

H.R. 5527, Modernizing Government Technology Reform Act

As ordered reported by the House Committee on Oversight and Accountability on September 20, 2023

By Fiscal Year, Millions of Dollars	2024	2024-2028	2024-2033
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	12	175	350
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply?	No
		Mandate Effects	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

H.R. 5527 would amend the Technology Modernization Fund (TMF) as authorized in the National Defense Authorization Act for Fiscal Year 2018 and would authorize the appropriation of \$50 million annually through 2030 for the fund. H.R. 5527 also would create new reporting requirements for federal agencies regarding their information technology (IT) systems.

The TMF is a working capital fund designed to retire and replace older IT systems. In 2023, \$50 million was appropriated to the fund for those purposes. Under current law, agencies that use funds from the TMF to modernize their IT systems must repay the fund. Any repayments would be subject to the availability of future appropriations and once made would be available through the TMF to fund IT system upgrades for other agencies. Under H.R. 5527 agencies would need to submit more detail in their plans about their ability to repay the TMF before they could receive awards from the fund.

Using historical spending patterns for the program and assuming appropriation of the specified amounts, CBO estimates that implementing H.R. 5527 would cost \$175 million over the 2024-2028 period, and \$175 million after 2028.

The costs of the legislation, detailed in Table 1, fall within all budget functions that contain federal IT systems.

See also

[CBO's Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)



**Table 1.
Estimated Increases in Spending Subject to Appropriation under H.R. 5527**

	By Fiscal Year, Millions of Dollars										2024-2028	2024-2033
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033		
Authorization	50	50	50	50	50	50	50	0	0	0	250	350
Estimated Outlays	12	25	38	50	50	50	50	38	25	12	175	350

The CBO staff contact for this estimate is Matthew Pickford. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

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