

AMENDMENT IN THE NATURE OF A SUBSTITUTE

TO H.R. 2250

OFFERED BY Mr. Bost

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “Department of Vet-
3 erans Affairs Information Technology Reform Act of
4 2021”.

**5 SEC. 2. MANAGEMENT OF MAJOR INFORMATION TECH-
6 NOLOGY PROJECTS.**

7 (a) IN GENERAL.—Chapter 81 of title 38, United
8 States Code, is amended by adding at the end the fol-
9 lowing new subchapter:

10 “SUBCHAPTER VI—INFORMATION
11 TECHNOLOGY PROJECTS AND ACTIVITIES

12 “§ 8171. Definitions

13 “In this subchapter:

14 “(1) The term ‘appropriate congressional com-
15 mittees’ means—

16 “(A) the Committee on Veterans’ Affairs
17 and the Subcommittee on Military Construc-
18 tion, Veterans Affairs and Related Agencies of

1 the Committee on Appropriations of the Senate;
2 and

3 “(B) the Committee on Veterans’ Affairs
4 and the Subcommittee on Military Construc-
5 tion, Veterans Affairs and Related Agencies of
6 the Committee on Appropriations of the House
7 of Representatives.

8 “(2) The term ‘information technology’ has the
9 meaning given that term in section 11101 of title
10 40.

11 “(3) The term ‘information technology project’
12 means a project or program of the Department (in-
13 cluding a project or program of any element of the
14 Department) for, or including, the acquisition or im-
15 plementation of information technology. In cases
16 where the Secretary transmits to the Director of the
17 Office of Management and Budget information re-
18 garding information technology investments, which
19 may consist of individual or multiple projects, such
20 term refers to an individual project or program or
21 a grouping of multiple projects or programs result-
22 ing in the acquisition or implementation of discrete
23 information technology.

24 “(4) The term ‘life cycle costs’ means all direct
25 and indirect costs to acquire, implement, operate,

1 and maintain information technology, including with
2 respect to costs of any element of the Department.

3 “(5) The term ‘major information technology
4 project’ means an information technology project
5 if—

6 “(A) the project is designated by the Sec-
7 retary, the Chief Information Officer of the De-
8 partment, or the Director of the Office of Man-
9 agement and Budget as a major information
10 technology investment, as defined in section
11 11302 of title 40; or

12 “(B) the dollar value of the project is esti-
13 mated by the Secretary to exceed \$500,000,000
14 (as adjusted for inflation pursuant to section
15 1908 of title 41) for the total life cycle costs of
16 the project.

17 “(6) The term ‘business owner’ means, with re-
18 spect to an information technology project, the pro-
19 gram manager, project manager, or other super-
20 visory official of the Department responsible for the
21 project.

22 **“§ 8172. Management of major information tech-
23 nology projects**

24 “(a) COST, SCHEDULE, AND PERFORMANCE INFOR-
25 MATION.—(1) The Secretary may not obligate or expend

1 funds for any major information technology project that
2 begins after the date of the enactment of the Department
3 of Veterans Affairs Information Technology Reform Act
4 of 2021 unless the Secretary, acting through the Chief In-
5 formation Officer of the Department, submits to the ap-
6 propriate congressional committees a report containing in-
7 formation on the cost, schedule, and performance of such
8 project, as generated by the business owner of the project.

9 “(2) Each report submitted under paragraph (1) for
10 a project shall include, with respect to such project, the
11 following:

12 “(A) An estimate of acquisition costs, imple-
13 mentation costs, and life cycle costs.

14 “(B) An intended implementation schedule indi-
15 cating significant milestones, initial operating capa-
16 bility, and full operating capability or completion.

17 “(C) Key business, functional, and performance
18 objectives.

19 “(b) BASELINE.—(1) The Secretary shall use the in-
20 formation on the cost, schedule, and performance of a
21 major information technology project included in the re-
22 port under subsection (a) as the baseline against which
23 changes or variances are measured during the life cycle
24 of such project.

25 “(2) The Secretary shall—

1 “(A) annually update the baseline of a major
2 information technology project pursuant to sub-
3 section (c); and

4 “(B) include such updated baseline in the docu-
5 ments providing detailed information on the budget
6 for the Department that the Secretary submits to
7 Congress in conjunction with the President’s budget
8 submission pursuant to section 1105 of title 31.

9 “(c) CHANGES AND VARIANCES.—(1) Not later than
10 60 days after the date on which the Secretary identifies
11 a change or variance described in paragraph (2) in the
12 cost, schedule, or performance of a major information
13 technology project, the Secretary, acting through the Chief
14 Information Officer, shall submit to the appropriate con-
15 gressional committees a notification of such change or
16 variance, including a description and explanation for such
17 change or variance.

18 “(2) A change or variance in the cost, schedule, or
19 performance of a major information technology project de-
20 scribed in this paragraph is—

21 “(A) with respect to the acquisition, implemen-
22 tation, or life cycle cost of the project, or develop-
23 ment increment therein, a change or variance that is
24 10 percent or greater compared to the baseline;

1 “(B) with respect to the schedule for a develop-
2 ment increment or for achieving a significant mile-
3 stone, initial operating capability, or full operating
4 capability, or for the final completion of the project,
5 a change or variance that is 180 days or greater
6 compared to the baseline; or

7 “(C) with respect to the performance, an in-
8 stance where a key business, functional, or perform-
9 ance objective is not attained, or is not anticipated
10 to be attained, in whole or in part.

11 “(d) MANAGEMENT.—The Secretary shall ensure
12 that each major information technology project is man-
13 aged by an interdisciplinary team consisting of the fol-
14 lowing:

15 “(1) A project manager who is—

16 “(A) certified in project management at
17 level three by the Department, the Federal Ac-
18 quisition Institute pursuant to section 1201 of
19 title 41, or the Department of Defense pursu-
20 ant to section 1701a of title 10, or who holds
21 an equivalent certification by a private sector
22 project management certification organization,
23 as determined appropriate by the Secretary;
24 and

1 “(B) an employee of the Office of Informa-
2 tion and Technology of the Department or an
3 employee of an element of the Department at
4 which the project originates.

5 “(2) A functional lead who is an employee of
6 the element of the Department at which the project
7 originates.

8 “(3) A technical lead who is an employee of the
9 Office of Information and Technology of the Depart-
10 ment.

11 “(4) A contracting officer.

12 “(5) Sufficient other project management, func-
13 tional, technical, and procurement personnel as the
14 Secretary determines appropriate.

15 **“§ 8173. Information technology activities of the Fi-**
16 **ancial Services Center**

17 “(a) MANAGEMENT.—Consistent with sections 11302
18 and 11319 of title 40—

19 “(1) the Chief Information Officer of the De-
20 partment shall—

21 “(A) exercise authority over the manage-
22 ment, governance, and oversight processes relat-
23 ing to existing or proposed information tech-
24 nology of the Financial Services Center of the
25 Department, or such successor office; and

1 “(B) supervise the information technology
2 employees and contractors of the Financial
3 Services Center; and

4 “(2) the Director of the Financial Services Cen-
5 ter of the Department, or the head of such successor
6 office, may not enter into a contract or other agree-
7 ment for information technology or information tech-
8 nology services unless the contract or other agree-
9 ment has been reviewed and approved by the Chief
10 Information Officer.

11 “(b) OVERSIGHT.—The Chief Information Officer
12 shall have oversight and operational authority over all in-
13 formation security practices of the Financial Services Cen-
14 ter of the Department.

15 **“§ 8174. Submission of annual reviews of information**
16 **technology**

17 “(a) IN GENERAL.—The Secretary, acting through
18 the Chief Information Officer of the Department, shall
19 submit to the appropriate congressional committees each
20 annual review of the information technology portfolio of
21 the Department conducted pursuant to section
22 11319(d)(3) of title 40.

23 “(b) FIRST SUBMISSION.—The first annual review
24 submitted under subsection (a) shall include a copy of

1 each previous annual review conducted under section
2 11319(d)(3) of title 40.

3 **“§ 8175. Information technology matters to be in-**
4 **cluded in budget justification materials**
5 **for the Department**

6 “(a) LIST OF INFORMATION TECHNOLOGY PROJECTS
7 IN EFFECT.—The Secretary shall ensure that whenever
8 the budget justification materials are submitted to Con-
9 gress in support of the Department budget for a fiscal
10 year (as submitted with the budget of the President for
11 such fiscal year under section 1105(a) of title 31), such
12 budget justification materials include a list of every infor-
13 mation technology project currently in effect at the De-
14 partment (including not only congressional projects and
15 subprojects as determined by the Director of the Office
16 of Management and Budget or the Secretary).

17 “(b) PRIORITIZED LIST OF UNFUNDED PROJECTS.—
18 (1) In addition to the list included in the budget justifica-
19 tion materials required by subsection (a), the Secretary
20 shall ensure that the budget justification materials de-
21 scribed in such subsection also include summary descrip-
22 tions and a prioritized list, in rank order, of every informa-
23 tion technology project of the Department, proposed or in-
24 tended to be proposed for the following one, two, or three

1 fiscal years, that is unfunded as of the time of the inclu-
2 sion of the list under this paragraph.

3 “(2) In producing the list required by paragraph (1),
4 the Secretary shall—

5 “(A) ensure such list represents a ranking of all
6 proposed information technology projects that re-
7 flects the needs of all elements of the Department;

8 “(B) produce one unified list for the entire De-
9 partment demonstrating how the various proposed
10 information technology projects of each of the ele-
11 ments of the Department rank in priority with the
12 information technology projects of the other ele-
13 ments of the Department; and

14 “(C) ensure that the list—

15 “(i) does not disaggregate and rank infor-
16 mation technology projects based on element of
17 the Department; and

18 “(ii) does identify the element of the De-
19 partment requesting the information technology
20 project.

21 “(3)(A) In producing each list under paragraph (1),
22 the Secretary shall prioritize and rank each information
23 technology project based on an assessment of each of the
24 following factors:

1 “(i) Degree of collaboration between business
2 owners and the Chief Information Officer with re-
3 spect to joint functional-technical planning, require-
4 ments, and management.

5 “(ii) Operational or efficiency benefits to em-
6 ployees of the Department created or produced by
7 the information technology project.

8 “(iii) The life cycle cost of the information tech-
9 nology project.

10 “(iv) The cost savings or cost avoidance yielded
11 by the information technology project.

12 “(v) Time to completion of the information
13 technology project.

14 “(vi) The difficulty of the information tech-
15 nology project, the likelihood the information tech-
16 nology project will be completed, or the risks associ-
17 ated with undertaking the information technology
18 project.

19 “(vii) Tangible benefits to veterans created or
20 produced by the information technology project.

21 “(viii) Such other factors as the Secretary con-
22 siders appropriate.

23 “(B) The Secretary shall ensure that each list pro-
24 duced under paragraph (1) includes, for each information
25 technology project included in the list, a brief description

1 of the findings of the Secretary with respect to each as-
2 sessment carried out by the Secretary for each factor for
3 the information technology project under subparagraph
4 (A).

5 “(c) PROJECTED FUNDING NEEDS.—(1) In addition
6 to the matters included under subsections (a) and (b), the
7 Secretary shall ensure that the budget justification mate-
8 rials described in subsection (a) also include a projection
9 of the one-year, two-year, and three-year funding needs
10 of the Department for information technology,
11 disaggregated by portfolio and product line of the Depart-
12 ment that requires the funding.

13 “(2) In addition to the projections under paragraph
14 (1), the Secretary shall include a description of the fol-
15 lowing, with respect to each of the periods set forth in
16 such paragraph, disaggregated by major business line of
17 the Department:

18 “(A) The information technology infrastructure
19 and equipment requirements.

20 “(B) The funding required for development.

21 “(C) The funding required for operations and
22 maintenance.

23 “(D) The funding required by cybersecurity.

1 “(E) Such other categories of the information
2 technology needs of the Department as the Secretary
3 considers relevant and important.”.

4 (b) CLERICAL AMENDMENT.—The table of sections
5 at the beginning of such chapter is amended by adding
6 at the end the following:

“SUBCHAPTER VI—INFORMATION TECHNOLOGY PROJECTS AND ACTIVITIES

“Sec. 8171. Definitions.

“Sec. 8172. Management of major information technology projects.

“Sec. 8173. Information technology activities of the Financial Services Center.

“Sec. 8174. Submission of annual reviews of information technology.

“Sec. 8175. Information technology matters to be included in budget justification materials for the Department.”.

7 (c) APPLICATION; REPORT.—

8 (1) CURRENT AND NEW PROJECTS.—Except as
9 specifically provided in subsection (a) of section
10 8172 of title 38, United States Code, as added by
11 subsection (a) of this section, such section 8172
12 shall apply with respect to major information tech-
13 nology projects that begin before, on, or after the
14 date of the enactment of this Act.

15 (2) REPORT ON CURRENT PROJECTS.—

16 (A) IN GENERAL.—Not later than 90 days
17 after the date of the enactment of this Act, the
18 Secretary of Veterans Affairs shall submit to
19 the appropriate congressional committees a re-
20 port on each major information technology
21 project that the Secretary is carrying out as of
22 the date of the report.

1 (B) CONTENTS.—The report submitted
2 under subparagraph (A) shall contain, with re-
3 spect to each project described in such subpara-
4 graph, information on the cost, schedule, and
5 performance of the project as described in sub-
6 section (a) of section 8172 of such title, as so
7 added.

8 (3) DEFINITIONS.—In this subsection, the
9 terms “appropriate congressional committees” and
10 “major information technology project” have the
11 meanings given those terms in section 8171 of title
12 38, United States Code, as added by subsection (a)
13 of this section.

14 (d) EFFECTIVE DATE OF REQUIREMENT FOR
15 PROJECTS IN BUDGET JUSTIFICATION MATERIALS.—
16 Subsection (c) of section 8175 of such title, as added by
17 subsection (a) of this section, shall take effect on the first
18 Monday in the second January beginning after the date
19 of the enactment of this Act.

20 **SEC. 3. REPORT ON INFORMATION TECHNOLOGY DASH-**
21 **BOARD INFORMATION.**

22 (a) REPORT.—Not later than 90 days after the date
23 of the enactment of this Act, the Secretary of Veterans
24 Affairs, acting through the Chief Information Officer of
25 the Department of Veterans Affairs, shall submit to the

1 appropriate congressional committees a report con-
2 taining—

3 (1) an explanation of the ratings, rankings, and
4 risk categorizations used by the Chief Information
5 Officer pursuant to subparagraph (C) of section
6 11302(c)(3) of title 40, United States Code, with re-
7 spect to the information technology dashboard of the
8 Office of Management and Budget developed under
9 such section; and

10 (2) copies of supporting or explanatory informa-
11 tion provided by the Chief Information Officer to the
12 Office of Management and Budget with respect to
13 submissions by the Chief Information Officer to the
14 information technology dashboard for the fiscal year
15 in which the report is submitted (other than infor-
16 mation not otherwise made public pursuant to such
17 section).

18 (b) APPROPRIATE CONGRESSIONAL COMMITTEES
19 DEFINED.—In section, the term “appropriate congres-
20 sional committees” has the meaning given such term in
21 section 8171 of title 38, United States Code, as added by
22 section 2.

