



## **U.S. AbilityOne Commission Announces Final Rule to Support Competition in the AbilityOne Program**

WASHINGTON, D.C., March 21, 2024 – The U.S. AbilityOne Commission today announced a [final rule](#) delivering on one of the top priorities of the Section 898 “Panel on Department of Defense and AbilityOne Contracting Oversight, Accountability, and Integrity” created by the 2017 NDAA. The rule introduces limited competition within the AbilityOne Program considering price and non-price factors as selection criteria for awarding high dollar value services contracts.

Key benefits of the rule include:

- **Responds to needs of Federal customers:** The rule helps to ensure that the AbilityOne Program best supports Federal customers in their desire to consider price, as well as performance and other non-price factors, on high dollar value services contracts.
- **Establishes price among other evaluation factors in a select and limited number of high dollar competitions, while still protecting jobs and rewarding a nonprofit agency’s delivery of employee career development activities.**
- **Ensures that the AbilityOne Commission maintains broad discretion** in deciding whether a Federal agency may use the new price competition system.
- **Modifies the process for establishing the Fair Market Price on all contracts,** to address the needs of both Federal customers and nonprofit agencies.
- **Reinforces the authority of the AbilityOne Commission to deauthorize nonprofit agencies** that are not meeting the needs of the Federal customer or the mission of the Program.
- **Reflects extensive engagement with stakeholders and directly responds to and adopts major elements of stakeholder feedback:** The final rule carefully focuses attention and resources on the largest services contracts in the AbilityOne Program.

“Stewardship of taxpayer dollars is reflected in this rule and central to the Commission’s commitment to modernize the AbilityOne Program,” said Commission Chairperson Jeffrey A. Koses. “It reflects our commitment to supporting Federal agencies and encourages them to bring significant new work to the Program. We expect it to increase good jobs for people who are blind or have significant disabilities.”

“This rule appropriately responds to the concerns raised by nonprofit agencies and the disability community regarding the possible unintended consequences of price competition between nonprofit agencies,” said Commission Vice Chairperson Chai Feldblum. “The final rule ensures that the work of nonprofit agencies in supporting the career development of their AbilityOne employees will be considered as a positive factor during the selection process for the competition.”

“As the past Chair of the 898 Panel, I applaud the Commission for implementing the Panel’s recommendation to establish competition in the AbilityOne Program,” said John Tenaglia, Principal Director, Defense Pricing and Contracting, Department of Defense. “In FY 2023, DoD procured \$2.6 billion of AbilityOne products and services. We greatly appreciate the dedication of the AbilityOne workforce and look forward to our continued partnership to increase business with the Program resulting in employment opportunities for individuals who are blind or have other significant disabilities.”

“The rule strikes a balance between meeting the business needs of our Federal customers and ensuring we continue to advance the AbilityOne Program mission,” said Kimberly Zeich, Commission Executive Director. “It also directly aligns with the agency’s Strategic Plan for FY 2022-2026.”

The Commission unanimously approved the rule and, with the Commission staff, will work with stakeholders to develop policies and procedures to implement the rule.

### **About the U.S. AbilityOne Commission**

The AbilityOne Program is administered by the U.S. AbilityOne Commission, the operating name of the Committee for Purchase From People Who Are Blind or Severely Disabled. The Commission is an independent Federal agency composed of 15 Presidential appointees: 11 represent Federal agencies, and four serve as private citizens who are knowledgeable about employment barriers facing people who are blind or have significant disabilities.

### **About the AbilityOne Program**

The AbilityOne Program facilitates the use of government procurement to provide employment in the United States for people who are blind or have significant disabilities. Approximately 37,000 individuals, including approximately 2,500 veterans, are employed nationwide at more than 420 nonprofit agencies from Maine to Guam. AbilityOne provided more than \$4 billion in products and services to approximately 40 Federal government agencies in FY 2023.

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