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114TH CONGRESS
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H. R. 3572

[Report No. 114–297]

To amend the Homeland Security Act of 2002 to reform, streamline, and make improvements to the Department of Homeland Security and support the Department's efforts to implement better policy, planning, management, and performance, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 2015

Mr. McCAUL (for himself and Mr. THOMPSON of Mississippi) introduced the following bill; which was referred to the Committee on Homeland Security

OCTOBER 20, 2015

Additional sponsor: Mrs. WATSON COLEMAN

OCTOBER 20, 2015

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on September 18, 2015]

A BILL

To amend the Homeland Security Act of 2002 to reform, streamline, and make improvements to the Department of Homeland Security and support the Department's efforts to implement better policy, planning, management, and performance, 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,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) *SHORT TITLE.*—*This Act may be cited as the*
 5 *“DHS Headquarters Reform and Improvement Act of*
 6 *2015”.*

7 (b) *TABLE OF CONTENTS.*—*The table of contents for*
 8 *this Act is the following:*

Sec. 1. Short title; table of contents.

**TITLE I—DEPARTMENT OF HOMELAND SECURITY HEADQUARTERS
 REAUTHORIZATION**

Sec. 101. Definitions.

Sec. 102. Headquarters components.

Sec. 103. Chief Privacy Officer.

Sec. 104. Office of Policy.

Sec. 105. Quadrennial homeland security review.

Sec. 106. Future years homeland security program.

Sec. 107. Management and execution.

Sec. 108. Chief Financial Officer.

Sec. 109. Chief Procurement Officer.

Sec. 110. Chief Information Officer.

Sec. 111. Chief Human Capital Officer.

Sec. 112. Chief Security Officer.

Sec. 113. Cost savings and efficiency reviews.

Sec. 114. Field efficiencies plan.

Sec. 115. Resources to respond to operational surges.

Sec. 116. Department of Homeland Security rotation program.

TITLE II—DHS ACQUISITION ACCOUNTABILITY AND EFFICIENCY

Sec. 201. Definitions.

Sec. 202. Prohibition on additional authorization of appropriations.

Subtitle A—Acquisition Authorities

Sec. 211. Acquisition authorities for Under Secretary for Management.

Sec. 212. Acquisition authorities for Chief Financial Officer.

Sec. 213. Acquisition authorities for Chief Information Officer.

Sec. 214. Requirements to ensure greater accountability for acquisition programs.

Subtitle B—Acquisition Program Management Discipline

Sec. 221. Acquisition Review Board.

Sec. 222. Requirements to reduce duplication in acquisition programs.

*Sec. 223. Government Accountability Office review of Board and of requirements
 to reduce duplication in acquisition programs.*

Sec. 224. Excluded Party List System waivers.

Sec. 225. Inspector General oversight of suspension and debarment.

*Subtitle C—Acquisition Program Management Accountability and
Transparency*

Sec. 231. Congressional notification and other requirements for major acquisition program breach.

Sec. 232. Multiyear acquisition strategy.

Sec. 233. Acquisition reports.

Sec. 234. Government Accountability Office review of multiyear acquisition strategy.

Sec. 235. Office of Inspector General report.

1 **TITLE I—DEPARTMENT OF**
2 **HOMELAND SECURITY HEAD-**
3 **QUARTERS REAUTHORIZA-**
4 **TION**

5 **SEC. 101. DEFINITIONS.**

6 *Section 2 of the Homeland Security Act of 2002 is*
7 *amended—*

8 *(1) by redesignating paragraphs (13) through*
9 *(18) as paragraphs (15) through (20);*

10 *(2) by redesignating paragraphs (9) through (12)*
11 *as paragraphs (10) through (13);*

12 *(3) by inserting after paragraph (8) the fol-*
13 *lowing:*

14 *“(9) The term ‘homeland security enterprise’*
15 *means relevant governmental and nongovernmental*
16 *entities involved in homeland security, including Fed-*
17 *eral, State, local, and tribal government officials, pri-*
18 *vate sector representatives, academics, and other pol-*
19 *icy experts.”; and*

1 (4) *by inserting after paragraph (13), as so re-*
2 *designated, the following:*

3 “(14) *The term ‘management integration and*
4 *transformation’—*

5 “(A) *means the development of consistent*
6 *and consolidated functions for information tech-*
7 *nology, financial management, acquisition man-*
8 *agement, and human capital management; and*

9 “(B) *includes governing processes and pro-*
10 *cedures, management systems, personnel activi-*
11 *ties, budget and resource planning, training, real*
12 *estate management, and provision of security, as*
13 *they relate to functions cited in subparagraph*
14 *(A).”.*

15 **SEC. 102. HEADQUARTERS COMPONENTS.**

16 (a) *IN GENERAL.—Section 102 of the Homeland Secu-*
17 *urity Act of 2002 (6 U.S.C. 112) is amended—*

18 (1) *in subsection (c)—*

19 (A) *in the matter preceding paragraph (1),*
20 *by striking “through the Office of State and*
21 *Local Coordination (established under section*
22 *801)” and inserting “through the Office of Part-*
23 *nership and Engagement”;*

24 (B) *in paragraph (2), by striking “and”*
25 *after the semicolon at the end;*

1 (C) in paragraph (3), by striking the period
2 and inserting “; and”; and

3 (D) by adding at the end the following:

4 “(4) entering into agreements with governments
5 of other countries, in consultation with the Secretary
6 of State, and international nongovernmental organi-
7 zations in order to achieve the missions of the Depart-
8 ment.”; and

9 (2) by adding at the end the following:

10 “(h) HEADQUARTERS.—

11 “(1) COMPONENTS.—The Department Head-
12 quarters shall include the following:

13 “(A) The Office of the Secretary.

14 “(B) The Office of the Deputy Secretary.

15 “(C) The Executive Secretariat.

16 “(D) The Management Directorate, includ-
17 ing the Office of the Chief Financial Officer.

18 “(E) The Office of Policy.

19 “(F) The Office of General Counsel.

20 “(G) The Office of the Chief Privacy Officer.

21 “(H) The Office of Civil Rights and Civil
22 Liberties.

23 “(I) The Office of Operations and Coordina-
24 tion and Planning.

25 “(J) The Office of Intelligence and Analysis.

1 “(K) *The Office of Legislative Affairs.*

2 “(L) *The Office of Public Affairs.*

3 “(2) *FUNCTIONS.—The Secretary, through the*
4 *Headquarters, shall—*

5 “(A) *establish the Department’s overall*
6 *strategy for successfully completing its mission;*

7 “(B) *establish initiatives that improve per-*
8 *formance Department-wide;*

9 “(C) *establish mechanisms to ensure that*
10 *components of the Department comply with*
11 *Headquarters policies and fully implement the*
12 *Secretary’s strategies and initiatives and require*
13 *the head of each component of the Department*
14 *and component chief officers to comply with such*
15 *policies and implement such strategies and ini-*
16 *tiatives;*

17 “(D) *establish annual operational and*
18 *management objectives to determine the Depart-*
19 *ment’s performance;*

20 “(E) *ensure that the Department success-*
21 *fully meets operational and management per-*
22 *formance objectives through conducting oversight*
23 *of component agencies;*

1 “(F) ensure that the strategies, priorities,
2 investments, and workforce of Department agen-
3 cies align with Department objectives;

4 “(G) establish and implement policies re-
5 lated to Department ethics and compliance
6 standards;

7 “(H) manage and encourage shared services
8 across Department components;

9 “(I) lead and coordinate interaction with
10 Congress and other external organizations; and

11 “(J) carry out other such functions as the
12 Secretary determines are appropriate.”.

13 (b) *ABOLISHMENT OF DIRECTOR OF SHARED SERV-*
14 *ICES.—*

15 (1) *ABOLISHMENT.—The position of Director of*
16 *Shared Services is abolished.*

17 (2) *CONFORMING AMENDMENT.—Section 475 of*
18 *the Homeland Security Act of 2002 (6 U.S.C. 295),*
19 *and the item relating to such section in the table of*
20 *contents in section 1(b) of such Act, are repealed.*

21 (c) *ABOLISHMENT OF THE OFFICE OF COUNTER-*
22 *NARCOTICS ENFORCEMENT.—*

23 (1) *ABOLISHMENT.—The Office of Counter-*
24 *narcotics Enforcement is abolished.*

1 (2) *CONFORMING AMENDMENTS.*—*The Homeland*
2 *Security Act of 2002 is amended—*

3 (A) *by repealing section 878 (6 U.S.C. 112),*
4 *and the item relating to that section in the table*
5 *of contents in section 1(b) of such Act; and*

6 (B) *in subparagraph (B) of section*
7 *843(b)(1) (6 U.S.C. 413(b)(1)), by striking*
8 *“by—” and all that follows through the end of*
9 *that subparagraph and inserting “by the Sec-*
10 *retary; and”.*

11 **SEC. 103. CHIEF PRIVACY OFFICER.**

12 (a) *IN GENERAL.*—*Section 222 of the Homeland Secu-*
13 *rity Act of 2002 (6 U.S.C. 142) is amended—*

14 (1) *in subsection (a)—*

15 (A) *in the matter preceding paragraph*
16 (1)—

17 (i) *by inserting “to be the Chief Pri-*
18 *vacancy Officer of the Department,” after “in*
19 *the Department,”; and*

20 (ii) *by striking “, to assume” and in-*
21 *serting “and who shall have”;*

22 (B) *by amending paragraph (6) to read as*
23 *follows:*

24 “*(6) preparing a report to Congress on an an-*
25 *nual basis on—*

1 “(A) activities of the Department that affect
2 privacy, including complaints of privacy viola-
3 tions, implementation of section 554 of title 5,
4 United States Code (popularly known as the Pri-
5 vacy Act of 1974), internal controls, and other
6 matters; and

7 “(B) the number of new technology pro-
8 grams implemented in the Department each fis-
9 cal year, the number of those programs that the
10 Chief Privacy Officer has evaluated to ensure
11 that privacy protections are considered and im-
12 plemented, the number of those programs that ef-
13 fectively implemented privacy protections into
14 new technology programs, and an explanation of
15 why any new programs did not effectively imple-
16 ment privacy protections.”;

17 (3) by redesignating subsections (b) through (e)
18 as subsections (c) through (f); and

19 (4) by inserting after subsection (a) the fol-
20 lowing:

21 “(b) *ADDITIONAL RESPONSIBILITIES.*—In addition to
22 the responsibilities under subsection (a), the Chief Privacy
23 Officer shall—

1 “(1) develop guidance to assist components of the
2 Department in developing privacy policies and prac-
3 tices;

4 “(2) establish a mechanism to ensure such com-
5 ponents are in compliance with Federal, regulatory,
6 statutory, and the Department’s privacy require-
7 ments, mandates, directives, and policy;

8 “(3) work with the Chief Information Officer of
9 the Department to identify methods for managing
10 and overseeing the Department’s records, management
11 policies, and procedures;

12 “(4) work with components and offices of the De-
13 partment to ensure that information sharing activi-
14 ties incorporate privacy protections;

15 “(5) serve as the Department’s central office for
16 managing and processing requests related to section
17 552 of title 5, United States Code, popularly known
18 as the Freedom of Information Act;

19 “(6) develop public guidance on procedures to be
20 followed when making requests for information under
21 section 552 of title 5, United States Code;

22 “(7) oversee the management and processing of
23 requests for information under section 552 of title 5,
24 United States Code, within Department Headquarters
25 and relevant Department component offices;

1 “(8) identify and eliminate unnecessary and du-
2 plicative actions taken by the Department in the
3 course of processing requests for information under
4 section 552 of title 5, United States Code; and

5 “(9) carry out such other responsibilities as the
6 Secretary determines are appropriate, consistent with
7 this section.”; and

8 (5) by adding at the end the following:

9 “(g) REASSIGNMENT OF FUNCTIONS.—The Secretary
10 may reassign the functions related to managing and proc-
11 essing requests for information under section 552 of title
12 5, United States Code, to another officer within the Depart-
13 ment, consistent with requirements of that section.”.

14 **SEC. 104. OFFICE OF POLICY.**

15 (a) IN GENERAL.—The Homeland Security Act of
16 2002 (6 U.S.C. 101 et seq.) is amended by—

17 (1) redesignating section 601 as section 890B,
18 and transferring that section to appear immediately
19 after section 890A; and

20 (2) striking the heading for title VI and insert-
21 ing the following:

1 **“TITLE VI—POLICY AND**
2 **PLANNING**

3 **“SEC. 601. OFFICE OF POLICY.**

4 “(a) *ESTABLISHMENT OF OFFICE.*—*There shall be in*
5 *the Department an Office of Policy. The Office of Policy*
6 *shall be headed by an Under Secretary for Policy, who shall*
7 *be appointed by the President, by and with the advice and*
8 *consent of the Senate.*

9 “(b) *MISSION.*—*The mission of the Office of Policy is*
10 *to lead, conduct, and coordinate Department-wide policy,*
11 *strategic planning, and relationships with organizations or*
12 *persons that are not part of the Department.*

13 “(c) *COMPONENTS OF OFFICE.*—*The Office of Policy*
14 *shall include the following components:*

15 “(1) *The Office of Partnership and Engagement*
16 *under section 602.*

17 “(2) *The Office of International Affairs under*
18 *section 603.*

19 “(3) *The Office of Policy Implementation under*
20 *section 604.*

21 “(4) *The Office of Strategy and Planning under*
22 *section 605.*

23 “(d) *RESPONSIBILITIES OF THE UNDER SEC-*
24 *RETARY.*—*Subject to the direction and control of the Sec-*
25 *retary, the Under Secretary for Policy shall—*

1 “(1) serve as the principal policy advisor to the
2 Secretary;

3 “(2) coordinate with the Under Secretary for
4 Management and the General Counsel of the Depart-
5 ment to ensure that development of the Department’s
6 budget is compatible with the priorities, strategic
7 plans, and policies established by the Secretary, in-
8 cluding those priorities identified through the Quad-
9 rennial Homeland Security Review required under
10 section 707;

11 “(3) incorporate relevant feedback from, and
12 oversee and coordinate relationships with, organiza-
13 tions and other persons that are not part of the De-
14 partment to ensure effective communication of outside
15 stakeholders’ perspectives to components of the De-
16 partment;

17 “(4) establish a process to ensure that organiza-
18 tions and other persons that are not part of the De-
19 partment can communicate with Department compo-
20 nents without compromising adherence by the officials
21 of such components to the Department’s ethics and
22 policies;

23 “(5) manage and coordinate the Department’s
24 international engagement activities;

1 “(6) advise, inform, and assist the Secretary on
2 the impact of the Department’s policy, processes, and
3 actions on State, local, tribal, and territorial govern-
4 ments;

5 “(7) oversee the Department’s engagement and
6 development of partnerships with nonprofit organiza-
7 tions and academic institutions;

8 “(8) administer the Homeland Security Advisory
9 Council and make studies available to the Committee
10 on Homeland Security of the House of Representa-
11 tives and the Committee on Homeland Security and
12 Governmental Affairs of the Senate on an annual
13 basis; and

14 “(9) carry out such other responsibilities as the
15 Secretary determines are appropriate, consistent with
16 this section.

17 “(e) COORDINATION BY DEPARTMENT COMPONENTS.—

18 “(1) IN GENERAL.—To ensure consistency with
19 the Secretary’s policy priorities, the head of each com-
20 ponent of the Department shall coordinate with the
21 Office of Policy, as appropriate, in establishing new
22 policies or strategic planning guidance.

23 “(2) INTERNATIONAL ACTIVITIES.—

24 “(A) FOREIGN NEGOTIATIONS.—Each com-
25 ponent of the Department shall coordinate with

1 *the Under Secretary for Policy plans and efforts*
2 *of the component before pursuing negotiations*
3 *with foreign governments, to ensure consistency*
4 *with the Department’s policy priorities.*

5 “(B) NOTICE OF INTERNATIONAL TRAVEL BY
6 SENIOR OFFICERS.—*Each component of the De-*
7 *partment shall notify the Under Secretary for*
8 *Policy of the international travel of senior offi-*
9 *cers of the Department.*

10 “(f) ASSIGNMENT OF PERSONNEL.—*The Secretary*
11 *shall assign to the Office of Policy permanent staff and,*
12 *as appropriate and consistent with sections 506(c)(2), 821,*
13 *and 888(d), other appropriate personnel detailed from other*
14 *components of the Department to carry out the responsibil-*
15 *ities under this section.*

16 “(g) DEPUTY UNDER SECRETARY FOR POLICY.—

17 “(1) IN GENERAL.—*The Secretary may—*

18 “(A) *establish within the Department of*
19 *Homeland Security a position, to be called the*
20 *Deputy Under Secretary for Policy, to support*
21 *the Under Secretary for Policy in carrying out*
22 *the Under Secretary’s responsibilities; and*

23 “(B) *appoint a career employee to such po-*
24 *sition.*

1 “(2) *LIMITATION ON ESTABLISHMENT OF DEPUTY*
2 *UNDER SECRETARY POSITIONS.*—*A Deputy Under*
3 *Secretary position (or any substantially similar posi-*
4 *tion) within the Department of Homeland Security*
5 *may not be established except for the position pro-*
6 *vided for by paragraph (1) unless the Secretary of*
7 *Homeland Security receives prior authorization from*
8 *Congress.*

9 “(3) *DEFINITIONS.*—*For purposes of paragraph*
10 *(1)—*

11 “(A) *the term ‘career employee’ means any*
12 *employee (as that term is defined in section 2105*
13 *of title 5, United States Code), but does not in-*
14 *clude a political appointee; and*

15 “(B) *the term ‘political appointee’ means*
16 *any employee who occupies a position which has*
17 *been excepted from the competitive service by*
18 *reason of its confidential, policy-determining,*
19 *policy-making, or policy-advocating character.*

20 “**SEC. 602. OFFICE OF PARTNERSHIP AND ENGAGEMENT.**

21 “(a) *IN GENERAL.*—*There shall be in the Office of Pol-*
22 *icy an Office of Partnership and Engagement.*

23 “(b) *HEAD OF OFFICE.*—*The Secretary shall appoint*
24 *an Assistant Secretary for Partnership and Engagement to*
25 *serve as the head of the Office.*

1 “(c) *RESPONSIBILITIES.*—*The Assistant Secretary for*
2 *Partnership and Engagement shall—*

3 “(1) *lead the coordination of Department-wide*
4 *policies relating to the role of State and local law en-*
5 *forcement in preventing, preparing for, protecting*
6 *against, and responding to natural disasters, acts of*
7 *terrorism, and other man-made disasters within the*
8 *United States;*

9 “(2) *serve as a liaison between State, local, and*
10 *tribal law enforcement agencies and the Department,*
11 *including through consultation with such agencies re-*
12 *garding Department programs that may impact such*
13 *agencies;*

14 “(3) *coordinate with the Office of Intelligence*
15 *and Analysis to certify the intelligence and informa-*
16 *tion sharing requirements of State, local, and tribal*
17 *law enforcement agencies are being addressed;*

18 “(4) *work with the Administrator to ensure that*
19 *law enforcement and terrorism-focused grants to*
20 *State, local, and tribal government agencies, includ-*
21 *ing grants under sections 2003 and 2004, the Com-*
22 *mercial Equipment Direct Assistance Program, and*
23 *other grants administered by the Department to sup-*
24 *port fusion centers and law enforcement-oriented pro-*

1 *grams, are appropriately focused on terrorism preven-*
2 *tion activities;*

3 *“(5) coordinate with the Science and Technology*
4 *Directorate, the Federal Emergency Management*
5 *Agency, the Department of Justice, the National In-*
6 *stitute of Justice, law enforcement organizations, and*
7 *other appropriate entities to support the development,*
8 *promulgation, and updating, as necessary, of na-*
9 *tional voluntary consensus standards for training*
10 *and personal protective equipment to be used in a*
11 *tactical environment by law enforcement officers;*

12 *“(6) create and foster strategic communications*
13 *with the private sector to enhance the primary mis-*
14 *sion of the Department to protect the American home-*
15 *land;*

16 *“(7) advise the Secretary on the impact of the*
17 *Department’s policies, regulations, processes, and ac-*
18 *tions on the private sector;*

19 *“(8) interface with other relevant Federal agen-*
20 *cies with homeland security missions to assess the im-*
21 *pect of these agencies’ actions on the private sector;*

22 *“(9) create and manage private sector advisory*
23 *councils composed of representatives of industries and*
24 *associations designated by the Secretary to—*

1 “(A) advise the Secretary on private sector
2 products, applications, and solutions as they re-
3 late to homeland security challenges;

4 “(B) advise the Secretary on homeland se-
5 curity policies, regulations, processes, and ac-
6 tions that affect the participating industries and
7 associations; and

8 “(C) advise the Secretary on private sector
9 preparedness issues, including effective methods
10 for—

11 “(i) promoting voluntary preparedness
12 standards to the private sector; and

13 “(ii) assisting the private sector in
14 adopting voluntary preparedness standards;

15 “(10) promote existing public-private partner-
16 ships and developing new public-private partnerships
17 to provide for collaboration and mutual support to
18 address homeland security challenges;

19 “(11) assist in the development and promotion of
20 private sector best practices to secure critical infra-
21 structure;

22 “(12) provide information to the private sector
23 regarding voluntary preparedness standards and the
24 business justification for preparedness and promoting

1 to the private sector the adoption of voluntary pre-
2 paredness standards;

3 “(13) coordinate industry efforts, with respect to
4 functions of the Department of Homeland Security, to
5 identify private sector resources and capabilities that
6 could be effective in supplementing Federal, State,
7 and local government agency efforts to prevent or re-
8 spond to a terrorist attack;

9 “(14) coordinate with the Commissioner of Cus-
10 toms and Border Protection and the appropriate sen-
11 ior official of the Department of Commerce on issues
12 related to the travel and tourism industries;

13 “(15) coordinate the activities of the Department
14 relating to State and local government;

15 “(16) assess, and advocate for, the resources
16 needed by State and local governments to implement
17 the national strategy for combating terrorism;

18 “(17) provide State and local governments with
19 regular information, research, and technical support
20 to assist local efforts at securing the homeland;

21 “(18) develop a process for receiving meaningful
22 input from State and local governments to assist the
23 development of the national strategy for combating
24 terrorism and other homeland security activities; and

1 “(19) perform such other functions as are estab-
2 lished by law or delegated to such Assistant Secretary
3 by the Under Secretary for Policy.

4 **“SEC. 603. OFFICE OF INTERNATIONAL AFFAIRS.**

5 “(a) *IN GENERAL.*—There shall be in the Office of Pol-
6 icy an Office of International Affairs.

7 “(b) *HEAD OF OFFICE.*—The Secretary shall appoint
8 an Assistant Secretary for International Affairs to serve as
9 the head of the Office and as the chief diplomatic officer
10 of the Department.

11 “(c) *FUNCTIONS.*—

12 “(1) *IN GENERAL.*—The Assistant Secretary for
13 International Affairs shall—

14 “(A) coordinate international activities
15 within the Department, including activities car-
16 ried out by the components of the Department,
17 in consultation with other Federal officials with
18 responsibility for counterterrorism and homeland
19 security matters;

20 “(B) advise, inform, and assist the Sec-
21 retary with respect to the development and im-
22 plementation of Departmental policy priorities,
23 including strategic priorities for the deployment
24 of assets, including personnel, outside the United
25 States;

1 “(C) develop, in consultation with the
2 Under Secretary for Management, guidance for
3 selecting, assigning, training, and monitoring
4 overseas deployments of Department personnel,
5 including minimum standards for
6 predeployment training;

7 “(D) develop and update, in coordination
8 with all components of the Department engaged
9 in international activities, a strategic plan for
10 the international activities of the Department,
11 establish a process for managing its implementa-
12 tion, and establish mechanisms to monitor the
13 alignment between assets, including personnel,
14 deployed by the Department outside the United
15 States and the plan required by this subpara-
16 graph;

17 “(E) develop and distribute guidance on
18 Department policy priorities for overseas activi-
19 ties to personnel deployed overseas, that, at a
20 minimum, sets forth the regional and national
21 priorities being advanced by their deployment,
22 and establish mechanisms to foster better coordi-
23 nation of Department personnel, programs, and
24 activities deployed outside the United States;

1 “(F) maintain awareness regarding the
2 international travel of senior officers of the De-
3 partment and their intent to pursue negotiations
4 with foreign government officials, and review re-
5 sulting draft agreements;

6 “(G) develop, in consultation with the com-
7 ponents of the Department, including, as appro-
8 priate, with the Under Secretary for the Science
9 and Technology Directorate, programs to support
10 the overseas programs conducted by the Depart-
11 ment, including training, technical assistance,
12 and equipment to ensure that Department per-
13 sonnel deployed abroad have proper resources
14 and receive adequate and timely support;

15 “(H) conduct the exchange of homeland se-
16 curity information, in consultation with the
17 Under Secretary of the Office of Intelligence and
18 Analysis, and best practices relating to homeland
19 security with foreign nations that, in the deter-
20 mination of the Secretary, reciprocate the shar-
21 ing of such information in a substantially simi-
22 lar manner;

23 “(I) submit information to the Under Sec-
24 retary for Policy for oversight purposes, includ-
25 ing preparation of the quadrennial homeland se-

1 *curity review and on the status of overseas ac-*
2 *tivities, including training and technical assist-*
3 *ance and information exchange activities and the*
4 *Department's resources dedicated to these activi-*
5 *ties;*

6 *“(J) promote, when appropriate, and over-*
7 *see the exchange of education, training, and in-*
8 *formation with nations friendly to the United*
9 *States in order to share best practices relating to*
10 *homeland security; and*

11 *“(K) perform such other functions as are es-*
12 *tablished by law or delegated by the Under Sec-*
13 *retary for Policy.*

14 *“(2) INVENTORY OF ASSETS DEPLOYED*
15 *ABROAD.—For each fiscal year, the Assistant Sec-*
16 *retary for International Affairs, in coordination with*
17 *the Under Secretary for Management, shall provide to*
18 *the Committee on Homeland Security of the House of*
19 *Representatives and the Committee on Homeland Se-*
20 *curity and Governmental Affairs of the Senate with*
21 *the annual budget request for the Department, an an-*
22 *annual accounting of all assets of the Department, in-*
23 *cluding personnel, deployed outside the United States*
24 *on behalf of the Department.*

1 “(3) *STANDARDIZED FRAMEWORK FOR COST*
2 *DATA.*—*The Assistant Secretary for International Af-*
3 *fairs shall utilize a standardized framework to collect*
4 *and maintain comparable cost data for all assets of*
5 *the Department, including personnel, deployed outside*
6 *the United States to prepare the annual accounting*
7 *required by paragraph (2).*

8 “(4) *EXCLUSIONS.*—*This subsection does not*
9 *apply to international activities related to the protec-*
10 *tive mission of the United States Secret Service, or to*
11 *the Coast Guard when operating under the direct au-*
12 *thority of the Secretary of Defense or the Secretary of*
13 *the Navy.*

14 **“SEC. 604. OFFICE OF POLICY IMPLEMENTATION.**

15 “(a) *IN GENERAL.*—*There shall be in the Office of Pol-*
16 *icy an Office of Policy Implementation.*

17 “(b) *HEAD OF OFFICE.*—*The Secretary shall appoint*
18 *a Director of the Office of Policy Implementation to serve*
19 *as the head of the Office.*

20 “(c) *RESPONSIBILITIES.*—*The Director of the Office of*
21 *Policy Implementation shall lead, conduct, coordinate, and*
22 *provide overall direction and supervision of Department-*
23 *wide policy development for the programs, offices, and ac-*
24 *tivities of the Department, in consultation with relevant of-*

1 *officials of the Department, to ensure quality, consistency,*
 2 *and integration across the Department, as appropriate.*

3 **“SEC. 605. OFFICE OF STRATEGY AND PLANNING.**

4 “(a) *IN GENERAL.*—*There shall be in the Office of Pol-*
 5 *icy of the Department an Office of Strategy and Planning.*

6 “(b) *HEAD OF OFFICE.*—*The Secretary shall appoint*
 7 *a Director of the Office of Strategy and Planning who shall*
 8 *serve as the head of the Office.*

9 “(c) *RESPONSIBILITIES.*—*The Director of the Office of*
 10 *Strategy and Planning shall—*

11 “(1) *lead and conduct long-term Department-*
 12 *wide strategic planning, including the Quadrennial*
 13 *Homeland Security Review and planning guidance*
 14 *for the Department, and translate the Department’s*
 15 *statutory responsibilities, strategic plans, and long-*
 16 *term goals into risk-based policies and procedures*
 17 *that improve operational effectiveness; and*

18 “(2) *develop strategies to address unconventional*
 19 *threats to the homeland.”.*

20 “(b) *CLERICAL AMENDMENT.*—*The table of contents in*
 21 *section 1(b) of such Act is amended—*

22 “(1) *by striking the items relating to title VI and*
 23 *inserting the following:*

“*TITLE VI—POLICY AND PLANNING*

“*Sec. 601. Office of Policy.*

“*Sec. 602. Office of Partnership and Engagement.*

“*Sec. 603. Office of International Affairs.*

“Sec. 604. *Office of Policy Implementation.*
 “Sec. 605. *Office of Strategy and Planning.*”.

1 (2) *by inserting after the item relating to section*
 2 890A the following:

“Sec. 890B. *Treatment of charitable trusts for members of the Armed Forces of the United States and other governmental organizations.*”.

3 (c) *APPOINTMENT OF UNDER SECRETARY FOR POLICY;*
 4 *CONTINUATION OF SERVICE OF ASSISTANT SECRETARY.—*

5 (1) *TIME OF APPOINTMENT.—The President may*
 6 *appoint an Under Secretary for Policy under section*
 7 *601 of the Homeland Security Act of 2002, as amend-*
 8 *ed by this Act, only on or after January 20, 2017.*

9 (2) *HEAD OF OFFICE PENDING APPOINTMENT.—*
 10 *The individual serving as the Assistant Secretary for*
 11 *Policy of the Department of Homeland Security on*
 12 *the date of the enactment of this Act, or their suc-*
 13 *cessor, may continue to serve as an Assistant Sec-*
 14 *retary and as the head of the Office of Policy estab-*
 15 *lished by such section, until the date on which the*
 16 *Under Secretary for Policy is appointed under such*
 17 *section in accordance with paragraph (1).*

18 (d) *APPOINTMENT OF ASSISTANT SECRETARY FOR*
 19 *INTERNATIONAL AFFAIRS; ABOLISHMENT OF EXISTING OF-*
 20 *FICE.—*

21 (1) *TIME OF APPOINTMENT.—The Secretary of*
 22 *Homeland Security may appoint an Assistant Sec-*
 23 *retary for International Affairs under section 602 of*

1 *the Homeland Security Act of 2002, as amended by*
2 *this Act, only on or after January 20, 2017.*

3 (2) *HEAD OF OFFICE PENDING APPOINTMENT.—*

4 *The individual serving as the Assistant Secretary for*
5 *International Affairs of the Department of Homeland*
6 *Security on the date of the enactment of this Act, or*
7 *their successor, may continue to serve as a Deputy*
8 *Assistant Secretary and as the head of the Office of*
9 *International Affairs established by such section, until*
10 *the date the Under Secretary for Policy is appointed*
11 *under such section in accordance with paragraph (1).*

12 (3) *ABOLISHMENT OF EXISTING OFFICE.—*

13 (A) *IN GENERAL.—The Office of Inter-*
14 *national Affairs within the Office of the Sec-*
15 *retary is abolished.*

16 (B) *TRANSFER OF ASSETS AND PER-*
17 *SONNEL.—The assets and personnel associated*
18 *with such Office are transferred to the head of*
19 *the Office of International Affairs provided for*
20 *by section 603 of the Homeland Security Act of*
21 *2002, as amended by this Act.*

22 (C) *CONFORMING AMENDMENT.—Section*
23 *879 of the Homeland Security Act of 2002 (6*
24 *U.S.C. 459), and the item relating to such sec-*
25 *tion in section 1(b) of such Act, are repealed.*

1 (e) *ABOLISHMENT OF OFFICE FOR STATE AND LOCAL*
2 *LAW ENFORCEMENT.*—

3 (1) *IN GENERAL.*—*The Office for State and*
4 *Local Law Enforcement of the Department of Home-*
5 *land Security is abolished.*

6 (2) *TRANSFER OF FUNCTIONS, ASSETS, AND PER-*
7 *SONNEL.*—*The functions authorized to be performed*
8 *by such office immediately before the enactment of*
9 *this Act, and the assets and personnel associated with*
10 *such functions, are transferred to the head of the Of-*
11 *fice of Partnership and Engagement provided for by*
12 *section 602 of the Homeland Security Act of 2002, as*
13 *amended by this Act.*

14 (3) *CONFORMING AMENDMENT.*—*Subsection (b)*
15 *of section 2006 of the Homeland Security Act of 2002*
16 *(6 U.S.C. 607) is repealed.*

17 (f) *ABOLISHMENT OF OFFICE FOR STATE AND LOCAL*
18 *GOVERNMENT COORDINATION.*—

19 (1) *IN GENERAL.*—*The Office for State and*
20 *Local Government Coordination of the Department of*
21 *Homeland Security is abolished.*

22 (2) *TRANSFER OF FUNCTIONS AND ASSETS.*—*The*
23 *functions authorized to be performed by such office*
24 *immediately before the enactment of this Act, and the*
25 *assets and personnel associated with such functions,*

1 *are transferred to the head of Office of Partnership*
2 *and Engagement provided for by section 602 of the*
3 *Homeland Security Act of 2002, as amended by this*
4 *Act.*

5 (3) *CONFORMING AMENDMENTS.—Section 801 of*
6 *the Homeland Security Act of 2002 (6 U.S.C. 631),*
7 *and the item relating to that section in the table of*
8 *contents in section 1(b) of such Act, are repealed.*

9 (g) *ABOLISHMENT OF SPECIAL ASSISTANT TO THE*
10 *SECRETARY.—*

11 (1) *IN GENERAL.—The Special Assistant to the*
12 *Secretary authorized by section 102(f) of the Home-*
13 *land Security Act of 2002, as in effect immediately*
14 *before the enactment of this Act (6 U.S.C. 112(f)), is*
15 *abolished.*

16 (2) *TRANSFER OF FUNCTIONS AND ASSETS.—The*
17 *functions authorized to be performed by such Special*
18 *Assistant to the Secretary immediately before the en-*
19 *actment of this Act, and the assets and personnel as-*
20 *sociated with such functions, are transferred to the*
21 *head of the Office of Partnership and Engagement*
22 *provided for by section 602 of the Homeland Security*
23 *Act of 2002, as amended by this Act.*

1 (3) *CONFORMING AMENDMENT.*—Section 102(f)
2 of the Homeland Security Act of 2002 (6 U.S.C.
3 112(f)) is repealed.

4 (h) *CONFORMING AMENDMENTS RELATING TO ASSIST-*
5 *ANT SECRETARIES.*—Section 103(a) of the Homeland Secu-
6 *urity Act of 2002 (6 U.S.C. 113(a)) is amended—*

7 (1) *in paragraph (1), by striking subparagraph*
8 *(I) and redesignating subparagraph (J) as subpara-*
9 *graph (I); and*

10 (2) *by amending paragraph (2) to read as fol-*
11 *lows:*

12 “(2) *ASSISTANT SECRETARIES.*—

13 “(A) *ADVICE AND CONSENT APPOINT-*
14 *MENTS.*—*The Department shall have the fol-*
15 *lowing Assistant Secretaries appointed by the*
16 *President, by and with the advice and consent of*
17 *the Senate:*

18 “(i) *The Assistant Secretary, U.S. Im-*
19 *migration and Customs Enforcement.*

20 “(ii) *The Assistant Secretary, Trans-*
21 *portation Security Administration.*

22 “(B) *OTHER PRESIDENTIAL APPOINT-*
23 *MENTS.*—*The Department shall have the fol-*
24 *lowing Assistant Secretaries appointed by the*
25 *President:*

1 “(i) *The Assistant Secretary, Infra-*
2 *structure Protection.*

3 “(ii) *The Assistant Secretary, Office of*
4 *Public Affairs.*

5 “(iii) *The Assistant Secretary, Office of*
6 *Legislative Affairs.*

7 “(C) *SECRETARIAL APPOINTMENTS.—The*
8 *Department shall have the following Assistant*
9 *Secretaries appointed by the Secretary:*

10 “(i) *The Assistant Secretary, Office of*
11 *Cybersecurity and Communications.*

12 “(ii) *The Assistant Secretary for Inter-*
13 *national Affairs under section 602.*

14 “(iii) *The Assistant Secretary for Part-*
15 *nership and Engagement under section 603.*

16 “(D) *LIMITATION ON CREATION OF POSI-*
17 *TIONS.—No Assistant Secretary position may be*
18 *created in addition to the positions provided for*
19 *by this section unless such position is authorized*
20 *by a statute enacted after the date of the enact-*
21 *ment of the DHS Headquarters Reform and Im-*
22 *provement Act of 2015.”.*

23 (i) *HOMELAND SECURITY ADVISORY COUNCIL.—Sec-*
24 *tion 102(b) of the Homeland Security Act of 2002 (6 U.S.C.*
25 *112(b)) is amended by striking “and” after the semicolon*

1 *at the end of paragraph (2), striking the period at the end*
2 *of paragraph (3) and inserting “; and”, and adding at the*
3 *end the following:*

4 “(4) shall establish a Homeland Security Advi-
5 sory Council to provide advice and recommendations
6 on homeland-security-related matters.”.

7 (j) *PROHIBITION ON NEW OFFICES.*—No new office
8 *may be created to perform functions transferred by this sec-*
9 *tion, other than as provided in section 601 of the Homeland*
10 *Security Act of 2002, as amended by this Act, unless the*
11 *Secretary of Homeland Security receives prior authoriza-*
12 *tion from Congress permitting such change.*

13 (k) *DEFINITIONS.*—In this section each of the terms
14 *“functions”, “assets”, and “personnel” has the meaning*
15 *that term has under section 2 of the Homeland Security*
16 *Act of 2002 (6 U.S.C. 101).*

17 (l) *DUPLICATION REVIEW.*—The Secretary of Home-
18 *land Security shall—*

19 (1) *within 1 year after the date of the enactment*
20 *of this Act, complete a review of the international af-*
21 *airs offices, functions, and responsibilities of the com-*
22 *ponents of the Department of Homeland Security, to*
23 *identify and eliminate areas of unnecessary duplica-*
24 *tion; and*

1 (2) *within 30 days after the completion of such*
2 *review, provide the results of the review to the Com-*
3 *mittee on Homeland Security of the House of Rep-*
4 *resentatives and the Committee on Homeland Secu-*
5 *rity and Governmental Affairs of the Senate.*

6 **SEC. 105. QUADRENNIAL HOMELAND SECURITY REVIEW.**

7 *Section 707 of the Homeland Security Act of 2002 (6*
8 *U.S.C. 347) is amended—*

9 (1) *in subsection (a)—*

10 (A) *by amending paragraph (1) to read as*
11 *follows:*

12 “(1) *REVIEW REQUIRED.—In fiscal year 2017,*
13 *and every 4 years thereafter, the Secretary shall con-*
14 *duct a review of the homeland security of the Nation*
15 *(in this section referred to as a ‘quadrennial home-*
16 *land security review’). Such review shall be conducted*
17 *so that it is completed, and the report under sub-*
18 *section (c) is issued, by no later than December 31,*
19 *2017, and by December 31 of every fourth year there-*
20 *after.”; and*

21 (B) *in paragraph (3) by striking “The Sec-*
22 *retary shall conduct each quadrennial homeland*
23 *security review under this subsection in consulta-*
24 *tion with” and inserting “In order to ensure*
25 *that each quadrennial homeland security review*

1 *conducted under this section is coordinated with*
2 *the quadrennial defense review conducted by the*
3 *Secretary of Defense under section 118 of title*
4 *10, United States Code, and any other major*
5 *strategic review relating to diplomacy, intel-*
6 *ligence, or other national security issues, the Sec-*
7 *retary shall conduct and obtain information and*
8 *feedback from entities of the homeland security*
9 *enterprise through”;*

10 *(2) in subsection (b)—*

11 *(A) in paragraph (5), by striking “and”*
12 *after the semicolon at the end;*

13 *(B) in paragraph (6), by striking the period*
14 *and inserting “; and”; and*

15 *(C) by adding after paragraph (6) the fol-*
16 *lowing:*

17 *“(7) leverage analytical tools and resources de-*
18 *veloped as part of the quadrennial homeland security*
19 *review to support the Department’s ongoing programs*
20 *and missions.”;*

21 *(3) in subsection (c)(2)—*

22 *(A) by striking “and” after the semicolon at*
23 *the end of subparagraph (H);*

24 *(B) by redesignating subparagraph (I) as*
25 *subparagraph (L); and*

1 (C) by inserting after subparagraph (H) the
2 following:

3 “(I) a description of how the conclusions
4 under the quadrennial homeland security review
5 will inform efforts to develop capabilities and
6 build capacity of States, local governments, In-
7 dian tribes, and private entities, and of individ-
8 uals, families, and communities;

9 “(J) as appropriate, proposed changes to
10 the authorities, organization, governance struc-
11 ture, or business processes (including acquisition
12 processes) of the Department in order to better
13 fulfill responsibilities of the Department;

14 “(K) where appropriate, a classified annex,
15 including materials prepared pursuant to section
16 306 of title 5, relating to the preparation of an
17 agency strategic plan, to satisfy, in whole or in
18 part, the reporting requirements of this para-
19 graph; and”.

20 **SEC. 106. FUTURE YEARS HOMELAND SECURITY PROGRAM.**

21 Section 874 of the Homeland Security Act of 2002 (6
22 U.S.C. 454) is amended—

23 (1) by amending subsection (a) to read as fol-
24 lows:

1 “(a) *IN GENERAL.*—Not later than the 30 days fol-
2 lowing the date of each fiscal year on which the budget of
3 the President is submitted to Congress under section
4 1105(a) of title 31, United States Code, the Secretary shall
5 submit to the Committee on Homeland Security of the
6 House of Representatives and the Committee on Homeland
7 Security and Governmental Affairs of the Senate a *Future*
8 *Years Homeland Security Program* that provides detailed
9 estimates of the projected expenditures and corresponding
10 requests for appropriations included in that budget. The
11 *Future Years Homeland Security Program* shall cover the
12 fiscal year for which the budget is submitted and the 4 suc-
13 ceeding fiscal years.”; and

14 (2) by adding at the end the following:

15 “(d) *CONSISTENCY OF BUDGET REQUEST WITH ESTI-*
16 *MATES.*—For each fiscal year, the Secretary shall ensure
17 that the projected amounts specified in program and budget
18 information for the Department submitted to Congress in
19 support of the President’s budget request are consistent with
20 the estimated expenditures and proposed appropriations
21 necessary to support the programs, projects, and activities
22 of the Department included in the budget pursuant to sec-
23 tion 1105(a)(5) of title 31, United States Code.

24 “(e) *EXPLANATION OF ALIGNMENT WITH STRATEGIES*
25 *AND PLANS.*—Together with the detailed estimates of the

1 *projected expenditures and corresponding requests for ap-*
2 *propriations submitted for the Future Years Homeland Se-*
3 *curity Program, the Secretary shall provide an explanation*
4 *of how those estimates and requests align with the homeland*
5 *security strategies and plans developed and updated as ap-*
6 *propriate by the Secretary. Such explanation shall include*
7 *an evaluation of the organization, organizational structure,*
8 *governance structure, and business processes (including ac-*
9 *quisition processes) of the Department, to ensure that the*
10 *Department is able to meet its responsibilities.*

11 “(f) *PROJECTION OF ACQUISITION ESTIMATES.—Each*
12 *Future Years Homeland Security Program shall project—*

13 “(1) *acquisition estimates for a period of 5 fiscal*
14 *years, with specified estimates for each fiscal year, for*
15 *major acquisition programs by the Department and*
16 *each component therein, including modernization and*
17 *sustainment expenses; and*

18 “(2) *estimated annual deployment schedules for*
19 *major acquisition programs over the 5-fiscal-year pe-*
20 *riod.*

21 “(g) *CONTINGENCY AMOUNTS.—Nothing in this section*
22 *shall be construed as prohibiting the inclusion in the Future*
23 *Years Homeland Security Program of amounts for manage-*
24 *ment contingencies, subject to the requirements of subsection*
25 *(b).*

1 “(h) *CLASSIFIED OR SENSITIVE ANNEX.*—The Sec-
2 retary may include with each submission under this section
3 a classified or sensitive annex containing any information
4 required to be submitted under this section that is restricted
5 from public disclosure in accordance with Federal law, in-
6 cluding information that is determined to be Sensitive Se-
7 curity Information under section 537 of the Department of
8 Homeland Security Appropriations Act, 2006 (6 U.S.C.
9 114) to Congress in a classified or sensitive annex.

10 “(i) *AVAILABILITY OF INFORMATION TO THE PUB-*
11 *LIC.*—The Secretary shall make available to the public in
12 electronic form the information required to be submitted to
13 Congress under this section, other than information de-
14 scribed in subsection (h).”.

15 **SEC. 107. MANAGEMENT AND EXECUTION.**

16 Section 701 of the Homeland Security Act of 2002 (6
17 U.S.C. 341) is amended by striking subsections (a) and (b)
18 and inserting the following:

19 “(a) *IN GENERAL.*—Subject to the direction and con-
20 trol of the Secretary, the Under Secretary for Management
21 shall serve as the following:

22 “(1) *The Chief Management Officer for all mat-*
23 *ters related to the management and administration of*
24 *the Department in support of homeland security oper-*
25 *ations and programs. With regard to the management*

1 *functions for which the Under Secretary has responsi-*
2 *bility by law or by direction of the Secretary, the*
3 *Under Secretary for Management takes precedence in*
4 *the Department after the Secretary and the Deputy*
5 *Secretary of Homeland Security.*

6 *“(2) The senior official with the authority to ad-*
7 *minister, implement, and direct management integra-*
8 *tion and transformation across functional disciplines*
9 *of the Department, including—*

10 *“(A) information technology, financial*
11 *management, acquisition management, and*
12 *human capital management of the Department*
13 *to improve program efficiency and effectiveness;*

14 *“(B) ensure compliance with laws, rules,*
15 *regulations, and the Department’s policies;*

16 *“(C) conduct regular oversight; and*

17 *“(D) prevent unnecessary duplication of*
18 *programs in the Department.*

19 *“(b) RESPONSIBILITIES.—In addition to responsibil-*
20 *ities designated by the Secretary or otherwise established*
21 *by law, the Under Secretary for Management shall be re-*
22 *sponsible for performing, or delegating responsibility for*
23 *performing, the following activities of the Department:*

1 “(1) *Development of the budget, management of*
2 *appropriations, expenditures of funds, accounting,*
3 *and finance.*

4 “(2) *Acquisition and procurement activities*
5 *under section 701(d).*

6 “(3) *Human resources and personnel.*

7 “(4) *Information technology and communication*
8 *systems, in consultation with the Under Secretary for*
9 *Intelligence and Analysis, as appropriate.*

10 “(5) *Facilities, property, equipment, and other*
11 *material resources.*

12 “(6) *Real property and personal property.*

13 “(7) *Security for personnel, information tech-*
14 *nology and communications systems, facilities, prop-*
15 *erty, equipment, and other material resources.*

16 “(8) *Strategic management planning, annual*
17 *performance planning, and identification and track-*
18 *ing of performance measures relating to the respon-*
19 *sibilities of the Department, including such respon-*
20 *sibilities under section 306 of title 5, United States*
21 *Code.*

22 “(9) *Oversight of grants and other assistance*
23 *management programs to ensure proper administra-*
24 *tion.*

1 “(10) *Management integration and trans-*
2 *formation within each functional management dis-*
3 *cipline of the Department, including information*
4 *technology, financial management, acquisition man-*
5 *agement, and human capital management, and the*
6 *transition process, to ensure an efficient and orderly*
7 *consolidation of functions and personnel in the De-*
8 *partment and transition, including the—*

9 “(A) *development of coordinated data*
10 *sources and connectivity of information systems*
11 *to the greatest extent practical to enhance pro-*
12 *gram visibility and transparency;*

13 “(B) *development of standardized, auto-*
14 *mated, and real-time management information*
15 *to uniformly manage and oversee programs, and*
16 *make informed decisions to improve the effi-*
17 *ciency of the Department;*

18 “(C) *development of effective program man-*
19 *agement and regular oversight mechanisms, in-*
20 *cluding clear roles and processes for program*
21 *governance, sharing of best practices, and access*
22 *to timely, reliable, and analyzed data on all ac-*
23 *quisitions and investments;*

1 “(D) implementation of mechanisms to pro-
2 mote accountability for management integration
3 among Department and component chief officers;

4 “(E) integration of financial management
5 systems within and across the Department to en-
6 sure financial transparency, support daily oper-
7 ational and financial decisionmaking, and
8 maintain consecutive unqualified opinions for
9 all financial statements, including the responsi-
10 bility to review, approve, and oversee the plan-
11 ning, design, acquisition, deployment, operation,
12 maintenance, and modernization of business sys-
13 tems;

14 “(F) integration of human resource man-
15 agement systems within and across the Depart-
16 ment to track and record information (including
17 attrition rates, knowledge, skills, and abilities
18 critical for workforce planning, identifying cur-
19 rent and future human capital needs, including
20 recruitment efforts and improving employee mo-
21 rale), including the responsibility to review, ap-
22 prove, and oversee the planning, design, acquisi-
23 tion, deployment, operation, maintenance, and
24 modernization of business systems;

1 “(G) development of a management integra-
2 tion strategy for the Department and its compo-
3 nents to be submitted annually with the Presi-
4 dent’s budget to ensure that management of the
5 Department is strengthened in the areas of
6 human capital, acquisition, information tech-
7 nology, and financial management, which shall
8 include—

9 “(i) short- and long-term objectives to
10 effectively guide implementation of inter-
11 operable business systems solutions;

12 “(ii) issuance of guidance and action
13 plans with dates, specific actions, and costs
14 for implementing management integration
15 and transformation of common functional
16 disciplines across the Department and its
17 components;

18 “(iii) specific operational and tactical
19 goals, activities, and timelines needed to ac-
20 complish the integration effort;

21 “(iv) performance measures to monitor
22 and validate corrective measures;

23 “(v) efforts to identify resources needed
24 to achieve key actions and outcomes;

1 “(vi) other issues impeding manage-
2 ment integration;

3 “(vii) reporting to the Government Ac-
4 countability Office twice annually to dem-
5 onstrate measurable, sustainable progress
6 made in implementing the Department’s
7 corrective action plans and achieving key
8 outcomes, including regarding—

9 “(I) leadership commitment;

10 “(II) capacity building; and

11 “(III) continuous monitoring to
12 address Government Accountability Of-
13 fice designations of programs at high
14 risk for waste, fraud, and abuse, in-
15 cluding with respect to strengthening
16 management functions;

17 “(viii) review and approve any major
18 update to the Department’s strategy related
19 to management integration and trans-
20 formation across functional disciplines and
21 lines of business, including any business
22 systems modernization plans to maximize
23 benefits and minimize costs for the Depart-
24 ment; and

1 “(ix) before December 1 of each year in
2 which a Presidential election is held, the de-
3 velopment of a transition and succession
4 plan to guide the transition of Department
5 functions to a new Presidential administra-
6 tion, and making such plan available to the
7 next Secretary and Under Secretary for
8 Management and to the homeland security
9 congressional committees.

10 “(H) Oversight, including the conduct of in-
11 ternal audits and management analyses, of the
12 programs and activities of the Department. Such
13 supervision includes establishing oversight proce-
14 dures to ensure a full and effective review of the
15 efforts by Department components to implement
16 policies and procedures of the Department for
17 management integration and transformation.

18 “(I) Any other management duties that the
19 Secretary may designate.”.

20 **SEC. 108. CHIEF FINANCIAL OFFICER.**

21 Section 702 of the Homeland Security Act of 2002 (6
22 U.S.C. 341) is amended by redesignating subsections (b)
23 and (c) as subsections (c) and (d), respectively, and by in-
24 serting after subsection (a) the following:

1 “(b) *RESPONSIBILITIES.*—*Notwithstanding sections*
2 *901 and 1122 of title 31, United States Code, the Chief Fi-*
3 *nancial Officer, in consultation with the Under Secretary*
4 *for Management and the Under Secretary for Intelligence*
5 *and Analysis, as appropriate, shall—*

6 “(1) *lead cost-estimating practices for the De-*
7 *partment, including the development of the Depart-*
8 *ment’s policy on cost estimating and approval of life*
9 *cycle cost estimates;*

10 “(2) *oversee coordination with the Office of Pol-*
11 *icy on the Department’s long-term strategic planning*
12 *to ensure that the development of the Department’s*
13 *budget is compatible with the priorities, strategic*
14 *plans, and policies established by the Secretary;*

15 “(3) *develop and oversee the Department’s finan-*
16 *cial management policy;*

17 “(4) *provide guidance for and over financial sys-*
18 *tem modernization efforts throughout the Department;*

19 “(5) *establish effective internal controls over fi-*
20 *nancial reporting systems and processes throughout*
21 *the Department;*

22 “(6) *lead assessments of internal controls related*
23 *to the Department’s financial management systems*
24 *and review financial processes to ensure that internal*
25 *controls are designed properly and operate effectively;*

1 “(7) lead the Department’s efforts related to fi-
2 nancial oversight, including identifying ways to
3 streamline and standardize business processes;

4 “(8) lead and provide guidance on performance-
5 based budgeting practices for the Department to en-
6 sure that the Department and its components are
7 meeting missions and goals;

8 “(9) ensure that Department components’ senior
9 financial officers certify that their major acquisition
10 programs have adequate resources to execute their
11 programs through the 5-year future years homeland
12 security program period, so that the Department’s
13 funding requirements for major acquisition programs
14 match expected resources;

15 “(10) ensure that components identify and re-
16 port all expected costs of acquisition programs to the
17 Chief Financial Officer of the Department;

18 “(11) oversee Department budget formulation
19 and execution;

20 “(12) fully implement a common accounting
21 structure to be used across the entire Department by
22 fiscal year 2019; and

23 “(13) track, approve, oversee, and make public
24 information on expenditures by components of the De-

1 *partment for conferences, as appropriate, including*
2 *by requiring each component of the Department to—*

3 *“(A) report to the Inspector General of the*
4 *Department the expenditures by the component*
5 *for each conference hosted or attended by Depart-*
6 *ment employees for which the total expenditures*
7 *of the Department exceed \$20,000, within 15*
8 *days after the date of the conference; and*

9 *“(B) with respect to such expenditures, pro-*
10 *vide to the Inspector General—*

11 *“(i) the information described in sub-*
12 *sections (a), (b), and (c) of section 739 of*
13 *Public Law 113–235; and*

14 *“(ii) documentation of such expendi-*
15 *tures.”.*

16 **SEC. 109. CHIEF PROCUREMENT OFFICER.**

17 *(a) IN GENERAL.—Title VII of the Homeland Security*
18 *Act of 2002 (6 U.S.C. 341 et seq.) is further amended by*
19 *adding at the end the following:*

20 **“SEC. 708. CHIEF PROCUREMENT OFFICER.**

21 *“(a) IN GENERAL.—There is a Chief Procurement Of-*
22 *ficer of the Department, who shall report directly to the*
23 *Under Secretary for Management. The Chief Procurement*
24 *Officer is the senior procurement executive for purposes of*
25 *section 1702(c) of title 41 United States Code, and shall*

1 *perform procurement functions as specified in such section.*
2 *The Chief Procurement Officer also shall perform other*
3 *functions and responsibilities set forth in this section and*
4 *as may be assigned by the Under Secretary for Manage-*
5 *ment.*

6 “(b) *RESPONSIBILITIES.—The Chief Procurement Offi-*
7 *cer shall—*

8 “(1) *exercise leadership and authority to the ex-*
9 *tent delegated by the Under Secretary for Manage-*
10 *ment over the Department’s procurement function;*

11 “(2) *issue procurement policies, and shall serve*
12 *as a senior business advisor to agency officials on ac-*
13 *quisition-related matters, including policy and work-*
14 *force matters, as determined by the Under Secretary*
15 *for Management;*

16 “(3) *account for the integrity, performance, and*
17 *oversight of Department procurement and contracting*
18 *functions and be responsible for ensuring that a pro-*
19 *curement’s contracting strategy and plans are con-*
20 *sistent with the intent and direction of the Acquisi-*
21 *tion Review Board;*

22 “(4) *serve as the Department’s main liaison to*
23 *industry on procurement-related issues;*

24 “(5) *oversee a centralized certification and train-*
25 *ing program, in consultation with the Under Sec-*

1 *retary for Management, for the entire Department ac-*
2 *quisition workforce while using, to the greatest extent*
3 *practicable, best practices and acquisition training*
4 *opportunities already in existence within the Federal*
5 *Government, the private sector, or universities and*
6 *colleges, as appropriate, and including training on*
7 *how best to identify actions that warrant referrals for*
8 *suspension or debarment;*

9 *“(6) delegate or retain contracting authority, as*
10 *appropriate;*

11 *“(7) provide input on the periodic performance*
12 *reviews of each head of contracting activity of the De-*
13 *partment;*

14 *“(8) collect baseline data and use such data to*
15 *establish performance measures on the impact of stra-*
16 *tegic sourcing initiatives on the private sector, includ-*
17 *ing, in particular, small businesses;*

18 *“(9) ensure that a fair proportion (as defined*
19 *pursuant to the Small Business Act (15 U.S.C. 631*
20 *et seq.)) of Federal contract and subcontract dollars*
21 *are awarded to small businesses, maximize opportuni-*
22 *ties for small business participation, and ensure, to*
23 *the extent practicable, small businesses that achieve*
24 *qualified vendor status for security-related tech-*

1 *nologies are provided an opportunity to compete for*
2 *contracts for such technology; and*

3 *“(10) conduct oversight of implementation of ad-*
4 *ministrative agreements to resolve suspension or de-*
5 *barment proceedings and, upon request, provide infor-*
6 *mation to the Committee on Homeland Security of*
7 *the House of Representatives and the Committee on*
8 *Homeland Security and Governmental Affairs of the*
9 *Senate about the effectiveness of such agreements at*
10 *improving contractor responsibility.*

11 *“(c) HEAD OF CONTRACTING ACTIVITY DEFINED.—In*
12 *this section the term ‘head of contracting activity’ means*
13 *each official responsible for the creation, management, and*
14 *oversight of a team of procurement professionals properly*
15 *trained, certified, and warranted to accomplish the acquisi-*
16 *tion of products and services on behalf of the designated*
17 *components, offices, and organizations of the Department,*
18 *and as authorized, other government entities.”.*

19 *(b) CLERICAL AMENDMENT.—The table of contents in*
20 *section 1(b) of such Act is further amended by adding at*
21 *the end of the items relating to such title the following:*

“Sec. 708. Chief Procurement Officer.”.

22 **SEC. 110. CHIEF INFORMATION OFFICER.**

23 *(a) IN GENERAL.—Section 703 of the Homeland Secu-*
24 *rity Act of 2002 (6 U.S.C. 343) is amended—*

1 (1) *in subsection (a), by adding at the end the*
2 *following: “In addition to the functions under section*
3 *3506(a)(2) of title 44, United States Code, the Chief*
4 *Information Officer shall perform the functions set*
5 *forth in this section and such other functions as may*
6 *be assigned by the Secretary.”;*

7 (2) *by redesignating subsection (b) as subsection*
8 *(e); and*

9 (3) *by inserting after subsection (a) the fol-*
10 *lowing:*

11 “(b) *RESPONSIBILITIES.—In addition to the functions*
12 *under section 3506 of title 44, United States Code, the Chief*
13 *Information Officer, in consultation with the Under Sec-*
14 *retary for Management, shall—*

15 “(1) *advise and assist the Secretary, heads of the*
16 *components of the Department, and other senior offi-*
17 *cers in carrying out the responsibilities of the Depart-*
18 *ment for all activities relating to the budgets, pro-*
19 *grams, and operations of the information technology*
20 *functions of the Department;*

21 “(2) *to the extent delegated by the Secretary—*

22 “(A) *exercise leadership and authority over*
23 *Department information technology manage-*
24 *ment; and*

1 “(B) establish the information technology
2 priorities, policies, processes, standards, guide-
3 lines, and procedures of the Department to en-
4 sure interoperability and standardization of in-
5 formation technology;

6 “(3) serve as the lead technical authority for in-
7 formation technology programs;

8 “(4) maintain a consolidated inventory of the
9 Department’s mission critical and mission essential
10 information systems, and develop and maintain con-
11 tingency plans for responding to a disruption in the
12 operation of any of those information systems;

13 “(5) maintain the security, visibility, reliability,
14 integrity, and availability of data and information
15 technology of the Department including the security of
16 the Homeland Security Data Network;

17 “(6) in coordination with relevant officials of the
18 Department, ensure that the Department is in com-
19 pliance with subchapter II of chapter 35 of title 44,
20 United States Code;

21 “(7) establish policies and procedures to effec-
22 tively monitor and manage vulnerabilities in the sup-
23 ply chain for purchases of information technology;

1 “(8) in coordination with relevant officials of the
2 Department, ensure Department compliance with
3 Homeland Security Presidential Directive 12;

4 “(9) in coordination with relevant officials of the
5 Department, ensure that information technology sys-
6 tems of the Department meet the standards established
7 under the information sharing environment, as de-
8 fined in section 1016 of the Intelligence Reform and
9 Terrorism Prevention Act of 2004 (6 U.S.C. 485);

10 “(10) develop measures to monitor the perform-
11 ance of Department components’ use and implementa-
12 tion of information technology systems and consist-
13 ently monitor such performance to ensure that such
14 systems are used effectively;

15 “(11) ensure that Department components report
16 to the Chief Information Officer of the Department a
17 complete inventory of information systems and fully
18 adhere to Department guidance related to information
19 technology;

20 “(12) carry out any other responsibilities dele-
21 gated by the Secretary consistent with an effective in-
22 formation system management function; and

23 “(13) carry out authorities over Department in-
24 formation technology consistent with section 113419
25 of title 40, United States Code.

1 “(c) *STRATEGIC PLANS.*—*In coordination with the*
2 *Chief Financial Officer, the Chief Information Officer shall*
3 *develop an information technology strategic plan every 5*
4 *years and report to the Committee on Homeland Security*
5 *of the House of Representatives and the Committee on*
6 *Homeland Security and Governmental Affairs of the Senate*
7 *on—*

8 “(1) *how the information technology strategic*
9 *plans developed under this subsection are used to help*
10 *inform the Department’s budget process;*

11 “(2) *how the Department’s budget aligns with*
12 *priorities specified in the information technology*
13 *strategic plans;*

14 “(3) *in cases in which it is not possible to fund*
15 *all information technology strategic plan activities for*
16 *a given fiscal year, the rationale as to why certain*
17 *activities are not being funded in lieu of higher prior-*
18 *ities;*

19 “(4) *what decisionmaking process was used to*
20 *arrive at these priorities and the role of Department*
21 *components in that process; and*

22 “(5) *examine the extent to which unnecessary*
23 *duplicate information technology within and across*
24 *the components of the Department has been elimi-*
25 *nated.*

1 “(d) *SOFTWARE LICENSING.*—

2 “(1) *IN GENERAL.*—Not later than 180 days
3 after the date of the enactment of the DHS Head-
4 quarters Reform and Improvement Act of 2015, and
5 every 2 years thereafter, the Chief Information Offi-
6 cer, in consultation with Department component chief
7 information officers, shall—

8 “(A) conduct a Department-wide inventory
9 of all existing software licenses held by the De-
10 partment, including utilized and unutilized li-
11 censes;

12 “(B) assess the needs of the Department and
13 the components of the Department for software
14 licenses for the subsequent 2 fiscal years;

15 “(C) examine how the Department can
16 achieve the greatest possible economies of scale
17 and cost savings in the procurement of software
18 licenses;

19 “(D) determine how the use of shared cloud-
20 computing services will impact the needs for soft-
21 ware licenses for the subsequent 2 fiscal years;
22 and

23 “(E) establish plans and estimated costs for
24 eliminating unutilized software licenses for the
25 subsequent 2 fiscal years.

1 “(2) *EXCESS SOFTWARE LICENSING.*—

2 “(A) *PLAN TO REDUCE SOFTWARE LI-*
3 *CENSES.*—*If the Chief Information Officer deter-*
4 *mines through the inventory conducted under*
5 *paragraph (1) that the number of software li-*
6 *censes held by the Department and the compo-*
7 *ponents of the Department exceed the needs of the*
8 *Department as assessed under paragraph (1), the*
9 *Secretary, not later than 90 days after the date*
10 *on which the inventory is completed, shall estab-*
11 *lish a plan for bringing the number of such soft-*
12 *ware licenses into balance with such needs of the*
13 *Department.*

14 “(B) *PROHIBITION ON PROCUREMENT OF*
15 *NEW SOFTWARE LICENSES.*—

16 “(i) *IN GENERAL.*—*Except as provided*
17 *in clause (ii), upon completion of a plan es-*
18 *tablished under paragraph (1), no addi-*
19 *tional resources may be obligated for the*
20 *procurement of new software licenses for the*
21 *Department until such time as the need of*
22 *the Department exceeds the number of used*
23 *and unused licenses held by the Depart-*
24 *ment.*

1 “(ii) *EXCEPTION.*—*The Chief Informa-*
2 *tion Officer may authorize the purchase of*
3 *additional licenses and amend the number*
4 *of needed licenses as necessary.*

5 “(3) *GAO REVIEW.*—*The Comptroller General of*
6 *the United States shall review the inventory con-*
7 *ducted under paragraph (1)(A) and the plan estab-*
8 *lished under paragraph (2)(A).*

9 “(4) *SUBMISSION TO CONGRESS.*—*The Chief In-*
10 *formation Officer shall submit a copy of each inven-*
11 *tory conducted under paragraph (1)(A) and each*
12 *plan established under paragraph (2)(A) to the Com-*
13 *mittee on Homeland Security of the House of Rep-*
14 *resentatives and the Committee on Homeland Secu-*
15 *rity and Governmental Affairs of the Senate.”.*

16 “(b) *COMPLETION OF FIRST DEFINITION OF CAPABILI-*
17 *TIES.*—*The Chief Information Officer shall complete the*
18 *first implementation of section 701(c) of the Homeland Se-*
19 *curity Act of 2002, as amended by this section, by not later*
20 *than 1 year after the date of the enactment of this Act.*

21 **SEC. 111. CHIEF HUMAN CAPITAL OFFICER.**

22 *Section 704 of the Homeland Security Act of 2002 (6*
23 *U.S.C. 343) is amended to read as follows:*

1 **“SEC. 704. CHIEF HUMAN CAPITAL OFFICER.**

2 “(a) *IN GENERAL.*—*There is a Chief Human Capital*
3 *Officer of the Department who shall report directly to the*
4 *Under Secretary of Management.*

5 “(b) *RESPONSIBILITIES.*—*The Chief Human Capital*
6 *Officer shall—*

7 “(1) *develop and implement strategic workforce*
8 *planning efforts that are consistent with Government-*
9 *wide leading principles, and that are in line with De-*
10 *partment strategic human capital goals and prior-*
11 *ities;*

12 “(2) *develop performance measures to provide a*
13 *basis for monitoring and evaluating Department-wide*
14 *strategic workforce planning efforts;*

15 “(3) *develop strategies to recruit, hire, and train*
16 *the Department workforce;*

17 “(4) *work with the component heads to identify*
18 *methods for managing and overseeing human capital*
19 *programs and initiatives;*

20 “(5) *develop a career path framework, and create*
21 *opportunities for leader development;*

22 “(6) *serve as the Department’s central office for*
23 *managing employee resources, including training and*
24 *development opportunities;*

25 “(7) *coordinate the Department’s human re-*
26 *source management system;*

1 “(8) conduct efficiency reviews to determine if
2 components are implementing human capital pro-
3 grams and initiatives; and

4 “(9) identify and eliminate unnecessary and du-
5 plicative human capital policies and guidance.

6 “(c) COMPONENT STRATEGIES.—

7 “(1) IN GENERAL.—Each component of the De-
8 partment shall coordinate with the Chief Human
9 Capital Officer of the Department to develop or main-
10 tain its own 5-year workforce strategy that will sup-
11 port the Department’s goals, objectives, performance
12 measures, and determination of the proper balance of
13 Federal employees and private labor resources.

14 “(2) STRATEGY REQUIREMENTS.—The Chief
15 Human Capital Officer shall ensure that, in the de-
16 velopment of the strategy required by subsection (c),
17 the head of the component reports to the Chief Human
18 Capital Officer on the human resources considerations
19 associated with creating additional Federal full-time
20 equivalent positions, converting private contractor po-
21 sitions to Federal employee positions, or relying on
22 the private sector for goods and services, including—

23 “(A) hiring projections, including occupa-
24 tion and grade level, as well as corresponding

1 *salaries, benefits, and hiring or retention bo-*
2 *nuses;*

3 “(B) *the identification of critical skills re-*
4 *quirements over the 5-year period, any current*
5 *or anticipated need for critical skills required at*
6 *the Department, and the training or other meas-*
7 *ures required to address such need;*

8 “(C) *recruitment of qualified candidates*
9 *and retention of qualified employees;*

10 “(D) *supervisory and management require-*
11 *ments;*

12 “(E) *travel and related personnel support*
13 *costs;*

14 “(F) *the anticipated cost and impact on*
15 *mission performance associated with replacing*
16 *Federal personnel due to their retirement or*
17 *other attrition; and*

18 “(G) *other appropriate factors.*

19 “(d) *ANNUAL SUBMISSION.—The Secretary shall pro-*
20 *vide to the appropriate congressional committees, together*
21 *with submission of the annual budget justification, infor-*
22 *mation on the progress within the Department of fulfilling*
23 *the workforce strategies required under subsection (c).”.*

1 **SEC. 112. CHIEF SECURITY OFFICER.**

2 (a) *IN GENERAL.*—*Title VII of the Homeland Security*
3 *Act of 2002 (6 U.S.C. 341 et seq.), as amended by section*
4 *109(a) of this Act, is further amended by adding at the end*
5 *the following:*

6 **“SEC. 709. CHIEF SECURITY OFFICER.**

7 “(a) *IN GENERAL.*—*There is a Chief Security Officer*
8 *of the Department, who shall report directly to the Under*
9 *Secretary for Management.*

10 “(b) *RESPONSIBILITIES.*—*The Chief Security Officer*
11 *shall—*

12 “(1) *develop and implement the Department’s se-*
13 *curity policies, programs, and standards;*

14 “(2) *identify training and provide education to*
15 *Department personnel on security-related matters;*
16 *and*

17 “(3) *provide support to Department components*
18 *on security-related matters.”.*

19 (b) *CLERICAL AMENDMENT.*—*The table of contents in*
20 *section 1(b) of such Act is further amended by adding at*
21 *the end of the items relating to such title the following:*

“*Sec. 709. Chief Security Officer.*”.

22 **SEC. 113. COST SAVINGS AND EFFICIENCY REVIEWS.**

23 *Not later than 1 year after the date of the enactment*
24 *of this Act, the Secretary of Homeland Security, acting*
25 *through the Under Secretary for Management of the Depart-*

1 *ment of Homeland Security, shall submit to the Committee*
2 *on Homeland Security of the House of Representatives and*
3 *the Committee on Homeland Security and Governmental*
4 *Affairs of the Senate a report that—*

5 (1) *provides a detailed accounting of the man-*
6 *agement and administrative expenditures and activi-*
7 *ties of the components of the Department and identi-*
8 *fies potential cost savings and efficiencies for those ex-*
9 *penditures and activities of each such component;*

10 (2) *examines the size, experience level, and geo-*
11 *graphic distribution of the operational personnel of*
12 *the Department, including Customs and Border Pro-*
13 *tection officers, Border Patrol agents, Customs and*
14 *Border Protection Air and Marine agents, Customs*
15 *and Border Protection agriculture specialists, Federal*
16 *Protective Service law enforcement security officers,*
17 *Immigration and Customs Enforcement agents,*
18 *Transportation Security Administration officers, Fed-*
19 *eral air marshals, and members of the Coast Guard;*
20 *and*

21 (3) *makes recommendations for adjustments in*
22 *the management and administration of the Depart-*
23 *ment that would reduce deficiencies in the Depart-*
24 *ment's capabilities, reduce costs, and enhance effi-*
25 *ciencies.*

1 **SEC. 114. FIELD EFFICIENCIES PLAN.**

2 (1) *IN GENERAL.*—Not later than 270 days after
3 the date of the enactment of this Act, the Secretary of
4 Homeland Security shall submit to the Committee on
5 Homeland Security of the House of Representatives
6 and Committee on Homeland Security and Govern-
7 mental Affairs of the Senate a field efficiencies plan
8 that—

9 (A) examines the facilities and administra-
10 tive and logistics functions of components of the
11 Department of Homeland Security located with-
12 in designated geographic areas; and

13 (B) provides specific recommendations and
14 an associated cost-benefit analysis for the con-
15 solidation of the facilities and administrative
16 and logistics functions of components of the De-
17 partment within each designated geographic
18 area.

19 (2) *CONTENTS.*—The field efficiencies plan sub-
20 mitted under paragraph (1) shall include the fol-
21 lowing:

22 (A) An accounting of leases held by the De-
23 partment or its components that have expired in
24 the current fiscal year or will be expiring in the
25 next fiscal year, that have begun or been renewed
26 in the current fiscal year, or that the Depart-

1 *ment or its components plan to sign or renew in*
2 *the next fiscal year.*

3 *(B)(i) An evaluation for each designated ge-*
4 *ographic area of specific facilities at which com-*
5 *ponents, or operational entities of components, of*
6 *the Department may be closed or consolidated,*
7 *including consideration of when leases expire or*
8 *facilities owned by the Government become avail-*
9 *able.*

10 *(ii) The evaluation shall include consider-*
11 *ation of potential consolidation with facilities of*
12 *other Federal, State, or local entities, includ-*
13 *ing—*

14 *(I) offices;*
15 *(II) warehouses;*
16 *(III) training centers;*
17 *(IV) housing;*
18 *(V) ports, shore facilities, and airfields;*
19 *(VI) laboratories; and*
20 *(VII) other assets as determined by the*
21 *Secretary.*

22 *(iii) The evaluation shall include the poten-*
23 *tial for the consolidation of administrative and*
24 *logistics functions, including—*

25 *(I) facility maintenance;*

1 (II) fleet vehicle services;

2 (III) mail handling and shipping and
3 receiving;

4 (IV) facility security;

5 (V) procurement of goods and services;

6 (VI) information technology and tele-
7 communications services and support; and

8 (VII) additional ways to improve
9 unity of effort and cost savings for field op-
10 erations and related support activities as
11 determined by the Secretary.

12 (C) An implementation plan, including—

13 (i) near-term actions that can co-lo-
14 cate, consolidate, or dispose of property
15 within 24 months;

16 (ii) identifying long-term occupancy
17 agreements or leases that cannot be changed
18 without a significant cost to the Govern-
19 ment; and

20 (iii) how the Department can ensure it
21 has the capacity, in both personnel and
22 funds, needed to cover up-front costs to
23 achieve consolidation and efficiencies.

24 (D) An accounting of any consolidation in
25 the Department or its component's real estate

1 *footprint, including the colocation of personnel*
2 *from different components, offices, and agencies*
3 *within the Department.*

4 **SEC. 115. RESOURCES TO RESPOND TO OPERATIONAL**
5 **SURGES.**

6 *On an annual basis, the Secretary of Homeland Secu-*
7 *rity shall provide to the Committee on Homeland Security*
8 *of the House of Representatives and the Committee on*
9 *Homeland Security and Governmental Affairs of the Senate*
10 *information on the circumstances in which the Secretary*
11 *exercised the authority during the preceding year to repro-*
12 *gram or transfer funds to address unforeseen costs, includ-*
13 *ing the costs associated with operational surges, and infor-*
14 *mation on any circumstances in which limitations on the*
15 *transfer or reprogramming of funds impacted the Sec-*
16 *retary's ability to address such unforeseen costs.*

17 **SEC. 116. DEPARTMENT OF HOMELAND SECURITY ROTA-**
18 **TION PROGRAM.**

19 *(a) ENHANCEMENTS TO THE ROTATION PROGRAM.—*
20 *Section 844(a) of the Homeland Security Act of 2002 (6*
21 *U.S.C. 414(a)) is amended as follows:*

22 *(1) In paragraph (1)—*

23 *(A) by striking “Not later than 180 days*
24 *after the date of enactment of this section, the”*
25 *and inserting “The”; and*

1 (B) by striking “for employees of the De-
2 partment” and inserting “for certain personnel
3 within the Department”.

4 (2) In paragraph (2)—

5 (A) by redesignating subparagraphs (A)
6 through (G) as subparagraphs (C) through (I),
7 and inserting before subparagraph (C), as so re-
8 designated, the following:

9 “(A) seek to foster greater Departmental in-
10 tegration and unity of effort;

11 “(B) seek to help enhance the knowledge,
12 skills, and abilities of participating personnel
13 with respect to the Department’s programs, poli-
14 cies, and activities;”;

15 (B) in subparagraph (D), as so redesign-
16 ated, by striking “middle and senior level”; and

17 (C) in subparagraph (G), as so redesign-
18 ated, by inserting before “invigorate” the fol-
19 lowing: “seek to improve morale and retention
20 throughout the Department and”.

21 (3) In paragraph (3)(B), by striking clause (iii)
22 and redesignating clauses (iv) through (viii) as
23 clauses (iii) through (vii).

1 (4) *By redesignating paragraphs (4) and (5) as*
2 *paragraphs (5) and (6), and inserting after para-*
3 *graph (3) the following:*

4 “(4) *ADMINISTRATIVE MATTERS.—In carrying*
5 *out any program established pursuant to this section,*
6 *the Secretary shall—*

7 “(A) *before selecting employees for partici-*
8 *ipation in such program, disseminate informa-*
9 *tion broadly within the Department about the*
10 *availability of the program, qualifications for*
11 *participation in the program, including full-*
12 *time employment within the employing compo-*
13 *nent or office not less than one year, and the*
14 *general provisions of the program;*

15 “(B) *require each candidate for participa-*
16 *tion in the program to be nominated by the head*
17 *of the candidate’s employing component or office*
18 *and that the Secretary, or the Secretary’s des-*
19 *ignee, select each employee for the program solely*
20 *on the basis of relative ability, knowledge, and*
21 *skills, after fair and open competition that*
22 *assures that all candidates receive equal oppor-*
23 *tunity;*

24 “(C) *ensure that each employee partici-*
25 *pating in the program shall be entitled to return,*

1 *within a reasonable period of time after the end*
2 *of the period of participation, to the position*
3 *held by the employee, or a corresponding or high-*
4 *er position, in the employee’s employing compo-*
5 *nent or office;*

6 “(D) require that the rights that would be
7 available to the employee if the employee were
8 detailed from the employing component or office
9 to another Federal agency or office remain avail-
10 able to the employee during the employee partici-
11 pation in the program; and

12 “(E) require that, during the period of par-
13 ticipation by an employee in the program, per-
14 formance evaluations for the employee—

15 “(i) shall be conducted by officials in
16 the employee’s office or component with
17 input from the supervisors of the employee
18 at the component or office in which the em-
19 ployee is placed during that period; and

20 “(ii) shall be provided the same weight
21 with respect to promotions and other re-
22 wards as performance evaluations for serv-
23 ice in the employee’s office or component.”.

24 (b) CONGRESSIONAL NOTIFICATION AND OVER-
25 SIGHT.—Not later than 120 days after the date of the enact-

1 *ment of this Act, the Secretary of Homeland Security shall*
2 *provide information to the Committee on Homeland Secu-*
3 *rity of the House of Representatives and the Committee on*
4 *Homeland Security and Governmental Affairs of the Senate*
5 *about the status of the homeland security rotation program*
6 *authorized by section 844 of the Homeland Security Act of*
7 *2002, as amended by this section.*

8 **TITLE II—DHS ACQUISITION AC-**
9 **COUNTABILITY AND EFFI-**
10 **CIENCY**

11 **SEC. 201. DEFINITIONS.**

12 (a) *IN GENERAL.—In this title:*

13 (1) *SECRETARY.—The term “Secretary” means*
14 *the Secretary of Homeland Security.*

15 (2) *DEPARTMENT.—The term “Department”*
16 *means the Department of Homeland Security.*

17 (3) *CONGRESSIONAL HOMELAND SECURITY COM-*
18 *MITTEES.—The term “congressional homeland secu-*
19 *rity committees” means—*

20 (A) *the Committee on Homeland Security of*
21 *the House of Representatives and the Committee*
22 *on Homeland Security and Governmental Af-*
23 *airs of the Senate; and*

24 (B) *the Committee on Appropriations of the*
25 *House of Representatives and of the Senate.*

1 **(b) ADDITIONAL DEFINITIONS.**—*In this title:*

2 **(1) ACQUISITION.**—*The term “acquisition” has*
3 *the meaning provided in section 131 of title 41,*
4 *United States Code.*

5 **(2) BEST PRACTICES.**—*The term “best prac-*
6 *tices”, with respect to acquisition, means a knowl-*
7 *edge-based approach to capability development that*
8 *includes identifying and validating needs; assessing*
9 *alternatives to select the most appropriate solution;*
10 *clearly establishing well-defined requirements; devel-*
11 *oping realistic cost assessments and schedules; secur-*
12 *ing stable funding that matches resources to require-*
13 *ments; demonstrating technology, design, and manu-*
14 *facturing maturity; using milestones and exit criteria*
15 *or specific accomplishments that demonstrate*
16 *progress; adopting and executing standardized proc-*
17 *esses with known success across programs; estab-*
18 *lishing an adequate workforce that is qualified and*
19 *sufficient to perform necessary functions; and inte-*
20 *grating these capabilities into the Department’s mis-*
21 *sion and business operations.*

22 **(c) AMENDMENTS TO DEFINITIONS IN HOMELAND SE-**
23 **CURITY ACT OF 2002.**—*Section 2 of the Homeland Security*
24 *Act of 2002 is amended—*

1 (1) by striking “In this Act,” and inserting “(a)

2 *IN GENERAL.—In this Act,”;*

3 (2) in paragraph (2)—

4 (A) by inserting “(A)” after “(2)”; and

5 (B) by adding at the end the following new
6 subparagraph:

7 “(B) The term ‘congressional homeland security
8 committees’ means—

9 “(i) the Committee on Homeland Security
10 of the House of Representatives and the Com-
11 mittee on Homeland Security and Governmental
12 Affairs of the Senate; and

13 “(ii) the Committees on Appropriations of
14 the House of Representatives and of the Senate,
15 where appropriate.”; and

16 (3) by adding at the end the following new sub-
17 section:

18 “(b) *ACQUISITION-RELATED DEFINITIONS.—In this*
19 *Act, the following definitions apply:*

20 “(1) *ACQUISITION.—The term ‘acquisition’ has*
21 *the meaning provided in section 131 of title 41,*
22 *United States Code.*

23 “(2) *ACQUISITION DECISION AUTHORITY.—The*
24 *term ‘acquisition decision authority’ means the au-*

1 *thority, held by the Secretary acting through the Dep-*
2 *uty Secretary or Under Secretary for Management—*

3 *“(A) to ensure compliance with Federal*
4 *law, the Federal Acquisition Regulation, and De-*
5 *partment acquisition management directives;*

6 *“(B) to review (including approving, halt-*
7 *ing, modifying, or cancelling) an acquisition*
8 *program through the life cycle of the program;*

9 *“(C) to ensure that program managers have*
10 *the resources necessary to successfully execute an*
11 *approved acquisition program;*

12 *“(D) to ensure good program management*
13 *of cost, schedule, risk, and system performance of*
14 *the acquisition, including assessing acquisition*
15 *program baseline breaches and directing any*
16 *corrective action for such breaches; and*

17 *“(E) to ensure that program managers, on*
18 *an ongoing basis, monitor cost, schedule, and*
19 *performance against established baselines and*
20 *use tools to assess risks to a program at all*
21 *phases of the life cycle of the program to avoid*
22 *and mitigate acquisition program baseline*
23 *breaches.*

24 *“(3) ACQUISITION DECISION EVENT.—The term*
25 *‘acquisition decision event’, with respect to an invest-*

1 *ment or acquisition program, means a predetermined*
2 *point within the acquisition phases of the investment*
3 *or acquisition program at which the investment or*
4 *acquisition program will undergo a review prior to*
5 *commencement of the next phase.*

6 “(4) *ACQUISITION DECISION MEMORANDUM.—*
7 *The term ‘acquisition decision memorandum’, with*
8 *respect to an acquisition, means the official acquisi-*
9 *tion decision event record that includes a documented*
10 *record of decisions, exit criteria, and assigned actions*
11 *for the acquisition as determined by the person exer-*
12 *cising acquisition decision authority for the acquisi-*
13 *tion.*

14 “(5) *ACQUISITION PROGRAM BASELINE.—The*
15 *term ‘acquisition program baseline’, with respect to*
16 *an acquisition program, means a summary of the*
17 *cost, schedule, and performance parameters, expressed*
18 *in standard, measurable, quantitative terms, which*
19 *must be met in order to accomplish the goals of the*
20 *program.*

21 “(6) *CAPABILITY DEVELOPMENT PLAN.—The*
22 *term ‘capability development plan’, with respect to a*
23 *proposed acquisition, means the document that the*
24 *Acquisition Review Board approves for the first ac-*

1 *quisition decision event related to validating the need*
2 *of a proposed acquisition.*

3 “(7) *COMPONENT ACQUISITION EXECUTIVE.*—*The*
4 *term ‘Component Acquisition Executive’ means the*
5 *senior acquisition official within a component who is*
6 *designated in writing by the Under Secretary for*
7 *Management, in consultation with the component*
8 *head, with authority and responsibility for leading a*
9 *process and staff to provide acquisition and program*
10 *management oversight, policy, and guidance to ensure*
11 *that statutory, regulatory, and higher level policy re-*
12 *quirements are fulfilled, including compliance with*
13 *Federal law, the Federal Acquisition Regulation, and*
14 *Department acquisition management directives estab-*
15 *lished by the Under Secretary for Management.*

16 “(8) *LIFE CYCLE COST.*—*The term ‘life cycle*
17 *cost’, with respect to an acquisition program, means*
18 *all costs associated with research, development, pro-*
19 *curement, operation, integrated logistics support, and*
20 *disposal under the program, including supporting in-*
21 *frastructure that plans, manages, and executes the*
22 *program over its full life, and costs of common sup-*
23 *port items incurred as a result of the program.*

24 “(9) *MAJOR ACQUISITION PROGRAM.*—*The term*
25 *‘major acquisition program’ means a Department ac-*

1 *quisition program that is estimated by the Secretary*
 2 *to require an eventual total expenditure of at least*
 3 *\$300,000,000 (based on fiscal year 2015 constant dol-*
 4 *lars) over its life cycle cost.”.*

5 **SEC. 202. PROHIBITION ON ADDITIONAL AUTHORIZATION**
 6 **OF APPROPRIATIONS.**

7 *No additional funds are authorized to be appropriated*
 8 *to carry out this title and the amendments made by this*
 9 *title. This title and such amendments shall be carried out*
 10 *using amounts otherwise available for such purposes.*

11 ***Subtitle A—Acquisition Authorities***

12 **SEC. 211. ACQUISITION AUTHORITIES FOR UNDER SEC-**
 13 **RETARY FOR MANAGEMENT.**

14 *Section 701 of the Homeland Security Act of 2002 (6*
 15 *U.S.C. 341), as amended by section 107 of this Act, is fur-*
 16 *ther amended by adding at the end the following:*

17 *“(e) ACQUISITION AND RELATED RESPONSIBIL-*
 18 *ITIES.—*

19 *“(1) IN GENERAL.—Notwithstanding section*
 20 *1702(b) of title 41, United States Code, the Under*
 21 *Secretary for Management is the Chief Acquisition*
 22 *Officer of the Department. As Chief Acquisition Offi-*
 23 *cer, the Under Secretary shall have the authority and*
 24 *perform the functions as specified in section 1702(b)*
 25 *of such title, and perform all other functions and re-*

1 *sponsibilities delegated by the Secretary or described*
2 *in this subsection.*

3 “(2) *DUTIES AND RESPONSIBILITIES.*—*In addi-*
4 *tion to the authority and functions specified in sec-*
5 *tion 1702(b) of title 41, United States Code, the du-*
6 *ties and responsibilities of the Under Secretary for*
7 *Management related to acquisition include the fol-*
8 *lowing:*

9 “(A) *Advising the Secretary regarding ac-*
10 *quisition management activities, taking into ac-*
11 *count risks of failure to achieve cost, schedule, or*
12 *performance parameters, to ensure that the De-*
13 *partment achieves its mission through the adop-*
14 *tion of widely accepted program management*
15 *best practices and standards.*

16 “(B) *Exercising the acquisition decision au-*
17 *thority to approve, halt, modify (including the*
18 *rescission of approvals of program milestones),*
19 *or cancel major acquisition programs, unless the*
20 *Under Secretary delegates the authority to a*
21 *Component Acquisition Executive pursuant to*
22 *paragraph (3).*

23 “(C) *Establishing policies for acquisition*
24 *that implement an approach that takes into ac-*
25 *count risks of failure to achieve cost, schedule, or*

1 *performance parameters that all components of*
2 *the Department shall comply with, including*
3 *outlining relevant authorities for program man-*
4 *agers to effectively manage acquisition programs.*

5 “(D) *Ensuring that each major acquisition*
6 *program has a Department-approved acquisition*
7 *program baseline, pursuant to the Department’s*
8 *acquisition management policy.*

9 “(E) *Ensuring that the heads of components*
10 *and Component Acquisition Executives comply*
11 *with Federal law, the Federal Acquisition Regu-*
12 *lation, and Department acquisition management*
13 *directives.*

14 “(F) *Ensuring that grants and financial*
15 *assistance are provided only to individuals and*
16 *organizations that are not suspended or*
17 *debarred.*

18 “(G) *Distributing guidance throughout the*
19 *Department to ensure that contractors involved*
20 *in acquisitions, particularly companies that ac-*
21 *cess the Department’s information systems and*
22 *technologies, adhere to internal cybersecurity*
23 *policies established by the Department of Home-*
24 *land Security.*

1 “(3) *DELEGATION OF ACQUISITION DECISION AU-*
2 *THORITY.—*

3 “(A) *LEVEL 3 ACQUISITIONS.—The Under*
4 *Secretary for Management may delegate acquisi-*
5 *tion decision authority in writing to the relevant*
6 *Component Acquisition Executive for an acquisi-*
7 *tion program that has a life cycle cost estimate*
8 *of less than \$300,000,000.*

9 “(B) *LEVEL 2 ACQUISITIONS.—The Under*
10 *Secretary for Management may delegate acquisi-*
11 *tion decision authority in writing to the relevant*
12 *Component Acquisition Executive for a major*
13 *acquisition program that has a life cycle cost es-*
14 *timate of at least \$300,000,000 but not more*
15 *than \$1,000,000,000 if all of the following re-*
16 *quirements are met:*

17 “(i) *The component concerned possesses*
18 *working policies, processes, and procedures*
19 *that are consistent with Department-level*
20 *acquisition policy.*

21 “(ii) *The Component Acquisition Exec-*
22 *utive has adequate, experienced, dedicated*
23 *program management professional staff*
24 *commensurate with the size of the delegated*
25 *portfolio.*

1 “(iii) *Each major acquisition program*
2 *concerned has written documentation show-*
3 *ing that it has a Department-approved ac-*
4 *quisition program baseline and it is meet-*
5 *ing agreed-upon cost, schedule, and per-*
6 *formance thresholds.*

7 “(4) *EXCLUDED PARTIES LIST SYSTEM CON-*
8 *SULTATION.—The Under Secretary for Management*
9 *shall require that all Department contracting and*
10 *procurement officials consult the Excluded Parties*
11 *List System (or successor system) as maintained by*
12 *the General Services Administration prior to award-*
13 *ing a contract or grant or entering into other trans-*
14 *actions to ascertain whether the selected contractor is*
15 *excluded from receiving Federal contracts, certain*
16 *subcontracts, and certain types of Federal financial*
17 *and nonfinancial assistance and benefits.*

18 “(5) *RELATIONSHIP TO UNDER SECRETARY FOR*
19 *SCIENCE AND TECHNOLOGY.—*

20 “(A) *IN GENERAL.—Nothing in this sub-*
21 *section shall diminish the authority granted to*
22 *the Under Secretary for Science and Technology*
23 *under this Act. The Under Secretary for Man-*
24 *agement and the Under Secretary for Science*
25 *and Technology shall cooperate in matters re-*

1 *lated to the coordination of acquisitions across*
2 *the Department so that investments of the Direc-*
3 *torate of Science and Technology can support*
4 *current and future requirements of the compo-*
5 *nents.*

6 “(B) *OPERATIONAL TESTING AND EVALUA-*
7 *TION.—The Under Secretary for Science and*
8 *Technology shall—*

9 “(i) *ensure, in coordination with rel-*
10 *evant component heads, that major acquisi-*
11 *tion programs—*

12 “(I) *complete operational testing*
13 *and evaluation of technologies and sys-*
14 *tems;*

15 “(II) *use independent verification*
16 *and validation of operational test and*
17 *evaluation implementation and results;*
18 *and*

19 “(III) *document whether such pro-*
20 *grams meet all performance require-*
21 *ments included in their acquisition*
22 *program baselines;*

23 “(ii) *ensure that such operational test-*
24 *ing and evaluation includes all system com-*
25 *ponents and incorporates operators into the*

1 *testing to ensure that systems perform as*
2 *intended in the appropriate operational set-*
3 *ting; and*

4 *“(iii) determine if testing conducted by*
5 *other Federal agencies and private entities*
6 *is relevant and sufficient in determining*
7 *whether systems perform as intended in the*
8 *operational setting.”.*

9 **SEC. 212. ACQUISITION AUTHORITIES FOR CHIEF FINAN-**
10 **CIAL OFFICER.**

11 *Section 702 of the Homeland Security Act of 2002 (6*
12 *U.S.C. 342), as amended by section 108 of this Act, is fur-*
13 *ther amended by adding at the end of subsection (c)(2) the*
14 *following new subparagraph:*

15 *“(J) Notwithstanding section 902 of title*
16 *31, United States Code, provide leadership over*
17 *financial management policy and programs for*
18 *the Department as they relate to the Depart-*
19 *ment’s acquisitions programs, in consultation*
20 *with the Under Secretary for Management.”.*

21 **SEC. 213. ACQUISITION AUTHORITIES FOR CHIEF INFORMA-**
22 **TION OFFICER.**

23 *Section 703 of the Homeland Security Act of 2002 (6*
24 *U.S.C. 343), as amended by section 110(a) of this Act, is*

1 *further amended by adding at the end the following new*
2 *subsection:*

3 “(f) *ACQUISITION RESPONSIBILITIES.*—*Notwith-*
4 *standing section 11315 of title 40, United States Code, the*
5 *acquisition responsibilities of the Chief Information Officer,*
6 *in consultation with the Under Secretary for Management,*
7 *shall include the following:*

8 “(1) *Oversee the management of the Homeland*
9 *Security Enterprise Architecture and ensure that, be-*
10 *fore each acquisition decision event, approved infor-*
11 *mation technology acquisitions comply with depart-*
12 *mental information technology management processes,*
13 *technical requirements, and the Homeland Security*
14 *Enterprise Architecture, and in any case in which in-*
15 *formation technology acquisitions do not comply with*
16 *the Department’s management directives, make rec-*
17 *ommendations to the Acquisition Review Board re-*
18 *garding such noncompliance.*

19 “(2) *Be responsible for providing recommenda-*
20 *tions to the Acquisition Review Board established in*
21 *section 836 of this Act on information technology pro-*
22 *grams, and be responsible for developing information*
23 *technology acquisition strategic guidance.”.*

1 **SEC. 214. REQUIREMENTS TO ENSURE GREATER ACCOUNT-**
2 **ABILITY FOR ACQUISITION PROGRAMS.**

3 (a) *IN GENERAL.*—*Title VII of the Homeland Security*
4 *Act of 2002 (6 U.S.C. 341 et seq.), as amended by sections*
5 *109(a) and 112(a) of this Act, is further amended by adding*
6 *at the end the following:*

7 **“SEC. 710. REQUIREMENTS TO ENSURE GREATER ACCOUNT-**
8 **ABILITY FOR ACQUISITION PROGRAMS.**

9 “(a) *REQUIREMENT TO ESTABLISH MECHANISM.*—
10 *Within the Management Directorate, the Under Secretary*
11 *for Management shall establish a mechanism to prioritize*
12 *improving the accountability, standardization, and trans-*
13 *parency of major acquisition programs of the Department*
14 *in order to increase opportunities for effectiveness and effi-*
15 *ciencies and to serve as the central oversight function of*
16 *all Department acquisition programs.*

17 “(b) *RESPONSIBILITIES OF EXECUTIVE DIRECTOR.*—
18 *The Under Secretary for Management shall designate an*
19 *Executive Director to oversee the requirement under sub-*
20 *section (a). The Executive Director shall report directly to*
21 *the Under Secretary and shall carry out the following re-*
22 *sponsibilities:*

23 “(1) *Monitor the performance of Department ac-*
24 *quisition programs regularly between acquisition de-*
25 *cision events to identify problems with cost, perform-*
26 *ance, or schedule that components may need to ad-*

1 *dress to prevent cost overruns, performance issues, or*
2 *schedule delays.*

3 “(2) *Assist the Chief Acquisition Officer in man-*
4 *aging the Department’s acquisition portfolio.*

5 “(3) *Conduct oversight of individual acquisition*
6 *programs to implement Department acquisition pro-*
7 *gram policy, procedures, and guidance with a pri-*
8 *ority on ensuring the data it collects and maintains*
9 *from its components is accurate and reliable.*

10 “(4) *Serve as the focal point and coordinator for*
11 *the acquisition life cycle review process and as the ex-*
12 *ecutive secretariat for the Acquisition Review Board*
13 *established under section 836 of this Act.*

14 “(5) *Advise the persons having acquisition deci-*
15 *sion authority in making acquisition decisions con-*
16 *sistent with all applicable laws and in establishing*
17 *clear lines of authority, accountability, and responsi-*
18 *bility for acquisition decisionmaking within the De-*
19 *partment.*

20 “(6) *Engage in the strategic planning and per-*
21 *formance evaluation process required under section*
22 *306 of title 5, United States Code, and sections*
23 *1105(a)(28), 1115, 1116, and 9703 of title 31, United*
24 *States Code, by supporting the Chief Procurement Of-*
25 *ficer in developing strategies and specific plans for*

1 *hiring, training, and professional development in*
2 *order to rectify any deficiency within the Depart-*
3 *ment's acquisition workforce.*

4 *“(7) Oversee the Component Acquisition Execu-*
5 *tive structure to ensure it has sufficient capabilities*
6 *and complies with Department policies.*

7 *“(8) Develop standardized certification stand-*
8 *ards in consultation with the Component Acquisition*
9 *Executives for all acquisition program managers.*

10 *“(9) In the event that a program manager's cer-*
11 *tification or actions need review for purposes of pro-*
12 *motion or removal, provide input, in consultation*
13 *with the relevant Component Acquisition Executive,*
14 *into the relevant program manager's performance*
15 *evaluation, and report positive or negative experi-*
16 *ences to the relevant certifying authority.*

17 *“(10) Provide technical support and assistance*
18 *to Department acquisitions and acquisition personnel*
19 *in conjunction with the Chief Procurement Officer.*

20 *“(11) Prepare the Department's Comprehensive*
21 *Acquisition Status Report, as required by the Depart-*
22 *ment of Homeland Security Appropriations Act, 2013*
23 *(division D of Public Law 113–6; 127 Stat. 343) and*
24 *section 840 of this Act, and make such report avail-*
25 *able to congressional homeland security committees.*

1 “(12) Prepare the Department’s Quarterly Pro-
2 gram Accountability Report as required by section
3 840 of this Act, and make such report available to the
4 congressional homeland security committees.

5 “(c) RESPONSIBILITIES OF COMPONENTS.—Each head
6 of a component shall comply with Federal law, the Federal
7 Acquisition Regulation, and Department acquisition man-
8 agement directives established by the Under Secretary for
9 Management. For each major acquisition program, each
10 head of a component shall—

11 “(1) define baseline requirements and document
12 changes to those requirements, as appropriate;

13 “(2) establish a complete life cycle cost estimate
14 with supporting documentation, including an acquisi-
15 tion program baseline;

16 “(3) verify each life cycle cost estimate against
17 independent cost estimates, and reconcile any dif-
18 ferences;

19 “(4) complete a cost-benefit analysis with sup-
20 porting documentation;

21 “(5) develop and maintain a schedule that is
22 consistent with scheduling best practices as identified
23 by the Comptroller General of the United States, in-
24 cluding, in appropriate cases, an integrated master
25 schedule; and

1 “(6) ensure that all acquisition program infor-
2 mation provided by the component is complete, accu-
3 rate, timely, and valid.

4 **“SEC. 711. ACQUISITION DOCUMENTATION.**

5 “(a) *IN GENERAL.*—For each major acquisition pro-
6 gram, the Executive Director responsible for the prepara-
7 tion of the Comprehensive Acquisition Status Report, pur-
8 suant to paragraph (11) of section 710(b), shall require cer-
9 tain acquisition documentation to be submitted by Depart-
10 ment components or offices.

11 “(b) *WAIVER.*—The Secretary may waive the require-
12 ment for submission under subsection (a) for a program for
13 a fiscal year if either—

14 “(1) the program has not—

15 “(A) entered the full rate production phase
16 in the acquisition life cycle;

17 “(B) had a reasonable cost estimate estab-
18 lished; and

19 “(C) had a system configuration defined
20 fully; or

21 “(2) the program does not meet the definition of
22 ‘capital asset’, as defined by the Director of the Office
23 of Management and Budget.

24 “(c) *CONGRESSIONAL OVERSIGHT.*—At the same time
25 the President’s budget is submitted for a fiscal year under

1 *section 1105(a) of title 31, United States Code, the Sec-*
2 *retary shall submit to the Committee on Homeland Security*
3 *of the House of Representatives and Committee on Home-*
4 *land Security and Governmental Affairs of the Senate in-*
5 *formation on the exercise of authority under subsection (b)*
6 *in the prior fiscal year that includes the following specific*
7 *information regarding each program for which a waiver is*
8 *issued under subsection (b):*

9 “(1) *The grounds for granting a waiver for that*
10 *program.*”

11 “(2) *The projected cost of that program.*”

12 “(3) *The proportion of a component’s annual ac-*
13 *quisition budget attributed to that program, as avail-*
14 *able.*”

15 “(4) *Information on the significance of the pro-*
16 *gram with respect to the component’s operations and*
17 *execution of its mission.*”

18 (b) *CLERICAL AMENDMENT.—The table of contents in*
19 *section 1(b) of the Homeland Security Act of 2002 (6 U.S.C.*
20 *101 et seq.) is further amended by adding after the item*
21 *relating to section 709 the following new item:*

 “Sec. 710. *Requirements to ensure greater accountability for acquisition pro-*
 grams.”

 “Sec. 711. *Acquisition documentation.*”

1 ***Subtitle B—Acquisition Program***
2 ***Management Discipline***

3 ***SEC. 221. ACQUISITION REVIEW BOARD.***

4 *(a) IN GENERAL.—Subtitle D of title VIII of the*
5 *Homeland Security Act of 2002 (6 U.S.C. 391 et seq.) is*
6 *amended by adding at the end the following new section:*

7 ***“SEC. 836. ACQUISITION REVIEW BOARD.***

8 *“(a) IN GENERAL.—The Secretary shall establish an*
9 *Acquisition Review Board (in this section referred to as the*
10 *‘Board’) to strengthen accountability and uniformity with-*
11 *in the Department acquisition review process, review major*
12 *acquisition programs, and review the use of best practices.*

13 *“(b) COMPOSITION.—The Deputy Secretary or Under*
14 *Secretary for Management shall serve as chair of the Board.*
15 *The Secretary shall also ensure participation by other rel-*
16 *evant Department officials, including at least 2 component*
17 *heads or their designees, as permanent members of the*
18 *Board.*

19 *“(c) MEETINGS.—The Board shall meet every time a*
20 *major acquisition program needs authorization to proceed*
21 *from acquisition decision events through the acquisition life*
22 *cycle and to consider any major acquisition program in*
23 *breach as necessary. The Board may also be convened for*
24 *non-major acquisitions that are deemed high-risk by the Ex-*
25 *ecutive Director referred to in section 710(b) of this Act.*

1 *The Board shall also meet regularly for purposes of ensur-*
2 *ing all acquisitions processes proceed in a timely fashion*
3 *to achieve mission readiness.*

4 “(d) *RESPONSIBILITIES.—The responsibilities of the*
5 *Board are as follows:*

6 “(1) *Determine whether a proposed acquisition*
7 *has met the requirements of key phases of the acquisi-*
8 *tion life cycle framework and is able to proceed to the*
9 *next phase and eventual full production and deploy-*
10 *ment.*

11 “(2) *Oversee executable business strategy, re-*
12 *sources, management, accountability, and alignment*
13 *to strategic initiatives.*

14 “(3) *Support the person with acquisition deci-*
15 *sion authority for an acquisition in determining the*
16 *appropriate direction for the acquisition at key acqui-*
17 *sition decision events.*

18 “(4) *Conduct systematic reviews of acquisitions*
19 *to ensure that they are progressing in compliance*
20 *with the approved documents for their current acqui-*
21 *sition phase.*

22 “(5) *Review the acquisition documents of each*
23 *major acquisition program, including the acquisition*
24 *program baseline and documentation reflecting con-*
25 *sideration of tradeoffs among cost, schedule, and per-*

1 *formance objectives, to ensure the reliability of under-*
2 *lying data.*

3 *“(6) Ensure that practices are adopted and im-*
4 *plemented to require consideration of trade-offs*
5 *among cost, schedule, and performance objectives as*
6 *part of the process for developing requirements for*
7 *major acquisition programs prior to the initiation of*
8 *the second acquisition decision event, including, at a*
9 *minimum, the following practices:*

10 *“(A) Department officials responsible for*
11 *acquisition, budget, and cost estimating func-*
12 *tions are provided with the appropriate oppor-*
13 *tunity to develop estimates and raise cost and*
14 *schedule matters before performance objectives*
15 *are established for capabilities when feasible.*

16 *“(B) Full consideration of possible trade-*
17 *offs among cost, schedule, and performance objec-*
18 *tives for each alternative is considered.*

19 *“(e) ACQUISITION PROGRAM BASELINE REPORT RE-*
20 *QUIREMENT.—If the person exercising acquisition decision*
21 *authority over a major acquisition program approves the*
22 *program to proceed into the planning phase before it has*
23 *a Department-approved acquisition program baseline, then*
24 *the Under Secretary for Management shall create and ap-*

1 *prove an acquisition program baseline report on the deci-*
 2 *sion, and the Secretary shall—*

3 “(1) *within 7 days after an acquisition decision*
 4 *memorandum is signed, notify in writing the congres-*
 5 *sional homeland security committees of such decision;*
 6 *and*

7 “(2) *within 60 days after the acquisition deci-*
 8 *sion memorandum is signed, submit a report to such*
 9 *committees stating the rationale for the decision and*
 10 *a plan of action to require an acquisition program*
 11 *baseline for the program.*

12 “(f) *BEST PRACTICES DEFINED.—In this section, the*
 13 *term ‘best practices’ has the meaning provided in section*
 14 *4(b) of the DHS Headquarters Reform and Improvement*
 15 *Act of 2015.”.*

16 “(b) *CLERICAL AMENDMENT.—The table of contents in*
 17 *section 1(b) of the Homeland Security Act of 2002 (6 U.S.C.*
 18 *101 et seq.) is further amended by adding after the item*
 19 *relating to section 835 the following new item:*

 “*Sec. 836. Acquisition Review Board.*”.

20 **SEC. 222. REQUIREMENTS TO REDUCE DUPLICATION IN AC-**
 21 **QUISITION PROGRAMS.**

22 “(a) *IN GENERAL.—Subtitle D of title VIII of the*
 23 *Homeland Security Act of 2002 (6 U.S.C. 391 et seq.) is*
 24 *further amended by adding at the end the following new*
 25 *section:*

1 **“SEC. 837. REQUIREMENTS TO REDUCE DUPLICATION IN**
2 **ACQUISITION PROGRAMS.**

3 “(a) *REQUIREMENT TO ESTABLISH POLICIES.*—*In an*
4 *effort to reduce unnecessary duplication and inefficiency for*
5 *all Department investments, including major acquisition*
6 *programs, the Deputy Secretary, in consultation with the*
7 *Under Secretary for Management, shall establish Depart-*
8 *ment-wide policies to integrate all phases of the investment*
9 *life cycle and help the Department identify, validate, and*
10 *prioritize standards for common component requirements*
11 *for major acquisition program requirements in order to in-*
12 *crease opportunities for effectiveness and efficiencies. The*
13 *policies shall also include strategic alternatives for devel-*
14 *oping and facilitating a Department component-driven re-*
15 *quirements process that includes oversight of a development*
16 *test and evaluation capability; identification of priority*
17 *gaps and overlaps in Department capability needs; and*
18 *provision of feasible technical alternatives, including inno-*
19 *vative commercially available alternatives, to meet capa-*
20 *bility needs.*

21 “(b) *MECHANISMS TO CARRY OUT REQUIREMENT.*—
22 *The Under Secretary for Management shall coordinate the*
23 *actions necessary to carry out subsection (a), using such*
24 *mechanisms as considered necessary by the Secretary to*
25 *help the Department reduce unnecessary duplication and*

1 *inefficiency for all Department investments, including*
2 *major acquisition programs.*

3 “(c) *COORDINATION.*—*In coordinating the actions nec-*
4 *essary to carry out subsection (a), the Deputy Secretary*
5 *shall consult with the Under Secretary for Management,*
6 *Component Acquisition Executives, and any other Depart-*
7 *ment officials, including the Under Secretary for Science*
8 *and Technology or his designee, with specific knowledge of*
9 *Department or component acquisition capabilities to pre-*
10 *vent unnecessary duplication of requirements.*

11 “(d) *ADVISORS.*—*The Deputy Secretary, in consulta-*
12 *tion with the Under Secretary for Management, shall seek*
13 *and consider input within legal and ethical boundaries*
14 *from members of Federal, State, local, and tribal govern-*
15 *ments, nonprofit organizations, and the private sector, as*
16 *appropriate, on matters within their authority and exper-*
17 *tise in carrying out the Department’s mission.*

18 “(e) *MEETINGS.*—*The Deputy Secretary, in consulta-*
19 *tion with the Under Secretary for Management, shall meet*
20 *at least quarterly and communicate with components often*
21 *to ensure that components do not overlap or duplicate*
22 *spending or priorities on major investments and acquisi-*
23 *tion programs within their areas of responsibility.*

1 “(f) *RESPONSIBILITIES.*—*In carrying out this section,*
2 *the responsibilities of the Deputy Secretary, in consultation*
3 *with the Under Secretary for Management, are as follows:*

4 “(1) *To review and validate the requirements*
5 *documents of major investments and acquisition pro-*
6 *grams prior to acquisition decision events of the in-*
7 *vestments or programs.*

8 “(2) *To ensure the requirements and scope of a*
9 *major investment or acquisition program are stable,*
10 *measurable, achievable, at an acceptable risk level,*
11 *and match the resources planned to be available.*

12 “(3) *Before any entity of the Department issues*
13 *a solicitation for a new contract, coordinate with*
14 *other Department entities as appropriate to prevent*
15 *unnecessary duplication and inefficiency and—*

16 “(A) *to implement portfolio reviews to iden-*
17 *tify common mission requirements and cross-*
18 *cutting opportunities among components to har-*
19 *monize investments and requirements and pre-*
20 *vent overlap and unnecessary duplication among*
21 *components; and*

22 “(B) *to the extent practicable, to stand-*
23 *ardize equipment purchases, streamline the ac-*
24 *quisition process, improve efficiencies, and con-*
25 *duct best practices for strategic sourcing.*

1 “(4) To ensure program managers of major in-
 2 vestments and acquisition programs conduct analyses,
 3 giving particular attention to factors such as cost,
 4 schedule, risk, performance, and operational efficiency
 5 in order to determine that programs work as intended
 6 within cost and budget expectations.

7 “(5) To propose schedules for delivery of the
 8 operational capability needed to meet each Depart-
 9 ment investment and major acquisition program.

10 “(g) *BEST PRACTICES DEFINED.*—In this section, the
 11 term ‘best practices’ has the meaning provided in section
 12 4(b) of the DHS Headquarters Reform and Improvement
 13 Act of 2015.”.

14 (b) *CLERICAL AMENDMENT.*—The table of contents in
 15 section 1(b) of the Homeland Security Act of 2002 (6 U.S.C.
 16 101 et seq.) is further amended by adding after the item
 17 relating to section 836 the following new item:

 “Sec. 837. Requirements to reduce duplication in acquisition programs.”.

18 **SEC. 223. GOVERNMENT ACCOUNTABILITY OFFICE REVIEW**
 19 **OF BOARD AND OF REQUIREMENTS TO RE-**
 20 **DUCE DUPLICATION IN ACQUISITION PRO-**
 21 **GRAMS.**

22 (a) *REVIEW REQUIRED.*—The Comptroller General of
 23 the United States shall conduct a review of the effectiveness
 24 of the Acquisition Review Board established under section
 25 836 of the Homeland Security Act of 2002 (as added by

1 *section 221) and the requirements to reduce unnecessary du-*
2 *plication in acquisition programs established under section*
3 *837 of such Act (as added by section 222) in improving*
4 *the Department's acquisition management process.*

5 (b) *SCOPE OF REPORT.*—*The review shall include the*
6 *following:*

7 (1) *An assessment of the effectiveness of the*
8 *Board in increasing program management oversight,*
9 *best practices and standards, and discipline among*
10 *the components of the Department, including in work-*
11 *ing together and in preventing overlap and unneces-*
12 *sary duplication.*

13 (2) *An assessment of the effectiveness of the*
14 *Board in instilling program management discipline.*

15 (3) *A statement of how regularly each major ac-*
16 *quisition program is reviewed by the Board, how*
17 *often the Board stops major acquisition programs*
18 *from moving forward in the phases of the acquisition*
19 *life cycle process, and the number of major acquisi-*
20 *tion programs that have been halted because of prob-*
21 *lems with operational effectiveness, schedule delays, or*
22 *cost overruns.*

23 (4) *An assessment of the effectiveness of the*
24 *Board in impacting acquisition decisionmaking with-*
25 *in the Department, including the degree to which the*

1 *Board impacts decisionmaking within other head-*
2 *quarters mechanisms and bodies involved in the ad-*
3 *ministration of acquisition activities.*

4 *(c) REPORT REQUIRED.—The Comptroller General*
5 *shall submit to the congressional homeland security com-*
6 *mittees a report on the review required by this section not*
7 *later than 1 year after the date of the enactment of this*
8 *Act. The report shall be submitted in unclassified form but*
9 *may include a classified annex.*

10 **SEC. 224. EXCLUDED PARTY LIST SYSTEM WAIVERS.**

11 *The Secretary of Homeland Security shall provide no-*
12 *tification to the congressional homeland security committees*
13 *within 5 days after the issuance of a waiver by the Sec-*
14 *retary of Federal requirements that an agency not engage*
15 *in business with a contractor in the Excluded Party List*
16 *System (or successor system) as maintained by the General*
17 *Services Administration and an explanation for a finding*
18 *by the Secretary that a compelling reason exists for this*
19 *action.*

20 **SEC. 225. INSPECTOR GENERAL OVERSIGHT OF SUSPEN-**
21 **SION AND DEBARMENT.**

22 *The Inspector General of the Department of Homeland*
23 *Security—*

24 *(1) may audit decisions about grant and pro-*
25 *curement awards to identify instances where a con-*

1 *tract or grant was improperly awarded to a sus-*
2 *pending or debarred entity and whether corrective ac-*
3 *tions were taken to prevent recurrence; and*

4 *(2) shall review the suspension and debarment*
5 *program throughout the Department of Homeland Se-*
6 *curity to assess whether suspension and debarment*
7 *criteria are consistently applied throughout the De-*
8 *partment and whether disparities exist in the appli-*
9 *cation of such criteria, particularly with respect to*
10 *business size and categories.*

11 ***Subtitle C—Acquisition Program***
12 ***Management Accountability and***
13 ***Transparency***

14 ***SEC. 231. CONGRESSIONAL NOTIFICATION AND OTHER RE-***
15 ***QUIREMENTS FOR MAJOR ACQUISITION PRO-***
16 ***GRAM BREACH.***

17 *(a) IN GENERAL.—Subtitle D of title VIII of the*
18 *Homeland Security Act of 2002 (6 U.S.C. 391 et seq.) is*
19 *further amended by adding at the end the following new*
20 *section:*

21 ***“SEC. 838. CONGRESSIONAL NOTIFICATION AND OTHER RE-***
22 ***QUIREMENTS FOR MAJOR ACQUISITION PRO-***
23 ***GRAM BREACH.***

24 *“(a) BREACH DEFINED.—The term ‘breach’, with re-*
25 *spect to a major acquisition program, means a failure to*

1 *meet any cost, schedule, or performance parameter specified*
2 *in the acquisition program baseline.*

3 “(b) *REQUIREMENTS WITHIN DEPARTMENT IF*
4 *BREACH OCCURS.—*

5 “(1) *NOTIFICATIONS.—*

6 “(A) *NOTIFICATION OF BREACH.—If a*
7 *breach occurs in a major acquisition program,*
8 *the program manager for that program shall no-*
9 *tify the head of the component concerned, the*
10 *Component Acquisition Executive for the pro-*
11 *gram, the Executive Director referred to in sec-*
12 *tion 710(b) of this Act, the Under Secretary for*
13 *Management, and the Deputy Secretary.*

14 “(B) *NOTIFICATION TO SECRETARY.—If a*
15 *major acquisition program has a breach with a*
16 *cost overrun greater than 15 percent or a sched-*
17 *ule delay greater than 180 days from the costs or*
18 *schedule set forth in the acquisition program*
19 *baseline for the program, the Secretary and the*
20 *Inspector General of the Department shall be no-*
21 *tified not later than 5 business days after the*
22 *breach is identified.*

23 “(2) *REMEDIATION PLAN AND ROOT CAUSE ANAL-*
24 *YSIS.—*

1 “(A) *IN GENERAL.*—*In the case of a breach*
2 *with a cost overrun greater than 15 percent or*
3 *a schedule delay greater than 180 days from the*
4 *costs or schedule set forth in the acquisition pro-*
5 *gram baseline, a remediation plan and root*
6 *cause analysis is required, and the Under Sec-*
7 *retary for Management or his designee shall es-*
8 *tablish a date for submission within the Depart-*
9 *ment of a breach remediation plan and root*
10 *cause analysis in accordance with this sub-*
11 *section.*

12 “(B) *REMEDIATION PLAN.*—*The remedi-*
13 *ation plan required under this subsection shall*
14 *be submitted in writing to the head of the compo-*
15 *nent concerned, the Executive Director referred*
16 *to in section 710(b) of this Act, and the Under*
17 *Secretary for Management. The plan shall—*

18 “(i) *explain the circumstances of the*
19 *breach;*

20 “(ii) *provide prior cost estimating in-*
21 *formation;*

22 “(iii) *propose corrective action to con-*
23 *trol cost growth, schedule delays, or per-*
24 *formance issues;*

1 “(iv) in coordination with Component
2 Acquisition Executive, discuss all options
3 considered, including the estimated impact
4 on cost, schedule, or performance of the pro-
5 gram if no changes are made to current re-
6 quirements, the estimated cost of the pro-
7 gram if requirements are modified, and the
8 extent to which funding from other pro-
9 grams will need to be reduced to cover the
10 cost growth of the program; and

11 “(v) explain the rationale for why the
12 proposed corrective action is recommended.

13 “(C) *ROOT CAUSE ANALYSIS.*—The root
14 cause analysis required under this subsection
15 shall determine the underlying cause or causes of
16 shortcomings in cost, schedule, or performance of
17 the program, including the role, if any, of the
18 following:

19 “(i) Unrealistic performance expecta-
20 tions.

21 “(ii) Unrealistic baseline estimates for
22 cost or schedule or changes in program re-
23 quirements.

24 “(iii) Immature technologies or exces-
25 sive manufacturing or integration risk.

1 “(iv) *Unanticipated design, engineer-*
2 *ing, manufacturing, or technology integra-*
3 *tion issues arising during program per-*
4 *formance.*

5 “(v) *Changes in procurement quan-*
6 *tities.*

7 “(vi) *Inadequate program funding or*
8 *changes in planned out-year funding from 1*
9 *5-year funding plan to the next 5-year*
10 *funding plan as outlined in the Future*
11 *Years Homeland Security Program required*
12 *under section 874 of this Act.*

13 “(vii) *Legislative, legal, or regulatory*
14 *changes.*

15 “(viii) *Inadequate program manage-*
16 *ment personnel, including lack of training,*
17 *credentials, certifications, or use of best*
18 *practices.*

19 “(3) *CORRECTION OF BREACH.—The Under Sec-*
20 *retary for Management or his designee shall establish*
21 *a date for submission within the Department of a*
22 *program of corrective action that ensures that 1 of the*
23 *following actions has occurred:*

1 “(A) *The breach has been corrected and the*
2 *program is again in compliance with the origi-*
3 *nal acquisition program baseline parameters.*

4 “(B) *A revised acquisition program baseline*
5 *has been approved.*

6 “(C) *The program has been halted or can-*
7 *celled.*

8 “(c) *REQUIREMENTS RELATING TO CONGRESSIONAL*
9 *NOTIFICATION IF BREACH OCCURS.—*

10 “(1) *NOTIFICATION TO CONGRESS.—If a notifica-*
11 *tion is made under subsection (b)(1)(B) for a breach*
12 *in a major acquisition program with a cost overrun*
13 *greater than 15 percent or a schedule delay greater*
14 *than 180 days from the costs or schedule set forth in*
15 *the acquisition program baseline, or with an antici-*
16 *ipated failure for any key performance threshold or*
17 *parameter specified in the acquisition program base-*
18 *line, the Under Secretary for Management shall no-*
19 *tify the congressional homeland security committees of*
20 *the breach in the next quarterly Comprehensive Ac-*
21 *quisition Status Report after the Under Secretary for*
22 *Management receives the notification from the pro-*
23 *gram manager under subsection (b)(1)(B).*

24 “(2) *SUBSTANTIAL VARIANCES IN COSTS OR*
25 *SCHEDULE.—If a likely cost overrun is greater than*

1 *20 percent or a likely delay is greater than 12 months*
2 *from the costs and schedule set forth in the acquisi-*
3 *tion program baseline for a major acquisition pro-*
4 *gram, the Under Secretary for Management shall in-*
5 *clude in the notification required in (c)(1) a written*
6 *certification, with supporting explanation, that—*

7 *“(A) the acquisition is essential to the ac-*
8 *complishment of the Department’s mission;*

9 *“(B) there are no alternatives to such capa-*
10 *bility or asset that will provide equal or greater*
11 *capability in both a more cost-effective and time-*
12 *ly manner;*

13 *“(C) the new acquisition schedule and esti-*
14 *mates for total acquisition cost are reasonable;*
15 *and*

16 *“(D) the management structure for the ac-*
17 *quisition program is adequate to manage and*
18 *control performance, cost, and schedule.*

19 *“(3) SUBMISSIONS TO CONGRESS.—Not later*
20 *than 30 calendar days after submission to such com-*
21 *mittees of a breach notification under paragraph (1)*
22 *of this section for a major acquisition program, the*
23 *Under Secretary for Management shall submit to such*
24 *committees the following:*

1 “(A) *A copy of the remediation plan and*
2 *the root cause analysis prepared under sub-*
3 *section (b)(2) for the program.*

4 “(B) *A statement describing the corrective*
5 *action or actions that have occurred pursuant to*
6 *subsection (b)(3) for the program, with a jus-*
7 *tification for the action or actions.*

8 “(d) *ADDITIONAL ACTIONS IF BREACH OCCURS.—*

9 “(1) *PROHIBITION ON OBLIGATION OF FUNDS.—*
10 *During the 90-day period following submission under*
11 *subsection (c)(3) of a remediation plan, root cause*
12 *analysis, and statement of corrective actions with re-*
13 *spect to a major acquisition program, the Under Sec-*
14 *retary for Management shall submit a certification*
15 *described in paragraph (2) of this subsection to the*
16 *congressional homeland security committees. If the*
17 *Under Secretary for Management does not submit*
18 *such certification by the end of such 90-day period,*
19 *then funds appropriated to the major acquisition pro-*
20 *gram shall not be obligated until the Under Secretary*
21 *for Management submits such certification.*

22 “(2) *CERTIFICATION.—For purposes of para-*
23 *graph (1), the certification described in this para-*
24 *graph is a certification that—*

1 “(A) the Department has adjusted or re-
2 structured the program in a manner that ad-
3 dresses the root cause or causes of the cost growth
4 in the program; and

5 “(B) the Department has conducted a thor-
6 ough review of the breached program’s acquisi-
7 tion decision event approvals and the current ac-
8 quisition decision event approval for the
9 breached program has been adjusted as necessary
10 to account for the restructured program.”.

11 (b) *CLERICAL AMENDMENT.*—*The table of contents in*
12 *section 1(b) of the Homeland Security Act of 2002 (6 U.S.C.*
13 *101 et seq.) is further amended by adding after the item*
14 *relating to section 837 the following new item:*

*“Sec. 838. Congressional notification and other requirements for major acquisi-
tion program breach.”.*

15 **SEC. 232. MULTIYEAR ACQUISITION STRATEGY.**

16 (a) *IN GENERAL.*—

17 (1) *AMENDMENT.*—*Subtitle D of title VIII of the*
18 *Homeland Security Act of 2002 (6 U.S.C. 391 et seq.)*
19 *is further amended by adding at the end the following*
20 *new section:*

21 **“SEC. 839. MULTIYEAR ACQUISITION STRATEGY.**

22 “(a) *MULTIYEAR ACQUISITION STRATEGY RE-*
23 *QUIRED.*—*Not later than 1 year after the date of the enact-*
24 *ment of this section, the Secretary shall submit to the ap-*

1 *appropriate homeland security committees a multiyear acqui-*
2 *sition strategy to guide the overall direction of the acquisi-*
3 *tions of the Department while allowing flexibility to deal*
4 *with ever-changing threats and risks and to help industry*
5 *better understand, plan, and align resources to meet the fu-*
6 *ture acquisition needs of the Department. The strategy shall*
7 *be updated and included in each Future Years Homeland*
8 *Security Program required under section 874 of this Act.*

9 “(b) *CONSULTATION.*—*In developing the strategy, the*
10 *Secretary shall consult with others as the Secretary deems*
11 *appropriate, including headquarters, components, employ-*
12 *ees in the field, and when appropriate, individuals from*
13 *industry and the academic community.*

14 “(c) *FORM OF STRATEGY.*—*The report shall be sub-*
15 *mitted in unclassified form but may include a classified*
16 *annex for any sensitive or classified information if nec-*
17 *essary. The Department also shall publish the plan in an*
18 *unclassified format that is publicly available.*

19 “(d) *CONTENTS OF STRATEGY.*—*The strategy shall in-*
20 *clude the following:*

21 “(1) *PRIORITIZED LIST.*—*A systematic and inte-*
22 *grated prioritized list developed by the Under Sec-*
23 *retary for Management or his designee in coordina-*
24 *tion with all of the Component Acquisition Executives*
25 *of Department major acquisition programs that De-*

1 *partment and component acquisition investments seek*
2 *to address, that includes the expected security and*
3 *economic benefit of the program or system and an*
4 *analysis of how the security and economic benefit de-*
5 *derived from the program or system will be measured.*

6 “(2) *INVENTORY.*—*A plan to develop a reliable*
7 *Department-wide inventory of investments and real*
8 *property assets to help the Department plan, budget,*
9 *schedule, and acquire upgrades of its systems and*
10 *equipment and plan for the acquisition and manage-*
11 *ment of future systems and equipment.*

12 “(3) *FUNDING GAPS.*—*A plan to address funding*
13 *gaps between funding requirements for major acquisi-*
14 *tion programs and known available resources includ-*
15 *ing, to the maximum extent practicable, ways of*
16 *leveraging best practices to identify and eliminate*
17 *overpayment for items to prevent wasteful pur-*
18 *chasing, achieve the greatest level of efficiency and*
19 *cost savings by rationalizing purchases, aligning*
20 *pricing for similar items, and utilizing purchase tim-*
21 *ing and economies of scale.*

22 “(4) *IDENTIFICATION OF CAPABILITIES.*—*An*
23 *identification of test, evaluation, modeling, and sim-*
24 *ulation capabilities that will be required to support*
25 *the acquisition of the technologies to meet the needs of*

1 *the plan and ways to leverage to the greatest extent*
2 *possible the emerging technology trends and research*
3 *and development trends within the public and private*
4 *sectors and an identification of ways to ensure that*
5 *the appropriate technology is acquired and integrated*
6 *into the Department's operating doctrine and pro-*
7 *cured in ways that improve mission performance.*

8 *“(5) FOCUS ON FLEXIBLE SOLUTIONS.—An as-*
9 *essment of ways the Department can improve its*
10 *ability to test and acquire innovative solutions to*
11 *allow needed incentives and protections for appro-*
12 *priate risk-taking in order to meet its acquisition*
13 *needs with resiliency, agility, and responsiveness to*
14 *assure the Nation's homeland security and facilitate*
15 *trade.*

16 *“(6) FOCUS ON INCENTIVES TO SAVE TAXPAYER*
17 *DOLLARS.—An assessment of ways the Department*
18 *can develop incentives for program managers and*
19 *senior Department acquisition officials to prevent cost*
20 *overruns, avoid schedule delays, and achieve cost sav-*
21 *ings in major acquisition programs.*

22 *“(7) FOCUS ON ADDRESSING DELAYS AND BID*
23 *PROTESTS.—An assessment of ways the Department*
24 *can improve the acquisition process to minimize cost*
25 *overruns in requirements development, procurement*

1 *announcements, requests for proposals, evaluation of*
2 *proposals, protests of decisions and awards and*
3 *through the use of best practices as defined in section*
4 *4(b) of the DHS Headquarters Reform and Improve-*
5 *ment Act of 2015 and lessons learned by the Depart-*
6 *ment and other Federal agencies.*

7 “(8) *FOCUS ON IMPROVING OUTREACH.—An*
8 *identification and assessment of ways to increase op-*
9 *portunities for communication and collaboration with*
10 *industry, small and disadvantaged businesses, intra-*
11 *government entities, university centers of excellence,*
12 *accredited certification and standards development*
13 *organizations, and national laboratories to ensure*
14 *that the Department understands the market for tech-*
15 *nologies, products, and innovation that is available to*
16 *meet its mission needs to inform the requirements-set-*
17 *ting process and before engaging in an acquisition,*
18 *including—*

19 “(A) *methods designed especially to engage*
20 *small and disadvantaged businesses and a cost-*
21 *benefit analysis of the tradeoffs that small and*
22 *disadvantaged businesses provide, barriers to*
23 *entry for small and disadvantaged businesses,*
24 *and unique requirements for small and dis-*
25 *advantaged businesses; and*

1 “(B) *within the Department Vendor Com-*
2 *munication Plan and Market Research Guide,*
3 *instructions for interaction by program man-*
4 *agers with such entities to prevent misinterpreta-*
5 *tion of acquisition regulations and to permit*
6 *freedom within legal and ethical boundaries for*
7 *program managers to interact with such busi-*
8 *nesses with transparency.*

9 “(9) *COMPETITION.—A plan regarding competi-*
10 *tion as described in subsection (e).*

11 “(10) *ACQUISITION WORKFORCE.—A plan re-*
12 *garding the Department acquisition workforce as de-*
13 *scribed in subsection (f).*

14 “(11) *FEASIBILITY OF WORKFORCE DEVELOP-*
15 *MENT FUND PILOT PROGRAM.—An assessment of the*
16 *feasibility of conducting a pilot program to establish*
17 *an acquisition workforce development fund as de-*
18 *scribed in subsection (g).*

19 “(e) *COMPETITION PLAN.—The strategy shall also in-*
20 *clude a plan (referred to in subsection (d)(9)) that shall*
21 *address actions to ensure competition, or the option of com-*
22 *petition, for major acquisition programs. The plan may in-*
23 *clude assessments of the following measures in appropriate*
24 *cases if such measures are cost effective:*

25 “(1) *Competitive prototyping.*

1 “(2) *Dual-sourcing.*

2 “(3) *Unbundling of contracts.*

3 “(4) *Funding of next-generation prototype sys-*
4 *tems or subsystems.*

5 “(5) *Use of modular, open architectures to enable*
6 *competition for upgrades.*

7 “(6) *Acquisition of complete technical data pack-*
8 *ages.*

9 “(7) *Periodic competitions for subsystem up-*
10 *grades.*

11 “(8) *Licensing of additional suppliers, including*
12 *small businesses.*

13 “(9) *Periodic system or program reviews to ad-*
14 *dress long-term competitive effects of program deci-*
15 *sions.*

16 “(f) *ACQUISITION WORKFORCE PLAN.—*

17 “(1) *ACQUISITION WORKFORCE.—The strategy*
18 *shall also include a plan (referred to in subsection*
19 *(d)(10)) to address Department acquisition workforce*
20 *accountability and talent management that identifies*
21 *the acquisition workforce needs of each component*
22 *performing acquisition functions and develops options*
23 *for filling those needs with qualified individuals, in-*
24 *cluding a cost-benefit analysis of contracting for ac-*
25 *quisition assistance.*

1 “(2) *ADDITIONAL MATTERS COVERED.*—*The ac-*
2 *quisition workforce plan shall address ways to—*

3 “(A) *improve the recruitment, hiring, train-*
4 *ing, and retention of Department acquisition*
5 *workforce personnel, including contracting offi-*
6 *cer’s representatives, in order to retain highly*
7 *qualified individuals that have experience in the*
8 *acquisition life cycle, complex procurements, and*
9 *management of large programs;*

10 “(B) *empower program managers to have*
11 *the authority to manage their programs in an*
12 *accountable and transparent manner as they*
13 *work with the acquisition workforce;*

14 “(C) *prevent duplication within Depart-*
15 *ment acquisition workforce training and certifi-*
16 *cation requirements through leveraging already-*
17 *existing training within the Federal Govern-*
18 *ment, academic community, or private industry;*

19 “(D) *achieve integration and consistency*
20 *with Government-wide training and accredita-*
21 *tion standards, acquisition training tools, and*
22 *training facilities;*

23 “(E) *designate the acquisition positions*
24 *that will be necessary to support the Department*

1 *acquisition requirements, including in the fields*
2 *of—*

3 “(i) *program management;*

4 “(ii) *systems engineering;*

5 “(iii) *procurement, including con-*
6 *tracting;*

7 “(iv) *test and evaluation;*

8 “(v) *life cycle logistics;*

9 “(vi) *cost estimating and program fi-*
10 *nancial management; and*

11 “(vii) *additional disciplines appro-*
12 *priate to Department mission needs;*

13 “(F) *strengthen the performance of con-*
14 *tracting officer’s representatives (as defined in*
15 *subpart 1.602–2 and subpart 2.101 of the Fed-*
16 *eral Acquisition Regulation), including by—*

17 “(i) *assessing the extent to which con-*
18 *tracting officer’s representatives are cer-*
19 *tified and receive training that is appro-*
20 *priate;*

21 “(ii) *determining what training is*
22 *most effective with respect to the type and*
23 *complexity of assignment; and*

24 “(iii) *implementing actions to improve*
25 *training based on such assessment; and*

1 “(G) identify ways to increase training for
2 relevant investigators and auditors to examine
3 fraud in major acquisition programs, including
4 identifying opportunities to leverage existing
5 Government and private sector resources in co-
6 ordination with the Inspector General of the De-
7 partment.

8 “(g) FEASIBILITY OF WORKFORCE DEVELOPMENT
9 FUND PILOT PROGRAM.—The strategy shall also include an
10 assessment (referred to in subsection (d)(11)) of the feasi-
11 bility of conducting a pilot program to establish a Home-
12 land Security Acquisition Workforce Development Fund (in
13 this subsection referred to as the ‘Fund’) to ensure the De-
14 partment acquisition workforce has the capacity, in both
15 personnel and skills, needed to properly perform its mission
16 and ensure that the Department receives the best value for
17 the expenditure of public resources. The assessment shall ad-
18 dress the following:

19 “(1) Ways to fund the Fund, including the use
20 of direct appropriations, or the credit, transfer, or de-
21 posit of unobligated or unused funds from Depart-
22 ment components into the Fund to remain available
23 for obligation in the fiscal year for which credited,
24 transferred, or deposited and to remain available for
25 successive fiscal years.

1 “(2) *Ways to reward the Department acquisition*
2 *workforce and program managers for good program*
3 *management in controlling cost growth, limiting*
4 *schedule delays, and ensuring operational effectiveness*
5 *through providing a percentage of the savings or gen-*
6 *eral acquisition bonuses.*

7 “(3) *Guidance for the administration of the*
8 *Fund that includes provisions to do the following:*

9 “(A) *Describe the costs and benefits associ-*
10 *ated with the use of direct appropriations or*
11 *credit, transfer, or deposit of unobligated or un-*
12 *used funds to finance the Fund.*

13 “(B) *Describe the manner and timing for*
14 *applications for amounts in the Fund to be sub-*
15 *mitted.*

16 “(C) *Explain the evaluation criteria to be*
17 *used for approving or prioritizing applications*
18 *for amounts in the Fund in any fiscal year.*

19 “(D) *Explain the mechanism to report to*
20 *Congress on the implementation of the Fund on*
21 *an ongoing basis.*

22 “(E) *Detail measurable performance metrics*
23 *to determine if the Fund is meeting the objective*
24 *to improve the acquisition workforce and to*

1 *achieve cost savings in acquisition manage-*
2 *ment.”.*

3 (2) *CLERICAL AMENDMENT.—The table of con-*
4 *tents in section 1(b) of the Homeland Security Act of*
5 *2002 (6 U.S.C. 101 et seq.) is further amended by*
6 *adding after the item relating to section 838 the fol-*
7 *lowing new item:*

“Sec. 839. Multiyear acquisition strategy.”.

8 (b) *CONFORMING AMENDMENT TO FUTURE YEARS*
9 *HOMELAND SECURITY PROGRAM.—Section 874(b) of the*
10 *Homeland Security Act of 2002 (6 U.S.C. 454(b)) is*
11 *amended—*

12 (1) *by striking “and” at the end of paragraph*
13 (2);

14 (2) *by striking the period at the end of para-*
15 *graph (3) and inserting “; and”; and*

16 (3) *by adding at the end the following new para-*
17 *graph:*

18 *“(4) include the multiyear acquisition strategy*
19 *required under section 839 of this Act.”.*

20 **SEC. 233. ACQUISITION REPORTS.**

21 (a) *IN GENERAL.—Subtitle D of title VIII of the*
22 *Homeland Security Act of 2002 (6 U.S.C. 391 et seq.) is*
23 *further amended by adding at the end the following new*
24 *section:*

1 **“SEC. 840. ACQUISITION REPORTS.**

2 “(a) *COMPREHENSIVE ACQUISITION STATUS RE-*
3 *PORT.—*

4 “(1) *IN GENERAL.—The Under Secretary for*
5 *Management each year shall submit to the congress-*
6 *sional homeland security committees, at the same*
7 *time as the President’s budget is submitted for a fiscal*
8 *year under section 1105(a) of title 31, United States*
9 *Code, a comprehensive acquisition status report. The*
10 *report shall include the following:*

11 “(A) *The information required under the*
12 *heading ‘Office of the Under Secretary for Man-*
13 *agement’ under title I of division D of the Con-*
14 *solidated Appropriations Act, 2012 (Public Law*
15 *112–74) (as required under the Department of*
16 *Homeland Security Appropriations Act, 2013*
17 *(Public Law 113–6)).*

18 “(B) *A listing of programs that have been*
19 *cancelled, modified, paused, or referred to the*
20 *Under Secretary for Management or Deputy Sec-*
21 *retary for additional oversight or action by the*
22 *Board, Department Office of Inspector General,*
23 *or the Comptroller General.*

24 “(C) *A listing of established Executive*
25 *Steering Committees, which provide governance*
26 *of a program or related set of programs and*

1 *lower-tiered oversight, and support between ac-*
2 *quisition decision events and component reviews,*
3 *including the mission and membership for each.*

4 “(2) *INFORMATION FOR MAJOR ACQUISITION*
5 *PROGRAMS.—For each major acquisition program, the*
6 *report shall include the following:*

7 “(A) *A narrative description, including cur-*
8 *rent gaps and shortfalls, the capabilities to be*
9 *fielded, and the number of planned increments or*
10 *units.*

11 “(B) *Acquisition Review Board (or other*
12 *board designated to review the acquisition) sta-*
13 *tus of each acquisition, including the current ac-*
14 *quisition phase, the date of the last review, and*
15 *a listing of the required documents that have*
16 *been reviewed with the dates reviewed or ap-*
17 *proved.*

18 “(C) *The most current, approved acquisi-*
19 *tion program baseline (including project sched-*
20 *ules and events).*

21 “(D) *A comparison of the original acquisi-*
22 *tion program baseline, the current acquisition*
23 *program baseline, and the current estimate.*

24 “(E) *Whether or not an independent*
25 *verification and validation has been imple-*

1 *mented, with an explanation for the decision and*
2 *a summary of any findings.*

3 “(F) *A rating of cost risk, schedule risk,*
4 *and technical risk associated with the program*
5 *(including narrative descriptions and mitigation*
6 *actions).*

7 “(G) *Contract status (including earned*
8 *value management data as applicable).*

9 “(H) *A lifecycle cost of the acquisition, and*
10 *time basis for the estimate.*

11 “(3) *UPDATES.—The Under Secretary shall sub-*
12 *mit quarterly updates to such report not later than*
13 *45 days after the completion of each quarter.*

14 “(b) *QUARTERLY PROGRAM ACCOUNTABILITY RE-*
15 *PORT.—The Under Secretary for Management shall prepare*
16 *a quarterly program accountability report to meet the De-*
17 *partment’s mandate to perform program health assessments*
18 *and improve program execution and governance. The report*
19 *shall be submitted to the congressional homeland security*
20 *committees.”.*

21 “(b) *CLERICAL AMENDMENT.—The table of contents in*
22 *section 1(b) of the Homeland Security Act of 2002 (6 U.S.C.*
23 *101 et seq.) is further amended by adding after the item*
24 *relating to section 839 the following new item:*

 “Sec. 840. *Acquisition reports.*”.

1 **SEC. 234. GOVERNMENT ACCOUNTABILITY OFFICE REVIEW**
2 **OF MULTIYEAR ACQUISITION STRATEGY.**

3 (a) *REVIEW REQUIRED.*—After submission to Congress
4 of the first multiyear acquisition strategy (pursuant to sec-
5 tion 839 of the Homeland Security Act of 2002) after the
6 date of the enactment of this Act, the Comptroller General
7 of the United States shall conduct a review of the plan with-
8 in 180 days to analyze the viability of the plan’s effective-
9 ness in the following:

10 (1) *Complying with the requirements in section*
11 *839 of the Homeland Security Act of 2002, as added*
12 *by section 232 of this Act.*

13 (2) *Establishing clear connections between De-*
14 *partment objectives and acquisition priorities.*

15 (3) *Demonstrating that Department acquisition*
16 *policy reflects program management best practices*
17 *and standards.*

18 (4) *Ensuring competition or the option of com-*
19 *petition for major acquisition programs.*

20 (5) *Considering potential cost savings through*
21 *using already-existing technologies when developing*
22 *acquisition program requirements.*

23 (6) *Preventing duplication within Department*
24 *acquisition workforce training requirements through*
25 *leveraging already-existing training within the Fed-*

1 *eral Government, academic community, or private in-*
2 *dustry.*

3 *(7) Providing incentives for program managers*
4 *to reduce acquisition and procurement costs through*
5 *the use of best practices and disciplined program*
6 *management.*

7 *(8) Maximizing small business utilization in ac-*
8 *quisitions by, to the maximum extent practicable, en-*
9 *sureing strategic sourcing vehicles seek to increase par-*
10 *ticipation by small businesses, including small and*
11 *disadvantaged business.*

12 *(9) Assessing the feasibility of conducting a pilot*
13 *program to establish a Homeland Security Acquisi-*
14 *tion Workforce Development Fund.*

15 *(b) REPORT REQUIRED.—The Comptroller General*
16 *shall submit to the congressional homeland security com-*
17 *mittees a report on the review required by this section. The*
18 *report shall be submitted in unclassified form but may in-*
19 *clude a classified annex.*

20 **SEC. 235. OFFICE OF INSPECTOR GENERAL REPORT.**

21 *(a) REVIEW REQUIRED.—No later than 2 years fol-*
22 *lowing the submission of the report submitted by the Comp-*
23 *troller General of the United States as required by section*
24 *234, the Department's Inspector General shall conduct a re-*
25 *view of whether the Department has complied with the*

1 *multiyear acquisition strategy (pursuant to section 839 of*
2 *the Homeland Security Act of 2002) and adhered to the*
3 *strategies set forth in the plan. The review shall also con-*
4 *sider whether the Department has complied with the re-*
5 *quirements to provide the Acquisition Review Board with*
6 *a capability development plan for each major acquisition*
7 *program.*

8 **(b) REPORT REQUIRED.**—*The Inspector General shall*
9 *submit to the congressional homeland security committees*
10 *a report of the review required by this section. The report*
11 *shall be submitted in unclassified form but may include a*
12 *classified annex.*

Union Calendar No. 226

114TH CONGRESS
1ST Session

H. R. 3572

[Report No. 114-297]

A BILL

To amend the Homeland Security Act of 2002 to reform, streamline, and make improvements to the Department of Homeland Security and support the Department's efforts to implement better policy, planning, management, and performance, and for other purposes.

OCTOBER 20, 2015

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed