

105TH CONGRESS
1ST SESSION

S. 805

To reform the information technology systems of the Department of Agriculture, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 23, 1997

Mr. LUGAR (for himself and Mr. HARKIN) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To reform the information technology systems of the Department of Agriculture, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Department of Agriculture Information Technology Re-
6 form Act”.

7 (b) TABLE OF CONTENTS.—The table of contents of
8 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Definitions.
- Sec. 4. Powers and duties of Chief Information Officer.

Sec. 5. Procurement of outside consultants.
Sec. 6. Transfer of agency information technology funds.
Sec. 7. Review by Office of Management and Budget.
Sec. 8. Technical amendment.
Sec. 9. Termination of authority.

1 **SEC. 2. FINDINGS.**

2 Congress finds that—

3 (1) the Office of Management and Budget esti-
4 mates that the Department of Agriculture will spend
5 \$1,100,000,000, \$1,200,000,000, and
6 \$1,250,000,000 for fiscal years 1996, 1997, and
7 1998, respectively, on information technology and
8 automated data processing equipment;

9 (2) according to the Department, as of October
10 1993, the Department had 17 major information
11 technology systems under development with an esti-
12 mated life-cycle cost of \$6,300,000,000;

13 (3) over the past decade, committees of Con-
14 gress, the General Accounting Office, the Office of
15 Management and Budget, and private consultants
16 have repeatedly argued that the Department's infor-
17 mation technology decisions have been made in
18 piecemeal fashion, on an individual agency basis, re-
19 sulting in duplication, a lack of coordination, and
20 wasted financial and technological resources by the
21 offices or agencies of the Department and in hun-
22 dreds of millions of wasted dollars over the past dec-
23 ade;

1 (4) the Department's role in agriculture in the
2 United States was substantially altered by the FAIR
3 Act, although the Department has yet to adequately
4 assess fully the impact the FAIR Act will have on
5 the services the Department provides to its cus-
6 tomers;

11 (6) strong central and independent leadership,
12 control, and accountability is essential to coordinat-
13 ing planning and eliminating wasteful purchases;

14 (7) the Chief Information Officer should have a
15 subcabinet rank within the Department;

16 (8) a single authority for Department-wide
17 planning is needed to ensure that the information
18 technology architecture of the Department is based
19 on the strategic business plans, information re-
20 sources, management goals, and core business proc-
21 ess methodology of the Department;

22 (9) information technology is a strategic re-
23 source for the missions and program activities of the
24 Department;

11 (A) provide the Department with strong
12 and coordinated leadership and direction;

13 (B) ensure that the business architecture
14 is based on rigorous core business process
15 methodology;

16 (C) ensure that the information technology
17 architecture of the Department is based on the
18 strategic business plans of the offices or agen-
19 cies of the Department and the missions of the
20 Department;

21 (D) ensure that funds will be invested in
22 information technology only after the Chief In-
23 formation Officer has completed the planning
24 and review of future business requirements of
25 the offices or agencies and developed an infor-

1 mation technology architecture that is based on
2 the business requirements; and

3 (E) force the Department to act as a sin-
4 gle enterprise with respect to information tech-
5 nology, thus eliminating the duplication and in-
6 efficiency associated with a single office- or
7 agency-based approach;

8 (12) each office or agency of the Department
9 should achieve at least—

10 (A) a 5 percent per year decrease in costs
11 incurred for operation and maintenance of in-
12 formation technology; and

13 (B) a 5 percent per year increase in oper-
14 ational efficiency through improvements in in-
15 formation resource management; and

16 (13) information resource management should
17 be supported by a senior official of the Department
18 who is committed to using information technology as
19 a process to facilitate the most efficient administra-
20 tion of the program functions of the Department by
21 marshalling the necessary resources and the commit-
22 ment of high-level managers toward that end.

23 **SEC. 3. DEFINITIONS.**

24 In this Act:

12 (3) DEPARTMENT.—The term “Department”
13 means the Department of Agriculture.

14 (4) FAIR ACT.—The term “FAIR Act” means
15 the Federal Agriculture Improvement and Reform
16 Act of 1996 (Public Law 104–127).

22 (6) INFORMATION RESOURCES.—The term “in-
23 formation resources” means information and related
24 resources such as personnel, equipment, funds, and
25 information technology systems.

20 (A) national, regional, county, or local office or agency of the Department;
21

22 (B) county committee established under
23 section 8(b)(5) of the Soil Conservation and
24 Domestic Allotment Act (16 U.S.C.
25 590h(b)(5));

17 (12) SECRETARY.—The term “Secretary”
18 means the Secretary of Agriculture.

19 (13) TRANSFER OR OBLIGATION OF FUNDS.—
20 The term “transfer or obligation of funds” means,
21 as applicable—

22 (A) the transfer of funds (including appro-
23 priated funds, mandatory funds, and funds of
24 the Commodity Credit Corporation) from 1 ac-
25 count to another account of an office or agency

1 of the Department for the purpose of investing
2 in an information technology system of an office
3 or agency of the Department that exceeds
4 \$250,000 for any 1 order, or aggregation of or-
5 ders, for the same or similar items and involves
6 planning, providing services, or leasing or pur-
7 chasing of personal property (including all
8 hardware and software) or services for an infor-
9 mation technology system of an office or agency
10 of the Department;

11 (B) the obligation of funds (including ap-
12 propriated funds, mandatory funds, and funds
13 of the Commodity Credit Corporation) for the
14 purpose of investing in an information tech-
15 nology system of an office or agency of the De-
16 partment that exceeds \$250,000 for any 1
17 order, or aggregation of orders, for the same or
18 similar items and involves planning, providing
19 services, or leasing or purchasing of personal
20 property (including all hardware and software)
21 or services for an information technology sys-
22 tem of an office or agency of the Department;
23 or

24 (C) the obligation of funds (including ap-
25 propriated funds, mandatory funds, and funds

1 of the Commodity Credit Corporation) for the
2 purpose of investing in an information tech-
3 nology system of an office or agency of the De-
4 partment that exceeds \$250,000 for any 1
5 order, or aggregation of orders, for the same or
6 similar items and involves planning, providing
7 services, or leasing or purchasing of personal
8 property (including all hardware and software)
9 or services for an information technology sys-
10 tem of an office or agency of the Department,
11 to be obtained through a contract with an office
12 or agency of the Federal Government, a State,
13 the District of Columbia, or any person in the
14 private sector.

15 **SEC. 4. POWERS AND DUTIES OF CHIEF INFORMATION OF-**
16 **FICER.**

17 Notwithstanding any other provision of law (except
18 the Government Performance and Results Act of 1993
19 (Public Law 103–62), amendments made by that Act, and
20 the Information Technology Management Reform Act of
21 1996 (40 U.S.C. 1401 et seq.)), in addition to the general
22 authorities provided to the Chief Information Officer by
23 section 5125 of the Information Technology Management
24 Reform Act of 1996 (40 U.S.C. 1425), the Chief Informa-

1 tion Officer shall have the following powers and duties
2 within the Department:

3 (1) LEADERSHIP IN REORGANIZATION AND
4 STREAMLINING EFFORTS.—The Chief Information
5 Officer, in cooperation with other persons such as
6 the Chief Financial Officer and the Executive Infor-
7 mation Technology Investment Review Board (or its
8 successor), shall provide the strong central leader-
9 ship, planning, and accountability that is needed in
10 light of the substantial changes created by the FAIR
11 Act and reorganization and downsizing initiatives al-
12 ready commenced within the Department.

13 (2) INFORMATION TECHNOLOGY SYSTEMS AND
14 INFORMATION RESOURCE MANAGEMENT.—The Chief
15 Information Officer shall oversee the development,
16 implementation, and maintenance of all information
17 technology systems and information resource man-
18 agement in the Department.

19 (3) DEPARTMENT-WIDE INFORMATION TECH-
20 NOLOGY SYSTEMS.—The Chief Information Officer
21 shall ensure that information technology systems of
22 the Department are designed to coordinate the func-
23 tions of the offices or agencies of the Department on
24 a Department-wide basis.

11 (A) IN GENERAL.—The Chief Information
12 Officer shall ensure that the information tech-
13 nology architecture of the Department clearly
14 implements the strategic business plans, and in-
15 formation resource management, of offices or
16 agencies of the Department regarding the needs
17 and goals of program activities of the Depart-
18 ment.

19 (B) GOALS OF THE INFORMATION TECH-
20 NOLOGY ARCHITECTURE.—The Chief Informa-
21 tion Officer shall design and implement an in-
22 formation technology architecture in a manner
23 that ensures that—

24 (i) the information technology system
25 of each office or agency of the Department

maximizes the effectiveness and efficiency of mission delivery and information resource management, and supports core business processes of the Department;

(ii) the information technology system of each office or agency of the Department maximizes quality per dollar expended;

(iii) maximizes efficiency and coordination of information technology systems between offices or agencies of the Department;

(iv) planning for, leases, and purchases of the information technology system of each office or agency of the Department most efficiently satisfy the needs of the office or agency in terms of the customers served, program characteristics, and employees affected by the system; and

(v) information technology systems of the Department are designed and managed to coordinate or consolidate similar functions of the missions, and offices or agencies of the Department, on a Department-wide basis.

4 (A) monitor the performance of the infor-
5 mation technology system of each office or
6 agency of the Department;

10 (C) advise the head of the office or agency
11 on whether to continue, modify, or terminate
12 the system.

(A) to best facilitate the exchange of information between field service centers and other offices or agencies of the Department;

(B) that integrate the operation of all existing information technology systems of the Department to provide a single point of service for program delivery;

(C) that integrate the changed missions of the Department in light of the FAIR Act and reorganization and downsizing initiatives of the Department; and

(D) that are cost effective.

(9) INFORMATION TECHNOLOGY SYSTEM INVESTMENTS.—

(A) IN GENERAL.—The Chief Information Officer shall have the exclusive authority to approve a transfer or obligation of funds to be used for the purpose of investing in an information technology system of the Department that exceeds \$250,000 and that applies to an office or agency of the Department or has a Department-wide impact.

(B) CONDITIONS ON APPROVAL OF FUNDING.—The Chief Information Officer shall not approve the transfer or obligation of funds with

1 respect to an office or agency of the Department
2 unless the Chief Information Officer de-
3 termines that—

4 (i) the information technology archi-
5 tecture of the Department is complete;

6 (ii) the funds will be transferred or
7 obligated for an information technology
8 system that is consistent with, and maxi-
9 mizes the performance of, the strategic
10 business plans of the office or agency of
11 the Department and of the Department;

12 (iii) ongoing projects and other acqui-
13 sitions have been reviewed to ensure that
14 similar requirements, common elements,
15 and economies of scale are realized; and

16 (iv) in coordination with the Chief Fi-
17 nancial Officer, the strategic business plan
18 of the office or agency is complete.

19 (C) CAPITAL PLANNING AND INVESTMENT

20 CONTROL.—Before approving a transfer or obli-
21 gation of funds for an investment under sub-
22 paragraph (A), the Chief Information Officer
23 shall consult with the Executive Information
24 Technology Investment Review Board (or its
25 successor) concerning whether the investment—

1 (i) meets the objectives of capital
2 planning processes for selecting, managing,
3 and evaluating the results of major invest-
4 ments in information systems; and
5 (ii) links the affected strategic plan
6 with the information technology architec-
7 ture of the Department.

8 (D) EVALUATION OF INVESTMENTS.—The
9 Chief Information Officer shall adopt, and have
10 exclusive authority to use, a standard set of cri-
11 teria to evaluate proposals for information tech-
12 nology system investments that are applicable
13 to individual offices or agencies of the Depart-
14 ment or have a Department-wide impact. The
15 criteria adopted shall include considerations of
16 Department-wide or Federal Government-wide
17 impact, visibility, cost, risk, consistency with
18 the information technology architecture, and
19 maximization of performance goals for program
20 activities.

21 (10) USE OF BUDGET PROCESS.—

22 (A) IN GENERAL.—The Chief Information
23 Officer shall develop, as part of the budget
24 process, a process for analyzing, tracking, and
25 evaluating the risks and results of all major

1 capital investments made by an office or agency
2 of the Department for information systems.

3 (B) PROCESS.—The process shall cover the
4 life of each system and shall include explicit cri-
5 teria for analyzing the projected and actual
6 costs, benefits, and risks associated with the in-
7 vestments.

8 (C) CONTROL AND OVERSIGHT OF BUDG-
9 ET.—The Chief Information Officer shall exer-
10 cise exclusive control over the budget of the Of-
11 fice of the Chief Information Officer, including
12 funds appropriated to the Office, and agency in-
13 formation technology funds that are annually
14 transferred to the account of the Chief Infor-
15 mation Officer under section 6(a).

16 (11) COMPLIANCE WITH OMB CRITERIA AND
17 OVERSIGHT.—The Chief Information Officer shall
18 ensure compliance with all criteria for an informa-
19 tion technology architecture or information tech-
20 nology investment that are established by the Office
21 of Management and Budget and under the Informa-
22 tion Technology Management Reform Act of 1996
23 (40 U.S.C. 1401 et seq.).

24 (12) EVALUATION OF PROGRAMS AND INVEST-
25 MENTS.—

10 (B) DIRECTION FOR ACTION.—The Chief
11 Information Officer shall issue to the head of
12 each office or agency of the Department clear
13 and concise direction that the head of the office
14 or agency shall—

15 (i) establish effective and efficient
16 capital planning processes for selecting,
17 managing, and evaluating the results of all
18 of its major investments in information
19 systems;

20 (ii) determine, before making an in-
21 vestment in a new information system—

22 (I) whether the function to be
23 supported by the system should be
24 performed by the private sector and,
25 if so, whether any component of the

1 office or agency performing that func-
2 tion should be converted from a gov-
3 ernmental organization to a private
4 sector organization; or

5 (II) whether the function should
6 be performed by the office or agency
7 and, if so, whether the function
8 should be performed by a private sec-
9 tor source under contract or by per-
10 sonnel of the office or agency;

11 (iii) analyze the missions of the office
12 or agency and, based on the analysis, re-
13 vise the office or agency's mission-related
14 processes and administrative processes, as
15 appropriate, before making significant in-
16 vestments in information technology to be
17 used in support of those missions; and

18 (iv) ensure that the information secu-
19 rity policies, procedures, and practices are
20 adequate.

21 (13) REPORTING.—The Chief Information Offi-
22 cer shall report only to the Secretary.

1 **SEC. 5. PROCUREMENT OF OUTSIDE CONSULTANTS.**

2 (a) IN GENERAL.—Consistent with section 3109 of
3 title 5, United States Code, the Chief Information Officer
4 may procure a private consultant who is an expert in—

5 (1) planning and organizing information tech-
6 nologies in the context of a business; and

7 (2) coordinating information technologies with
8 core business plans and processes.

9 (b) REPORT.—The Chief Information Officer shall
10 submit the evaluation by the consultant to the Committee
11 on Agriculture of the House of Representatives and the
12 Committee on Agriculture, Nutrition, and Forestry of the
13 Senate.

14 **SEC. 6. TRANSFER OF AGENCY INFORMATION TECH-
15 NOLOGY FUNDS.**

16 (a) IN GENERAL.—Subject to subsections (b) and (c)
17 and notwithstanding any other provision of law, each of-
18 fice or agency of the Department shall annually transfer
19 agency information technology funds to the account of the
20 Chief Information Officer.

21 (b) USE AND AVAILABILITY OF FUNDS.—Agency in-
22 formation technology funds that are transferred to the ac-
23 count of the Chief Information Officer—

24 (1) may be used only for an activity described
25 in section 4, 5, or 6 or the Information Technology
26 Management Reform Act of 1996 (40 U.S.C. 1401

1 et seq.) that the Chief Information Officer deter-
2 mines will best serve the needs of the Department;
3 and

4 (2) shall remain available until expended.

5 (c) **ADJUSTMENT OF FUNDS TRANSFERRED.**—The
6 Secretary may adjust the amount of funds transferred by
7 an office or agency under subsection (a) to reflect the ac-
8 tual or estimated expenditure of the office or agency for
9 information technology systems for a fiscal year.

10 (d) **MULTIPLE OFFICES AND AGENCIES.**—An office
11 or agency of the Department shall not be required to
12 transfer more than 10 percent of the funds made available
13 to the office or agency for salaries and expenses in any
14 fiscal year to the extent that the office or agency partici-
15 pates in a program activity that involves more than 1 of-
16 fice or agency of the Department.

17 **SEC. 7. REVIEW BY OFFICE OF MANAGEMENT AND BUDGET.**

18 The Director of the Office of Management and Budg-
19 et may review any regulation or transfer or obligation of
20 funds involving an information technology system of the
21 Department based on criteria for a strategic business
22 plan, information technology architecture, or information
23 technology investment, established by the Office of Man-
24 agement and Budget under the Government Performance
25 and Results Act of 1993 (Public Law 103–62), amend-

1 ments made by that Act, and the Information Technology
2 Management Reform Act of 1996 (40 U.S.C. 1401 et
3 seq.).

4 **SEC. 8. TECHNICAL AMENDMENT.**

5 Section 13 of the Commodity Credit Corporation
6 Charter Act (15 U.S.C. 714k) is amended in the second
7 sentence by striking “section 5 or 11” and inserting “sec-
8 tion 4, 5, or 11”.

9 **SEC. 9. TERMINATION OF AUTHORITY.**

10 The authority under this Act (other than section 8)
11 terminates on March 31, 2002.

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