

STATEMENT OF SENATOR SCOTT BROWN, RANKING MEMBER
SUBCOMMITTEE ON FEDERAL FINANCIAL MANAGEMENT, GOVERNMENT
INFORMATION, FEDERAL SERVICES, AND INTERNATIONAL SECURITY
COMMITTEE ON HOMLAND SECURITY AND GOVERNMENTAL AFFAIRS

Hearing on

“Innovating with Less: Examining Efforts to Reform Information Technology Spending”

May 24, 2012

Senator Carper, thank you for holding this important hearing today. I welcome Mr. Vanroekel to his first visit to our subcommittee and look forward to working with him on these important issues. During times of economic hardship, the private sector innovates and finds new ways to operate smarter, faster, and cheaper. Yet responsible fiscal policy demands the government do the same in good times or bad. Accordingly, federal agencies and departments have increasingly looked towards information technology (IT) to modernize and enhance their administrative and operational functions. As the government has become more dependent on technology to conduct its daily business, the proportion of the federal budget going towards IT has risen in kind. In just the last ten years, government spending on IT has risen from just over \$46 billion in 2001 to nearly \$80 billion in fiscal year 2012. Yet, agencies government-wide have continually struggled with effectively planning, developing, and deploying IT investments successfully. Administrations present and past have struggled to keep up with the need to provide effective oversight and issue timely policy and guidance to meet the constant evolution of technology and innovation. New initiatives to address these problems are given priority for a time, but accountability is lost with the turnover of new leadership or a focus on “the next big idea”.

Take for instance Data Center Consolidation efforts – an important initiative for reducing costs and optimizing federal IT infrastructure. The Office of Management and Budget (OMB) took notice of the gross inefficiencies and duplication in federal IT assets within agencies and across the federal government. As a result, it issued guidance with the goal to - quote - “reduce the total number of agency data centers [over] 24 months, by closing many currently operating data centers and concentrating their operations into a smaller number of physical locations.” As part of this initiative, agencies were required to –again quoting --“develop an inventory of agency data centers and cost of operations of each data center, develop a data center consolidation strategy, and develop a detailed implementation plan for that consolidation.”

One could be excused for thinking I’m referring to OMB guidance as part of the current Administration’s Data Center Consolidation Initiative (or DCCI). Unfortunately these quotes come from an OMB memorandum dated October 1995 -- more than 15 years ago. This illustrates that data center consolidation is clearly not a new concept. In 1998, presumably after the 1995 data center consolidation effort was complete, there were 432 data centers. By 2010, there were again over 2,000. Clearly the lessons learned from the previous efforts were lost over time, did not develop into long term best practices, and attention was diverted elsewhere as time passed and economic conditions changed.

As happens often in the federal government, leadership, budget priorities, and policy considerations change over time both within and across Administrations. OMB has obviously faced these same challenges, so the purpose of providing this example was not to cast blame on OMB, but to point out a significant concern in light of the GAO report issued today. We must ensure that important initiatives started by OMB over the last couple of years develop into truly a

new way of doing business for agencies in how they prioritize the management of their IT investment portfolio.

The 25-point plan was a positive step in addressing some long-standing problems the federal government has had in developing and acquiring IT. The original goal for achieving all 25 action items in that plan is next month. As GAO has pointed out in its report, however, only a third of the items GAO reviewed were fully complete. I am fully on board for pushing federal agencies to take advantage of innovations long since adopted by the private sector including cloud computing and mobility solutions. These innovations have a real chance to provide significant return on investment, reduce redundancy, increase efficiencies at agencies, provide accountability and transparency and improve access to government service to taxpayers. I get concerned, however, that as time goes on, constant promotion of new initiatives, while all have their individual merits, simply give agencies the opportunity to take their eye off the ball. I'm afraid of a time where a future Senator may sit in my chair and point out an OMB memo from 2010 as yet another example of the federal government's inability to learn from the past and solve some of the fundamental problems GAO has long since identified in federal IT. As the Administration promotes Cloud First, Shared First, Mobility First, Future First, etc.-- if everything is first then eventually nothing is actually first and priorities are difficult for IT managers to identify and prioritize. It's clear that more work remains to be done, but I appreciate Mr. Vanroekel's efforts thus far and appreciate his commitment to getting the basics right while making a valiant attempt to drag the federal government finally into the 21st century.

To our industry guests, there is no doubt that government can leverage the expertise of the private sector in better ways. More attention can be focused on lessons-learned and using best practices both inside and outside government. For our part, I, along with Chairman Carper

and Senators Lieberman and Collins have been working on legislation, the *Information Technology Investment Management Act* to help with these efforts and to ensure that some effective oversight measures last beyond the current Administration. Considering the amount of money being spent on IT, senior leadership accountability and ownership over these projects must be a continuing top priority. This legislation will go a long way to make certain it is, now, and into the future.

I am amazed by the potential for new technologies not only to streamline government operations, but also expand citizen participation like never before. No doubt, there are both many opportunities and challenges associated with bringing the federal government into the 21st Century. Both our government and industry witnesses today play a big role in pushing us ahead. Their efforts do not go unnoticed. I thank them for their service and look forward to an engaging discussion.

Thank you Mr. Chairman.