

[Floor Situation](#) | [Summary](#) | [Background](#) | [Cost](#) | [Staff Contact](#)

## [S. 565, Federal Vehicle Repair Cost Savings Act of 2015](#)

### FLOOR SITUATION

On Monday, September 28, 2015, the House will consider [S. 565](#), *the Federal Vehicle Repair Cost Savings Act of 2015*, under suspension of the rules. S. 565 was introduced on February 25, 2015 by Sen. Gary Peters (D-MI) and passed the Senate by unanimous consent on June 15, 2015.

### SUMMARY

S. 565 “seeks to reduce the operation and maintenance costs associated with the Federal fleet by encouraging the use of remanufactured parts.”<sup>1</sup> The bill requires the head of each federal agency to encourage the use of remanufactured vehicle components to maintain federal vehicles if their use reduces costs and maintains quality. The bill includes exceptions in instances where using such components does not reduce costs of maintaining vehicles, lowers the quality of vehicle performance, or delays the return to service of a vehicle. The bill defines ‘remanufactured vehicle component’ as one “that has been returned to same-as-new, or better, condition and performance by a standardized industrial process that incorporates technical specifications (including engineering, quality, and testing standards) to yield fully warranted products.”

### BACKGROUND

Under current law, federal agencies generally are permitted to “allow vehicle operators or local fleet managers to make vehicle maintenance and repair decisions.”<sup>2</sup> In March, 2013, the Government Accountability Office (GAO) reviewed the vehicle repair process for selected agencies (accounting for 95 percent of the civilian Federal fleet vehicles) and [reported](#) that, in fiscal year 2011, “federal civilian agencies reported about \$975 million in maintenance and repair costs for approximately 588,000 vehicles that the agencies owned.”<sup>3</sup>

The House Committee on Oversight and Government Reform ordered an identical bill (H.R. 1613) reported by voice vote on July 22, 2015. According to the sponsor of the House bill, the legislation

<sup>1</sup> [Senate Report 114-59](#) at 1.

<sup>2</sup> Id.

<sup>3</sup> Id at 2.

“will save taxpayer dollars by encouraging federal agencies to use remanufactured vehicle components such as engines, transmissions, alternators, and starters. Remanufactured parts are a responsible and cost effective alternative to maintain the fleets of vehicles across the federal government.”<sup>4</sup>

### **COST**

The Congressional Budget Office (CBO) [estimates](#) that implementing S. 565 would have no significant effect on the federal budget. Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

### **STAFF CONTACT**

For questions or further information please contact [Jerry White](#) with the House Republican Policy Committee by email or at 5-0190.

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<sup>4</sup> See Press Release—[“Huizenga Introduces Bipartisan Legislation To Save Taxpayer Dollars, Create Jobs in Michigan,”](#) March 26, 2015.