

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY

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August 16, 2023

The Honorable Christopher T. Hanson
Chairman
Nuclear Regulatory Commission
Washington, D.C. 20555

Dear Chairman Hanson:

As the Ranking Member of the Subcommittee on Cybersecurity, Information Technology and Government Innovation, I write to request an update on your agency's implementation of several areas included on the Federal Information Technology Acquisition Reform Act (FITARA) Scorecard.¹ From 2015 through 2022, the Government Operations Subcommittee, which had jurisdiction over federal IT across all federal agencies, held biannual hearings to examine the performance and progress of agencies graded on the FITARA Scorecard.² This Congress, technology issues, including FITARA oversight, fall within the jurisdiction of the Subcommittee on Cybersecurity, Information Technology and Government Innovation. To pursue continuous oversight of federal agency IT progress through the FITARA Scorecard, I request that you provide the Subcommittee updates to the questions offered below in the following policy areas:

The MGT Act Working Capital Fund: The Modernizing Government Technology (MGT) Act authorizes the creation of an agency specific working capital fund (WCF) for IT modernization, which the agency chief information officer (CIO) manages.³ Agencies can designate WCF funding for IT acquisitions and modernization efforts to upgrade and decommission legacy IT systems over three-year increments. The three-year timeframe can facilitate IT system upgrades that extend beyond the scope of the annual congressional appropriations process. The law is a critical component of a wide-ranging effort to update and improve our federal government's aging legacy IT systems.

CIO Reporting Structure and Authority: Chief Information Officers (CIOs) often perform better and can have greater impact when they are included in key conversations among

¹ Committee on Oversight and Reform, Subcommittee on Government Operations, *Hearing on FITARA 15.0* (Dec. 15, 2022) (online at <https://oversightdemocrats.house.gov/legislation/hearings/fitara-150>).

² *Id.*

³ National Defense Authorization Act for Fiscal Year 2018, Pub. L. No. 115-91, Title X, Subtitle G, §§ 1076-1078.

senior leadership.⁴ Given this finding, a precursor Subcommittee added a CIO direct reporting requirement to FITARA 3.0. At that time, only 12 CIOs had direct reporting relationships with their agency's Secretary or Deputy Secretary.⁵ Today, of the 24 agencies assessed on the FITARA Scorecard, 16 agency CIOs have a direct reporting relationship and eight have a partially-direct reporting relationship.⁶ In light of this progress, staff from the previous Subcommittee undertook a series of discussions with a variety of stakeholders to assess the value of expanding the reporting relationship category to include questions related to CIOs' IT procurement, acquisition, and spending authorities. Additionally, the Government Accountability Office's testimony at the prior Subcommittee's December 2022 FITARA 15.0 hearing included a request for the Office of Management and Budget (OMB) to "provide additional guidance related to CIO authorities relative to the IT workforce, as well as [provide] a complete definition of the authority that CIOs should have relative to the IT spend."⁷

Data Center and Cloud Computing Capabilities: FITARA required every covered agency to provide annually to OMB: (1) a data center inventory; (2) a strategy for consolidating and optimizing data centers; and (3) updates on its progress in consolidating data centers until October 1, 2022.⁸ Since 2015, the federal government has closed more than 4,000 data centers, increasing data security through migration to the cloud and saving taxpayers roughly \$4.7 billion. Because of these successes, Scorecard 15.0 evolved its metrics to focus on grading how agencies justify their current data center posture, rather than continue to focus exclusively on closing more data centers. Moving forward, the Minority would like to expand its focus to include agencies' adoption and implementation of federal cloud computing strategies.

In light of the legislative and policy updates described above, I request that you respond to the questions below by August 30, 2023. Your responses to this request will help us inform an updated FITARA Scorecard 16.0.

The MGT Act Working Capital Fund

1. Has your agency made any changes to its implementation of the MGT Act since FITARA Scorecard 15.0?
 - a. If yes, please describe what steps have been taken. Specifically, if your agency has not yet established a WCF, please describe what actions your agency plans to take in fiscal year (FY) 2024 or FY 2025. Please explain your agency's plans, including the CIO's ability to create and control a WCF.

⁴ Government Accountability Office, *Federal Chief Information Officers: Critical Actions Needed to Address Shortcomings and Challenges in Implementing Responsibilities* (Aug. 2, 2018) (online at www.gao.gov/assets/gao-18-93.pdf).

⁵ House Committee on Oversight and Reform, *FITARA Implementation Scorecard* (Jan. 2022) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/Biannual%20Scorecards.pdf>)

⁶ Meritalk, *Scorecard Methodology*, (online <https://fitara.meritalk.com/assets/pdf/scorecard-15-methodology.pdf>) (accessed Mar. 15, 2023).

⁷ House Committee on Oversight and Reform, *FITARA 15.0*, 117th Cong. (Dec. 15, 2022).

⁸ 44 U.S.C. § 3601.

- b. If not, please summarize how your agency has taken steps to meet the intent of the MGT Act and the role of the CIO to create and control a WCF.
- c. Include a description of any obstacles or challenges, including if your agency has sufficient authority to transfer funds to the WCF.

CIO Reporting Structure and Authority

1. Is your agency in compliance with 44 U.S.C. § 3506(a)(2)(A), which requires agencies to report directly to the agency head or deputy to the agency head?
 - a. If yes, provide the year this compliance was achieved and any relevant policy documents.
 - b. If no, please explain what actions your agency is taking to achieve compliance and what has hindered compliance.
2. Does your CIO have authority over IT procurement and acquisition in accordance with 40 U.S. Code § 11315?
 - a. If yes, please provide an explanation and any relevant policy documents.
 - b. If no, why not?
 - i. Does your agency have plans to implement changes and if not, why not?
 - ii. What changes would your agency recommend and what additional authorities would be helpful?
3. Does your CIO have authority over IT spending in accordance with 40 U.S. Code § 11319(b)(1)(A)?
 - a. If yes, please explain to what extent and provide any relevant policy documents.
 - b. If no, why not?
 - i. Does your agency have plans to change this structure, and if not, why not?
 - ii. What changes would your agency recommend to the current IT spending structure, and what additional authorities would be helpful?
 - c. Does your CIO have authority over budget formation, and if not, why not?
 - i. If not, do you plan to make changes in the upcoming future?
 - ii. Please explain your answer.

Data Center and Cloud Computing Capabilities

1. Has the number of federal data centers your agency operates changed since FITARA Scorecard 15.0?
 - a. If no, please confirm the number.
 - b. If yes, please explain what has changed and provide the updated number.
2. Has the number of operating data centers designated as key mission facilities changed since FITARA Scorecard 15.0?
 - a. If yes, please confirm the number.
 - b. If no, please explain what has changed and provide the updated number.
3. Does your agency have plans to close or open any data centers in the future?
 - a. If yes, please explain and provide the numbers expected to be closed or opened, along with a timeframe for doing so.
4. If you have remaining federal data centers, please explain why these centers are vital to your agency's operations.
5. How many applications, as defined by in the CIO Council's Application Rationalization Playbook, are in your agency's portfolio?⁹
6. As required in the Federal Cloud Computing Strategy, has your agency rationalized its application portfolio?¹⁰ (Yes/No)
 - a. If not, when does your agency anticipate it will be in compliance with this law?
7. The Application Rationalization Playbook notes that application rationalization is an ongoing, critical part of IT portfolio management and that agencies must routinely and continuously update and rationalize their portfolios to enable IT managers to make informed decisions.¹¹ How frequently does your agency plan to rationalize its application portfolio?

⁹ Chief Information Officers Council, *The Application Rationalization Playbook: An Agency Guide to Portfolio Management* (June 28, 2019) (online at www.cio.gov/assets/files/Application-Rationalization-Playbook.pdf).

¹⁰ Office of Management and Budget, *Federal Cloud Computing Strategy* (June 24, 2019) (online at <https://trumpwhitehouse.archives.gov/wp-content/uploads/2019/06/Cloud-Strategy.pdf>).

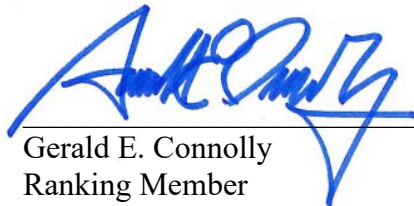
¹¹ Chief Information Officers Council, *The Application Rationalization Playbook: An Agency Guide to Portfolio Management* (June 28, 2019) (online at www.cio.gov/assets/files/Application-Rationalization-Playbook.pdf).

8. How many applications have been through your agency's rationalization process?
 - a. Based on the results of the application rationalization process, how many applications will your agency move to cloud computing services?
 - b. Has your agency developed a timeline for when it will complete the migration of the applications described in 8(a) to the cloud? (Yes/No)
 - i. If yes, what is the timeline?
 - ii. If no, please explain.
 - c. Has your agency obtained funding to implement its planned migration activities? (Yes/No)
 - i. If yes, when?
 - ii. If no, please explain.
9. How many of your agency's mission and business applications currently use cloud computing services?

The Committee on Oversight and Accountability is the principal oversight committee of the U.S. House of Representatives and has broad authority to investigate "any matter" at "any time" under House Rule X. Thank you in advance for your cooperation with this inquiry.

Please contact Subcommittee staff at (202) 225-5051 with any questions about this request and copy Annaliese.Yukawa@mail.house.gov and scorecard@gao.gov with your answers. Thank you for your prompt attention to this important matter.

Sincerely,



Gerald E. Connolly
Ranking Member
Subcommittee on Cybersecurity, Information
Technology, and Innovation

cc: The Honorable Nancy Mace, Chairwoman
Subcommittee on Cybersecurity, Information Technology, and Innovation