



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

December 2, 2021

Statement from OMB Deputy Director for Management Jason Miller

**Budgetary Impact Analysis for Executive Order Entitled
“Nondisplacement of Qualified Workers Under Service Contracts”**

This executive order will provide a right of first refusal to qualified employees of the predecessor contractor when a new contractor takes over a service contract. Implementing this executive order would have no impact on costs and revenues to the Federal Government. The benefits of this executive order include improving the economy and efficiency of Federal procurement by reducing the turnover – and costs associated with turnover – of skilled workers on Federal contracts. This executive order would have no impact on mandatory and discretionary obligations and outlays, as well as on revenues to the Federal Government, in the 5-year fiscal period beginning in fiscal year 2021. The agencies anticipated to be impacted by this executive order are agencies with significant numbers of Service Contract Act workers on their contracts, including the Department of Defense and Department of Health and Human Services.