AMENDMENT TO THE RULES COMMITTEE PRINT
FOR H.R. 4435
OFFERED BY MR. CONNOLLY OF VIRGINIA AND
MR. ISSA OF CALIFORNIA

At the end of the bill, add the following new division:

1 DIVISION E—FEDERAL INFORMATION TECHNOLOGY ACQUISITION REFORM

4 SEC. 5001. SHORT TITLE.
This division may be cited as the “Federal Information Technology Acquisition Reform Act”.

7 SEC. 5002. TABLE OF CONTENTS.
The table of contents for this division is as follows:

DIVISION E—FEDERAL INFORMATION TECHNOLOGY ACQUISITION REFORM
Sec. 5001. Short title.
Sec. 5002. Table of contents.
Sec. 5003. Definitions.

TITLE LI—MANAGEMENT OF INFORMATION TECHNOLOGY WITHIN FEDERAL GOVERNMENT
Sec. 5101. Increased authority of agency Chief Information Officers over information technology.
Sec. 5102. Lead coordination role of Chief Information Officers Council.
Sec. 5103. Reports by Government Accountability Office.

TITLE LII—DATA CENTER OPTIMIZATION
Sec. 5201. Purpose.
Sec. 5202. Definitions.
Sec. 5203. Federal data center optimization initiative.
Sec. 5204. Performance requirements related to data center consolidation.
Sec. 5205. Cost savings related to data center optimization.
Sec. 5206. Reporting requirements to Congress and the Federal Chief Information Officer.

TITLE LIII—ELIMINATION OF DUPLICATION AND WASTE IN INFORMATION TECHNOLOGY ACQUISITION

Sec. 5301. Inventory of information technology software assets.
Sec. 5302. Website consolidation and transparency.
Sec. 5303. Transition to the cloud.
Sec. 5304. Elimination of unnecessary duplication of contracts by requiring business case analysis.

TITLE LIV—STRENGTHENING IT ACQUISITION WORKFORCE

Sec. 5411. Expansion of training and use of information technology acquisition cadres.
Sec. 5412. Plan on strengthening program and project management performance.
Sec. 5413. Personnel awards for excellence in the acquisition of information systems and information technology.

TITLE LV—ADDITIONAL REFORMS

Sec. 5501. Maximizing the benefit of the Federal strategic sourcing initiative.
Sec. 5502. Governmentwide software purchasing program.
Sec. 5503. Promoting transparency of blanket purchase agreements.
Sec. 5504. Additional source selection technique in solicitations.
Sec. 5505. Enhanced transparency in information technology investments.
Sec. 5506. Enhanced communication between government and industry.
Sec. 5507. Clarification of current law with respect to technology neutrality in acquisition of software.
Sec. 5508. No additional funds authorized.

SEC. 5003. DEFINITIONS.

In this division:

(1) CHIEF ACQUISITION OFFICERS COUNCIL.—The term “Chief Acquisition Officers Council” means the Chief Acquisition Officers Council established by section 1311(a) of title 41, United States Code.

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

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

(4) DIRECTOR.—The term “Director” means the Director of the Office of Management and Budget.

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

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

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

(8) RELEVANT CONGRESSIONAL COMMITTEES.—The term “relevant congressional committees” means each of the following:
(A) The Committee on Oversight and Government Reform and the Committee on Armed Services of the House of Representatives.

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

TITLE LI—MANAGEMENT OF INFORMATION TECHNOLOGY WITHIN FEDERAL GOVERNMENT

SEC. 5101. INCREASED AUTHORITY OF AGENCY CHIEF INFORMATION OFFICERS OVER INFORMATION TECHNOLOGY.

(a) Presidential Appointment of CIOs of Certain Agencies.—

(1) In general.—Section 11315 of title 40, United States Code, is amended—

(A) by redesignating subsection (a) as subsection (e) and moving such subsection to the end of the section; and

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

“(a) Presidential Appointment or Designation of Certain Chief Information Officers.—
“(1) IN GENERAL.—There shall be within each agency listed in section 901(b)(1) of title 31 an agency Chief Information Officer. Each agency Chief Information Officer shall—

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

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

“(B) be appointed or designated, as applicable, from among individuals who possess demonstrated ability in general management of, and knowledge of and extensive practical experience in, information technology management practices in large governmental or business entities.

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

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

(A) by striking “(A) Except as provided under subparagraph (B), the head of each
agency” and inserting “The head of each agency, other than an agency with a Presidentially appointed or designated Chief Information Officer as provided in section 11315(a)(1) of title 40,”; and

(B) by striking subparagraph (B).

(b) A UTHORITY RELATING TO BUDGET AND PERSONNEL.—Section 11315 of title 40, United States Code, is further amended by inserting after subsection (c) the following new subsection:

“(d) ADDITIONAL AUTHORITIES FOR CERTAIN CIOs.—

“(1) BUDGET-RELATED AUTHORITY.—

“(A) PLANNING.—Notwithstanding any other provision of law, the head of each agency listed in section 901(b)(1) or 901(b)(2) of title 31 and in section 102 of title 5 shall ensure that the Chief Information Officer of the agency has the authority to participate in decisions regarding the budget planning process related to information technology or programs that include significant information technology components.

“(B) ALLOCATION.—Notwithstanding any other provision of law, amounts appropriated
for any agency listed in section 901(b)(1) or 901(b)(2) of title 31 and in section 102 of title 5 for any fiscal year that are available for information technology shall be allocated within the agency, consistent with the provisions of appropriations Acts and budget guidelines and recommendations from the Director of the Office of Management and Budget, in such manner as specified by, or approved by, the Chief Information Officer of the agency in consultation with the Chief Financial Officer of the agency and budget officials.

“(2) PERSONNEL-RELATED AUTHORITY.—Notwithstanding any other provision of law, the head of each agency listed in section 901(b)(1) or 901(b)(2) of title 31 shall ensure that the Chief Information Officer of the agency has the authority necessary to approve the hiring of personnel who will have information technology responsibilities within the agency and to require that such personnel have the obligation to report to the Chief Information Officer in a manner considered sufficient by the Chief Information Officer.”.

(c) SINGLE CHIEF INFORMATION OFFICER IN EACH AGENCY.—
(1) **Requirement.**—Section 3506(a)(3) of title 44, United States Code, is amended—

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

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

“(B) Each agency shall have only one individual with the title and designation of ‘Chief Information Officer’. Any bureau, office, or subordinate organization within the agency may designate one individual with the title ‘Deputy Chief Information Officer’, ‘Associate Chief Information Officer’, or ‘Assistant Chief Information Officer’.”.

(2) **Effective Date.**—Section 3506(a)(3)(B) of title 44, United States Code, as added by paragraph (1), shall take effect as of October 1, 2014. Any individual serving in a position affected by such section before such date may continue in that position if the requirements of such section are fulfilled with respect to that individual.

**Sec. 5102. Lead Coordination Role of Chief Information Officers Council.**

(a) **Lead Coordination Role.**—Subsection (d) of section 3603 of title 44, United States Code, is amended to read as follows:
“(d) LEAD INTERAGENCY FORUM.—

“(1) IN GENERAL.—The Council is designated the lead interagency forum for improving agency coordination of practices related to the design, development, modernization, use, operation, sharing, performance, and review of Federal Government information resources investment. As the lead interagency forum, the Council shall develop cross-agency portfolio management practices to allow and encourage the development of cross-agency shared services and shared platforms. The Council shall also issue guidelines and practices for infrastructure and common information technology applications, including expansion of the Federal Enterprise Architecture process if appropriate. The guidelines and practices may address broader transparency, common inputs, common outputs, and outcomes achieved. The guidelines and practices shall be used as a basis for comparing performance across diverse missions and operations in various agencies.

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

“(3) Relevant Congressional Committees.—For purposes of the report required by para-
graph (2), the relevant congressional committees are
each of the following:

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

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

(b) References to Administrator of E-Govern-
ment as Federal Chief Information Officer.—

(1) References.—Section 3602(b) of title 44,
United States Code, is amended by adding at the
end the following: “The Administrator may also be
referred to as the Federal Chief Information Offi-
cer.”.

(2) Definition.—Section 3601(1) of such title
is amended by inserting “or Federal Chief Informa-
tion Officer” before “means”.
SEC. 5103. REPORTS BY GOVERNMENT ACCOUNTABILITY OFFICE.

(a) REQUIREMENT TO EXAMINE EFFECTIVENESS.—The Comptroller General of the United States shall examine the effectiveness of the Chief Information Officers Council in meeting its responsibilities under section 3603(d) of title 44, United States Code, as added by section 5102, with particular focus on whether agencies are actively participating in the Council and heeding the Council’s advice and guidance.

(b) REPORTS.—Not later than 1 year, 3 years, and 5 years after the date of the enactment of this Act, the Comptroller General shall submit to the relevant congressional committees a report containing the findings and recommendations of the Comptroller General from the examination required by subsection (a).

TITLE LII—DATA CENTER OPTIMIZATION

SEC. 5201. PURPOSE.

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

SEC. 5202. DEFINITIONS.

In this title:

(1) FEDERAL DATA CENTER OPTIMIZATION INITIATIVE.—The term “Federal Data Center Optimization Initiative” or the “Initiative” means the ini-
tiative developed and implemented by the Director, through the Federal Chief Information Officer, as required under section 5203.

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

(3) DATA CENTER.—The term “data center” means a closet, room, floor, or building for the storage, management, and dissemination of data and information, as defined by the Federal Chief Information Officer under guidance issued pursuant to this section.

(4) FEDERAL DATA CENTER.—The term “Federal data center” means any data center of a covered agency used or operated by a covered agency, by a contractor of a covered agency, or by another organization on behalf of a covered agency.

(5) SERVER UTILIZATION.—The term “server utilization” refers to the activity level of a server relative to its maximum activity level, expressed as a percentage.

(6) POWER USAGE EFFECTIVENESS.—The term “power usage effectiveness” means the ratio obtained by dividing the total amount of electricity and other power consumed in running a data center by
the power consumed by the information and communications technology in the data center.

SEC. 5203. FEDERAL DATA CENTER OPTIMIZATION INITIATIVE.

(a) REQUIREMENT FOR INITIATIVE.—The Federal Chief Information Officer, in consultation with the chief information officers of covered agencies, shall develop and implement an initiative, to be known as the Federal Data Center Optimization Initiative, to optimize the usage and efficiency of Federal data centers by meeting the requirements of this division and taking additional measures, as appropriate.

(b) REQUIREMENT FOR PLAN.—Within 6 months after the date of the enactment of this Act, the Federal Chief Information Officer, in consultation with the chief information officers of covered agencies, shall develop and submit to Congress a plan for implementation of the Initiative required by subsection (a) by each covered agency. In developing the plan, the Federal Chief Information Officer shall take into account the findings and recommendations of the Comptroller General review required by section 5205(e).

(e) MATTERS COVERED.—The plan shall include—

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

(2) appropriate consideration of shifting Federally owned data center workload to commercially owned data centers.

SEC. 5204. PERFORMANCE REQUIREMENTS RELATED TO DATA CENTER CONSOLIDATION.

(a) SERVER UTILIZATION.—Each covered agency may use the following methods to achieve the maximum server utilization possible as determined by the Federal Chief Information Officer:

(1) The closing of existing data centers that lack adequate server utilization, as determined by the Federal Chief Information Officer. If the agency fails to close such data centers, the agency shall provide a detailed explanation as to why this data center should remain in use as part of the submitted plan. The Federal Chief Information Officer shall include an assessment of the agency explanation in the annual report to Congress.

(2) The consolidation of services within existing data centers to increase server utilization rates.
(3) Any other method that the Federal Chief Information Officer, in consultation with the chief information officers of covered agencies, determines necessary to optimize server utilization.

(b) Power Usage Effectiveness.—Each covered agency may use the following methods to achieve the maximum energy efficiency possible as determined by the Federal Chief Information Officer:

(1) The use of the measurement of power usage effectiveness to calculate data center energy efficiency.

(2) The use of power meters in facilities dedicated to data center operations to frequently measure power consumption over time.

(3) The establishment of power usage effectiveness goals for each data center.

(4) The adoption of best practices for managing—

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

(B) power supply efficiency.

(5) The implementation of any other method that the Federal Chief Information Officer, in consultation with the Chief Information Officers of cov-
erred agencies, determines necessary to optimize data
center energy efficiency.

SEC. 5205. COST SAVINGS RELATED TO DATA CENTER OPTI-
MIZATION.

(a) REQUIREMENT TO TRACK COSTS.—

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

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

(A) Energy costs.

(B) Personnel costs.

(C) Real estate costs.

(D) Capital expense costs.

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

(F) Other appropriate costs, as determined
by the agency in consultation with the Federal
Chief Information Officer.
(b) REQUIREMENT TO TRACK SAVINGS.—

(1) IN GENERAL.—Each covered agency shall track realized and projected savings resulting from implementation of the Federal Data Center Optimization Initiative within the agency and submit a report on those savings annually to the Federal Chief Information Officer. Covered agencies shall determine the net savings from data consolidation on an annual basis.

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

(A) Energy savings.

(B) Personnel savings.

(C) Real estate savings.

(D) Capital expense savings.

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

(F) Other appropriate savings, as determined by the agency in consultation with the Federal Chief Information Officer.

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

(c) Requirement To Use Cost-Effective Measures.—Covered agencies shall use the most cost-effective measures to implement the Federal Data Center Optimization Initiative, such as using estimation to measure or track costs and savings using a methodology approved by the Federal Chief Information Officer.

(d) Government Accountability Office Review.—Not later than 6 months after the date of the enactment of this Act, the Comptroller General of the United States shall examine methods for calculating savings from the Initiative and using them for the purposes identified in subsection (d), including establishment and use of a special revolving fund that supports data centers and server optimization, and shall submit to the Federal Chief Information Officer and Congress a report on the Comptroller General’s findings and recommendations.

SEC. 5206. REPORTING REQUIREMENTS TO CONGRESS AND THE FEDERAL CHIEF INFORMATION OFFICER.

(a) Agency Requirement To Report to CIO.—
(1) IN GENERAL.—Except as provided in paragraph (2), each covered agency each year shall submit to the Federal Chief Information Officer a report on the implementation of the Federal Data Center Optimization Initiative, including savings resulting from such implementation. The report shall include an update of the agency’s plan for implementing the Initiative.

(2) DEPARTMENT OF DEFENSE.—The Secretary of Defense shall comply with paragraph (1) each year by submitting to the Federal Chief Information Officer a report with relevant information collected under section 2867 of Public Law 112–81 (10 U.S.C. 2223a note) or a copy of the report required under section 2867(d) of such law.

(b) FEDERAL CHIEF INFORMATION OFFICER REQUIREMENT TO REPORT TO CONGRESS.—Each year, the Federal Chief Information Officer shall submit to the relevant congressional committees a report that assesses agency progress in carrying out the Federal Data Center Optimization Initiative and updates the plan under section 5203. The report may be included as part of the annual report required under section 3606 of title 44, United States Code.
TITLE LIII—ELIMINATION OF
DUPLICATION AND WASTE IN
INFORMATION TECHNOLOGY
ACQUISITION

SEC. 5301. INVENTORY OF INFORMATION TECHNOLOGY
SOFTWARE ASSETS.

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

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

(1) The manner in which Federal agencies can
achieve the greatest possible economies of scale and
cost savings in the procurement of information tech-
nology software assets, through measures such as re-
ducing the procurement of new software licenses
until such time as agency needs exceed the number
of existing and unused licenses.

(2) The capability to conduct ongoing Govern-
mentwide inventories of all existing software licenses
on an application-by-application basis, including du-
plicative, unused, overused, and underused licenses,
and to assess the need of agencies for software li-
censes.
(3) A Governmentwide spending analysis to provide knowledge about how much is being spent for software products or services to support decisions for strategic sourcing under the Federal strategic sourcing program managed by the Office of Federal Procurement Policy.

(e) **Availability.**—The inventory of information technology software assets shall be available to Chief Information Officers and such other Federal officials as the Chief Information Officers may, in consultation with the Chief Information Officers Council, designate.

(d) **Deadline and Submission to Congress.**—Not later than 180 days after the date of the enactment of this Act, the Director shall complete and submit to Congress the plan required by subsection (a).

(e) **Implementation.**—Not later than two years after the date of the enactment of this Act, the Director shall complete implementation of the plan required by subsection (a).

(f) **Review by Comptroller General.**—Not later than two years after the date of the enactment of this Act, the Comptroller General of the United States shall review the plan required by subsection (a) and submit to the relevant congressional committees a report on the review.
SEC. 5302. WEBSITE CONSOLIDATION AND TRANSPARENCY.

(a) Website Consolidation.—The Director shall—

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

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

(b) Website Transparency.—The Director shall issue guidance to Federal agencies to ensure that the data on publicly available websites of the agencies are open and accessible to the public.

(c) Matters Covered.—In preparing the guidance required by subsection (b), the Director shall—

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

(2) identify interfaces that provide for shared, open solutions on the publicly available websites of the agencies; and
(3) ensure that Federal agency Internet home pages, web-based forms, and web-based applications are accessible to individuals with disabilities in conformance with section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d).

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

SEC. 5303. TRANSITION TO THE CLOUD.

(a) SENSE OF CONGRESS.—It is the sense of Congress that transition to cloud computing offers significant potential benefits for the implementation of Federal information technology projects in terms of flexibility, cost, and operational benefits.

(b) GOVERNMENTWIDE APPLICATION.—In assessing cloud computing opportunities, the Chief Information Officers Council shall define policies and guidelines for the adoption of Governmentwide programs providing for a standardized approach to security assessment and operational authorization for cloud products and services.

(c) ADDITIONAL BUDGET AUTHORITIES FOR TRANSITION.—In transitioning to the cloud, a Chief Information Officer of an agency listed in section 901(b) of title 31, United States Code, may establish such cloud service Working Capital Funds, in consultation with the Chief Fi-
nancial Officer of the agency, as may be necessary to trans-
1 sition to cloud-based solutions. Any establishment of a new
2 Working Capital Fund under this subsection shall be re-
3 ported to the Committees on Appropriations of the House
4 of Representatives and the Senate and relevant Congres-
5 sional committees.

SEC. 5304. ELIMINATION OF UNNECESSARY DUPLICATION
6 OF CONTRACTS BY REQUIRING BUSINESS
7 CASE ANALYSIS.

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

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

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

“§ 3312. Requirement for business case approval for
1 new Governmentwide contracts

“(a) IN GENERAL.—An executive agency may not
1 issue a solicitation for a covered Governmentwide contract
2 unless the agency performs a business case analysis for
3 the contract and obtains an approval of the business case
analysis from the Administrator for Federal Procurement Policy.

“(b) Review of Business Case Analysis.—

“(1) In General.—With respect to any covered Governmentwide contract, the Administrator for Federal Procurement Policy shall review the business case analysis submitted for the contract and provide an approval or disapproval within 60 days after the date of submission. Any business case analysis not disapproved within such 60-day period is deemed to be approved.

“(2) Basis for Approval of Business Case.—The Administrator for Federal Procurement Policy shall approve or disapprove a business case analysis based on the adequacy of the analysis submitted. The Administrator shall give primary consideration to whether an agency has demonstrated a compelling need that cannot be satisfied by existing Governmentwide contract in a timely and cost-effective manner.

“(c) Content of Business Case Analysis.—The Administrator for Federal Procurement Policy shall issue guidance specifying the content for a business case analysis submitted pursuant to this section. At a minimum, the business case analysis shall include details on the ad-
ministrative resources needed for such contract, including an analysis of all direct and indirect costs to the Federal Government of awarding and administering such contract and the impact such contract will have on the ability of the Federal Government to leverage its purchasing power.

“(b) DEFINITIONS.—In this section:

“(1) COVERED GOVERNMENTWIDE CONTRACT.—The term ‘covered Governmentwide contract’ means any contract, blanket purchase agreement, or other contractual instrument for acquisition of information technology or other goods or services that allows for an indefinite number of orders to be placed under the contract, agreement, or instrument, and that is established by one executive agency for use by multiple executive agencies to obtain goods or services. The term does not include—

“(A) a multiple award schedule contract awarded by the General Services Administration;

“(B) a Governmentwide acquisition contract for information technology awarded pursuant to sections 11302(e) and 11314(a)(2) of title 40;
“(C) orders under Governmentwide contracts in existence before the effective date of this section; or

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

“(2) EXECUTIVE AGENCY.—The term ‘executive agency’ has the meaning provided that term by section 105 of title 5.”.

(2) CLERICAL AMENDMENT.—The table of sections for chapter 33 of title 41, United States Code, is amended by adding after the item relating to section 3311 the following new item:

“3312. Requirement for business case approval for new Governmentwide contracts.”.

(c) REPORT.—Not later than June 1 in each of the next 6 years following the date of the enactment of this Act, the Administrator for Federal Procurement Policy shall submit to the relevant congressional committees a report on the implementation of section 3312 of title 41, United States Code, as added by subsection (b), including a summary of the submissions, reviews, approvals, and disapprovals of business case analyses pursuant to such section.
(d) GUIDANCE.—The Administrator for Federal Procurement Policy shall issue guidance for implementing section 3312 of such title.

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

(g) EFFECTIVE DATE.—Section 3312 of such title is effective on and after 180 days after the date of the enactment of this Act.

TITLE LIV—STRENGTHENING IT ACQUISITION WORKFORCE

SEC. 5411. EXPANSION OF TRAINING AND USE OF INFORMATION TECHNOLOGY ACQUISITION CADRES.

(a) PURPOSE.—The purpose of this section is to ensure timely progress by Federal agencies toward developing, strengthening, and deploying personnel with highly specialized skills in information technology acquisition, including program and project managers, to be known as information technology acquisition cadres.

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

“(j) STRATEGIC PLAN ON INFORMATION TECHNOLOGY ACQUISITION CADRES.—
“(1) FIVE-YEAR STRATEGIC PLAN TO CONGRESS.—Not later than June 1 following the date of the enactment of this subsection, the Director shall submit to the relevant congressional committees a 5-year strategic plan (to be known as the ‘IT Acquisition Cadres Strategic Plan’) to develop, strengthen, and solidify information technology acquisition cadres. The plan shall include a timeline for implementation of the plan and identification of individuals responsible for specific elements of the plan during the 5-year period covered by the plan.

“(2) MATTERS COVERED.—The plan shall address, at a minimum, the following matters:

“(A) Current information technology acquisition staffing challenges in Federal agencies, by previous year’s information technology acquisition value, and by the Federal Government as a whole.

“(B) The variety and complexity of information technology acquisitions conducted by each Federal agency covered by the plan, and the specialized information technology acquisition workforce needed to effectively carry out such acquisitions.
“(C) The development of a sustainable funding model to support efforts to hire, retain, and train an information technology acquisition cadre of appropriate size and skill to effectively carry out the acquisition programs of the Federal agencies covered by the plan, including an examination of interagency funding methods and a discussion of how the model of the Defense Acquisition Workforce Development Fund could be applied to civilian agencies.

“(D) Any strategic human capital planning necessary to hire, retain, and train an information acquisition cadre of appropriate size and skill at each Federal agency covered by the plan.

“(E) Governmentwide training standards and certification requirements necessary to enhance the mobility and career opportunities of the Federal information technology acquisition cadre within the Federal agencies covered by the plan.

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

“(G) Appropriate consideration and align-
ment with the needs and priorities of the acqui-
sition intern programs.

“(H) Assessment of the current workforce
competency and usage trends in evaluation
technique to obtain best value, including proper
handling of tradeoffs between price and
nonprice factors.

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

“(J) Assessment of the current workforce
competency in avoiding brand-name preference
and using industry-neutral functional specifi-
cations to leverage open industry standards and
competition.

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

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

“(M) The development of a technology fellows program that includes provisions for recruiting, for rotation of assignments, and for partnering directly with universities with well-recognized information technology programs.

“(N) The capability to properly manage other transaction authority (where such authority is granted), including ensuring that the use of the authority is warranted due to unique technical challenges, rapid adoption of innovative or emerging commercial or noncommercial technologies, or other circumstances that cannot readily be satisfied using a contract, grant, or cooperative agreement in accordance with applicable law and the Federal Acquisition Regulation.

“(O) The use of student internship and scholarship programs as a talent pool for permanent hires and the use and impact of special hiring authorities and flexibilities to recruit diverse candidates.

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

“(Q) The assessment of applicant satisfaction with the hiring process, including the clarity of the hiring announcement, the user-friendliness of the application process, communication from the hiring manager or agency regarding application status, and timeliness of the hiring decision.

“(R) The assessment of new hire satisfaction with the onboarding process, including the orientation process, and investment in training and development for employees during their first year of employment.

“(S) Any other matters the Director considers appropriate.

“(3) ANNUAL REPORT.—Not later than June 1 in each of the 5 years following the year of submission of the plan required by paragraph (1), the Director shall submit to the relevant congressional committees an annual report outlining the progress made pursuant to the plan.

“(4) GOVERNMENT ACCOUNTABILITY OFFICE REVIEW OF THE PLAN AND ANNUAL REPORT.—
“(A) Not later than 1 year after the submission of the plan required by paragraph (1), the Comptroller General of the United States shall review the plan and submit to the relevant congressional committees a report on the review.

“(B) Not later than 6 months after the submission of the first, third, and fifth annual report required under paragraph (3), the Comptroller General shall independently assess the findings of the annual report and brief the relevant congressional committees on the Comptroller General’s findings and recommendations to ensure the objectives of the plan are accomplished.

“(5) DEFINITIONS.—In this subsection:

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

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

“(i) The Committee on Oversight and Government Reform and the Committee on Armed Services of the House of Representatives.
“(ii) The Committee on Homeland Security and Governmental Affairs and the Committee on Armed Services of the Senate.”.

SEC. 5412. PLAN ON STRENGTHENING PROGRAM AND PROJECT MANAGEMENT PERFORMANCE.

(a) Plan on Strengthening Program and Project Management Performance.—Not later than June 1 following the date of the enactment of this Act, the Director, in consultation with the Director of the Office of Personnel Management, shall submit to the relevant congressional committees a plan for improving management of IT programs and projects.

(b) Matters Covered.—The plan required by subsection (a) shall include, at a minimum, the following:

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

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

(3) A career advancement model that requires appropriate expertise and experience for advancement.

(4) A career advancement model that is more competitive with the private sector and that recog-
nizes both Government and private sector experience.

(c) Combination With Other Cadres Plan.—
The Director may combine the plan required by subsection (a) with the IT Acquisition Cadres Strategic Plan required under section 1704(j) of title 41, United States Code, as added by section 5411.

SEC. 5413. PERSONNEL AWARDS FOR EXCELLENCE IN THE ACQUISITION OF INFORMATION SYSTEMS AND INFORMATION TECHNOLOGY.

(a) In General.—Not later than 180 days after the date of the enactment of this Act, the Director of the Office of Personnel Management shall develop policy and guidance for agencies to develop a program to recognize excellent performance by Federal Government employees and teams of such employees in the acquisition of information systems and information technology for the agency.

(b) Elements.—The program referred to in subsection (a) shall, to the extent practicable—

(1) obtain objective outcome measures; and

(2) include procedures for—

(A) the nomination of Federal Government employees and teams of such employees for eligibility for recognition under the program; and
(B) the evaluation of nominations for recognition under the program by 1 or more agency panels of individuals from Government, academia, and the private sector who have such expertise, and are appointed in such a manner, as the Director of the Office of Personal Management shall establish for purposes of the program.

(e) Award of Cash Bonuses and Other Incentives.—In carrying out the program referred to in subsection (a), the Director of the Office of Personnel Management, in consultation with the Director of the Office of Management and Budget, shall establish policies and guidance for agencies to reward any Federal Government employee or teams of such employees recognized pursuant to the program—

(1) with a cash bonus, to the extent that the performance of such individual or team warrants the award of such bonus and is authorized by any provision of law;

(2) through promotions and other nonmonetary awards;

(3) by publicizing—

(A) acquisition accomplishments by individual employees; and
(B) the tangible end benefits that resulted from such accomplishments, as appropriate; and
(4) through other awards, incentives, or bonuses that the head of the agency considers appropriate.

TITLE LV—ADDITIONAL REFORMS

SEC. 5501. MAXIMIZING THE BENEFIT OF THE FEDERAL STRATEGIC SOURCING INITIATIVE.

Not later than 180 days after the date of the enactment of this Act, the Administrator for Federal Procurement Policy shall prescribe regulations providing that when the Federal Government makes a purchase of services and supplies offered under the Federal Strategic Sourcing Initiative (managed by the Office of Federal Procurement Policy) but such Initiative is not used, the contract file for the purchase shall include a brief analysis of the comparative value, including price and nonprice factors, between the services and supplies offered under such Initiative and services and supplies offered under the source or sources used for the purchase.
SEC. 5502. GOVERNMENTWIDE SOFTWARE PURCHASING PROGRAM.

(a) IN GENERAL.—The Administrator of General Services, in collaboration with the Department of Defense, shall identify and develop a strategic sourcing initiative to enhance Governmentwide acquisition, shared use, and dissemination of software, as well as compliance with end user license agreements.

(b) EXAMINATION OF METHODS.—In developing the initiative under subsection (a), the Administrator shall examine the use of realistic and effective demand aggregation models supported by actual agency commitment to use the models, and supplier relationship management practices, to more effectively govern the Government’s acquisition of information technology.

(c) GOVERNMENTWIDE USER LICENSE AGREEMENT.—The Administrator, in developing the initiative under subsection (a), shall allow for the purchase of a license agreement that is available for use by all executive agencies as one user to the maximum extent practicable and as appropriate.

SEC. 5503. PROMOTING TRANSPARENCY OF BLANKET PURCHASE AGREEMENTS.

(a) PRICE INFORMATION TO BE TREATED AS PUBLIC INFORMATION.—The final negotiated price offered by
an awardee of a blanket purchase agreement shall be treated as public information.

(b) **Publication of Blanket Purchase Agreement Information.**—Not later than 180 days after the date of the enactment of this Act, the Administrator of General Services shall make available to the public a list of all blanket purchase agreements entered into by Federal agencies under its Federal Supply Schedules contracts and the prices associated with those blanket purchase agreements. The list and price information shall be updated at least once every 6 months.

SEC. 5504. **Additional Source Selection Technique in Solicitations.**

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

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

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

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

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

SEC. 5505. ENHANCED TRANSPARENCY IN INFORMATION
TECHNOLOGY INVESTMENTS.

(a) Public Availability of Information About
IT Investments.—Section 11302(c) of title 40, United
States Code, is amended—

(1) by redesignating paragraph (2) as para-

graph (3); and

(2) by inserting after paragraph (1) the fol-

lowing new paragraph:

“(2) Public Availability.—

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

“(B) Investments Listed.—The invest-
ments listed in this subparagraph are the fol-

lowing:

“(i) At least 80 percent (by dollar
value) of all information technology invest-
ments Governmentwide.
“(ii) At least 60 percent (by dollar value) of all information technology investments in each Federal agency listed in section 901(b) of title 31.

“(iii) Every major information technology investment (as defined by the Office of Management and Budget) in each Federal agency listed in section 901(b) of title 31.

“(C) QUARTERLY REVIEW AND CERTIFICATION.—For each investment listed in subparagraph (B), the agency Chief Information Officer and the program manager of the investment within the agency shall certify, at least once every quarter, that the information is current, accurate, and reflects the risks associated with each listed investment. The Director shall conduct quarterly reviews and publicly identify agencies with an incomplete certification or with significant data quality issues.

“(D) CONTINUOUS AVAILABILITY.—The information required under subparagraph (A), in its most updated form, shall be publicly available at all times.
“(E) Waiver or limitation authority.—The applicability of subparagraph (A) may be waived or the extent of the information may be limited—

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

“(ii) by the Chief Information Officer of a Federal agency, with respect to IT investments in that agency;

if the Director or the Chief Information Officer, as the case may be, determines that such a waiver or limitation is in the national security interests of the United States.”.

(b) Additional report requirements.—Paragraph (3) of section 11302(c) of such title, as redesignated by subsection (a), is amended by adding at the end the following: “The report shall include an analysis of agency trends reflected in the performance risk information required in paragraph (2).”.

SEC. 5506. ENHANCED COMMUNICATION BETWEEN GOVERNMENT AND INDUSTRY.

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

SEC. 5507. CLARIFICATION OF CURRENT LAW WITH RE-
SPECT TO TECHNOLOGY NEUTRALITY IN AC-
QUISITION OF SOFTWARE.

(a) PURPOSE.—The purpose of this section is to es-
tablish guidance and processes to clarify that software ac-
quissions by the Federal Government are to be made
using merit-based requirements development and evalua-
tion processes that promote procurement choices—
(1) based on performance and value, including
the long-term value proposition to the Federal Gov-
ernment;

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

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

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

(c) GUIDANCE.—Not later than 180 days after the date of the enactment of this Act, the Director, in consultation with the Chief Information Officers Council, shall issue guidance concerning the technology-neutral procurement and use of software within the Federal Government.

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

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

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

(3) Guidance to define Governmentwide standards for security, redistribution, indemnity, and copyright in the acquisition, use, release, and col-
laborative development of proprietary, open source, and mixed source software.

(4) Guidance for the adoption of available commercial practices to acquire proprietary, open source, and mixed source software for widespread Government use, including issues such as security and redistribution rights.

(5) Guidance to establish standard service level agreements for maintenance and support for proprietary, open source, and mixed source software products widely adopted by the Government, as well as the development of Governmentwide agreements that contain standard and widely applicable contract provisions for ongoing maintenance and development of software.

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

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

(2) an identification of barriers to widespread use by the Federal Government of specific software technologies; and
(3) such legislative recommendations as the Comptroller General considers appropriate to further the purposes of this section.

SEC. 5508. NO ADDITIONAL FUNDS AUTHORIZED.

No additional funds are authorized to carry out the requirements of this division and the amendments made by this division. Such requirements shall be carried out using amounts otherwise authorized or appropriated.