

Publications

March 28, 2025 • Updates

GSA Expansion under Executive Order “Eliminating Waste and Saving Taxpayer Dollars by Consolidating Procurement”

On March 20, 2025, President Trump issued an Executive Order (the “Order”) targeted at consolidating domestic government procurement processes. Titled “Eliminating Waste and Saving Taxpayer Dollars by Consolidating Procurement,” this Order aims to streamline Federal procurement by consolidating it under the General Services Administration (GSA) rather than continuing the current practice of allowing all executive agencies and their subcomponents to manage much of their own procurement processes. As the Federal government is the largest buyer of goods and services globally, this Order seeks to enhance efficiency and effectiveness in procurement by better aligning with the GSA’s original purpose established in 1949—to consolidate the Federal government’s resources in order to streamline administrative work. The Order proposes that by centralizing procurement functions, the Federal government can better eliminate waste and duplication, allowing for the efficient use of taxpayer dollars and allowing agencies to focus on their core missions.

To ensure consistency across Federal procurement activities, the Order defines several key terms. The term “Administrator” shall refer to the GSA Administrator—not any agencies’ independent administrators— and “Agency” shall retain its definition as per Section 3502 of Title 44, but with an emphasis on the Executive Office of the President’s *exclusion* from this definition. “Common goods and services” are to be those defined by the Office of Management and Budget’s (OMB) Category Management Leadership Council, while an “indefinite delivery contract vehicle” refers to agreements that allow flexible ordering over time. The intention behind laying out these definitions is to further ensure clarity and consistency across to be-consolidated Federal procurement activities.

Next Steps for Implementation

The order outlines a clear timeline for procurement consolidation. By April 19, 2025, the GSA Administrator will be designated as the executive agent for government-wide acquisition contracts (GWACs) for information technology. The GSA Administrator, in consultation with the Director of OMB, will also defer or decline the executive agent designation for GWACs for information technology, when necessary, to ensure continuity of service. Further, the GSA Administrator must, on an ongoing basis, “rationalize” Government-wide indefinite delivery contract vehicles for information technology for

Related People

- James W. Kim
- Cate Baskin
- Olivia Velasco

Related Capabilities

- Government Investigations
- Health Care
- Life Sciences
- Executive Orders

agencies across the Government to reduce contract duplication, redundancy, and other inefficiencies. By April 3, 2025, the OMB must issue a memorandum to agencies implementing the aforementioned requirements. By May 19, 2025, Federal agency heads must submit proposals for the GSA to handle the procurement of common goods and services. The GSA Administrator is then tasked with submitting a comprehensive plan to the OMB by June 18, 2025.

Potential Implications for Government Contractors

The Order emphasizes that so as not to impair existing legal authorities or budgetary functions, its decree must be implemented in accordance with applicable laws and available appropriations. Perhaps most importantly, this Order does not create any new enforceable rights or benefits against the U.S. government, suggesting a potentially limited ability of government contractors to protest or dispute the allocation of Federal awards.

On the same day of the Order's release, the GSA held an all-hands meeting where the head of GSA's Federal Acquisition Service is reported as stating, "[o]ver the coming months, we are going to ingest all domestic, commercial goods and services inside the GSA. We're not going to do all \$900 billion, but we will do about \$400 billion, so we're going to quadruple our size."¹

Polsinelli's Government Contracts team has deep experience working with the GSA on behalf of clients and will continue to monitor these developments. If your business may be impacted by this Order, please feel free to reach out to James Kim, Cate Baskin, Olivia Velasco, Polsinelli's Executive Action Working Group or your regular Polsinelli attorney.

[1] <https://www.nextgov.com/acquisition/2025/03/gsa-quadruple-size-centralize-procurement-across-government/403935/>.