

113TH CONGRESS
2^D SESSION

H. R. 1232

AN ACT

To amend titles 40, 41, and 44, United States Code, to eliminate duplication and waste in information technology acquisition and management.

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

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Federal Information
3 Technology Acquisition Reform Act”.

4 **SEC. 2. TABLE OF CONTENTS.**

5 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Definitions.

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Sec. 501. Maximizing the benefit of the Federal strategic sourcing initiative.

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Sec. 506. Enhanced communication between government and industry.

Sec. 507. Clarification of current law with respect to technology neutrality in acquisition of software.

Sec. 508. No additional funds authorized.

1 **SEC. 3. DEFINITIONS.**

2 In this Act:

3 (1) CHIEF ACQUISITION OFFICERS COUNCIL.—

4 The term “Chief Acquisition Officers Council”
5 means the Chief Acquisition Officers Council estab-
6 lished by section 1311(a) of title 41, United States
7 Code.

8 (2) CHIEF INFORMATION OFFICER.—The term
9 “Chief Information Officer” means a Chief Informa-
10 tion Officer (as designated under section 3506(a)(2)
11 of title 44, United States Code) of an agency listed
12 in section 901(b) of title 31, United States Code.

13 (3) CHIEF INFORMATION OFFICERS COUNCIL.—
14 The term “Chief Information Officers Council” or
15 “CIO Council” means the Chief Information Officers
16 Council established by section 3603(a) of title 44,
17 United States Code.

1 (4) DIRECTOR.—The term “Director” means
2 the Director of the Office of Management and Budg-
3 et.

4 (5) FEDERAL AGENCY.—The term “Federal
5 agency” means each agency listed in section 901(b)
6 of title 31, United States Code.

7 (6) FEDERAL CHIEF INFORMATION OFFICER.—
8 The term “Federal Chief Information Officer”
9 means the Administrator of the Office of Electronic
10 Government established under section 3602 of title
11 44, United States Code.

12 (7) INFORMATION TECHNOLOGY OR IT.—The
13 term “information technology” or “IT” has the
14 meaning provided in section 11101(6) of title 40,
15 United States Code.

16 (8) RELEVANT CONGRESSIONAL COMMIT-
17 TEES.—The term “relevant congressional commit-
18 tees” means each of the following:

19 (A) The Committee on Oversight and Gov-
20 ernment Reform and the Committee on Armed
21 Services of the House of Representatives.

22 (B) The Committee on Homeland Security
23 and Governmental Affairs and the Committee
24 on Armed Services of the Senate.

1 **TITLE I—MANAGEMENT OF IN-**
2 **FORMATION TECHNOLOGY**
3 **WITHIN FEDERAL GOVERN-**
4 **MENT**

5 **SEC. 101. INCREASED AUTHORITY OF AGENCY CHIEF IN-**
6 **FORMATION OFFICERS OVER INFORMATION**
7 **TECHNOLOGY.**

8 (a) PRESIDENTIAL APPOINTMENT OF CIOs OF CER-
9 TAIN AGENCIES.—

10 (1) IN GENERAL.—Section 11315 of title 40,
11 United States Code, is amended—

12 (A) by redesignating subsection (a) as sub-
13 section (e) and moving such subsection to the
14 end of the section; and

15 (B) by inserting before subsection (b) the
16 following new subsection (a):

17 “(a) PRESIDENTIAL APPOINTMENT OR DESIGNATION
18 OF CERTAIN CHIEF INFORMATION OFFICERS.—

19 “(1) IN GENERAL.—There shall be within each
20 agency listed in section 901(b)(1) of title 31 an
21 agency Chief Information Officer. Each agency Chief
22 Information Officer shall—

23 “(A)(i) be appointed by the President; or

24 “(ii) be designated by the President, in
25 consultation with the head of the agency; and

1 “(B) be appointed or designated, as appli-
2 cable, from among individuals who possess dem-
3 onstrated ability in general management of, and
4 knowledge of and extensive practical experience
5 in, information technology management prac-
6 tices in large governmental or business entities.

7 “(2) RESPONSIBILITIES.—An agency Chief In-
8 formation Officer appointed or designated under this
9 section shall report directly to the head of the agen-
10 cy and carry out, on a full-time basis, responsibilities
11 as set forth in this section and in section 3506(a)
12 of title 44 for Chief Information Officers designated
13 under paragraph (2) of such section.”.

14 (2) CONFORMING AMENDMENTS.—Section
15 3506(a)(2) of title 44, United States Code, is
16 amended—

17 (A) by striking “(A) Except as provided
18 under subparagraph (B), the head of each
19 agency” and inserting “The head of each agen-
20 cy, other than an agency with a Presidentially
21 appointed or designated Chief Information Offi-
22 cer as provided in section 11315(a)(1) of title
23 40,”; and

24 (B) by striking subparagraph (B).

1 (b) AUTHORITY RELATING TO BUDGET AND PER-
2 SONNEL.—Section 11315 of title 40, United States Code,
3 is further amended by inserting after subsection (c) the
4 following new subsection:

5 “(d) ADDITIONAL AUTHORITIES FOR CERTAIN
6 CIOs.—

7 “(1) BUDGET-RELATED AUTHORITY.—

8 “(A) PLANNING.—Notwithstanding any
9 other provision of law, the head of each agency
10 listed in section 901(b)(1) or 901(b)(2) of title
11 31 and in section 102 of title 5 shall ensure
12 that the Chief Information Officer of the agen-
13 cy has the authority to participate in decisions
14 regarding the budget planning process related
15 to information technology or programs that in-
16 clude significant information technology compo-
17 nents.

18 “(B) ALLOCATION.—Notwithstanding any
19 other provision of law, amounts appropriated
20 for any agency listed in section 901(b)(1) or
21 901(b)(2) of title 31 and in section 102 of title
22 5 for any fiscal year that are available for infor-
23 mation technology shall be allocated within the
24 agency, consistent with the provisions of appro-
25 priations Acts and budget guidelines and rec-

1 ommendations from the Director of the Office
2 of Management and Budget, in such manner as
3 specified by, or approved by, the Chief Informa-
4 tion Officer of the agency in consultation with
5 the Chief Financial Officer of the agency and
6 budget officials.

7 “(2) PERSONNEL-RELATED AUTHORITY.—Not-
8 withstanding any other provision of law, the head of
9 each agency listed in section 901(b)(1) or 901(b)(2)
10 of title 31 shall ensure that the Chief Information
11 Officer of the agency has the authority necessary to
12 approve the hiring of personnel who will have infor-
13 mation technology responsibilities within the agency
14 and to require that such personnel have the obliga-
15 tion to report to the Chief Information Officer in a
16 manner considered sufficient by the Chief Informa-
17 tion Officer.”.

18 (c) SINGLE CHIEF INFORMATION OFFICER IN EACH
19 AGENCY.—

20 (1) REQUIREMENT.—Section 3506(a)(3) of title
21 44, United States Code, is amended—

22 (A) by inserting “(A)” after “(3)”; and

23 (B) by adding at the end the following new
24 subparagraph:

1 “(B) Each agency shall have only one indi-
2 vidual with the title and designation of ‘Chief
3 Information Officer’. Any bureau, office, or sub-
4 ordinate organization within the agency may
5 designate one individual with the title ‘Deputy
6 Chief Information Officer’, ‘Associate Chief In-
7 formation Officer’, or ‘Assistant Chief Informa-
8 tion Officer’.”.

9 (2) EFFECTIVE DATE.—Section 3506(a)(3)(B)
10 of title 44, United States Code, as added by para-
11 graph (1), shall take effect as of October 1, 2014.
12 Any individual serving in a position affected by such
13 section before such date may continue in that posi-
14 tion if the requirements of such section are fulfilled
15 with respect to that individual.

16 **SEC. 102. LEAD COORDINATION ROLE OF CHIEF INFORMA-**
17 **TION OFFICERS COUNCIL.**

18 (a) LEAD COORDINATION ROLE.—Subsection (d) of
19 section 3603 of title 44, United States Code, is amended
20 to read as follows:

21 “(d) LEAD INTERAGENCY FORUM.—

22 “(1) IN GENERAL.—The Council is designated
23 the lead interagency forum for improving agency co-
24 ordination of practices related to the design, develop-
25 ment, modernization, use, operation, sharing, per-

1 performance, and review of Federal Government infor-
2 mation resources investment. As the lead inter-
3 agency forum, the Council shall develop cross-agency
4 portfolio management practices to allow and encour-
5 age the development of cross-agency shared services
6 and shared platforms. The Council shall also issue
7 guidelines and practices for infrastructure and com-
8 mon information technology applications, including
9 expansion of the Federal Enterprise Architecture
10 process if appropriate. The guidelines and practices
11 may address broader transparency, common inputs,
12 common outputs, and outcomes achieved. The guide-
13 lines and practices shall be used as a basis for com-
14 paring performance across diverse missions and op-
15 erations in various agencies.

16 “(2) REPORT.—Not later than December 1 in
17 each of the 6 years following the date of the enact-
18 ment of this paragraph, the Council shall submit to
19 the relevant congressional committees a report (to be
20 known as the ‘CIO Council Report’) summarizing
21 the Council’s activities in the preceding fiscal year
22 and containing such recommendations for further
23 congressional action to fulfill its mission as the
24 Council considers appropriate.

1 “(3) RELEVANT CONGRESSIONAL COMMIT-
2 TEES.—For purposes of the report required by para-
3 graph (2), the relevant congressional committees are
4 each of the following:

5 “(A) The Committee on Oversight and
6 Government Reform and the Committee on
7 Armed Services of the House of Representa-
8 tives.

9 “(B) The Committee on Homeland Secu-
10 rity and Governmental Affairs and the Com-
11 mittee on Armed Services of the Senate.”.

12 (b) ADDITIONAL FUNCTION.—Subsection (f) of sec-
13 tion 3603 of such title is amended by adding at the end
14 the following new paragraph:

15 “(8) Assist the Administrator in developing and
16 providing guidance for effective operations of the
17 Federal Infrastructure and Common Application
18 Collaboration Center authorized under section 11501
19 of title 40.”.

20 (c) REFERENCES TO ADMINISTRATOR OF E-GOVERN-
21 MENT AS FEDERAL CHIEF INFORMATION OFFICER.—

22 (1) REFERENCES.—Section 3602(b) of title 44,
23 United States Code, is amended by adding at the
24 end the following: “The Administrator may also be

1 referred to as the Federal Chief Information Offi-
2 cer.”.

3 (2) DEFINITION.—Section 3601(1) of such title
4 is amended by inserting “or Federal Chief Informa-
5 tion Officer” before “means”.

6 **SEC. 103. REPORTS BY GOVERNMENT ACCOUNTABILITY OF-**
7 **FICE.**

8 (a) REQUIREMENT TO EXAMINE EFFECTIVENESS.—
9 The Comptroller General of the United States shall exam-
10 ine the effectiveness of the Chief Information Officers
11 Council in meeting its responsibilities under section
12 3603(d) of title 44, United States Code, as added by sec-
13 tion 102, with particular focus on—

14 (1) whether agencies are actively participating
15 in the Council and heeding the Council’s advice and
16 guidance; and

17 (2) whether the Council is actively using and
18 developing the capabilities of the Federal Infrastruc-
19 ture and Common Application Collaboration Center
20 authorized under section 11501 of title 40, United
21 States Code, as added by section 401.

22 (b) REPORTS.—Not later than 1 year, 3 years, and
23 5 years after the date of the enactment of this Act, the
24 Comptroller General shall submit to the relevant congres-
25 sional committees a report containing the findings and

1 recommendations of the Comptroller General from the ex-
2 amination required by subsection (a).

3 **TITLE II—DATA CENTER** 4 **OPTIMIZATION**

5 **SEC. 201. PURPOSE.**

6 The purpose of this title is to optimize Federal data
7 center usage and efficiency.

8 **SEC. 202. DEFINITIONS.**

9 In this title:

10 (1) **FEDERAL DATA CENTER OPTIMIZATION INI-**
11 **TIATIVE.**—The term “Federal Data Center Optimi-
12 zation Initiative” or the “Initiative” means the ini-
13 tiative developed and implemented by the Director,
14 through the Federal Chief Information Officer, as
15 required under section 203.

16 (2) **COVERED AGENCY.**—The term “covered
17 agency” means any agency included in the Federal
18 Data Center Optimization Initiative.

19 (3) **DATA CENTER.**—The term “data center”
20 means a closet, room, floor, or building for the stor-
21 age, management, and dissemination of data and in-
22 formation, as defined by the Federal Chief Informa-
23 tion Officer under guidance issued pursuant to this
24 section.

1 (4) FEDERAL DATA CENTER.—The term “Fed-
2 eral data center” means any data center of a cov-
3 ered agency used or operated by a covered agency,
4 by a contractor of a covered agency, or by another
5 organization on behalf of a covered agency.

6 (5) SERVER UTILIZATION.—The term “server
7 utilization” refers to the activity level of a server re-
8 lative to its maximum activity level, expressed as a
9 percentage.

10 (6) POWER USAGE EFFECTIVENESS.—The term
11 “power usage effectiveness” means the ratio ob-
12 tained by dividing the total amount of electricity and
13 other power consumed in running a data center by
14 the power consumed by the information and commu-
15 nications technology in the data center.

16 **SEC. 203. FEDERAL DATA CENTER OPTIMIZATION INITIA-**
17 **TIVE.**

18 (a) REQUIREMENT FOR INITIATIVE.—The Federal
19 Chief Information Officer, in consultation with the chief
20 information officers of covered agencies, shall develop and
21 implement an initiative, to be known as the Federal Data
22 Center Optimization Initiative, to optimize the usage and
23 efficiency of Federal data centers by meeting the require-
24 ments of this Act and taking additional measures, as ap-
25 propriate.

1 (b) REQUIREMENT FOR PLAN.—Within 6 months
2 after the date of the enactment of this Act, the Federal
3 Chief Information Officer, in consultation with the chief
4 information officers of covered agencies, shall develop and
5 submit to Congress a plan for implementation of the Ini-
6 tiative required by subsection (a) by each covered agency.
7 In developing the plan, the Federal Chief Information Of-
8 ficer shall take into account the findings and recommenda-
9 tions of the Comptroller General review required by sec-
10 tion 205(e).

11 (c) MATTERS COVERED.—The plan shall include—

12 (1) descriptions of how covered agencies will
13 use reductions in floor space, energy use, infrastruc-
14 ture, equipment, applications, personnel, increases in
15 multiorganizational use, server virtualization, cloud
16 computing, and other appropriate methods to meet
17 the requirements of the initiative; and

18 (2) appropriate consideration of shifting Feder-
19 ally owned data center workload to commercially
20 owned data centers.

21 **SEC. 204. PERFORMANCE REQUIREMENTS RELATED TO**
22 **DATA CENTER CONSOLIDATION.**

23 (a) SERVER UTILIZATION.—Each covered agency
24 may use the following methods to achieve the maximum

1 server utilization possible as determined by the Federal
2 Chief Information Officer:

3 (1) The closing of existing data centers that
4 lack adequate server utilization, as determined by
5 the Federal Chief Information Officer. If the agency
6 fails to close such data centers, the agency shall pro-
7 vide a detailed explanation as to why this data cen-
8 ter should remain in use as part of the submitted
9 plan. The Federal Chief Information Officer shall in-
10 clude an assessment of the agency explanation in the
11 annual report to Congress.

12 (2) The consolidation of services within existing
13 data centers to increase server utilization rates.

14 (3) Any other method that the Federal Chief
15 Information Officer, in consultation with the chief
16 information officers of covered agencies, determines
17 necessary to optimize server utilization.

18 (b) POWER USAGE EFFECTIVENESS.—Each covered
19 agency may use the following methods to achieve the max-
20 imum energy efficiency possible as determined by the Fed-
21 eral Chief Information Officer:

22 (1) The use of the measurement of power usage
23 effectiveness to calculate data center energy effi-
24 ciency.

1 (2) The use of power meters in facilities dedi-
2 cated to data center operations to frequently meas-
3 ure power consumption over time.

4 (3) The establishment of power usage effective-
5 ness goals for each data center.

6 (4) The adoption of best practices for man-
7 aging—

8 (A) temperature and airflow in facilities
9 dedicated to data center operations; and

10 (B) power supply efficiency.

11 (5) The implementation of any other method
12 that the Federal Chief Information Officer, in con-
13 sultation with the Chief Information Officers of cov-
14 ered agencies, determines necessary to optimize data
15 center energy efficiency.

16 **SEC. 205. COST SAVINGS RELATED TO DATA CENTER OPTI-**
17 **MIZATION.**

18 (a) REQUIREMENT TO TRACK COSTS.—

19 (1) IN GENERAL.—Each covered agency shall
20 track costs resulting from implementation of the
21 Federal Data Center Optimization Initiative within
22 the agency and submit a report on those costs annu-
23 ally to the Federal Chief Information Officer. Cov-
24 ered agencies shall determine the net costs from
25 data consolidation on an annual basis.

1 (2) FACTORS.—In calculating net costs each
2 year under paragraph (1), a covered agency shall
3 use the following factors:

4 (A) Energy costs.

5 (B) Personnel costs.

6 (C) Real estate costs.

7 (D) Capital expense costs.

8 (E) Maintenance and support costs such as
9 operating subsystem, database, hardware, and
10 software license expense costs.

11 (F) Other appropriate costs, as determined
12 by the agency in consultation with the Federal
13 Chief Information Officer.

14 (b) REQUIREMENT TO TRACK SAVINGS.—

15 (1) IN GENERAL.—Each covered agency shall
16 track realized and projected savings resulting from
17 implementation of the Federal Data Center Optimi-
18 zation Initiative within the agency and submit a re-
19 port on those savings annually to the Federal Chief
20 Information Officer. Covered agencies shall deter-
21 mine the net savings from data consolidation on an
22 annual basis.

23 (2) FACTORS.—In calculating net savings each
24 year under paragraph (1), a covered agency shall
25 use the following factors:

1 (A) Energy savings.

2 (B) Personnel savings.

3 (C) Real estate savings.

4 (D) Capital expense savings.

5 (E) Maintenance and support savings such
6 as operating subsystem, database, hardware,
7 and software license expense savings.

8 (F) Other appropriate savings, as deter-
9 mined by the agency in consultation with the
10 Federal Chief Information Officer.

11 (3) PUBLIC AVAILABILITY.—The Federal Chief
12 Information Officer shall make publicly available a
13 summary of realized and projected savings for each
14 covered agency. The Federal Chief Information Offi-
15 cer shall identify any covered agency that failed to
16 provide the annual report required under paragraph
17 (1).

18 (c) REQUIREMENT TO USE COST-EFFECTIVE MEAS-
19 URES.—Covered agencies shall use the most cost-effective
20 measures to implement the Federal Data Center Optimi-
21 zation Initiative, such as using estimation to measure or
22 track costs and savings using a methodology approved by
23 the Federal Chief Information Officer.

24 (d) GOVERNMENT ACCOUNTABILITY OFFICE RE-
25 VIEW.—Not later than 6 months after the date of the en-

1 actment of this Act, the Comptroller General of the United
2 States shall examine methods for calculating savings from
3 the Initiative and using them for the purposes identified
4 in subsection (d), including establishment and use of a
5 special revolving fund that supports data centers and serv-
6 er optimization, and shall submit to the Federal Chief In-
7 formation Officer and Congress a report on the Comp-
8 troller General’s findings and recommendations.

9 **SEC. 206. REPORTING REQUIREMENTS TO CONGRESS AND**
10 **THE FEDERAL CHIEF INFORMATION OFFI-**
11 **CER.**

12 (a) AGENCY REQUIREMENT TO REPORT TO CIO.—

13 (1) IN GENERAL.—Except as provided in para-
14 graph (2), each covered agency each year shall sub-
15 mit to the Federal Chief Information Officer a re-
16 port on the implementation of the Federal Data
17 Center Optimization Initiative, including savings re-
18 sulting from such implementation. The report shall
19 include an update of the agency’s plan for imple-
20 menting the Initiative.

21 (2) DEPARTMENT OF DEFENSE.—The Sec-
22 retary of Defense shall comply with paragraph (1)
23 each year by submitting to the Federal Chief Infor-
24 mation Officer a report with relevant information
25 collected under section 2867 of Public Law 112–81

1 (10 U.S.C. 2223a note) or a copy of the report re-
2 quired under section 2867(d) of such law.

3 (b) FEDERAL CHIEF INFORMATION OFFICER RE-
4 QUIREMENT TO REPORT TO CONGRESS.—Each year, the
5 Federal Chief Information Officer shall submit to the rel-
6 evant congressional committees a report that assesses
7 agency progress in carrying out the Federal Data Center
8 Optimization Initiative and updates the plan under section
9 203. The report may be included as part of the annual
10 report required under section 3606 of title 44, United
11 States Code.

12 **TITLE III—ELIMINATION OF DU-**
13 **PLICATION AND WASTE IN IN-**
14 **FORMATION TECHNOLOGY**
15 **ACQUISITION**

16 **SEC. 301. INVENTORY OF INFORMATION TECHNOLOGY**
17 **SOFTWARE ASSETS.**

18 (a) PLAN.—The Director shall develop a plan for con-
19 ducting a Governmentwide inventory of information tech-
20 nology software assets.

21 (b) MATTERS COVERED.—The plan required by sub-
22 section (a) shall cover the following:

23 (1) The manner in which Federal agencies can
24 achieve the greatest possible economies of scale and
25 cost savings in the procurement of information tech-

1 nology software assets, through measures such as re-
2 ducing the procurement of new software licenses
3 until such time as agency needs exceed the number
4 of existing and unused licenses.

5 (2) The capability to conduct ongoing Govern-
6 mentwide inventories of all existing software licenses
7 on an application-by-application basis, including du-
8 plicative, unused, overused, and underused licenses,
9 and to assess the need of agencies for software li-
10 censes.

11 (3) A Governmentwide spending analysis to
12 provide knowledge about how much is being spent
13 for software products or services to support deci-
14 sions for strategic sourcing under the Federal stra-
15 tegic sourcing program managed by the Office of
16 Federal Procurement Policy.

17 (c) AVAILABILITY.—The inventory of information
18 technology software assets shall be available to Chief In-
19 formation Officers and such other Federal officials as the
20 Chief Information Officers may, in consultation with the
21 Chief Information Officers Council, designate.

22 (d) DEADLINE AND SUBMISSION TO CONGRESS.—
23 Not later than 180 days after the date of the enactment
24 of this Act, the Director shall complete and submit to Con-
25 gress the plan required by subsection (a).

1 (e) IMPLEMENTATION.—Not later than two years
2 after the date of the enactment of this Act, the Director
3 shall complete implementation of the plan required by sub-
4 section (a).

5 (f) REVIEW BY COMPTROLLER GENERAL.—Not later
6 than two years after the date of the enactment of this Act,
7 the Comptroller General of the United States shall review
8 the plan required by subsection (a) and submit to the rel-
9 evant congressional committees a report on the review.

10 **SEC. 302. WEBSITE CONSOLIDATION AND TRANSPARENCY.**

11 (a) WEBSITE CONSOLIDATION.—The Director
12 shall—

13 (1) in consultation with Federal agencies, and
14 after reviewing the directory of public Federal Gov-
15 ernment websites of each agency (as required to be
16 established and updated under section 207(f)(3) of
17 the E-Government Act of 2002 (Public Law 107–
18 347; 44 U.S.C. 3501 note)), assess all the publicly
19 available websites of Federal agencies to determine
20 whether there are duplicative or overlapping
21 websites; and

22 (2) require Federal agencies to eliminate or
23 consolidate those websites that are duplicative or
24 overlapping.

1 (b) WEBSITE TRANSPARENCY.—The Director shall
2 issue guidance to Federal agencies to ensure that the data
3 on publicly available websites of the agencies are open and
4 accessible to the public.

5 (c) MATTERS COVERED.—In preparing the guidance
6 required by subsection (b), the Director shall—

7 (1) develop guidelines, standards, and best
8 practices for interoperability and transparency;

9 (2) identify interfaces that provide for shared,
10 open solutions on the publicly available websites of
11 the agencies; and

12 (3) ensure that Federal agency Internet home
13 pages, web-based forms, and web-based applications
14 are accessible to individuals with disabilities in con-
15 formance with section 508 of the Rehabilitation Act
16 of 1973 (29 U.S.C. 794d).

17 (d) DEADLINE FOR GUIDANCE.—The guidance re-
18 quired by subsection (b) shall be issued not later than 180
19 days after the date of the enactment of this Act.

20 **SEC. 303. TRANSITION TO THE CLOUD.**

21 (a) SENSE OF CONGRESS.—It is the sense of Con-
22 gress that transition to cloud computing offers significant
23 potential benefits for the implementation of Federal infor-
24 mation technology projects in terms of flexibility, cost, and
25 operational benefits.

1 (b) GOVERNMENTWIDE APPLICATION.—In assessing
2 cloud computing opportunities, the Chief Information Of-
3 ficers Council shall define policies and guidelines for the
4 adoption of Governmentwide programs providing for a
5 standardized approach to security assessment and oper-
6 ational authorization for cloud products and services.

7 (c) ADDITIONAL BUDGET AUTHORITIES FOR TRANSI-
8 TION.—In transitioning to the cloud, a Chief Information
9 Officer of an agency listed in section 901(b) of title 31,
10 United States Code, may establish such cloud service
11 Working Capital Funds, in consultation with the Chief Fi-
12 nancial Officer of the agency, as may be necessary to tran-
13 sition to cloud-based solutions. Any establishment of a new
14 Working Capital Fund under this subsection shall be re-
15 ported to the Committees on Appropriations of the House
16 of Representatives and the Senate and relevant Congres-
17 sional committees.

18 **SEC. 304. ELIMINATION OF UNNECESSARY DUPLICATION**
19 **OF CONTRACTS BY REQUIRING BUSINESS**
20 **CASE ANALYSIS.**

21 (a) PURPOSE.—The purpose of this section is to le-
22 verage the Government’s buying power and achieve admin-
23 istrative efficiencies and cost savings by eliminating un-
24 necessary duplication of contracts.

1 (b) REQUIREMENT FOR BUSINESS CASE AP-
2 PROVAL.—

3 (1) IN GENERAL.—Chapter 33 of title 41,
4 United States Code, is amended by adding at the
5 end the following new section:

6 **“§ 3312. Requirement for business case approval for**
7 **new Governmentwide contracts**

8 “(a) IN GENERAL.—An executive agency may not
9 issue a solicitation for a covered Governmentwide contract
10 unless the agency performs a business case analysis for
11 the contract and obtains an approval of the business case
12 analysis from the Administrator for Federal Procurement
13 Policy.

14 “(b) REVIEW OF BUSINESS CASE ANALYSIS.—

15 “(1) IN GENERAL.—With respect to any cov-
16 ered Governmentwide contract, the Administrator
17 for Federal Procurement Policy shall review the
18 business case analysis submitted for the contract
19 and provide an approval or disapproval within 60
20 days after the date of submission. Any business case
21 analysis not disapproved within such 60-day period
22 is deemed to be approved.

23 “(2) BASIS FOR APPROVAL OF BUSINESS
24 CASE.—The Administrator for Federal Procurement
25 Policy shall approve or disapprove a business case

1 analysis based on the adequacy of the analysis sub-
2 mitted. The Administrator shall give primary consid-
3 eration to whether an agency has demonstrated a
4 compelling need that cannot be satisfied by existing
5 Governmentwide contract in a timely and cost-effec-
6 tive manner.

7 “(c) CONTENT OF BUSINESS CASE ANALYSIS.—The
8 Administrator for Federal Procurement Policy shall issue
9 guidance specifying the content for a business case anal-
10 ysis submitted pursuant to this section. At a minimum,
11 the business case analysis shall include details on the ad-
12 ministrative resources needed for such contract, including
13 an analysis of all direct and indirect costs to the Federal
14 Government of awarding and administering such contract
15 and the impact such contract will have on the ability of
16 the Federal Government to leverage its purchasing power.

17 “(b) DEFINITIONS.—In this section:

18 “(1) COVERED GOVERNMENTWIDE CON-
19 TRACT.—The term ‘covered Governmentwide con-
20 tract’ means any contract, blanket purchase agree-
21 ment, or other contractual instrument for acquisition
22 of information technology or other goods or services
23 that allows for an indefinite number of orders to be
24 placed under the contract, agreement, or instrument,
25 and that is established by one executive agency for

1 use by multiple executive agencies to obtain goods or
2 services. The term does not include—

3 “(A) a multiple award schedule contract
4 awarded by the General Services Administra-
5 tion;

6 “(B) a Governmentwide acquisition con-
7 tract for information technology awarded pursu-
8 ant to sections 11302(e) and 11314(a)(2) of
9 title 40;

10 “(C) orders under Governmentwide con-
11 tracts in existence before the effective date of
12 this section; or

13 “(D) any contract in an amount less than
14 \$10,000,000, determined on an average annual
15 basis.

16 “(2) EXECUTIVE AGENCY.—The term ‘executive
17 agency’ has the meaning provided that term by sec-
18 tion 105 of title 5.”.

19 (2) CLERICAL AMENDMENT.—The table of sec-
20 tions for chapter 33 of title 41, United States Code,
21 is amended by adding after the item relating to sec-
22 tion 3311 the following new item:

“3312. Requirement for business case approval for new Governmentwide con-
tracts.”.

23 (c) REPORT.—Not later than June 1 in each of the
24 next 6 years following the date of the enactment of this

1 Act, the Administrator for Federal Procurement Policy
2 shall submit to the relevant congressional committees a
3 report on the implementation of section 3312 of title 41,
4 United States Code, as added by subsection (b), including
5 a summary of the submissions, reviews, approvals, and
6 disapprovals of business case analyses pursuant to such
7 section.

8 (d) GUIDANCE.—The Administrator for Federal Pro-
9 curement Policy shall issue guidance for implementing sec-
10 tion 3312 of such title.

11 (e) REVISION OF FAR.—Not later than 180 days
12 after the date of the enactment of this Act, the Federal
13 Acquisition Regulation shall be amended to implement sec-
14 tion 3312 of such title.

15 (g) EFFECTIVE DATE.—Section 3312 of such title is
16 effective on and after 180 days after the date of the enact-
17 ment of this Act.

1 **TITLE IV—STRENGTHENING AND**
 2 **STREAMLINING INFORMATION**
 3 **TECHNOLOGY ACQUISITION**
 4 **MANAGEMENT PRACTICES**
 5 **TICES**

6 **Subtitle A—Strengthening and**
 7 **Streamlining IT Program Man-**
 8 **agement Practices**

9 **SEC. 401. PILOT PROGRAM ON INTERAGENCY COLLABORA-**
 10 **TION.**

11 (a) PILOT PROGRAM.—

12 (1) IN GENERAL.—Chapter 115 of title 40,
 13 United States Code, is amended to read as follows:

14 **“CHAPTER 115—INFORMATION TECH-**
 15 **NOLOGY ACQUISITION MANAGEMENT**
 16 **PRACTICES**

“Sec.

“11501. Pilot program on interagency collaboration.

17 **“§ 11501. Pilot program on interagency collaboration**

18 “(a) REQUIREMENT TO CONDUCT PILOT PRO-
 19 GRAM.—The Director of the Office of Management and
 20 Budget shall conduct a three-year pilot program in accord-
 21 ance with the requirements of this section to test alter-
 22 native approaches for the management of commonly used
 23 information technology by executive agencies.

1 “(b) ESTABLISHMENT AND PURPOSES.—For pur-
2 poses of the pilot program, the Director of the Office of
3 Management and Budget shall establish a Federal Infra-
4 structure and Common Application Collaboration Center
5 (hereafter in this section referred to as the ‘Collaboration
6 Center’) within the Office of Electronic Government estab-
7 lished under section 3602 of title 44. The purpose of the
8 Collaboration Center is to serve as a resource for Federal
9 agencies, available on an optional-use basis, to assist and
10 promote coordinated program management practices and
11 to develop and maintain requirements for the acquisition
12 of IT infrastructure and common applications commonly
13 used by various Federal agencies.

14 “(c) ORGANIZATION OF CENTER.—

15 “(1) MEMBERSHIP.—The Center shall consist
16 of the following members:

17 “(A) An appropriate number, as deter-
18 mined by the CIO Council, but not less than
19 12, full-time program managers or cost special-
20 ists, all of whom have appropriate experience in
21 the private or Government sector in managing
22 or overseeing acquisitions of IT infrastructure
23 and common applications.

24 “(B) At least 1 full-time detailee from
25 each of the Federal agencies listed in section

1 901(b) of title 31, nominated by the respective
2 agency chief information officer for a detail pe-
3 riod of not less than 1 year.

4 “(2) WORKING GROUPS.—The Collaboration
5 Center shall have working groups that specialize in
6 IT infrastructure and common applications identi-
7 fied by the CIO Council. Each working group shall
8 be headed by a separate dedicated program manager
9 appointed by the Federal Chief Information Officer.

10 “(d) CAPABILITIES AND FUNCTIONS OF THE COL-
11 LABORATION CENTER.—For each of the IT infrastructure
12 and common application areas identified by the CIO Coun-
13 cil, the Collaboration Center shall perform the following
14 roles, and any other functions as directed by the Federal
15 Chief Information Officer:

16 “(1) Develop, maintain, and disseminate re-
17 quirements suitable to establish contracts that will
18 meet the common and general needs of various Fed-
19 eral agencies as determined by the Center. In doing
20 so, the Center shall give maximum consideration to
21 the adoption of commercial standards and industry
22 acquisition best practices, including opportunities for
23 shared services, consideration of total cost of owner-
24 ship, preference for industry-neutral functional spec-
25 ifications leveraging open industry standards and

1 competition, and use of long-term contracts, as ap-
2 propriate.

3 “(2) Develop, maintain, and disseminate reli-
4 able cost estimates.

5 “(3) Lead the review of significant or troubled
6 IT investments or acquisitions as identified by the
7 CIO Council.

8 “(4) Provide expert aid to troubled IT invest-
9 ments or acquisitions.

10 “(e) GUIDANCE.—The Director, in consultation with
11 the Chief Information Officers Council, shall issue guid-
12 ance addressing the scope and operation of the Collabora-
13 tion Center. The guidance shall require that the collabora-
14 tion Center report to the Federal Chief Information Offi-
15 cer.

16 “(f) REPORT TO CONGRESS.—

17 “(1) IN GENERAL.—The Director shall annually
18 submit to the relevant congressional committees a
19 report detailing the organization, staff, and activities
20 of the Collaboration Center, including—

21 “(A) a list of IT infrastructure and com-
22 mon applications the Center assisted;

23 “(B) an assessment of the Center’s
24 achievement in promoting efficiency, shared
25 services, and elimination of unnecessary Gov-

1 ernment requirements that are contrary to com-
2 mercial best practices; and

3 “(C) the use and expenditure of amounts
4 in the Fund established under subsection (i).

5 “(2) INCLUSION IN OTHER REPORT.—The re-
6 port may be included as part of the annual E-Gov-
7 ernment status report required under section 3606
8 of title 44.

9 “(g) GUIDELINES FOR ACQUISITION OF IT INFRA-
10 STRUCTURE AND COMMON APPLICATIONS.—

11 “(1) GUIDELINES.—The Collaboration Center
12 shall establish guidelines that, to the maximum ex-
13 tent possible, eliminate inconsistent practices among
14 executive agencies and ensure uniformity and con-
15 sistency in acquisition processes for IT infrastruc-
16 ture and common applications across the Federal
17 Government.

18 “(2) CENTRAL WEBSITE.—In preparing the
19 guidelines, the Collaboration Center, in consultation
20 with the Chief Acquisition Officers Council, shall
21 offer executive agencies the option of accessing a
22 central website for best practices, templates, and
23 other relevant information.

24 “(h) PRICING TRANSPARENCY.—The Collaboration
25 Center, in collaboration with the Office of Federal Pro-

1 curement Policy, the Chief Acquisition Officers Council,
2 the General Services Administration, and the Assisted Ac-
3 quisition Centers of Excellence, shall compile a price list
4 and catalogue containing current pricing information by
5 vendor for each of its IT infrastructure and common appli-
6 cations categories. The price catalogue shall contain any
7 price provided by a vendor in a contract awarded for the
8 same or similar good or service to any executive agency.
9 The catalogue shall be developed in a fashion ensuring
10 that it may be used for pricing comparisons and pricing
11 analysis using standard data formats. The price catalogue
12 shall not be made public, but shall be accessible to execu-
13 tive agencies.

14 “(i) AUTHORIZATION TO USE FUND.—In any fiscal
15 year, notwithstanding section 321(c) of title 40, up to five
16 percent of the fees collected during the prior fiscal year
17 under the multiple award schedule contracts entered into
18 by the Administrator of General Services and credited to
19 the Acquisition Services Fund under section 321 of title
20 40, may be used to fund the activities of the Collaboration
21 Center. Each fiscal year, the Director, in consultation with
22 the Federal Chief Information Officer, shall determine an
23 appropriate amount needed to operate the Collaboration
24 Center and the Administrator of General Services shall
25 transfer amounts only to the extent and in such amounts

1 as are provided in advance in appropriation acts from the
2 Fund to the Director for the Center.

3 “(j) DEFINITIONS.—In this section:

4 “(1) EXECUTIVE AGENCY.—The term ‘executive
5 agency’ has the meaning provided that term by sec-
6 tion 105 of title 5.

7 “(2) FEDERAL CHIEF INFORMATION OFFI-
8 CER.—The term ‘Federal Chief Information Officer’
9 means the Administrator of the Office of Electronic
10 Government established under section 3602 of title
11 44.

12 “(3) RELEVANT CONGRESSIONAL COMMIT-
13 TEES.—The term ‘relevant congressional commit-
14 tees’ means each of the following:

15 “(A) The Committee on Oversight and
16 Government Reform and the Committee on
17 Armed Services of the House of Representa-
18 tives.

19 “(B) The Committee on Homeland Secu-
20 rity and Governmental Affairs and the Com-
21 mittee on Armed Services of the Senate.”.

22 (2) CLERICAL AMENDMENT.—The item relating
23 to chapter 115 in the table of chapters at the begin-
24 ning of subtitle III of title 40, United States Code,
25 is amended to read as follows:

**“115. Information Technology Acquisition Management
Practices11501”.**

1 (b) DEADLINES.—

2 (1) GUIDANCE.—Not later than 180 days after
3 the date of the enactment of this Act, the Director
4 shall issue guidance under section 11501(e) of title
5 40, United States Code, as added by subsection (a).

6 (2) CENTER.—Not later than 1 year after the
7 date of the enactment of this Act, the Director shall
8 establish the Federal Infrastructure and Common
9 Application Collaboration Center, in accordance with
10 section 11501(b) of such title, as so added.

11 (3) GUIDELINES.—Not later than 2 years after
12 the date of the enactment of this Act, the Federal
13 Infrastructure and Common Application Collabora-
14 tion Center shall establish guidelines in accordance
15 with section 11501(g) of such title, as so added.

16 (c) CONFORMING AMENDMENT.—Section 3602(c) of
17 title 44, United States Code, is amended—

18 (1) by striking “and” at the end of paragraph

19 (2);

20 (2) by redesignating paragraph (3) as para-
21 graph (4); and

22 (3) by inserting after paragraph (2) the fol-
23 lowing new paragraph (3):

1 every 3 years thereafter, the Director of the Office of Man-
2 agement and Budget, in consultation with the Chief Ac-
3 quisition Officers Council and the Chief Information Offi-
4 cers Council, shall designate, redesignate, or withdraw the
5 designation of acquisition centers of excellence within var-
6 ious executive agencies to carry out the functions set forth
7 in subsection (d) in an area of specialized acquisition ex-
8 pertise as determined by the Director. Each such center
9 of excellence shall be known as an ‘Assisted Acquisition
10 Center of Excellence’ or an ‘AACE’.

11 “(c) USE OF EXISTING AUTHORITY.—This section
12 provides no new authority to establish a franchise fund
13 or revolving fund.

14 “(d) FUNCTIONS.—The functions of each AACE are
15 as follows:

16 “(1) BEST PRACTICES.—To promote, develop,
17 and implement the use of best acquisition practices
18 in the area of specialized acquisition expertise that
19 the AACE is designated to carry out by the Director
20 under subsection (b).

21 “(2) ASSISTED ACQUISITIONS.—To assist all
22 Government agencies in the expedient, strategic, and
23 cost-effective acquisition of the information tech-
24 nology goods or services covered by such area of spe-
25 cialized acquisition expertise by engaging in repeated

1 and frequent acquisition of similar information tech-
2 nology requirements.

3 “(3) DEVELOPMENT AND TRAINING OF IT AC-
4 QUISSION WORKFORCE.—To assist in recruiting and
5 training IT acquisition cadres (referred to in section
6 1704(j) of title 41).

7 “(e) CRITERIA.—In designating, redesignating, or
8 withdrawing the designation of an AACE, the Director
9 shall consider, at a minimum, the following matters:

10 “(1) The subject matter expertise of the host
11 agency in a specific area of information technology
12 acquisition.

13 “(2) For acquisitions of IT infrastructure and
14 common applications covered by the Federal Infra-
15 structure and Common Application Collaboration
16 Center authorized under section 11501 of this title,
17 the ability and willingness to collaborate with the
18 Collaboration Center and adhere to the requirements
19 standards established by the Collaboration Center.

20 “(3) The ability of an AACE to develop cus-
21 tomized requirements documents that meet the
22 needs of executive agencies as well as the current in-
23 dustry standards and commercial best practices.

24 “(4) The ability of an AACE to consistently
25 award and manage various contracts, task or deliv-

1 ery orders, and other acquisition arrangements in a
2 timely, cost-effective, and compliant manner.

3 “(5) The ability of an AACE to aggregate de-
4 mands from multiple executive agencies for similar
5 information technology goods or services and fulfill
6 those demands in one acquisition.

7 “(6) The ability of an AACE to acquire innova-
8 tive or emerging commercial and noncommercial
9 technologies using various contracting methods, in-
10 cluding ways to lower the entry barriers for small
11 businesses with limited Government contracting ex-
12 periences.

13 “(7) The ability of an AACE to maximize com-
14 mercial item acquisition, effectively manage high-risk
15 contract types, increase competition, promote small
16 business participation, and maximize use of available
17 Governmentwide contracts.

18 “(8) The existence of an in-house cost esti-
19 mating group with expertise to consistently develop
20 reliable cost estimates that are accurate, comprehen-
21 sive, well-documented, and credible.

22 “(9) The ability of an AACE to employ best
23 practices and educate requesting agencies, to the
24 maximum extent practicable, regarding critical fac-

1 tors underlying successful major IT acquisitions, in-
2 cluding the following factors:

3 “(A) Active engagement by program offi-
4 cials with stakeholders.

5 “(B) Possession by program staff of the
6 necessary knowledge and skills.

7 “(C) Support of the programs by senior
8 department and agency executives.

9 “(D) Involvement by end users and stake-
10 holders in the development of requirements.

11 “(E) Participation by end users in testing
12 of system functionality prior to formal end user
13 acceptance testing.

14 “(F) Stability and consistency of Govern-
15 ment and contractor staff.

16 “(G) Prioritization of requirements by pro-
17 gram staff.

18 “(H) Maintenance of regular communica-
19 tion with the prime contractor by program offi-
20 cials.

21 “(I) Receipt of sufficient funding by pro-
22 grams.

23 “(10) The ability of an AACE to run an effec-
24 tive acquisition intern program in collaboration with

1 the Federal Acquisition Institute or the Defense Ac-
2 quisition University.

3 “(11) The ability of an AACE to effectively and
4 properly manage fees received for assisted acqui-
5 sitions pursuant to this section.

6 “(f) FUNDS RECEIVED BY AACES.—

7 “(1) AVAILABILITY.—Notwithstanding any
8 other provision of law or regulation, funds obligated
9 and transferred from an executive agency in a fiscal
10 year to an AACE for the acquisition of goods or
11 services covered by an area of specialized acquisition
12 expertise of an AACE, regardless of whether the re-
13 quirements are severable or non-severable, shall re-
14 main available for awards of contracts by the AACE
15 for the same general requirements for the next 5 fis-
16 cal years following the fiscal year in which the funds
17 were transferred.

18 “(2) TRANSITION TO NEW AACE.—If the
19 AACE to which the funds are provided under para-
20 graph (1) becomes unable to fulfill the requirements
21 of the executive agency from which the funds were
22 provided, the funds may be provided to a different
23 AACE to fulfill such requirements. The funds so
24 provided shall be used for the same purpose and re-

1 main available for the same period of time as applied
2 when provided to the original AACE.

3 “(3) RELATIONSHIP TO EXISTING AUTHORI-
4 TIES.—This subsection does not limit any existing
5 authorities an AACE may have under its revolving
6 or working capital funds authorities.

7 “(g) GOVERNMENT ACCOUNTABILITY OFFICE RE-
8 VIEW OF AACE.—

9 “(1) REVIEW.—The Comptroller General of the
10 United States shall review and assess—

11 “(A) the use and management of fees re-
12 ceived by the AACEs pursuant to this section
13 to ensure that an appropriate fee structure is
14 established and enforced to cover activities ad-
15 dressed in this section and that no excess fees
16 are charged or retained; and

17 “(B) the effectiveness of the AACEs in
18 achieving the purpose described in subsection
19 (a), including review of contracts.

20 “(2) REPORTS.—Not later than 1 year after the
21 designation or redesignation of AACES under sub-
22 section (b), the Comptroller General shall submit to
23 the relevant congressional committees a report con-
24 taining the findings and assessment under para-
25 graph (1).

1 “(h) DEFINITIONS.—In this section:

2 “(1) ASSISTED ACQUISITION.—The term ‘as-

3 sisted acquisition’ means a type of interagency ac-

4 quisition in which the parties enter into an inter-

5 agency agreement pursuant to which—

6 “(A) the servicing agency performs acquisi-

7 tion activities on the requesting agency’s behalf,

8 such as awarding, administering, or closing out

9 a contract, task order, delivery order, or blanket

10 purchase agreement; and

11 “(B) funding is provided through a fran-

12 chise fund, the Acquisition Services Fund in

13 section 321 of this title, sections 1535 and

14 1536 of title 31, or other available methods.

15 “(2) EXECUTIVE AGENCY.—The term ‘executive

16 agency’ has the meaning provided that term by sec-

17 tion 133 of title 41.

18 “(3) RELEVANT CONGRESSIONAL COMMIT-

19 TEES.—The term ‘relevant congressional commit-

20 tees’ has the meaning provided that term by section

21 11501 of this title.

22 “(i) REVISION OF FAR.—The Federal Acquisition

23 Regulation shall be amended to implement this section.”.

24 (b) CLERICAL AMENDMENT.—The table of sections

25 at the beginning of chapter 115 of title 40, United States

1 Code, as amended by section 401, is further amended by
2 adding at the end the following new item:

“11502. Assisted Acquisition Centers of Excellence.”.

3 **Subtitle B—Strengthening IT**
4 **Acquisition Workforce**

5 **SEC. 411. EXPANSION OF TRAINING AND USE OF INFORMA-**
6 **TION TECHNOLOGY ACQUISITION CADRES.**

7 (a) PURPOSE.—The purpose of this section is to en-
8 sure timely progress by Federal agencies toward devel-
9 oping, strengthening, and deploying personnel with highly
10 specialized skills in information technology acquisition, in-
11 cluding program and project managers, to be known as
12 information technology acquisition cadres.

13 (b) REPORT TO CONGRESS.—Section 1704 of title
14 41, United States Code, is amended by adding at the end
15 the following new subsection:

16 “(j) STRATEGIC PLAN ON INFORMATION TECH-
17 NOLOGY ACQUISITION CADRES.—

18 “(1) FIVE-YEAR STRATEGIC PLAN TO CON-
19 GRESS.—Not later than June 1 following the date of
20 the enactment of this subsection, the Director shall
21 submit to the relevant congressional committees a 5-
22 year strategic plan (to be known as the ‘IT Acquisi-
23 tion Cadres Strategic Plan’) to develop, strengthen,
24 and solidify information technology acquisition cad-
25 res. The plan shall include a timeline for implemen-

1 tation of the plan and identification of individuals
2 responsible for specific elements of the plan during
3 the 5-year period covered by the plan.

4 “(2) MATTERS COVERED.—The plan shall ad-
5 dress, at a minimum, the following matters:

6 “(A) Current information technology ac-
7 quisition staffing challenges in Federal agen-
8 cies, by previous year’s information technology
9 acquisition value, and by the Federal Govern-
10 ment as a whole.

11 “(B) The variety and complexity of infor-
12 mation technology acquisitions conducted by
13 each Federal agency covered by the plan, and
14 the specialized information technology acquisi-
15 tion workforce needed to effectively carry out
16 such acquisitions.

17 “(C) The development of a sustainable
18 funding model to support efforts to hire, retain,
19 and train an information technology acquisition
20 cadre of appropriate size and skill to effectively
21 carry out the acquisition programs of the Fed-
22 eral agencies covered by the plan, including an
23 examination of interagency funding methods
24 and a discussion of how the model of the De-

1 fense Acquisition Workforce Development Fund
2 could be applied to civilian agencies.

3 “(D) Any strategic human capital planning
4 necessary to hire, retain, and train an informa-
5 tion acquisition cadre of appropriate size and
6 skill at each Federal agency covered by the
7 plan.

8 “(E) Governmentwide training standards
9 and certification requirements necessary to en-
10 hance the mobility and career opportunities of
11 the Federal information technology acquisition
12 cadre within the Federal agencies covered by
13 the plan.

14 “(F) New and innovative approaches to
15 workforce development and training, including
16 cross-functional training, rotational develop-
17 ment, and assignments both within and outside
18 the Government.

19 “(G) Appropriate consideration and align-
20 ment with the needs and priorities of the Infra-
21 structure and Common Application Collabora-
22 tion Center, Assisted Acquisition Centers of Ex-
23 cellence, and acquisition intern programs.

24 “(H) Assessment of the current workforce
25 competency and usage trends in evaluation

1 technique to obtain best value, including proper
2 handling of tradeoffs between price and
3 nonprice factors.

4 “(I) Assessment of the current workforce
5 competency in designing and aligning perform-
6 ance goals, life cycle costs, and contract incen-
7 tives.

8 “(J) Assessment of the current workforce
9 competency in avoiding brand-name preference
10 and using industry-neutral functional specifica-
11 tions to leverage open industry standards and
12 competition.

13 “(K) Use of integrated program teams, in-
14 cluding fully dedicated program managers, for
15 each complex information technology invest-
16 ment.

17 “(L) Proper assignment of recognition or
18 accountability to the members of an integrated
19 program team for both individual functional
20 goals and overall program success or failure.

21 “(M) The development of a technology fel-
22 lows program that includes provisions for re-
23 cruiting, for rotation of assignments, and for
24 partnering directly with universities with well-
25 recognized information technology programs.

1 “(N) The capability to properly manage
2 other transaction authority (where such author-
3 ity is granted), including ensuring that the use
4 of the authority is warranted due to unique
5 technical challenges, rapid adoption of innova-
6 tive or emerging commercial or noncommercial
7 technologies, or other circumstances that can-
8 not readily be satisfied using a contract, grant,
9 or cooperative agreement in accordance with ap-
10 plicable law and the Federal Acquisition Regu-
11 lation.

12 “(O) The use of student internship and
13 scholarship programs as a talent pool for per-
14 manent hires and the use and impact of special
15 hiring authorities and flexibilities to recruit di-
16 verse candidates.

17 “(P) The assessment of hiring manager
18 satisfaction with the hiring process and hiring
19 outcomes, including satisfaction with the quality
20 of applicants interviewed and hires made.

21 “(Q) The assessment of applicant satisfac-
22 tion with the hiring process, including the clar-
23 ity of the hiring announcement, the user-friend-
24 liness of the application process, communication
25 from the hiring manager or agency regarding

1 application status, and timeliness of the hiring
2 decision.

3 “(R) The assessment of new hire satisfac-
4 tion with the onboarding process, including the
5 orientation process, and investment in training
6 and development for employees during their
7 first year of employment.

8 “(S) Any other matters the Director con-
9 siders appropriate.

10 “(3) ANNUAL REPORT.—Not later than June 1
11 in each of the 5 years following the year of submis-
12 sion of the plan required by paragraph (1), the Di-
13 rector shall submit to the relevant congressional
14 committees an annual report outlining the progress
15 made pursuant to the plan.

16 “(4) GOVERNMENT ACCOUNTABILITY OFFICE
17 REVIEW OF THE PLAN AND ANNUAL REPORT.—

18 “(A) Not later than 1 year after the sub-
19 mission of the plan required by paragraph (1),
20 the Comptroller General of the United States
21 shall review the plan and submit to the relevant
22 congressional committees a report on the re-
23 view.

24 “(B) Not later than 6 months after the
25 submission of the first, third, and fifth annual

1 report required under paragraph (3), the Comp-
2 troller General shall independently assess the
3 findings of the annual report and brief the rel-
4 evant congressional committees on the Comp-
5 troller General’s findings and recommendations
6 to ensure the objectives of the plan are accom-
7 plished.

8 “(5) DEFINITIONS.—In this subsection:

9 “(A) The term ‘Federal agency’ means
10 each agency listed in section 901(b) of title 31.

11 “(B) The term ‘relevant congressional
12 committees’ means each of the following:

13 “(i) The Committee on Oversight and
14 Government Reform and the Committee on
15 Armed Services of the House of Represent-
16 atives.

17 “(ii) The Committee on Homeland Se-
18 curity and Governmental Affairs and the
19 Committee on Armed Services of the Sen-
20 ate.”.

21 **SEC. 412. PLAN ON STRENGTHENING PROGRAM AND**
22 **PROJECT MANAGEMENT PERFORMANCE.**

23 (a) PLAN ON STRENGTHENING PROGRAM AND
24 PROJECT MANAGEMENT PERFORMANCE.—Not later than
25 June 1 following the date of the enactment of this Act,

1 the Director, in consultation with the Director of the Of-
2 fice of Personnel Management, shall submit to the relevant
3 congressional committees a plan for improving manage-
4 ment of IT programs and projects.

5 (b) MATTERS COVERED.—The plan required by sub-
6 section (a) shall include, at a minimum, the following:

7 (1) Creation of a specialized career path for
8 program management.

9 (2) The development of a competency model for
10 program management consistent with the IT project
11 manager model.

12 (3) A career advancement model that requires
13 appropriate expertise and experience for advance-
14 ment.

15 (4) A career advancement model that is more
16 competitive with the private sector and that recog-
17 nizes both Government and private sector experi-
18 ence.

19 (5) Appropriate consideration and alignment
20 with the needs and priorities of the Infrastructure
21 and Common Application Collaboration Center, the
22 Assisted Acquisition Centers of Excellence, and ac-
23 quisition intern programs.

24 (c) COMBINATION WITH OTHER CADRES PLAN.—
25 The Director may combine the plan required by subsection

1 (a) with the IT Acquisition Cadres Strategic Plan required
2 under section 1704(j) of title 41, United States Code, as
3 added by section 411.

4 **SEC. 413. PERSONNEL AWARDS FOR EXCELLENCE IN THE**
5 **ACQUISITION OF INFORMATION SYSTEMS**
6 **AND INFORMATION TECHNOLOGY.**

7 (a) IN GENERAL.—Not later than 180 days after the
8 date of the enactment of this Act, the Director of the Of-
9 fice of Personnel Management shall develop policy and
10 guidance for agencies to develop a program to recognize
11 excellent performance by Federal Government employees
12 and teams of such employees in the acquisition of informa-
13 tion systems and information technology for the agency.

14 (b) ELEMENTS.—The program referred to in sub-
15 section (a) shall, to the extent practicable—

16 (1) obtain objective outcome measures; and

17 (2) include procedures for—

18 (A) the nomination of Federal Government
19 employees and teams of such employees for eli-
20 gibility for recognition under the program; and

21 (B) the evaluation of nominations for rec-
22 ognition under the program by 1 or more agen-
23 cy panels of individuals from Government, aca-
24 demia, and the private sector who have such ex-
25 pertise, and are appointed in such a manner, as

1 the Director of the Office of Personal Manage-
2 ment shall establish for purposes of the pro-
3 gram.

4 (c) AWARD OF CASH BONUSES AND OTHER INCEN-
5 TIVES.—In carrying out the program referred to in sub-
6 section (a), the Director of the Office of Personnel Man-
7 agement, in consultation with the Director of the Office
8 of Management and Budget, shall establish policies and
9 guidance for agencies to reward any Federal Government
10 employee or teams of such employees recognized pursuant
11 to the program—

12 (1) with a cash bonus, to the extent that the
13 performance of such individual or team warrants the
14 award of such bonus and is authorized by any provi-
15 sion of law;

16 (2) through promotions and other nonmonetary
17 awards;

18 (3) by publicizing—

19 (A) acquisition accomplishments by indi-
20 vidual employees; and

21 (B) the tangible end benefits that resulted
22 from such accomplishments, as appropriate;
23 and

1 (4) through other awards, incentives, or bo-
2 nuses that the head of the agency considers appro-
3 priate.

4 **TITLE V—ADDITIONAL REFORMS**

5 **SEC. 501. MAXIMIZING THE BENEFIT OF THE FEDERAL** 6 **STRATEGIC SOURCING INITIATIVE.**

7 Not later than 180 days after the date of the enact-
8 ment of this Act, the Administrator for Federal Procure-
9 ment Policy shall prescribe regulations providing that
10 when the Federal Government makes a purchase of serv-
11 ices and supplies offered under the Federal Strategic
12 Sourcing Initiative (managed by the Office of Federal Pro-
13 curement Policy) but such Initiative is not used, the con-
14 tract file for the purchase shall include a brief analysis
15 of the comparative value, including price and nonprice fac-
16 tors, between the services and supplies offered under such
17 Initiative and services and supplies offered under the
18 source or sources used for the purchase.

19 **SEC. 502. GOVERNMENTWIDE SOFTWARE PURCHASING** 20 **PROGRAM.**

21 (a) IN GENERAL.—The Administrator of General
22 Services, in collaboration with the Department of Defense,
23 shall identify and develop a strategic sourcing initiative
24 to enhance Governmentwide acquisition, shared use, and

1 dissemination of software, as well as compliance with end
2 user license agreements.

3 (b) EXAMINATION OF METHODS.—In developing the
4 initiative under subsection (a), the Administrator shall ex-
5 amine the use of realistic and effective demand aggrega-
6 tion models supported by actual agency commitment to
7 use the models, and supplier relationship management
8 practices, to more effectively govern the Government’s ac-
9 quisition of information technology.

10 (c) GOVERNMENTWIDE USER LICENSE AGREE-
11 MENT.—The Administrator, in developing the initiative
12 under subsection (a), shall allow for the purchase of a li-
13 cense agreement that is available for use by all executive
14 agencies as one user to the maximum extent practicable
15 and as appropriate.

16 **SEC. 503. PROMOTING TRANSPARENCY OF BLANKET PUR-**
17 **CHASE AGREEMENTS.**

18 (a) PRICE INFORMATION TO BE TREATED AS PUB-
19 LIC INFORMATION.—The final negotiated price offered by
20 an awardee of a blanket purchase agreement shall be
21 treated as public information.

22 (b) PUBLICATION OF BLANKET PURCHASE AGREE-
23 MENT INFORMATION.—Not later than 180 days after the
24 date of the enactment of this Act, the Administrator of
25 General Services shall make available to the public a list

1 of all blanket purchase agreements entered into by Federal
2 agencies under its Federal Supply Schedules contracts and
3 the prices associated with those blanket purchase agree-
4 ments. The list and price information shall be updated at
5 least once every 6 months.

6 **SEC. 504. ADDITIONAL SOURCE SELECTION TECHNIQUE IN**
7 **SOLICITATIONS.**

8 Section 3306(d) of title 41, United States Code, is
9 amended—

10 (1) by striking “or” at the end of paragraph

11 (1);

12 (2) by striking the period and inserting “; or”
13 at the end of paragraph (2); and

14 (3) by adding at the end the following new
15 paragraph:

16 “(3) stating in the solicitation that the award
17 will be made using a fixed price technical competi-
18 tion, under which all offerors compete solely on
19 nonprice factors and the fixed award price is pre-an-
20 nounced in the solicitation.”.

21 **SEC. 505. ENHANCED TRANSPARENCY IN INFORMATION**
22 **TECHNOLOGY INVESTMENTS.**

23 (a) PUBLIC AVAILABILITY OF INFORMATION ABOUT
24 IT INVESTMENTS.—Section 11302(c) of title 40, United
25 States Code, is amended—

1 (1) by redesignating paragraph (2) as para-
2 graph (3); and

3 (2) by inserting after paragraph (1) the fol-
4 lowing new paragraph:

5 “(2) PUBLIC AVAILABILITY.—

6 “(A) IN GENERAL.—The Director shall
7 make available to the public the cost, schedule,
8 and performance data for all of the IT invest-
9 ments listed in subparagraph (B), notwith-
10 standing whether the investments are for new
11 IT acquisitions or for operations and mainte-
12 nance of existing IT.

13 “(B) INVESTMENTS LISTED.—The invest-
14 ments listed in this subparagraph are the fol-
15 lowing:

16 “(i) At least 80 percent (by dollar
17 value) of all information technology invest-
18 ments Governmentwide.

19 “(ii) At least 60 percent (by dollar
20 value) of all information technology invest-
21 ments in each Federal agency listed in sec-
22 tion 901(b) of title 31.

23 “(iii) Every major information tech-
24 nology investment (as defined by the Office
25 of Management and Budget) in each Fed-

1 eral agency listed in section 901(b) of title
2 31.

3 “(C) QUARTERLY REVIEW AND CERTIFI-
4 CATION.—For each investment listed in sub-
5 paragraph (B), the agency Chief Information
6 Officer and the program manager of the invest-
7 ment within the agency shall certify, at least
8 once every quarter, that the information is cur-
9 rent, accurate, and reflects the risks associated
10 with each listed investment. The Director shall
11 conduct quarterly reviews and publicly identify
12 agencies with an incomplete certification or
13 with significant data quality issues.

14 “(D) CONTINUOUS AVAILABILITY.—The
15 information required under subparagraph (A),
16 in its most updated form, shall be publicly
17 available at all times.

18 “(E) WAIVER OR LIMITATION AUTHOR-
19 ITY.—The applicability of subparagraph (A)
20 may be waived or the extent of the information
21 may be limited—

22 “(i) by the Director, with respect to
23 IT investments Governmentwide; and

1 “(ii) by the Chief Information Officer
2 of a Federal agency, with respect to IT in-
3 vestments in that agency;
4 if the Director or the Chief Information Officer,
5 as the case may be, determines that such a
6 waiver or limitation is in the national security
7 interests of the United States.”.

8 (b) **ADDITIONAL REPORT REQUIREMENTS.**—Para-
9 graph (3) of section 11302(c) of such title, as redesignated
10 by subsection (a), is amended by adding at the end the
11 following: “The report shall include an analysis of agency
12 trends reflected in the performance risk information re-
13 quired in paragraph (2).”.

14 **SEC. 506. ENHANCED COMMUNICATION BETWEEN GOVERN-**
15 **MENT AND INDUSTRY.**

16 Not later than 180 days after the date of the enact-
17 ment of this Act, the Federal Acquisition Regulatory
18 Council shall prescribe a regulation making clear that
19 agency acquisition personnel are permitted and encour-
20 aged to engage in responsible and constructive exchanges
21 with industry, so long as those exchanges are consistent
22 with existing law and regulation and do not promote an
23 unfair competitive advantage to particular firms.

1 **SEC. 507. CLARIFICATION OF CURRENT LAW WITH RE-**
2 **SPECT TO TECHNOLOGY NEUTRALITY IN AC-**
3 **QUISITION OF SOFTWARE.**

4 (a) **PURPOSE.**—The purpose of this section is to es-
5 tablish guidance and processes to clarify that software ac-
6 quisitions by the Federal Government are to be made
7 using merit-based requirements development and evalua-
8 tion processes that promote procurement choices—

9 (1) based on performance and value, including
10 the long-term value proposition to the Federal Gov-
11 ernment;

12 (2) free of preconceived preferences based on
13 how technology is developed, licensed, or distributed;
14 and

15 (3) generally including the consideration of pro-
16 prietary, open source, and mixed source software
17 technologies.

18 (b) **TECHNOLOGY NEUTRALITY.**—Nothing in this
19 section shall be construed to modify the Federal Govern-
20 ment’s long-standing policy of following technology-neu-
21 tral principles and practices when selecting and acquiring
22 information technology that best fits the needs of the Fed-
23 eral Government.

24 (c) **GUIDANCE.**—Not later than 180 days after the
25 date of the enactment of this Act, the Director, in con-
26 sultation with the Chief Information Officers Council,

1 shall issue guidance concerning the technology-neutral
2 procurement and use of software within the Federal Gov-
3 ernment.

4 (d) MATTERS COVERED.—In issuing guidance under
5 subsection (c), the Director shall include, at a minimum,
6 the following:

7 (1) Guidance to clarify that the preference for
8 commercial items in section 3307 of title 41, United
9 States Code, includes proprietary, open source, and
10 mixed source software that meets the definition of
11 the term “commercial item” in section 103 of title
12 41, United States Code, including all such software
13 that is used for non-Government purposes and is li-
14 censed to the public.

15 (2) Guidance regarding the conduct of market
16 research to ensure the inclusion of proprietary, open
17 source, and mixed source software options.

18 (3) Guidance to define Governmentwide stand-
19 ards for security, redistribution, indemnity, and
20 copyright in the acquisition, use, release, and col-
21 laborative development of proprietary, open source,
22 and mixed source software.

23 (4) Guidance for the adoption of available com-
24 mercial practices to acquire proprietary, open source,
25 and mixed source software for widespread Govern-

1 ment use, including issues such as security and re-
2 distribution rights.

3 (5) Guidance to establish standard service level
4 agreements for maintenance and support for propri-
5 etary, open source, and mixed source software prod-
6 ucts widely adopted by the Government, as well as
7 the development of Governmentwide agreements that
8 contain standard and widely applicable contract pro-
9 visions for ongoing maintenance and development of
10 software.

11 (6) Guidance on the role and use of the Federal
12 Infrastructure and Common Application Collabora-
13 tion Center, authorized under section 11501 of title
14 40, United States Code (as added by section 401),
15 for acquisition of proprietary, open source, and
16 mixed source software.

17 (e) REPORT TO CONGRESS.—Not later than 2 years
18 after the issuance of the guidance required by subsection
19 (b), the Comptroller General of the United States shall
20 submit to the relevant congressional committees a report
21 containing—

22 (1) an assessment of the effectiveness of the
23 guidance;

1 (2) an identification of barriers to widespread
2 use by the Federal Government of specific software
3 technologies; and

4 (3) such legislative recommendations as the
5 Comptroller General considers appropriate to further
6 the purposes of this section.

7 **SEC. 508. NO ADDITIONAL FUNDS AUTHORIZED.**

8 Except as provided in section 11501(i) of title 40,
9 United States Code, as added by section 401, no addi-
10 tional funds are authorized to carry out the requirements
11 of this Act and the amendments made by this Act. Such
12 requirements shall be carried out using amounts otherwise
13 authorized or appropriated.

 Passed the House of Representatives February 25,
2014.

Attest:

Clerk.

113TH CONGRESS
2^D SESSION

H. R. 1232

AN ACT

To amend titles 40, 41, and 44, United States Code, to eliminate duplication and waste in information technology acquisition and management.