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(Original Signature of Member)

114TH CONGRESS
2D SESSION

H. R.

To promote innovation and realize the efficiency gains and economic benefits of on-demand computing by accelerating the acquisition and deployment of innovative technology and computing resources throughout the Federal Government, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. HURD of Texas (for himself, Ms. KELLY of Illinois, Mrs. COMSTOCK, Mr. CONNOLLY, Mr. KILMER, and Mr. LIEU of California) introduced the following bill; which was referred to the Committee on

A BILL

To promote innovation and realize the efficiency gains and economic benefits of on-demand computing by accelerating the acquisition and deployment of innovative technology and computing resources throughout the Federal Government, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Modernizing Outdated
3 and Vulnerable Equipment and Information Technology
4 Act of 2016” or the “MOVE IT Act”.

5 **SEC. 2. FINDINGS AND PURPOSES.**

6 (a) FINDINGS.—Congress finds the following:

7 (1) National Institute of Standards and Tech-
8 nology Special Publication 800–145 describes cloud
9 computing as an evolving paradigm for information
10 technology that is a model for enabling ubiquitous,
11 convenient, on-demand network access to a shared
12 pool of configurable computing resources (i.e., net-
13 works, servers, storage, applications, and services)
14 that can be rapidly provisioned and released with
15 minimal management effort or service provider inter-
16 action.

17 (2) Together, the efficiencies, cost savings, and
18 greater computing power enabled by cloud com-
19 puting has the potential to—

20 (A) eliminate inappropriate duplication, re-
21 duce costs, and address waste, fraud, and abuse
22 in providing Government services that are pub-
23 licly available;

24 (B) address the critical need for cybersecu-
25 rity by design; and

1 (C) move the Federal Government into a
2 broad digital-services delivery model that could
3 transform the fashion in which the Federal
4 Government provides services to the people of
5 the United States.

6 (b) PURPOSES.—The purposes of this Act are to—

7 (1) accelerate the acquisition and deployment of
8 cloud computing services by addressing key impedi-
9 ments and roadblocks in funding, development, and
10 acquisition practices;

11 (2) support and expand an efficient Federal
12 certification standard for qualifying cloud services
13 providers under the Federal Risk and Authorization
14 Management Program using a “qualify once, use
15 many times” efficiency model that strikes an appro-
16 priate balance between—

17 (A) encouraging the adoption of strong se-
18 curity practices to protect against the harm of
19 cyber intrusions and hacks; and

20 (B) avoiding the imposition of undue bur-
21 densome and restrictive requirements on cloud
22 computing service providers that would deter
23 investment in innovative cloud computing serv-
24 ices;

1 (3) assist agencies in migrating to cloud com-
2 puting services by providing guidance and oversight
3 of agency enterprise-wide information technology
4 portfolios suitable for and identifiable as suitable for
5 a cloud-based delivery model; and

6 (4) provide for Federal agencies to procure
7 cloud computing services that adhere to sound secu-
8 rity practices.

9 **SEC. 3. FEDERAL RISK AND AUTHORIZATION MANAGEMENT**
10 **PROGRAM.**

11 (a) IN GENERAL.—Except as provided under sub-
12 section (b), a covered agency may not store or process
13 Government information on a Federal information system
14 with any cloud service provider, unless the provider has
15 an authorization to operate, or a provisional authorization
16 to operate, covering the proposed scope of work, from the
17 covered agency or the Joint Authorization Board. A cov-
18 ered agency operating under a provisional authorization
19 to operate shall issue an authorization to operate as soon
20 as practicable and may not rely on the provisional author-
21 ization to operate for the duration of the scope of work.

22 (b) WAIVER OF REQUIREMENTS.—

23 (1) IN GENERAL.—The Director of National In-
24 telligence, or a designee of the Director, may waive
25 the applicability to any national security system of

1 any provision of this section if the Director of Na-
2 tional Intelligence, or the designee, determines that
3 such waiver is in the interest of national security.

4 (2) NOTIFICATION.—Not later than 30 days
5 after exercising a waiver under this subsection, the
6 Director of National Intelligence, or the designee of
7 the Director, as the case may be, shall submit to the
8 Committee on Homeland Security and Governmental
9 Affairs and the Select Committee on Intelligence of
10 the Senate and the Committee on Oversight and
11 Government Reform and the Permanent Select Com-
12 mittee on Intelligence of the House of Representa-
13 tives a statement describing and justifying the waiv-
14 er.

15 (c) RULE OF CONSTRUCTION.—Nothing in this sec-
16 tion shall be construed as limiting the ability of the Office
17 of Management and Budget to update or modify Federal
18 guidelines relating to the security of cloud computing.

19 **SEC. 4. EXPANDED INDUSTRY COLLABORATION AND**
20 **METRICS DEVELOPMENT FOR THE FEDERAL**
21 **RISK AND AUTHORIZATION MANAGEMENT**
22 **PROGRAM OFFICE.**

23 (a) IN GENERAL.—The Director shall coordinate
24 with the Federal Risk and Authorization Management
25 Program Office to establish mandatory guidelines for the

1 submission of an application for an authorization to oper-
2 ate and related materials to the Federal Risk and Author-
3 ization Management Program Office.

4 (b) CONTENTS.—The guidelines established under
5 subsection (a) shall streamline and accelerate the Federal
6 Risk and Authorization Management Program accredita-
7 tion process by meeting the following requirements:

8 (1) Not less frequently than monthly, report to
9 the applicant the status, expected time to comple-
10 tion, and other key indicators related to compliance
11 for an application for authorization to operate sub-
12 mitted to the Federal Risk and Authorization Man-
13 agement Program Office.

14 (2) Enhanced training and industry liaison op-
15 portunities for covered agencies and cloud service
16 providers.

17 (3) A clarification of—

18 (A) the role and authority of third party
19 assessment organization in the Federal Risk
20 and Authorization Management Program proc-
21 ess for authorizations to operate by covered
22 agencies;

23 (B) the extent to which the Federal Risk
24 and Authorization Management Program Office
25 may identify and begin to accept or rely upon

1 certifications from other standards development
2 organizations or third party assessment organi-
3 zation; and

4 (C) the responsibility of covered agencies
5 to sponsor a Federal Risk and Authorization
6 Management Program authorization to operate
7 as part of making Federal Risk and Authoriza-
8 tion Management Program compliance a condi-
9 tion for entering into a contract or providing
10 cloud computing services to a covered agency.

11 (c) FEDRAMP LIAISON GROUP.—

12 (1) IN GENERAL.—The Director, in coordina-
13 tion with the Program Management Office and the
14 National Institute of Standards and Technology,
15 shall host a public-private industry cloud commercial
16 working group (in this subsection referred to as the
17 “FedRAMP Liaison Group”) representing cloud
18 service providers.

19 (2) COMPOSITION AND FUNCTIONS.—The
20 FedRAMP Liaison Group—

21 (A) shall include representatives of cloud
22 service providers;

23 (B) may include such working groups as
24 are determined appropriate by the FedRAMP
25 Liaison Group;

1 (C) shall be hosted by the General Services
2 Administration, who shall convene plenary
3 meetings on a quarterly basis with individual
4 working groups meeting as frequently as deter-
5 mined by the group; and

6 (D) shall consult with and provide rec-
7 ommendations directly to the Program Manage-
8 ment Office and the Joint Authorization Board
9 of the Federal Risk and Authorization Manage-
10 ment Program regarding the operations, proc-
11 esses improvements, and best practices of the
12 Office and Board.

13 (3) FACA EXEMPTION.—The Federal Advisory
14 Committee Act shall not apply to the FedRAMP Li-
15 aison Group.

16 (d) PROVIDING DEDICATED AGENCY SUPPORT.—The
17 Program Management Office shall work with each covered
18 agency to support and guide the efforts of the agency—

19 (1) to establish and issue the authorization to
20 operate for the agency;

21 (2) to facilitate authorization approval, support,
22 and direct interfacing with cloud service providers;
23 and

1 (3) to facilitate partnership among agencies to
2 efficiently support activities related to obtaining an
3 authorization to operate.

4 (e) METRICS.—The Director, in coordination with the
5 National Institute of Standards and Technology and the
6 FedRAMP Liaison Group, shall establish key performance
7 metrics for the Federal Risk and Authorization Manage-
8 ment Program Office, which shall include—

9 (1) recommendations for maximum time limits
10 for the completion of authorizations to operate by
11 service categories of cloud service providers, not to
12 exceed six months;

13 (2) targets for the streamlining of the author-
14 ization to operate through the use of innovative tem-
15 plates and transparent submission requirements; and

16 (3) recommendations for satisfying Federal con-
17 tinuous monitoring requirements.

18 (f) REPORT REQUIRED.—Not later than one year
19 after the date of the enactment of this Act, the Director
20 shall submit to the Committees on Appropriations and
21 Oversight and Government Reform of the House of Rep-
22 resentatives and the Committees on Appropriations and
23 Homeland Security and Governmental Affairs of the Sen-
24 ate a report on the effectiveness and efficiency of the Fed-
25 eral Risk and Authorization Management Program Office.

1 **SEC. 5. ADDITIONAL BUDGET AUTHORITIES FOR THE MOD-**
2 **ERNIZATION OF IT SYSTEMS.**

3 (a) ASSESSMENT OF CLOUD FIRST IMPLEMENTA-
4 TION.—Not later than 90 days after the date of the enact-
5 ment of this Act, the Director, in consultation with the
6 Chief Information Officers Council, shall assess cloud
7 computing opportunities and issue policies and guidelines
8 for the adoption of Governmentwide programs providing
9 for a standardized approach to security assessment and
10 operational authorization for cloud computing products
11 and services.

12 (b) INFORMATION TECHNOLOGY SYSTEM MOD-
13 ERNIZATION AND WORKING CAPITAL FUND.—

14 (1) ESTABLISHMENT.—There is established in
15 each covered agency an information technology sys-
16 tem modernization and working capital fund (here-
17 after “IT working capital fund”) for necessary ex-
18 penses for the agency described in paragraph (2).

19 (2) SOURCE OF FUNDS.—Amounts may be de-
20 posited into an IT working capital fund as follows:

21 (A) Reprogramming of funds, including re-
22 programming of any funds available on the date
23 of enactment of this Act for the operation and
24 maintenance of legacy systems, in compliance
25 with any applicable reprogramming law or
26 guidelines of the Committees on Appropriations

1 of the House of Representatives and the Sen-
2 ate.

3 (B) Transfer of funds, including transfer
4 of any funds available on the date of enactment
5 of this Act for the operation and maintenance
6 of legacy systems, but only if transfer authority
7 is specifically provided for by law.

8 (C) Amounts made available through dis-
9 cretionary appropriations.

10 (3) USE OF FUNDS.—An IT working capital
11 fund established under paragraph (1) may be used
12 only for the following:

13 (A) The replacement of a legacy informa-
14 tion technology system.

15 (B) The transition to cloud computing and
16 innovative platforms and technologies subject to
17 a transition plan for any project that costs
18 more than \$5,000,000 and approved by the
19 Federal Chief Information Officer according to
20 such guidelines as the Office of Management
21 and Budget may designate.

22 (C) To assist and support agency efforts to
23 provide adequate, risk-based, and cost-effective
24 information technology capabilities that address
25 evolving threats to information security.

1 (D) Developmental, modernization, and en-
2 hancement activities of information technology.

3 (4) EXISTING FUNDS.—An IT working capital
4 fund may not be used to supplant funds provided for
5 the operation and maintenance of any system al-
6 ready within an appropriation for the agency at the
7 time of establishment of the IT working capital
8 fund.

9 (5) REPROGRAMMING AND TRANSFER OF
10 FUNDS.—The head of each covered agency shall
11 prioritize funds within the IT working capital fund
12 to be used initially for cost savings activities ap-
13 proved by the Federal Chief Information Officer, in
14 consultation with the Chief Information Officer of
15 the covered agency. The head of each covered agency
16 may—

17 (A) reprogram any amounts saved as a di-
18 rect result of such activities for deposit into the
19 applicable IT working capital fund, consistent
20 with paragraph (2)(A), except that any such re-
21 programming of amounts in excess of \$500,000
22 shall be reported to the Committees on Appro-
23 priations of the House of Representatives and
24 the Senate 30 days in advance of such re-
25 programming; and

1 (B) may transfer any amounts saved as a
2 direct result of such activities for deposit into
3 the applicable IT working capital fund, con-
4 sistent with paragraph (2)(B), except that any
5 such transfer of amounts in excess of \$500,000
6 shall be reported to the Committees on Appro-
7 priations of the House of Representatives and
8 the Senate 30 days in advance of such transfer.

9 (6) RETURN OF FUNDS.—Any funds deposited
10 into an IT working capital fund must be obligated
11 no later than 3 years after the date of such deposit.
12 Any funds that are unobligated 3 years after such
13 date shall be rescinded and deposited into the gen-
14 eral fund of the Treasury and reported to the Com-
15 mittees on Appropriations of the House of Rep-
16 resentatives and the Senate.

17 (7) SEMIANNUAL REPORT REQUIRED.—Not
18 later than 6 months after the date of the enactment
19 of this Act, and semiannually thereafter, the head of
20 any covered agency that uses an IT working capital
21 fund shall submit to the Committees on Appropria-
22 tions and Oversight and Government Reform of the
23 House of Representatives and the Committees on
24 Appropriations and Homeland Security and Govern-
25 mental Affairs of the Senate a report on the obliga-

1 tion and expenditure of funds made available under
2 this section.

3 (c) GAO REPORT.—Not later than one year after the
4 date of the enactment of this Act, and annually thereafter
5 for five years, the Comptroller General of the United
6 States shall submit to the Committees on Appropriations
7 and Oversight and Government Reform of the House of
8 Representatives and the Committees on Appropriations
9 and Homeland Security and Governmental Affairs of the
10 Senate a report—

11 (1) on the implementation and operation of
12 each IT working capital fund established under this
13 section;

14 (2) that identifies current practices and com-
15 pares the practices with industry best practices in
16 areas such as the effective oversight and governance
17 of a cloud computing working capital fund; and

18 (3) that describes the basis for the use and op-
19 eration of an IT working capital fund, the efficacy
20 of the working capital fund to accelerate technology
21 transitions, and recommendations for further im-
22 provement for the working capital fund.

23 **SEC. 6. DEFINITIONS.**

24 In this Act:

1 (1) AUTHORIZATION TO OPERATE.—The term
2 “authorization to operate” means an approval and
3 accreditation, including a provisional authorization
4 to operate, regarding the security and operational
5 qualifications of a cloud computing service provider
6 to offer secure, reliable cloud computing service to a
7 covered agency, that may be issued by the Joint Au-
8 thorization Board, any successor entity, or the head
9 of a covered agency.

10 (2) CLOUD COMPUTING.—The term “cloud
11 computing” has the meaning given that term by the
12 National Institute of Standards and Technology in
13 NIST Special Publication 800–145 and any amend-
14 atory or superseding document thereto.

15 (3) CLOUD SERVICE PROVIDER.—The term
16 “cloud service provider” means an entity offering
17 cloud computing infrastructure, platforms, or soft-
18 ware for commercial and Government entities.

19 (4) COVERED AGENCY.—The term “covered
20 agency” means each agency listed in section 901(b)
21 of title 31, United States Code.

22 (5) DIRECTOR.—The term “Director” means
23 the Director of the Office of Management and Budg-
24 et.

1 (6) FEDERAL RISK AND AUTHORIZATION MAN-
2 AGEMENT PROGRAM OFFICE.—The term “Federal
3 Risk and Authorization Management Program Of-
4 fice” or “Program Management Office” means the
5 Federal Risk and Authorization Management Pro-
6 gram Office, or any successor thereto.

7 (7) INFORMATION SYSTEM.—The term “infor-
8 mation system” has the meaning given that term
9 under section 3502 of title 44, United States Code.

10 (8) INFORMATION TECHNOLOGY.—The term
11 “information technology” has the meaning given
12 that term under section 11101 of title 40, United
13 States Code.

14 (9) LEGACY INFORMATION TECHNOLOGY SYS-
15 TEM.—The term “legacy information technology sys-
16 tem” means an outdated or obsolete information
17 technology that is no longer supported by the origi-
18 nating vendor or manufacturer.

19 (10) NATIONAL SECURITY SYSTEM.—The term
20 “national security system” has the meaning given
21 that term under section 3552 of title 44, United
22 States Code.

23 (11) THIRD PARTY ASSESSMENT ORGANIZA-
24 TION.—The term “third party assessment organiza-
25 tion” means a third party accreditation body that

1 conducts a conformity assessment of a cloud service
2 data provider to ensure the provider meets security
3 and operational guidelines issued by the Federal
4 Risk and Authorization Management Program Of-
5 fice.