Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515–6143

MAJORITY   (202) 225–5074
MINORITY   (202) 225–5051

http://oversight.house.gov

Opening Statement
Ranking Member Gerald E. Connolly

Hearing on: "State of Play: Federal IT in 2018"
Joint Subcommittees on Government Reform and Information Technology

March 14, 2018

Mr. Chairman, thank you for holding today's hearing to examine the state of federal information technology (IT) in 2018. Over the past year, the Subcommittees on Government Operations and Information Technology have worked closely together to support agencies' IT efforts. In addition to our biannual FITARA Scorecard hearings, we have worked to enact into law the MGT Act and the FITARA Enhancement Act. Together, these two laws will help agencies modernize their legacy IT systems, migrate to the cloud, and enhance Congressional oversight.

According to the President's budget, the federal government plans to spend more than $96 billion on IT in fiscal year 2018. When I meet with stakeholders in federal IT from government agencies and industry, I am constantly reminded why previous major IT reform efforts have fallen short of their potential – the lack of a robust implementation plan and congressional oversight. The Federal Information Technology Acquisition and Reform Act (FITARA), sought to improve agencies' IT acquisition by strengthening CIO accountability for IT costs, schedules, performance, and security. FITARA also required agency CIOs to certify that IT investments are adequately implementing incremental development in order to reduce risk, deliver capabilities more quickly, and facilitate the adoption of emerging technologies. However, last November, the Government Accountability Office (GAO) reported that agencies reported that only 103 of 166 major IT software development investments – or 62 percent – were certified by the agency CIO for implementing incremental development. The Departments of Defense, Energy, and Treasury, as well as the Social Security Administration, were the worst offenders. As agencies start to implement the MGT Act, retire their legacy systems, and acquire new technologies, agencies must work with their CIOs to implement incremental development in order to avoid cost overruns and failed projects that cost the taxpayer billions of dollars.

At the last FITARA scorecard hearing in November, I mentioned the lack of progress that agencies have made on the Data Center Optimization Initiative (DCOI). Data center consolidation and optimization is not only important because of the cost savings for agencies, it is also critical to adoption of cloud technology and other modernization efforts which will increase network security and efficiency. Only three agencies – the General Services Administration, the Department of Education, and the Department of Housing and Urban

Development (HUD) – received an A grade in this area. Under FITARA, OMB set a goal to close 4,477 data centers government-wide in Fiscal Year 2018. Government-wide, agencies have completed 65% of this goal. However, three agencies are responsible for the bulk of data center closures: DoD, Department of Agriculture, and the Treasury Department. Agencies such as the Department of Energy and the Department of Veterans Affairs, have made very little progress. This is troubling because until agencies improve their optimization progress, OMB's $2.7 billion initiative-wide cost savings goal is not achievable.

While the Administration has taken some steps to modernize federal IT systems, it has had to do so for over a year without a Federal Chief Information Officer. Margaret Weichert, the Deputy Director for Management at the Office of Management and Budget (OMB) who oversees the Federal CIO and the Office of Electronic Government (E-Gov), was not confirmed until mid-February. In the interim, it seems as though other entities at the White House have taken over some of E-Gov's responsibilities with respect to leading the federal government's IT policy. Last March, the President established the Office of American Innovation, headed by his son-in-law Jared Kushner. According to a statement from the White House, the office is focusing on several initiatives, including modernizing information technology. Then in May, the President released an executive order (E.O. 13800) tasking the American Technology Council with submitting a report to the President regarding modernization of federal IT. The final report to the President on Federal IT Modernization was published this past December. The overarching concern with these White House led initiatives is that they are obscured from congressional oversight. Although, I would be glad to join the majority to invite Mr. Kushner to testify before this subcommittee.

Now with a Senate confirmed Deputy Director for Management and a Federal CIO in place, I hope that OMB and E-Gov will take the lead on coordinating and implementing all federal IT efforts in full view of Congress.

Thank you, Mr. Chairman.

Contact: Jennifer Werner, Communications Director, (202) 226-5181.