The Modernizing Government Technology Act (MGT) is moving forward. Signed into law in December as part of the National Defense Authorization Act, the White House just published guidelines for agencies who want to access MGT’s $500 million central revolving capital fund. Agencies will submit proposals to a board of experts who will evaluate the proposals based on public impact, feasibility, outcomes, and security.

The law represents the correct prioritization for the federal government, where 75 percent of the $80 billion spent on IT goes toward maintaining outdated systems. With more than $7 billion in technical debt that needs to be eliminated through executing on modernization projects, this $500 million fund only represents a starting point in enabling the work that needs to be done.

The bill’s co-sponsors – Rep. Gerry Connolly (D-Va.) and Rep. Will Hurd (R-Texas) – are to be commended for their vision and tenacity in pushing the bill over the finish line. MGT puts a foundation in place for agencies to enact real change and transform their IT systems.

The ability to reprogram money saved through IT efforts will have a massive impact on agencies that have traditionally shied away from making bold moves that would help streamline tech and save money. Prior to MGT, money saved was money lost.

Agencies are now rewarded, rather than penalized, for taking steps to modernize their systems. Subsequently, they can move quickly to effectively improve their cyber security postures, accelerate service delivery, and save taxpayers’ money.

Agencies can start to establish a strong framework for digital transformation and begin to achieve some of the goals set forth in the Cybersecurity Executive Order, the White House’s IT Modernization Report, and the Data Center

Improving the Outcomes of Government IT
Optimization Initiative. In short, agencies need funding and budget planning authority to truly transform their IT systems, and MGT supports this much-needed progress.

As they set off on that journey, federal CIOs need two things: a comprehensive inventory of their IT assets, and strong collaboration between mission functions and the IT teams. IT modernization will not happen overnight. Agencies will still need to maintain legacy systems for some time, as they modernize data centers. Technologies like virtualization, flash, and software-defined storage will play important roles throughout this transition while helping agencies meet key mandates.

To accelerate modernization, agencies will continue to move more and more systems to the cloud as data volumes simultaneously skyrocket in the age of artificial intelligence and the Internet of Things. While there are very real efficiency, cost savings, and speed benefits with the shift to cloud, the evolution can be complicated. Flexible, software-based solutions help streamline and support tomorrow's technology innovation while enabling agencies to continue to meet today's mission objectives. MGT is the catalyst for much of this change – empowering agencies to make decisions that will best support their transformation. Now the real work begins.