

**U.S. General Services Administration**  
**TECHNOLOGY MODERNIZATION FUND**  
**Fiscal Year 2025 Congressional Justification**

**CONTENTS**

Appropriations Language .....	2
Program Description .....	2
Summary of the Request .....	3
Program Financing.....	9
Amounts Available for Obligation .....	10
Explanation of Changes, Appropriated Dollars and FTE .....	11
Obligations by Object Classification .....	12

## **Appropriations Language**

*For carrying out the purposes of the Technology Modernization Fund, as authorized by section 1078 of subtitle G of title X of the National Defense Authorization Act for Fiscal Year 2018 (Public Law 115-91; 40 U.S.C. 11301 note), **\$75,000,000** to remain available until expended.*

## **Program Description**

The American public expects their Government's technology to keep up with the simple, seamless, and secure transactions they are used to when they interact with leading private consumer experiences. Every interaction between the Government and the public is an opportunity to demonstrate that we can deliver on that expectation and increase the public's trust in Government. This is especially true when the impact is high or when people are going through a life experience where they have to interact with multiple agencies in order to access the services they rely on.

The Technology Modernization Fund (TMF) is an innovative investment program transforming the way agencies deliver accessible, secure, and people-first services to the American public. Cybersecurity, customer experience, and a shared need to modernize technology across Government are top investment priorities. With the support of the TMF Program Management Office (PMO), our Federal agency investments are putting people at the center of everything Government does, creating a vision for better service delivery based on the public's life experiences rather than siloed funding streams or organizational structures.

The National Defense Authorization Act for Fiscal Year 2018 (Public Law 115-91), Subtitle G—Modernizing Government Technology (MGT) Act, Section 1078 established the TMF and Technology Modernization Board (TMF Board or Board). The TMF is administered by the U.S. General Services Administration (GSA) in accordance with recommendations made by the interagency TMF Board established by the MGT Act. The Board is chaired by the Federal Chief Information Officer and comprises six additional voting members, delineated in the Act, possessing expertise in IT development, financial management, cybersecurity, privacy, and acquisition. Additionally, alternate Board members provide further expertise and can stand in as a voting Board member. The MGT Act authorizes the TMF to transfer appropriations and collections in the TMF to other agencies as determined by the TMF Board. The American Rescue Plan Act of 2021 (Public Law 117-2) added an additional \$1 billion appropriation to the TMF.

In its first 6 years, the TMF has become a critical component in driving digital transformation across the Federal enterprise. It can be difficult for agencies to fund large, multi-year modernizations or to address urgent cybersecurity needs within their annual IT budget. The TMF represents an innovative model for funding and overseeing IT modernization projects since it a) relies on technical experts to review requests and oversee performance; b) invests money in smaller, incremental amounts based on the value being delivered; c) allows agencies to request money in a way that is better aligned with the fast pace of changing technology,

especially around cybersecurity; and d) incentivizes the development of shared and reusable services across Government.

The TMF emphasizes an agile, iterative approach to systems development, and gathers information on technology projects as they are deployed to ensure they are delivering results. This approach leads to faster adoption of modern digital tools and saves taxpayer money. Every dollar of repayment is being used to fund future technology investments, and the TMF is working diligently to raise repayment rates for future investments, most recently implementing updated repayment guidance in February 2024. Beyond the funding, the TMF PMO at GSA partners with agencies every step of the way—pre-proposal through project completion—and takes an integrated, hands-on approach to technology modernization.

Good technology is critical to implementing good policy and serving the American public, so it is essential to invest in modernization nimbly and effectively. The TMF Board, TMF PMO, and the Office of Management and Budget interrogate proposals to ensure they are technically sound and have executive support, and project teams are able to successfully execute on the vision. The Board ensures accountability and improved outcomes through quarterly reviews and incremental funding as projects achieve milestones and demonstrate progress. The TMF is a catalyst to show what is possible across Government—and to scale lessons learned.

Ultimately, retiring or modernizing vulnerable and inefficient legacy IT systems will make agencies more secure and yield savings in time and budget. Absent immediate action, the cost to operate and maintain legacy systems will continue to grow while cybersecurity vulnerabilities and other risks grow. As a means of addressing these pressing challenges, sustained investment in the TMF is an important step in changing the way the Government manages its IT portfolio.

### **Summary of the Request**

The TMF is on track to allocate the vast majority of current funds, including \$1 billion provided by the American Rescue Plan Act and is planning to announce several large value investments in the first half of 2024. The FY 2025 budget requests \$75 million for investments in projects selected by the Board and for work related to the administration of the Fund. Despite the TMF's far-reaching impacts, this amount represents only a little more than .1 percent of the portion of the U.S. Government's annual IT spending.<sup>1</sup>

In the last few years, the TMF has increased its annual investment rate more than tenfold. The Fund currently manages more than \$830 million worth of systems upgrades and modernization projects totaling 51 investments across 29 Federal agencies and has received and reviewed more than 250 proposals totaling about \$3.8 billion in funding demand. Absent additional appropriations, the TMF will continue shepherding investments with available resources, but will not be able to tackle large-scale investments needed to advance policy priorities nor meet the significant demand shown for the Fund.

---

<sup>1</sup> FY 2023 IT spending as reported on the IT Dashboard: <https://www.itdashboard.gov/>

With many investments actively underway, the TMF investment approach is already seeing improved outcomes and enabling agencies to get meaningful results. Agencies and the public are seeing dramatic, measurable impact from the investments.

Examples include:

- Improving the customer experience for anyone seeking access to 12 million historic land records at the U.S. Department of the Interior's Bureau of Land Management, decreasing the effort to publish those records by 80 percent.
- Enabling access to digital service records for Veterans and their families through the National Archives and Records Administration, and access to services and benefits at the U.S. Department of Veterans Affairs with a secure single sign-on experience, making the process more efficient and less time consuming for veterans.
- Securing systems that protect the personal information of retirement and disability beneficiaries and their families by the Social Security Administration, providing virtual, telephone, and in-office support to hundreds of thousands of customers daily.
- Modernizing the OPM.gov website for Federal employees and job seekers by improving the Government's ability to recruit job seekers, supply the Federal workforce with relevant career information, and make it easier for public servants to manage their benefits.
- Working toward strengthening the security of data and privacy protections for:
  - 70 million retirement and disability beneficiaries and their families served by the Social Security Administration.
  - 800 national security users of Treasury's classified information sharing network.
  - U.S. Agency for Global Media's reporters stationed in high-risk areas around the world, their sources, and the thousands of global media affiliates that rely on their news and information.
  - Millions of Americans served by the public health information and programs overseen by the Health and Human Services Office of Inspector General.
  - The only nationwide radiation monitoring system in the United States.

The work of the TMF allows the Federal Government to address critical technology challenges by modernizing high-priority systems, addressing cybersecurity needs, improving public-facing digital services, and supporting cross-government collaboration and scalable services. This unique approach raises the bar for efficient investment in Federal IT modernization.

The mission of the TMF is simple: help make it easier and safer for Americans to get the services they need from the Federal Government. TMF investments are helping agencies implement statutory requirements and other priorities outlined in policy and Executive Orders. Notably, agencies have received funding to execute actions in Executive Order 14028, Improving the Nation's Cybersecurity; OMB Memorandum M-22-09, Moving the U.S. Government Toward Zero Trust Cybersecurity Principles; M-23-22, Delivering a Digital-First

Public Experience; and Executive Order 14110, Safe, Secure, and Trustworthy Development and Use of Artificial Intelligence. The TMF works in partnership with agencies on this mission,

offering assistance in different ways – by accelerating work being done in their agency or by being responsive to emerging and critical security, customer experience, and IT modernization issues. The TMF allows agencies to access capital to tackle IT modernization needed to keep up with the fast pace of changing technology, and we remain dedicated to meeting agencies where they're at with that capital, as well as solutions, support, and as a complement to ongoing modernization at agencies at varying levels of maturity in those processes.

Any reduction of available funds impacts the TMF's ability to help Federal agencies address these IT challenges. The TMF is uniquely positioned to help Federal agencies of all sizes deliver the solutions and services the American people deserve, and this vital work will require dedicated, continued funding.

U.S. General Services Administration  
Technology Modernization Fund

(Dollars in Thousands)

<b>Investments under the American Rescue Plan</b>	
<b>Projects Approved by the Board FY 2024 Projects</b>	<b>Project Allocations</b>
U.S. General Services Administration Government	\$ 10,730
U.S. Department of Justice Antitrust Division Improving Antitrust Enforcement with Modern Technology	\$ 42,754
Armed Forces Retirement Home Electronic Health Record Systems	\$ 6,050
U.S. Department of Labor Benefits	\$ 3,465
<b>FY 2024 Projects Subtotal</b>	<b>\$ 62,999</b>
<b>Projects Approved by the Board FY 2023 Projects</b>	<b>Project Allocations</b>
U.S. Department of Transportation Interactions Through Human-Centered Design	\$ 8,040
Federal Trade Commission Securing and Modernizing the Registration Number System	\$ 1,100
National Transportation Safety Board Improving CX with Digital Content Delivery	\$ 16,208
U.S. Department of the Interior Digitizing Records for Easier Public Access	\$ 9,180
U.S. Department of Labor Enhancing Security of DOL Data and Applications	\$ 15,182
U.S. Environmental Protection Agency Securing Data Availability and Integrity	\$ 2,500
U.S. Department of Veterans Affairs Benefits Management and Customer Support	\$ 7,379
U.S. Department of Health and Human Services Maturing OIG's Zero Trust Architecture	\$ 18,000
U.S. Department of Transportation Application Rationalization Modernization	\$ 6,430
U.S. Social Security Administration Personal Data Security for Public Benefits Processing	\$ 23,300
U.S. Department of the Treasury Secure Cloud National Intelligence Sharing	\$ 11,145
U.S. Agency for Global Media Improving IT Security with Zero Trust Architecture	\$ 6,200
U.S. Railroad Retirement Board Citizen-Centric Online Self-Services	\$ 8,695
U.S. Agency for International Development Project Campfire	\$ 5,917
U.S. AbilityOne Commission Management System (PLIMS) 2.0	\$ 1,781
U.S. Department of Housing and Urban Development Connection	\$ 14,800
U.S. Office of Personnel Management Website and Digital Modernization	\$ 6,048
U.S. Department of Defense Critical Infrastructure Cyber Protection	\$ 15,575
<b>FY 2023 Projects Subtotal</b>	<b>\$ 177,481</b>

*U.S. General Services Administration  
Technology Modernization Fund*

<b>Projects Approved by the Board FY 2022 Projects</b>	<b>Project Allocations</b>
U.S. Department of Labor PERM Visa Modernization	\$ 7,221
U.S. Corporation for National and Community Service (AmeriCorps) Grants Management Modernization	\$ 14,000
U.S. Agency for International Development Zero Trust Architecture	\$ 5,688
U.S. Department of Agriculture Network Modernization (USDANet)	\$ 64,000
U.S. Federal Trade Commission Multi-Cloud Security Operations Center	\$ 3,990
U.S. Department of Homeland Security Information Sharing Modernization	\$ 26,950
U.S. National Archives and Records Administration High Value Asset (HVA) Mission Essential Systems	\$ 9,133
U.S. Department of Agriculture Network Monitoring, Detection, and Response	\$ 4,407
U.S. Department of Veterans Affairs Veteran Identity Modernization	\$ 10,550
U.S. Postal Regulatory Commission IT Modernization	\$ 4,045
U.S. Selective Service System Registration and Verification Modernization	\$ 5,989
<b>FY 2022 Projects Subtotal</b>	<b>\$ 155,972</b>
<b>Projects Approved by the Board FY 2021 Projects</b>	<b>Project Allocations</b>
U.S. Office of Personnel Management Zero Trust Networking	\$ 9,900
U.S. Department of Education Zero Trust Architecture	\$ 20,000
U.S. General Services Administration Login.gov	\$ 187,050
U.S. Department of Homeland Security Southwestern Border Technology Integration Program	\$ 50,000
U.S. General Services Administration MAX.gov Transition	\$ 5,040
U.S. General Services Administration Advancing Zero Trust	\$ 29,802
Classified Projects*	\$ 52,065
<b>FY 2021 Projects Subtotal</b>	<b>\$ 353,857</b>
<b>Grand Total FY 2021 - FY 2024</b>	<b>\$ 750,309</b>

U.S. General Services Administration  
Technology Modernization Fund

(Dollars in Thousands)

<b>Investments under Annual Appropriations</b>	
<b>Projects Approved by the Board FY 2024 Projects</b>	<b>Project Allocations</b>
U.S. General Services Administration Government	\$ 8,971
U.S. Department of Justice Antitrust Division Improving Antitrust Enforcement with Modern Technology	\$ 2,761
<b>FY 2024 Projects Subtotal</b>	<b>\$ 11,732</b>
<b>Projects Approved by the Board FY 2021 Projects</b>	<b>Project Allocations</b>
U.S. Department of Labor Data Modernization	\$ 9,600
<b>FY 2021 Projects Subtotal</b>	<b>\$ 9,600</b>
<b>Projects Approved by the Board FY 2020 Projects</b>	<b>Project Allocations</b>
U.S. Equal Employment Opportunity Commission Charge and Case Management System Modernization	\$ 4,000
U.S. Department of Agriculture Agricultural Marketing Specialty Crops System Modernization	\$ 8,000
U.S. Department of Homeland Security Customs and Border Protection Automated Commercial Environment (ACE) Collections Migration	\$ 15,000
<b>FY 2020 Projects Subtotal</b>	<b>\$ 27,000</b>
<b>Projects Approved by the Board FY 2019 Projects</b>	<b>Project Allocations</b>
U.S. Department of Labor Labor Certificate Processing Modernization	\$ 3,500
U.S. General Services Administration Application Modernization Integrating Flexible Architectures	\$ 7,339
U.S. Department of Agriculture Infrastructure Optimization and Cloud Adoption	\$ 220
U.S. General Services Administration NewPay Payroll and Work Schedule and Leave Software-as-a-Service Implementation	\$ 7,317
<b>FY 2019 Projects Subtotal</b>	<b>\$ 18,376</b>
<b>Projects Approved by the Board FY 2018 Projects</b>	<b>Project Allocations</b>
U.S. Department of Energy Enterprise Cloud E-Mail	\$ 2,436
U.S. Department of Agriculture Farmers.gov Customer Experience Portal	\$ 4,000
U.S. Department of Housing and Urban Development UNISYS Mainframe Migration	\$ 13,850
<b>FY 2018 Projects Subtotal</b>	<b>\$ 20,286</b>
<b>No New Projects in FY 2022</b>	
<b>Grand Total FY 2018 - FY 2024</b>	<b>\$ 86,995</b>



## **Program Financing**

The TMF provides up-front funding to agencies through transfers of budget authority from the TMF to the receiving agency. The Fund invests in a diverse portfolio of projects having varying levels of repayment flexibility. The expenses of the GSA TMF PMO, which executes the responsibilities of GSA including TMF Board support, are funded through the available fund balance.

GSA works with the Board and OMB to continuously monitor ongoing spend while evaluating and adjusting, as needed, the reimbursement model on an annual basis. Through this process, GSA ensures the solvency of the Fund. Agencies receive funding from the TMF in increments and repay the TMF per a written agreement between GSA and the agency. This unique structure provides agencies with additional flexibility to pursue important modernization and cybersecurity projects.

GSA is requesting \$75 million in FY 2025, an increase of \$25 million over the enacted FY 2023 level, to accelerate Government-wide IT modernization efforts, meet a significant increase in demand for investment from agencies, support active projects, and the associated program management and project oversight.

Long term, the TMF is focused on ensuring the sustainability of the Fund while meeting the significant demand from agencies tackling critical technology infrastructure investment needs. This includes raising the minimum agency repayment rate for future investments to 50 percent unless under rare exceptions that the GSA Administrator and OMB Director approve a lower repayment rate.

Lastly, GSA and OMB will work to explore alternative funding mechanisms for the TMF to increase the amount of funding available in the TMF to make continued investments while simultaneously alleviating the burden on the Financial Services and General Government Appropriations Subcommittee.

**Amounts Available for Obligation**

(Dollars in Thousands)

<b>Annual Appropriations and Collections</b>	<b>FY 2023 Enacted</b>	<b>FY 2024 Full Year CR</b>	<b>FY 2025 Request</b>
<b>Resources:</b>			
Available from prior year.....	\$ 126,648	\$ 212,522	\$ 309,016
Appropriation .....	\$ 50,000	\$ 50,000	\$ 75,000
Return of Unused Funds.....	\$ 469	\$ 63	\$ -
Offsetting Collections.....	\$ 35,405	\$ 46,431	\$ 70,036
<b>Total Resources Available.....</b>	<b>\$ 212,522</b>	<b>\$ 309,016</b>	<b>\$ 454,052</b>
PMO Obligations.....	\$ -	\$ -	\$ -
Transfer Out for Modernization Projects.....	\$ -	\$ -	\$ -
<b>Fund Balance.....</b>	<b>\$ 212,522</b>	<b>\$ 309,016</b>	<b>\$ 454,052</b>

<b>American Rescue Plan Act 2021 - 2025</b>	<b>FY 2023 Enacted</b>	<b>FY 2024 Full Year CR</b>	<b>FY 2025 Request</b>
<b>Resources:</b>			
Available from prior year.....	\$ 753,544	\$ 578,979	\$ 184,185
Appropriation .....	\$ -	\$ -	\$ -
Return of Unused Funds.....	\$ 4,961	\$ 611	\$ -
<b>Total Resources Available.....</b>	<b>\$ 758,505</b>	<b>\$ 579,590</b>	<b>\$ 183,723</b>
PMO Obligations.....	\$ (4,971)	\$ (7,530)	\$ (7,511)
PMO Obligations (Discovery Initiative).....	\$ (1,400)	\$ (1,200)	\$ (1,200)
Transfer Out for Modernization Projects.....	\$ (173,156)	\$ (386,675)	\$ (175,012)
<b>Fund Balance.....</b>	<b>\$ 578,979</b>	<b>\$ 184,185</b>	<b>\$ 0</b>

Note: Total Resources Available and Fund Balances include amounts committed to approved projects in the outyears but are reflected here as they contribute to the current balances.

**Explanation of Changes, Appropriated Dollars and FTE**

(Dollars in Thousands)

Appropriated Fund	FTE	FY 2023 Enacted	FTE	FY 2024 Full Year CR	FTE	FY 2025 Request
		\$ 50,000		\$ 50,000		\$ 75,000
<b>Program Changes:</b>						
Change in Personnel Costs from Program Expansion					\$	-
Change in Non-Personnel Costs due to Program Expansion					\$	-
Change in Transfers to Modernization Projects					\$	25,000
Subtotal, Program Changes					\$	25,000
Total Adjustments					\$	25,000

American Rescue Plan Act Fund	FTE	FY 2023 Actuals*	FTE	FY 2024 Full Year CR**	FTE	FY 2025 Request**
	17	\$ 26,871	30	\$ 25,275	30	\$ 9,711
<b>Program Changes:</b>						
Change in Personnel Costs from Program Expansion					0	\$ 423
Change in Non-Personnel Costs due to Program Expansion					\$	(442)
Change in Expenditure Transfers to Modernization Projects***					\$	(15,545)
Subtotal, Program Changes					0	\$ (15,564)
Total Adjustments					0	\$ (15,564)

\*FY 2023 actuals includes expenditure transfers

\*\*FY 2024 and FY 2025 include \$1.2M for the Discovery Initiative

\*\*\*Expenditure transfers decrease in FY 2025, due to the projected final transfer in FY 2025 for the currently known projects that require expenditure transfers instead of non-expenditure transfers.

**Obligations by Object Classification**

(Dollars in Thousands)

<b>American Rescue Plan Act Fund</b>	<b>FY 2023 Actual</b>	<b>FY 2024 Full Year CR</b>	<b>FY 2025 Request</b>
11.1 Full-time, permanent.....	\$ 2,377	\$ 3,751	\$ 4,062
11.3 Other than full-time permanent.....	\$ 101	\$ 102	\$ 110
11.5 Other personnel compensation.....	\$ 13	\$ -	\$ -
11.8 Special personnel services payments.....	\$ 7	\$ -	\$ -
12.1 Civilian personnel benefits.....	\$ 852	\$ 1,248	\$ 1,352
21.0 Travel and transportation of persons.....	\$ 66	\$ 80	\$ 80
23.1 Rental payments to GSA.....	\$ -	\$ -	\$ -
23.3 Communications and utilities.....	\$ -	\$ -	\$ -
24.0 Printing and reproduction.....	\$ -	\$ -	\$ -
25.1 Advisory and assistance services.....	\$ 1,400	\$ 1,200	\$ 1,200
25.2 Other services from non-Federal sources.....	\$ -	\$ -	\$ -
25.3 Other goods & services from Federal sources....	\$ 1,553	\$ 2,338	\$ 1,896
26.0 Supplies and materials.....	\$ 2	\$ 10	\$ 10
31.0 Equipment.....	\$ -	\$ -	\$ -
94.0 Financial transfers.....	\$ 20,500	\$ 16,545	\$ 1,000
<b>99.0 Obligations, Appropriated (ARP).....</b>	<b>\$ 26,871</b>	<b>\$ 25,275</b>	<b>\$ 9,711</b>
Subtotal, PC&B.....	\$ 3,350	\$ 5,102	\$ 5,525
Subtotal, Non-labor.....	\$ 23,521	\$ 20,173	\$ 4,186
<i>ARP Transfers</i> .....	\$ 147,695	\$ 369,519	\$ 174,012
<i>Annual Appropriation Transfers</i> .....	\$ -	\$ -	\$ -
<i>Net Outlays</i> .....	\$ (9,383)	\$ (26,000)	\$ (61,000)