

**Bennet/Coburn Amendment \_\_\_\_\_** - To require certain agencies to conduct assessments of data centers and develop data center consolidation and optimization plans.

Amendment Description:

The amendment enhances language in the underlying bill to require, for five years, annual reporting on energy and cost savings that result from federal data center consolidation. In 2010, OMB set an initial goal of closing 40 percent (or 1,253 of 3,133) of the known federal data centers and to save \$3 billion. The count of federal data centers now tops 7,000. This amendment is designed to support the success of federal efforts already underway by increasing transparency of the goals agencies set and progress they make each year. More specifically, the amendment requires federal agencies to submit comprehensive inventories of existing data centers and multi-year data center optimization and consolidation plans to OMB each year for the next five years, and to identify resulting cost savings. The legislation further requires GAO to conduct oversight of the consolidation process.

Why is this amendment needed?

Numerous studies have shown a relatively low utilization rate of the current federal infrastructure, with wasted space and energy, as well as unnecessary costs. The operating cost of a single data center is significant, from hardware and software costs to real estate and cooling costs. This growth also has a significant impact on energy consumption; federal data center energy consumption was on track to double from 6 billion kWh in 2006 to over 12 billion by this year if federal policy was unchanged. According to the Department of Energy, data center spaces can consume 100 to 200 times more electricity than a standard office space.

As part of the Administration's plan to reform federal IT management, the Administration launched in 2010 the Federal Data Center Consolidation Initiative (FDCCI). The Administration set an initial goal of closing 40 percent (or 1,253 of 3,133) and to save \$3 billion – both by the end of 2015. This effort continues to be a priority of the Administration, recently being incorporated into its "PortfolioStat" initiative, and effort to help agencies take a more comprehensive look at their IT portfolio and leverage the buying power of the government through shared services.

While important federal efforts are underway to make our federal IT infrastructure more efficient, several GAO analyses have found that these efforts are moving too slowly, lack basic information to inform progress, and are in need of greater transparency and accountability.

- In a report released July 19, 2012, GAO stated: "While the Office of Management and Budget (OMB) required agencies to complete missing elements in their data center inventories and plans by the end of September 2011, only 3 agencies submitted complete inventories and only 1 agency submitted a complete plan. For example, in their inventories, 17 agencies do not provide full information on their information technology facilities and energy usage, and 8 provide only partial information on their servers. Further, in their consolidation plans, 13 agencies do not provide a full master program schedule and 21 agencies do not fully report their expected cost savings." Full report available [here](#).
- In a more recent testimony released on May 14, 2013, GAO also expressed concern about the federal government's ability to track cost savings associated with this initiative, writing "The

lack of initiative-wide cost savings data makes it unclear whether agencies will be able to achieve OMB's projected savings of \$3 billion by the end of 2015." That testimony is available [here](#).

- In response to questions for the record, on July 24, 2012, GAO further more addressed the importance of potential legislation: "Given the importance of OMB's IT Reform efforts and the potential for up to \$3 billion in savings from government consolidation efforts, it could be beneficial to make compliance with this initiative required by law . . . Legislation could help direct agencies' attention to the importance of the consolidation initiative."

This amendment is designed to make the federal government more efficient. It will support existing efforts to make the government's data center network more efficient.