

DEPARTMENT OF VETERANS AFFAIRS INFORMATION
TECHNOLOGY REFORM ACT OF 2021

SEPTEMBER 26, 2022.—Committed to the Committee of the Whole House on the
State of the Union and ordered to be printed

Mr. TAKANO, from the Committee on Veterans' Affairs,
submitted the following

R E P O R T

[To accompany H.R. 2250]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 2250) to amend title 38, United States Code, to improve the management of information technology projects and investments of the Department of Veterans Affairs, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Department of Veterans Affairs Information Technology Reform Act of 2021”.

SEC. 2. MANAGEMENT OF MAJOR INFORMATION TECHNOLOGY PROJECTS.

(a) IN GENERAL.—Chapter 81 of title 38, United States Code, is amended by adding at the end the following new subchapter:

**“SUBCHAPTER VI—INFORMATION TECHNOLOGY PROJECTS AND
ACTIVITIES**

“§ 8171. Definitions

“In this subchapter:

“(1) The term ‘appropriate congressional committees’ means—

“(A) the Committee on Veterans’ Affairs and the Subcommittee on Military Construction, Veterans Affairs and Related Agencies of the Committee on Appropriations of the Senate; and

“(B) the Committee on Veterans’ Affairs and the Subcommittee on Military Construction, Veterans Affairs and Related Agencies of the Committee on Appropriations of the House of Representatives.

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

“(3) The term ‘information technology project’ means a project or program of the Department (including a project or program of any element of the Department) for, or including, the acquisition or implementation of information technology. In cases where the Secretary transmits to the Director of the Office of Management and Budget information regarding information technology investments, which may consist of individual or multiple projects, such term refers to an individual project or program or a grouping of multiple projects or programs resulting in the acquisition or implementation of discrete information technology.

“(4) The term ‘life cycle costs’ means all direct and indirect costs to acquire, implement, operate, and maintain information technology, including with respect to costs of any element of the Department.

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

“(A) the project is designated by the Secretary, the Chief Information Officer of the Department, or the Director of the Office of Management and Budget as a major information technology investment, as defined in section 11302 of title 40; or

“(B) the dollar value of the project is estimated by the Secretary to exceed \$500,000,000 (as adjusted for inflation pursuant to section 1908 of title 41) for the total life cycle costs of the project.

“(6) The term ‘business owner’ means, with respect to an information technology project, the program manager, project manager, or other supervisory official of the Department responsible for the project.

“§ 8172. Management of major information technology projects

“(a) COST, SCHEDULE, AND PERFORMANCE INFORMATION.—(1) The Secretary may not obligate or expend funds for any major information technology project that begins after the date of the enactment of the Department of Veterans Affairs Information Technology Reform Act of 2021 unless the Secretary, acting through the Chief Information Officer of the Department, submits to the appropriate congressional committees a report containing information on the cost, schedule, and performance of such project, as generated by the business owner of the project.

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

“(A) An estimate of acquisition costs, implementation costs, and life cycle costs.

“(B) An intended implementation schedule indicating significant milestones, initial operating capability, and full operating capability or completion.

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

“(b) BASELINE.—(1) The Secretary shall use the information on the cost, schedule, and performance of a major information technology project included in the report under subsection (a) as the baseline against which changes or variances are measured during the life cycle of such project.

“(2) The Secretary shall—

“(A) annually update the baseline of a major information technology project pursuant to subsection (c); and

“(B) include such updated baseline in the documents providing detailed information on the budget for the Department that the Secretary submits to Congress in conjunction with the President’s budget submission pursuant to section 1105 of title 31.

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

“(2) A change or variance in the cost, schedule, or performance of a major information technology project described in this paragraph is—

“(A) with respect to the acquisition, implementation, or life cycle cost of the project, or development increment therein, a change or variance that is 10 percent or greater compared to the baseline;

“(B) with respect to the schedule for a development increment or for achieving a significant milestone, initial operating capability, or full operating capability, or for the final completion of the project, a change or variance that is 180 days or greater compared to the baseline; or

“(C) with respect to the performance, an instance where a key business, functional, or performance objective is not attained, or is not anticipated to be attained, in whole or in part.

“(d) MANAGEMENT.—The Secretary shall ensure that each major information technology project is managed by an interdisciplinary team consisting of the following:

“(1) A project manager who is—

“(A) certified in project management at level three by the Department, the Federal Acquisition Institute pursuant to section 1201 of title 41, or the Department of Defense pursuant to section 1701a of title 10, or who holds an equivalent certification by a private sector project management certification organization, as determined appropriate by the Secretary; and

“(B) an employee of the Office of Information and Technology of the Department or an employee of an element of the Department at which the project originates.

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

“(3) A technical lead who is an employee of the Office of Information and Technology of the Department.

“(4) A contracting officer.

“(5) Sufficient other project management, functional, technical, and procurement personnel as the Secretary determines appropriate.

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

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

“(1) the Chief Information Officer of the Department shall—

“(A) exercise authority over the management, governance, and oversight processes relating to existing or proposed information technology of the Financial Services Center of the Department, or such successor office; and

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

“(2) the Director of the Financial Services Center of the Department, or the head of such successor office, may not enter into a contract or other agreement for information technology or information technology services unless the contract or other agreement has been reviewed and approved by the Chief Information Officer.

“(b) OVERSIGHT.—The Chief Information Officer shall have oversight and operational authority over all information security practices of the Financial Services Center of the Department.

“§ 8174. Submission of annual reviews of information technology

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

“(b) FIRST SUBMISSION.—The first annual review submitted under subsection (a) shall include a copy of each previous annual review conducted under section 11319(d)(3) of title 40.

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

“(a) LIST OF INFORMATION TECHNOLOGY PROJECTS IN EFFECT.—The Secretary shall ensure that whenever the budget justification materials are submitted to Congress in support of the Department budget for a fiscal year (as submitted with the budget of the President for such fiscal year under section 1105(a) of title 31), such budget justification materials include a list of every information technology project currently in effect at the Department (including not only congressional projects and subprojects as determined by the Director of the Office of Management and Budget or the Secretary).

“(b) PRIORITIZED LIST OF UNFUNDED PROJECTS.—(1) In addition to the list included in the budget justification materials required by subsection (a), the Secretary shall ensure that the budget justification materials described in such subsection also include summary descriptions and a prioritized list, in rank order, of every information technology project of the Department, proposed or intended to be proposed for the following one, two, or three fiscal years, that is unfunded as of the time of the inclusion of the list under this paragraph.

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

“(A) ensure such list represents a ranking of all proposed information technology projects that reflects the needs of all elements of the Department;

“(B) produce one unified list for the entire Department demonstrating how the various proposed information technology projects of each of the elements of the Department rank in priority with the information technology projects of the other elements of the Department; and

“(C) ensure that the list—

“(i) does not disaggregate and rank information technology projects based on element of the Department; and

“(ii) does identify the element of the Department requesting the information technology project.

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

“(i) Degree of collaboration between business owners and the Chief Information Officer with respect to joint functional-technical planning, requirements, and management.

“(ii) Operational or efficiency benefits to employees of the Department created or produced by the information technology project.

“(iii) The life cycle cost of the information technology project.

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

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

“(vi) The difficulty of the information technology project, the likelihood the information technology project will be completed, or the risks associated with undertaking the information technology project.

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

“(viii) Such other factors as the Secretary considers appropriate.

“(B) The Secretary shall ensure that each list produced under paragraph (1) includes, for each information technology project included in the list, a brief description of the findings of the Secretary with respect to each assessment carried out by the Secretary for each factor for the information technology project under subparagraph (A).

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

“(2) In addition to the projections under paragraph (1), the Secretary shall include a description of the following, with respect to each of the periods set forth in such paragraph, disaggregated by major business line of the Department:

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

“(B) The funding required for development.

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

“(D) The funding required by cybersecurity.

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

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

“SUBCHAPTER VI—INFORMATION TECHNOLOGY PROJECTS AND ACTIVITIES

- “8171. Definitions.
 “8172. Management of major information technology projects.
 “8173. Information technology activities of the Financial Services Center.
 “8174. Submission of annual reviews of information technology.
 “8175. Information technology matters to be included in budget justification materials for the Department.”.

(c) APPLICATION; REPORT.—

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

(2) REPORT ON CURRENT PROJECTS.—

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

(B) CONTENTS.—The report submitted under subparagraph (A) shall contain, with respect to each project described in such subparagraph, information on the cost, schedule, and performance of the project as described in subsection (a) of section 8172 of such title, as so added.

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

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

SEC. 3. REPORT ON INFORMATION TECHNOLOGY DASHBOARD INFORMATION.

(a) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Veterans Affairs, acting through the Chief Information Officer of the Department of Veterans Affairs, shall submit to the appropriate congressional committees a report containing—

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

(2) copies of supporting or explanatory information provided by the Chief Information Officer to the Office of Management and Budget with respect to submissions by the Chief Information Officer to the information technology dashboard for the fiscal year in which the report is submitted (other than information not otherwise made public pursuant to such section).

(b) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In section, the term “appropriate congressional committees” has the meaning given such term in section 8171 of title 38, United States Code, as added by section 2.

PURPOSE AND SUMMARY

H.R. 2250 was introduced by Representative Matthew M. Rosendale, Sr. of Montana on March 26, 2021. H.R. 2250, as amended, establishes a new reporting regime for the Department of Veterans Affairs’ (VA) major projects concerning or involving information technology (IT), places the IT activities of the Financial Services Center of the Department under the supervision of the Office of Information and Technology of the Department, requires reporting to Congress of certain information provided by VA to the Office of Management and Budget (OMB) under the Federal Information Technology Acquisition Reform Act, and sets new requirements for explanatory information in VA’s budget justification materials.

BACKGROUND AND NEED FOR LEGISLATION

The Department of Veterans Affairs' management of major acquisitions and projects concerning, or involving, IT and its budget justification materials pertaining to IT are consistently inadequate.

The VA Office of Information and Technology (OIT) was created in 2006, along with a centralized IT appropriation, to consolidate the IT activities of the Veterans Health Administration, Veterans Benefits Administration, National Cemetery Administration, and VA staff offices as well as the enterprise technology infrastructure shared among them. While this reform increased the visibility of VA's technology needs and improved coordination in some respects, dissatisfaction has persisted within the Department as well as externally with OIT's ability to prioritize and execute the various VA organizational elements' escalating, and at times competing, needs. While the IT appropriation has increased since its creation from about \$1.2 billion to more than \$4.8 billion, along with the Department's size and complexity, its budget justification materials have not sufficiently represented the activities of individual projects or the extent of the Department's projected, long-term IT needs.

In recent years, VA has undertaken an increasing number of major acquisitions and projects seeking to modernize its business operations and systems. Only one has been completed, several have failed or been abandoned, and most continue to struggle. None has been authorized by Congress. This is motivated by a confluence of factors, including VA's rapid growth over the past decade, the prevailing attitude in the Department that the management of such major acquisitions is not a core mission, and a historical precedence in VA's authorizing committees of not authorizing or becoming actively involved in such projects. However, even if the authorizing committees sought to authorize such projects, they presently lack, and the Department does not provide, the information necessary to do so. Indeed, VA provides extensive cost, schedule, and performance information on its major acquisitions, projects, and other technology investments, albeit not in any standard format or regular cadence, but this is always done *ex post facto*, after funds have been obligated and work has commenced.

VA's budget justification materials regarding IT are lengthy but incomplete and unrepresentative as to the activities of individual projects, the Department's performance with respect to its technology goals, or VA's projected, long-term, and unmet needs. As a foundational matter, not all budget justification materials relevant to IT are found in the Information Technology section of the Medical Programs and Information Technology volume. The project information which is included concerns only so-called "Congressional Projects," which are a subset of all projects selected by OMB. Information as to goals and actual performance is descriptive but rarely quantitative and is inconsistent from year to year. The budget justification materials contain scant information about projected or long-term financial needs; they discuss technical debt and the magnitude of outdated or otherwise inadequate hardware and software but typically fail to connect this to dollars. Finally, the budget request and its justification materials seem to operate based on the premise, which flies in the face of actual experience and the public statements of successive VA leaders, that the IT request and re-

sulting appropriation are necessarily equal to the need and, by extension, that meritorious but unfunded IT projects or investments do not exist.

The Subcommittee on Technology Modernization held hearings on OIT's organization and operations on April 2, 2019; VA cybersecurity practices on November 14, 2019 and May 20, 2020; VA IT budget justification materials on July 1, 2021; and OIT's strategic priorities on September 30, 2021. The above observations and inferences were gathered from testimony during these hearings as well as Subcommittee staff's numerous private meetings and written inquiries to VA.

HEARINGS

On October 7, 2021, the Subcommittee on Technology Modernization held a legislative hearing on H.R. 2250; H.R. 2326; H.R. 4591; and a draft bill, the Department of Veterans Affairs Demographic Collection Improvement Act of 2021. The following witnesses testified: Mr. Paul Brubaker, Acting Principal Deputy Assistant Secretary for Information and Technology, U.S. Department of Veterans Affairs; Mr. Kshemendra Paul, Chief Data Officer, U.S. Department of Veterans Affairs; Mr. Patrick Murray, Director, National Legislative Service, Veterans of Foreign Wars of the United States; Ms. Jennifer Dane, Executive Director and Chief Executive Officer, Modern Military Association of America; Lindsay Church, Executive Director, Minority Veterans of America.

SUBCOMMITTEE CONSIDERATION

There was no Subcommittee markup of H.R. 2250.

COMMITTEE CONSIDERATION

On November 4, 2021, the full Committee met in an open markup session, a quorum being present, and ordered H.R. 2250, as amended, favorably reported to the House of Representatives by voice vote. During consideration of the bill, the following amendment was considered:

An amendment in the nature of a substitute offered by Representative Mike Bost of Illinois. The amendment revised the new sections 8171, 8172, 8173, and 8174 added by the bill to chapter 81 of title 38, United States Code, to reflect technical assistance from VA as well as discussions with the Senate Committee on Veterans' affairs to harmonize H.R. 2250 with S. 731. The amendment also added a new section 8175 to chapter 81 of title 38, United States Code, which was contained in S. 731, reflecting discussions with the Senate Committee on Veterans' Affairs since both bills' introductions. Finally, the amendment deleted section 3 of the bill, regarding the suitability of cloud migration investments, which had been determined unnecessary.

COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, there were no recorded votes taken on the amendment in the nature of a substitute or in connection with ordering H.R. 2250, as amended, reported to the House. The

amendment in the nature of a substitute was adopted by voice vote. A motion by Representative Mike Bost of Illinois to report H.R. 2250, as amended, favorably to the House of Representatives was agreed to by voice vote.

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of rule XIII and clause (2)(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are to improve the Department of Veterans Affairs' ability to meet its own performance goals relevant to technology within its Strategic Plan as well as carry out its Digital Modernization Strategy, and improve the descriptive information relevant to technology in the Department's budget justification materials.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

EARMARKS AND TAX AND TARIFF BENEFITS

H.R. 2250, as amended, does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI of the Rules of the House of Representatives.

COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate on H.R. 2250, as amended, prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate for H.R. 2250, as amended, provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, February 14, 2022.

Hon. MARK TAKANO,
*Chairman, Committee on Veterans' Affairs,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2250, the Department of Veterans Affairs Information Technology Reform Act of 2021.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Logan Smith.

Sincerely,

PHILLIP L. SWAGEL,
Director.

Enclosure.

H.R. 2250, Department of Veterans Affairs Information Technology Reform Act of 2021			
As ordered reported by the House Committee on Veterans' Affairs on November 4, 2021			
By Fiscal Year, Millions of Dollars	2022	2022-2026	2022-2031
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	6	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2032?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

H.R. 2250 would change how the Department of Veterans Affairs (VA) manages information technology (IT) projects. Specifically, the bill would:

- Require that all VA IT projects be managed by interdisciplinary teams that meet a specific list of qualifications,
- Increase requirements for reporting deviations in the cost and schedule of IT projects; and,
- Require VA to provide additional information on unfunded IT projects in its annual budget submission, as well as other reporting requirements.

For this estimate, CBO assumes that H.R. 2250 will be enacted in the middle of fiscal year 2022.

Although VA generally follows governmentwide IT-reporting requirements, and thus now meets some of the bill's requirements, CBO estimates that the agency would need additional human and IT resources to meet all of the bill's requirements. Using information from VA, CBO estimates that the agency would need the equivalent of 10 full-time employees and that salaries and expenses would average \$130,000 per person. CBO estimates that those per-

sonnel costs would total \$4 million over the 2022–2026 period. In addition, using information from VA, CBO estimates that the necessary IT resources would cost \$2 million over the 2022–2026 period. In total, implementing the bill would cost \$6 million over the period. Such spending would be subject to the availability of appropriated funds.

The costs of the legislation, detailed in Table 1, fall within budget function 700 (veterans benefits and services).

TABLE 1.—ESTIMATED INCREASES IN SPENDING SUBJECT TO APPROPRIATION UNDER H.R. 2250

	By fiscal year, millions of dollars—					
	2022	2023	2024	2025	2026	2022–2026
Personnel:						
Estimated Authorization		1	1	1	1	4
Estimated Outlays		1	1	1	1	4
Information Technology:						
Estimated Authorization	2	0	0	0	0	2
Estimated Outlays	1	1	0	0	2
Total Changes:						
Estimated Authorization	2	1	1	1	1	6
Estimated Outlays	1	2	1	1	1	6

* = between zero and \$500,000.

The CBO staff contact for this estimate is Logan Smith. The estimate was reviewed by Leo Lex, Deputy Director of Budget Analysis.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates regarding H.R. 2250, as amended, prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act would be created by H.R. 2250, as amended.

STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to Article I, section 8 of the United States Constitution, H.R. 2250, as amended, is authorized by Congress’ power to “provide for the common Defense and general Welfare of the United States.”

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that H.R. 2250, as amended, does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

STATEMENT ON DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of H.R. 2250, as amended, establishes or reauthorizes a program of the

Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

DISCLOSURE OF DIRECTED RULEMAKING

Pursuant to clause 3(c)(5) of rule XIII, the Committee estimates that H.R. 2250, as amended, contains no directed rule making that would require the Secretary to prescribe regulations.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Sec. 1. Short title

Section 1 names the Act the “Department of Veterans Affairs Information Technology Reform Act of 2021”.

Sec. 2. Management of major information technology projects

Section 2 amends chapter 81 of title 38, United State Code to add a new subchapter VI, Information Technology Projects and Activities. This subchapter contains the new sections 8171, 8172, 8173, 8174, and 8175.

Section 8171 contains definitions. The “appropriate congressional committees,” to which the reporting mandated in the bill is directed, are the Committees on Veterans’ Affairs of the House and Senate and the Subcommittees on Military Construction, Veterans’ Affairs, and Related Agencies of the Committees on Appropriations of the House and Senate. The term “information technology” is defined in section 11101 of title 40, as follows:

(6) INFORMATION TECHNOLOGY.—The term “information technology”—

(A) with respect to an executive agency means any equipment or interconnected system or subsystem of equipment, used in the automatic acquisition, storage, analysis, evaluation, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the executive agency, if the equipment is used by the executive agency directly or is used by a contractor under a contract with the executive agency that requires the use—

(i) of that equipment; or

(ii) of that equipment to a significant extent in the performance of a service or the furnishing of a product;

(B) includes computers, ancillary equipment (including imaging peripherals, input, output, and storage devices necessary for security and surveillance), peripheral equipment designed to be controlled by the central processing unit of a computer, software, firmware and similar procedures, services (including support services), and related resources; but

(C) does not include any equipment acquired by a federal contractor incidental to a federal contract.

This definition, created by P.L. 107–217 in 2002, makes repeated mention of “equipment” but, crucially, also includes “. . . software,

firmware and similar procedures, services (including support services), and related resources". Since 2002, software has become a much larger proportion of the overall IT marketplace than equipment. Notwithstanding that fact, the term "information technology" remains sufficiently expansive. The meaning of the term "information technology project" is derived from the definition of "information technology"; it is, simply, "a project or program of the Department (including a project or program of any element of the Department) for, or including, the acquisition or implementation of information technology." This is not limited to projects originating from or managed by OIT. On the contrary, it includes projects originating from, managed by, or for the benefit of the Veterans Benefits Administration, Veterans Health Administration, National Cemetery Administration, VA staff offices, or any other organizational element of the Department. The term "information technology *project* (emphasis added)" is inclusive of "projects" as well as "programs" in recognition of the fact that these terms are sometimes used by VA officials and in documents interchangeably while at other times used differently, with "project" connoting a smaller or temporary effort, and "program" connoting a larger or permanent effort. (To clarify any ambiguity in how these words are used in practice, the legislation includes the term "*major* (emphasis added) information technology project", discussed later.) The second sentence of the definition of "information technology project" clarifies the unit of reporting: in other words, how a project or program may consist of multiple consolidated, subordinated, or component projects or programs in the same manner that an information system may consist of multiple component systems. The "information technology project" to be reported is the one which results in the acquisition or implementation of a discrete information technology capability. Information shall be reported to the appropriate congressional committees in the same manner, using the same unit of reporting, as reported to OMB. The "term life cycle costs" "means all direct and indirect costs to acquire, implement, operate, and maintain information technology, including with respect to costs of *any element* (emphasis added) of the Department." This definition is not limited to costs incurred or assigned to OIT. The term "major information technology project" sets forth which information technology projects are "major." This is a two-pronged definition, including those projects that are designated as such by the "Secretary, the Chief Information Officer of the Department, or the Director of the Office of Management and Budget as a major information technology investment, as defined in section 11302 of title 40", or when "the dollar value of the project is estimated by the Secretary to exceed \$500,000,000 (as adjusted for inflation pursuant to section 1908 of title 41) for the total life cycle costs of the project." As a result, this definition includes those projects or "investments," which has a similar meaning to "information technology project," already being reported by VA to OMB by virtue of their designation as "major" as well as other projects or investments not already being reported but whose dollar values warrant coverage. Finally, the term "business owner" means, "with respect to an information technology project, the program manager, project manager, or other supervisory official of the Department responsible for the project." This term's purpose is to specify which VA officials are to generate

or compile the information ultimately transmitted to the appropriate congressional committees by the Chief Information Officer.

Section 8172 sets forth the reporting regime for major information technology projects. The Secretary is prohibited from obligating or expending funds for any new major information technology project until the Chief Information Officer submits to the appropriate congressional committees a report containing certain cost, schedule, and performance information for the project. The purpose of this requirement is to give the House and Senate Committees on Veterans' Affairs the necessary information, in advance, to consider whether to authorize, prohibit, or allow to proceed without authorization each major information technology project. Each report shall include an estimate of acquisition costs, implementation costs, and life cycle costs (which may be inclusive of acquisition or implementation costs); an intended implementation schedule indicating significant milestones, when initial operating capability and full operating capability should be achieved, and when the project should be completed; and key business, functional, and performance objectives. Subsection (c) of section 2 applies this reporting requirement, within 90 days of enactment, to existing major information technology projects. As such projects are not "new," the prohibition against obligating or extending funds does not apply. Otherwise, as described in paragraph (2) Report on Current Projects, the material to be reported is identical. After the Chief Information Officer's initial reporting on cost, schedule, and performance for each major information technology project, this information shall be used to establish a baseline against which changes or variances are to be measured during the life cycle of each project. This baseline information shall be contained in VA's annual budget justification materials, alongside the existing IT project-level information, and updated by the Secretary annually. A "change" is an impact to actual cost, schedule, or performance resulting from a change in requirements, such as a change order. A "variance" is an impact to actual cost, schedule, or performance (in the absence of a change in requirements) due to external factors. A "change" connotes an intentional event. A "variance" connotes an unintentional event. Annual baseline updates include a compulsory element and a discretionary element: the budget justification materials must enumerate all changes or variances in cost, schedule, or performance regardless of magnitude during the previous fiscal year; the Secretary may also determine that a change, variance, or collection of changes or variances in the areas of cost, schedule, or performance objectives constitute a new baseline. Additionally, changes and variances of sufficient size occurring at any time must be reported, within 60 days after they occur, separately from the budget justification materials. The Chief Information Officer shall notify the appropriate congressional committees, and provide a description and explanation, for each change or variance "with respect to the acquisition, implementation, or life cycle cost of the project, or development increment therein . . ." that is 10 percent or greater compared to the baseline; "with respect to the schedule for a development increment or for achieving a significant milestone, initial operating capability, or full operating capability, or for the final completion of the project . . ." that is 180 days or greater compared to the baseline; and "with respect to the performance, an

instance where a key business, functional, or performance objective is not attained, or is not anticipated to be attained, in whole or in part.” The term “development increment” is included to accommodate incremental software development and project management methodologies, such as agile. While VA must report initial baselines for entire projects, VA retains the ability to report changes and variances for individual development increments within projects. This is in recognition of the fact that cost estimates and schedules, and to a lesser extent performance objectives, may be somewhat speculative for major projects at their inceptions. Finally, section 8172 sets forth requirements for the leadership and composition of interdisciplinary project teams managing major information technology projects. Such teams must consist of an adequately qualified project manager, a functional lead, a technical lead, a contracting officer, and sufficient other project management, functional, technical, and procurement personnel as the Secretary determines appropriate. The project manager may be an employee of OIT or the organizational element in which the project originates (such as the Veterans Benefits Administration, Veterans Health Administration, National Cemetery Administration, a staff office, or others). The project manager must be certified at level three in project management by the Department, the Federal Acquisition Institute, the Department of Defense, or a private sector project management certification organization as determined appropriate by the Secretary. Certification by the Federal Acquisition Institute is conferred upon civilian Federal employees; this may be by the Institute directly, by the Department on behalf of the Institute, or by another civilian Federal agency, for which the employee previously worked, on behalf of the Institute. Certification by the Department of Defense is conferred upon members of the military or civilian Department of Defense employees by the Department of Defense under the Defense Acquisition Workforce Improvement Act (chapter 87 of title 10, United States Code). As relevant here, Department of Defense certification would have been conferred on VA employees while in the military or while previously working for the Department of Defense. An example of a private sector project management organization that the Secretary may determine appropriate is the Project Management Institute. The functional lead must be an employee of the organizational element of the Department at which the project originates. The functional lead is responsible for identifying functional requirements, such a business or non-technical requirements, and performance objectives. The technical lead must be an employee of OIT. The technical lead is responsible for identifying technical requirements and the execution of the same.

Section 8173 concerns the IT activities of the VA Financial Services Center (FSC). The Committee understands that the FSC operates more than 80 IT systems. This section clarifies that, consistent with sections 11302 and 11319 of title 40, “the Chief Information Officer of the Department shall exercise authority over the management, governance, and oversight processes relating to existing or proposed information technology of the Financial Services Center of the Department, or such successor office; and supervise the information technology employees and contractors of the Financial Services Center . . .” This should already be happening but, in re-

ality, is not, due in large part to the FSC's autonomy, in policy and in custom, derived from its self-financing status as a revolving fund entity. Additionally, this section stipulates that, "the Director of the Financial Services Center of the Department, or the head of such successor office, may not enter into a contract or other agreement for information technology or information technology services unless the contract or other agreement has been reviewed and approved by the Chief Information Officer," and that, "the Chief Information Officer shall have oversight and operational authority over all information security practices of the Financial Services Center of the Department."

Section 8174 requires the Secretary, acting through the Chief Information officer, to submit to the appropriate congressional committees each annual review of VA's IT portfolio conducted pursuant to section 11319(d)(3) of title 40. The first annual review submitted shall include copies of each previous annual review. The Committee understands that VA has not conducted such IT portfolio reviews in each year since this requirement has been in statute.

Section 8175 adds three new descriptive elements concerning IT to VA's annual budget justification materials. This section's purpose is to present a complete view of all individual projects, regardless of size, and to quantify the Department's IT needs beyond the fiscal year of the budget request. Subsection (a) requires a list of all IT projects in effect. It directs the Secretary to "ensure that whenever the budget justification materials are submitted to Congress in support of the Department budget for a fiscal year (as submitted with the budget of the President for such fiscal year under section 1105(a) of title 31), such budget justification materials include a list of every information technology project currently in effect at the Department (including not only congressional projects and subprojects as determined by the Director of the Office of Management and Budget or the Secretary)." This list should include similar descriptive information as is currently presented for the information technology projects listed in the budget justification materials. Subsection (a) of section 8175 works in concert with section 8172 to present all information technology projects regardless of size and major information technology projects, respectively. Subsection (b) requires a list of all unfunded IT projects for three fiscal years in the future. It directs the Secretary to "ensure that the budget justification materials described in [this] subsection also include summary descriptions and a prioritized list, in rank order, of every information technology project of the Department, proposed or intended to be proposed for the following one, two, or three fiscal years, that is unfunded as of the time of the inclusion of the list under this paragraph." This is the first requirement for VA to rank IT projects. It is similar in concept, though different in mechanics, to the Department's longstanding Strategic Capital Investment Planning process and list. The stipulation that ranked projects be "unfunded" does not necessarily mean that such projects have been proposed and denied for funding or unable to obtain funding in the past, though this is possible. Rather, it supposes that such projects have not yet commenced. It is a list of all such projects that are in some stage of planning or proposal. The subsection directs the Secretary to "ensure such list represents a ranking of all proposed information technology projects that reflects the needs of all ele-

ments of the Department”; it is not limited to projects or proposed projects originating in OIT. The subsection also directs the Secretary to “produce one unified list for the entire Department demonstrating how the various proposed information technology projects of each of the elements of the Department rank in priority with the information technology projects of the other elements of the Department; and ensure that the list does not disaggregate and rank information technology projects based on element of the Department and does identify the element of the Department requesting the information technology project.” In other words, VA shall not segregate lists or rank separately projects requested, funded by, or originating in OIT, the Veterans Benefits Administration, Veterans Health Administration, National Cemetery Administration, or other organizational elements of the Department; there shall be one list for the Department. The subsection lists the ranking factors to be used:

- (i) Degree of collaboration between business owners and the Chief Information Officer with respect to joint functional-technical planning, requirements, and management.
- (ii) Operational or efficiency benefits to employees of the Department created or produced by the information technology project.
- (iii) The life cycle cost of the information technology project.
- (iv) The cost savings or cost avoidance yielded by the information technology project.
- (v) Time to completion of the information technology project.
- (vi) The difficulty of the information technology project, the likelihood the information technology project will be completed, or the risks associated with undertaking the information technology project.
- (vii) Tangible benefits to veterans created or produced by the information technology project.
- (viii) Such other factors the Secretary considers appropriate.

The ranking factors are presented in no sequence or hierarchy; the Secretary may order or weight them as he determines best. Factor (i) is intended to incentivize better planning, requirements definition, and management in functional and technical areas between OIT and other organizational elements of the Department in order to acquire information technology that serves multiple organizational elements’ needs, is more compatible, and makes more economical use of IT infrastructure. This is in contrast to OIT and other organizational elements planning, defining their requirements, and managing IT projects in isolation, creating waste and duplication. In factor (ii), operational or efficiency benefits to employees may be quantitative or qualitative. In factor (iii), lower life cycle costs are considered more favorable and should be ranked more highly. The Secretary may opt to define categories of magnitude so as to compare projects of similar magnitude and avoid comparing very large projects to very small projects, which would inevitably produce lower rankings for the larger projects. In factor (iv), cost savings and cost avoidance should be measured or quantified as the same manner used by the Department elsewhere, including in its internal programming or budgeting processes. In factor (v), lower time to completion is considered more favorable and should be ranked more highly. In factor (vi), a higher difficulty

should be considered less favorable and ranked lower; a higher likelihood of completion should be considered more favorable and ranked more highly; a higher risk or risks should be considered less favorable and ranked lower. In factor (vii), tangible benefits to veterans may take various forms, as determined by the Secretary, but in all cases should be quantifiable. Subsection (c) requires the Secretary to project VA's IT funding needs one, two, and three fiscal years in the future. Such projections shall be disaggregated by portfolio and product or business line, which are the groupings and units of analysis already used by the Department in its budget justification materials as well as in reporting to OMB. The Secretary shall also present the projections of funding needs in terms of the categories of: infrastructure and equipment requirements (apart from software and services costs), development, operations and maintenance, and cybersecurity. These categories of are particular interest; they are not, however, all-encompassing of projected funding needs and would not necessarily add up to the total funding need projections disaggregated by portfolio and product or business line. The remainder of section 8175 is administrative. Subsection (b) inserts a new table index of the sections being added. Subsection (c) applies the new section 8172 retroactively as previously discussed. Subsection (d) specifies that the effective date of the new budget justification material requirements is "the first Monday in the second January beginning after the date of the enactment of this Act." The purpose of this subsection is to avoid applying these requirements to the budget request immediately following enactment.

Sec. 3. Report on Information Technology Dashboard Information

Section 3 requires that not later than 90 days after enactment, the Secretary, acting through the Chief Information Officer, shall submit to the appropriate congressional committees a report containing an explanation of the ratings, rankings, and risk categorizations used by the Chief Information Officer in OMB's IT Dashboard, as well as copies or supporting or explanatory information provided by the Chief Information Officer to OMB but not publicly displaying on the IT Dashboard.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italics and existing law in which no change is proposed is shown in roman):

TITLE 38, UNITED STATES CODE

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PART VI—ACQUISITION AND DISPOSITION OF PROPERTY

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CHAPTER 81—ACQUISITION AND OPERATION OF HOSPITAL AND DOMICILIARY FACILITIES; PROCUREMENT AND SUPPLY; ENHANCED-USE LEASES OF REAL PROPERTY

SUBCHAPTER I—ACQUISITION AND OPERATION OF MEDICAL FACILITIES

Sec. 8101. Definitions.

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SUBCHAPTER VI—INFORMATION TECHNOLOGY PROJECTS AND ACTIVITIES

- 8171. Definitions.
8172. Management of major information technology projects.
8173. Information technology activities of the Financial Services Center.
8174. Submission of annual reviews of information technology.
8175. Information technology matters to be included in budget justification materials for the Department.

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SUBCHAPTER VI—INFORMATION TECHNOLOGY PROJECTS AND ACTIVITIES

§8171. Definitions

In this subchapter:

- (1) The term "appropriate congressional committees" means—
(A) the Committee on Veterans' Affairs and the Subcommittee on Military Construction, Veterans Affairs and Related Agencies of the Committee on Appropriations of the Senate; and
(B) the Committee on Veterans' Affairs and the Subcommittee on Military Construction, Veterans Affairs and Related Agencies of the Committee on Appropriations of the House of Representatives.
(2) The term "information technology" has the meaning given that term in section 11101 of title 40.
(3) The term "information technology project" means a project or program of the Department (including a project or program of any element of the Department) for, or including, the acquisition or implementation of information technology. In cases where the Secretary transmits to the Director of the Office of Management and Budget information regarding information technology investments, which may consist of individual or multiple projects, such term refers to an individual project or program or a grouping of multiple projects or programs resulting in the acquisition or implementation of discrete information technology.

(4) The term “life cycle costs” means all direct and indirect costs to acquire, implement, operate, and maintain information technology, including with respect to costs of any element of the Department.

(5) The term “major information technology project” means an information technology project if—

(A) the project is designated by the Secretary, the Chief Information Officer of the Department, or the Director of the Office of Management and Budget as a major information technology investment, as defined in section 11302 of title 40; or

(B) the dollar value of the project is estimated by the Secretary to exceed \$500,000,000 (as adjusted for inflation pursuant to section 1908 of title 41) for the total life cycle costs of the project.

(6) The term “business owner” means, with respect to an information technology project, the program manager, project manager, or other supervisory official of the Department responsible for the project.

§ 8172. Management of major information technology projects

(a) **COST, SCHEDULE, AND PERFORMANCE INFORMATION.**—(1) The Secretary may not obligate or expend funds for any major information technology project that begins after the date of the enactment of the Department of Veterans Affairs Information Technology Reform Act of 2021 unless the Secretary, acting through the Chief Information Officer of the Department, submits to the appropriate congressional committees a report containing information on the cost, schedule, and performance of such project, as generated by the business owner of the project.

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

(A) An estimate of acquisition costs, implementation costs, and life cycle costs.

(B) An intended implementation schedule indicating significant milestones, initial operating capability, and full operating capability or completion.

(C) Key business, functional, and performance objectives.

(b) **BASELINE.**—(1) The Secretary shall use the information on the cost, schedule, and performance of a major information technology project included in the report under subsection (a) as the baseline against which changes or variances are measured during the life cycle of such project.

(2) The Secretary shall—

(A) annually update the baseline of a major information technology project pursuant to subsection (c); and

(B) include such updated baseline in the documents providing detailed information on the budget for the Department that the Secretary submits to Congress in conjunction with the President’s budget submission pursuant to section 1105 of title 31.

(c) **CHANGES AND VARIANCES.**—(1) Not later than 60 days after the date on which the Secretary identifies a change or variance described in paragraph (2) in the cost, schedule, or performance of a major information technology project, the Secretary, acting through the Chief Information Officer, shall submit to the appropriate con-

gressional committees a notification of such change or variance, including a description and explanation for such change or variance.

(2) A change or variance in the cost, schedule, or performance of a major information technology project described in this paragraph is—

(A) with respect to the acquisition, implementation, or life cycle cost of the project, or development increment therein, a change or variance that is 10 percent or greater compared to the baseline;

(B) with respect to the schedule for a development increment or for achieving a significant milestone, initial operating capability, or full operating capability, or for the final completion of the project, a change or variance that is 180 days or greater compared to the baseline; or

(C) with respect to the performance, an instance where a key business, functional, or performance objective is not attained, or is not anticipated to be attained, in whole or in part.

(d) **MANAGEMENT.**—The Secretary shall ensure that each major information technology project is managed by an interdisciplinary team consisting of the following:

(1) A project manager who is—

(A) certified in project management at level three by the Department, the Federal Acquisition Institute pursuant to section 1201 of title 41, or the Department of Defense pursuant to section 1701a of title 10, or who holds an equivalent certification by a private sector project management certification organization, as determined appropriate by the Secretary; and

(B) an employee of the Office of Information and Technology of the Department or an employee of an element of the Department at which the project originates.

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

(3) A technical lead who is an employee of the Office of Information and Technology of the Department.

(4) A contracting officer.

(5) Sufficient other project management, functional, technical, and procurement personnel as the Secretary determines appropriate.

§ 8173. Information technology activities of the Financial Services Center

(a) **MANAGEMENT.**—Consistent with sections 11302 and 11319 of title 40—

(1) the Chief Information Officer of the Department shall—

(A) exercise authority over the management, governance, and oversight processes relating to existing or proposed information technology of the Financial Services Center of the Department, or such successor office; and

(B) supervise the information technology employees and contractors of the Financial Services Center; and

(2) the Director of the Financial Services Center of the Department, or the head of such successor office, may not enter into a contract or other agreement for information technology or information technology services unless the contract or other

agreement has been reviewed and approved by the Chief Information Officer.

(b) *OVERSIGHT.*—The Chief Information Officer shall have oversight and operational authority over all information security practices of the Financial Services Center of the Department.

§ 8174. Submission of annual reviews of information technology

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

(b) *FIRST SUBMISSION.*—The first annual review submitted under subsection (a) shall include a copy of each previous annual review conducted under section 11319(d)(3) of title 40.

§ 8175. Information technology matters to be included in budget justification materials for the Department

(a) *LIST OF INFORMATION TECHNOLOGY PROJECTS IN EFFECT.*—The Secretary shall ensure that whenever the budget justification materials are submitted to Congress in support of the Department budget for a fiscal year (as submitted with the budget of the President for such fiscal year under section 1105(a) of title 31), such budget justification materials include a list of every information technology project currently in effect at the Department (including not only congressional projects and subprojects as determined by the Director of the Office of Management and Budget or the Secretary).

(b) *PRIORITIZED LIST OF UNFUNDED PROJECTS.*—(1) In addition to the list included in the budget justification materials required by subsection (a), the Secretary shall ensure that the budget justification materials described in such subsection also include summary descriptions and a prioritized list, in rank order, of every information technology project of the Department, proposed or intended to be proposed for the following one, two, or three fiscal years, that is unfunded as of the time of the inclusion of the list under this paragraph.

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

(A) ensure such list represents a ranking of all proposed information technology projects that reflects the needs of all elements of the Department;

(B) produce one unified list for the entire Department demonstrating how the various proposed information technology projects of each of the elements of the Department rank in priority with the information technology projects of the other elements of the Department; and

(C) ensure that the list—

(i) does not disaggregate and rank information technology projects based on element of the Department; and

(ii) does identify the element of the Department requesting the information technology project.

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

(i) Degree of collaboration between business owners and the Chief Information Officer with respect to joint functional-technical planning, requirements, and management.

(ii) Operational or efficiency benefits to employees of the Department created or produced by the information technology project.

(iii) The life cycle cost of the information technology project.

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

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

(vi) The difficulty of the information technology project, the likelihood the information technology project will be completed, or the risks associated with undertaking the information technology project.

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

(viii) Such other factors as the Secretary considers appropriate.

(B) The Secretary shall ensure that each list produced under paragraph (1) includes, for each information technology project included in the list, a brief description of the findings of the Secretary with respect to each assessment carried out by the Secretary for each factor for the information technology project under subparagraph (A).

(c) PROJECTED FUNDING NEEDS.—(1) In addition to the matters included under subsections (a) and (b), the Secretary shall ensure that the budget justification materials described in subsection (a) also include a projection of the one-year, two-year, and three-year funding needs of the Department for information technology, disaggregated by portfolio and product line of the Department that requires the funding.

(2) In addition to the projections under paragraph (1), the Secretary shall include a description of the following, with respect to each of the periods set forth in such paragraph, disaggregated by major business line of the Department:

(A) The information technology infrastructure and equipment requirements.

(B) The funding required for development.

(C) The funding required for operations and maintenance.

(D) The funding required by cybersecurity.

(E) Such other categories of the information technology needs of the Department as the Secretary considers relevant and important.

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