

Congress of the United States
Washington, DC 20515

July 24, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20510

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20510

The Honorable Nita M. Lowey
Chairwoman
House Appropriations Committee
Washington, D.C. 20515

The Honorable Kay Granger
Ranking Member
House Appropriations Committee
Washington, D.C. 20515

Dear Speaker Pelosi, Minority Leader McCarthy, Chairwoman Lowey, and Ranking Member Granger:

As the House prepares to work with the Senate on formulating the next coronavirus relief bill, we write to request significant additional funding to modernize federal information technology (IT) systems through a minimum of \$1 billion for the Technology Modernization Fund (TMF).

Throughout this global health crisis, millions of Americans facing illness, unemployment, food insecurity, and an inability to pay their mortgages or rent have looked to the federal government for help. Yet despite urgent Congressional action to provide unprecedented levels of economic assistance, those in need have had their misery exacerbated by a broken IT infrastructure that has prevented them from receiving timely support.

More than two months after enactment of the Coronavirus Aid, Relief, and Economic Security (CARES) Act, more than 30 million Americans had not received their Economic Impact Payments. The Small Business Administration's system for processing small business loan applications was unable to process the millions of applications submitted by struggling small businesses. For every ten people who successfully filed for unemployment, an additional three to four were unable to submit claims online.¹

¹Committee on Ways and Means, *Economic Impact Payments Issued to Date*. (June 5, 2020) (online at <https://waysandmeans.house.gov/sites/democrats.waysandmeans.house.gov/files/documents/2020.06.04%20EIPs%20Issued%20as%20of%20June%204%20FINAL.pdf>); *Bank Robots Have been Fighting a Secret War with Outdated Government Tech to Decide who Gets \$670 Billion in Small Business Bailouts. Here's the Inside Story.*, Business Insider (May 5, 2020) (online at www.businessinsider.com/ppp-sba-business-loans-banks-crash-etran-automation-tech-challenges-2020-5); *Unemployment Filing Failures: New Survey Confirms that Millions of Jobless Were Unable to File an Unemployment Insurance Claim*, Economic Policy Institute (Apr. 28, 2020) (online at <https://www.epi.org/blog/unemployment-filing-failures-new-survey-confirms-that-millions-of-jobless-were-unable-to-file-an-unemployment-insurance-claim/>).

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The fate of the world's largest economy and millions of American households rely on the ability of government IT systems to deliver in an emergency. In many respects, those IT systems have not delivered during the pandemic and that should galvanize us all to action.

Congress established the TMF as part of the bipartisan Modernizing Government Technology Act to help agencies kick-start IT modernization efforts, including the replacement of legacy systems. The TMF offers agencies IT funding that can be repaid over time using savings realized by modernization projects. The TMF is governed by an eight-member board of federal IT, financial management, and acquisition experts that help vet projects and ensure they are delivering on key milestones. Congress has significant transparency into the Fund and ample opportunity for oversight, including through periodic reporting requirements from the Government Accountability Office and publication of spending plans by the Office of Management and Budget (OMB) on a public website.²

Since 2018, agencies have used the TMF to fund numerous IT modernization projects that have streamlined agency operations and resulted in improved federal services. For example, the Department of Housing and Urban Development (HUD) used nearly \$14 million of TMF funding to migrate five of HUD's most critical business systems from an on-premise mainframe database to the cloud. According to HUD estimates, the code modernization and migration will save the department \$8 million annually.³

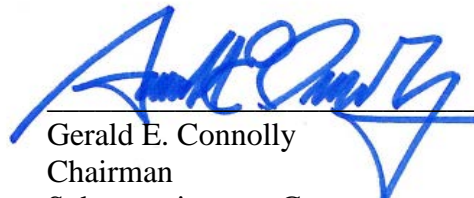
The Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act, passed by the House on May 15, 2020, included \$1 billion for the TMF to remain available until the end of FY 2022. The Subcommittee respectfully requests that the forthcoming coronavirus supplemental spending bill include similarly robust funding for the TMF. This funding will enable federal agencies to better respond to the coronavirus pandemic and future national emergencies as well as meet the urgent economic needs of American families.

Thank you for your efforts and assistance in this matter.

Sincerely,



Carolyn B. Maloney
Chairwoman
Committee on Oversight and Reform



Gerald E. Connolly
Chairman
Subcommittee on Government
Operations

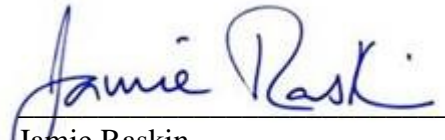
² Pub. L. No. 115-91 (online at www.congress.gov/115/plaws/publ91/PLAW-115publ91.pdf).

³ *Awarded Project*, The Technology Modernization Fund (June 12, 2020) (online at tmf.cio.gov/projects/).

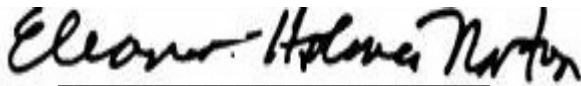
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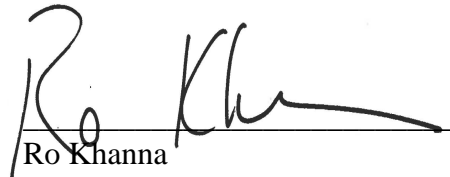
Stephen F. Lynch
Chairman
Subcommittee on National Security



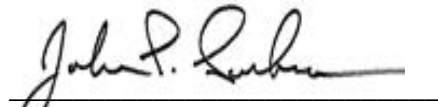
Jamie Raskin
Chairman
Subcommittee on Civil Rights and
Civil Liberties



Eleanor Holmes Norton
Member



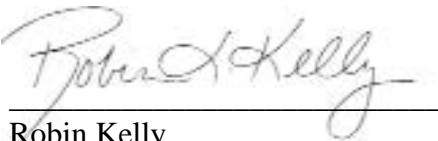
Ro Khanna
Member



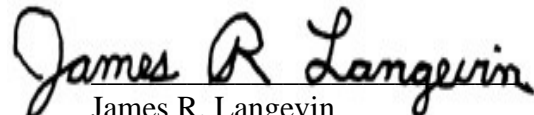
John P. Sarbanes
Member



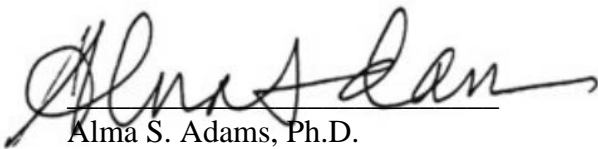
Jackie Speier
Member



Robin Kelly
Member



James R. Langevin
Member



Alma S. Adams, Ph.D.
Member

cc: The Honorable James R. Comer, Ranking Member
Committee on Oversight and Reform

The Honorable Jody B. Hice, Ranking Member
Subcommittee on Government Operations

The Honorable Glenn Grothman, Ranking Member
Subcommittee on National Security

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The Honorable Chip Roy, Ranking Member
Subcommittee on Civil Rights and Civil Liberties