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1ST SESSION

H. R. 3572

IN THE SENATE OF THE UNITED STATES

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Received; read twice and referred to the Committee on Homeland Security and
Governmental Affairs

AN ACT

To amend the Homeland Security Act of 2002 to reform, streamline, and make improvements to the Department of Homeland Security and support the Department's efforts to implement better policy, planning, management, and performance, 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 “DHS Headquarters Reform and Improvement Act of
 6 2015”.

7 (b) **TABLE OF CONTENTS.**—The table of contents for
 8 this Act is the following:

Sec. 1. Short title; Table of contents.

Sec. 2. Prohibition on additional authorization of appropriations.

TITLE I—DEPARTMENT OF HOMELAND SECURITY
HEADQUARTERS REAUTHORIZATION

Sec. 101. Definitions.

Sec. 102. Headquarters components.

Sec. 103. Chief Privacy Officer.

Sec. 104. Office of Policy.

Sec. 105. Quadrennial homeland security review.

Sec. 106. Future years homeland security program.

Sec. 107. Management and execution.

Sec. 108. Chief Financial Officer.

Sec. 109. Chief Procurement Officer.

Sec. 110. Chief Information Officer.

Sec. 111. Chief Human Capital Officer.

Sec. 112. Chief Security Officer.

Sec. 113. Cost savings and efficiency reviews.

Sec. 114. Field efficiencies plan.

Sec. 115. Resources to respond to operational surges.

Sec. 116. Department of Homeland Security rotation program.

TITLE II—DHS ACQUISITION ACCOUNTABILITY AND EFFICIENCY

Sec. 201. Definitions.

Subtitle A—Acquisition Authorities

Sec. 211. Acquisition authorities for Under Secretary for Management.

Sec. 212. Acquisition authorities for Chief Financial Officer.

Sec. 213. Acquisition authorities for Chief Information Officer.

Sec. 214. Requirements to ensure greater accountability for acquisition programs.

Subtitle B—Acquisition Program Management Discipline

Sec. 221. Acquisition Review Board.

Sec. 222. Requirements to reduce duplication in acquisition programs.

- Sec. 223. Government Accountability Office review of Board and of requirements to reduce duplication in acquisition programs.
- Sec. 224. Excluded Party List System waivers.
- Sec. 225. Inspector General oversight of suspension and debarment.

Subtitle C—Acquisition Program Management Accountability and
Transparency

- Sec. 231. Congressional notification and other requirements for major acquisition program breach.
- Sec. 232. Multiyear acquisition strategy.
- Sec. 233. Acquisition reports.
- Sec. 234. Government Accountability Office review of multiyear acquisition strategy.
- Sec. 235. Office of Inspector General report.

1 SEC. 2. PROHIBITION ON ADDITIONAL AUTHORIZATION OF
2 APPROPRIATIONS.

3 No additional funds are authorized to be appro-
4 priated to carry out this Act and the amendments made
5 by this Act. This Act and such amendments shall be car-
6 ried out using amounts otherwise available for such pur-
7 poses.

8 TITLE I—DEPARTMENT OF
9 HOMELAND SECURITY HEAD-
10 QUARTERS REAUTHORIZA-
11 TION

12 SEC. 101. DEFINITIONS.

13 Section 2 of the Homeland Security Act of 2002 is
14 amended—

- 15 (1) by redesignating paragraphs (13) through
16 (18) as paragraphs (15) through (20);
- 17 (2) by redesignating paragraphs (9) through
18 (12) as paragraphs (10) through (13);

1 (3) by inserting after paragraph (8) the fol-
2 lowing:

3 “(9) The term ‘homeland security enterprise’
4 means relevant governmental and nongovernmental
5 entities involved in homeland security, including
6 Federal, State, local, and tribal government officials,
7 private sector representatives, academics, and other
8 policy experts.”; and

9 (4) by inserting after paragraph (13), as so re-
10 designated, the following:

11 “(14) The term ‘management integration and
12 transformation’—

13 “(A) means the development of consistent
14 and consolidated functions for information tech-
15 nology, financial management, acquisition man-
16 agement, and human capital management; and

17 “(B) includes governing processes and pro-
18 cedures, management systems, personnel activi-
19 ties, budget and resource planning, training,
20 real estate management, and provision of secu-
21 rity, as they relate to functions cited in sub-
22 paragraph (A).”.

23 **SEC. 102. HEADQUARTERS COMPONENTS.**

24 (a) IN GENERAL.—Section 102 of the Homeland Se-
25 curity Act of 2002 (6 U.S.C. 112) is amended—

1 (1) in subsection (c)—

2 (A) in the matter preceding paragraph (1),
3 by striking “through the Office of State and
4 Local Coordination (established under section
5 801)” and inserting “through the Office of
6 Partnership and Engagement”;

7 (B) in paragraph (2), by striking “and”
8 after the semicolon at the end;

9 (C) in paragraph (3), by striking the pe-
10 riod and inserting “; and”; and

11 (D) by adding at the end the following:

12 “(4) entering into agreements with governments
13 of other countries, in consultation with the Secretary
14 of State, and international nongovernmental organi-
15 zations in order to achieve the missions of the De-
16 partment.”; and

17 (2) by adding at the end the following:

18 “(h) HEADQUARTERS.—

19 “(1) COMPONENTS.—The Department Head-
20 quarters shall include the following:

21 “(A) The Office of the Secretary.

22 “(B) The Office of the Deputy Secretary.

23 “(C) The Executive Secretariat.

24 “(D) The Management Directorate, includ-
25 ing the Office of the Chief Financial Officer.

1 “(E) The Office of Policy.

2 “(F) The Office of General Counsel.

3 “(G) The Office of the Chief Privacy Offi-
4 cer.

5 “(H) The Office of Civil Rights and Civil
6 Liberties.

7 “(I) The Office of Operations and Coordi-
8 nation and Planning.

9 “(J) The Office of Intelligence and Anal-
10 ysis.

11 “(K) The Office of Legislative Affairs.

12 “(L) The Office of Public Affairs.

13 “(2) FUNCTIONS.—The Secretary, through the
14 Headquarters, shall—

15 “(A) establish the Department’s overall
16 strategy for successfully completing its mission;

17 “(B) establish initiatives that improve per-
18 formance Department-wide;

19 “(C) establish mechanisms to ensure that
20 components of the Department comply with
21 Headquarters policies and fully implement the
22 Secretary’s strategies and initiatives and re-
23 quire the head of each component of the De-
24 partment and component chief officers to com-

1 ply with such policies and implement such
2 strategies and initiatives;

3 “(D) establish annual operational and
4 management objectives to determine the De-
5 partment’s performance;

6 “(E) ensure that the Department success-
7 fully meets operational and management per-
8 formance objectives through conducting over-
9 sight of component agencies;

10 “(F) ensure that the strategies, priorities,
11 investments, and workforce of Department
12 agencies align with Department objectives;

13 “(G) establish and implement policies re-
14 lated to Department ethics and compliance
15 standards;

16 “(H) manage and encourage shared serv-
17 ices across Department components;

18 “(I) lead and coordinate interaction with
19 Congress and other external organizations; and

20 “(J) carry out other such functions as the
21 Secretary determines are appropriate.”.

22 (b) ABOLISHMENT OF DIRECTOR OF SHARED SERV-
23 ICES.—

24 (1) ABOLISHMENT.—The position of Director of
25 Shared Services is abolished.

1 (2) CONFORMING AMENDMENT.—Section 475
2 of the Homeland Security Act of 2002 (6 U.S.C.
3 295), and the item relating to such section in the
4 table of contents in section 1(b) of such Act, are re-
5 pealed.

6 (c) ABOLISHMENT OF THE OFFICE OF COUNTER-
7 NARCOTICS ENFORCEMENT.—

8 (1) ABOLISHMENT.—The Office of Counter-
9 narcotics Enforcement is abolished.

10 (2) CONFORMING AMENDMENTS.—The Home-
11 land Security Act of 2002 is amended—

12 (A) by repealing section 878 (6 U.S.C.
13 112), and the item relating to that section in
14 the table of contents in section 1(b) of such
15 Act; and

16 (B) in subparagraph (B) of section
17 843(b)(1) (6 U.S.C. 413(b)(1)), by striking
18 “by—” and all that follows through the end of
19 that subparagraph and inserting “by the Sec-
20 retary; and”.

21 **SEC. 103. CHIEF PRIVACY OFFICER.**

22 (a) IN GENERAL.—Section 222 of the Homeland Se-
23 curity Act of 2002 (6 U.S.C. 142) is amended—

24 (1) in subsection (a)—

1 (A) in the matter preceding paragraph

2 (1)—

3 (i) by inserting “to be the Chief Pri-
4 vacy Officer of the Department,” after “in
5 the Department,”; and

6 (ii) by striking “, to assume” and in-
7 serting “and who shall have”;

8 (B) by amending paragraph (6) to read as
9 follows:

10 “(6) preparing a report to Congress on an an-
11 nual basis on—

12 “(A) activities of the Department that af-
13 fect privacy, including complaints of privacy
14 violations, implementation of section 554 of
15 title 5, United States Code (popularly known as
16 the Privacy Act of 1974), internal controls, and
17 other matters; and

18 “(B) the number of new technology pro-
19 grams implemented in the Department each fis-
20 cal year, the number of those programs that the
21 Chief Privacy Officer has evaluated to ensure
22 that privacy protections are considered and im-
23 plemented, the number of those programs that
24 effectively implemented privacy protections into
25 new technology programs, and an explanation

1 of why any new programs did not effectively im-
2 plement privacy protections.”;

3 (3) by redesignating subsections (b) through (e)
4 as subsections (c) through (f); and

5 (4) by inserting after subsection (a) the fol-
6 lowing:

7 “(b) **ADDITIONAL RESPONSIBILITIES.**—In addition
8 to the responsibilities under subsection (a), the Chief Pri-
9 vacy Officer shall—

10 “(1) develop guidance to assist components of
11 the Department in developing privacy policies and
12 practices;

13 “(2) establish a mechanism to ensure such com-
14 ponents are in compliance with Federal, regulatory,
15 statutory, and the Department’s privacy require-
16 ments, mandates, directives, and policy;

17 “(3) work with the Chief Information Officer of
18 the Department to identify methods for managing
19 and overseeing the Department’s records, manage-
20 ment policies, and procedures;

21 “(4) work with components and offices of the
22 Department to ensure that information sharing ac-
23 tivities incorporate privacy protections;

24 “(5) serve as the Department’s central office
25 for managing and processing requests related to sec-

1 tion 552 of title 5, United States Code, popularly
2 known as the Freedom of Information Act;

3 “(6) develop public guidance on procedures to
4 be followed when making requests for information
5 under section 552 of title 5, United States Code;

6 “(7) oversee the management and processing of
7 requests for information under section 552 of title 5,
8 United States Code, within Department Head-
9 quarters and relevant Department component of-
10 fices;

11 “(8) identify and eliminate unnecessary and du-
12 plicative actions taken by the Department in the
13 course of processing requests for information under
14 section 552 of title 5, United States Code; and

15 “(9) carry out such other responsibilities as the
16 Secretary determines are appropriate, consistent
17 with this section.”; and

18 (5) by adding at the end the following:

19 “(g) REASSIGNMENT OF FUNCTIONS.—The Sec-
20 retary may reassign the functions related to managing and
21 processing requests for information under section 552 of
22 title 5, United States Code, to another officer within the
23 Department, consistent with requirements of that sec-
24 tion.”.

1 **SEC. 104. OFFICE OF POLICY.**

2 (a) IN GENERAL.—The Homeland Security Act of
3 2002 (6 U.S.C. 101 et seq.) is amended by—

4 (1) redesignating section 601 as section 890B,
5 and transferring that section to appear immediately
6 after section 890A; and

7 (2) striking the heading for title VI and insert-
8 ing the following:

9 **“TITLE VI—POLICY AND**
10 **PLANNING**

11 **“SEC. 601. OFFICE OF POLICY.**

12 “(a) ESTABLISHMENT OF OFFICE.—There shall be in
13 the Department an Office of Policy. The Office of Policy
14 shall be headed by an Under Secretary for Policy, who
15 shall be appointed by the President, by and with the advice
16 and consent of the Senate.

17 “(b) MISSION.—The mission of the Office of Policy
18 is to lead, conduct, and coordinate Department-wide pol-
19 icy, strategic planning, and relationships with organiza-
20 tions or persons that are not part of the Department.

21 “(c) COMPONENTS OF OFFICE.—The Office of Policy
22 shall include the following components:

23 “(1) The Office of Partnership and Engage-
24 ment under section 602.

25 “(2) The Office of International Affairs under
26 section 603.

1 “(3) The Office of Policy Implementation under
2 section 604.

3 “(4) The Office of Strategy and Planning under
4 section 605.

5 “(d) RESPONSIBILITIES OF THE UNDER SEC-
6 RETARY.—Subject to the direction and control of the Sec-
7 retary, the Under Secretary for Policy shall—

8 “(1) serve as the principal policy advisor to the
9 Secretary;

10 “(2) coordinate with the Under Secretary for
11 Management and the General Counsel of the De-
12 partment to ensure that development of the Depart-
13 ment’s budget is compatible with the priorities, stra-
14 tegic plans, and policies established by the Sec-
15 retary, including those priorities identified through
16 the Quadrennial Homeland Security Review required
17 under section 707;

18 “(3) incorporate relevant feedback from, and
19 oversee and coordinate relationships with, organiza-
20 tions and other persons that are not part of the De-
21 partment to ensure effective communication of out-
22 side stakeholders’ perspectives to components of the
23 Department;

24 “(4) establish a process to ensure that organi-
25 zations and other persons that are not part of the

1 Department can communicate with Department
2 components without compromising adherence by the
3 officials of such components to the Department's
4 ethics and policies;

5 “(5) manage and coordinate the Department's
6 international engagement activities;

7 “(6) advise, inform, and assist the Secretary on
8 the impact of the Department's policy, processes,
9 and actions on State, local, tribal, and territorial
10 governments;

11 “(7) oversee the Department's engagement and
12 development of partnerships with nonprofit organiza-
13 tions and academic institutions;

14 “(8) administer the Homeland Security Advi-
15 sory Council and make studies available to the Com-
16 mittee on Homeland Security of the House of Rep-
17 resentatives and the Committee on Homeland Secu-
18 rity and Governmental Affairs of the Senate on an
19 annual basis; and

20 “(9) carry out such other responsibilities as the
21 Secretary determines are appropriate, consistent
22 with this section.

23 “(e) COORDINATION BY DEPARTMENT COMPO-
24 NENTS.—

1 “(1) IN GENERAL.—To ensure consistency with
2 the Secretary’s policy priorities, the head of each
3 component of the Department shall coordinate with
4 the Office of Policy, as appropriate, in establishing
5 new policies or strategic planning guidance.

6 “(2) INTERNATIONAL ACTIVITIES.—

7 “(A) FOREIGN NEGOTIATIONS.—Each
8 component of the Department shall coordinate
9 with the Under Secretary for Policy plans and
10 efforts of the component before pursuing nego-
11 tiations with foreign governments, to ensure
12 consistency with the Department’s policy prior-
13 ities.

14 “(B) NOTICE OF INTERNATIONAL TRAVEL
15 BY SENIOR OFFICERS.—Each component of the
16 Department shall notify the Under Secretary
17 for Policy of the international travel of senior
18 officers of the Department.

19 “(f) ASSIGNMENT OF PERSONNEL.—The Secretary
20 shall assign to the Office of Policy permanent staff and,
21 as appropriate and consistent with sections 506(c)(2),
22 821, and 888(d), other appropriate personnel detailed
23 from other components of the Department to carry out
24 the responsibilities under this section.

25 “(g) DEPUTY UNDER SECRETARY FOR POLICY.—

1 “(1) IN GENERAL.—The Secretary may—

2 “(A) establish within the Department of
3 Homeland Security a position, to be called the
4 Deputy Under Secretary for Policy, to support
5 the Under Secretary for Policy in carrying out
6 the Under Secretary’s responsibilities; and

7 “(B) appoint a career employee to such po-
8 sition.

9 “(2) LIMITATION ON ESTABLISHMENT OF DEP-
10 UTY UNDER SECRETARY POSITIONS.—A Deputy
11 Under Secretary position (or any substantially simi-
12 lar position) within the Department of Homeland
13 Security may not be established except for the posi-
14 tion provided for by paragraph (1) unless the Sec-
15 retary of Homeland Security receives prior author-
16 ization from Congress.

17 “(3) DEFINITIONS.—For purposes of paragraph
18 (1)—

19 “(A) the term ‘career employee’ means any
20 employee (as that term is defined in section
21 2105 of title 5, United States Code), but does
22 not include a political appointee; and

23 “(B) the term ‘political appointee’ means
24 any employee who occupies a position which has
25 been excepted from the competitive service by

1 reason of its confidential, policy-determining,
2 policy-making, or policy-advocating character.

3 **“SEC. 602. OFFICE OF PARTNERSHIP AND ENGAGEMENT.**

4 “(a) IN GENERAL.—There shall be in the Office of
5 Policy an Office of Partnership and Engagement.

6 “(b) HEAD OF OFFICE.—The Secretary shall appoint
7 an Assistant Secretary for Partnership and Engagement
8 to serve as the head of the Office.

9 “(c) RESPONSIBILITIES.—The Assistant Secretary
10 for Partnership and Engagement shall—

11 “(1) lead the coordination of Department-wide
12 policies relating to the role of State and local law en-
13 forcement in preventing, preparing for, protecting
14 against, and responding to natural disasters, acts of
15 terrorism, and other man-made disasters within the
16 United States;

17 “(2) serve as a liaison between State, local, and
18 tribal law enforcement agencies and the Department,
19 including through consultation with such agencies
20 regarding Department programs that may impact
21 such agencies;

22 “(3) coordinate with the Office of Intelligence
23 and Analysis to certify the intelligence and informa-
24 tion sharing requirements of State, local, and tribal
25 law enforcement agencies are being addressed;

1 “(4) work with the Administrator to ensure
2 that law enforcement and terrorism-focused grants
3 to State, local, and tribal government agencies, in-
4 cluding grants under sections 2003 and 2004, the
5 Commercial Equipment Direct Assistance Program,
6 and other grants administered by the Department to
7 support fusion centers and law enforcement-oriented
8 programs, are appropriately focused on terrorism
9 prevention activities;

10 “(5) coordinate with the Science and Tech-
11 nology Directorate, the Federal Emergency Manage-
12 ment Agency, the Department of Justice, the Na-
13 tional Institute of Justice, law enforcement organiza-
14 tions, and other appropriate entities to support the
15 development, promulgation, and updating, as nec-
16 essary, of national voluntary consensus standards
17 for training and personal protective equipment to be
18 used in a tactical environment by law enforcement
19 officers;

20 “(6) create and foster strategic communications
21 with the private sector to enhance the primary mis-
22 sion of the Department to protect the American
23 homeland;

1 “(7) advise the Secretary on the impact of the
2 Department’s policies, regulations, processes, and
3 actions on the private sector;

4 “(8) interface with other relevant Federal agen-
5 cies with homeland security missions to assess the
6 impact of these agencies’ actions on the private sec-
7 tor;

8 “(9) create and manage private sector advisory
9 councils composed of representatives of industries
10 and associations designated by the Secretary to—

11 “(A) advise the Secretary on private sector
12 products, applications, and solutions as they re-
13 late to homeland security challenges;

14 “(B) advise the Secretary on homeland se-
15 curity policies, regulations, processes, and ac-
16 tions that affect the participating industries
17 and associations; and

18 “(C) advise the Secretary on private sector
19 preparedness issues, including effective methods
20 for—

21 “(i) promoting voluntary preparedness
22 standards to the private sector; and

23 “(ii) assisting the private sector in
24 adopting voluntary preparedness stand-
25 ards;

1 “(10) promote existing public-private partner-
2 ships and developing new public-private partnerships
3 to provide for collaboration and mutual support to
4 address homeland security challenges;

5 “(11) assist in the development and promotion
6 of private sector best practices to secure critical in-
7 frastructure;

8 “(12) provide information to the private sector
9 regarding voluntary preparedness standards and the
10 business justification for preparedness and pro-
11 moting to the private sector the adoption of vol-
12 untary preparedness standards;

13 “(13) coordinate industry efforts, with respect
14 to functions of the Department of Homeland Secu-
15 rity, to identify private sector resources and capabili-
16 ties that could be effective in supplementing Federal,
17 State, and local government agency efforts to pre-
18 vent or respond to a terrorist attack;

19 “(14) coordinate with the Commissioner of Cus-
20 toms and Border Protection and the appropriate
21 senior official of the Department of Commerce on
22 issues related to the travel and tourism industries;

23 “(15) coordinate the activities of the Depart-
24 ment relating to State and local government;

1 “(16) assess, and advocate for, the resources
2 needed by State and local governments to implement
3 the national strategy for combating terrorism;

4 “(17) provide State and local governments with
5 regular information, research, and technical support
6 to assist local efforts at securing the homeland;

7 “(18) develop a process for receiving meaning-
8 ful input from State and local governments to assist
9 the development of the national strategy for com-
10 bating terrorism and other homeland security activi-
11 ties; and

12 “(19) perform such other functions as are es-
13 tablished by law or delegated to such Assistant Sec-
14 retary by the Under Secretary for Policy.

15 **“SEC. 603. OFFICE OF INTERNATIONAL AFFAIRS.**

16 “(a) IN GENERAL.—There shall be in the Office of
17 Policy an Office of International Affairs.

18 “(b) HEAD OF OFFICE.—The Secretary shall appoint
19 an Assistant Secretary for International Affairs to serve
20 as the head of the Office and as the chief diplomatic offi-
21 cer of the Department.

22 “(c) FUNCTIONS.—

23 “(1) IN GENERAL.—The Assistant Secretary for
24 International Affairs shall—

1 “(A) coordinate international activities
2 within the Department, including activities car-
3 ried out by the components of the Department,
4 in consultation with other Federal officials with
5 responsibility for counterterrorism and home-
6 land security matters;

7 “(B) advise, inform, and assist the Sec-
8 retary with respect to the development and im-
9 plementation of Departmental policy priorities,
10 including strategic priorities for the deployment
11 of assets, including personnel, outside the
12 United States;

13 “(C) develop, in consultation with the
14 Under Secretary for Management, guidance for
15 selecting, assigning, training, and monitoring
16 overseas deployments of Department personnel,
17 including minimum standards for
18 predeployment training;

19 “(D) develop and update, in coordination
20 with all components of the Department engaged
21 in international activities, a strategic plan for
22 the international activities of the Department,
23 establish a process for managing its implemen-
24 tation, and establish mechanisms to monitor the
25 alignment between assets, including personnel,

1 deployed by the Department outside the United
2 States and the plan required by this subpara-
3 graph;

4 “(E) develop and distribute guidance on
5 Department policy priorities for overseas activi-
6 ties to personnel deployed overseas, that, at a
7 minimum, sets forth the regional and national
8 priorities being advanced by their deployment,
9 and establish mechanisms to foster better co-
10 ordination of Department personnel, programs,
11 and activities deployed outside the United
12 States;

13 “(F) maintain awareness regarding the
14 international travel of senior officers of the De-
15 partment and their intent to pursue negotia-
16 tions with foreign government officials, and re-
17 view resulting draft agreements;

18 “(G) develop, in consultation with the com-
19 ponents of the Department, including, as appro-
20 priate, with the Under Secretary for the Science
21 and Technology Directorate, programs to sup-
22 port the overseas programs conducted by the
23 Department, including training, technical as-
24 sistance, and equipment to ensure that Depart-
25 ment personnel deployed abroad have proper re-

1 sources and receive adequate and timely sup-
2 port;

3 “(H) conduct the exchange of homeland
4 security information, in consultation with the
5 Under Secretary of the Office of Intelligence
6 and Analysis, and best practices relating to
7 homeland security with foreign nations that, in
8 the determination of the Secretary, reciprocate
9 the sharing of such information in a substan-
10 tially similar manner;

11 “(I) submit information to the Under Sec-
12 retary for Policy for oversight purposes, includ-
13 ing preparation of the quadrennial homeland se-
14 curity review and on the status of overseas ac-
15 tivities, including training and technical assist-
16 ance and information exchange activities and
17 the Department’s resources dedicated to these
18 activities;

19 “(J) promote, when appropriate, and over-
20 see the exchange of education, training, and in-
21 formation with nations friendly to the United
22 States in order to share best practices relating
23 to homeland security; and

1 “(K) perform such other functions as are
2 established by law or delegated by the Under
3 Secretary for Policy.

4 “(2) INVENTORY OF ASSETS DEPLOYED
5 ABROAD.—For each fiscal year, the Assistant Sec-
6 retary for International Affairs, in coordination with
7 the Under Secretary for Management, shall provide
8 to the Committee on Homeland Security of the
9 House of Representatives and the Committee on
10 Homeland Security and Governmental Affairs of the
11 Senate with the annual budget request for the De-
12 partment, an annual accounting of all assets of the
13 Department, including personnel, deployed outside
14 the United States on behalf of the Department.

15 “(3) STANDARDIZED FRAMEWORK FOR COST
16 DATA.—The Assistant Secretary for International
17 Affairs shall utilize a standardized framework to col-
18 lect and maintain comparable cost data for all assets
19 of the Department, including personnel, deployed
20 outside the United States to prepare the annual ac-
21 counting required by paragraph (2).

22 “(4) EXCLUSIONS.—This subsection does not
23 apply to international activities related to the protec-
24 tive mission of the United States Secret Service, or
25 to the Coast Guard when operating under the direct

1 authority of the Secretary of Defense or the Sec-
2 retary of the Navy.

3 **“SEC. 604. OFFICE OF POLICY IMPLEMENTATION.**

4 “(a) IN GENERAL.—There shall be in the Office of
5 Policy an Office of Policy Implementation.

6 “(b) HEAD OF OFFICE.—The Secretary shall appoint
7 a Director of the Office of Policy Implementation to serve
8 as the head of the Office.

9 “(c) RESPONSIBILITIES.—The Director of the Office
10 of Policy Implementation shall lead, conduct, coordinate,
11 and provide overall direction and supervision of Depart-
12 ment-wide policy development for the programs, offices,
13 and activities of the Department, in consultation with rel-
14 evant officials of the Department, to ensure quality, con-
15 sistency, and integration across the Department, as appro-
16 priate.

17 **“SEC. 605. OFFICE OF STRATEGY AND PLANNING.**

18 “(a) IN GENERAL.—There shall be in the Office of
19 Policy of the Department an Office of Strategy and Plan-
20 ning.

21 “(b) HEAD OF OFFICE.—The Secretary shall appoint
22 a Director of the Office of Strategy and Planning who
23 shall serve as the head of the Office.

24 “(c) RESPONSIBILITIES.—The Director of the Office
25 of Strategy and Planning shall—

1 “(1) lead and conduct long-term Department-
 2 wide strategic planning, including the Quadrennial
 3 Homeland Security Review and planning guidance
 4 for the Department, and translate the Department’s
 5 statutory responsibilities, strategic plans, and long-
 6 term goals into risk-based policies and procedures
 7 that improve operational effectiveness; and

8 “(2) develop strategies to address unconven-
 9 tional threats to the homeland.”.

10 (b) CLERICAL AMENDMENT.—The table of contents
 11 in section 1(b) of such Act is amended—

12 (1) by striking the items relating to title VI and
 13 inserting the following:

“TITLE VI—POLICY AND PLANNING

“Sec. 601. Office of Policy.

“Sec. 602. Office of Partnership and Engagement.

“Sec. 603. Office of International Affairs.

“Sec. 604. Office of Policy Implementation.

“Sec. 605. Office of Strategy and Planning.”.

14 (2) by inserting after the item relating to sec-
 15 tion 890A the following:

“Sec. 890B. Treatment of charitable trusts for members of the Armed Forces
 of the United States and other governmental organizations.”.

16 (c) APPOINTMENT OF UNDER SECRETARY FOR POL-
 17 ICY; CONTINUATION OF SERVICE OF ASSISTANT SEC-
 18 RETARY.—

19 (1) TIME OF APPOINTMENT.—The President
 20 may appoint an Under Secretary for Policy under
 21 section 601 of the Homeland Security Act of 2002,

1 as amended by this Act, only on or after January
2 20, 2017.

3 (2) HEAD OF OFFICE PENDING APPOINT-
4 MENT.—The individual serving as the Assistant Sec-
5 retary for Policy of the Department of Homeland
6 Security on the date of the enactment of this Act,
7 or their successor, may continue to serve as an As-
8 sistant Secretary and as the head of the Office of
9 Policy established by such section, until the date on
10 which the Under Secretary for Policy is appointed
11 under such section in accordance with paragraph
12 (1).

13 (d) APPOINTMENT OF ASSISTANT SECRETARY FOR
14 INTERNATIONAL AFFAIRS; ABOLISHMENT OF EXISTING
15 OFFICE.—

16 (1) TIME OF APPOINTMENT.—The Secretary of
17 Homeland Security may appoint an Assistant Sec-
18 retary for International Affairs under section 602 of
19 the Homeland Security Act of 2002, as amended by
20 this Act, only on or after January 20, 2017.

21 (2) HEAD OF OFFICE PENDING APPOINT-
22 MENT.—The individual serving as the Assistant Sec-
23 retary for International Affairs of the Department of
24 Homeland Security on the date of the enactment of
25 this Act, or their successor, may continue to serve

1 as a Deputy Assistant Secretary and as the head of
2 the Office of International Affairs established by
3 such section, until the date the Under Secretary for
4 Policy is appointed under such section in accordance
5 with paragraph (1).

6 (3) ABOLISHMENT OF EXISTING OFFICE.—

7 (A) IN GENERAL.—The Office of Inter-
8 national Affairs within the Office of the Sec-
9 retary is abolished.

10 (B) TRANSFER OF ASSETS AND PER-
11 SONNEL.—The assets and personnel associated
12 with such Office are transferred to the head of
13 the Office of International Affairs provided for
14 by section 603 of the Homeland Security Act of
15 2002, as amended by this Act.

16 (C) CONFORMING AMENDMENT.—Sub-
17 section 879 of the Homeland Security Act of
18 2002 (6 U.S.C. 459), and the item relating to
19 such section in section 1(b) of such Act, are re-
20 pealed.

21 (e) ABOLISHMENT OF OFFICE FOR STATE AND
22 LOCAL LAW ENFORCEMENT.—

23 (1) IN GENERAL.—The Office for State and
24 Local Law Enforcement of the Department of
25 Homeland Security is abolished.

1 (2) TRANSFER OF FUNCTIONS, ASSETS, AND
2 PERSONNEL.—The functions authorized to be per-
3 formed by such office immediately before the enact-
4 ment of this Act, and the assets and personnel asso-
5 ciated with such functions, are transferred to the
6 head of the Office of Partnership and Engagement
7 provided for by section 602 of the Homeland Secu-
8 rity Act of 2002, as amended by this Act.

9 (3) CONFORMING AMENDMENT.—Subsection (b)
10 of section 2006 of the Homeland Security Act of
11 2002 (6 U.S.C. 607) is repealed.

12 (f) ABOLISHMENT OF OFFICE FOR STATE AND
13 LOCAL GOVERNMENT COORDINATION.—

14 (1) IN GENERAL.—The Office for State and
15 Local Government Coordination of the Department
16 of Homeland Security is abolished.

17 (2) TRANSFER OF FUNCTIONS AND ASSETS.—
18 The functions authorized to be performed by such
19 office immediately before the enactment of this Act,
20 and the assets and personnel associated with such
21 functions, are transferred to the head of Office of
22 Partnership and Engagement provided for by section
23 602 of the Homeland Security Act of 2002, as
24 amended by this Act.

1 (3) CONFORMING AMENDMENTS.—Section 801
2 of the Homeland Security Act of 2002 (6 U.S.C.
3 631), and the item relating to that section in the
4 table of contents in section 1(b) of such Act, are re-
5 pealed.

6 (g) ABOLISHMENT OF SPECIAL ASSISTANT TO THE
7 SECRETARY.—

8 (1) IN GENERAL.—The Special Assistant to the
9 Secretary authorized by section 102(f) of the Home-
10 land Security Act of 2002 (6 U.S.C. 112(f)), as in
11 effect immediately before the enactment of this Act,
12 is abolished.

13 (2) TRANSFER OF FUNCTIONS AND ASSETS.—
14 The functions authorized to be performed by such
15 Special Assistant to the Secretary immediately be-
16 fore the enactment of this Act, and the assets and
17 personnel associated with such functions, are trans-
18 ferred to the head of the Office of Partnership and
19 Engagement provided for by section 602 of the
20 Homeland Security Act of 2002, as amended by this
21 Act.

22 (3) CONFORMING AMENDMENT.—Section 102(f)
23 of the Homeland Security Act of 2002 (6 U.S.C.
24 112(f)) is repealed.

1 (h) CONFORMING AMENDMENTS RELATING TO AS-
2 SISTANT SECRETARIES.—Section 103(a) of the Homeland
3 Security Act of 2002 (6 U.S.C. 113(a)) is amended—

4 (1) in paragraph (1), by striking subparagraph
5 (I) and redesignating subparagraph (J) as subpara-
6 graph (I); and

7 (2) by amending paragraph (2) to read as fol-
8 lows:

9 “(2) ASSISTANT SECRETARIES.—

10 “(A) ADVICE AND CONSENT APPOINT-
11 MENTS.—The Department shall have the fol-
12 lowing Assistant Secretaries appointed by the
13 President, by and with the advice and consent
14 of the Senate:

15 “(i) The Assistant Secretary, U.S.
16 Immigration and Customs Enforcement.

17 “(ii) The Assistant Secretary, Trans-
18 portation Security Administration.

19 “(B) OTHER PRESIDENTIAL APPOINT-
20 MENTS.—The Department shall have the fol-
21 lowing Assistant Secretaries appointed by the
22 President:

23 “(i) The Assistant Secretary, Infra-
24 structure Protection.

1 “(ii) The Assistant Secretary, Office
2 of Public Affairs.

3 “(iii) The Assistant Secretary, Office
4 of Legislative Affairs.

5 “(C) SECRETARIAL APPOINTMENTS.—The
6 Department shall have the following Assistant
7 Secretaries appointed by the Secretary:

8 “(i) The Assistant Secretary, Office of
9 Cybersecurity and Communications.

10 “(ii) The Assistant Secretary for
11 International Affairs under section 602.

12 “(iii) The Assistant Secretary for
13 Partnership and Engagement under sec-
14 tion 603.

15 “(D) LIMITATION ON CREATION OF POSI-
16 TIONS.—No Assistant Secretary position may
17 be created in addition to the positions provided
18 for by this section unless such position is au-
19 thorized by a statute enacted after the date of
20 the enactment of the DHS Headquarters Re-
21 form and Improvement Act of 2015.”.

22 (i) HOMELAND SECURITY ADVISORY COUNCIL.—Sec-
23 tion 102(b) of the Homeland Security Act of 2002 (6
24 U.S.C. 112(b)) is amended by striking “and” after the
25 semicolon at the end of paragraph (2), striking the period

1 at the end of paragraph (3) and inserting “; and”, and
2 adding at the end the following:

3 “(4) shall establish a Homeland Security Advi-
4 sory Council to provide advice and recommendations
5 on homeland-security-related matters.”.

6 (j) PROHIBITION ON NEW OFFICES.—No new office
7 may be created to perform functions transferred by this
8 section, other than as provided in section 601 of the
9 Homeland Security Act of 2002, as amended by this Act,
10 unless the Secretary of Homeland Security receives prior
11 authorization from Congress permitting such change.

12 (k) DEFINITIONS.—In this section each of the terms
13 “functions”, “assets”, and “personnel” has the meaning
14 that term has under section 2 of the Homeland Security
15 Act of 2002 (6 U.S.C. 101).

16 (l) DUPLICATION REVIEW.—The Secretary of Home-
17 land Security shall—

18 (1) within 1 year after the date of the enact-
19 ment of this Act, complete a review of the inter-
20 national affairs offices, functions, and responsibil-
21 ities of the components of the Department of Home-
22 land Security, to identify and eliminate areas of un-
23 necessary duplication; and

24 (2) within 30 days after the completion of such
25 review, provide the results of the review to the Com-

1 mittee on Homeland Security of the House of Rep-
2 resentatives and the Committee on Homeland Secu-
3 rity and Governmental Affairs of the Senate.

4 **SEC. 105. QUADRENNIAL HOMELAND SECURITY REVIEW.**

5 Section 707 of the Homeland Security Act of 2002
6 (6 U.S.C. 347) is amended—

7 (1) in subsection (a)—

8 (A) by amending paragraph (1) to read as
9 follows:

10 “(1) REVIEW REQUIRED.—In fiscal year 2017,
11 and every 4 years thereafter, the Secretary shall
12 conduct a review of the homeland security of the Na-
13 tion (in this section referred to as a ‘quadrennial
14 homeland security review’). Such review shall be con-
15 ducted so that it is completed, and the report under
16 subsection (c) is issued, by no later than December
17 31, 2017, and by December 31 of every fourth year
18 thereafter.”; and

19 (B) in paragraph (3) by striking “The Sec-
20 retary shall conduct each quadrennial homeland
21 security review under this subsection in con-
22 sultation with” and inserting “In order to en-
23 sure that each quadrennial homeland security
24 review conducted under this section is coordi-
25 nated with the quadrennial defense review con-

ducted by the Secretary of Defense under section 118 of title 10, United States Code, and any other major strategic review relating to diplomacy, intelligence, or other national security issues, the Secretary shall conduct and obtain information and feedback from entities of the homeland security enterprise through”;

(2) in subsection (b)—

(A) in paragraph (5), by striking “and” after the semicolon at the end;

(B) in paragraph (6), by striking the period and inserting “; and”; and

(C) by adding after paragraph (6) the following:

“(7) leverage analytical tools and resources developed as part of the quadrennial homeland security review to support the Department’s ongoing programs and missions.”;

(3) in subsection (c)(2)—

(A) by striking “and” after the semicolon at the end of subparagraph (H);

(B) by redesignating subparagraph (I) as subparagraph (L); and

(C) by inserting after subparagraph (H) the following:

1 “(I) a description of how the conclusions
2 under the quadrennial homeland security review
3 will inform efforts to develop capabilities and
4 build capacity of States, local governments, In-
5 dian tribes, and private entities, and of individ-
6 uals, families, and communities;

7 “(J) as appropriate, proposed changes to
8 the authorities, organization, governance struc-
9 ture, or business processes (including acquisi-
10 tion processes) of the Department in order to
11 better fulfill responsibilities of the Department;

12 “(K) where appropriate, a classified annex,
13 including materials prepared pursuant to sec-
14 tion 306 of title 5, United States Code, relating
15 to the preparation of an agency strategic plan,
16 to satisfy, in whole or in part, the reporting re-
17 quirements of this paragraph; and”.

18 **SEC. 106. FUTURE YEARS HOMELAND SECURITY PROGRAM.**

19 Section 874 of the Homeland Security Act of 2002
20 (6 U.S.C. 454) is amended—

21 (1) by amending subsection (a) to read as fol-
22 lows:

23 “(a) IN GENERAL.—Not later than the 30 days fol-
24 lowing the date of each fiscal year on which the budget
25 of the President is submitted to Congress under section

1 1105(a) of title 31, United States Code, the Secretary
2 shall submit to the Committee on Homeland Security of
3 the House of Representatives and the Committee on
4 Homeland Security and Governmental Affairs of the Sen-
5 ate a Future Years Homeland Security Program that pro-
6 vides detailed estimates of the projected expenditures and
7 corresponding requests for appropriations included in that
8 budget. The Future Years Homeland Security Program
9 shall cover the fiscal year for which the budget is sub-
10 mitted and the 4 succeeding fiscal years.”; and

11 (2) by adding at the end the following:

12 “(d) CONSISTENCY OF BUDGET REQUEST WITH ES-
13 TIMATES.—For each fiscal year, the Secretary shall ensure
14 that the projected amounts specified in program and
15 budget information for the Department submitted to Con-
16 gress in support of the President’s budget request are con-
17 sistent with the estimated expenditures and proposed ap-
18 propriations necessary to support the programs, projects,
19 and activities of the Department included in the budget
20 pursuant to section 1105(a)(5) of title 31, United States
21 Code.

22 “(e) EXPLANATION OF ALIGNMENT WITH STRATE-
23 GIES AND PLANS.—Together with the detailed estimates
24 of the projected expenditures and corresponding requests
25 for appropriations submitted for the Future Years Home-

1 land Security Program, the Secretary shall provide an ex-
2 planation of how those estimates and requests align with
3 the homeland security strategies and plans developed and
4 updated as appropriate by the Secretary. Such explanation
5 shall include an evaluation of the organization, organiza-
6 tional structure, governance structure, and business proc-
7 esses (including acquisition processes) of the Department,
8 to ensure that the Department is able to meet its respon-
9 sibilities.

10 “(f) PROJECTION OF ACQUISITION ESTIMATES.—
11 Each Future Years Homeland Security Program shall
12 project—

13 “(1) acquisition estimates for a period of 5 fis-
14 cal years, with specified estimates for each fiscal
15 year, for major acquisition programs by the Depart-
16 ment and each component therein, including mod-
17 ernization and sustainment expenses; and

18 “(2) estimated annual deployment schedules for
19 major acquisition programs over the 5-fiscal-year pe-
20 riod.

21 “(g) CONTINGENCY AMOUNTS.—Nothing in this sec-
22 tion shall be construed as prohibiting the inclusion in the
23 Future Years Homeland Security Program of amounts for
24 management contingencies, subject to the requirements of
25 subsection (b).

1 “(h) CLASSIFIED OR SENSITIVE ANNEX.—The Sec-
2 retary may include with each submission under this sec-
3 tion a classified or sensitive annex containing any informa-
4 tion required to be submitted under this section that is
5 restricted from public disclosure in accordance with Fed-
6 eral law, including information that is determined to be
7 Sensitive Security Information under section 537 of the
8 Department of Homeland Security Appropriations Act,
9 2006 (6 U.S.C. 114) to Congress in a classified or sen-
10 sitive annex.

11 “(i) AVAILABILITY OF INFORMATION TO THE PUB-
12 LIC.—The Secretary shall make available to the public in
13 electronic form the information required to be submitted
14 to Congress under this section, other than information de-
15 scribed in subsection (h).”.

16 **SEC. 107. MANAGEMENT AND EXECUTION.**

17 Section 701 of the Homeland Security Act of 2002
18 (6 U.S.C. 341) is amended by striking subsections (a) and
19 (b) and inserting the following:

20 “(a) IN GENERAL.—Subject to the direction and con-
21 trol of the Secretary, the Under Secretary for Manage-
22 ment shall serve as the following:

23 “(1) The Chief Management Officer for all mat-
24 ters related to the management and administration
25 of the Department in support of homeland security

1 operations and programs. With regard to the man-
2 agement functions for which the Under Secretary
3 has responsibility by law or by direction of the Sec-
4 retary, the Under Secretary for Management takes
5 precedence in the Department after the Secretary
6 and the Deputy Secretary of Homeland Security.

7 “(2) The senior official with the authority to
8 administer, implement, and direct management inte-
9 gration and transformation across functional dis-
10 ciplines of the Department, including—

11 “(A) information technology, financial
12 management, acquisition management, and
13 human capital management of the Department
14 to improve program efficiency and effectiveness;

15 “(B) ensure compliance with laws, rules,
16 regulations, and the Department’s policies;

17 “(C) conduct regular oversight; and

18 “(D) prevent unnecessary duplication of
19 programs in the Department.

20 “(b) RESPONSIBILITIES.—In addition to responsibil-
21 ities designated by the Secretary or otherwise established
22 by law, the Under Secretary for Management shall be re-
23 sponsible for performing, or delegating responsibility for
24 performing, the following activities of the Department:

1 “(1) Development of the budget, management
2 of appropriations, expenditures of funds, accounting,
3 and finance.

4 “(2) Acquisition and procurement activities
5 under section 701(d).

6 “(3) Human resources and personnel.

7 “(4) Information technology and communica-
8 tion systems, in consultation with the Under Sec-
9 retary for Intelligence and Analysis, as appropriate.

10 “(5) Facilities, property, equipment, and other
11 material resources.

12 “(6) Real property and personal property.

13 “(7) Security for personnel, information tech-
14 nology and communications systems, facilities, prop-
15 erty, equipment, and other material resources.

16 “(8) Strategic management planning, annual
17 performance planning, and identification and track-
18 ing of performance measures relating to the respon-
19 sibilities of the Department, including such respon-
20 sibilities under section 306 of title 5, United States
21 Code.

22 “(9) Oversight of grants and other assistance
23 management programs to ensure proper administra-
24 tion.

1 “(10) Management integration and trans-
2 formation within each functional management dis-
3 cipline of the Department, including information
4 technology, financial management, acquisition man-
5 agement, and human capital management, and the
6 transition process, to ensure an efficient and orderly
7 consolidation of functions and personnel in the De-
8 partment and transition, including the—

9 “(A) development of coordinated data
10 sources and connectivity of information systems
11 to the greatest extent practical to enhance pro-
12 gram visibility and transparency;

13 “(B) development of standardized, auto-
14 mated, and real-time management information
15 to uniformly manage and oversee programs,
16 and make informed decisions to improve the ef-
17 ficiency of the Department;

18 “(C) development of effective program
19 management and regular oversight mechanisms,
20 including clear roles and processes for program
21 governance, sharing of best practices, and ac-
22 cess to timely, reliable, and analyzed data on all
23 acquisitions and investments;

24 “(D) implementation of mechanisms to
25 promote accountability for management integra-

tion among Department and component chief officers;

“(E) integration of financial management systems within and across the Department to ensure financial transparency, support daily operational and financial decisionmaking, and maintain consecutive unqualified opinions for all financial statements, including the responsibility to review, approve, and oversee the planning, design, acquisition, deployment, operation, maintenance, and modernization of business systems;

“(F) integration of human resource management systems within and across the Department to track and record information (including attrition rates, knowledge, skills, and abilities critical for workforce planning, identifying current and future human capital needs, including recruitment efforts and improving employee morale), including the responsibility to review, approve, and oversee the planning, design, acquisition, deployment, operation, maintenance, and modernization of business systems;

“(G) development of a management integration strategy for the Department and its

1 components to be submitted annually with the
2 President’s budget to ensure that management
3 of the Department is strengthened in the areas
4 of human capital, acquisition, information tech-
5 nology, and financial management, which shall
6 include—

7 “(i) short- and long-term objectives to
8 effectively guide implementation of inter-
9 operable business systems solutions;

10 “(ii) issuance of guidance and action
11 plans with dates, specific actions, and costs
12 for implementing management integration
13 and transformation of common functional
14 disciplines across the Department and its
15 components;

16 “(iii) specific operational and tactical
17 goals, activities, and timelines needed to
18 accomplish the integration effort;

19 “(iv) performance measures to mon-
20 itor and validate corrective measures;

21 “(v) efforts to identify resources need-
22 ed to achieve key actions and outcomes;

23 “(vi) other issues impeding manage-
24 ment integration;

1 “(vii) reporting to the Government
2 Accountability Office twice annually to
3 demonstrate measurable, sustainable
4 progress made in implementing the De-
5 partment’s corrective action plans and
6 achieving key outcomes, including regard-
7 ing—

8 “(I) leadership commitment;

9 “(II) capacity building; and

10 “(III) continuous monitoring to
11 address Government Accountability
12 Office designations of programs at
13 high risk for waste, fraud, and abuse,
14 including with respect to strength-
15 ening management functions;

16 “(viii) review and approve any major
17 update to the Department’s strategy re-
18 lated to management integration and
19 transformation across functional disciplines
20 and lines of business, including any busi-
21 ness systems modernization plans to maxi-
22 mize benefits and minimize costs for the
23 Department; and

24 “(ix) before December 1 of each year
25 in which a Presidential election is held, the

1 development of a transition and succession
2 plan to guide the transition of Department
3 functions to a new Presidential administra-
4 tion, and making such plan available to the
5 next Secretary and Under Secretary for
6 Management and to the homeland security
7 congressional committees.

8 “(H) Oversight, including the conduct of
9 internal audits and management analyses, of
10 the programs and activities of the Department.
11 Such supervision includes establishing oversight
12 procedures to ensure a full and effective review
13 of the efforts by Department components to im-
14 plement policies and procedures of the Depart-
15 ment for management integration and trans-
16 formation.

17 “(I) Any other management duties that
18 the Secretary may designate.”.

19 **SEC. 108. CHIEF FINANCIAL OFFICER.**

20 Section 702 of the Homeland Security Act of 2002
21 (6 U.S.C. 341) is amended by redesignating subsections
22 (b) and (c) as subsections (c) and (d), respectively, and
23 by inserting after subsection (a) the following:

24 “(b) RESPONSIBILITIES.—Notwithstanding sections
25 901 and 1122 of title 31, United States Code, the Chief

1 Financial Officer, in consultation with the Under Sec-
2 retary for Management and the Under Secretary for Intel-
3 ligence and Analysis, as appropriate, shall—

4 “(1) lead cost-estimating practices for the De-
5 partment, including the development of the Depart-
6 ment’s policy on cost estimating and approval of life
7 cycle cost estimates;

8 “(2) oversee coordination with the Office of Pol-
9 icy on the Department’s long-term strategic plan-
10 ning to ensure that the development of the Depart-
11 ment’s budget is compatible with the priorities, stra-
12 tegic plans, and policies established by the Sec-
13 retary;

14 “(3) develop and oversee the Department’s fi-
15 nancial management policy;

16 “(4) provide guidance for and over financial
17 system modernization efforts throughout the Depart-
18 ment;

19 “(5) establish effective internal controls over fi-
20 nancial reporting systems and processes throughout
21 the Department;

22 “(6) lead assessments of internal controls re-
23 lated to the Department’s financial management sys-
24 tems and review financial processes to ensure that

1 internal controls are designed properly and operate
2 effectively;

3 “(7) lead the Department’s efforts related to fi-
4 nancial oversight, including identifying ways to
5 streamline and standardize business processes;

6 “(8) lead and provide guidance on performance-
7 based budgeting practices for the Department to en-
8 sure that the Department and its components are
9 meeting missions and goals;

10 “(9) ensure that Department components’ sen-
11 ior financial officers certify that their major acquisi-
12 tion programs have adequate resources to execute
13 their programs through the 5-year future years
14 homeland security program period, so that the De-
15 partment’s funding requirements for major acquisi-
16 tion programs match expected resources;

17 “(10) ensure that components identify and re-
18 port all expected costs of acquisition programs to the
19 Chief Financial Officer of the Department;

20 “(11) oversee Department budget formulation
21 and execution;

22 “(12) fully implement a common accounting
23 structure to be used across the entire Department
24 by fiscal year 2019; and

1 “(13) track, approve, oversee, and make public
 2 information on expenditures by components of the
 3 Department for conferences, as appropriate, includ-
 4 ing by requiring each component of the Department
 5 to—

6 “(A) report to the Inspector General of the
 7 Department the expenditures by the component
 8 for each conference hosted or attended by De-
 9 partment employees for which the total expendi-
 10 tures of the Department exceed \$20,000, within
 11 15 days after the date of the conference; and

12 “(B) with respect to such expenditures,
 13 provide to the Inspector General—

14 “(i) the information described in sub-
 15 sections (a), (b), and (c) of section 739 of
 16 Public Law 113–235; and

17 “(ii) documentation of such expendi-
 18 tures.”.

19 **SEC. 109. CHIEF PROCUREMENT OFFICER.**

20 (a) IN GENERAL.—Title VII of the Homeland Secu-
 21 rity Act of 2002 (6 U.S.C. 341 et seq.) is further amended
 22 by adding at the end the following:

23 **“SEC. 708. CHIEF PROCUREMENT OFFICER.**

24 “(a) IN GENERAL.—There is a Chief Procurement
 25 Officer of the Department, who shall report directly to the

1 Under Secretary for Management. The Chief Procurement
2 Officer is the senior procurement executive for purposes
3 of section 1702(c) of title 41 United States Code, and
4 shall perform procurement functions as specified in such
5 section. The Chief Procurement Officer also shall perform
6 other functions and responsibilities set forth in this section
7 and as may be assigned by the Under Secretary for Man-
8 agement.

9 “(b) RESPONSIBILITIES.—The Chief Procurement
10 Officer shall—

11 “(1) exercise leadership and authority to the ex-
12 tent delegated by the Under Secretary for Manage-
13 ment over the Department’s procurement function;

14 “(2) issue procurement policies, and shall serve
15 as a senior business advisor to agency officials on
16 acquisition-related matters, including policy and
17 workforce matters, as determined by the Under Sec-
18 retary for Management;

19 “(3) account for the integrity, performance, and
20 oversight of Department procurement and con-
21 tracting functions and be responsible for ensuring
22 that a procurement’s contracting strategy and plans
23 are consistent with the intent and direction of the
24 Acquisition Review Board;

1 “(4) serve as the Department’s main liaison to
2 industry on procurement-related issues;

3 “(5) oversee a centralized certification and
4 training program, in consultation with the Under
5 Secretary for Management, for the entire Depart-
6 ment acquisition workforce while using, to the great-
7 est extent practicable, best practices and acquisition
8 training opportunities already in existence within the
9 Federal Government, the private sector, or univer-
10 sities and colleges, as appropriate, and including
11 training on how best to identify actions that warrant
12 referrals for suspension or debarment;

13 “(6) delegate or retain contracting authority, as
14 appropriate;

15 “(7) provide input on the periodic performance
16 reviews of each head of contracting activity of the
17 Department;

18 “(8) collect baseline data and use such data to
19 establish performance measures on the impact of
20 strategic sourcing initiatives on the private sector,
21 including, in particular, small businesses;

22 “(9) ensure that a fair proportion (as defined
23 pursuant to the Small Business Act (15 U.S.C. 631
24 et seq.)) of Federal contract and subcontract dollars
25 are awarded to small businesses, maximize opportu-

1 nities for small business participation, and ensure, to
 2 the extent practicable, small businesses that achieve
 3 qualified vendor status for security-related tech-
 4 nologies are provided an opportunity to compete for
 5 contracts for such technology; and

6 “(10) conduct oversight of implementation of
 7 administrative agreements to resolve suspension or
 8 debarment proceedings and, upon request, provide
 9 information to the Committee on Homeland Security
 10 of the House of Representatives and the Committee
 11 on Homeland Security and Governmental Affairs of
 12 the Senate about the effectiveness of such agree-
 13 ments at improving contractor responsibility.

14 “(c) HEAD OF CONTRACTING ACTIVITY DEFINED.—
 15 In this section the term ‘head of contracting activity’
 16 means each official responsible for the creation, manage-
 17 ment, and oversight of a team of procurement profes-
 18 sionals properly trained, certified, and warranted to ac-
 19 complish the acquisition of products and services on behalf
 20 of the designated components, offices, and organizations
 21 of the Department, and as authorized, other government
 22 entities.”.

23 (b) CLERICAL AMENDMENT.—The table of contents
 24 in section 1(b) of such Act is further amended by adding
 25 at the end of the items relating to such title the following:

“Sec. 708. Chief Procurement Officer.”.

1 **SEC. 110. CHIEF INFORMATION OFFICER.**

2 (a) IN GENERAL.—Section 703 of the Homeland Se-
3 curity Act of 2002 (6 U.S.C. 343) is amended—

4 (1) in subsection (a), by adding at the end the
5 following: “In addition to the functions under sec-
6 tion 3506(a)(2) of title 44, United States Code, the
7 Chief Information Officer shall perform the func-
8 tions set forth in this section and such other func-
9 tions as may be assigned by the Secretary.”;

10 (2) by redesignating subsection (b) as sub-
11 section (e); and

12 (3) by inserting after subsection (a) the fol-
13 lowing:

14 “(b) RESPONSIBILITIES.—In addition to the func-
15 tions under section 3506 of title 44, United States Code,
16 the Chief Information Officer, in consultation with the
17 Under Secretary for Management, shall—

18 “(1) advise and assist the Secretary, heads of
19 the components of the Department, and other senior
20 officers in carrying out the responsibilities of the
21 Department for all activities relating to the budgets,
22 programs, and operations of the information tech-
23 nology functions of the Department;

24 “(2) to the extent delegated by the Secretary—

1 “(A) exercise leadership and authority over
2 Department information technology manage-
3 ment; and

4 “(B) establish the information technology
5 priorities, policies, processes, standards, guide-
6 lines, and procedures of the Department to en-
7 sure interoperability and standardization of in-
8 formation technology;

9 “(3) serve as the lead technical authority for in-
10 formation technology programs;

11 “(4) maintain a consolidated inventory of the
12 Department’s mission critical and mission essential
13 information systems, and develop and maintain con-
14 tingency plans for responding to a disruption in the
15 operation of any of those information systems;

16 “(5) maintain the security, visibility, reliability,
17 integrity, and availability of data and information
18 technology of the Department including the security
19 of the Homeland Security Data Network;

20 “(6) in coordination with relevant officials of
21 the Department, ensure that the Department is in
22 compliance with subchapter II of chapter 35 of title
23 44, United States Code;

1 “(7) establish policies and procedures to effec-
2 tively monitor and manage vulnerabilities in the sup-
3 ply chain for purchases of information technology;

4 “(8) in coordination with relevant officials of
5 the Department, ensure Department compliance
6 with Homeland Security Presidential Directive 12;

7 “(9) in coordination with relevant officials of
8 the Department, ensure that information technology
9 systems of the Department meet the standards es-
10 tablished under the information sharing environ-
11 ment, as defined in section 1016 of the Intelligence
12 Reform and Terrorism Prevention Act of 2004 (6
13 U.S.C. 485);

14 “(10) develop measures to monitor the perform-
15 ance of Department components’ use and implemen-
16 tation of information technology systems and con-
17 sistently monitor such performance to ensure that
18 such systems are used effectively;

19 “(11) ensure that Department components re-
20 port to the Chief Information Officer of the Depart-
21 ment a complete inventory of information systems
22 and fully adhere to Department guidance related to
23 information technology;

1 “(12) carry out any other responsibilities dele-
2 gated by the Secretary consistent with an effective
3 information system management function; and

4 “(13) carry out authorities over Department in-
5 formation technology consistent with section 113419
6 of title 40, United States Code.

7 “(c) STRATEGIC PLANS.—In coordination with the
8 Chief Financial Officer, the Chief Information Officer
9 shall develop an information technology strategic plan
10 every 5 years and report to the Committee on Homeland
11 Security and the Committee on Appropriations of the
12 House of Representatives and the Committee on Home-
13 land Security and Governmental Affairs and the Com-
14 mittee on Appropriations of the Senate on—

15 “(1) how the information technology strategic
16 plans developed under this subsection are used to
17 help inform the Department’s budget process;

18 “(2) how the Department’s budget aligns with
19 priorities specified in the information technology
20 strategic plans;

21 “(3) in cases in which it is not possible to fund
22 all information technology strategic plan activities
23 for a given fiscal year, the rationale as to why cer-
24 tain activities are not being funded in lieu of higher
25 priorities;

1 “(4) what decisionmaking process was used to
2 arrive at these priorities and the role of Department
3 components in that process; and

4 “(5) examine the extent to which unnecessary
5 duplicate information technology within and across
6 the components of the Department has been elimi-
7 nated.

8 “(d) SOFTWARE LICENSING.—

9 “(1) IN GENERAL.—Not later than 180 days
10 after the date of the enactment of the DHS Head-
11 quarters Reform and Improvement Act of 2015, and
12 every 2 years thereafter until 2020, the Chief Infor-
13 mation Officer, in consultation with Department
14 component chief information officers, shall—

15 “(A) conduct a Department-wide inventory
16 of all existing software licenses held by the De-
17 partment, including utilized and unutilized li-
18 censes;

19 “(B) assess the needs of the Department
20 and the components of the Department for soft-
21 ware licenses for the subsequent 2 fiscal years;

22 “(C) examine how the Department can
23 achieve the greatest possible economies of scale
24 and cost savings in the procurement of software
25 licenses;

1 “(D) determine how the use of shared
2 cloud-computing services will impact the needs
3 for software licenses for the subsequent 2 fiscal
4 years; and

5 “(E) establish plans and estimated costs
6 for eliminating unutilized software licenses for
7 the subsequent 2 fiscal years.

8 “(2) EXCESS SOFTWARE LICENSING.—

9 “(A) PLAN TO REDUCE SOFTWARE LI-
10 CENSES.—If the Chief Information Officer de-
11 termines through the inventory conducted under
12 paragraph (1) that the number of software li-
13 censes held by the Department and the compo-
14 nents of the Department exceed the needs of
15 the Department as assessed under paragraph
16 (1), the Secretary, not later than 90 days after
17 the date on which the inventory is completed,
18 shall establish a plan for bringing the number
19 of such software licenses into balance with such
20 needs of the Department.

21 “(B) PROHIBITION ON PROCUREMENT OF
22 NEW SOFTWARE LICENSES.—

23 “(i) IN GENERAL.—Except as pro-
24 vided in clause (ii), upon completion of a
25 plan established under paragraph (1), no

1 additional resources may be obligated for
2 the procurement of new software licenses
3 for the Department until such time as the
4 need of the Department exceeds the num-
5 ber of used and unused licenses held by the
6 Department.

7 “(ii) EXCEPTION.—The Chief Infor-
8 mation Officer may authorize the purchase
9 of additional licenses and amend the num-
10 ber of needed licenses as necessary.

11 “(3) GAO REVIEW.—The Comptroller General
12 of the United States shall review the inventory con-
13 ducted under paragraph (1)(A) and the plan estab-
14 lished under paragraph (2)(A).

15 “(4) SUBMISSION TO CONGRESS.—The Chief
16 Information Officer shall submit a copy of each in-
17 ventory conducted under paragraph (1)(A) and each
18 plan established under paragraph (2)(A) to the
19 Committee on Homeland Security of the House of
20 Representatives and the Committee on Homeland
21 Security and Governmental Affairs of the Senate.”.

22 (b) COMPLETION OF FIRST DEFINITION OF CAPA-
23 BILITIES.—The Chief Information Officer shall complete
24 the first implementation of section 701(c) of the Home-
25 land Security Act of 2002, as amended by this section,

1 by not later than 1 year after the date of the enactment
2 of this Act.

3 **SEC. 111. CHIEF HUMAN CAPITAL OFFICER.**

4 Section 704 of the Homeland Security Act of 2002
5 (6 U.S.C. 343) is amended to read as follows:

6 **“SEC. 704. CHIEF HUMAN CAPITAL OFFICER.**

7 “(a) IN GENERAL.—There is a Chief Human Capital
8 Officer of the Department who shall report directly to the
9 Under Secretary of Management.

10 “(b) RESPONSIBILITIES.—The Chief Human Capital
11 Officer shall—

12 “(1) develop and implement strategic workforce
13 planning efforts that are consistent with Govern-
14 ment-wide leading principles, and that are in line
15 with Department strategic human capital goals and
16 priorities;

17 “(2) develop performance measures to provide a
18 basis for monitoring and evaluating Department-
19 wide strategic workforce planning efforts;

20 “(3) develop strategies to recruit, hire, and
21 train the Department workforce;

22 “(4) work with the component heads to identify
23 methods for managing and overseeing human capital
24 programs and initiatives;

1 “(5) develop a career path framework, and cre-
2 ate opportunities for leader development;

3 “(6) serve as the Department’s central office
4 for managing employee resources, including training
5 and development opportunities;

6 “(7) coordinate the Department’s human re-
7 source management system;

8 “(8) conduct efficiency reviews to determine if
9 components are implementing human capital pro-
10 grams and initiatives; and

11 “(9) identify and eliminate unnecessary and du-
12 plicative human capital policies and guidance.

13 “(c) COMPONENT STRATEGIES.—

14 “(1) IN GENERAL.—Each component of the De-
15 partment shall coordinate with the Chief Human
16 Capital Officer of the Department to develop or
17 maintain its own 5-year workforce strategy that will
18 support the Department’s goals, objectives, perform-
19 ance measures, and determination of the proper bal-
20 ance of Federal employees and private labor re-
21 sources.

22 “(2) STRATEGY REQUIREMENTS.—The Chief
23 Human Capital Officer shall ensure that, in the de-
24 velopment of the strategy required by subsection (c),
25 the head of the component reports to the Chief

1 Human Capital Officer on the human resources con-
2 siderations associated with creating additional Fed-
3 eral full-time equivalent positions, converting private
4 contractor positions to Federal employee positions,
5 or relying on the private sector for goods and serv-
6 ices, including—

7 “(A) hiring projections, including occupa-
8 tion and grade level, as well as corresponding
9 salaries, benefits, and hiring or retention bo-
10 nuses;

11 “(B) the identification of critical skills re-
12 quirements over the 5-year period, any current
13 or anticipated need for critical skills required at
14 the Department, and the training or other
15 measures required to address such need;

16 “(C) recruitment of qualified candidates
17 and retention of qualified employees;

18 “(D) supervisory and management require-
19 ments;

20 “(E) travel and related personnel support
21 costs;

22 “(F) the anticipated cost and impact on
23 mission performance associated with replacing
24 Federal personnel due to their retirement or
25 other attrition; and

1 “(G) other appropriate factors.

2 “(d) ANNUAL SUBMISSION.—The Secretary shall
3 provide to the appropriate congressional committees, to-
4 gether with submission of the annual budget justification,
5 information on the progress within the Department of ful-
6 filling the workforce strategies required under subsection
7 (c).”.

8 **SEC. 112. CHIEF SECURITY OFFICER.**

9 (a) IN GENERAL.—Title VII of the Homeland Secu-
10 rity Act of 2002 (6 U.S.C. 341 et seq.), as amended by
11 section 109(a) of this Act, is further amended by adding
12 at the end the following:

13 **“SEC. 709. CHIEF SECURITY OFFICER.**

14 “(a) IN GENERAL.—There is a Chief Security Officer
15 of the Department, who shall report directly to the Under
16 Secretary for Management.

17 “(b) RESPONSIBILITIES.—The Chief Security Officer
18 shall—

19 “(1) develop and implement the Department’s
20 security policies, programs, and standards;

21 “(2) identify training and provide education to
22 Department personnel on security-related matters;
23 and

24 “(3) provide support to Department compo-
25 nents on security-related matters.”.

1 (b) CLERICAL AMENDMENT.—The table of contents
2 in section 1(b) of such Act is further amended by adding
3 at the end of the items relating to such title the following:

“Sec. 709. Chief Security Officer.”.

4 **SEC. 113. COST SAVINGS AND EFFICIENCY REVIEWS.**

5 Not later than 1 year after the date of the enactment
6 of this Act, the Secretary of Homeland Security, acting
7 through the Under Secretary for Management of the De-
8 partment of Homeland Security, shall submit to the Com-
9 mittee on Homeland Security of the House of Representa-
10 tives and the Committee on Homeland Security and Gov-
11 ernmental Affairs of the Senate a report that—

12 (1) provides a detailed inventory of the manage-
13 ment and administrative expenditures and activities
14 of the components of the Department and identifies
15 potential cost savings and efficiencies for those ex-
16 penditures and activities of each such component;

17 (2) examines the size, experience level, and geo-
18 graphic distribution of the operational personnel of
19 the Department, including Customs and Border Pro-
20 tection officers, Border Patrol agents, Customs and
21 Border Protection Air and Marine agents, Customs
22 and Border Protection agriculture specialists, Fed-
23 eral Protective Service law enforcement security offi-
24 cers, Immigration and Customs Enforcement agents,
25 Transportation Security Administration officers,

1 Federal air marshals, and members of the Coast
2 Guard; and

3 (3) makes recommendations for adjustments in
4 the management and administration of the Depart-
5 ment that would reduce deficiencies in the Depart-
6 ment's capabilities, reduce costs, and enhance effi-
7 ciencies.

8 **SEC. 114. FIELD EFFICIENCIES PLAN.**

9 (1) IN GENERAL.—Not later than 270 days
10 after the date of the enactment of this Act, the Sec-
11 retary of Homeland Security shall submit to the
12 Committee on Homeland Security of the House of
13 Representatives and Committee on Homeland Secu-
14 rity and Governmental Affairs of the Senate a field
15 efficiencies plan that—

16 (A) examines the facilities and administra-
17 tive and logistics functions of components of the
18 Department of Homeland Security located with-
19 in designated geographic areas; and

20 (B) provides specific recommendations and
21 an associated cost-benefit analysis for the con-
22 solidation of the facilities and administrative
23 and logistics functions of components of the De-
24 partment within each designated geographic
25 area.

1 (2) CONTENTS.—The field efficiencies plan sub-
2 mitted under paragraph (1) shall include the fol-
3 lowing:

4 (A) An accounting of leases held by the
5 Department or its components that have ex-
6 pired in the current fiscal year or will be expir-
7 ing in the next fiscal year, that have begun or
8 been renewed in the current fiscal year, or that
9 the Department or its components plan to sign
10 or renew in the next fiscal year.

11 (B)(i) An evaluation for each designated
12 geographic area of specific facilities at which
13 components, or operational entities of compo-
14 nents, of the Department may be closed or con-
15 solidated, including consideration of when leases
16 expire or facilities owned by the Government
17 become available.

18 (ii) The evaluation shall include consider-
19 ation of potential consolidation with facilities of
20 other Federal, State, or local entities, includ-
21 ing—

22 (I) offices;

23 (II) warehouses;

24 (III) training centers;

25 (IV) housing;

1 (V) ports, shore facilities, and air-
2 fields;

3 (VI) laboratories; and

4 (VII) other assets as determined by
5 the Secretary.

6 (iii) The evaluation shall include the poten-
7 tial for the consolidation of administrative and
8 logistics functions, including—

9 (I) facility maintenance;

10 (II) fleet vehicle services;

11 (III) mail handling and shipping and
12 receiving;

13 (IV) facility security;

14 (V) procurement of goods and serv-
15 ices;

16 (VI) information technology and tele-
17 communications services and support; and

18 (VII) additional ways to improve unity
19 of effort and cost savings for field oper-
20 ations and related support activities as de-
21 termined by the Secretary.

22 (C) An implementation plan, including—

23 (i) near-term actions that can co-lo-
24 cate, consolidate, or dispose of property
25 within 24 months;

1 (ii) identifying long-term occupancy
2 agreements or leases that cannot be
3 changed without a significant cost to the
4 Government; and

5 (iii) how the Department can ensure
6 it has the capacity, in both personnel and
7 funds, needed to cover up-front costs to
8 achieve consolidation and efficiencies.

9 (D) An accounting of any consolidation in
10 the Department or its component's real estate
11 footprint, including the co-location of personnel
12 from different components, offices, and agencies
13 within the Department.

14 **SEC. 115. RESOURCES TO RESPOND TO OPERATIONAL**
15 **SURGES.**

16 On an annual basis, the Secretary of Homeland Secu-
17 rity shall provide to the Committee on Homeland Security
18 of the House of Representatives and the Committee on
19 Homeland Security and Governmental Affairs of the Sen-
20 ate information on the circumstances in which the Sec-
21 retary exercised the authority during the preceding year
22 to reprogram or transfer funds to address unforeseen
23 costs, including the costs associated with operational
24 surges, and information on any circumstances in which
25 limitations on the transfer or reprogramming of funds im-

1 pacted the Secretary’s ability to address such unforeseen
2 costs.

3 **SEC. 116. DEPARTMENT OF HOMELAND SECURITY ROTA-**
4 **TION PROGRAM.**

5 (a) ENHANCEMENTS TO THE ROTATION PROGRAM.—
6 Section 844(a) of the Homeland Security Act of 2002 (6
7 U.S.C. 414(a)) is amended as follows:

8 (1) In paragraph (1)—

9 (A) by striking “Not later than 180 days
10 after the date of enactment of this section, the”
11 and inserting “The”; and

12 (B) by striking “for employees of the De-
13 partment” and inserting “for certain personnel
14 within the Department”.

15 (2) In paragraph (2)—

16 (A) by redesignating subparagraphs (A)
17 through (G) as subparagraphs (C) through (I),
18 and inserting before subparagraph (C), as so
19 redesignated, the following:

20 “(A) seek to foster greater Departmental
21 integration and unity of effort;

22 “(B) seek to help enhance the knowledge,
23 skills, and abilities of participating personnel
24 with respect to the Department’s programs,
25 policies, and activities;”;

1 (B) in subparagraph (D), as so redesign-
2 nated, by striking “middle and senior level”;
3 and

4 (C) in subparagraph (G), as so redesign-
5 nated, by inserting before “invigorate” the fol-
6 lowing: “seek to improve morale and retention
7 throughout the Department and”.

8 (3) In paragraph (3)(B), by striking clause (iii)
9 and redesignating clauses (iv) through (viii) as
10 clauses (iii) through (vii).

11 (4) By redesignating paragraphs (4) and (5) as
12 paragraphs (5) and (6), and inserting after para-
13 graph (3) the following:

14 “(4) ADMINISTRATIVE MATTERS.—In carrying
15 out any program established pursuant to this sec-
16 tion, the Secretary shall—

17 “(A) before selecting employees for partici-
18 pation in such program, disseminate informa-
19 tion broadly within the Department about the
20 availability of the program, qualifications for
21 participation in the program, including full-time
22 employment within the employing component or
23 office not less than one year, and the general
24 provisions of the program;

1 “(B) require each candidate for participa-
2 tion in the program to be nominated by the
3 head of the candidate’s employing component or
4 office and that the Secretary, or the Secretary’s
5 designee, select each employee for the program
6 solely on the basis of relative ability, knowledge,
7 and skills, after fair and open competition that
8 assures that all candidates receive equal oppor-
9 tunity;

10 “(C) ensure that each employee partici-
11 pating in the program shall be entitled to re-
12 turn, within a reasonable period of time after
13 the end of the period of participation, to the po-
14 sition held by the employee, or a corresponding
15 or higher position, in the employee’s employing
16 component or office;

17 “(D) require that the rights that would be
18 available to the employee if the employee were
19 detailed from the employing component or office
20 to another Federal agency or office remain
21 available to the employee during the employee
22 participation in the program; and

23 “(E) require that, during the period of
24 participation by an employee in the program,
25 performance evaluations for the employee—

1 “(i) shall be conducted by officials in
2 the employee’s office or component with
3 input from the supervisors of the employee
4 at the component or office in which the
5 employee is placed during that period; and

6 “(ii) shall be provided the same
7 weight with respect to promotions and
8 other rewards as performance evaluations
9 for service in the employee’s office or com-
10 ponent.”.

11 (b) CONGRESSIONAL NOTIFICATION AND OVER-
12 SIGHT.—Not later than 120 days after the date of the en-
13 actment of this Act, the Secretary of Homeland Security
14 shall provide information to the Committee on Homeland
15 Security of the House of Representatives and the Com-
16 mittee on Homeland Security and Governmental Affairs
17 of the Senate about the status of the homeland security
18 rotation program authorized by section 844 of the Home-
19 land Security Act of 2002, as amended by this section.

20 **TITLE II—DHS ACQUISITION AC-**
21 **COUNTABILITY AND EFFI-**
22 **CIENCY**

23 **SEC. 201. DEFINITIONS.**

24 (a) IN GENERAL.—In this title:

1 (1) SECRETARY.—The term “Secretary” means
2 the Secretary of Homeland Security.

3 (2) DEPARTMENT.—The term “Department”
4 means the Department of Homeland Security.

5 (3) CONGRESSIONAL HOMELAND SECURITY
6 COMMITTEES.—The term “congressional homeland
7 security committees” means—

8 (A) the Committee on Homeland Security
9 of the House of Representatives and the Com-
10 mittee on Homeland Security and Govern-
11 mental Affairs of the Senate; and

12 (B) the Committee on Appropriations of
13 the House of Representatives and of the Sen-
14 ate.

15 (b) ADDITIONAL DEFINITIONS.—In this title:

16 (1) ACQUISITION.—The term “acquisition” has
17 the meaning provided in section 131 of title 41,
18 United States Code.

19 (2) BEST PRACTICES.—The term “best prac-
20 tices”, with respect to acquisition, means a knowl-
21 edge-based approach to capability development that
22 includes identifying and validating needs; assessing
23 alternatives to select the most appropriate solution;
24 clearly establishing well-defined requirements; devel-
25 oping realistic cost assessments and schedules; se-

1 curing stable funding that matches resources to re-
2 quirements; demonstrating technology, design, and
3 manufacturing maturity; using milestones and exit
4 criteria or specific accomplishments that dem-
5 onstrate progress; adopting and executing standard-
6 ized processes with known success across programs;
7 establishing an adequate workforce that is qualified
8 and sufficient to perform necessary functions; and
9 integrating these capabilities into the Department’s
10 mission and business operations.

11 (c) AMENDMENTS TO DEFINITIONS IN HOMELAND
12 SECURITY ACT OF 2002.—Section 2 of the Homeland Se-
13 curity Act of 2002 is amended—

14 (1) by striking “In this Act,” and inserting “(a)
15 IN GENERAL.—In this Act,”;

16 (2) in paragraph (2)—

17 (A) by inserting “(A)” after “(2)”; and

18 (B) by adding at the end the following new
19 subparagraph:

20 “(B) The term ‘congressional homeland security
21 committees’ means—

22 “(i) the Committee on Homeland Security
23 of the House of Representatives and the Com-
24 mittee on Homeland Security and Govern-
25 mental Affairs of the Senate; and

1 “(ii) the Committees on Appropriations of
2 the House of Representatives and of the Sen-
3 ate, where appropriate.”; and

4 (3) by adding at the end the following new sub-
5 section:

6 “(b) ACQUISITION-RELATED DEFINITIONS.—In this
7 Act, the following definitions apply:

8 “(1) ACQUISITION.—The term ‘acquisition’ has
9 the meaning provided in section 131 of title 41,
10 United States Code.

11 “(2) ACQUISITION DECISION AUTHORITY.—The
12 term ‘acquisition decision authority’ means the au-
13 thority, held by the Secretary acting through the
14 Deputy Secretary or Under Secretary for Manage-
15 ment—

16 “(A) to ensure compliance with Federal
17 law, the Federal Acquisition Regulation, and
18 Department acquisition management directives;

19 “(B) to review (including approving, halt-
20 ing, modifying, or cancelling) an acquisition
21 program through the life cycle of the program;

22 “(C) to ensure that program managers
23 have the resources necessary to successfully
24 execute an approved acquisition program;

1 “(D) to ensure good program management
2 of cost, schedule, risk, and system performance
3 of the acquisition, including assessing acquisi-
4 tion program baseline breaches and directing
5 any corrective action for such breaches; and

6 “(E) to ensure that program managers, on
7 an ongoing basis, monitor cost, schedule, and
8 performance against established baselines and
9 use tools to assess risks to a program at all
10 phases of the life cycle of the program to avoid
11 and mitigate acquisition program baseline
12 breaches.

13 “(3) ACQUISITION DECISION EVENT.—The term
14 ‘acquisition decision event’, with respect to an in-
15 vestment or acquisition program, means a predeter-
16 mined point within the acquisition phases of the in-
17 vestment or acquisition program at which the invest-
18 ment or acquisition program will undergo a review
19 prior to commencement of the next phase.

20 “(4) ACQUISITION DECISION MEMORANDUM.—
21 The term ‘acquisition decision memorandum’, with
22 respect to an acquisition, means the official acquisi-
23 tion decision event record that includes a docu-
24 mented record of decisions, exit criteria, and as-
25 signed actions for the acquisition as determined by

1 the person exercising acquisition decision authority
2 for the acquisition.

3 “(5) ACQUISITION PROGRAM BASELINE.—The
4 term ‘acquisition program baseline’, with respect to
5 an acquisition program, means a summary of the
6 cost, schedule, and performance parameters, ex-
7 pressed in standard, measurable, quantitative terms,
8 which must be met in order to accomplish the goals
9 of the program.

10 “(6) CAPABILITY DEVELOPMENT PLAN.—The
11 term ‘capability development plan’, with respect to a
12 proposed acquisition, means the document that the
13 Acquisition Review Board approves for the first ac-
14 quisition decision event related to validating the
15 need of a proposed acquisition.

16 “(7) COMPONENT ACQUISITION EXECUTIVE.—
17 The term ‘Component Acquisition Executive’ means
18 the senior acquisition official within a component
19 who is designated in writing by the Under Secretary
20 for Management, in consultation with the component
21 head, with authority and responsibility for leading a
22 process and staff to provide acquisition and program
23 management oversight, policy, and guidance to en-
24 sure that statutory, regulatory, and higher level pol-
25 icy requirements are fulfilled, including compliance

1 with Federal law, the Federal Acquisition Regula-
 2 tion, and Department acquisition management direc-
 3 tives established by the Under Secretary for Man-
 4 agement.

5 “(8) LIFE CYCLE COST.—The term ‘life cycle
 6 cost’, with respect to an acquisition program, means
 7 all costs associated with research, development, pro-
 8 curement, operation, integrated logistics support,
 9 and disposal under the program, including sup-
 10 porting infrastructure that plans, manages, and exe-
 11 cutes the program over its full life, and costs of com-
 12 mon support items incurred as a result of the pro-
 13 gram.

14 “(9) MAJOR ACQUISITION PROGRAM.—The term
 15 ‘major acquisition program’ means a Department
 16 acquisition program that is estimated by the Sec-
 17 retary to require an eventual total expenditure of at
 18 least \$300,000,000 (based on fiscal year 2015 con-
 19 stant dollars) over its life cycle cost.”.

20 **Subtitle A—Acquisition Authorities**

21 **SEC. 211. ACQUISITION AUTHORITIES FOR UNDER SEC-** 22 **RETARY FOR MANAGEMENT.**

23 Section 701 of the Homeland Security Act of 2002
 24 (6 U.S.C. 341), as amended by section 107 of this Act,
 25 is further amended by adding at the end the following:

1 “(e) ACQUISITION AND RELATED RESPONSIBIL-
2 ITIES.—

3 “(1) IN GENERAL.—Notwithstanding section
4 1702(b) of title 41, United States Code, the Under
5 Secretary for Management is the Chief Acquisition
6 Officer of the Department. As Chief Acquisition Of-
7 ficer, the Under Secretary shall have the authority
8 and perform the functions as specified in section
9 1702(b) of such title, and perform all other func-
10 tions and responsibilities delegated by the Secretary
11 or described in this subsection.

12 “(2) DUTIES AND RESPONSIBILITIES.—In addi-
13 tion to the authority and functions specified in sec-
14 tion 1702(b) of title 41, United States Code, the du-
15 ties and responsibilities of the Under Secretary for
16 Management related to acquisition include the fol-
17 lowing:

18 “(A) Advising the Secretary regarding ac-
19 quisition management activities, taking into ac-
20 count risks of failure to achieve cost, schedule,
21 or performance parameters, to ensure that the
22 Department achieves its mission through the
23 adoption of widely accepted program manage-
24 ment best practices and standards.

1 “(B) Exercising the acquisition decision
2 authority to approve, halt, modify (including
3 the rescission of approvals of program mile-
4 stones), or cancel major acquisition programs,
5 unless the Under Secretary delegates the au-
6 thority to a Component Acquisition Executive
7 pursuant to paragraph (3).

8 “(C) Establishing policies for acquisition
9 that implement an approach that takes into ac-
10 count risks of failure to achieve cost, schedule,
11 or performance parameters that all components
12 of the Department shall comply with, including
13 outlining relevant authorities for program man-
14 agers to effectively manage acquisition pro-
15 grams.

16 “(D) Ensuring that each major acquisition
17 program has a Department-approved acquisi-
18 tion program baseline, pursuant to the Depart-
19 ment’s acquisition management policy.

20 “(E) Ensuring that the heads of compo-
21 nents and Component Acquisition Executives
22 comply with Federal law, the Federal Acquisi-
23 tion Regulation, and Department acquisition
24 management directives.

1 “(F) Ensuring that grants and financial
2 assistance are provided only to individuals and
3 organizations that are not suspended or
4 debarred.

5 “(G) Distributing guidance throughout the
6 Department to ensure that contractors involved
7 in acquisitions, particularly companies that ac-
8 cess the Department’s information systems and
9 technologies, adhere to internal cybersecurity
10 policies established by the Department of
11 Homeland Security.

12 “(3) DELEGATION OF ACQUISITION DECISION
13 AUTHORITY.—

14 “(A) LEVEL 3 ACQUISITIONS.—The Under
15 Secretary for Management may delegate acqui-
16 sition decision authority in writing to the rel-
17 evant Component Acquisition Executive for an
18 acquisition program that has a life cycle cost
19 estimate of less than \$300,000,000.

20 “(B) LEVEL 2 ACQUISITIONS.—The Under
21 Secretary for Management may delegate acqui-
22 sition decision authority in writing to the rel-
23 evant Component Acquisition Executive for a
24 major acquisition program that has a life cycle
25 cost estimate of at least \$300,000,000 but not

1 more than \$1,000,000,000 if all of the following
2 requirements are met:

3 “(i) The component concerned pos-
4 sesses working policies, processes, and pro-
5 cedures that are consistent with Depart-
6 ment-level acquisition policy.

7 “(ii) The Component Acquisition Ex-
8 ecutive has adequate, experienced, dedi-
9 cated program management professional
10 staff commensurate with the size of the
11 delegated portfolio.

12 “(iii) Each major acquisition program
13 concerned has written documentation
14 showing that it has a Department-ap-
15 proved acquisition program baseline and it
16 is meeting agreed-upon cost, schedule, and
17 performance thresholds.

18 “(4) EXCLUDED PARTIES LIST SYSTEM CON-
19 SULTATION.—The Under Secretary for Management
20 shall require that all Department contracting and
21 procurement officials consult the Excluded Parties
22 List System (or successor system) as maintained by
23 the General Services Administration prior to award-
24 ing a contract or grant or entering into other trans-
25 actions to ascertain whether the selected contractor

1 is excluded from receiving Federal contracts, certain
2 subcontracts, and certain types of Federal financial
3 and nonfinancial assistance and benefits.

4 “(5) RELATIONSHIP TO UNDER SECRETARY
5 FOR SCIENCE AND TECHNOLOGY.—

6 “(A) IN GENERAL.—Nothing in this sub-
7 section shall diminish the authority granted to
8 the Under Secretary for Science and Tech-
9 nology under this Act. The Under Secretary for
10 Management and the Under Secretary for
11 Science and Technology shall cooperate in mat-
12 ters related to the coordination of acquisitions
13 across the Department so that investments of
14 the Directorate of Science and Technology can
15 support current and future requirements of the
16 components.

17 “(B) OPERATIONAL TESTING AND EVALUA-
18 TION.—The Under Secretary for Science and
19 Technology shall—

20 “(i) ensure, in coordination with rel-
21 evant component heads, that major acqui-
22 sition programs—

23 “(I) complete operational testing
24 and evaluation of technologies and
25 systems;

1 “(II) use independent verification
2 and validation of operational test and
3 evaluation implementation and re-
4 sults; and

5 “(III) document whether such
6 programs meet all performance re-
7 quirements included in their acquisi-
8 tion program baselines;

9 “(ii) ensure that such operational
10 testing and evaluation includes all system
11 components and incorporates operators
12 into the testing to ensure that systems per-
13 form as intended in the appropriate oper-
14 ational setting; and

15 “(iii) determine if testing conducted
16 by other Federal agencies and private enti-
17 ties is relevant and sufficient in deter-
18 mining whether systems perform as in-
19 tended in the operational setting.”.

20 **SEC. 212. ACQUISITION AUTHORITIES FOR CHIEF FINAN-**
21 **CIAL OFFICER.**

22 Section 702 of the Homeland Security Act of 2002
23 (6 U.S.C. 342), as amended by section 108 of this Act,
24 is further amended by adding at the end of subsection
25 (c)(2) the following new subparagraph:

1 “(J) Notwithstanding section 902 of title
2 31, United States Code, provide leadership over
3 financial management policy and programs for
4 the Department as they relate to the Depart-
5 ment’s acquisitions programs, in consultation
6 with the Under Secretary for Management.”.

7 **SEC. 213. ACQUISITION AUTHORITIES FOR CHIEF INFORMA-**
8 **TION OFFICER.**

9 Section 703 of the Homeland Security Act of 2002
10 (6 U.S.C. 343), as amended by section 110(a) of this Act,
11 is further amended by adding at the end the following new
12 subsection:

13 “(f) ACQUISITION RESPONSIBILITIES.—Notwith-
14 standing section 11315 of title 40, United States Code,
15 the acquisition responsibilities of the Chief Information
16 Officer, in consultation with the Under Secretary for Man-
17 agement, shall include the following:

18 “(1) Oversee the management of the Homeland
19 Security Enterprise Architecture and ensure that,
20 before each acquisition decision event, approved in-
21 formation technology acquisitions comply with de-
22 partmental information technology management
23 processes, technical requirements, and the Homeland
24 Security Enterprise Architecture, and in any case in
25 which information technology acquisitions do not

1 comply with the Department’s management direc-
2 tives, make recommendations to the Acquisition Re-
3 view Board regarding such noncompliance.

4 “(2) Be responsible for providing recommenda-
5 tions to the Acquisition Review Board established in
6 section 836 of this Act on information technology
7 programs, and be responsible for developing infor-
8 mation technology acquisition strategic guidance.”.

9 **SEC. 214. REQUIREMENTS TO ENSURE GREATER ACCOUNT-**
10 **ABILITY FOR ACQUISITION PROGRAMS.**

11 (a) IN GENERAL.—Title VII of the Homeland Secu-
12 rity Act of 2002 (6 U.S.C. 341 et seq.), as amended by
13 sections 109(a) and 112(a) of this Act, is further amended
14 by adding at the end the following:

15 **“SEC. 710. REQUIREMENTS TO ENSURE GREATER AC-**
16 **COUNTABILITY FOR ACQUISITION PRO-**
17 **GRAMS.**

18 “(a) REQUIREMENT TO ESTABLISH MECHANISM.—
19 Within the Management Directorate, the Under Secretary
20 for Management shall establish a mechanism to prioritize
21 improving the accountability, standardization, and trans-
22 parency of major acquisition programs of the Department
23 in order to increase opportunities for effectiveness and ef-
24 ficiencies and to serve as the central oversight function
25 of all Department acquisition programs.

1 “(b) RESPONSIBILITIES OF EXECUTIVE DIREC-
2 TOR.—The Under Secretary for Management shall des-
3 ignate an Executive Director to oversee the requirement
4 under subsection (a). The Executive Director shall report
5 directly to the Under Secretary and shall carry out the
6 following responsibilities:

7 “(1) Monitor the performance of Department
8 acquisition programs regularly between acquisition
9 decision events to identify problems with cost, per-
10 formance, or schedule that components may need to
11 address to prevent cost overruns, performance
12 issues, or schedule delays.

13 “(2) Assist the Under Secretary for Manage-
14 ment in managing the Department’s acquisition
15 portfolio.

16 “(3) Conduct oversight of individual acquisition
17 programs to implement Department acquisition pro-
18 gram policy, procedures, and guidance with a pri-
19 ority on ensuring the data it collects and maintains
20 from its components is accurate and reliable.

21 “(4) Serve as the focal point and coordinator
22 for the acquisition life cycle review process and as
23 the executive secretariat for the Acquisition Review
24 Board established under section 836 of this Act.

1 “(5) Advise the persons having acquisition deci-
2 sion authority in making acquisition decisions con-
3 sistent with all applicable laws and in establishing
4 clear lines of authority, accountability, and responsi-
5 bility for acquisition decisionmaking within the De-
6 partment.

7 “(6) Engage in the strategic planning and per-
8 formance evaluation process required under section
9 306 of title 5, United States Code, and sections
10 1105(a)(28), 1115, 1116, and 9703 of title 31,
11 United States Code, by supporting the Chief Pro-
12 curement Officer in developing strategies and spe-
13 cific plans for hiring, training, and professional de-
14 velopment in order to rectify any deficiency within
15 the Department’s acquisition workforce.

16 “(7) Oversee the Component Acquisition Execu-
17 tive structure to ensure it has sufficient capabilities
18 and complies with Department policies.

19 “(8) Develop standardized certification stand-
20 ards in consultation with the Component Acquisition
21 Executives for all acquisition program managers.

22 “(9) In the event that a program manager’s
23 certification or actions need review for purposes of
24 promotion or removal, provide input, in consultation
25 with the relevant Component Acquisition Executive,

1 into the relevant program manager’s performance
2 evaluation, and report positive or negative experi-
3 ences to the relevant certifying authority.

4 “(10) Provide technical support and assistance
5 to Department acquisitions and acquisition per-
6 sonnel in conjunction with the Chief Procurement
7 Officer.

8 “(11) Prepare the Department’s Comprehensive
9 Acquisition Status Report, as required by the De-
10 partment of Homeland Security Appropriations Act,
11 2013 (division D of Public Law 113–6; 127 Stat.
12 343) and section 840 of this Act, and make such re-
13 port available to congressional homeland security
14 committees.

15 “(12) Prepare the Department’s Quarterly Pro-
16 gram Accountability Report as required by section
17 840 of this Act, and make such report available to
18 the congressional homeland security committees.

19 “(c) RESPONSIBILITIES OF COMPONENTS.—Each
20 head of a component shall comply with Federal law, the
21 Federal Acquisition Regulation, and Department acquisi-
22 tion management directives established by the Under Sec-
23 retary for Management. For each major acquisition pro-
24 gram, each head of a component shall—

1 “(1) define baseline requirements and document
2 changes to those requirements, as appropriate;

3 “(2) establish a complete life cycle cost estimate
4 with supporting documentation, including an acquisition
5 program baseline;

6 “(3) verify each life cycle cost estimate against
7 independent cost estimates, and reconcile any differences;
8

9 “(4) complete a cost-benefit analysis with supporting
10 documentation;

11 “(5) develop and maintain a schedule that is
12 consistent with scheduling best practices as identified by the
13 Comptroller General of the United States, including, in appropriate cases, an integrated
14 master schedule; and
15

16 “(6) ensure that all acquisition program information provided by the component is complete, accurate,
17 rate, timely, and valid.
18

19 **“SEC. 711. ACQUISITION DOCUMENTATION.**

20 “(a) IN GENERAL.—For each major acquisition program, the Executive Director responsible for the preparation
21 of the Comprehensive Acquisition Status Report, pursuant to paragraph (11) of section 710(b), shall require
22 certain acquisition documentation to be submitted by Department components or offices.
23
24
25

1 “(b) WAIVER.—The Secretary may waive the require-
2 ment for submission under subsection (a) for a program
3 for a fiscal year if either—

4 “(1) the program has not—

5 “(A) entered the full rate production phase
6 in the acquisition life cycle;

7 “(B) had a reasonable cost estimate estab-
8 lished; and

9 “(C) had a system configuration defined
10 fully; or

11 “(2) the program does not meet the definition
12 of ‘capital asset’, as defined by the Director of the
13 Office of Management and Budget.

14 “(c) CONGRESSIONAL OVERSIGHT.—At the same
15 time the President’s budget is submitted for a fiscal year
16 under section 1105(a) of title 31, United States Code, the
17 Secretary shall submit to the Committee on Homeland Se-
18 curity of the House of Representatives and Committee on
19 Homeland Security and Governmental Affairs of the Sen-
20 ate information on the exercise of authority under sub-
21 section (b) in the prior fiscal year that includes the fol-
22 lowing specific information regarding each program for
23 which a waiver is issued under subsection (b):

24 “(1) The grounds for granting a waiver for that
25 program.

1 “(2) The projected cost of that program.

2 “(3) The proportion of a component’s annual
3 acquisition budget attributed to that program, as
4 available.

5 “(4) Information on the significance of the pro-
6 gram with respect to the component’s operations and
7 execution of its mission.”.

8 (b) CLERICAL AMENDMENT.—The table of contents
9 in section 1(b) of the Homeland Security Act of 2002 (6
10 U.S.C. 101 et seq.) is further amended by adding after
11 the item relating to section 709 the following new item:

“Sec. 710. Requirements to ensure greater accountability for acquisition pro-
grams.

“Sec. 711. Acquisition documentation.”.

12 **Subtitle B—Acquisition Program** 13 **Management Discipline**

14 **SEC. 221. ACQUISITION REVIEW BOARD.**

15 (a) IN GENERAL.—Subtitle D of title VIII of the
16 Homeland Security Act of 2002 (6 U.S.C. 391 et seq.)
17 is amended by adding at the end the following new section:

18 **“SEC. 836. ACQUISITION REVIEW BOARD.**

19 “(a) IN GENERAL.—The Secretary shall establish an
20 Acquisition Review Board (in this section referred to as
21 the ‘Board’) to strengthen accountability and uniformity
22 within the Department acquisition review process, review
23 major acquisition programs, and review the use of best
24 practices.

1 “(b) COMPOSITION.—The Deputy Secretary or Under
2 Secretary for Management shall serve as chair of the
3 Board. The Secretary shall also ensure participation by
4 other relevant Department officials, including at least 2
5 component heads or their designees, as permanent mem-
6 bers of the Board.

7 “(c) MEETINGS.—The Board shall meet every time
8 a major acquisition program needs authorization to pro-
9 ceed from acquisition decision events through the acquisi-
10 tion life cycle and to consider any major acquisition pro-
11 gram in breach as necessary. The Board may also be con-
12 vened for non-major acquisitions that are deemed high-
13 risk by the Executive Director referred to in section
14 710(b) of this Act. The Board shall also meet regularly
15 for purposes of ensuring all acquisitions processes proceed
16 in a timely fashion to achieve mission readiness.

17 “(d) RESPONSIBILITIES.—The responsibilities of the
18 Board are as follows:

19 “(1) Determine whether a proposed acquisition
20 has met the requirements of key phases of the acqui-
21 sition life cycle framework and is able to proceed to
22 the next phase and eventual full production and de-
23 ployment.

1 “(2) Oversee executable business strategy, re-
2 sources, management, accountability, and alignment
3 to strategic initiatives.

4 “(3) Support the person with acquisition deci-
5 sion authority for an acquisition in determining the
6 appropriate direction for the acquisition at key ac-
7 quisition decision events.

8 “(4) Conduct systematic reviews of acquisitions
9 to ensure that they are progressing in compliance
10 with the approved documents for their current acqui-
11 sition phase.

12 “(5) Review the acquisition documents of each
13 major acquisition program, including the acquisition
14 program baseline and documentation reflecting con-
15 sideration of tradeoffs among cost, schedule, and
16 performance objectives, to ensure the reliability of
17 underlying data.

18 “(6) Ensure that practices are adopted and im-
19 plemented to require consideration of trade-offs
20 among cost, schedule, and performance objectives as
21 part of the process for developing requirements for
22 major acquisition programs prior to the initiation of
23 the second acquisition decision event, including, at a
24 minimum, the following practices:

1 “(A) Department officials responsible for
2 acquisition, budget, and cost estimating func-
3 tions are provided with the appropriate oppor-
4 tunity to develop estimates and raise cost and
5 schedule matters before performance objectives
6 are established for capabilities when feasible.

7 “(B) Full consideration of possible trade-
8 offs among cost, schedule, and performance ob-
9 jectives for each alternative is considered.

10 “(e) ACQUISITION PROGRAM BASELINE REPORT RE-
11 QUIREMENT.—If the person exercising acquisition decision
12 authority over a major acquisition program approves the
13 program to proceed into the planning phase before it has
14 a Department-approved acquisition program baseline,
15 then the Under Secretary for Management shall create
16 and approve an acquisition program baseline report on the
17 decision, and the Secretary shall—

18 “(1) within 7 days after an acquisition decision
19 memorandum is signed, notify in writing the con-
20 gressional homeland security committees of such de-
21 cision; and

22 “(2) within 60 days after the acquisition deci-
23 sion memorandum is signed, submit a report to such
24 committees stating the rationale for the decision and

1 a plan of action to require an acquisition program
2 baseline for the program.

3 “(f) BEST PRACTICES DEFINED.—In this section,
4 the term ‘best practices’ has the meaning provided in sec-
5 tion 4(b) of the DHS Headquarters Reform and Improve-
6 ment Act of 2015.”.

7 (b) CLERICAL AMENDMENT.—The table of contents
8 in section 1(b) of the Homeland Security Act of 2002 (6
9 U.S.C. 101 et seq.) is further amended by adding after
10 the item relating to section 835 the following new item:

“Sec. 836. Acquisition Review Board.”.

11 **SEC. 222. REQUIREMENTS TO REDUCE DUPLICATION IN AC-**
12 **QUISITION PROGRAMS.**

13 (a) IN GENERAL.—Subtitle D of title VIII of the
14 Homeland Security Act of 2002 (6 U.S.C. 391 et seq.)
15 is further amended by adding at the end the following new
16 section:

17 **“SEC. 837. REQUIREMENTS TO REDUCE DUPLICATION IN**
18 **ACQUISITION PROGRAMS.**

19 “(a) REQUIREMENT TO ESTABLISH POLICIES.—In
20 an effort to reduce unnecessary duplication and ineffi-
21 ciency for all Department investments, including major ac-
22 quisition programs, the Deputy Secretary, in consultation
23 with the Under Secretary for Management, shall establish
24 Department-wide policies to integrate all phases of the in-
25 vestment life cycle and help the Department identify, vali-

1 date, and prioritize common component requirements for
2 major acquisition programs in order to increase opportuni-
3 ties for effectiveness and efficiencies. The policies shall
4 also include strategic alternatives for developing and facili-
5 tating a Department component-driven requirements proc-
6 ess that includes oversight of a development test and eval-
7 uation capability; identification of priority gaps and over-
8 laps in Department capability needs; and provision of fea-
9 sible technical alternatives, including innovative commer-
10 cially available alternatives, to meet capability needs.

11 “(b) MECHANISMS TO CARRY OUT REQUIREMENT.—
12 The Under Secretary for Management shall coordinate the
13 actions necessary to carry out subsection (a), using such
14 mechanisms as considered necessary by the Secretary to
15 help the Department reduce unnecessary duplication and
16 inefficiency for all Department investments, including
17 major acquisition programs.

18 “(c) COORDINATION.—In coordinating the actions
19 necessary to carry out subsection (a), the Deputy Sec-
20 retary shall consult with the Under Secretary for Manage-
21 ment, Component Acquisition Executives, and any other
22 Department officials, including the Under Secretary for
23 Science and Technology or his designee, with specific
24 knowledge of Department or component acquisition capa-

1 bilities to prevent unnecessary duplication of require-
2 ments.

3 “(d) ADVISORS.—The Deputy Secretary, in consulta-
4 tion with the Under Secretary for Management, shall seek
5 and consider input within legal and ethical boundaries
6 from members of Federal, State, local, and tribal govern-
7 ments, nonprofit organizations, and the private sector, as
8 appropriate, on matters within their authority and exper-
9 tise in carrying out the Department’s mission.

10 “(e) MEETINGS.—The Deputy Secretary, in consulta-
11 tion with the Under Secretary for Management, shall meet
12 at least quarterly and communicate with components often
13 to ensure that components do not overlap or duplicate
14 spending or activities on major investments and acquisi-
15 tion programs within their areas of responsibility.

16 “(f) RESPONSIBILITIES.—In carrying out this sec-
17 tion, the responsibilities of the Deputy Secretary, in con-
18 sultation with the Under Secretary for Management, are
19 as follows:

20 “(1) To review and validate the requirements
21 documents of major investments and acquisition pro-
22 grams prior to acquisition decision events of the in-
23 vestments or programs.

24 “(2) To ensure the requirements and scope of
25 a major investment or acquisition program are sta-

1 ble, measurable, achievable, at an acceptable risk
2 level, and match the resources planned to be avail-
3 able.

4 “(3) Before any entity of the Department
5 issues a solicitation for a new contract, coordinate
6 with other Department entities as appropriate to
7 prevent unnecessary duplication and inefficiency
8 and—

9 “(A) to implement portfolio reviews to
10 identify common mission requirements and
11 crosscutting opportunities among components
12 to harmonize investments and requirements and
13 prevent unnecessary overlap and duplication
14 among components; and

15 “(B) to the extent practicable, to stand-
16 ardize equipment purchases, streamline the ac-
17 quisition process, improve efficiencies, and con-
18 duct best practices for strategic sourcing.

19 “(4) To ensure program managers of major in-
20 vestments and acquisition programs conduct anal-
21 yses, giving particular attention to factors such as
22 cost, schedule, risk, performance, and operational ef-
23 ficiency in order to determine that programs work as
24 intended within cost and budget expectations.

1 “(5) To propose schedules for delivery of the
2 operational capability needed to meet each Depart-
3 ment investment and major acquisition program.

4 “(g) BEST PRACTICES DEFINED.—In this section,
5 the term ‘best practices’ has the meaning provided in sec-
6 tion 4(b) of the DHS Headquarters Reform and Improve-
7 ment Act of 2015.”.

8 (b) CLERICAL AMENDMENT.—The table of contents
9 in section 1(b) of the Homeland Security Act of 2002 (6
10 U.S.C. 101 et seq.) is further amended by adding after
11 the item relating to section 836 the following new item:

 “Sec. 837. Requirements to reduce duplication in acquisition programs.”.

12 **SEC. 223. GOVERNMENT ACCOUNTABILITY OFFICE REVIEW**
13 **OF BOARD AND OF REQUIREMENTS TO RE-**
14 **DUCE DUPLICATION IN ACQUISITION PRO-**
15 **GRAMS.**

16 (a) REVIEW REQUIRED.—The Comptroller General
17 of the United States shall conduct a review of the effec-
18 tiveness of the Acquisition Review Board established
19 under section 836 of the Homeland Security Act of 2002
20 (as added by section 221) and the requirements to reduce
21 unnecessary duplication in acquisition programs estab-
22 lished under section 837 of such Act (as added by section
23 222) in improving the Department’s acquisition manage-
24 ment process.

1 (b) SCOPE OF REPORT.—The review shall include the
2 following:

3 (1) An assessment of the effectiveness of the
4 Board in increasing program management oversight,
5 best practices and standards, and discipline among
6 the components of the Department, including in
7 working together and in preventing overlap and un-
8 necessary duplication.

9 (2) An assessment of the effectiveness of the
10 Board in instilling program management discipline.

11 (3) A statement of how regularly each major
12 acquisition program is reviewed by the Board, how
13 often the Board stops major acquisition programs
14 from moving forward in the phases of the acquisition
15 life cycle process, and the number of major acquisi-
16 tion programs that have been halted because of
17 problems with operational effectiveness, schedule
18 delays, or cost overruns.

19 (4) An assessment of the effectiveness of the
20 Board in impacting acquisition decisionmaking with-
21 in the Department, including the degree to which
22 the Board impacts decisionmaking within other
23 headquarters mechanisms and bodies involved in the
24 administration of acquisition activities.

1 (c) REPORT REQUIRED.—The Comptroller General
2 shall submit to the congressional homeland security com-
3 mittees a report on the review required by this section not
4 later than 1 year after the date of the enactment of this
5 Act. The report shall be submitted in unclassified form
6 but may include a classified annex.

7 **SEC. 224. EXCLUDED PARTY LIST SYSTEM WAIVERS.**

8 The Secretary of Homeland Security shall provide no-
9 tification to the congressional homeland security commit-
10 tees within 5 days after the issuance of a waiver by the
11 Secretary of Federal requirements that an agency not en-
12 gage in business with a contractor in the Excluded Party
13 List System (or successor system) as maintained by the
14 General Services Administration and an explanation for
15 a finding by the Secretary that a compelling reason exists
16 for this action.

17 **SEC. 225. INSPECTOR GENERAL OVERSIGHT OF SUSPEN-**
18 **SION AND DEBARMENT.**

19 The Inspector General of the Department of Home-
20 land Security—

21 (1) may audit decisions about grant and pro-
22 curement awards to identify instances where a con-
23 tract or grant was improperly awarded to a sus-
24 pended or debarred entity and whether corrective ac-
25 tions were taken to prevent recurrence; and

1 (2) shall review the suspension and debarment
 2 program throughout the Department of Homeland
 3 Security to assess whether suspension and debar-
 4 ment criteria are consistently applied throughout the
 5 Department and whether disparities exist in the ap-
 6 plication of such criteria, particularly with respect to
 7 business size and categories.

8 **Subtitle C—Acquisition Program**
 9 **Management Accountability and**
 10 **Transparency**

11 **SEC. 231. CONGRESSIONAL NOTIFICATION AND OTHER RE-**
 12 **QUIREMENTS FOR MAJOR ACQUISITION PRO-**
 13 **GRAM BREACH.**

14 (a) IN GENERAL.—Subtitle D of title VIII of the
 15 Homeland Security Act of 2002 (6 U.S.C. 391 et seq.)
 16 is further amended by adding at the end the following new
 17 section:

18 **“SEC. 838. CONGRESSIONAL NOTIFICATION AND OTHER RE-**
 19 **QUIREMENTS FOR MAJOR ACQUISITION PRO-**
 20 **GRAM BREACH.**

21 “(a) BREACH DEFINED.—The term ‘breach’, with re-
 22 spect to a major acquisition program, means a failure to
 23 meet any cost, schedule, or performance parameter speci-
 24 fied in the acquisition program baseline.

1 “(b) REQUIREMENTS WITHIN DEPARTMENT IF
2 BREACH OCCURS.—

3 “(1) NOTIFICATIONS.—

4 “(A) NOTIFICATION OF BREACH.—If a
5 breach occurs in a major acquisition program,
6 the program manager for that program shall
7 notify the Component Acquisition Executive for
8 the program, the head of the component con-
9 cerned, the Executive Director referred to in
10 section 710(b) of this Act, the Under Secretary
11 for Management, and the Deputy Secretary.

12 “(B) NOTIFICATION TO SECRETARY.—If a
13 major acquisition program has a breach with a
14 cost overrun greater than 15 percent or a
15 schedule delay greater than 180 days from the
16 costs or schedule set forth in the acquisition
17 program baseline for the program, the Sec-
18 retary and the Inspector General of the Depart-
19 ment shall be notified not later than 5 business
20 days after the breach is identified.

21 “(2) REMEDIATION PLAN AND ROOT CAUSE
22 ANALYSIS.—

23 “(A) IN GENERAL.—In the case of a
24 breach with a cost overrun greater than 15 per-
25 cent or a schedule delay greater than 180 days

1 from the costs or schedule set forth in the ac-
2 quisition program baseline, a remediation plan
3 and root cause analysis is required, and the
4 Under Secretary for Management or his des-
5 ignee shall establish a date for submission with-
6 in the Department of a breach remediation plan
7 and root cause analysis in accordance with this
8 subsection.

9 “(B) REMEDIATION PLAN.—The remedi-
10 ation plan required under this subsection shall
11 be submitted in writing to the head of the com-
12 ponent concerned, the Executive Director re-
13 ferred to in section 710(b) of this Act, and the
14 Under Secretary for Management. The plan
15 shall—

16 “(i) explain the circumstances of the
17 breach;

18 “(ii) provide prior cost estimating in-
19 formation;

20 “(iii) propose corrective action to con-
21 trol cost growth, schedule delays, or per-
22 formance issues;

23 “(iv) in coordination with Component
24 Acquisition Executive, discuss all options
25 considered, including the estimated impact

1 on cost, schedule, or performance of the
2 program if no changes are made to current
3 requirements, the estimated cost of the
4 program if requirements are modified, and
5 the extent to which funding from other
6 programs will need to be reduced to cover
7 the cost growth of the program; and

8 “(v) explain the rationale for why the
9 proposed corrective action is recommended.

10 “(C) ROOT CAUSE ANALYSIS.—The root
11 cause analysis required under this subsection
12 shall determine the underlying cause or causes
13 of shortcomings in cost, schedule, or perform-
14 ance of the program, including the role, if any,
15 of the following:

16 “(i) Unrealistic performance expecta-
17 tions.

18 “(ii) Unrealistic baseline estimates for
19 cost or schedule or changes in program re-
20 quirements.

21 “(iii) Immature technologies or exces-
22 sive manufacturing or integration risk.

23 “(iv) Unanticipated design, engineer-
24 ing, manufacturing, or technology integra-

1 tion issues arising during program per-
2 formance.

3 “(v) Changes in procurement quan-
4 tities.

5 “(vi) Inadequate program funding or
6 changes in planned out-year funding from
7 1 5-year funding plan to the next 5-year
8 funding plan as outlined in the Future
9 Years Homeland Security Program re-
10 quired under section 874 of this Act.

11 “(vii) Legislative, legal, or regulatory
12 changes.

13 “(viii) Inadequate program manage-
14 ment personnel, including lack of training,
15 credentials, certifications, or use of best
16 practices.

17 “(3) CORRECTION OF BREACH.—The Under
18 Secretary for Management or his designee shall es-
19 tablish a date for submission within the Department
20 of a program of corrective action that ensures that
21 1 of the following actions has occurred:

22 “(A) The breach has been corrected and
23 the program is again in compliance with the
24 original acquisition program baseline param-
25 eters.

1 “(B) A revised acquisition program base-
2 line has been approved.

3 “(C) The program has been halted or can-
4 celled.

5 “(c) REQUIREMENTS RELATING TO CONGRESSIONAL
6 NOTIFICATION IF BREACH OCCURS.—

7 “(1) NOTIFICATION TO CONGRESS.—If a notifi-
8 cation is made under subsection (b)(1)(B) for a
9 breach in a major acquisition program with a cost
10 overrun greater than 15 percent or a schedule delay
11 greater than 180 days from the costs or schedule set
12 forth in the acquisition program baseline, or with an
13 anticipated failure for any key performance thresh-
14 old or parameter specified in the acquisition pro-
15 gram baseline, the Under Secretary for Management
16 shall notify the congressional homeland security
17 committees of the breach in the next quarterly Com-
18 prehensive Acquisition Status Report after the
19 Under Secretary for Management receives the notifi-
20 cation from the program manager under subsection
21 (b)(1)(B).

22 “(2) SUBSTANTIAL VARIANCES IN COSTS OR
23 SCHEDULE.—If a likely cost overrun is greater than
24 20 percent or a likely delay is greater than 12
25 months from the costs and schedule set forth in the

1 acquisition program baseline for a major acquisition
2 program, the Under Secretary for Management shall
3 include in the notification required in (c)(1) a writ-
4 ten certification, with supporting explanation, that—

5 “(A) the acquisition is essential to the ac-
6 complishment of the Department’s mission;

7 “(B) there are no alternatives to such ca-
8 pability or asset that will provide equal or
9 greater capability in both a more cost-effective
10 and timely manner;

11 “(C) the new acquisition schedule and esti-
12 mates for total acquisition cost are reasonable;
13 and

14 “(D) the management structure for the ac-
15 quisition program is adequate to manage and
16 control performance, cost, and schedule.

17 “(3) SUBMISSIONS TO CONGRESS.—Not later
18 than 30 calendar days after submission to such com-
19 mittees of a breach notification under paragraph (1)
20 of this section for a major acquisition program, the
21 Under Secretary for Management shall submit to
22 such committees the following:

23 “(A) A copy of the remediation plan and
24 the root cause analysis prepared under sub-
25 section (b)(2) for the program.

1 “(B) A statement describing the corrective
2 action or actions that have occurred pursuant
3 to subsection (b)(3) for the program, with a
4 justification for the action or actions.

5 “(d) ADDITIONAL ACTIONS IF BREACH OCCURS.—

6 “(1) PROHIBITION ON OBLIGATION OF
7 FUNDS.—During the 90-day period following sub-
8 mission under subsection (c)(3) of a remediation
9 plan, root cause analysis, and statement of corrective
10 actions with respect to a major acquisition program,
11 the Under Secretary for Management shall submit a
12 certification described in paragraph (2) of this sub-
13 section to the congressional homeland security com-
14 mittees. If the Under Secretary for Management
15 does not submit such certification by the end of such
16 90-day period, then funds appropriated to the major
17 acquisition program shall not be obligated until the
18 Under Secretary for Management submits such cer-
19 tification.

20 “(2) CERTIFICATION.—For purposes of para-
21 graph (1), the certification described in this para-
22 graph is a certification that—

23 “(A) the Department has adjusted or re-
24 structured the program in a manner that ad-

1 dresses the root cause or causes of the cost
2 growth in the program; and

3 “(B) the Department has conducted a
4 thorough review of the breached program’s ac-
5 quisition decision event approvals and the cur-
6 rent acquisition decision event approval for the
7 breached program has been adjusted as nec-
8 essary to account for the restructured pro-
9 gram.”.

10 (b) CLERICAL AMENDMENT.—The table of contents
11 in section 1(b) of the Homeland Security Act of 2002 (6
12 U.S.C. 101 et seq.) is further amended by adding after
13 the item relating to section 837 the following new item:

“Sec. 838. Congressional notification and other requirements for major acqui-
sition program breach.”.

14 **SEC. 232. MULTIYEAR ACQUISITION STRATEGY.**

15 (a) IN GENERAL.—

16 (1) AMENDMENT.—Subtitle D of title VIII of
17 the Homeland Security Act of 2002 (6 U.S.C. 391
18 et seq.) is further amended by adding at the end the
19 following new section:

20 **“SEC. 839. MULTIYEAR ACQUISITION STRATEGY.**

21 “(a) MULTIYEAR ACQUISITION STRATEGY RE-
22 QUIRED.—Not later than 1 year after the date of the en-
23 actment of this section, the Secretary shall submit to the
24 appropriate homeland security committees a multiyear ac-

1 quisition strategy to guide the overall direction of the ac-
2 quisitions of the Department while allowing flexibility to
3 deal with ever-changing threats and risks and to help in-
4 dustry better understand, plan, and align resources to
5 meet the future acquisition needs of the Department. The
6 strategy shall be updated and included in each Future
7 Years Homeland Security Program required under section
8 874 of this Act.

9 “(b) CONSULTATION.—In developing the strategy,
10 the Secretary shall consult with others as the Secretary
11 deems appropriate, including headquarters, components,
12 employees in the field, and when appropriate, individuals
13 from industry and the academic community.

14 “(c) FORM OF STRATEGY.—The report shall be sub-
15 mitted in unclassified form but may include a classified
16 annex for any sensitive or classified information if nec-
17 essary. The Department also shall publish the plan in an
18 unclassified format that is publicly available.

19 “(d) CONTENTS OF STRATEGY.—The strategy shall
20 include the following:

21 “(1) PRIORITIZED LIST.—A systematic and in-
22 tegrated prioritized list developed by the Under Sec-
23 retary for Management or his designee in coordina-
24 tion with all of the Component Acquisition Execu-
25 tives of Department major acquisition programs that

1 Department and component acquisition investments
2 seek to address, that includes the expected security
3 and economic benefit of the program or system and
4 an analysis of how the security and economic benefit
5 derived from the program or system will be meas-
6 ured.

7 “(2) INVENTORY.—A plan to develop a reliable
8 Department-wide inventory of investments and real
9 property assets to help the Department plan, budg-
10 et, schedule, and acquire upgrades of its systems
11 and equipment and plan for the acquisition and
12 management of future systems and equipment.

13 “(3) FUNDING GAPS.—A plan to address fund-
14 ing gaps between funding requirements for major ac-
15 quisition programs and known available resources in-
16 cluding, to the maximum extent practicable, ways of
17 leveraging best practices to identify and eliminate
18 overpayment for items to prevent wasteful pur-
19 chasing, achieve the greatest level of efficiency and
20 cost savings by rationalizing purchases, aligning
21 pricing for similar items, and utilizing purchase tim-
22 ing and economies of scale.

23 “(4) IDENTIFICATION OF CAPABILITIES.—An
24 identification of test, evaluation, modeling, and sim-
25 ulation capabilities that will be required to support

1 the acquisition of the technologies to meet the needs
2 of the plan and ways to leverage to the greatest ex-
3 tent possible the emerging technology trends and re-
4 search and development trends within the public and
5 private sectors and an identification of ways to en-
6 sure that the appropriate technology is acquired and
7 integrated into the Department's operating doctrine
8 and procured in ways that improve mission perform-
9 ance.

10 “(5) FOCUS ON FLEXIBLE SOLUTIONS.—An as-
11 sessment of ways the Department can improve its
12 ability to test and acquire innovative solutions to
13 allow needed incentives and protections for appro-
14 priate risk-taking in order to meet its acquisition
15 needs with resiliency, agility, and responsiveness to
16 assure the Nation's homeland security and facilitate
17 trade.

18 “(6) FOCUS ON INCENTIVES TO SAVE TAX-
19 PAYER DOLLARS.—An assessment of ways the De-
20 partment can develop incentives for program man-
21 agers and senior Department acquisition officials to
22 prevent cost overruns, avoid schedule delays, and
23 achieve cost savings in major acquisition programs.

24 “(7) FOCUS ON ADDRESSING DELAYS AND BID
25 PROTESTS.—An assessment of ways the Department

1 can improve the acquisition process to minimize cost
2 overruns in requirements development, procurement
3 announcements, requests for proposals, evaluation of
4 proposals, protests of decisions and awards and
5 through the use of best practices as defined in sec-
6 tion 4(b) of the DHS Headquarters Reform and Im-
7 provement Act of 2015 and lessons learned by the
8 Department and other Federal agencies.

9 “(8) FOCUS ON IMPROVING OUTREACH.—An
10 identification and assessment of ways to increase op-
11 portunities for communication and collaboration with
12 industry, small and disadvantaged businesses, intra-
13 government entities, university centers of excellence,
14 accredited certification and standards development
15 organizations, and national laboratories to ensure
16 that the Department understands the market for
17 technologies, products, and innovation that is avail-
18 able to meet its mission needs to inform the require-
19 ments-setting process and before engaging in an ac-
20 quisition, including—

21 “(A) methods designed especially to engage
22 small and disadvantaged businesses and a cost-
23 benefit analysis of the tradeoffs that small and
24 disadvantaged businesses provide, barriers to
25 entry for small and disadvantaged businesses,

1 and unique requirements for small and dis-
2 advantaged businesses; and

3 “(B) within the Department Vendor Com-
4 munication Plan and Market Research Guide,
5 instructions for interaction by program man-
6 agers with such entities to prevent misinter-
7 pretation of acquisition regulations and to per-
8 mit freedom within legal and ethical boundaries
9 for program managers to interact with such
10 businesses with transparency.

11 “(9) COMPETITION.—A plan regarding competi-
12 tion as described in subsection (e).

13 “(10) ACQUISITION WORKFORCE.—A plan re-
14 garding the Department acquisition workforce as de-
15 scribed in subsection (f).

16 “(11) FEASIBILITY OF WORKFORCE DEVELOP-
17 MENT FUND PILOT PROGRAM.—An assessment of
18 the feasibility of conducting a pilot program to es-
19 tablish an acquisition workforce development fund as
20 described in subsection (g).

21 “(e) COMPETITION PLAN.—The strategy shall also
22 include a plan (referred to in subsection (d)(9)) that shall
23 address actions to ensure competition, or the option of
24 competition, for major acquisition programs. The plan

1 may include assessments of the following measures in ap-
2 propriate cases if such measures are cost effective:

3 “(1) Competitive prototyping.

4 “(2) Dual-sourcing.

5 “(3) Unbundling of contracts.

6 “(4) Funding of next-generation prototype sys-
7 tems or subsystems.

8 “(5) Use of modular, open architectures to en-
9 able competition for upgrades.

10 “(6) Acquisition of complete technical data
11 packages.

12 “(7) Periodic competitions for subsystem up-
13 grades.

14 “(8) Licensing of additional suppliers, including
15 small businesses.

16 “(9) Periodic system or program reviews to ad-
17 dress long-term competitive effects of program deci-
18 sions.

19 “(f) ACQUISITION WORKFORCE PLAN.—

20 “(1) ACQUISITION WORKFORCE.—The strategy
21 shall also include a plan (referred to in subsection
22 (d)(10)) to address Department acquisition work-
23 force accountability and talent management that
24 identifies the acquisition workforce needs of each
25 component performing acquisition functions and de-

1 develops options for filling those needs with qualified
2 individuals, including a cost-benefit analysis of con-
3 tracting for acquisition assistance.

4 “(2) ADDITIONAL MATTERS COVERED.—The
5 acquisition workforce plan shall address ways to—

6 “(A) improve the recruitment, hiring,
7 training, and retention of Department acquisi-
8 tion workforce personnel, including contracting
9 officer’s representatives, in order to retain high-
10 ly qualified individuals that have experience in
11 the acquisition life cycle, complex procurements,
12 and management of large programs;

13 “(B) empower program managers to have
14 the authority to manage their programs in an
15 accountable and transparent manner as they
16 work with the acquisition workforce;

17 “(C) prevent duplication within Depart-
18 ment acquisition workforce training and certifi-
19 cation requirements through leveraging already-
20 existing training within the Federal Govern-
21 ment, academic community, or private industry;

22 “(D) achieve integration and consistency
23 with Government-wide training and accredita-
24 tion standards, acquisition training tools, and
25 training facilities;

1 “(E) designate the acquisition positions
2 that will be necessary to support the Depart-
3 ment acquisition requirements, including in the
4 fields of—

5 “(i) program management;

6 “(ii) systems engineering;

7 “(iii) procurement, including con-
8 tracting;

9 “(iv) test and evaluation;

10 “(v) life cycle logistics;

11 “(vi) cost estimating and program fi-
12 nancial management; and

13 “(vii) additional disciplines appro-
14 priate to Department mission needs;

15 “(F) strengthen the performance of con-
16 tracting officer’s representatives (as defined in
17 subpart 1.602–2 and subpart 2.101 of the Fed-
18 eral Acquisition Regulation), including by—

19 “(i) assessing the extent to which con-
20 tracting officer’s representatives are cer-
21 tified and receive training that is appro-
22 priate;

23 “(ii) determining what training is
24 most effective with respect to the type and
25 complexity of assignment; and

1 “(iii) implementing actions to improve
2 training based on such assessment; and

3 “(G) identify ways to increase training for
4 relevant investigators and auditors to examine
5 fraud in major acquisition programs, including
6 identifying opportunities to leverage existing
7 Government and private sector resources in co-
8 ordination with the Inspector General of the
9 Department.

10 “(g) FEASIBILITY OF WORKFORCE DEVELOPMENT
11 FUND PILOT PROGRAM.—The strategy shall also include
12 an assessment (referred to in subsection (d)(11)) of the
13 feasibility of conducting a pilot program to establish a
14 Homeland Security Acquisition Workforce Development
15 Fund (in this subsection referred to as the ‘Fund’) to en-
16 sure the Department acquisition workforce has the capac-
17 ity, in both personnel and skills, needed to properly per-
18 form its mission and ensure that the Department receives
19 the best value for the expenditure of public resources. The
20 assessment shall address the following:

21 “(1) Ways to fund the Fund, including the use
22 of direct appropriations, or the credit, transfer, or
23 deposit of unobligated or unused funds from Depart-
24 ment components into the Fund to remain available
25 for obligation in the fiscal year for which credited,

1 transferred, or deposited and to remain available for
2 successive fiscal years.

3 “(2) Ways to reward the Department acquisi-
4 tion workforce and program managers for good pro-
5 gram management in controlling cost growth, lim-
6 iting schedule delays, and ensuring operational effec-
7 tiveness through providing a percentage of the sav-
8 ings or general acquisition bonuses.

9 “(3) Guidance for the administration of the
10 Fund that includes provisions to do the following:

11 “(A) Describe the costs and benefits asso-
12 ciated with the use of direct appropriations or
13 credit, transfer, or deposit of unobligated or un-
14 used funds to finance the Fund.

15 “(B) Describe the manner and timing for
16 applications for amounts in the Fund to be sub-
17 mitted.

18 “(C) Explain the evaluation criteria to be
19 used for approving or prioritizing applications
20 for amounts in the Fund in any fiscal year.

21 “(D) Explain the mechanism to report to
22 Congress on the implementation of the Fund on
23 an ongoing basis.

24 “(E) Detail measurable performance
25 metrics to determine if the Fund is meeting the

1 objective to improve the acquisition workforce
 2 and to achieve cost savings in acquisition man-
 3 agement.”.

4 (2) CLERICAL AMENDMENT.—The table of con-
 5 tents in section 1(b) of the Homeland Security Act
 6 of 2002 (6 U.S.C. 101 et seq.) is further amended
 7 by adding after the item relating to section 838 the
 8 following new item:

“Sec. 839. Multiyear acquisition strategy.”.

9 (b) CONFORMING AMENDMENT TO FUTURE YEARS
 10 HOMELAND SECURITY PROGRAM.—Section 874(b) of the
 11 Homeland Security Act of 2002 (6 U.S.C. 454(b)) is
 12 amended—

13 (1) by striking “and” at the end of paragraph
 14 (2);

15 (2) by striking the period at the end of para-
 16 graph (3) and inserting “; and”; and

17 (3) by adding at the end the following new
 18 paragraph:

19 “(4) include the multiyear acquisition strategy
 20 required under section 839 of this Act.”.

21 **SEC. 233. ACQUISITION REPORTS.**

22 (a) IN GENERAL.—Subtitle D of title VIII of the
 23 Homeland Security Act of 2002 (6 U.S.C. 391 et seq.)
 24 is further amended by adding at the end the following new
 25 section:

1 **“SEC. 840. ACQUISITION REPORTS.**

2 “(a) COMPREHENSIVE ACQUISITION STATUS RE-
3 PORT.—

4 “(1) IN GENERAL.—The Under Secretary for
5 Management each year shall submit to the congres-
6 sional homeland security committees, at the same
7 time as the President’s budget is submitted for a fis-
8 cal year under section 1105(a) of title 31, United
9 States Code, a comprehensive acquisition status re-
10 port. The report shall include the following:

11 “(A) The information required under the
12 heading ‘Office of the Under Secretary for
13 Management’ under title I of division D of the
14 Consolidated Appropriations Act, 2012 (Public
15 Law 112–74) (as required under the Depart-
16 ment of Homeland Security Appropriations Act,
17 2013 (Public Law 113–6)).

18 “(B) A listing of programs that have been
19 cancelled, modified, paused, or referred to the
20 Under Secretary for Management or Deputy
21 Secretary for additional oversight or action by
22 the Board, Department Office of Inspector
23 General, or the Comptroller General.

24 “(C) A listing of established Executive
25 Steering Committees, which provide governance
26 of a program or related set of programs and

1 lower-tiered oversight, and support between ac-
2 quisition decision events and component re-
3 views, including the mission and membership
4 for each.

5 “(2) INFORMATION FOR MAJOR ACQUISITION
6 PROGRAMS.—For each major acquisition program,
7 the report shall include the following:

8 “(A) A narrative description, including
9 current gaps and shortfalls, the capabilities to
10 be fielded, and the number of planned incre-
11 ments or units.

12 “(B) Acquisition Review Board (or other
13 board designated to review the acquisition) sta-
14 tus of each acquisition, including the current
15 acquisition phase, the date of the last review,
16 and a listing of the required documents that
17 have been reviewed with the dates reviewed or
18 approved.

19 “(C) The most current, approved acquisi-
20 tion program baseline (including project sched-
21 ules and events).

22 “(D) A comparison of the original acquisi-
23 tion program baseline, the current acquisition
24 program baseline, and the current estimate.

1 “(E) Whether or not an independent
2 verification and validation has been imple-
3 mented, with an explanation for the decision
4 and a summary of any findings.

5 “(F) A rating of cost risk, schedule risk,
6 and technical risk associated with the program
7 (including narrative descriptions and mitigation
8 actions).

9 “(G) Contract status (including earned
10 value management data as applicable).

11 “(H) A lifecycle cost of the acquisition,
12 and time basis for the estimate.

13 “(3) UPDATES.—The Under Secretary shall
14 submit quarterly updates to such report not later
15 than 45 days after the completion of each quarter.

16 “(b) QUARTERLY PROGRAM ACCOUNTABILITY RE-
17 PORT.—The Under Secretary for Management shall pre-
18 pare a quarterly program accountability report to meet the
19 Department’s mandate to perform program health assess-
20 ments and improve program execution and governance.
21 The report shall be submitted to the congressional home-
22 land security committees.”.

23 (b) CLERICAL AMENDMENT.—The table of contents
24 in section 1(b) of the Homeland Security Act of 2002 (6

1 U.S.C. 101 et seq.) is further amended by adding after
2 the item relating to section 839 the following new item:
“Sec. 840. Acquisition reports.”.

3 **SEC. 234. GOVERNMENT ACCOUNTABILITY OFFICE REVIEW**
4 **OF MULTIYEAR ACQUISITION STRATEGY.**

5 (a) REVIEW REQUIRED.—After submission to Con-
6 gress of the first multiyear acquisition strategy (pursuant
7 to section 839 of the Homeland Security Act of 2002)
8 after the date of the enactment of this Act, the Comp-
9 troller General of the United States shall conduct a review
10 of the plan within 180 days to analyze the viability of the
11 plan’s effectiveness in the following:

12 (1) Complying with the requirements in section
13 839 of the Homeland Security Act of 2002, as
14 added by section 232 of this Act.

15 (2) Establishing clear connections between De-
16 partment objectives and acquisition priorities.

17 (3) Demonstrating that Department acquisition
18 policy reflects program management best practices
19 and standards.

20 (4) Ensuring competition or the option of com-
21 petition for major acquisition programs.

22 (5) Considering potential cost savings through
23 using already-existing technologies when developing
24 acquisition program requirements.

1 (6) Preventing duplication within Department
2 acquisition workforce training requirements through
3 leveraging already-existing training within the Fed-
4 eral Government, academic community, or private
5 industry.

6 (7) Providing incentives for program managers
7 to reduce acquisition and procurement costs through
8 the use of best practices and disciplined program
9 management.

10 (8) Maximizing small business utilization in ac-
11 quisitions by, to the maximum extent practicable,
12 ensuring strategic sourcing vehicles seek to increase
13 participation by small businesses, including small
14 and disadvantaged business.

15 (9) Assessing the feasibility of conducting a
16 pilot program to establish a Homeland Security Ac-
17 quisition Workforce Development Fund.

18 (b) REPORT REQUIRED.—The Comptroller General
19 shall submit to the congressional homeland security com-
20 mittees a report on the review required by this section.
21 The report shall be submitted in unclassified form but
22 may include a classified annex.

23 **SEC. 235. OFFICE OF INSPECTOR GENERAL REPORT.**

24 (a) REVIEW REQUIRED.—No later than 2 years fol-
25 lowing the submission of the report submitted by the

1 Comptroller General of the United States as required by
2 section 234, the Department's Inspector General shall
3 conduct a review of whether the Department has complied
4 with the multiyear acquisition strategy (pursuant to sec-
5 tion 839 of the Homeland Security Act of 2002) and ad-
6 hered to the strategies set forth in the plan. The review
7 shall also consider whether the Department has complied
8 with the requirements to provide the Acquisition Review
9 Board with a capability development plan for each major
10 acquisition program.

11 (b) REPORT REQUIRED.—The Inspector General
12 shall submit to the congressional homeland security com-
13 mittees a report of the review required by this section. The
14 report shall be submitted in unclassified form but may in-
15 clude a classified annex.

Passed the House of Representatives October 20,
2015.

Attest:

KAREN L. HAAS,

Clerk.