

AMENDMENT TO
RULES COMMITTEE PRINT 119-33
OFFERED BY MS. MACE OF SOUTH CAROLINA

At the end of subtitle E of title VIII insert the following:

1 **SEC. 8___. REALIGNING USE OF FUNDS WITH ORIGINAL**
2 **CONGRESSIONAL INTENT.**

3 (a) Section 1078 of the National Defense Authoriza-
4 tion Act for Fiscal Year 2018 (Public Law 115-91; 40
5 U.S.C. 11301 note) is amended—

6 (1) in subsection (b)—

7 (A) by amending paragraph (3) to read as
8 follows:

9 “(3) USE OF FUNDS.—

10 “(A) IN GENERAL.—The Administrator
11 shall, in accordance with recommendations from
12 the Board, use amounts in the Fund for the fol-
13 lowing:

14 “(i) To transfer such amounts, to re-
15 main available until expended, to the head
16 of an agency for the acquisition, procure-
17 ment, and operation of information tech-
18 nology, or the development of information

1 technology when more efficient and cost ef-
2 fective, to—

3 “(I) modernize, retire, or replace
4 legacy information technology systems
5 used by the agency;

6 “(II) enhance cybersecurity and
7 privacy at the agency;

8 “(III) improve long-term effi-
9 ciency and effectiveness of information
10 technology used by the agency; or

11 “(IV) improve the ability of the
12 agency to perform the mission of the
13 agency and deliver services to the
14 public.

15 “(ii) To provide services or work per-
16 formed in support of—

17 “(I) the activities described in
18 clause (i); and

19 “(II) the Board and the Director
20 in carrying out the responsibilities de-
21 scribed in subsection (c)(2).

22 “(iii) To fund only programs, projects,
23 or activities, or to fund increases for any
24 programs, projects, or activities that have
25 not been denied or restricted by Congress.

1 “(iv) To transfer such amounts only
2 for programs, projects, or activities that
3 will be reimbursed to the Fund to the ex-
4 tent necessary to ensure total amounts in
5 the Fund are no less than the amounts
6 needed to keep the Fund operational until
7 the date specified in subsection (g)(1).

8 “(B) TERMINATION OR SUSPENSION OF
9 FUNDS.—The Administrator shall, upon receiv-
10 ing a recommendation from the Board under
11 subsection (c)(2)(F), suspend or terminate
12 funding for any project with respect to which
13 the head of an agency provided fraudulent or
14 misleading statements about such project (in-
15 cluding fraudulent statements about technical
16 design, the business case, or program manage-
17 ment with respect to the project) in the applica-
18 tion or proposal for amounts from the Fund for
19 such project.”;

20 (B) in paragraph (5)—

21 (i) in subparagraph (A)—

22 (I) in clause (i)—

23 (aa) by striking “or (B)”;

24 and

1 (bb) by striking “(3)(C)”
2 and inserting “(3)(A)(ii)”; and

3 (II) in clause (ii), by striking “,
4 consistent with any applicable re-
5 programming law or guidelines of the
6 Committees on Appropriations of the
7 Senate and the House of Representa-
8 tives”; and

9 (ii) in subparagraph (B)(i)—

10 (I) by striking “paragraph
11 (3)(C)” and inserting “paragraph
12 (3)(A)(ii)”; and

13 (II) by striking “the solvency of
14 the Fund, including operating ex-
15 penses” and inserting the following:
16 “total amounts in the Fund are no
17 less than the amounts needed to keep
18 the Fund operational until the date
19 specified in subsection (g)(1)”;

20 (C) in paragraph (6)—

21 (i) in subparagraph (A)—

22 (I) in the matter before clause
23 (i), by striking “subparagraphs (A)
24 and (B) of paragraph (3)” and insert-

1 ing the following: “paragraph
2 (3)(A)(i)”;

3 (II) in clause (i), by striking “;
4 and” and inserting a semicolon;

5 (III) by redesignating clause (ii)
6 as clause (iv); and

7 (IV) by inserting after clause (i)
8 the following new clauses:

9 “(ii) which shall include terms of re-
10 payment that require the head of the agen-
11 cy to reimburse the Fund for funds trans-
12 ferred under paragraph (3)(A)(i) at a level
13 that ensures total amounts in the Fund
14 are no less than the amounts needed to
15 keep the Fund operational until the date
16 specified in subsection (g)(1);

17 “(iii) which shall include terms of re-
18 payment that require the head of the agen-
19 cy to fully reimburse the Fund for any
20 services or work provided under paragraph
21 (3)(A)(ii) in direct support of the project;
22 and”;

23 (ii) in subparagraph (B)—

24 (I) by striking clause (i) and in-
25 serting the following:

1 “(i) for any funds transferred to an
2 agency under paragraph (3)(A)(i), in the
3 absence of compelling circumstances docu-
4 mented by the Administrator at the time of
5 transfer, that such funds shall be trans-
6 ferred only—

7 “(I) on an incremental basis, tied
8 to metric-based development mile-
9 stones achieved by the agency through
10 the use of rapid, iterative, develop-
11 ment processes; and

12 “(II) after the head of the agency
13 has provided the Director any infor-
14 mation the Director is required to re-
15 port pursuant to paragraph (7)(A)(i);
16 and”;

17 (II) in clause (ii)—

18 (aa) by striking “subpara-
19 graphs (A) and (B) of paragraph
20 (3)” and inserting “paragraph
21 (3)(A)(i)”;

22 (bb) by striking “paragraph
23 (6)” and inserting “this para-
24 graph”;

1 (iii) by inserting at the end the fol-
2 lowing:

3 “(C) CONGRESSIONAL REQUESTS FOR
4 COPY OF WRITTEN AGREEMENT.—Not later
5 than 10 days after receiving a request from the
6 Committee on Oversight and Government Re-
7 form of the House of Representatives or the
8 Committee on Homeland Security and Govern-
9 mental Affairs of the Senate for a copy of a
10 written agreement entered into under subpara-
11 graph (A), the Director shall provide such Com-
12 mittee with a copy of such written agreement.”;
13 and

14 (D) in paragraph (7)(B)—

15 (i) in the matter before clause (i), by
16 striking “every 2 years thereafter” and in-
17 serting “every 2 years thereafter until the
18 Board terminates pursuant to subsection
19 (g)(3)”;

20 (ii) in clause (i)—

21 (I) by striking “establishing”;

22 and

23 (II) by striking “the cost savings
24 associated with the projects funded
25 both annually and over the life of the

1 acquired products and services by the
2 Fund;” and inserting the following:
3 “the amount repaid to the Fund in
4 accordance with the terms established
5 in the written agreements described in
6 paragraph (6);”;

7 (iii) in clause (ii), by striking “reli-
8 ability of the cost savings” and inserting
9 “total cost savings”; and

10 (iv) by amending clause (iv) to read
11 as follows:

12 “(iv) the extent to which amounts
13 from the Fund have been transferred for
14 the modernization of legacy information
15 systems included on the list compiled and
16 updated by the Federal Chief Information
17 Officer under subsection (e)(2)(A).”;

18 (2) in subsection (c)(2)—

19 (A) in subparagraph (A)—

20 (i) in clause (ii), by striking “the
21 greatest Governmentwide impact; and” and
22 inserting the following: “the greatest im-
23 pact on modernizing, retiring, or replacing
24 legacy information technology systems used
25 by agencies; and”;

1 (ii) by redesignating clauses (i)
2 through (iii) as clauses (ii) through (iv),
3 respectively; and

4 (iii) by inserting before clause (ii), as
5 so redesignated, the following new clause:

6 “(i) the ability for the head of the
7 agency to ensure repayment of funds
8 transferred from the Fund to the head of
9 the agency, in accordance with subsection
10 (b);”;

11 (B) in subparagraph (D), by striking “to
12 improve or replace multiple information tech-
13 nology systems” and inserting the following: “to
14 modernize, retire, or replace legacy information
15 technology systems under subsection
16 (b)(3)(A)(i)”;

17 (C) in subparagraph (F), by inserting after
18 “subsection (b)(6)” the following: “or the iden-
19 tification of fraudulent or misleading state-
20 ments about the project (including fraudulent
21 statements about technical design, the business
22 case, or program management with respect to
23 the project) in the application or proposal for
24 amounts from the Fund for the project”;

1 (D) in subparagraph (G), by inserting
2 after “operating costs of the Fund” the fol-
3 lowing: “to ensure total amounts in the Fund
4 are no less than the amounts needed to keep
5 the Fund operational until the date specified in
6 subsection (g)(1)”;

7 (3) in subsection (d)(2)—

8 (A) in subparagraph (A), by striking “sub-
9 section (b)(3)(A) and for products, services, and
10 acquisition vehicles funded under subsection
11 (b)(3)(B)” and inserting “subsection (b)(3)”;

12 (B) in subparagraph (B), by striking the
13 period at the end and inserting a semicolon;
14 and

15 (C) in subparagraph (C), by inserting after
16 “and reduce waste” the following: “and ensure
17 total amounts in the Fund are no less than the
18 amounts needed to keep the Fund operational
19 until the date specified in subsection (g)(1)”;

20 (4) by redesignating subsections (e) and (f) as
21 subsections (f) and (g), respectively;

22 (5) by inserting after subsection (d) the fol-
23 lowing new subsection:

1 “(e) RESPONSIBILITIES OF THE FEDERAL CHIEF IN-
2 FORMATION OFFICER; AGENCY CHIEF INFORMATION OF-
3 FICERS.—

4 “(1) AGENCY INVENTORY.—An agency Chief
5 Information Officer shall provide to the Federal
6 Chief Information Officer in accordance with the
7 guidance issued under paragraph (3)—

8 “(A) not later than 180 days after the Di-
9 rector issues the guidance under such para-
10 graph, a list of high-risk legacy information
11 technology systems used, operated, or main-
12 tained by the agency; and

13 “(B) within one year after the first year in
14 which the list is provided under subparagraph
15 (A), and annually thereafter, any updates to
16 such list.

17 “(2) PRIORITIZATION LIST.—

18 “(A) REQUIREMENT.—The Federal Chief
19 Information Officer shall—

20 “(i) not later than 90 days after the
21 date on which the Federal Chief Informa-
22 tion Officer receives the list required by
23 paragraph (1)(A) from each agency Chief
24 Information Officer, compile, on the basis
25 of each such list, a list of 10 legacy infor-

1 mation technology systems that present the
2 greatest security, privacy, and operational
3 risks to the Federal Government; and

4 “(ii) not later than 90 days after the
5 date on which the Federal Chief Informa-
6 tion Officer receives an updated list under
7 paragraph (1)(B) from at least one agency
8 Chief Information Officer, update, as nec-
9 essary, the list required by subparagraph
10 (A) on the basis of such list.

11 “(B) REPORT TO CONGRESS.—Not later
12 than 14 days after the date on which the Fed-
13 eral Chief Information Officer compiles the list
14 required by subparagraph (A), or updates such
15 list, the Director shall submit to the Committee
16 on Oversight and Government Reform of the
17 House of Representatives, the Committee on
18 Homeland Security and Governmental Affairs
19 of the Senate, and the Comptroller General of
20 the United States, a report (which may include
21 a classified annex) containing—

22 “(i) such list (including any update
23 made to such list under subparagraph
24 (A)(ii)); and

1 “(ii) each list provided by an agency
2 Chief Information Officer under paragraph
3 (1)(A) (including any update made to any
4 such list under paragraph (1)(B) and any
5 information included on the list pursuant
6 to paragraph (3)(A)(ii)).

7 “(3) GUIDANCE.—

8 “(A) IN GENERAL.—Not later than 180
9 days after enactment of this Act, the Director
10 shall issue guidance on implementing the re-
11 quirements of this subsection that shall, at a
12 minimum—

13 “(i) prescribe an appropriate format
14 for the list to be provided under paragraph
15 (1)(A);

16 “(ii) prescribe any additional informa-
17 tion to be included on such list;

18 “(iii) provide guidance on how an
19 agency Chief Information Officer should
20 identify high-risk legacy information tech-
21 nology systems that, at least, requires
22 agency Chief Information Officers to iden-
23 tify as a high-risk legacy information tech-
24 nology system any outdated or obsolete
25 system of information technology that is

1 critical to the agency such that the loss or
2 degradation of the system would create a
3 security, operational, or privacy risk to the
4 agency or would otherwise impact the abil-
5 ity of the agency to perform the mission of
6 the agency, effectively deliver programs, or
7 conduct business; and

8 “(iv) provide guidance on how existing
9 reporting structures can be used to submit
10 the list under paragraph (1)(A).

11 “(B) UPDATES.—The Director may update
12 the guidance issued under subparagraph (A) as
13 the Director determines necessary.

14 “(4) SUNSET.—This subsection shall cease to
15 have effect on the date specified in subsection (g)(1).

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

17 “(A) AGENCY CHIEF INFORMATION OFFI-
18 CER.—The term ‘agency Chief Information Of-
19 ficer’ means a Chief Information Officer des-
20 ignated under section 3506(a)(2) of title 44,
21 United States Code.

22 “(B) FEDERAL CHIEF INFORMATION OFFI-
23 CER.—The term ‘Federal Chief Information Of-
24 ficer’ means the Administrator of the Office of
25 Electronic Government.”; and

1 (6) in subsection (g)(1), as so redesignated, by
2 striking “September 30, 2026” and inserting “De-
3 cember 31, 2032”.

4 (b) PROHIBITION ON USE OF FUNDS.—

5 (1) IN GENERAL.—Notwithstanding subsection
6 (b)(4)(C) of section 1078 of the National Defense
7 Authorization Act for Fiscal Year 2018 (Public Law
8 115–91; 40 U.S.C. 11301 note), as amended by sub-
9 section (a), the Administrator may not use amounts
10 available in the Technology Modernization Fund (as
11 established in subsection (b)(1) of section 1078 of
12 the National Defense Authorization Act for Fiscal
13 Year 2018 (Public Law 115–91; 40 U.S.C. 11301
14 note), as amended by subsection (a)) on September
15 30, 2026 after such date.

16 (2) EXCEPTION.—The Administrator may
17 award or transfer funds from the Fund for any
18 project that is already in progress as of September
19 30, 2026.

