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SUBCOMMITTEE ON TECHNOLOGY, INFORMATION POLICY, INTERGOVERNMENTAL RELATIONS AND THE CENSUS

Congressman Adam Putnam, Chairman



OVERSIGHT HEARING STATEMENT BY ADAM PUTNAM, CHAIRMAN

Hearing topic: *“Federal Information Technology Investment Management, Strategic Planning, and Performance Measurement: 60 Billion Reasons Why.”*

Monday, March 3, 2003

1:00 p.m.

Room 2154 Rayburn House Office Building

OPENING STATEMENT

Good morning and welcome to the Subcommittee’s kickoff hearing for 2004. Today’s hearing is appropriately titled, *“Federal Information Technology Investment Management, Strategic Planning, and Performance Measurement: 60 Billion Reasons Why.”*

Today’s oversight hearing sets the foundation for the range of oversight hearings we have planned for remainder of the year in the areas of electronic governance, enterprise architecture, interoperability, information sharing, and -- perhaps most importantly -- cybersecurity.

Last year, this subcommittee held 22 hearings to review the progress being made by the federal government in these specific IT areas. While the Subcommittee individually examined each subject matter in detail at those hearings, it became crystal clear as each hearing passed that addressing any particular IT challenge is not only related to other competing IT challenges, but also must be resolved simultaneously and in a fully integrated manner with all other IT challenges.

This is, without doubt, a difficult challenge that requires the ultimate combination of managing our IT investments effectively, planning strategically, and measuring performance appropriately.

The purpose of this afternoon's hearing is to provide the Subcommittee with a clearer understanding of the policies, processes and procedures that now determine the federal government's annual investment in information technology (IT).

Four weeks ago, the President sent his FY05 budget to Congress, a budget that requests nearly \$60 billion in spending for IT products and services. Underlying this request is a series of Acts that have established principles for sound IT management within the federal government.

For many years, the federal government pursued an IT agenda that did not necessarily emanate from customer service or sound business practices. "Stovepiped" solutions, proprietary systems, and a lack of interoperability (or even plans to interface) with other systems were considered ordinary and acceptable conditions.

A list of Congressional legislation, initiatives, and guidance since 1996, including the Clinger-Cohen Act, the E-Government Act, and the Federal Information Security Management Act (known as FISMA) have led to changes that provide OMB with the oversight flexibility needed to coordinate, manage, plan, and measure results emanating from IT investments made across the federal government.

Put another way, OMB was given the responsibility and authority to function as the necessary check-and-balance on a federal government IT culture that long accepted agency claims that "their" particular system absolutely required a unique IT solution, unique software, unique hardware, unique staff, unique business processes, and could never interface with other systems.

Additionally, past agency claims that IT performance and agency performance are two separate issues have taken a different course due to "Clinger-Cohen" and the "E-Gov Act". To what extent IT management and agency performance is appropriately tied is an important question that deserves this Subcommittee's attention.

OMB has taken a number of steps through regulation, budget guidance, memoranda, and circulars to ensure agencies unify behind effective IT planning, cross-agency solutions, and elimination of redundancies. Perhaps the most visible initiative matching agency performance measurements with overall IT investment is embodied in the President Management Agenda.

I look forward to this afternoon's dialogue with OMB regarding the results of enhanced OMB budget guidance to agencies in preparing the FY05 IT budget, the results of utilizing a Federal Enterprise Architecture in planning, the results of OMB's review of agency IT business cases, the results of utilizing E-Government, and the results of pursuing consolidation of duplicative systems. Also, GAO will share their recent findings and recommendations on improving the linkages between IT strategic planning, performance measurements and investment management as required by the Clinger-Cohen Act of 1996.

While individual Congressional appropriations subcommittees (and perhaps some authorizing committees) have kept an eye on projects and programs within their purview, very few Congressional hearings have taken place to examine the cross-cutting, horizontal picture of investing \$60 billion on IT more wisely by coordinating and collaborating across traditional federal government agency boundary lines.

From the Congressional perspective, we have certainly passed our share of laws requiring OMB to coordinate IT expenditures across agency boundary lines.

In addition to making sure the federal government is on course, this hearing provides Congress with a unique opportunity to improve our own IT spending decisions. We clearly need to be authorizing and appropriating our taxpayer dollars on IT based on the same cross-agency collaborative methodology that we require of OMB and agencies in their budget submissions.

While I recognize every member of Congress comes to Washington with a different set of priorities, I encourage my colleagues will join me this afternoon to reflect on IT investment in a comprehensive and cross-cutting manner instead of by program or function.

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