

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. CROWLEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

MODERNIZING GOVERNMENT TECHNOLOGY ACT OF 2016

Mr. HURD of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6004) to modernize Government information technology, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6004

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Modernizing Government Technology Act of 2016” or the “MGT Act”.

SEC. 2. FINDINGS; PURPOSES.

(a) FINDINGS.—The Congress finds the following:

(1) The Federal Government spends nearly 75 percent of its annual information technology funding on operating and maintaining existing, legacy information technology systems. These systems can pose operational risks, including rising costs and inability to meet mission requirements. These systems also pose security risks, including the inability to use current security best practices, such as data encryption and multi-factor authentication, making these systems particularly vulnerable to malicious cyber activity.

(2) In 2015, the Government Accountability Office (GAO) designated Improving the Management of IT Acquisitions and Operations to its biannual High Risk List and identified as a particular concern the increasing level of information technology spending on Operations and Maintenance making less funding available for development or modernization. The GAO also found the Government has spent billions on failed and poorly performing IT investments due to a lack of effective oversight.

(3) The Federal Government must modernize Federal IT systems to mitigate existing operational and security risks.

(4) The efficiencies, cost savings, and greater computing power, offered by modern-

ized solutions, such as cloud computing, have the potential to—

(A) eliminate inappropriate duplication and reduce costs;

(B) address the critical need for cyber security by design; and

(C) move the Federal Government into a broad, digital-services delivery model that will transform the Federal Government’s ability to meet mission requirements and deliver services to the American people.

(b) PURPOSES.—The purposes of this Act are the following:

(1) Assist the Federal Government in modernized Federal information technology to mitigate current operational and security risks.

(2) Incentivize cost savings in Federal information technology through modernization.

(3) Accelerate the acquisition and deployment of modernized information technology solutions, such as cloud computing, by addressing impediments in the areas of funding, development, and acquisition practices.

SEC. 3. ESTABLISHMENT OF AGENCY INFORMATION TECHNOLOGY SYSTEMS MODERNIZATION AND WORKING CAPITAL FUNDS.

(a) INFORMATION TECHNOLOGY SYSTEM MODERNIZATION AND WORKING CAPITAL FUNDS.—

(1) ESTABLISHMENT.—There is established in each covered agency an information technology system modernization and working capital fund (in this section referred to as the “IT working capital fund”) for necessary expenses for the agency described in paragraph (3).

(2) SOURCE OF FUNDS.—Amounts may be deposited into an IT working capital fund as follows:

(A) Reprogramming of funds, including reprogramming of any funds available on the date of the enactment of this Act for the operation and maintenance of legacy information technology systems, in compliance with any applicable reprogramming law or guidelines of the Committees on Appropriations of the House of Representatives and the Senate.

(B) Transfer of funds, including transfer of any funds available on the date of the enactment of this Act for the operation and maintenance of legacy information technology systems, but only if transfer authority is specifically provided for by law.

(C) Amounts made available through discretionary appropriations.

(3) USE OF FUNDS.—An IT working capital fund established under paragraph (1) may be used, subject to the availability of appropriations, only for the following:

(A) To improve, retire, or replace existing information technology systems to improve efficiency and effectiveness.

(B) To transition to cloud computing and innovative platforms and technologies.

(C) To assist and support covered agency efforts to provide adequate, risk-based, and cost-effective information technology capabilities that address evolving threats to information security.

(D) Reimbursement of funds transferred from the Information Technology Modernization Fund established under section 4, with the approval of the agency Chief Information Officer.

(4) EXISTING FUNDS.—An IT working capital fund may not be used to supplant funds provided for the operation and maintenance of any system already within an appropriation for the covered agency at the time of establishment of the IT working capital fund.

(5) REPROGRAMMING AND TRANSFER OF FUNDS.—The head of each covered agency shall prioritize funds within the IT working capital fund to be used initially for cost savings activities approved by the covered agency Chief Information Officer, in consultation

with the Administrator of the Office of Electronic Government. The head of each covered agency may—

(A) reprogram any amounts saved as a direct result of such activities for deposit into the applicable IT working capital fund, consistent with paragraph (2)(A); and

(B) transfer any amounts saved as a direct result of such activities for deposit into the applicable IT working capital fund, consistent with paragraph (2)(B).

(6) RETURN OF FUNDS.—Any funds deposited into an IT working capital fund shall be available for obligation for 3 years after the date of such deposit.

(7) AGENCY CIO RESPONSIBILITIES.—In evaluating projects to be funded from the IT working capital fund, the covered agency Chief Information Officer shall consider, to the extent applicable, guidance established pursuant to section 4(a)(1) to evaluate applications for funding from the Information Technology Modernization Fund that include factors such as a strong business case, technical design, procurement strategy (including adequate use of incremental software development practices), and program management.

(b) REPORTING REQUIREMENT.—

(1) IN GENERAL.—Not later than one year after the date of the enactment of this Act, and every 6 months thereafter, the head of each covered agency shall submit to the Director the following, with respect to the IT working capital fund for that covered agency:

(A) A list of each information technology investment funded with estimated cost and completion date for each such investment.

(B) A summary by fiscal year of the obligations, expenditures, and unused balances.

(2) PUBLIC AVAILABILITY.—The Director shall make the information required pursuant to paragraph (1) publicly available on a website.

(c) COVERED AGENCY DEFINED.—In this section, the term “covered agency” means each agency listed in section 901(b) of title 31, United States Code.

SEC. 4. ESTABLISHMENT OF INFORMATION TECHNOLOGY MODERNIZATION FUND AND BOARD.

(a) INFORMATION TECHNOLOGY MODERNIZATION FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury an Information Technology Modernization Fund (in this section referred to as the “Fund”) for technology related activities, to improve information technology, to enhance cybersecurity across the Federal Government, and to be administered in accordance with guidance established by the Director of the Office of Management of Budget.

(2) ADMINISTRATION OF FUND.—The Administrator of General Services, in consultation with the Chief Information Officers Council and with the concurrence of the Director, shall administer the Fund in accordance with this subsection.

(3) USE OF FUNDS.—The Administrator of General Services shall, in accordance with the recommendations of the Information Technology Modernization Board established under subsection (b), use amounts in the Fund for the following purposes:

(A) To transfer such amounts, to remain available until expended, to the head of an agency to improve, retire, or replace existing information technology systems to enhance cybersecurity and improve efficiency and effectiveness.

(B) For the development, operation, and procurement of information technology products, services, and acquisition vehicles for use by agencies to improve Government-wide efficiency and cybersecurity in accordance with the requirements of the agencies.