

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

(Added Pub. L. 117–328, div. U, title IV, §403(a), Dec. 29, 2022, 136 Stat. 5486.)

**§ 8172. Management of major information technology projects**

(a) COST, SCHEDULE, AND PERFORMANCE INFORMATION.—(1) The Secretary shall, acting through the Chief Information Officer of the Department, submit to the appropriate congressional committees a report containing information on the cost, schedule, and performance of each major information technology project that begins after the date of the enactment of the Joseph Maxwell Cleland and Robert Joseph Dole Memorial Veterans Benefits and Health Care Improvement Act of 2022, as generated by the business owner of the project, prior to the commencement of such project.

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

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

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

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

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

(2) The Secretary shall—

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

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

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

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

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

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

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

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

(1) A project manager who—

(A)(i) is certified in project management at level three by—

(I) the Department;

(II) the Federal Acquisition Institute pursuant to section 1201 of title 41; or

(III) the Department of Defense pursuant to section 1701a of title 10; or

(ii) holds an equivalent certification by a private sector project management certification organization, as determined appropriate by the Secretary; and

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

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

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

(4) A contracting officer.

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

(Added Pub. L. 117–328, div. U, title IV, §403(a), Dec. 29, 2022, 136 Stat. 5486.)

**Editorial Notes**

REFERENCES IN TEXT

The date of the enactment of the Joseph Maxwell Cleland and Robert Joseph Dole Memorial Veterans Benefits and Health Care Improvement Act of 2022, referred to in subsec. (a)(1), is the date of enactment of div. U of Pub. L. 117–328, which was approved Dec. 29, 2022.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE

Pub. L. 117–328, div. U, title IV, §403(c)(1), (3), Dec. 29, 2022, 136 Stat. 5490, provided that:

“(1) CURRENT AND NEW MAJOR PROJECTS.—Except as specifically provided in subsection (a) of section 8172 of title 38, United States Code, as added by subsection (a) of this section, such section 8172 shall apply with respect to major information technology projects that begin before, on, or after the date of the enactment of this Act [Dec. 29, 2022].

“(3) DEFINITIONS.—In this subsection [enacting this note and provisions not set out in the Code], the terms ‘appropriate congressional committees’ and ‘major in-

formation technology project' have the meanings given those terms in section 8171 of title 38, United States Code, as added by subsection (a) of this section."

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

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

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

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

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

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

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

(Added Pub. L. 117-328, div. U, title IV, § 403(a), Dec. 29, 2022, 136 Stat. 5488.)

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE**

Pub. L. 117-328, div. U, title IV, § 403(d), Dec. 29, 2022, 136 Stat. 5490, provided that:

"(1) EFFECTIVE DATE.—Section 8173 of such title, as added by subsection (a), shall take effect on the date of the enactment of this Act [Dec. 29, 2022].

"(2) APPLICABILITY.—Subsection (a)(2) of such section shall apply with respect to contracts and agreements entered into on or after the date of the enactment of this Act."

**§ 8174. Submission of annual reviews of information technology**

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

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

(Added Pub. L. 117-328, div. U, title IV, § 403(a), Dec. 29, 2022, 136 Stat. 5488.)

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

(a) LIST OF INFORMATION TECHNOLOGY PROJECTS IN EFFECT.—The Secretary shall ensure that whenever the budget justification materials are submitted to Congress in support of

the Department budget for a fiscal year (as submitted with the budget of the President for such fiscal year under section 1105(a) of title 31), such budget justification materials include a list of every information technology project currently in effect at the Department (including not only congressional projects and subprojects as determined by the Director of the Office of Management and Budget or the Secretary).

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

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

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

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

(C) ensure that the list—

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

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

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

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

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

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

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

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

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

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

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

(B) The Secretary shall ensure that each list produced under paragraph (1) includes, for each