

Truth in Testimony Disclosure Form

In accordance with Rule XI, clause 2(g)(5)* of the *Rules of the House of Representatives*, witnesses are asked to disclose the following information. Please complete this form electronically by filling in the provided blanks.

Committee: Oversight and Accountability

Subcommittee: _____

Hearing Date: 04/30/2024

Hearing Title :

“A Focus on Management: Oversight of the Office of Management and Budget.”

Witness Name: Jason Miller

Position/Title: Deputy Director for Management, OMB

Witness Type: Governmental Non-governmental

Are you representing yourself or an organization? Self Organization

If you are representing an organization, please list what entity or entities you are representing:

FOR WITNESSES APPEARING IN A NON-GOVERNMENTAL CAPACITY

Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.

Are you a fiduciary—including, but not limited to, a director, officer, advisor, or resident agent—of any organization or entity that has an interest in the subject matter of the hearing? If so, please list the name of the organization(s) or entities.

Please list any federal grants or contracts (including subgrants or subcontracts) related to the hearing’s subject matter that you or the organization(s) you represent have received in the past thirty-six months from the date of the hearing. Include the source and amount of each grant or contract.

Please list any contracts, grants, or payments originating with a foreign government and related to the hearing’s subject that you or the organization(s) you represent have received in the past thirty-six months from the date of the hearing. Include the amount and country of origin of each contract or payment.

Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.

- I have attached a written statement of proposed testimony.
- I have attached my curriculum vitae or biography.

* Rule XI, clause 2(g)(5), of the U.S. House of Representatives provides:

(5)(A) Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof.

(B) In the case of a witness appearing in a non-governmental capacity, a written statement of proposed testimony shall include— (i) a curriculum vitae; (ii) a disclosure of any Federal grants or contracts, or contracts, grants, or payments originating with a foreign government, received during the past 36 months by the witness or by an entity represented by the witness and related to the subject matter of the hearing; and (iii) a disclosure of whether the witness is a fiduciary (including, but not limited to, a director, officer, advisor, or resident agent) of any organization or entity that has an interest in the subject matter of the hearing.

(C) The disclosure referred to in subdivision (B)(ii) shall include— (i) the amount and source of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) related to the subject matter of the hearing; and (ii) the amount and country of origin of any payment or contract related to the subject matter of the hearing originating with a foreign government.

(D) Such statements, with appropriate redactions to protect the privacy or security of the witness, shall be made publicly available in electronic form 24 hours before the witness appears to the extent practicable, but not later than one day after the witness appears.

False Statements Certification

Knowingly providing material false information to this committee/subcommittee, or knowingly concealing material information from this committee/subcommittee, is a crime (18 U.S.C. § 1001). This form will be made part of the hearing record.



4/29/2024

Witness signature

Date

WRITTEN TESTIMONY OF
JASON S. MILLER
DEPUTY DIRECTOR FOR MANAGEMENT
OFFICE OF MANAGEMENT AND BUDGET
BEFORE
HOUSE COMMITTEE ON OVERSIGHT AND ACCOUNTABILITY
FULL COMMITTEE

APRIL 30, 2024

Thank you, Chairman Comer, Ranking Member Raskin, and Members of the Committee for the opportunity to testify before the Committee.

As the Deputy Director for Management (DDM) at the Office of Management and Budget (OMB), I am responsible for overseeing Government-wide management matters and ensuring that the Federal government has the tools and processes to deliver for the American people. I oversee six teams to drive forward the Biden-Harris Administration’s government-wide management efforts. The four functional teams that make up my office have oversight for different aspects of foundational government management functions – financial management, procurement, information technology and cybersecurity, performance and personnel management. I also oversee the United States Digital Service (USDS), which attracts talented technologists into government and deploys that talent across Federal agencies to help them confront their hardest information technology (IT) challenges and grow their own in-house capacity and the Made in America Office, which ensures that government investments benefit American workers and communities.

In my role at OMB, my focus is both on driving strong government-wide implementation of near-term goals, including the implementation of historic investments in the United States, and on strengthening the ongoing performance of Federal agencies to ensure a modern, equitable, and effective Government that delivers results for all Americans.

I. STRENGTHENING THE TEAM

The Federal government’s greatest asset is its people. The more than 4 million public servants at home and abroad, including military personnel and civilians, are dedicated and talented. Federal civil servants are leaders and managers, diplomats, law enforcement officers, medical professionals, and front-line employees providing direct services to the American public. They have chosen to serve the public and our country. Many of them are represented by unions that provide Federal employees with an effective voice in their workplaces. Too often, public discourse politicizes government personnel and government functions to the detriment of the performance of Federal agencies and the American people they serve. Critically, Federal civil servants serve the public, regardless of political affiliation or who sits in the White House.

a. Recruitment and Hiring

As the largest employer in the United States, the Federal government is in constant competition for talent in the labor market. It is in the interest of the American people to ensure that Federal jobs are attractive so that they can be filled by dedicated individuals with experience and expertise.

A critical workforce priority for the Administration is recruiting and hiring the next generation of Federal leaders. The Federal workforce is significantly older, on average, than the private-sector workforce, and building a deeper pipeline of workers at the beginning of their careers will ensure that the government can meet its mission without interruption as workers retire. Under this Administration, the share of the Federal workforce under the age of 30 has increased by 13 percent. To reach this population, one focus of the Administration has been to improve Federal internship programs, including by making applications more user-friendly, making it easier to hire graduates from the government's marquee Pathways intern program, and providing new human capital tools to support early career development programs. As a result of these focused efforts, the number of interns increased 33 percent from FY 2022 to FY 2023 and is positioned for growth going forward. Federal agencies are also reaching new pools of talent by figuring out the best way to allow more Americans without traditional four-year degrees to highlight their qualifications for Federal roles while also better matching new hires to their work responsibilities. Finally, to ensure that Federal agencies can navigate future challenges and harness future opportunities, the Administration has launched an Artificial Intelligence (AI) Talent Surge to hire AI and AI-enabling talent, including in cybersecurity and technology.

The Administration also believes that a constructive employer-employee relationship is essential to sustaining a Federal workforce that delivers for Americans, and the investments we have made in recent years are paying dividends. The 2023 installment of the Office of Personnel Management's (OPM) annual Federal Employee Viewpoint Survey (FEVS) found that employee engagement tied a five-year high of 72 percent positive overall, and improvements continued across several key metrics. The factor measuring trust, respect, and support between employees and their supervisors remained at a high of 80 percent positive. Employee engagement matters because it correlates to the performance of teams and organizations, and high engagement is a valuable tool in recruiting and retaining talent.

b. Organizational Health and Performance

Last April, OMB issued Memorandum M-23-15, *Measuring, Monitoring, and Improving Organizational Health and Organizational Performance in the Context of Evolving Agency Work Environments*, outlining new guidance to help agencies make decisions about their work environment postures. While acknowledging the variety of occupations and roles that Federal employees play, the memo called for agencies to "substantially increase meaningful in-person work at Federal offices, particularly at headquarters and equivalents" where hybrid work is mostly concentrated. Agencies were directed to consider how best to accomplish this given their unique circumstances, missions, and customers.

Approximately half of the Federal civilian workforce is not eligible for regular telework due to their job requirements, such as a Transportation Security Administration (TSA) officer at an airport or a nurse providing care at a hospital. During the pandemic, like other parts of the economy, Federal agencies used increased levels of telework for some employees to support mission performance while other employees remained in person throughout the pandemic.

With the end of the public health emergency in early 2023, OMB has worked closely with Federal agencies to drive implementation of increased in-person office presence. Federal agencies are moving towards a posture where telework-eligible teams are working in-person at the office at least half of the time, on average, enabling agencies to tailor approaches based on their diverse operational needs while ensuring agencies achieve the benefits of meaningful in-person work for strong teams and organizations. This hybrid approach mirrors the approach adopted by the private sector, which was a key factor for agencies in determining their policies, as agencies must compete with the private sector for talent. As

detailed in M-23-15, agencies are expected to continue to monitor organizational health and organizational performance and make shifts on an ongoing and iterative basis where needed.

c. Personnel Vetting Reform

Improving personnel vetting so that agencies can on-board trusted personnel quickly is vitally important. As DDM, I chair the Performance Accountability Council, which is the interagency forum that is responsible for overseeing the personnel vetting reform initiative – Trusted Workforce 2.0 (TW 2.0). The TW 2.0 was officially launched under the prior Administration, and it builds on efforts across multiple Administrations to improve the onboarding system and process.

Over the last three years, we have made substantial progress in advancing reform, including:

- Transitioning to Continuous Vetting rather than relying on static periodic reinvestigations every 5-10 years, which enables greater effectiveness in maintaining the trust of our workforce;
- Maintaining a steady-state backlog of approximately 200,000 cases, consistent with the significant improvements made from 2015, when the backlog peaked at 725,000, to 2019, when the backlog reached a stable level of 200,000;
- Shifting to eApp, which provides users with a simpler, more intuitive and more secure application for submitting background information;
- Implementing performance management, so that agencies can assess the effectiveness and efficiency of their personnel vetting programs; and
- Centralizing the policy framework for personnel vetting to provide consistent guidance to all agencies.

II. IMPROVING SERVICE DELIVERY AND CUSTOMER EXPERIENCE FOR THE AMERICAN PEOPLE

Most Americans experience their government through the services that Federal agencies deliver. Under President Biden’s leadership, the Administration has established as a core management objective that, when the American public interacts with the government, they should get a simple, seamless, and secure customer experience that is at least on par with leading private sector customer experiences.

We have made progress. The American Customer Satisfaction Index (ACSI), a national cross-industry measure of customer satisfaction, shows citizen satisfaction with government services jumping nearly 5 percent over the past two years, the largest two-year gain on record for the Federal government. The 2023 Forrester Customer Experience (CX) Index demonstrates a similar trend, with the Federal government closing the gap relative to other sectors. Within these rankings, some agencies performed above the average even compared to consumer-oriented private industries, including the Department of Interior’s National Park Service and the Department of Health and Human Services’ Centers for Medicare and Medicaid Services. Despite these gains, much more can be done across Federal agencies to improve government services.

Through the President’s Management Agenda (PMA), the Administration has outlined a clear strategy for improving service delivery and customer experience, including a goal of achieving a service trust score of at least 75 percent which is publicly reported on [performance.gov](https://www.performance.gov) across 16 Federal agencies. In addition to overseeing the execution against the PMA, OMB engages with agencies in specific ways to improve the ways Americans experience their government.

First, OMB has created an annual improvement process for designated High Impact Service Providers (HISPs). OMB works to ensure that HISPs have the talent and capacity to address customer pain points, conduct meaningful outreach, and embed customer-centered leading practices in their operating environments. OMB assesses each of these HISPs annually, ensuring that they have a system to collect customer feedback and data, integrate customer experience (CX) measures into staff performance plans, and use data analytics that incorporate customer data to inform critical agency decisions. OMB has also worked to bring customer experience professionals into the Federal Government.

Over the last year, these HISPs have achieved significant wins for the American people, including:

Saving Time and Reducing Burden

1. Made it easier for Americans to file their taxes – Since the passage of the Inflation Reduction Act in 2022, the Department of Treasury through the Internal Revenue Service (IRS) has served [310,000 more taxpayers in person](#). Through April 13, 2024, IRS answered almost four million more calls compared to 2022, and cut average phone wait times from 28 minutes in 2022 to just 3 minutes. For the first time, the IRS launched Direct File, providing a free, secure, easy-to-use option for taxpayers with simple tax situations in 12 states to file their taxes directly with the IRS. In a survey administered to Direct File users, 90% of respondents rates their experience as excellent or above average.
2. Reduced wait times in airports – Despite having the busiest travel year on record, the Department of Homeland Security (DHS) through the Transportation Security Administration (TSA) met their [service levels of standard screenings](#) of 29 minutes or less 99.1 percent of the time, on average, and [TSA PreCheck screenings](#) of 9 minutes or less 98.6 percent of the time, on average.
3. Reduced paperwork burdens for the Department of Agriculture’s Loans to Farmers recipients by more than half – The Department of Agriculture’s [Farm Service Agency \(FSA\) reduced the simplified direct loan application form from 29 pages to 13](#), and 10 separate forms to one. These changes reduce completion time by an estimated 50 percent. The new form has been used approximately 18,400 times since it was published in February 2023. Applicants can now complete and submit the form online, and a new Fast Track pilot expedites the underwriting process for 25 percent of direct loans, resulting in faster decisions for customers and time savings for employees.

Doing More Business Online

1. Expanded Award-Winning App so Veterans can do more online – The Department of Veterans Affairs (VA) has expanded the functionality of their award-winning app. Veterans can also use their mobile app to [manage their prescriptions](#), and there have been more than 764,000 successful refills since its launch in March 2023. They can also see and download [their decision award letters](#), a feature used more than 3.8 million times. Authenticated users can download their award letters from [VA.gov](#), the VA Health and Benefits Mobile App, and the [VA.gov](#) chatbot, including accessibility features that enable blind Veterans to read their benefits decision letters using assistive technology.
2. Piloted online passport renewals – In 2023, the State Department’s Consular Affairs Passport Services [issued 24 million passports](#), the highest annual number in U.S. history. During the limited release of the Online Passport Renewal, over 500,000 customers submitted their applications online through the pilot system. The [program was paused in March 2023](#) to introduce improvements based on customer feedback and is expected to launch more broadly later this year.

Cutting Red Tape

1. Made it easier for families to connect to housing assistance – The Department of Housing and Urban Development (HUD) published a new rule that made it easier for families applying for housing to calculate their income and assets and streamline the ability of housing owners to complete verification requirements.
2. Made it easier for Americans to fill out Social Security forms digitally – The Social Security Administration (SSA) is currently working to remove the wet signature requirement from thirteen agency forms, enabling more opportunities for those it serves to transact digitally.

Second, OMB is breaking down traditional institutional and programmatic silos to reorient agencies to the common issues they address and the common customers they serve. OMB’s “Life Experiences” team has launched focused initiatives around several common life experiences that Americans face – such as having a child, approaching retirement, or recovering from a disaster – and built multi-agency, multi-disciplinary teams to design tools and resources that can serve as one-stop shops for Americans going through these often-overwhelming periods. This approach of designing around the customer, rather than around the agency or funding source, is novel and holds promise in improving how Americans experience their government. OMB has worked with the General Services Administration (GSA) and other Federal agencies to create common tools that can be used across multiple services, such as text notifications to enable Federal benefits programs at the State and Local levels to send text messages to people at crucial points throughout the benefits enrollment and renewal process.

This tool is currently being piloted in two locations:

- The City of Norfolk (Virginia) Department of Human Services started sending text messaging reminders about Medicaid renewals following the unwinding of the national Public Health Emergency.
- Arizona’s Early Intervention Program)will send text messages to support families during early childhood.

Finally, the U.S. Digital Service (USDS) at OMB brings world class technology and design expertise into the Federal government, which is then deployed to Federal agencies to help them confront the most complex technology problems and service-delivery challenges. USDS has partnered with over 30 agencies and delivered services to millions of families. For example:

- USDS worked with the U.S. Postal Service and HHS to launch an effort that enabled delivery of over 749 million free COVID-19 tests;
- Through USDS’s work with the Federal Communication Commission (FCC), there was a 130 percent increase in the number of rural and under-resourced families with broadband internet through the Affordable Connectivity Program;
- USDS helped fix the data pipeline during the infant formula shortage and was able to support the deployment of 388 million bottles of formula to where they were needed most;
- Through a partnership with the VA, more than 18 million Veterans are now able to use simpler, more accessible tools to obtain health and benefit services; and
- USDS helped improve [SSA.gov](https://www.ssa.gov) with a 55 percent increase in customer satisfaction for its 180 million annual visitors.

In addition to deploying technical expertise, USDS also builds technical capacity across Federal agencies. USDS has already recruited over 500 technologists into the Federal government. USDS also helped support training of more than 900 acquisition professionals who are now prepared to skillfully

and efficiently help the government buy technology products and services, due to their certification through the Digital IT Acquisition Professional training program (DITAP). In addition, former USDS staff are now in important technology leadership positions in agencies, including the Chief Information Office at DHS and the Chief Technology Officer at VA.

III. PROTECTING TAXPAYER FUNDS

The Federal government has two primary financial systems – buying products and services through the Federal procurement system, and providing grants, loan guarantees, and cooperative agreements through the Federal Financial Assistance (FFA) system. OMB’s objective is to ensure that taxpayers get the best bang for their buck by bringing together Federal agencies to work as an enterprise. In procurement, that means leveraging the government’s formidable purchasing power to get the best pricing, terms, and conditions. In FFA, that means articulating a clear, common set of application and compliance requirements across agencies and programs so that eligible recipients can focus resources on achieving mission outcomes rather than on administrative overhead.

The Federal procurement system has evolved over the last 50 years, when the Office of Federal Procurement Policy (OFPP) at OMB was first created to ensure a set of ongoing and consistent policies and rules for Federal procurement. The FFA system is still new in terms of operating as an enterprise-wide system. This Administration has worked to transform the Federal financial assistance approaches in Federal government into an enterprise-wide system and to accelerate progress – building on the foundation in place – in leveraging our enterprise-wide procurement system to deliver better outcomes and more efficient spend. The Administration has worked to strengthen these systems, improve program results, and improve stewardship of taxpayer funds. The Administration has also dramatically accelerated bipartisan efforts to ensure that our Federal procurement and Federal financial assistance funding is supporting high-quality American jobs through the creation of the first-ever Made in America office at OMB.

a. Strengthening Program Integrity

When President Biden came into office in 2021, he inherited not only a still-raging pandemic and significantly weakened economy, but also a series of relief programs that highlighted a range of challenges, including in the areas of Federal program design and implementation, the integrity of Federal government systems, and equitable delivery of relief funding. At the outset of the pandemic in 2020, past underinvestment in basic government technology, Congressional action to greatly expedite disbursement timelines in order to accelerate relief, combined with ill-considered decisions to take down basic fraud controls, led to a significant degree of fraud and identity theft of emergency benefits. Agencies under the prior Administration declined or were restricted from exercising basic controls like checking applicants against the Treasury Department’s Do Not Pay System or requesting tax transcripts, pursuant to taxpayer consent, from the IRS to check the legitimacy of a business, leading to significant fraud. Upon taking office in 2021, President Biden took swift action to rapidly increase anti-fraud measures, correcting these deficiencies.

The Administration also took significant action to rebuild the working relationship between Federal agencies and the oversight community. Independence and collaboration are the hallmarks of the Administration’s approach to oversight of Federal programs, with a focus on frequent, proactive, and open engagement with the oversight community on program design, financial controls, and reporting measures. To enable this approach, OMB rebuilt relationships with agency Inspectors General (IGs) and

the broader oversight community, including the Pandemic Response Accountability Committee (PRAC) and the U.S. Government Accountability Office (GAO). We have put the President’s commitment into practice through the implementation of the American Rescue Plan Act of 2021 (ARP), where we have focused on getting it right at the “front end” of programs to mitigate risk with a focus on prevention, rather than a “pay and chase” model.

The Administration’s new “Joint Review” meetings offer a good example. OMB and the White House ARP Implementation team pioneered these meetings, which convened agency program officials, agency IGs, and PRAC leadership to jointly review new or significantly expanded ARP programs before launch. In designing a new or expanded Federal program, staff should fully leverage the experience and expertise of the oversight community, while respecting its independence. The process has had significant effects on program design and financial controls, leading to more frequent, detailed, and rigorous reporting and continued cooperation and dialogue among agency leaders and their respective agency IGs. PRAC Chair Michael Horowitz stated that this approach exhibited a “model for how to manage large-scale spending initiatives and balance the need for robust independent oversight with timely implementation.” The Administration has continued this practice in its implementation of the Bipartisan Infrastructure Law, the Chips and Science Act, and the Inflation Reduction Act.

In March 2023, President Biden put forward a comprehensive pandemic anti-fraud proposal that (i) ensures that pandemic IGs and the Department of Justice’s Strike Forces have the resources they need to successfully investigate and bring to justice the most complex criminal syndicates that stole billions of dollars from the American people during the COVID-19 pandemic; (ii) provides agencies with the funding and tools they need to modernize their identity verification and up-front fraud prevention systems; and (iii) ensures that innocent victims of identity fraud receive additional recovery support. Earlier this month, the Department of Justice announced the recovery of \$1.4 billion from criminals through DOJ’s Strike Forces, noting that much more could be done with adequate resources, with the potential to generate taxpayer savings. The Fraud Prevention and Recovery Act, which puts forward key provisions of President Biden’s anti-fraud plan, was recently introduced in the Senate. Ranking Member Jamie Raskin has also proposed legislation that would make permanent an analytics center created by the PRAC, to prevent fraud going forward. The Administration welcomes opportunities to work with Congress to hold the criminal syndicates that stole from the American people accountable, prioritize prevention, make public benefits programs more secure, and improve services for victims of identity fraud.

b. Creating an Enterprise Approach for Federal Financial Assistance

The Administration is focused on whole-of-government efforts to streamline, simplify, and make more equitable and accessible the processes, systems, and data standards associated with FFA to reduce burden on Federal agencies, applicants, and recipients in order to improve outcomes deliver results efficiently.

On April 4, 2024, the Administration announced the most substantial revision to the Uniform Grants Guidance, the underpinning guidance that serves as a foundation for all FFA programs. These updates will streamline and clarify requirements for FFA. This will mean that recipients can invest in mission outcomes rather than in administrative overhead, while ensuring Federal agencies can effectively safeguard taxpayer resources. These changes will allow agencies and recipients of Federal funds to focus more time and money on delivering meaningful results for the American people.

The new Uniform Grants Guidance was entirely rewritten in plain language, increasing simplicity for agencies and recipients while improving compliance through clarity. Additional improvements include reducing red tape when recipients must receive approvals from Federal agencies for spending money on specific activities, clarifying ambiguous terms so recipients can comply with the same requirement in the same way regardless of funding source, clarifying that data and evaluation related activities are an allowable use of Federal funds, revising Notices of Funding Opportunities (NOFOs) to make it easier for non-experts and smaller organizations to apply for Federal funding, and ensuring that grant announcements are accessible to a wider group of eligible applicants. This includes eliminating the requirement to use English language in notices, applications, and reporting, which will make grants more accessible to the American people.

The Administration has also taken significant action to improve transparency and access to Federal programs. In February 2024, OMB launched the [Federal Program Inventory \(FPI\)](#) – a new comprehensive, searchable tool with critical information about all Federal programs that provide grants, loans, or direct payments to individuals, governments, firms, or other organizations. The launch of the FPI has further increased government transparency and accessibility, allowing members of the public, oversight bodies, Congressional stakeholders, and other interested parties to explore Federal programs – including their objectives, applicant eligibility, and both estimated and actual program spending. Users can explore programs through a search function to filter across categories, agencies, types of assistance, and types of eligible applicants to find opportunities that fit their needs.

c. Accelerating Gains from Federal Procurement

OMB has worked to advance our Federal procurement system to improve the efficiency of the dollars spent on goods and services by Federal agencies and leverage Federal buying power to advance national priorities. To date, efforts under this Administration have resulted in more than \$40 billion in savings and cost avoidance through advancing enterprise-wide approaches to Federal procurement.

In 2023, OMB launched the Better Contracting Initiative (BCI), the next phase of the Federal Government’s enterprise approach to leverage scale and ensure that the Federal Government is getting better contracting outcomes for the taxpayer. The BCI is an aggressive multi-pronged initiative focused on leveraging data, negotiating common enterprise-wide software licenses, and managing risks associated with complex, high-priority contracts. Under this initiative, we have (i) achieved 100 percent CFO Act Agency alignment on common terms and conditions for a common, major software product, which will improve efficiency and cybersecurity; (ii) built strong, performance-based contract requirements before soliciting offers to prevent costly modifications and overruns; and (iii) prevented inflated prices in sole-source and other high-risk contracts with peer reviews and related actions to enhance negotiating leverage. The Administration expects that the results of the BCI will generate more than \$10 billion *annually* in additional savings and cost avoidance while also improving the performance of Federal contracts.

Federal agencies have also made significant progress in using Federal purchasing power as a catalyst to advance national priorities, from putting new government-wide acquisition rules in place to increasing the domestic content of U.S.-made products under the Buy American Act, to strengthening the federal marketplace through record spending with small businesses and particularly small businesses in underserved communities. The BCI ensures that the Government is deliberate about who we buy from, including small disadvantaged businesses (SDBs). We have advanced the President’s commitment to

increasing equity in procurement, with strong growth in procurement spend with SDBs, reaching a record \$76 billion in FY23, contributing to a more resilient Federal marketplace.

As a result of OMB's leadership and close partnership with Federal buying agencies through guidance, deployment of tools, and training, the Federal government, as the world's largest buyer, has been able to realize better mission results from the products and services we acquire, while shaping economic outcomes with our contracting spend.

d. Making "Made in America" Real

In January 2021, President Biden signed [Executive Order 14005](#), *Ensuring the Future Is Made in All of America by All of America's Workers*, establishing the [Made in America Office](#) at OMB, and launching a whole-of-government initiative to [strengthen the use of taxpayers' dollars](#) to support American manufacturing. OMB's work to increase the share of Federal procurement and Federal financial assistance to domestic producers has strengthened domestic supply chains, increased capital investment in the manufacturing sector, and supported high-quality jobs in communities throughout the United States. Since 2021, companies have committed [\\$650 billion in private investment](#) to American manufacturing and the industries of the future. Real spending on factory construction doubled in the last two years – to a record high.

To maximize the impact of Federal procurement on domestic manufacturing and jobs, in March 2022, the Federal Acquisition Regulatory Council, chaired by OMB, published the most robust regulatory change to the Buy American Act in 70 years by raising the domestic content threshold for Federal procurement from 55 percent to 65 percent in 2024 and then further raising the threshold to 75 percent by 2029. In addition, OMB recently [issued a policy memorandum](#) to agencies to better leverage Federal procurement dollars to strengthen domestic sourcing for critical products and supply chains. These actions will allow agencies to manage and mitigate supply chain risks as well as ensure a targeted approach to support competition and combat harm to domestic industries.

IV. SECURING AND IMPROVING TECHNOLOGY

Today's organizations need to operate a modern, secure, accessible technology infrastructure – and the Federal Government is no exception, but it faces some unique headwinds. Despite long-standing challenges in Federal information technology, over the last three years, OMB has worked to accelerate the retirement and migration of legacy IT systems, strengthen pipelines of critically needed technical talent into the Federal government, raise standards for cybersecurity across the enterprise, and prepare agencies to harness opportunities and mitigate the risks of tools powered by artificial intelligence (AI).

The adoption of new technologies is not the goal in and of itself. Technologies enable improved performance, including better Federal services to the American public. From cybersecurity to digital experience to AI, our policies take a holistic and human-centered design approach. This means ensuring that our policies address the workforce and talent needed to deliver the goals and policies we set out to achieve and provide agencies with guidance on procuring the products and services they need to deliver for their customers. One of the long-standing challenges across all technology disciplines remains the technical skills and expertise within the Federal workforce. Improving policies and plans must be done in concert with efforts to strengthen our technology workforce inside Federal agencies.

a. *Cybersecurity*

Maintaining the security of our government’s digital infrastructure presents one of the more serious challenges for the Federal government, and the pace and sophistication of cybersecurity risks facing our nation continues to evolve. In May 2021, the President took decisive action in issuing [Executive Order 14028](#), *Improving the Nation’s Cybersecurity*, following a sophisticated supply chain attack in 2020 that allowed foreign adversaries to compromise the systems of thousands of customers who use SolarWinds. To drive implementation, OMB developed the Federal Government’s ‘Zero Trust Strategy’, released in M-22-09, [Moving the U.S. Government Toward Zero Trust Cybersecurity Principles](#). Over the past two years, we have seen a meaningful shift from Federal agencies, including implementation of phishing-resistant multi-factor authentication and encrypting data both at rest and in transit. Working in concert with Federal agencies, we are making it more difficult for bad actors to find a weak point in our security. Finally, in collaboration with OPM and the Office of the National Cyber Director, we developed a cyber workforce legislative proposal to address the need for greater flexibility to recruit, retain, and advance cyber talent across the Federal government to best position Federal agencies to protect our nation’s defenses and infrastructure as well as to maintain technological competitive advantage.

b. *Artificial Intelligence*

To realize the tremendous promise of AI while managing its risks, the federal government needs to lead by example and provide a model for the responsible use of the technology. That’s why on March 28, 2024, OMB released M-24-10, *Advancing Governance, Innovation, and Risk Management for Agency Use of Artificial Intelligence*, which establishes AI governance structures in Federal agencies, advances responsible AI innovation, and manages risks from government uses of AI, including by increasing transparency and protecting Federal workers, aligned with the President’s October 2023 [Executive Order 14110](#), *Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence*. OMB also issued a Request for Information to inform forthcoming work on AI procurement. Further, while cybersecurity and AI may seem like distinct domains, there is a convergence between the two. AI can be used for cybersecurity risk detection and cybersecurity principles can be used to secure AI systems. Opportunities and challenges presented by cybersecurity and AI will take a collective and collaborative effort, drawing on the expertise, resources, and perspectives of Federal stakeholders to come together as partners, breaking down silos, and fostering an environment of shared responsibility and mutual understanding.

V. CLOSING

Across a broad domain, OMB has advanced substantial efforts to enable near-term execution, including on implementation of historic legislation and strengthening Federal systems for ongoing improvement. The work under the PMA has demonstrated tangible results, although there is much to be done in the months and years ahead. I look forward to continuing to work with the Congress to improve the performance of Federal agencies, strengthen the Federal workforce, invest in secure technology to strengthen mission outcomes, and increase the trust and satisfaction all Americans have with the services their government delivers.

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