

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5051
MINORITY (202) 225-5074
<https://oversight.house.gov>

MEMORANDUM

January 28, 2022

To: Members of the Committee on Oversight and Reform

Fr: Committee Staff

Re: Committee Business Meeting

On Wednesday, February 2, 2022, at 10:00 a.m. ET, in room 2154 of the Rayburn House Office Building and over Zoom, the Committee on Oversight and Reform will hold a hybrid business meeting to consider the following:

1. H.R. 6497, the Federal Information Security Modernization Act of 2022;
2. H.R. 6419, the Fair Chance Improvement Act;
3. H.R. 6361, the District of Columbia National Guard Commanding General Residency Act;
4. H.R. 5962, the Supply Chain Security Training Act;
5. H.R. ____, the GAO Mandates Revision Act; and
6. Several postal naming measures.

I. H.R. 6497, THE FEDERAL INFORMATION SECURITY MODERNIZATION ACT OF 2022

A. Summary

The Federal Information Security Modernization Act of 2022 was introduced by House Committee on Oversight and Reform Chairwoman Carolyn B. Maloney and Ranking Member James Comer on January 25, 2022. Similar legislation, S. 2902, was introduced by Senate Committee on Homeland Security and Governmental Affairs (HSGAC) Chairman Gary Peters, along with Ranking Member Rob Portman, on September 29, 2021, and reported favorably by HSGAC on October 6.

The bill clearly assigns federal cybersecurity policy development and oversight responsibilities to the Office of Management and Budget (OMB), operational coordination responsibilities to the Cybersecurity and Infrastructure Security Agency (CISA), and overall cybersecurity strategy responsibilities to the National Cyber Director (NCD). It also codifies the OMB Federal Chief Information Security Officer, extends the Federal Acquisition Security Council until 2026, and extends the Chief Data Officer Council until 2030.

The bill promotes cybersecurity modernization and nextgeneration security principles and tools like a risk-based paradigm, zero trust architecture, endpoint detection and response, cloud migration, automation, penetration testing, and vulnerability disclosure programs. It also replaces point-in-time assessments with ongoing and continuous risk assessments that will allow agencies to prioritize cybersecurity risks with accurate, real-time information about the agency's posture and threats.

To further modernize and streamline reporting requirements, the bill reduces the frequency of FISMA assessments while requiring continuous monitoring of systems, easing compliance burdens while enhancing security through the use of automation. It requires agencies to keep inventories of all internet-accessible information systems and assets, as well as all software, including software components and bills of materials as appropriate, for improved situational awareness. The bill also improves incident information-sharing between agencies and oversight entities.

To further improve reporting of major incidents and address inefficiencies and concerns raised by the lack of information related to breaches like SolarWinds, the bill requires agencies to report major incidents affecting their data and information systems within 72 hours. The report would contain a summary of the information known about the major incident, whether any ransom has been demanded or paid by an entity operating or with access to a federal information system, and an assessment of any impacts to government operations or national security, among other things. The NCD would serve as the main coordinating entity in providing information to Congress. The bill also requires OMB to update the definition of "major incident" every two years to ensure timeliness and oversight, and requires CISA and OMB to update requirements for logging events on agency systems critical for assessing the extent of cyber incidents.

Additionally, the bill promotes efficiency, cost savings, and best practices by supporting the availability and use of shared services and resources. It requires CISA to expeditiously seek opportunities to remove barriers to agency cybersecurity efforts through shared services and technical assistance. It also sets up pilot programs that would allow CISA to offer centralized security operations center and endpoint detection and response as shared services available to agencies.

B. Amendments

The Chairwoman will offer an amendment in the nature of a substitute (ANS).

Staff contacts: Emily Burns and Mark Stephenson.

II. H.R. 6419, THE FAIR CHANCE IMPROVEMENT ACT

Rep. Ocasio-Cortez (D-NY) introduced H.R. 6419 on January 18, 2022, with Rep. Nancy Mace (R-SC) as an original cosponsor.

The Fair Chance Improvement Act amends the Fair Chance to Compete for Jobs Act, or the Fair Chance Act, which was enacted as part of the National Defense Authorization Act for Fiscal Year 2020.¹ The Fair Chance Act, which had broad bipartisan support in both the House and Senate, prohibits the federal government from asking candidates for employment about any criminal history before a conditional offer is made. It puts the same prohibition on federal contractors who are hiring for positions associated with both civilian agency and defense contracts.

Under the law, enforcement authority for federal contractors is assigned to the General Services Administration (GSA) and Department of Defense (DOD). H.R. 6419 transfers this authority to the Secretary of Labor. The Department of Labor (DOL), particularly the Office of Federal Contract Compliance Programs, is responsible for ensuring federal contractors' compliance with federal employment law. The responsibilities that would be transferred to DOL under this bill are to establish and make public procedures to submit complaints, and investigate contractor compliance through compliance evaluations. The DOL is better equipped to carry out this enforcement role, as it has existing procedures and infrastructure necessary to perform oversight of federal contractors and investigate complaints of violations.

B. Amendments

The Chairwoman will offer an ANS.

Staff contact: Christina Parisi.

III. H.R. 6361, THE DISTRICT OF COLUMBIA NATIONAL GUARD COMMANDING GENERAL RESIDENCY ACT

A. Summary

H.R. 6361, the District of Columbia National Guard Commanding General Residency Act, was introduced by Congresswoman Norton on January 6, 2022. The bill would require the Commanding General of the District of Columbia National Guard to reside in the District of Columbia. The Commanding General of the D.C. National Guard, who is the top official in the D.C. National Guard, is appointed by the President and is a federal official.²

B. Amendments

¹ Pub. L. No. 116-92 (2019).

² An Act to provide for the organization of the militia of the District of Columbia, and for other purposes (25 Stat. 773, ch. 328) (Mar. 1, 1889).

The Chairwoman will offer an ANS.

Staff contacts: Ethan Van Ness and Brad Truding.

IV. H.R. 5962, THE SUPPLY CHAIN SECURITY TRAINING ACT

A. Summary

H.R. 5962, the Supply Chain Security Training Act, was introduced by Rep. Joe Neguse on November 12, 2021. A similar bill, S. 2201, was introduced by Senate Committee on Homeland Security and Governmental Affairs Chairman Gary Peters and Senator Ron Johnson on June 23, 2021 and reported favorably by that Committee on July 14, 2021. The bill was passed by the Senate by unanimous consent on January 11, 2022.

Recognizing a Government Accountability Office (GAO) report that no federal agencies surveyed had fully implemented supply chain risk management standards for information and communication technology at the time the SolarWinds breach was discovered, the bill would require GSA to establish a training program for federal agency personnel with responsibilities related to supply chain risk management.³ The program would better prepare officials to perform such activities and better equip them to identify and mitigate supply chain security risks throughout the acquisition lifecycle. It would also cover current and specific supply chain security threats, particularly related to the protection of classified and other sensitive information.

GSA would have 180 days to develop the program. OMB would then have 180 days to promulgate guidance requiring agency adoption and use of the program. 180 days after completion of the first course of the program, and annually for the following three years, GSA would be required to submit an implementation report to the Senate Committee on Homeland Security and Governmental Reform, the House Committee on Oversight and Reform, the House Committee on Armed Services, and House and Senate leadership.

The GSA Administrator would be required to update the program as determined necessary and in coordination with the Federal Acquisition Security Council, the Secretary of Homeland Security, and the Director of the Office of Personnel Management. The Director of the DOD Acquisition University and the Director of National Intelligence would be consulted in this process.

B. Amendments

The Chairwoman will offer an ANS.

Staff contact: Emily Burns.

V. H.R. ____, THE GAO MANDATES REVISION ACT

³ Government Accountability Office, *Information Technology: Federal Agencies Need to Take Urgent Action to Manage Supply Chain Risks* (Dec. 2020) (GAO-21-171) (online at www.gao.gov/products/gao-21-171).

A. Summary

H.R. ____, the GAO Mandates Revision Act, will be introduced prior to the business meeting. The GAO Mandates Revision Act would modify existing legislative mandates for GAO to perform financial statement audits or reviews of several agencies.

The bill would making the following changes:

1. Shift the responsibility for annual financial statement audits from GAO to other auditing entities, including audits for the Federal Housing Finance Agency (FHFA), the Consumer Financial Protection Bureau (CFPB), the Congressional Award Foundation, the Patient-Centered Outcomes Research Institute (PCORI), and the Export-Import Loan and Guarantee Transactions Act. Congress has required GAO to audit the financial statements of certain entities when a new entity is established. Now that these entities have been in existence for multiple years, the financial management challenges and risks are lower.
2. End GAO’s review of administrative expenses funded from the Highway Trust Fund, as well as the United States Capitol Preservation Commission, and the Senate Preservation Fund, both which had limited financial activity over the last 10 years.
3. Amend the Federal Civil Penalties Inflation Adjustment (FCPIA). Agencies have completed their initial “catch-up” civil penalties inflation adjustment and generally met the reporting requirements in agency annual reports.
4. Modify GAO’s mandated reporting frequency under the Government Performance and Results Act Modernization Act of 2010 to periodic.

B. Amendments

The Chairwoman will offer an ANS.

Staff contact: Erinn Sauer.

VI. POSTAL NAMING MEASURES

- H.R. 203, “To designate the facility of the United States Postal Service located at 4020 Broadway Street in Houston, Texas, as the ‘Benny C. Martinez Post Office Building.’”
- H.R. 224, “To designate the facility of the United States Postal Service located at 5302 Galveston Road in Houston, Texas, as the ‘Vanessa Guillén Post Office Building.’”

- H.R. 5794, “To designate the facility of the United States Postal Service located at 850 Walnut Street in McKeesport, Pennsylvania, as the ‘First Sergeant Leonard A. Funk, Jr. Post Office Building.’”
- H.R. 5949, “To designate the facility of the United States Postal Service located at 615 North Bush Street, in Santa Ana, California, as the ‘Judge James Perez Post Office.’”
- H.R. 5951, “To designate the facility of the United States Postal Service located at 202 2nd Avenue, in Oklee, Minnesota, as the ‘Coya Knutson Post Office.’”
- H.R. 5952, “To designate the facility of the United States Postal Service located at 123 East Main Street, in Vergas, Minnesota, as the ‘Jon Glawe Post Office.’”
- H.R. 6040, “To designate the facility of the United States Postal Service located at 11 Robert Smalls Parkway Suite C, in Beaufort, South Carolina, as the ‘Robert Smalls Post Office.’”
- H.R. 6080, “To designate the facility of the United States Postal Service located at 5420 Kavanaugh Boulevard in Little Rock, Arkansas, as the ‘Ronald A. Robinson Post Office.’”
- H.R. 6386, “To designate the facility of the United States Postal Service located at 450 West Schaumburg Road in Schaumburg, Illinois, as the ‘Veterans of Iraq and Afghanistan Memorial Post Office Building.’”

VII. AMENDMENT PROCESS

Committee Rule 2(g) authorizes the chair of the Committee to prioritize the consideration of amendments filed 24 hours in advance of the consideration of matters before the Committee or subcommittees. Pursuant to this rule, and at the chair’s discretion, the Committee may consider amendments that are pre-filed with the Committee clerk prior to amendments offered at a markup.

Members should pre-file amendments with the clerk of the Committee by emailing a searchable, electronic PDF copy of the amendment prepared by the House Legislative Counsel to Oversight_Clerks@mail.house.gov and to Christina Parisi at Christina.Parisi@mail.house.gov at least 24 hours before the scheduled start of the business meeting. Members should include in the email accompanying the amendment text:

1. The name(s) of the Member(s) who will offer the amendment;
2. The name and number of the measure to be amended;
3. A brief, one-sentence description of the amendment; and

4. The name and phone number of a staff member who will serve as the point of contact for the amendment.

Pre-filed amendments will be compiled into a single roster, and the roster will be made available to Committee members prior to business meetings. Any amendment to a measure or matter before the Committee or a subcommittee should be germane to the measure or matter, including in scope, subject matter, and Committee consideration. Votes on amendments likely will be grouped together at a time determined by the chair, pursuant to Committee Rules.