWACs by "identifying and eliminating contract duplication, redundancy, and other inefficiencies." Although "executive agent" is not defined in the EO, OMB has authority under 40 U.S.C. § 11302 to designate agencies to act as executive agents and be responsible for issuing and administering IT GWACs.

According to the EO, the Administration aims to return GSA to its "original purpose" of providing "an economical and efficient system" for procuring services for agencies, while at the same time eliminating "waste and duplication" and "enabling agencies to focus

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on their core mission of delivering the best possible services for the American people.”

WHEN: President Trump issued the EO on March 20, 2025. Within 60 days of the EO (May 19, 2025), agencies are required to submit plans to have GSA conduct procurements of goods and services on the agencies’ behalf. GSA, in turn, is required to submit a comprehensive plan for conducting procurements “across the domestic components of the Government” within 90 days of the EO (June 18, 2025).

In addition, the EO calls for GSA to be designated as the “executive agent” for all IT GWACs within 30 days (April 20, 2025), and for GSA to review those GWACs on an ongoing basis to identify and eliminate “contract duplication, redundancy, and other inefficiencies.”

WHAT IT MEANS FOR INDUSTRY: The EO is just the latest action by the Trump Administration that seeks to eliminate perceived waste and inefficiency in federal procurement. (See our Trump Administration Resource Center for discussion of significant Executive actions relating to federal procurement.)

In some ways, the EO’s call for consolidation of procurement authority is nothing new. For example, GSA’s Federal Strategic Sourcing Initiative (FSSI), as well as the more recent government-wide Category Management initiative, have for years aimed to take a more “strategic approach of buying common goods and services collectively across the federal government,” by establishing contract vehicles with discounted prices across 10 different categories of common agency spend (e.g., wireless services, office products, travel, IT, professional services, etc.). And GSA already supports other agency procurements through the Federal Supply Schedules program, as well as GSA’s Assisted Acquisition Service (AAS).

Unlike prior efforts to consolidate government procurement spending, however, the current initiative is being undertaken in conjunction with the Administration’s ongoing effort to reduce government spending – being spearheaded by the Department of Government Efficiency (DOGE). A Fact Sheet accompanying the EO touts GSA’s “termination or economization” of more than 6,000 contracts in accordance with the DOGE EOs (see here for prior alerts), and projects that the consolidation of authority in GSA will “build on” these efforts and save up to \$50 billion per year by “centralizing and standardizing” procurement and pricing across the government.

The full extent of the EO’s actual impact on federal contractors remains to be determined. One likely impact will be delays in procurements while agencies and GSA develop plans to consolidate procurements over the next 90 days. Once those plans have been developed, additional delays could occur as GSA works to handle an increased workload as a result of the consolidation, while at the same time shrinking the size of its workforce as called for in earlier EOs. There might also be delays as GSA contracting officers come up to speed with any agency-specific needs.

Another likely impact will be greater competition for fewer contracting opportunities. The EO’s most significant impact on contractors could be the elimination of non-GSA IT GWACs, which are pre-competed, multiple-award contracts administered by a single agency that other federal agencies can use to buy a wide range of information technology products and services. GWACs were first authorized in 1996 with the passage of the Clinger-Cohen Act, as part of the Clinton-era procurement reforms. Using that authority, multiple agencies

have established GWACs that are used by agencies across the government to make billions of dollars in IT purchases from hundreds of contractors each year – including, for example, NASA’s SEWP Contract, NIH’s CIO Contracts, and GSA’s Alliant, VETS and 8(a) STARS GWACs.

And while the EO focuses on elimination of IT GWACs, the broader references to “common goods and services” and the Fact Sheet’s discussion of the DOGE’s broader cost-cutting efforts seem to suggest that other non-IT contract vehicles could be targeted for elimination, as well. Elimination of these vehicles – which often take years to compete – could result in greater competition for fewer contracting opportunities, particularly in the IT space.

Wiley’s Government Contracts Practice will continue to monitor these developments and update contractors as the Trump Administration moves forward with its consolidation efforts.

To stay informed on all the directives and announcements from the Trump Administration, please visit our dedicated resource center below.

Wiley's Trump Administration Resource Center