

2018-04-17 WH MM RK GC to 24 Agencies re MGT Implementation due 4-30 has been sent to:

Agency
U.S. Agency for International Development
U.S. Department of Agriculture
U.S. Department of Commerce
U.S. Department of Defense
U.S. Department of Education
U.S. Department of Energy
U.S. Department of Health and Human Services
U.S. Department of Homeland Security
U.S. Department of Housing and Urban Development
U.S. Department of Justice
U.S. Department of Labor
U.S. Department of State
U.S. Department of the Interior
U.S. Department of the Treasury
U.S. Department of Transportation
U.S. Department of Veterans Affairs
U.S. Environmental Protection Agency
U.S. General Services Administration
National Aeronautics and Space Administration
National Science Foundation
U.S. Nuclear Regulatory Commission
U.S. Office of Personnel Management
U.S. Small Business Administration
Social Security Administration

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>

April 17, 2018

The Honorable Jeff Sessions
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear Mr. Attorney General:

Basic digital hygiene is essential to information security across the federal government. Every agency within the federal government must commit to improving its digital hygiene to strengthen our ability to detect, respond, mitigate, and prevent cyber incidents. The modernization of legacy IT is one way to improve an agency's digital hygiene.

The *Modernizing Government Technology (MGT) Act* was signed into law in December 2017 as part of the *National Defense Authorization Act of 2018*.¹ The bill authorizes two types of funds for the purpose of modernizing the federal government's legacy IT. The Office of Management and Budget (OMB) recently issued implementation guidance for federal agencies.²

The *MGT Act* authorizes your agency to create an agency-specific working capital fund (WCF) for IT modernization, managed by the agency Chief Information Officer (CIO).³ Money saved by upgrading or decommissioning legacy IT systems at the Department can be saved within this working capital fund for up to three years. These funds can be used to purchase new technology. OMB implementation guidance directed agencies to notify OMB by March 27, 2018, if the agency intends to establish a WCF in fiscal year 2018 and initiate the process of creating a new account for the WCF.

It is important for the CIO to have authority and control over the entire agency's information technology budget and operations. In addition, the Committee would like to ensure agency CIOs have the tools necessary to create and make use of working capital funds authorized by the *MGT Act*.

To assist the Committee's oversight of this issue, please provide answers to the following questions:

¹ National Defense Authorization Act for Fiscal Year 2018, Pub. L. No. 115-91, Title X, Subtitle G, §§ 1076-1078.

² OFFICE OF MANAGEMENT & BUDGET, M-18-12, IMPLEMENTATION OF THE MODERNIZING GOVERNMENT TECHNOLOGY ACT (Feb. 27, 2018), available at <https://www.whitehouse.gov/wp-content/uploads/2017/11/M-18-12.pdf>.

³ H. COMM. ON OVERSIGHT & GOV'T REFORM, MODERNIZING GOVERNMENT TECHNOLOGY ACT OF 2017, H. REPT. NO. 115-129 at 15 (2016), available at <https://www.gpo.gov/fdsys/pkg/CRPT-115hrpt129/html/CRPT-115hrpt129-pt1.htm>.

1. Does your agency plan to establish a working capital fund in fiscal year 2018 as authorized by the *Modernizing Government Technology Act*?
 - a. If your agency does not plan to establish this fund, why?
 - b. If your agency already has a working capital fund, please explain how you plan to use it for purposes authorized by the *MGT Act*.
2. Who will be accountable for establishing and managing this fund? If the official in charge is not the Chief Information Officer, how is the official in charge working with the CIO on this effort?
3. By what date will the agency have this fund set up and operational?
4. Does your agency have sufficient authority to transfer funds into this working capital fund?
 - a. Please identify the legal authority to transfer funds to this working capital fund.
 - b. If you believe the agency does not have sufficient transfer authority, please explain the basis for this determination and the legal impediments to utilizing the working capital fund.
5. Please explain how your agency plans to use this fund or other appropriated funds to procure emerging technologies, including artificial intelligence.

Provide the requested responses as soon as possible, but no later than 5:00 p.m. on April 30, 2018. An attachment to this letter provides additional instructions for responding to the Committee's request. Should your response necessitate production of classified documents or information, please provide those as an appendix to your response letter under separate cover.

Please contact Meghan Green of the Majority staff at (202) 225-5074 or Timothy Lynch of the Minority staff at (202) 225-5051 with any questions about this request. Thank you for your attention to this matter.

Sincerely,



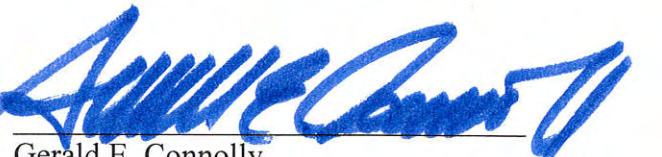
Will Hurd
Subcommittee on Information Technology



Mark Meadows
Subcommittee on Government Operations



Robin L. Kelly
Subcommittee on Information Technology



Gerald E. Connolly
Subcommittee on Government Operations

Enclosure