

114TH CONGRESS
2D SESSION

H. R. 4897

To establish an information technology modernization fund and board, and
for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 11, 2016

Mr. HOYER (for himself, Mr. CUMMINGS, Mr. PALLONE, Mr. SERRANO, Mr. CONNOLLY, Ms. DUCKWORTH, Ms. KELLY of Illinois, and Mr. TED LIEU of California) introduced the following bill; which was referred to the Committee on Oversight and Government Reform

A BILL

To establish an information technology modernization fund
and board, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Information Tech-
5 nology Modernization Act”.

6 **SEC. 2. ESTABLISHMENT OF INFORMATION TECHNOLOGY**

7 **MODERNIZATION FUND AND BOARD.**

8 (a) INFORMATION TECHNOLOGY MODERNIZATION

9 FUND.—

1 (1) ESTABLISHMENT.—There is established in
2 the Treasury an Information Technology Moderniza-
3 tion Fund (in this section referred to as the
4 “Fund”) for technology related activities, to improve
5 information technology, and to enhance cybersecu-
6 rity across the Federal Government.

7 (2) ADMINISTRATION OF FUND.—The Adminis-
8 trator of General Services shall administer the Fund
9 in accordance with this subsection.

10 (3) USE OF FUNDS.—The Administrator of
11 General Services may, in accordance with the rec-
12 ommendations of the Information Technology Mod-
13 ernization Board established in subsection (b), make
14 use of amounts in the Fund for the following pur-
15 poses:

16 (A) To transfer such amounts, to remain
17 available until expended, to the head of an
18 agency to improve, retire, or replace existing in-
19 formation technology systems to enhance cyber-
20 security and improve efficiency and effective-
21 ness.

22 (B) For the development, operation, and
23 procurement of information technology prod-
24 ucts, services, and acquisition vehicles for use
25 by agencies to improve Governmentwide effi-

1 ciency and cybersecurity in accordance with the
2 requirements of the agencies.

3 (C) To provide services or work performed
4 in support of the activities described under sub-
5 paragraph (A) or (B).

6 (4) DEPOSIT OF FUNDS.—

7 (A) IN GENERAL.—Effective on October 1,
8 2016, there is appropriated to the Fund, out of
9 any money in the Treasury not otherwise ap-
10 propriated, \$3,000,000,000.

11 (B) OTHER CREDITS.—The Fund shall be
12 credited with all reimbursements, advances, or
13 refunds or recoveries relating to information
14 technology or services provided through the
15 Fund.

16 (C) AVAILABILITY.—Amounts deposited,
17 credited, or otherwise made available to the
18 Fund shall be available without regard to fiscal
19 year limitation.

20 (5) REIMBURSEMENT.—

21 (A) PAYMENT BY AGENCY.—For a product
22 or service developed under paragraph (3), the
23 head of an agency that uses such product or
24 service shall pay an amount fixed by the Ad-

1 administrator of General Services in accordance
2 with this subsection.

3 (B) REIMBURSEMENT BY AGENCY.—The
4 head of an agency shall reimburse the Fund for
5 any transfer made under paragraph (3)(A) in
6 accordance with the terms established in the
7 written agreement described in paragraph (6).
8 Notwithstanding any other provision of law, an
9 agency may make a reimbursement required by
10 this subparagraph from any appropriation avail-
11 able for information technology activities. An
12 obligation to make a payment under an agree-
13 ment described in paragraph (6) in a future fis-
14 cal year shall be recorded pursuant to section
15 1501 of title 31, United States Code, in the fis-
16 cal year in which the payment is due.

17 (C) PRICES FIXED BY ADMINISTRATOR OF
18 GENERAL SERVICES.—The Administrator of
19 General Services, in consultation with the Di-
20 rector of the Office of Management and Budg-
21 et, shall establish amounts to be paid by an
22 agency and terms of repayment for use of a
23 product or service developed under paragraph
24 (3) at levels sufficient to ensure the solvency of
25 the Fund, including operating expenses. Before

1 making any changes to the established amounts
2 and terms of repayment, the Administrator of
3 General Services shall conduct a review and
4 consult with the Director of the Office of Man-
5 agement and Budget.

6 (D) FAILURE TO MAKE TIMELY REIM-
7 BURSEMENT.—The Administrator of General
8 Services may obtain reimbursement by the
9 issuance of transfer and counterwarrants, or
10 other lawful transfer documents, supported by
11 itemized bills, if payment is not made by a req-
12 uisitioning agency—

13 (i) within 90 days after the expiration
14 of a repayment period described in the
15 written agreement described in paragraph
16 (6)(A); or

17 (ii) within 45 days after the expiration
18 of the time period to make a payment
19 under a payment schedule for a product or
20 service developed under paragraph (3).

21 (6) WRITTEN AGREEMENT.—

22 (A) IN GENERAL.—Before the transfer of
23 funds to an agency under paragraph (3)(A), the
24 Administrator of General Services and the head
25 of the requisitioning agency shall enter into a

1 written agreement documenting the purpose for
2 which the funds will be used and the terms of
3 repayment. An agreement made pursuant to
4 this subparagraph shall be recorded as an obli-
5 gation as provided in paragraph (5)(B).

6 (B) REQUIREMENT FOR USE OF INCRE-
7 MENTAL DEVELOPMENT PRACTICES.—For any
8 funds transferred to an agency under para-
9 graph (3)(A), in the absence of compelling cir-
10 cumstances documented by the Administrator
11 of General Services at the time of transfer, such
12 funds shall be transferred only on an incre-
13 mental basis, tied to metric-based development
14 milestones achieved by the agency, to be de-
15 scribed in the written agreement required pur-
16 suant to subparagraph (A).

17 (b) INFORMATION TECHNOLOGY MODERNIZATION
18 BOARD.—

19 (1) ESTABLISHMENT.—There is established an
20 Information Technology Modernization Board (in
21 this section referred to as the “Board”) which shall
22 evaluate all proposals for modernization submitted
23 by agencies of information technology used in the
24 Federal Government.

1 (2) RESPONSIBILITIES.—The responsibilities of
2 the Board are to—

3 (A) provide input to the Director of the
4 Office of Management and Budget for the de-
5 velopment of processes for agencies to submit
6 modernization proposals to the Board and to
7 establish the criteria by which such proposals
8 are evaluated, which shall include addressing
9 the greatest security and operational risks, hav-
10 ing the greatest Governmentwide impact, and
11 having a high probability of success based on
12 factors such as a strong business justification,
13 technical design, procurement strategy (includ-
14 ing adequate use of incremental development
15 practices), and program management;

16 (B) make recommendations to the Admin-
17 istrator of General Services to assist agencies in
18 the further development and refinement of se-
19 lect submitted modernization proposals, based
20 on an initial evaluation performed with the as-
21 sistance of the Administrator of General Serv-
22 ices;

23 (C) review and prioritize, with the assist-
24 ance of the Administrator of General Services
25 and the Director of the Office of Management

1 and Budget, modernization proposals based on
2 criteria established pursuant to subparagraph
3 (A);

4 (D) identify, with the assistance of the Ad-
5 ministrator of General Services, opportunities
6 to improve or replace multiple information tech-
7 nology systems with a smaller number of infor-
8 mation technology systems common to multiple
9 agencies;

10 (E) recommend the funding of agency
11 modernization proposals, in accordance with the
12 uses in subsection (a)(3)(A), to the Adminis-
13 trator of General Services; and

14 (F) monitor, in consultation with the Ad-
15 ministrator of General Services, progress and
16 performance in executing approved projects
17 and, if necessary, recommend the suspension or
18 termination of funding for projects that fail to
19 meet the terms of the written agreement de-
20 scribed in subsection (a)(6).

21 (3) MEMBERSHIP.—The Board shall consist of
22 7 voting members.

23 (4) CHAIR.—The Administrator of the Office of
24 Electronic Government shall serve as the chair of
25 the Board.

1 (5) PERMANENT MEMBERS.—The permanent
2 members of the Board shall be the following:

3 (A) The Administrator of the Office of
4 Electronic Government.

5 (B) A senior official from the General
6 Services Administration, who shall be appointed
7 by the Administrator of General Services.

8 (6) ADDITIONAL MEMBERS OF THE BOARD.—

9 (A) APPOINTMENT.—The other members
10 of the Board shall be appointed as follows:

11 (i) An employee of the National Insti-
12 tute of Standards and Technology of the
13 Department of Commerce, by the Sec-
14 retary of Commerce.

15 (ii) An employee of the National Pro-
16 tection and Programs Directorate of the
17 Department of Homeland Security, by the
18 Secretary of Homeland Security.

19 (iii) Three Federal employees pri-
20 marily having technical expertise in infor-
21 mation technology development, financial
22 management, cybersecurity and privacy,
23 and acquisition, by the Director of the Of-
24 fice of Management and Budget.

1 (B) TERM.—Each member of the Board
2 described in paragraph (A) shall serve a term
3 of one year, which shall be renewable up to
4 three times, at the discretion of the appointing
5 Secretary or Director, as applicable.

6 (7) PROHIBITION ON COMPENSATION.—Mem-
7 bers of the Board may not receive additional pay, al-
8 lowances, or benefits by reason of their service on
9 the Board.

10 (8) STAFF.—Upon request of the chair of the
11 Board, the Director of the Office of Management
12 and Budget and the Administrator of General Serv-
13 ices may detail, on a nonreimbursable basis, any of
14 the personnel of the Office or the General Services
15 Administration (as the case may be) to the Board to
16 assist it in carrying out its functions under this Act.

17 (c) RESPONSIBILITIES OF THE ADMINISTRATOR OF
18 GENERAL SERVICES.—

19 (1) IN GENERAL.—In addition to the respon-
20 sibilities described in subsection (a), the Adminis-
21 trator of General Services shall support the activities
22 of the Board and provide technical support to, and
23 oversight of, agencies that receive transfers from the
24 Fund.

1 (2) RESPONSIBILITIES.—The responsibilities of
2 the Administrator of General Services are to—

3 (A) provide direct technical support in the
4 form of personnel services or otherwise to agen-
5 cies transferred amounts under subsection
6 (a)(3)(A) and for products, services, and acqui-
7 sition vehicles funded under subsection
8 (a)(3)(B);

9 (B) assist the Board with the evaluation,
10 prioritization, and development of agency mod-
11 ernization proposals;

12 (C) perform regular project oversight and
13 monitoring of approved agency modernization
14 projects, in consultation with the Board and the
15 Director of the Office of Management and
16 Budget, to increase the likelihood of successful
17 implementations and reduce waste; and

18 (D) publish and maintain a list of projects
19 funded by the Fund on a public dashboard to
20 be updated not less than quarterly, that in-
21 cludes a description of the project, project sta-
22 tus, and financial expenditure data related to
23 the project.

1 (d) AGENCY DEFINED.—In this section, the term
2 “agency” has the meaning given that term in section 551
3 of title 5, United States Code.

○