

119TH CONGRESS  
1ST SESSION

# S. 1956

To improve the visibility, accountability, and oversight of agency software asset management practices, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JUNE 4, 2025

Mr. PETERS (for himself, Mr. CASSIDY, Ms. ERNST, Mr. TILLIS, Mr. LANKFORD, and Mr. WYDEN) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

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## A BILL

To improve the visibility, accountability, and oversight of agency software asset management practices, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Strengthening Agency  
5 Management and Oversight of Software Assets Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1           (1) ADMINISTRATOR.—The term “Adminis-  
2           trator” means the Administrator of General Serv-  
3           ices.

4           (2) AGENCY.—The term “agency” has the  
5           meaning given that term in section 3502 of title 44,  
6           United States Code.

7           (3) CLOUD COMPUTING.—The term “cloud  
8           computing” has the meaning given the term in Spe-  
9           cial Publication 800–145 of the National Institute of  
10          Standards and Technology, or any successor docu-  
11          ment.

12          (4) CLOUD SERVICE PROVIDER.—The term  
13          “cloud service provider” has the meaning given the  
14          term in section 3607(b) of title 44, United States  
15          Code.

16          (5) COMPREHENSIVE ASSESSMENT.—The term  
17          “comprehensive assessment” means a comprehensive  
18          assessment conducted pursuant to section 3(a).

19          (6) DIRECTOR.—The term “Director” means  
20          the Director of the Office of Management and Budg-  
21          et.

22          (7) PLAN.—The term “plan” means the plan  
23          developed by a Chief Information Officer, or equiva-  
24          lent official, pursuant to section 4(a).

1           (8) SOFTWARE ENTITLEMENT.—The term  
2           “software entitlement” means any software that—

3                   (A) has been purchased, leased, or licensed  
4                   by or billed to an agency under any contract or  
5                   other business arrangement; and

6                   (B) is subject to use limitations.

7           (9) SOFTWARE INVENTORY.—The term “soft-  
8           ware inventory” means the software inventory of an  
9           agency required pursuant to—

10                   (A) section 2(b)(2)(A) of the Making Elec-  
11                   tronic Government Accountable By Yielding  
12                   Tangible Efficiencies Act of 2016 (40 U.S.C.  
13                   11302 note; Public Law 114–210); or

14                   (B) subsequent guidance issued by the Di-  
15                   rector pursuant to that Act.

16 **SEC. 3. SOFTWARE INVENTORY UPDATE AND EXPANSION.**

17           (a) IN GENERAL.—As soon as practicable, and not  
18           later than 18 months after the date of enactment of this  
19           Act, the Chief Information Officer of each agency, in con-  
20           sultation with the Chief Financial Officer, the Chief Ac-  
21           quisition Officer, the Chief Data Officer, and General  
22           Counsel of the agency, or the equivalent officials of the  
23           agency, shall complete a comprehensive assessment of the  
24           software paid for by, in use at, or deployed throughout  
25           the agency, which shall include—

1           (1) the current software inventory of the agen-  
2           cy, including software entitlements, contracts and  
3           other agreements or arrangements of the agency,  
4           and a list of the largest software entitlements of the  
5           agency separated by provider and category of soft-  
6           ware;

7           (2) a comprehensive, detailed accounting of—

8                   (A) any software used by or deployed with-  
9                   in the agency, including software developed or  
10                   built by the agency, or by another agency for  
11                   use by the agency, including shared services, as  
12                   of the date of the comprehensive assessment,  
13                   including, to the extent identifiable, the con-  
14                   tracts and other agreements or arrangements  
15                   used by the agency to acquire, build, deploy, or  
16                   use such software;

17                   (B) information and data on software enti-  
18                   tlements, which shall include information on  
19                   any additional fees or costs, including fees or  
20                   costs for the use of cloud services, that are not  
21                   included in the initial costs of the contract,  
22                   agreement, or arrangement—

23                           (i) for which the agency pays;

24                           (ii) that are not deployed or in use by  
25                   the agency; and

1 (iii) that are billed to the agency  
2 under any contract or business arrange-  
3 ment that creates duplication, or are other-  
4 wise determined to be unnecessary by the  
5 Chief Information Officer of the agency, or  
6 the equivalent official, in the deployment  
7 or use by the agency; and

8 (C) the extent—

9 (i) to which any software paid for, in  
10 use, or deployed throughout the agency is  
11 interoperable; and

12 (ii) of the efforts of the agency to im-  
13 prove interoperability of software assets  
14 throughout the agency enterprise;

15 (3) a categorization of software entitlements of  
16 the agency by cost, volume, and type of software;

17 (4) a list of any provisions in the software enti-  
18 tlements of the agency that may restrict how the  
19 software can be deployed, accessed, or used, includ-  
20 ing any such restrictions on desktop or server hard-  
21 ware, through a cloud service provider, or on data  
22 ownership or access; and

23 (5) an analysis addressing—

24 (A) the accuracy and completeness of the  
25 comprehensive assessment;

1 (B) agency management of and compliance  
2 with all contracts or other agreements or ar-  
3 rangements that include or reference software  
4 entitlements or software management within  
5 the agency;

6 (C) the extent to which the agency accu-  
7 rately captures the total cost of software enti-  
8 tlements and related costs, including the total  
9 cost of upgrades over the life of a contract,  
10 cloud usage costs, and any other cost associated  
11 with the maintenance or servicing of contracts;  
12 and

13 (D) compliance with software license man-  
14 agement policies of the agency.

15 (b) CONTRACT SUPPORT.—

16 (1) AUTHORITY.—The head of an agency may  
17 enter into 1 or more contracts to support the re-  
18 quirements of subsection (a).

19 (2) NO CONFLICT OF INTEREST.—Contracts  
20 under paragraph (1) shall not include contractors  
21 with organizational conflicts of interest, within the  
22 meaning given that term under subpart 9.5 of the  
23 Federal Acquisition Regulation.

24 (3) OPERATIONAL INDEPENDENCE.—Over the  
25 course of a comprehensive assessment, contractors

1 hired pursuant to paragraph (1) shall maintain oper-  
2 ational independence from the integration, manage-  
3 ment, and operations of the software inventory and  
4 software entitlements of the agency.

5 (c) SUBMISSION.—On the date on which the Chief In-  
6 formation Officer, Chief Financial Officer, Chief Acquisi-  
7 tion Officer, the Chief Data Officer, and General Counsel  
8 of an agency, or the equivalent officials of the agency,  
9 complete the comprehensive assessment, the Chief Infor-  
10 mation Officer shall submit the comprehensive assessment  
11 to the head of the agency.

12 (d) SUBSEQUENT SUBMISSION.—Not later than 30  
13 days after the date on which the head of an agency re-  
14 ceives the comprehensive assessment under subsection (c),  
15 the head of the agency shall submit the comprehensive as-  
16 sessment to—

17 (1) the Director;

18 (2) the Administrator;

19 (3) the Comptroller General of the United  
20 States;

21 (4) the Committee on Homeland Security and  
22 Governmental Affairs of the Senate; and

23 (5) the Committee on Oversight and Govern-  
24 ment Reform of the House of Representatives.

1 (e) CONSULTATION.—In order to ensure the utility  
2 and standardization of the comprehensive assessment of  
3 each agency, including to support the development of each  
4 plan and the report required under section 4(e)(2), the  
5 Director, in consultation with the Administrator, shall  
6 share information, best practices, and recommendations  
7 relating to the activities performed in the course of a com-  
8 prehensive assessment of an agency.

9 **SEC. 4. SOFTWARE MODERNIZATION PLANNING AT AGEN-**  
10 **CIES.**

11 (a) IN GENERAL.—The Chief Information Officer of  
12 each agency, in consultation with the Chief Financial Offi-  
13 cer, the Chief Acquisition Officer, the Chief Data Officer,  
14 and the General Counsel of the agency, or the equivalent  
15 officials of the agency, shall use the information developed  
16 pursuant to the comprehensive assessment of the agency  
17 to develop a plan for the agency—

18 (1) to consolidate software entitlements of the  
19 agency;

20 (2) to ensure that, in order to improve the per-  
21 formance of, and reduce unnecessary costs to, the  
22 agency, the Chief Information Officer, Chief Data  
23 Officer, and Chief Acquisition Officer of the agency,  
24 or the equivalent officers, develop criteria and proce-  
25 dures for how the agency will adopt cost-effective ac-

1       quisition strategies, including enterprise licensing,  
2       across the agency that reduce costs, eliminate excess  
3       licenses, and improve performance; and

4               (3) to restrict the ability of a bureau, program,  
5       component, or operational entity within the agency  
6       to acquire, use, develop, or otherwise leverage any  
7       software entitlement (or portion thereof) without the  
8       approval of the Chief Information Officer of the  
9       agency, in consultation with the Chief Acquisition  
10      Officer of the agency, or the equivalent officers of  
11      the agency.

12      (b) PLAN REQUIREMENTS.—The plan of an agency  
13 shall—

14               (1) include a detailed strategy for—

15                       (A) the remediation of any software asset  
16                       management deficiencies found during the com-  
17                       prehensive assessment of the agency;

18                       (B) the ongoing maintenance of software  
19                       asset management upon the completion of the  
20                       remediation;

21                       (C) automation of software license man-  
22                       agement processes and incorporation of dis-  
23                       covery tools across the agency;

24                       (D) ensuring that officers and employees  
25                       of the agency are adequately trained in the poli-

1           cies, procedures, rules, regulations, and guid-  
2           ance relating to the software acquisition and  
3           development of the agency before entering into  
4           any agreement relating to any software entitle-  
5           ment (or portion thereof) for the agency, in-  
6           cluding training on—

7                   (i) negotiating options within con-  
8                   tracts to address and minimize provisions  
9                   that restrict how the agency may deploy,  
10                  access, or use the software, including re-  
11                  strictions on deployment, access, or use on  
12                  desktop or server hardware and restric-  
13                  tions on data ownership or access;

14                  (ii) the differences between acquiring  
15                  commercial software products and services  
16                  and acquiring or building custom software;  
17                  and

18                  (iii) determining the costs of different  
19                  types of licenses and options for adjusting  
20                  licenses to meet increasing or decreasing  
21                  demand; and

22           (E) maximizing the effectiveness of soft-  
23           ware deployed by the agency, including, to the  
24           extent practicable, leveraging technologies  
25           that—

- 1 (i) measure actual software usage via  
2 analytics that can identify inefficiencies to  
3 assist in rationalizing software spending;
- 4 (ii) allow for segmentation of the user  
5 base;
- 6 (iii) support effective governance and  
7 compliance in the use of software; and
- 8 (iv) support interoperable capabilities  
9 between software;
- 10 (2) identify categories of software the agency  
11 could prioritize for conversion to more cost-effective  
12 software licenses, including enterprise licenses, as  
13 the software entitlements, contracts, and other  
14 agreements or arrangements come up for renewal or  
15 renegotiation;
- 16 (3) provide an estimate of the costs to move to-  
17 ward more enterprise, open-source, or other licenses  
18 that do not restrict the use of software by the agen-  
19 cy, and the projected cost savings, efficiency meas-  
20 ures, and improvements to agency performance  
21 throughout the total software lifecycle;
- 22 (4) identify potential mitigations to minimize  
23 software license restrictions on how such software  
24 can be deployed, accessed, or used, including any  
25 mitigations that would minimize any such restric-

1 tions on desktop or server hardware, through a cloud  
2 service provider, or on data ownership or access;

3 (5) ensure that the purchase by the agency of  
4 any software is based on publicly available criteria  
5 that are not unduly structured to favor any specific  
6 vendor, unless prohibited by law (including regula-  
7 tion);

8 (6) include any estimates for additional re-  
9 sources, services, or support the agency may need to  
10 implement the plan;

11 (7) provide information on the prevalence of  
12 software products in use across multiple software  
13 categories; and

14 (8) include any additional information, data, or  
15 analysis determined necessary by the Chief Informa-  
16 tion Officer, or other equivalent official, of the agen-  
17 cy.

18 (c) SUPPORT.—The Chief Information Officer, or  
19 other equivalent official, of an agency may request support  
20 from the Director and the Administrator for any analysis  
21 or developmental needs to create the plan of the agency.

22 (d) AGENCY SUBMISSION.—Not later than 1 year  
23 after the date on which the head of an agency submits  
24 the comprehensive assessment pursuant to section 3(d),  
25 the head of the agency shall submit to the Director, the

1 Committee on Homeland Security and Governmental Af-  
2 fairs of the Senate, and the Committee on Oversight and  
3 Government Reform of the House of Representatives the  
4 plan of the agency.

5 (e) CONSULTATION AND COORDINATION.—The Di-  
6 rector—

7 (1) in coordination with the Administrator, the  
8 Chief Information Officers Council, the Chief Acqui-  
9 sition Officers Council, the Chief Data Officers  
10 Council, the Chief Financial Officers Council, and  
11 other government and industry representatives iden-  
12 tified by the Director, shall establish processes,  
13 using existing reporting functions, as appropriate, to  
14 identify, define, and harmonize common definitions,  
15 terms and conditions, standardized requirements,  
16 and other information and criteria to support agency  
17 heads in developing and implementing the plans re-  
18 quired by this section; and

19 (2) in coordination with the Administrator, and  
20 not later than 2 years after the date of enactment  
21 of this Act, submit to the Committee on Homeland  
22 Security and Governmental Affairs of the Senate  
23 and the Committee on Oversight and Government  
24 Reform of the House of Representatives a report de-  
25 tailing recommendations to leverage Government

1 procurement policies and practices with respect to  
2 software acquired by, developed by, deployed within,  
3 or in use at 1 or more agencies to—

4 (A) increase the interoperability of soft-  
5 ware licenses, including software entitlements  
6 and software built by Government agencies;

7 (B) consolidate licenses, as appropriate;

8 (C) reduce costs;

9 (D) improve performance; and

10 (E) modernize the management and over-  
11 sight of software entitlements and software  
12 built by Government agencies, as identified  
13 through an analysis of agency plans.

14 **SEC. 5. GAO REPORT.**

15 Not later than 3 years after the date of enactment  
16 of this Act, the Comptroller General of the United States  
17 shall submit to the Committee on Homeland Security and  
18 Governmental Affairs of the Senate and the Committee  
19 on Oversight and Government Reform of the House of  
20 Representatives a report on—

21 (1) Government-wide trends in agency software  
22 asset management practices;

23 (2) comparisons of software asset management  
24 practices among agencies;

1           (3) the establishment by the Director of proc-  
2           esses to identify, define, and harmonize common  
3           definitions, terms, and conditions under section 4(e);

4           (4) agency compliance with the restrictions on  
5           contract support under section 3(b); and

6           (5) other analyses of and findings regarding the  
7           plans of agencies, as determined by the Comptroller  
8           General of the United States.

9   **SEC. 6. NO ADDITIONAL FUNDS.**

10          No additional funds are authorized to be appro-  
11          priated for the purpose of carrying out this Act.

○