

To the office of U.S. Representative Eric Burlison

Re: HR 4123 (119th Congress), FIT Procurement Act • Latest action (2026-07-21): Received in the Senate and Read twice and referred to the Committee on Homeland Security and Governmental Affairs.

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Federal IT Procurement Reform and Sunset Act of 2025

The measure, as described from the official record: The bill aims to streamline and modernize the federal government's procurement of information technology (IT) systems and services, reducing waste and improving efficiency in federal IT acquisitions.

THE PROPOSAL

This Act applies only to the procurement of information technology (IT) systems, software, and services by executive agencies of the United States Government (as defined in 5 U.S.C. § 105). It does not apply to state, local, tribal, or territorial governments, nor to private-sector entities unless they are direct contractors performing work for a federal agency under a contract subject to this Act.

Section 2: Federal agencies shall adopt a uniform, simplified procurement process for IT acquisitions under \$10 million, using commercial-off-the-shelf (COTS) products where available. For acquisitions exceeding \$10 million, agencies shall submit a cost-benefit analysis to the Office of Management and Budget (OMB) and obtain approval before issuing a solicitation.

Section 3: The Director of the Office of Management and Budget shall establish a Federal IT Procurement Oversight Board, composed of the Deputy Director for Management, the Administrator of the Office of Federal Procurement Policy, and the Chief Information Officer of the United States. The Board shall review all proposed IT procurements exceeding \$50 million and may require modifications to ensure cost efficiency and interoperability.

Section 4: No funds authorized under this Act may be used to impose requirements on states or private entities beyond those explicitly accepted by contract. This Act does not preempt any state procurement law applicable to state or local entities.

Section 5: This Act authorizes appropriations of \$25 million per fiscal year for five years, derived from the Information Technology Oversight and Reform Fund (established by the COBRA Act of 2015). These funds cover the operations of the Oversight Board and training for agency procurement officers.

Section 6: This Act shall sunset on September 30, 2030, unless reauthorized by Congress. The Government Accountability Office shall submit a report to Congress by June 1, 2029, evaluating the Act's effectiveness in reducing procurement time and cost, and recommending any reauthorization amendments.

OPERATIVE PROVISIONS (VFA PROPOSAL)

Funding Source	Information Technology Oversight and Reform Fund (existing fund under the COBRA Act of 2015)
Funding Amount	\$25 million per fiscal year for 5 years (total \$125 million)
Sunset Years	5 years
Oversight Body	Federal IT Procurement Oversight Board within the Office of Management and Budget
Enforcement Mechanism	GAO audit and report; OMB may withhold approval for procurements that violate the Act; civil penalties for agencies that fail to comply (up to 5% of the procurement value, deposited into the Treasury)
Effective Date	October 1, 2025

CONSTITUTIONAL BASIS

- Article I, Section 8, Clause 18 (Necessary and Proper Clause to manage federal property and operations)
- Article I, Section 9, Clause 7 (Appropriations Clause)
- Tenth Amendment (reserving to states powers not delegated to the United States)

Concerns with the measure as written:

- If the original bill imposes binding procurement mandates on private contractors or state/local governments, it may exceed Congress's enumerated powers under the Commerce Clause and violate the Tenth Amendment.
 - If the original bill lacks a clear funding source or sunset, it may violate Article I, Section 9, Clause 7 (Appropriations Clause) by authorizing indefinite spending.
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WHY BOTH SIDES CAN BACK IT (VFA'S ASSESSMENT)

Democratic priorities honored: Transparency and accountability in federal spending, environmental and social considerations (implicitly by requiring cost-benefit analysis that could include lifecycle costs). Republican priorities honored: Small government through sunset provision, limited spending, non-preemption of state authority, and use of existing funds rather than new taxes.

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