

SEC. 816. MAJOR AUTOMATED INFORMATION SYSTEM PROGRAMS.

- (a) Reports and Information on Program Cost and Performance-
- (1) IN GENERAL- Part IV of subtitle A of title 10, United States Code, is amended by inserting after chapter 144 the following new chapter:

CHAPTER 144A--MAJOR AUTOMATED INFORMATION SYSTEM PROGRAMS

- Sec.
- 2445a. Major automated information system program defined.
- 2445b. Cost, schedule, and performance information.
- 2445c. Reports: quarterly reports; reports on program changes.
- 2445d. Construction with other reporting requirements.

Sec. 2445a. Major automated information system program defined

- (a) In General- In this chapter, the term 'major automated information system program' means a Department of Defense program for the acquisition of an automated information system (either as a product or a service) if--
- (1) the program is designated by the Secretary of Defense, or a designee of the Secretary, as a major automated information system program; or
- (2) the dollar value of the program is estimated to exceed--
- (A) \$32,000,000 in fiscal year 2000 constant dollars for all program costs in a single fiscal year;
- (B) \$126,000,000 in fiscal year 2000 constant dollars for all program acquisition costs for the entire program; or
- (C) \$378,000,000 in fiscal year 2000 constant dollars for the total life-cycle costs of the program (including operation and maintenance costs).
- (b) Adjustment- The Secretary of Defense may adjust the amounts (and base fiscal year) set forth in subsection (a) on the basis of Department of Defense escalation rates. An adjustment under this subsection shall be effective after the Secretary transmits a written notification of the adjustment to the congressional defense committees.
- (c) Increments- In the event any increment of a major automated information system program separately meets the requirements for treatment as a major automated information system program, the provisions of this chapter shall apply to such increment as well as to the overall major automated information system program of which such increment is a part.

^ Sec. 2445b. Cost, schedule, and performance information

^ (a) Submittal of Cost, Schedule, and Performance Information- The Secretary of Defense shall submit to Congress each calendar year, not later than 45 days after the President submits to Congress the budget for a fiscal year under section 1105 of title 31, budget justification documents regarding cost, schedule, and performance for each major automated information system program for which funds are requested by the President in the budget.

^ (b) Elements- The documents submitted under subsection (a) with respect to a major automated information system program shall include detailed and summarized information with respect to the automated information system to be acquired under the program, and shall specifically include each of the following:

^ (1) The development schedule, including major milestones.

^ (2) The implementation schedule, including estimates of milestone dates, initial operational capability, and full operational capability.

^ (3) Estimates of development costs and full life-cycle costs.

^ (4) A summary of key performance parameters.

^ (c) Baseline- (1) For purposes of this chapter, the initial submittal to Congress of the documents required by subsection (a) with respect to a major automated information system program shall constitute the original estimate or information originally submitted on such program for purposes of the reports and determinations on program changes in section 2445c of this title.

^ (2) An adjustment or revision of the original estimate or information originally submitted on a program may be treated as the original estimate or information originally submitted on the program if the adjustment or revision is the result of a critical change in the program covered by section 2445c(d) of this title.

^ (3) In the event of an adjustment or revision to the original estimate or information originally submitted on a program under paragraph (2), the Secretary of Defense shall include in the next budget justification documents submitted under subsection (a) after such adjustment or revision a notification to the congressional defense committees of such adjustment or revision, together with the reasons for such adjustment or revision.

^ Sec. 2445c. Reports: quarterly reports; reports on program changes

^ (a) Quarterly Reports by Program Managers- The program manager of a major automated information system program shall, on a quarterly basis, submit to the senior Department of Defense official responsible for the program a written report identifying any variance in the projected development schedule, implementation schedule, life-cycle costs, or key performance parameters for the major automated

information system to be acquired under the program from such information as originally submitted to Congress under section 2445b of this title.

ˆ (b) Senior Officials Responsible for Programs- For purposes of this section, the senior Department of Defense official responsible for a major automated information system program is--

ˆ (1) in the case of an automated information system to be acquired for a military department, the senior acquisition executive for the military department; or

ˆ (2) in the case of any other automated information system to be acquired for the Department of Defense or any component of the Department of Defense, the Under Secretary of Defense for Acquisition, Technology, and Logistics.

ˆ (c) Report on Significant Changes in Program-

ˆ (1) IN GENERAL- If, based on a quarterly report submitted by the program manager of a major automated information system program pursuant to subsection (a), the senior Department of Defense official responsible for the program makes a determination described in paragraph (2), the official shall, not later than 45 days after receiving such report, notify the congressional defense committees in writing of such determination.

ˆ (2) COVERED DETERMINATION- A determination described in this paragraph with respect to a major automated information system program is a determination that--

ˆ (A) there has been a schedule change that will cause a delay of more than six months but less than a year in any program schedule milestone or significant event from the schedule originally submitted to Congress under paragraph (1) or (2) of section 2445b(b) of this title;

ˆ (B) the estimated program development cost or full life-cycle cost for the program has increased by at least 15 percent, but less than 25 percent, over the original estimate submitted to Congress under paragraph (3) of section 2445b(b) of this title; or

ˆ (C) there has been a significant, adverse change in the expected performance of the major automated information system to be acquired under the program from the parameters originally submitted to Congress under paragraph (4) of section 2445b(b) of this title.

ˆ (d) Report on Critical Changes in Program-

ˆ (1) IN GENERAL- If, based on a quarterly report submitted by the program manager of a major automated information system program pursuant to subsection (a), the senior Department of Defense official responsible for the program makes a determination described in paragraph (2), the official shall, not later than 60 days after receiving such report--

- ˘ (A) carry out an evaluation of the program under subsection (e); and
  - ˘ (B) submit, through the Secretary of Defense, to the congressional defense committees a report meeting the requirements of subsection (f).
- ˘ (2) COVERED DETERMINATION- A determination described in this paragraph with respect to a major automated information system program is a determination that--
  - ˘ (A) the system failed to achieve initial operational capability within five years of milestone A approval;
  - ˘ (B) there has been a schedule change that will cause a delay of one year or more in any program schedule milestone or significant event from the schedule originally submitted to Congress under paragraph (1) or (2) of section 2445b(b) of this title;
  - ˘ (C) the estimated program development cost or full life-cycle cost for the program has increased by 25 percent or more over the original estimate submitted to Congress under paragraph (3) of section 2445b(b) of this title; or
  - ˘ (D) there has been a change in the expected performance of the major automated information system to be acquired under the program that will undermine the ability of the system to perform the functions anticipated at the time information on the program was originally submitted to Congress under section 2445b(b) of this title.
- ˘ (e) Program Evaluation- The evaluation of a major automated information system program conducted under this subsection for purposes of subsection (d)(1)(A) shall include an assessment of--
  - ˘ (1) the projected cost and schedule for completing the program if current requirements are not modified;
  - ˘ (2) the projected cost and schedule for completing the program based on reasonable modification of such requirements; and
  - ˘ (3) the rough order of magnitude of the cost and schedule for any reasonable alternative system or capability.
- ˘ (f) Report on Critical Program Changes- A report on a major automated information system program conducted under this subsection for purposes of subsection (d)(1)(B) shall include a written certification (with supporting explanation) stating that--
  - ˘ (1) the automated information system to be acquired under the program is essential to the national security or to the efficient management of the Department of Defense;
  - ˘ (2) there is no alternative to the system which will provide equal or greater capability at less cost;
  - ˘ (3) the new estimates of the costs, schedule, and performance parameters with respect to the program and system are reasonable; and

^ (4) the management structure for the program is adequate to manage and control program costs.

^ (g) Prohibition on Obligation of Funds- (1) If the determination of a critical change to a program is made by the senior Department official responsible for the program under subsection (d)(2) and a report is not submitted to Congress within the 60-day period provided by subsection (d)(1), appropriated funds may not be obligated for any major contract under the program.

^ (2) The prohibition on the obligation of funds for a program under paragraph (1) shall cease to apply on the date on which Congress has received a report in compliance with the requirements of subsection (d)(2).

^ Sec. 2445d. Construction with other reporting requirements

^ In the case of a major automated information system program covered by this chapter that is also treatable as a major defense acquisition program for which reports would be required under chapter 144 of this title, no reports on the program are required under such chapter if the requirements of this chapter with respect to the program are met.'.

(2) CLERICAL AMENDMENTS- The tables of chapters the beginning of subtitle A of such title, and of part IV of subtitle A of such title, are each amended by inserting after the item relating to chapter 144 the following new item:

2445a'.

(b) Report on Reporting Requirements Applicable to Major Automated Information System Programs- Not later than 180 days after the date of enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report setting forth the reporting requirements applicable to major automated information system programs as of the date of the report, including a specification of such reporting requirements considered by the Secretary to be duplicative or redundant.

(c) Effective Date-

(1) IN GENERAL- The amendments made by subsection (a) shall take effect on January 1, 2008, and shall apply with respect to any major automated information system program for which amounts are requested in the budget of the President (as submitted to Congress under section 1105 of title 31, United States Code) for a fiscal year after fiscal year 2008, regardless of whether the acquisition of the automated information system to be acquired under the program was initiated before, on, or after January 1, 2008.

(2) REPORT REQUIREMENT- Subsection (b) shall take effect on the date of the enactment of this Act.

