

**E--INFORMATION TECHNOLOGY MANAGEMENT  
REFORM ACT (Now the Clinger/Cohen Act)**

Please Note this version only contains Division

s.1124

One Hundred Fourth Congress of the United States of America  
AT THE SECOND SESSION

Begun and held at the City of Washington on Wednesday,  
the third day of January, one thousand nine hundred and  
ninety-six

An Act To authorize appropriations for fiscal year 1996 for  
military

activities of the Department of Defense, for military  
construction,  
and for defense activities of the Department of Energy, to  
prescribe personnel strengths for such fiscal year for the

Armed

Forces, to reform acquisition laws and information technology  
management of the Federal Government, and for other purposes.  
Be it enacted by the Senate and House of  
Representatives of the United States of America in Congress  
assembled.

SECTION 1. SHORT TITLE.

This Act may be cited as the `National Defense Authorization  
Act  
for Fiscal Year 1996'.

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF  
CONTENTS.

(a) DIVISIONS- This Act is organized into five divisions as  
follows:

- (1) Division A--Department of Defense Authorizations.
- (2) Division B--Military Construction Authorizations.
- (3) Division C--Department of Energy National Security  
Authorizations and Other Authorizations.
- (4) Division D--Federal Acquisition Reform.
- (5) Division E--Information Technology Management

Reform.

**DIVISION E--INFORMATION TECHNOLOGY MANAGEMENT REFORM**

Sec. 5001. Short title.

Sec. 5002. Definitions.

**TITLE LI--RESPONSIBILITY FOR ACQUISITIONS OF INFORMATION  
TECHNOLOGY**

**SUBTITLE A--GENERAL AUTHORITY**

Sec. 5101. Repeal of central authority of the Administrator

of

General Services.

**SUBTITLE B--DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET**

- Sec. 5111. Responsibility of Director.
- Sec. 5112. Capital planning and investment control.
- Sec. 5113. Performance-based and results-based management.

**SUBTITLE C--EXECUTIVE AGENCIES**

- Sec. 5121. Responsibilities.
- Sec. 5122. Capital planning and investment control.
- Sec. 5123. Performance and results-based management.
- Sec. 5124. Acquisitions of information technology.
- Sec. 5125. Agency Chief Information Officer.
- Sec. 5126. Accountability.
- Sec. 5127. Significant deviations.
- Sec. 5128. Interagency support.

**SUBTITLE D--OTHER RESPONSIBILITIES**

- Sec. 5131. Responsibilities regarding efficiency, security,

and

privacy of Federal computer systems.

- Sec. 5132. Sense of Congress.

**SUBTITLE E--NATIONAL SECURITY SYSTEMS**

- Sec. 5141. Applicability to national security systems.
- Sec. 5142. National security system defined.

**TITLE LII--PROCESS FOR ACQUISITIONS OF INFORMATION TECHNOLOGY**

- Sec. 5201. Procurement procedures.
- Sec. 5202. Incremental acquisition of information technology.

**TITLE LIII--INFORMATION TECHNOLOGY ACQUISITION PILOT PROGRAMS**

**SUBTITLE A--CONDUCT OF PILOT PROGRAMS**

- Sec. 5301. Authority to conduct pilot programs.
- Sec. 5302. Evaluation criteria and plans.
- Sec. 5303. Report.
- Sec. 5304. Recommended legislation.
- Sec. 5305. Rule of construction.

**SUBTITLE B--SPECIFIC PILOT PROGRAMS**

- Sec. 5311. Share-in-savings pilot program.
- Sec. 5312. Solutions-based contracting pilot program.

**TITLE LIV--ADDITIONAL INFORMATION RESOURCES MANAGEMENT MATTERS**

- Sec. 5401. On-line multiple award schedule contracting.
- Sec. 5402. Identification of excess and surplus computer

equipment.

- Sec. 5403. Access of certain information in information systems to the directory established under section 4101 of title 44,

United

States Code.

**TITLE LV--PROCUREMENT PROTEST AUTHORITY OF THE COMPTROLLER GENERAL**

- Sec. 5501. Period for processing protests.
- Sec. 5502. Availability of funds following GAO resolution of challenge to contracting action.

**TITLE LVI--CONFORMING AND CLERICAL AMENDMENTS**

- Sec. 5601. Amendments to title 10, United States Code.
- Sec. 5602. Amendments to title 28, United States Code.

Sec. 5603. Amendment to title 31, United States Code.  
Sec. 5604. Amendments to title 38, United States Code.  
Sec. 5605. Provisions of title 44, United States Code,

relating to

paperwork reduction.  
Sec. 5606. Amendment to title 49, United States Code.  
Sec. 5607. Other laws.  
Sec. 5608. Clerical amendments.

**TITLE LVII--EFFECTIVE DATE, SAVINGS PROVISIONS, AND RULES  
OF CONSTRUCTION**

Sec. 5701. Effective date.  
Sec. 5702. Savings provisions.  
Sec. 5703. Rules of construction.  
SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term `congressional defense committees' means--

(1) the Committee on Armed Services and the Committee  
on

Appropriations of the Senate; and

(2) the Committee on National Security and the  
Committee on

Appropriations of the House of Representatives.

SEC. 4. EXTENSION OF TIME FOR SUBMISSION OF REPORTS.

In the case of any provision of this Act, or any amendment

made

by a provision of this Act, requiring the submission of a

report to

Congress (or any committee of Congress), that report shall be submitted not later than the later of--

(1) the date established for submittal of the report in  
such

provision or amendment; or

(2) the date that is 45 days after the date of the  
enactment

of this Act.

**DIVISION E--INFORMATION TECHNOLOGY MANAGEMENT REFORM**

SEC. 5001. SHORT TITLE.

This division may be cited as the `Information Technology Management Reform Act of 1996'.

SEC. 5002. DEFINITIONS.

In this division:

(1) DIRECTOR- The term `Director' means the Director of  
the

Office of Management and Budget.

(2) EXECUTIVE AGENCY- The term `executive agency' has  
the

meaning given that term in section 4(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(1)).

(3) INFORMATION TECHNOLOGY- (A) The term `information technology', with respect to an executive agency means

any

equipment or interconnected system or subsystem of

equipment,

that is used in the automatic acquisition, storage, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of

data or information by the executive agency. For purposes of the preceding sentence, equipment is used by an executive agency if the equipment is used by the executive agency directly or is used by a contractor under a contract with the executive agency which (i) requires the use of such equipment, or (ii) requires the use, to a significant extent, of such equipment in the performance of a service or the furnishing of a product.

(B) The term `information technology' includes computers, ancillary equipment, software, firmware and similar procedures, services (including support services), and related resources. (C) Notwithstanding subparagraphs (A) and (B), the term `information technology' does not include any equipment that is acquired by a Federal contractor incidental to a Federal contract.

(4) INFORMATION RESOURCES- The term `information resources' has the meaning given such term in section 3502(6) of title 44, United States Code.

(5) INFORMATION RESOURCES MANAGEMENT- The term `information resources management' has the meaning given such term in section 3502(7) of title 44, United States Code.

(6) INFORMATION SYSTEM- The term `information system' has the meaning given such term in section 3502(8) of title 44, United States Code.

(7) COMMERCIAL ITEM- The term `commercial item' has the meaning given that term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

TITLE LI--RESPONSIBILITY FOR ACQUISITIONS OF INFORMATION TECHNOLOGY

SUBTITLE A--GENERAL AUTHORITY  
SEC. 5101. REPEAL OF CENTRAL AUTHORITY OF THE ADMINISTRATOR OF

GENERAL SERVICES.

Section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) is repealed.

SUBTITLE B--DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET

SEC. 5111. RESPONSIBILITY OF DIRECTOR.

In fulfilling the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the

Director shall comply with this title with respect to the specific matters covered by this title.

SEC. 5112. CAPITAL PLANNING AND INVESTMENT CONTROL.

(a) FEDERAL INFORMATION TECHNOLOGY- The Director shall perform the responsibilities set forth in this section in fulfilling the responsibilities under section 3504(h) of title 44, United States Code.

(b) USE OF INFORMATION TECHNOLOGY IN FEDERAL PROGRAMS- The Director shall promote and be responsible for improving the acquisition, use, and disposal of information technology by the Federal Government to improve the productivity, efficiency, and effectiveness of Federal programs, including through dissemination of public information and the reduction of information collection burdens on the public.

(c) USE OF BUDGET PROCESS- The Director shall develop, as part of the budget process, a process for analyzing, tracking, and evaluating the risks and results of all major capital investments made by an executive agency for information systems. The process shall cover the life of each system and shall include explicit criteria for analyzing the projected and actual costs, benefits, and risks associated with the investments. At the same time that the President submits the budget for a fiscal year to Congress under section 1105(a) of title 31, United States Code, the Director shall submit to Congress a report on the net program performance benefits achieved as a result of major capital investments made by executive agencies in information systems and how the benefits relate to the accomplishment of the goals of the executive agencies.

(d) INFORMATION TECHNOLOGY STANDARDS- The Director shall oversee the development and implementation of standards and guidelines pertaining to Federal computer systems by the Secretary of Commerce through the National Institute of Standards and Technology under section 5131 and section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g-3).

(e) DESIGNATION OF EXECUTIVE AGENTS FOR ACQUISITIONS- The Director shall designate (as the Director considers appropriate) one or more heads of executive agencies as executive agent for Government-wide acquisitions of information technology.

(f) USE OF BEST PRACTICES IN ACQUISITIONS- The Director shall encourage the heads of the executive agencies to develop and use the best practices in the acquisition of information technology.

(g) ASSESSMENT OF OTHER MODELS FOR MANAGING INFORMATION TECHNOLOGY- The Director shall assess, on a continuing basis, the experiences of executive agencies, State and local governments, international organizations, and the private sector in managing information technology.

(h) COMPARISON OF AGENCY USES OF INFORMATION TECHNOLOGY- The Director shall compare the performances of the executive agencies in using information technology and shall disseminate the comparisons to the heads of the executive agencies.

(i) TRAINING- The Director shall monitor the development and management for implementation of training in information resources executive agency personnel.

(j) INFORMING CONGRESS- The Director shall keep Congress fully informed on the extent to which the executive agencies are improving the performance of agency programs and the accomplishment of agency missions through the use of the best practices in information resources management.

(k) PROCUREMENT POLICY AND ACQUISITIONS OF INFORMATION TECHNOLOGY- The Director shall coordinate the development and review by the Administrator of the Office of Information and Regulatory Affairs of policy associated with Federal acquisition of information technology with the Office of Federal Procurement Policy.

SEC. 5113. PERFORMANCE-BASED AND RESULTS-BASED MANAGEMENT.

(a) IN GENERAL- The Director shall encourage the use of performance-based and results-based management in fulfilling the responsibilities assigned under section 3504(h), of title 44, United States Code.

(b) Evaluation of Agency Programs and Investments-

(1) REQUIREMENT- The Director shall evaluate the information resources management practices of the executive agencies with respect to the performance and results of the investments

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by the executive agencies in information technology.  
(2) DIRECTION FOR EXECUTIVE AGENCY ACTION- The Director  
issue to the head of each executive agency clear and  
direction that the head of such agency shall--  
(A) establish effective and efficient capital  
processes for selecting, managing, and evaluating the  
results of all of its major investments in  
systems;  
(B) determine, before making an investment in a  
information system--  
(i) whether the function to be supported by the  
system should be performed by the private sector  
if so, whether any component of the executive  
performing that function should be converted from  
governmental organization to a private sector  
organization; or  
(ii) whether the function should be performed  
executive agency and, if so, whether the function  
should be performed by a private sector source  
contract or by executive agency personnel;  
(C) analyze the missions of the executive agency  
based on the analysis, revise the executive agency's  
mission-related processes and administrative  
appropriate, before making significant investments in  
information technology to be used in support of those  
missions; and  
(D) ensure that the information security policies,  
procedures, and practices are adequate.  
(3) GUIDANCE FOR MULTIAGENCY INVESTMENTS- The direction  
issued under paragraph (2) shall include guidance for  
undertaking efficiently and effectively interagency and  
Government-wide investments in information technology to  
improve the accomplishment of missions that are common to  
executive agencies.  
(4) PERIODIC REVIEWS- The Director shall implement  
the budget process periodic reviews of selected  
resources management activities of the executive agencies  
order to ascertain the efficiency and effectiveness of  
information technology in improving the performance of

of the executive agency and the accomplishment of the missions  
of the executive agency.  
authorized (5) Enforcement of accountability-  
including (A) IN GENERAL- The Director may take any  
appropriations action that the Director considers appropriate,  
head an action involving the budgetary process or  
executive management process, to enforce accountability of the  
in of an executive agency for information resources  
any management and for the investments made by the  
the agency in information technology.  
submitted to (B) SPECIFIC ACTIONS- Actions taken by the Director  
United the case of an executive agency may include--  
apportionments (i) recommending a reduction or an increase in  
information (ii) reducing or otherwise adjusting  
controls and reapportionments of appropriations for  
of resources;  
sources (iii) using other authorized administrative  
management (iv) over appropriations to restrict the availability  
or the acquisition of information technology.

SUBTITLE C--EXECUTIVE AGENCIES

SEC. 5121. RESPONSIBILITIES.

35 of In fulfilling the responsibilities assigned under chapter  
specific title 44, United States Code, the head of each executive  
agency shall comply with this subtitle with respect to the  
matters covered by this subtitle.

SEC. 5122. CAPITAL PLANNING AND INVESTMENT CONTROL.

Code, the (a) DESIGN OF PROCESS- In fulfilling the responsibilities  
assigned under section 3506(h) of title 44, United States  
head of each executive agency shall design and implement in

the executive agency a process for maximizing the value and assessing and managing the risks of the information technology acquisitions of the executive agency.

shall-- (b) CONTENT OF PROCESS- The process of an executive agency management such (1) provide for the selection of information technology investments to be made by the executive agency, the of such investments, and the evaluation of the results of such investments;

considering (2) be integrated with the processes for making budget, financial, and program management decisions within the executive agency;

information (3) include minimum criteria to be applied in whether to undertake a particular investment in systems, including criteria related to the quantitatively expressed projected net, risk-adjusted return on investment and specific quantitative and qualitative criteria for comparing and prioritizing alternative information systems investment projects;

investments (4) provide for identifying information systems that would result in shared benefits or costs for other Federal agencies or State or local governments;

benefits and (5) provide for identifying for a proposed investment quantifiable measurements for determining the net risks of the investment; and

of the (6) provide the means for senior management personnel executive agency to obtain timely information regarding the progress of an investment in an information system, including a system of milestones for measuring progress, on an independently verifiable basis, in terms of cost, capability of the system to meet specified requirements, timeliness, and quality.

SEC. 5123. PERFORMANCE AND RESULTS-BASED MANAGEMENT.

In fulfilling the responsibilities under section 3506(h) of title 44, United States Code, the head of an executive agency shall--

(1) establish goals for improving the efficiency and effectiveness of agency operations and, as appropriate, the

use of delivery of services to the public through the effective  
information technology;  
executive (2) prepare an annual report, to be included in the  
agency's budget submission to Congress, on the progress  
in achieving the goals;  
for (3) ensure that performance measurements are prescribed  
information technology used by or to be acquired for, the  
measure executive agency and that the performance measurements  
the how well the information technology supports programs of  
executive agency;  
terms of (4) where comparable processes and organizations in the  
public or private sectors exist, quantitatively benchmark  
agency process performance against such processes in  
outcomes; cost, speed, productivity, and quality of outputs and  
based (5) analyze the missions of the executive agency and,  
on the analysis, revise the executive agency's mission-  
related processes and administrative processes as appropriate  
before making significant investments in information technology  
that is to be used in support of the performance of those  
missions; and  
adequate. (6) ensure that the information security policies,  
procedures, and practices of the executive agency are

SEC. 5124. ACQUISITIONS OF INFORMATION TECHNOLOGY.

agency (a) IN GENERAL- The authority of the head of an executive  
to conduct an acquisition of information technology includes  
the following authorities:  
law. (1) To acquire information technology as authorized by  
multiagency (2) To enter into a contract that provides for  
acquisitions of information technology in accordance with  
guidance issued by the Director.  
for (3) If the Director finds that it would be advantageous  
multiagency the Federal Government to do so, to enter into a  
information contract for procurement of commercial items of  
technology that requires each executive agency covered by  
the contract, when procuring such items, either to procure

the

items under that contract or to justify an alternative procurement of the items.

of this

(b) FTS 2000 PROGRAM- Notwithstanding any other provision

the

or any other law, the Administrator of General Services shall continue to manage the FTS 2000 program, and to coordinate

of the

follow-on to that program, on behalf of and with the advice heads of executive agencies.

SEC. 5125. AGENCY CHIEF INFORMATION OFFICER.

of

(a) DESIGNATION OF CHIEF INFORMATION OFFICERS- Section 3506

title 44, United States Code, is amended--

Information

(1) in subsection (a)--

(A) in paragraph (2)(A), by striking out `senior official' and inserting in lieu thereof `Chief

Officer';

first

(B) in paragraph (2)(B)--

(i) by striking out `senior officials' in the

sentence and inserting in lieu thereof `Chief Information Officers';

(ii) by striking out `official' in the second sentence and inserting in lieu thereof `Chief Information Officer'; and

(iii) by striking out `officials' in the second sentence and inserting in lieu thereof `Chief Information Officers'; and

`senior

(C) in paragraphs (3) and (4), by striking out

official' each place it appears and inserting in lieu thereof `Chief Information Officer'; and

the

(2) in subsection (c)(1), by striking out `official' in

thereof

matter preceding subparagraph (A) and inserting in lieu

`Chief Information Officer'.

of an

(b) GENERAL RESPONSIBILITIES- The Chief Information Officer

executive agency shall be responsible for--

of the

(1) providing advice and other assistance to the head

the

executive agency and other senior management personnel of

and

executive agency to ensure that information technology is acquired and information resources are managed for the executive agency in a manner that implements the policies

of

procedures of this division, consistent with chapter 35

established by

title 44, United States Code, and the priorities

the head of the executive agency;

(2) developing, maintaining, and facilitating the

implementation of a sound and integrated information  
technology  
architecture for the executive agency; and  
(3) promoting the effective and efficient design and  
operation of all major information resources management  
processes for the executive agency, including  
improvements to  
work processes of the executive agency.

(c) DUTIES AND QUALIFICATIONS- The Chief Information  
Officer of  
an agency that is listed in section 901(b) of title 31,  
United  
States Code, shall--  
that  
(1) have information resources management duties as  
official's primary duty;  
(2) monitor the performance of information technology  
programs of the agency, evaluate the performance of those  
programs on the basis of the applicable performance  
measurements, and advise the head of the agency regarding  
whether to continue, modify, or terminate a program or  
project;  
and  
(3) annually, as part of the strategic planning and  
performance evaluation process required (subject to  
section  
1117 of title 31, United States Code) under section 306  
of  
title 5, United States Code, and sections 1105(a)(29),  
1115,  
1116, 1117, and 9703 of title 31, United States Code--  
information  
requirements  
goals  
the  
agency  
those  
for  
progress  
section,  
the term `information technology architecture', with respect

(A) assess the requirements established for agency  
personnel regarding knowledge and skill in  
resources management and the adequacy of such  
for facilitating the achievement of the performance  
established for information resources management;  
(B) assess the extent to which the positions and  
personnel at the executive level of the agency and  
positions and personnel at management level of the  
below the executive level meet those requirements;  
(C) in order to rectify any deficiency in meeting  
requirements, develop strategies and specific plans  
hiring, training, and professional development; and  
(D) report to the head of the agency on the  
made in improving information resources management  
capability.

(d) INFORMATION TECHNOLOGY ARCHITECTURE DEFINED- In this

to an executive agency, means an integrated framework for evolving or maintaining existing information technology and acquiring new information technology to achieve the agency's strategic goals and information resources management goals.

(e) EXECUTIVE LEVEL IV- Section 5315 of title 5, United States Code, is amended by adding at the end the following:

- `Chief Information Officer, Department of Agriculture.
- `Chief Information Officer, Department of Commerce.
- `Chief Information Officer, Department of Defense

(unless the official designated as the Chief Information Officer of the Department of Defense is an official listed under section 5312, 5313, or 5314 of this title).

- `Chief Information Officer, Department of Education.
- `Chief Information Officer, Department of Energy.
- `Chief Information Officer, Department of Health and Human Services.
- `Chief Information Officer, Department of Housing and Urban Development.
- `Chief Information Officer, Department of Interior.
- `Chief Information Officer, Department of Justice.
- `Chief Information Officer, Department of Labor.
- `Chief Information Officer, Department of State.
- `Chief Information Officer, Department of Transportation.
- `Chief Information Officer, Department of Treasury.
- `Chief Information Officer, Department of Veterans Affairs.
- `Chief Information Officer, Environmental Protection Agency.
- `Chief Information Officer, National Aeronautics and Space Administration.
- `Chief Information Officer, Agency for International Development.
- `Chief Information Officer, Federal Emergency Management Agency.
- `Chief Information Officer, General Services Administration.
- `Chief Information Officer, National Science Foundation.
- `Chief Information Officer, Nuclear Regulatory Agency.
- `Chief Information Officer, Office of Personnel Management.
- `Chief Information Officer, Small Business Administration.'

SEC. 5126. ACCOUNTABILITY.

The head of each executive agency, in consultation with the

Chief Information Officer and the Chief Financial Officer of that executive agency (or, in the case of an executive agency without a Chief Financial Officer, any comparable official), shall establish policies and procedures that--

(1) ensure that the accounting, financial, and asset management systems and other information systems of the executive agency are designed, developed, maintained, and used effectively to provide financial or program performance data for financial statements of the executive agency;

(2) ensure that financial and related program performance data are provided on a reliable, consistent, and timely basis to executive agency financial management systems; and

(3) ensure that financial statements support--

(A) assessments and revisions of mission-related executive processes and administrative processes of the agency; and

(B) performance measurement of the performance in the case of investments made by the agency in information systems.

SEC. 5127. SIGNIFICANT DEVIATIONS.

The head of an executive agency shall identify in the strategic information resources management plan required under section 3506(b)(2) of title 44, United States Code, any major information technology acquisition program, or any phase or increment of such a program, that has significantly deviated from the cost, performance, or schedule goals established for the program.

SEC. 5128. INTERAGENCY SUPPORT.

Funds available for an executive agency for oversight, used acquisition, and procurement of information technology may be other by the head of the executive agency to support jointly with are executive agencies the activities of interagency groups that Director's established to advise the Director in carrying out the that responsibilities under this title. The use of such funds for on purpose shall be subject to such requirements and limitations shall uses and amounts as the Director may prescribe. The Director shall prescribe any such requirements and limitations during the Director's review of the executive agency's proposed budget

submitted to the Director by the head of the executive agency  
for purposes of section 1105 of title 31, United States Code.

SUBTITLE D--OTHER RESPONSIBILITIES  
SEC. 5131. RESPONSIBILITIES REGARDING EFFICIENCY,  
SECURITY, AND

PRIVACY OF FEDERAL COMPUTER SYSTEMS.

(a) STANDARDS AND GUIDELINES-

(1) AUTHORITY- The Secretary of Commerce shall, on the  
basis of standards and guidelines developed by the National  
Institute of Standards and Technology pursuant to paragraphs (2)  
and (3) of section 20(a) of the National Institute of Standards  
and Technology Act (15 U.S.C. 278g-3(a)), promulgate  
standards and guidelines pertaining to Federal computer systems. The  
Secretary shall make such standards compulsory and  
binding to the extent to which the Secretary determines necessary to  
privacy of improve the efficiency of operation or security and  
Federal computer systems. The President may disapprove or  
standards modify such standards and guidelines if the President  
disapproval determines such action to be in the public interest. The  
Federal President's authority to disapprove or modify such  
and guidelines may not be delegated. Notice of such  
or modification shall be published promptly in the  
Register. Upon receiving notice of such disapproval or  
modification, the Secretary of Commerce shall immediately  
rescind or modify such standards or guidelines as  
directed by the President.

(2) EXERCISE OF AUTHORITY- The authority conferred upon  
the Secretary of Commerce by this section shall be exercised  
with subject to direction by the President and in coordination  
the Director to ensure fiscal and policy consistency.

(b) APPLICATION OF MORE STRINGENT STANDARDS- The head of a  
security Federal agency may employ standards for the cost-effective  
system and privacy of sensitive information in a Federal computer  
within or under the supervision of that agency that are more  
stringent than the standards promulgated by the Secretary of  
Commerce under this section, if such standards contain, at a  
minimum, the provisions of those applicable standards made  
compulsory and binding by the Secretary of Commerce.

(c) WAIVER OF STANDARDS- The standards determined under  
subsection (a) to be compulsory and binding may be waived by  
the

Secretary of Commerce in writing upon a determination that compliance would adversely affect the accomplishment of the mission of an operator of a Federal computer system, or cause a major adverse financial impact on the operator which is not offset by Government-wide savings. The Secretary may delegate to the head of one or more Federal agencies authority to waive such standards to the extent to which the Secretary determines such action to be necessary and desirable to allow for timely and effective implementation of Federal computer system standards. The head of such agency may redelegate such authority only to a Chief Information Officer designated pursuant to section 3506 of title 44, United States Code. Notice of each such waiver and delegation shall be transmitted promptly to Congress and shall be published promptly in the Federal Register.

(d) DEFINITIONS- In this section, the terms `Federal computer system' and `operator of a Federal computer system' have the meanings given such terms in section 20(d) of the National Institute of Standards and Technology Act (15 U.S.C. 278g-3(d)).

(e) TECHNICAL AMENDMENTS- Chapter 35 of title 44, United States Code, is amended--

(1) in section 3504(g)--  
(A) in paragraph (2), by striking out `the Computer Security Act of 1987 (40 U.S.C. 759 note)' and inserting in lieu thereof `sections 20 and 21 of the National Institute of Standards and Technology Act (15 U.S.C. 278g-3 and 278g-4), section 5131 of the Information Technology Management Reform Act of 1996, and sections 5 and 6 of the Computer Security Act of 1987 (40 U.S.C. 759 note)';

and  
(B) in paragraph (3), by striking out `the Computer Security Act of 1987 (40 U.S.C. 759 note)' and inserting in lieu thereof `the standards and guidelines promulgated under section 5131 of the Information Technology Management Reform Act of 1996 and sections 5 and 6 of the Computer Security Act of 1987 (40 U.S.C. 759 note)'; and

(2) in section 3518(d), by striking out `Public Law 89-306 on the Administrator of the General Services Administration,

the  
Secretary of Commerce, or' and inserting in lieu thereof  
`section 5131 of the Information Technology Management  
Reform  
Act of 1996 and the Computer Security Act of 1987 (40  
U.S.C.  
759 note) on the Secretary of Commerce or'.  
SEC. 5132. SENSE OF CONGRESS.  
It is the sense of Congress that, during the next five-year  
period beginning with 1996, executive agencies should achieve  
each  
year at least a 5 percent decrease in the cost (in constant  
fiscal  
year 1996 dollars) that is incurred by the agency for  
operating and  
maintaining information technology, and each year a 5 percent  
increase in the efficiency of the agency operations, by  
reason of  
improvements in information resources management by the  
agency.

SUBTITLE E--NATIONAL SECURITY SYSTEMS

SEC. 5141. APPLICABILITY TO NATIONAL SECURITY SYSTEMS.  
(a) IN GENERAL- Except as provided in subsection (b), this  
title  
does not apply to national security systems.  
(b) EXCEPTIONS-  
(1) IN GENERAL- Sections 5123, 5125, and 5126 apply to  
national security systems.  
(2) CAPITAL PLANNING AND INVESTMENT CONTROL- The heads  
of  
executive agencies shall apply sections 5112 and 5122 to  
national security systems to the extent practicable.  
(3) PERFORMANCE AND RESULTS OF INFORMATION TECHNOLOGY  
INVESTMENTS- (A) Subject to subparagraph (B), the heads  
of  
executive agencies shall apply section 5113 to national  
security systems to the extent practicable.  
(B) National security systems shall be subject to  
section  
5113(b)(5) except for subparagraph (B)(iv) of that  
section.  
SEC. 5142. NATIONAL SECURITY SYSTEM DEFINED.  
(a) DEFINITION- In this subtitle, the term `national  
security  
system' means any telecommunications or information system  
operated  
by the United States Government, the function, operation, or  
use of  
which--  
(1) involves intelligence activities;  
(2) involves cryptologic activities related to national  
security;  
(3) involves command and control of military forces;  
(4) involves equipment that is an integral part of a  
weapon  
or weapons system; or  
(5) subject to subsection (b), is critical to the

direct

fulfillment of military or intelligence missions.

(b) LIMITATION- Subsection (a)(5) does not include a system

that

is to be used for routine administrative and business applications

(including payroll, finance, logistics, and personnel management

applications).

TITLE LII--PROCESS FOR ACQUISITIONS OF INFORMATION

TECHNOLOGY

SEC. 5201. PROCUREMENT PROCEDURES.

The Federal Acquisition Regulatory Council shall ensure that, to

the maximum extent practicable, the process for acquisition of

information technology is a simplified, clear, and understandable

process that specifically addresses the management of risk, incremental acquisitions, and the need to incorporate

commercial

information technology in a timely manner.

SEC. 5202. INCREMENTAL ACQUISITION OF INFORMATION

TECHNOLOGY.

(41 (a) POLICY- The Office of Federal Procurement Policy Act U.S.C. 401 et seq.) is amended by adding at the end the

following

new section:

`SEC. 35. MODULAR CONTRACTING FOR INFORMATION TECHNOLOGY.

the `(a) IN GENERAL- The head of an executive agency should, to

maximum extent practicable, use modular contracting for an acquisition of a major system of information technology.

contracting, an `(b) MODULAR CONTRACTING DESCRIBED- Under modular

successive executive agency's need for a system is satisfied in

complies acquisitions of interoperable increments. Each increment

with common or commercially accepted standards applicable to information technology so that the increments are compatible

with

other increments of information technology comprising the system.

shall `(c) IMPLEMENTATION- The Federal Acquisition Regulation

provide that--

acquisition of `(1) under the modular contracting process, an

into a major system of information technology may be divided

several smaller acquisition increments that--

be one `(A) are easier to manage individually than would

comprehensive acquisition;

`(B) address complex information technology

objectives incrementally in order to enhance the likelihood of achieving workable solutions for attainment of those objectives;

testing of (C) provide for delivery, implementation, and

each workable systems or solutions in discrete increments

perform of which comprises a system or solution that is not dependent on any subsequent increment in order to

increments of its principal functions; and

(D) provide an opportunity for subsequent

technology the acquisition to take advantage of any evolution in technology or needs that occur during conduct of the earlier increments;

(2) a contract for an increment of an information acquisition should, to the maximum extent practicable, be awarded within 180 days after the date on which the solicitation is issued and, if the contract for that

increment cannot be awarded within such period, the increment

should be considered for cancellation; and

contract (3) the information technology provided for in a

delivered for acquisition of information technology should be

within 18 months after the date on which the solicitation resulting in award of the contract was issued.'

1(b) of (b) CLERICAL AMENDMENT- The table of contents in section

section 34 the following new item:

'Sec. 35. Modular contracting for information technology.'

PROGRAMS TITLE LIII--INFORMATION TECHNOLOGY ACQUISITION PILOT

SUBTITLE A--CONDUCT OF PILOT PROGRAMS

SEC. 5301. AUTHORITY TO CONDUCT PILOT PROGRAMS.

(a) In General-

(1) PURPOSE- The Administrator for Federal Procurement

Policy (hereinafter referred to as the 'Administrator'), in consultation with the Administrator for the Office of Information and Regulatory Affairs, may conduct pilot

programs in order to test alternative approaches for acquisition

of information technology by executive agencies.

PROGRAM- (2) MULTIAGENCY, MULTI-ACTIVITY CONDUCT OF EACH

program Except as otherwise provided in this title, each pilot conducted under this title shall be carried out in not

more than two procuring activities in each of the executive agencies that are designated by the Administrator in accordance with this title to carry out the pilot program. The head of each designated executive agency shall, with the approval of the Administrator, select the procuring activities of the executive agency that are to participate in the test and shall designate a procurement testing official who shall be responsible for the conduct and evaluation of the pilot program within the executive agency.

(b) Limitations-

(1) NUMBER- Not more than two pilot programs may be conducted under the authority of this title, including one pilot program each pursuant to the requirements of sections 5311 and 5312. (2) AMOUNT- The total amount obligated for contracts entered into under the pilot programs conducted under the authority of this title may not exceed \$750,000,000. The Administrator shall monitor such contracts and ensure that contracts are not entered into in violation of the limitation in the preceding sentence.

(c) Period of Programs-

(1) IN GENERAL- Subject to paragraph (2), any pilot program may be carried out under this title for the period, not in excess of five years, that is determined by the Administrator as being sufficient to establish reliable results.

(2) CONTINUING VALIDITY OF CONTRACTS- A contract entered into under the pilot program before the expiration of that program shall remain in effect according to the terms of the contract after the expiration of the program.

SEC. 5302. EVALUATION CRITERIA AND PLANS.

(a) MEASURABLE TEST CRITERIA- The head of each executive agency conducting a pilot program under section 5301 shall establish, to the maximum extent practicable, measurable criteria for evaluating the effects of the procedures or techniques to be tested under the

program.

under (b) TEST PLAN- Before a pilot program may be conducted  
detailed section 5301, the Administrator shall submit to Congress a  
of the test plan for the program, including a detailed description  
to be procedures to be used and a list of any regulations that are  
waived.

SEC. 5303. REPORT.

completion of (a) REQUIREMENT- Not later than 180 days after the  
a pilot program under this title, the Administrator shall--  
(1) submit to the Director a report on the results and  
findings under the program; and  
(2) provide a copy of the report to Congress.  
(b) CONTENT- The report shall include the following:  
(1) A detailed description of the results of the  
program, as

measured by the criteria established for the program.

Administrator (2) A discussion of any legislation that the  
Administrator recommends, or changes in regulations that the  
Administrator considers necessary, in order to improve overall  
information resources management within the Federal Government.

SEC. 5304. RECOMMENDED LEGISLATION.

under a If the Director determines that the results and findings  
pilot program under this title indicate that legislation is  
transmit necessary or desirable in order to improve the process for  
Congress. acquisition of information technology, the Director shall  
the Director's recommendations for such legislation to

SEC. 5305. RULE OF CONSTRUCTION.

Nothing in this title shall be construed as authorizing the  
appropriation or obligation of funds for the pilot programs  
authorized under this title.

SUBTITLE B--SPECIFIC PILOT PROGRAMS

SEC. 5311. SHARE-IN-SAVINGS PILOT PROGRAM.

of two (a) REQUIREMENT- The Administrator may authorize the heads  
executive agencies to carry out a pilot program to test the  
feasibility of--

sector (1) contracting on a competitive basis with a private  
information source to provide the Federal Government with an  
a technology solution for improving mission-related or  
administrative processes of the Federal Government; and  
(2) paying the private sector source an amount equal to

from portion of the savings derived by the Federal Government

any improvements in mission-related processes and administrative processes that result from implementation of the solution.

(b) LIMITATIONS- The head of an executive agency authorized to carry out the pilot program may, under the pilot program, carry out one project and enter into not more than five contracts for the project.

(c) SELECTION OF PROJECTS- The projects shall be selected by the Administrator, in consultation with the Administrator for the Office of Information and Regulatory Affairs.

SEC. 5312. SOLUTIONS-BASED CONTRACTING PILOT PROGRAM.

(a) IN GENERAL- The Administrator may authorize the heads of any of the executive agencies, in accordance with subsection (d)(2), to carry out a pilot program to test the feasibility of using solutions-based contracting for acquisition of information technology.

(b) SOLUTIONS-BASED CONTRACTING DESCRIBED- For purposes of this section, solutions-based contracting is an acquisition method under which the acquisition objectives are defined by the Federal Government user of the technology to be acquired, a streamlined contractor selection process is used, and industry sources are allowed to provide solutions that attain the objectives effectively.

(c) PROCESS REQUIREMENTS- The Administrator shall require use of a process with the following aspects for acquisitions under the pilot program:

(1) ACQUISITION PLAN EMPHASIZING DESIRED RESULT- Preparation of an acquisition plan that defines the functional requirements of the intended users of the information technology to be acquired, identifies the operational improvements to be achieved, and defines the performance measurements to be applied in determining whether the information technology acquired satisfies the defined requirements and attains the identified results.

(2) RESULTS-ORIENTED STATEMENT OF WORK- Use of a statement of work that is limited to an expression of the end results or performance capabilities desired under the acquisition plan.

(3) SMALL ACQUISITION ORGANIZATION- Assembly of a small acquisition organization consisting of the following:

which  
program  
results  
administrative  
be  
persons

(A) An acquisition management team, the members of which are to be evaluated and rewarded under the pilot program for contributions toward attainment of the desired results identified in the acquisition plan.

(B) A small source selection team composed of representatives of the specific mission or area to be supported by the information technology to be acquired, together with a contracting officer and persons with relevant expertise.

(4) USE OF SOURCE SELECTION FACTORS EMPHASIZING SOURCE QUALIFICATIONS AND COSTS- Use of source selection factors

that emphasize--

such  
organizations with  
performance,  
the  
conceptual

(A) the qualifications of the offeror, including factors as personnel skills, previous experience in providing other private or public sector solutions for attaining objectives similar to the objectives of the acquisition, past contract qualifications of the proposed program manager, and proposed management plan; and

(B) the costs likely to be associated with the approach proposed by the offeror.

(5) OPEN COMMUNICATIONS WITH CONTRACTOR COMMUNITY- Open availability of the following information to potential offerors:

acquisition.

(A) The agency mission to be served by the

of  
information technology.

(B) The functional process to be performed by use

(C) The process improvements to be attained.

(6) SIMPLE SOLICITATION- Use of a simple solicitation

that sets forth only the functional work description, the

source selection factors to be used in accordance with paragraph

(4), the required terms and conditions, instructions regarding submission of offers, and the estimate of the Federal Government's budget for the desired work.

and  
written proposals that are limited in size and scope and contain information on--

(7) SIMPLE PROPOSALS- Submission of oral presentations

desired

(A) the offeror's qualifications to perform the

work;

(B) past contract performance;

(C) the proposed conceptual approach; and

proposed

(D) the costs likely to be associated with the

conceptual approach.

(8) SIMPLE EVALUATION- Use of a simplified evaluation process, to be completed within 45 days after receipt of proposals, which consists of the following:

that

(A) Identification of the most qualified offerors

are within the competitive range.

not

(B) Issuance of invitations for at least three and

oral

more than five of the identified offerors to make

presentations to, and engage in discussions with, the evaluating personnel regarding, for each offeror--

including how

(i) the qualifications of the offeror,

the qualifications of the offeror relate to the approach proposed to be taken by the offeror in

the

acquisition; and

(ii) the costs likely to be associated with the approach.

identified

(C) Evaluation of the qualifications of the

offerors and the costs likely to be associated with

the

offerors' proposals on the basis of submissions

required

under the process and any oral presentations made by,

and

any discussions with, the offerors.

process

(9) SELECTION OF MOST QUALIFIED OFFEROR- A selection

consisting of the following:

and

(A) Identification of the most qualified source,

basis of

ranking of alternative sources, primarily on the

and

the oral proposals, presentations, and discussions,

paragraph (7).

written proposals submitted in accordance with

definition

(B) Conduct for 30 to 60 days of a program

awarded

phase (funded, in the case of the source ultimately

the contract, by the Federal Government)--

consultation

(i) during which the selected source, in

conceptual

with one or more intended users, develops a

logical system design and technical approach, defines  
cost phases for the project, and estimates the total  
and the cost for each phase; and  
the (ii) after which a contract for performance of  
of work may be awarded to that source on the basis  
quality cost, the responsiveness, reasonableness, and  
risk and of the proposed performance, and a sharing of  
benefits between the source and the Government.  
definition (C) Conduct of as many successive program  
as is phases with alternative sources (in the order ranked)  
with necessary in order to award a contract in accordance  
subparagraph (B).  
implementation to (10) SYSTEM IMPLEMENTATION PHASING- System  
with be executed in phases that are tailored to the solution,  
for various contract arrangements being used, as appropriate,  
various phases and activities.  
Federal (11) MUTUAL AUTHORITY TO TERMINATE- Authority for the  
without Government or the contractor to terminate the contract  
penalty at the end of any phase defined for the project.  
standard (12) TIME MANAGEMENT DISCIPLINE- Application of a  
issuance for awarding a contract within 105 to 120 days after  
of the solicitation.  
Administrator, in (d) Pilot Program Design-  
joint (1) JOINT PUBLIC-PRIVATE WORKING GROUP- The  
consultation with the Administrator for the Office of  
Information and Regulatory Affairs, shall establish a  
out working group of Federal Government personnel and  
representatives of the information technology industry to  
design a plan for conduct of any pilot program carried  
under this section.  
and (2) CONTENT OF PLAN- The plan shall provide for use of  
solutions-based contracting in the Department of Defense  
of-- not more than two other executive agencies for a total  
(A) not more than 10 projects, each of which has an  
estimated cost of between \$25,000,000 and  
\$100,000,000; and

(B) not more than 10 projects, each of which has an estimated cost of between \$1,000,000 and \$5,000,000, to be

set aside for small business concerns.

(3) COMPLEXITY OF PROJECTS- (A) Subject to subparagraph (C),

each acquisition project under the pilot program shall be sufficiently complex to provide for meaningful evaluation of

the use of solutions-based contracting for acquisition of information technology for executive agencies.

(B) In order for an acquisition project to satisfy the requirement in subparagraph (A), the solution for attainment of

the executive agency's objectives under the project should not

be obvious, but rather shall involve a need for some innovative

development and systems integration.

(C) An acquisition project should not be so extensive or

lengthy as to result in undue delay in the evaluation of the

use of solutions-based contracting.

(e) MONITORING BY GAO- The Comptroller General of the United

States shall--

(1) monitor the conduct, and review the results, of acquisitions under the pilot program; and

(2) submit to Congress periodic reports containing the views

of the Comptroller General on the activities, results, and

findings under the pilot program.

TITLE LIV--ADDITIONAL INFORMATION RESOURCES MANAGEMENT

MATTERS

SEC. 5401. ON-LINE MULTIPLE AWARD SCHEDULE CONTRACTING.

(a) AUTOMATION OF MULTIPLE AWARD SCHEDULE CONTRACTING- In order

to provide for the economic and efficient procurement of information technology and other commercial items, the Administrator of General Services shall provide through the

Federal Acquisition Computer Network (in this section referred to as 'FACNET'), not later than January 1, 1998, Government-wide

on-line computer access to information on products and services that

are available for ordering under the multiple award schedules. If

the Administrator determines it is not practicable to provide

such access through FACNET, the Administrator shall provide such

access through another automated system that has the capability to

perform the functions listed in subsection (b)(1) and meets the

requirement  
of subsection (b)(2).  
functions (b) ADDITIONAL FACNET FUNCTIONS- (1) In addition to the  
specified in section 30(b) of the Office of Federal  
Procurement Policy Act (41 U.S.C. 426(b)), the FACNET architecture shall  
have the capability to perform the following functions:  
ordering (A) Provide basic information on prices, features, and  
performance of all products and services available for  
changes through the multiple award schedules.  
information on (B) Provide for updating that information to reflect  
the changes becomes available.  
of the (C) Enable users to make on-line computer comparisons  
prices, features, and performance of similar products and  
services offered by various vendors.  
under (2) The FACNET architecture shall be used to place orders  
equal the multiple award schedules in a fiscal year for an amount  
orders to at least 60 percent of the total amount spent for all  
under the multiple award schedules in that fiscal year.  
Administrator of (c) STREAMLINED PROCEDURES-  
(1) PILOT PROGRAM- Upon certification by the  
General Services that the FACNET architecture meets the  
requirements of subsection (b)(1) and was used as  
required by subsection (b)(2) in the fiscal year preceding the fiscal  
year in which the certification is made, the Administrator for  
Federal Procurement Policy may establish a pilot program  
to test streamlined procedures for the procurement of  
information technology products and services available for ordering  
through the multiple award schedules.  
shall (2) APPLICABILITY TO MULTIPLE AWARD SCHEDULE CONTRACTS-  
Except as provided in paragraph (4), the pilot program  
for the be applicable to all multiple award schedule contracts  
following purchase of information technology and shall test the  
procedures:  
terms and (A) A procedure under which negotiation of the  
contract conditions for a covered multiple award schedule

is limited to terms and conditions other than price.

the  
contract and  
of  
award  
offeror  
which  
schedule  
commercial items; and  
established  
later than  
shall  
the  
program.  
under the  
award  
paperwork  
and  
businesses  
businesses.  
PILOT

(B) A procedure under which the vendor establishes prices under a covered multiple award schedule may adjust those prices at any time in the discretion of the vendor.

(C) A procedure under which a covered multiple schedule contract is awarded to any responsible that--

(i) has a suitable record of past performance, may include past performance on multiple award contracts;

(ii) agrees to terms and conditions that the Administrator determines as being required by law or as being appropriate for the purchase of commercial items; and

(iii) agrees to establish and update prices, features, and performance and to accept orders electronically through the automated system

pursuant to subsection (a).

(3) COMPTROLLER GENERAL REVIEW AND REPORT- (A) Not three years after the date on which the pilot program is established, the Comptroller General of the United States review the pilot program and report to the Congress on results of the pilot program.

(B) The report shall include the following:

(i) An evaluation of the extent to which there is competition for the orders placed under the pilot

(ii) The effect that the streamlined procedures pilot program have on prices charged under multiple schedule contracts.

(iii) The effect that such procedures have on requirements for multiple award schedule contracts orders.

(iv) The impact of the pilot program on small and socially and economically disadvantaged small

(4) WITHDRAWAL OF SCHEDULE OR PORTION OF SCHEDULE FROM PROGRAM- The Administrator may withdraw a multiple award schedule or portion of a schedule from the pilot program

if the Administrator determines that (A) price competition is not available under such schedule or portion thereof, or (B) the cost to the Government for that schedule or portion thereof for the previous year was higher than it would have been if the contracts for such schedule or portion thereof had been awarded using procedures that would apply if the pilot program were not in effect. The Administrator shall notify Congress at least 30 days before the date on which the Administrator withdraws a schedule or portion thereof under this paragraph. The authority under this paragraph may not be delegated.

(5) TERMINATION OF PILOT PROGRAM- Unless reauthorized by law, the authority of the Administrator to award contracts under the pilot program shall expire four years after the date on which the pilot program is established. Contracts entered into before the authority expires shall remain in effect in accordance with their terms notwithstanding the expiration of the authority to award new contracts under the pilot program.

(d) DEFINITION- In this section, the term 'FACNET' means the Federal Acquisition Computer Network established under section 30 of the Office of Federal Procurement Policy Act (41 U.S.C. 426).

SEC. 5402. IDENTIFICATION OF EXCESS AND SURPLUS COMPUTER EQUIPMENT.

Not later than six months after the date of the enactment of this Act, the head of an executive agency shall inventory all computer equipment under the control of that official. After completion of the inventory, the head of the executive agency shall maintain, in accordance with title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.), an inventory of any such equipment that is excess or surplus property.

SEC. 5403. ACCESS OF CERTAIN INFORMATION IN INFORMATION SYSTEMS TO THE DIRECTORY ESTABLISHED UNDER SECTION 4101 OF TITLE 44,

UNITED

STATES CODE.

Notwithstanding any other provision of this division, if in designing an information technology system pursuant to this division, the head of an executive agency determines that a purpose of the system is to disseminate information to the public, then the head of such executive agency shall reasonably ensure that an index of information disseminated by such system is included in the directory created pursuant to section 4101 of title 44, United States Code. Nothing in this section authorizes the dissemination of information to the public unless otherwise authorized.

TITLE LV--PROCUREMENT PROTEST AUTHORITY OF THE COMPTROLLER

GENERAL

SEC. 5501. PERIOD FOR PROCESSING PROTESTS.

Title 31, United States Code, is amended as follows:

(1) Section 3553(b)(2)(A) is amended by striking out `35' and inserting in lieu thereof `30'.  
(2) Section 3554 is amended--  
(A) in subsection (a)(1), by striking out `125' and inserting in lieu thereof `100'; and  
(B) in subsection (e)--  
(i) in paragraph (1), by striking out `Government Operations' and inserting in lieu thereof `Government Reform and Oversight'; and  
(ii) in paragraph (2), by striking out `125' and inserting in lieu thereof `100'.

SEC. 5502. AVAILABILITY OF FUNDS FOLLOWING GAO RESOLUTION

OF

CHALLENGE TO CONTRACTING ACTION.

(a) IN GENERAL- Section 1558 of title 31, United States Code, is amended--  
(1) in the first sentence of subsection (a)--  
(A) by inserting `or other action referred to in subsection (b)' after `protest' the first place it appears;  
(B) by striking out `90 working days' and inserting in lieu thereof `100 days'; and  
(C) by inserting `or other action' after `protest' the second place it appears; and  
(2) by striking out subsection (b) and inserting in lieu thereof the following:  
(b) Subsection (a) applies with respect to--  
(1) any protest filed under subchapter V of chapter 35

of

this title; or

procedures or                    (2) an action commenced under administrative

for a judicial remedy if--

  (A) the action involves a challenge to--

    (i) a solicitation for a contract;

    (ii) a proposed award of a contract;

    (iii) an award of a contract; or

    (iv) the eligibility of an offeror or

potential

offeror for a contract or of the contractor

awarded the

contract; and

  (B) commencement of the action delays or prevents

an

executive agency from making an award of a contract

or

proceeding with a procurement.'.

amended                   (b) CONFORMING AMENDMENT- The heading of such section is

to read as follows:

formal                   -`Sec. 1558. Availability of funds following resolution of a  
protest or other challenge'.

in the                   (c) CLERICAL AMENDMENT- The item relating to such section

table of sections at the beginning of chapter 15 of title 31,  
United States Code, is amended to read as follows:

`1558. Availability of funds following resolution of a formal  
protest or other challenge.'.

TITLE LVI--CONFORMING AND CLERICAL AMENDMENTS

SEC. 5601. AMENDMENTS TO TITLE 10, UNITED STATES CODE.

out                   (a) PROTEST FILE- Section 2305(e) is amended by striking

paragraph (3).

amended--               (b) MULTIYEAR CONTRACTS- Section 2306b of such title is

(1) by striking out subsection (k); and

(2) by redesignating subsection (1) as subsection (k).

(c) LAW INAPPLICABLE TO PROCUREMENT OF INFORMATION

TECHNOLOGY-

Section 2315 of title 10, United States Code, is amended by  
striking out `Section 111' and all that follows through `use

of

equipment or services if,' and inserting in lieu thereof the  
following: `For the purposes of the Information Technology  
Management Reform Act of 1996, the term `national security

systems'

means those telecommunications and information systems

operated by

the Department of Defense, the functions, operation or use of

which'.

SEC. 5602. AMENDMENTS TO TITLE 28, UNITED STATES CODE.

(a) REFERENCES TO BROOKS AUTOMATIC DATA PROCESSING ACT-

Section

612 of title 28, United States Code, is amended--

the  
(40  
provisions of  
agencies  
1996';

(1) in subsection (f), by striking out `section 111 of  
Federal Property and Administrative Services Act of 1949  
U.S.C. 759)' and inserting in lieu thereof `the  
law, policies, and regulations applicable to executive  
under the Information Technology Management Reform Act of

and 201  
of 1949  
`section  
Act of

(2) in subsection (g), by striking out `sections 111  
of the Federal Property and Administrative Services Act  
(40 U.S.C. 481 and 759)' and inserting in lieu thereof  
201 of the Federal Property and Administrative Services  
1949 (40 U.S.C. 481)'';

(3) by striking out subsection (l); and  
(4) by redesignating subsection (m) as subsection (l).  
(b) REFERENCES TO AUTOMATIC DATA PROCESSING- Section 612 of  
title

28, United States Code, is further amended--  
(1) in the heading, by striking out the second word and  
inserting in lieu thereof ` **Information Technology**  
';

Automation  
Information

(2) in subsection (a), by striking out `Judiciary  
Fund' and inserting in lieu thereof `Judiciary  
Technology Fund'; and

(3) by striking out `automatic data processing' and  
inserting in lieu thereof `information technology' each  
place

(h)(1).  
it appears in subsections (a), (b), (c)(2), (e), (f), and

SEC. 5603. AMENDMENT TO TITLE 31, UNITED STATES CODE.  
Section 3552 of title 31, United States Code, is amended by  
striking out the second sentence.

SEC. 5604. AMENDMENTS TO TITLE 38, UNITED STATES CODE.  
Section 310 of title 38, United States Code, is amended to  
read  
as follows:

`Sec. 310. Chief Information Officer  
(a) The Chief Information Officer for the Department is  
designated pursuant to section 3506(a)(2) of title 44.  
(b) The Chief Information Officer performs the duties

provided  
chapter  
Reform Act

for chief information officers of executive agencies under  
35 of title 44 and the Information Technology Management  
of 1996.'.

RELATING TO  
SEC. 5605. PROVISIONS OF TITLE 44, UNITED STATES CODE,  
PAPERWORK REDUCTION.



inserting

in lieu thereof `section 3502(9) of title 44'; and  
(B) in paragraph (4), by striking out `section  
the Federal Property and Administrative Services Act  
1949' and inserting in lieu thereof `section 5131 of  
Information Technology Management Reform Act of

1996';

(2) in subsection (b)--

(A) by striking out paragraph (2);

(B) in paragraph (3), by striking out `section

111(d) of

the Federal Property and Administrative Services Act  
1949' and inserting in lieu thereof `section 5131 of  
Information Technology Management Reform Act of

1996'; and

(C) by redesignating paragraphs (3), (4), (5), and

(6) as

paragraphs (2), (3), (4), and (5); and

(3) in subsection (d)--

(A) in paragraph (1)(B)(v), by striking out `as

defined'

and all that follows and inserting in lieu thereof a  
semicolon; and

(B) in paragraph (2)--

(i) by striking out `system'--' and all that

follows

through `means' in subparagraph (A) and inserting

in

lieu thereof `system' means'; and

(ii) by striking out `; and' at the end of  
subparagraph (A) and all that follows through the

end

of subparagraph (B) and inserting in lieu thereof

a

semicolon.

(b) COMPUTER SECURITY ACT OF 1987-

(1) PURPOSES- Section 2(b)(2) of the Computer Security

Act of

1987 (Public Law 100-235; 101 Stat. 1724) is amended by  
striking out `by amending section 111(d) of the Federal  
Property and Administrative Services Act of 1949 (40

U.S.C.

759(d))'.

(2) SECURITY PLAN- Section 6(b) of such Act (101 Stat.

1729;

40 U.S.C. 759 note) is amended--

(A) by striking out `Within one year after the date

of

enactment of this Act, each such agency shall,

consistent

with the standards, guidelines, policies, and

regulations

prescribed pursuant to section 111(d) of the Federal Property and Administrative Services Act of 1949,' and inserting in lieu thereof 'Each such agency shall, consistent with the standards, guidelines, policies, and regulations prescribed pursuant to section 5131 of the Information Technology Management Reform Act of 1996,'; and

(B) by striking out 'Copies' and all that follows through 'Code.'.

(c) FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949- Section 303B(h) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b(h)) is amended by striking out paragraph (3).

(d) OFFICE OF FEDERAL PROCUREMENT POLICY ACT- Section 6(h)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(h)(1)) is amended by striking out 'of automatic data processing and telecommunications equipment and services or'.

(e) NATIONAL ENERGY CONSERVATION POLICY ACT- Section 801(b)(3) of the National Energy Conservation Policy Act (42 U.S.C. 8287(b)(3)) is amended by striking out the second sentence.

(f) CENTRAL INTELLIGENCE AGENCY ACT OF 1949- Section 3 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403c) is amended by striking out subsection (e).  
SEC. 5608. CLERICAL AMENDMENTS.

(a) FEDERAL PROPERTY AND ADMINISTRATIVE SERVICES ACT OF 1949- The table of contents in section 1(b) of the Federal Property and Administrative Services Act of 1949 is amended by striking out the item relating to section 111.

(b) TITLE 38, UNITED STATES CODE- The table of sections at the beginning of chapter 3 of title 38, United States Code, is amended by striking out the item relating to section 310 and inserting in

lieu thereof the following:  
'310. Chief Information Officer.'

TITLE LVII--EFFECTIVE DATE, SAVINGS PROVISIONS, AND RULES OF

CONSTRUCTION  
SEC. 5701. EFFECTIVE DATE.  
This division and the amendments made by this division shall take effect 180 days after the date of the enactment of this Act.

SEC. 5702. SAVINGS PROVISIONS.

(a) REGULATIONS, INSTRUMENTS, RIGHTS, AND PRIVILEGES- All rules, regulations, contracts, orders, determinations, permits, certificates, licenses, grants, and privileges--

(1) which have been issued, made, granted, or allowed to become effective by the Administrator of General Services or the General Services Board of Contract Appeals, or by a court of competent jurisdiction, in connection with an acquisition activity carried out under section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759), and

(2) which are in effect on the effective date of this division, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the Director or any other authorized official, by a court of competent jurisdiction, or by operation of law.

(b) Proceedings-

(1) PROCEEDINGS GENERALLY- This division and the amendments made by this division shall not affect any proceeding, including any proceeding involving a claim, application, or protest in connection with an acquisition activity carried out under section 111 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 759) that is pending before the Administrator of General Services or the General Services Board of Contract Appeals on the effective date of this division.

(2) ORDERS- Orders may be issued in any such proceeding, appeals may be taken therefrom, and payments may be made pursuant to such orders, as if this division had not been enacted. An order issued in any such proceeding shall continue in effect until modified, terminated, superseded, or revoked in accordance with law by the Director or any other authorized official, by a court of competent jurisdiction, or by operation of law.

(3) DISCONTINUANCE OR MODIFICATION OF PROCEEDINGS NOT PROHIBITED- Nothing in this subsection prohibits the

under the discontinuance or modification of any such proceeding  
such same terms and conditions and to the same extent that  
this Act proceeding could have been discontinued or modified if  
had not been enacted.

(4) OTHER AUTHORITY AND PROHIBITION- Section 1558(a) of  
title 31, United States Code, and the second sentence of  
section 3552 of such title shall continue to apply with respect to a  
protest process in accordance with this subsection.

Director may (5) REGULATIONS FOR TRANSFER OF PROCEEDINGS- The  
of prescribe regulations providing for the orderly transfer  
of proceedings continued under paragraph (1).

(c) STANDARDS AND GUIDELINES FOR FEDERAL COMPUTER SYSTEMS-  
computer Standards and guidelines that are in effect for Federal  
day systems under section 111(d) of the Federal Property and  
effect Administrative Services Act of 1949 (40 U.S.C. 759(d)) on the  
disapproved before the effective date of this division shall remain in  
effect until modified, terminated, superseded, revoked, or  
disapproved under the authority of section 5131 of this Act.

SEC. 5703. RULES OF CONSTRUCTION.

(a) RELATIONSHIP TO TITLE 44, UNITED STATES CODE- Nothing  
in this division shall be construed to amend, modify, or supersede  
any provision of title 44, United States Code, other than chapter  
35 of such title.

(b) RELATIONSHIP TO COMPUTER SECURITY ACT OF 1987- Nothing  
in this division shall affect the limitations on authority that  
is provided for in the administration of the Computer Security  
Act of 1987 (Public Law 100-235) and the amendments made by such  
Act. Speaker of the House of Representatives.  
Vice President of the United States and  
President of the Senate.

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