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House Passes Issa-Connolly Federal IT Acquisition Reform Act

Most Dramatic Overhaul of Federal IT Procurement since Clinger-Cohen Act of 1996

WASHINGTON – The U.S. House of Representatives on Tuesday passed bipartisan legislation that fundamentally reforms the procurement management process the federal government uses to purchase more than \$80 billion in internet technology products and services annually with the goal of improving performance and reducing costs.

The legislation was sponsored by Oversight and Government Reform Committee Chairman Darrell Issa (R-CA) and Subcommittee on Government Operations Ranking Member Gerry Connolly (D-VA).

The legislation will streamline and strengthen the federal IT acquisition process and promote the adoption of best practices from the technology community. It will elevate and empower agency CIOs with authority over effectively managing the IT portfolio.

"There are more than 250 identified CIOs in the federal government, yet none possess the necessary authority to effectively manage IT investments. This has resulted in duplicative and wasteful IT spending, with taxpayers forced to foot the bill for massive IT program failures that ring up staggeringly high costs, but exhibit astonishingly poor performance," Connolly said.

"Far too often cumbersome bureaucracy stifles innovation and prevents government from efficiently buying and deploying cutting edge technology. Program failures and cost overruns still plague the vast majority of major Federal IT investments, while Federal managers' report that 47 percent of their budget is spent on maintaining antiquated and inadequate IT platforms," Connolly said on the House floor during consideration of the legislation.

In addition to improving how the government procures IT, the FITARA legislation would also enhance how the government deploys these tools. The legislation would accelerate data center optimization to achieve significant cost-savings, as recommended by the U.S. Government Accountability Office; provide agencies with flexibility to leverage efficient cloud services; and strengthen the accountability and transparency of federal IT programs. If enacted, 80 percent of the approximately \$80 billion annual federal IT investments would be required to be posted on the public IT Dashboard, compared to the 50 percent coverage that exists today.

"Mission-critical IT investment failures not only waste taxpayer dollars, but they jeopardize our Nation's safety, security, and economy," Connolly said. "Our bipartisan legislation will end a status quo that is

both unacceptable and unsustainable; creating an efficient and effective federal IT procurement system that best serves agencies, industry, and most importantly, the American taxpayer."

The Issa-Connolly legislation first passed the House in 2013 as part of the National Defense Authorization Act, but FITARA and many other provisions were stripped from the NDAA in the Senate as it rushed to pass a defense authorization bill last December. A bipartisan group of senators have introduced legislation similar to the Issa-Connolly FITARA bill.

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Floor Statement Ranking Member Gerald E. Connolly (VA-11) Subcommittee on Government Operations Committee on Oversight and Government Reform

H.R. 1232, Federal Information Technology Acquisition Reform Act

February 25, 2014

In the 21st century, effective governance is inextricably linked with how well government leverages technology to serve its citizens. Yet, our current Federal laws governing IT management are antiquated and out of step with technological change and growth.

Far too often cumbersome bureaucracy stifles innovation and prevents government from efficiently buying and deploying cutting edge technology. Program failure and cost overruns still plague the vast majority of major Federal IT investments, while Federal managers' report that 47 percent of their budget is spent on maintaining antiquated and inadequate IT platforms.

In recent decades, taxpayers have been forced to foot the bill for massive IT program failures that ring up staggeringly high costs, but exhibit astonishingly poor performance.

The Air Force invested six years in a modernization effort that cost more than \$1 billion, but failed to deliver a usable product, prompting its Assistant Secretary to state, quote "I am personally appalled at the limited capabilities that program has produced relative to that amount of investment."

This status quo is neither acceptable nor sustainable.

I want to thank Chairman Issa for working with me in a productive manner to develop the bipartisan Issa-Connolly Federal Information Technology Acquisition Reform Act, also known as FITARA.

Our bipartisan legislation seeks to comprehensively streamline and strengthen the Federal IT acquisition process and promote the adoption of best practices from the technology community.

The Issa-Connolly reform measure recognizes that effective Federal IT procurement reform must start with leadership and accountability. It is absolutely vital that a Department's top leadership understands how critical effective IT investments are to an agency's operations and ability to carry out its mission.

We must elevate and enhance the prestige, and more importantly, the authorities, of CIOs across the Federal Government to hold them accountable for effectively managing an agency's IT portfolio.

Agency heads need talented leaders to serve as their primary advisors on IT management, recruit and retain talented IT staff, and oversee critical IT investments across the organization.

Title I of FITARA would accomplish this, while also avoiding "one-size-fits-all" solutions by allowing agencies significant discretion in implementing the law.

Our bill would also accelerate data center optimization, provide agencies with flexibility to leverage efficient cloud services, and strengthen the accountability and transparency of Federal IT programs. If enacted, 80 percent of the approximately \$80 billion annual Federal IT investment would be required to be posted on the public IT Dashboard, compared to the 50 percent coverage that exists today.

Strengthening the transparency requirements of the IT Dashboard is an urgent and much needed reform in light of the recent January 2014 GAO report that revealed the IT Dashboard has not been updated for 15 of the past 24 months! This finding was as astonishing as it was unacceptable.

Fortunately, a bipartisan consensus is finally forming around the urgent need to further streamline and strengthen how the Federal Government acquires and deploys IT. President Obama has embraced Federal IT procurement reform and several agencies are already taking the lead in this area. Now is the time to ensure reforms are adopted government wide and carry the force of law.

I urge all my colleagues to join me in supporting this important and urgently needed bipartisan reform measure.