

**U.S. SENATE COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS**

**SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT,
GOVERNMENT INFORMATION, FEDERAL SERVICES, AND
INTERNATIONAL SECURITY**

**HEARING: "Examining the President's Plan for Eliminating Wasteful
Spending in Information Technology"**

WASHINGTON – Today, Sen. Tom Carper (D-Del.), Chairman of the Senate Subcommittee on Federal Financial Management, convened the hearing, "Examining the President's Plan for Eliminating Wasteful Spending in Information Technology." The hearing explored efforts by the Obama Administration to rein in the federal government's information technology (IT) budget, which surpasses \$80 billion annually. Vivek Kundra, the nation's first Chief Information Officer, delivered testimony on the President's 25-point plan to reform federal IT spending and management. The hearing examined the progress being made on the plan's implementation, as well as discussed the federal IT community's response to the plan detailed in a survey by Meritalk.

For a copy of the Administration's plan to reform federal IT management, please click [HERE](#).

For more information on the hearing or to watch a webcast of the hearing, please click [HERE](#).

A copy of Sen. Carper's remarks, as prepared for delivery, follows:

"Today's hearing will examine President Obama's plan to fundamentally transform the management of our federal information technology assets. The message of the plan is clear: We need to cut what we can't afford and nurture an environment in which innovative and more cost-effective technologies can be employed throughout government.

"As I've said time and again, we need to look in every nook and cranny of the federal government – domestic, defense and entitlements spending along with tax expenditures – and ask this question, "Is it possible to get better results for less money?" The hard truth is that many programs' funding levels will need to be reduced. Even some of the most popular and necessary programs out there will likely be asked to do more with less.

"Many Americans believe that those of us here in Washington aren't capable of doing the hard work we were hired to do – that is to effectively manage the tax dollars they entrust us with. They look at the spending decisions we've made in recent years and question whether the culture here is broken. They question whether we're capable of making the kind of tough decisions that they and their families make with their own budgets. I don't blame them for being skeptical.

"And I'm afraid that their skepticism has proved well-founded when you look at the kind of avoidable management failures that have occurred in federal information technology over the past decade. The past mismanagement of our nation's \$80 billion annual federal information technology is not only intolerable – it's unsustainable. Late last year, then Office of Management and Budget Director Peter Orszag said that fixing the broken management of our federal government's information technology was the "single-most important step we can take in creating a more efficient and productive government." Based on the information that Office of Management and Budget has released as a part of its reviews, I believe he may be correct.

"The failures of information technology management in the federal government have, in some cases, been spectacular. For example, the Government Accountability Office found in January of this year that those running the National Archives' Electronic Records investment had not been able to identify potential cost and schedule problems early and, as a result, failed to take any actions to address them. The Government Accountability Office estimates that, because of these failures in one troubled project, taxpayers will lose between \$205 million and \$405 million. That's real money we're talking about.

"Today, we will look at the President's 25-point plan to turn this ship around. The goals are ambitious and so are the timelines. Under the direction of our first Federal Chief Information Officer, Vivek Kundra, the plan is to be fully implemented within 18 months of its introduction. That's May 2012 if you're keeping score at home. But the various goals are broken down into six, twelve, and eighteen month increments. Today, I am particularly interested in hearing how we are progressing towards those six – month goals.

"The President's plan centers around three main initiatives: First, the plan fosters a cultural shift aimed at making the management and implementation of large federal IT projects more effective and efficient. Second, the plan pushes the federal government to adopt cheaper, better, and faster technologies. Third, the plan demands that we shed or consolidate the duplicative and wasteful federal data centers in our inventory.

"The plan is a positive first step in tackling the institutional and systemic problems that have plagued federal information technology management for years. It's not perfect, but the President and Mr. Kundra should be commended for taking on the challenge. I look forward to hearing from our witnesses today about how we are progressing towards these goals, how agencies are responding, and what those of us here in Congress can do to help make it a success.

"Today I'm also happy to introduce, along with my colleagues Senators Scott Brown, Lieberman, and Collins, the Information Technology Investment Management Act of 2011. This legislation calls for greater transparency when it comes to the cost and performance of our nation's information technology investments so that the American taxpayer can see how their money is being spent. It also demands that agencies and the Office of Management and Budget be held accountable for a project's failure and work either to fix them or end them.

"The time for lazy, wasteful management of these expensive investments is over. We are going to demand that projects be on time, on budget, and deliver on their promises. If they don't, we're going to bring them to a halt, and we're going to end the pattern of throwing good money after bad. I hope that our witnesses will include in their testimony today some brief thoughts and comments about our legislation."