

LEGISLATIVE BRANCH APPROPRIATIONS FOR 2015

HEARINGS BEFORE THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED THIRTEENTH CONGRESS SECOND SESSION

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PART 2

FISCAL YEAR 2015 LEGISLATIVE BRANCH APPROPRIATIONS REQUESTS



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LEGISLATIVE BRANCH APPROPRIATIONS FOR 2015

TUESDAY, MARCH 4, 2014.

GOVERNMENT PRINTING OFFICE

WITNESS

HON. DAVITA VANCE-COOKS, PUBLIC PRINTER

OPENING STATEMENT OF CHAIRMAN COLE

Mr. COLE. Good morning. The subcommittee will come to order.

Today we begin our fiscal year 2015 budget hearings for the various agencies of the legislative branch. As members of the subcommittee are aware, the President's fiscal year 2015 budget is available online as of this morning. Limited printed copies are being transmitted to the Congress this morning.

Advance information received by the subcommittee reflects that most all of the agencies under our jurisdiction have requested a budget increase over the amount carried in the fiscal year 2014 omnibus. With our Nation dealing with a national debt of over \$17 trillion, it is going to be very difficult to not only maintain current levels but to increase funding above the current levels. Everyone can be assured that we will continue to lead by example, being efficient, effective, doing more with less.

I look forward to working with our ranking member, Ms. Debbie Wasserman Schultz, as well as the other members of the committee.

And just for purposes of clarification, I had the good fortune of being on this committee when I was new to the appropriations. And Ms. Wasserman Schultz was the chairman then. And she has forgotten more about this committee than I am ever likely to know. So it is really wonderful to have somebody like that to work with.

Returning from the last session, we have got Dr. Andy Harris, who is evidently snowed in in the Eastern Shore someplace, our vice chairman of the subcommittee. Obviously, we have my good friend, Mr. Moran, who I think is in the progress of trying to get here, and Sanford Bishop. Great to have him as always. New to the committee, Martha Roby from Alabama. God knows where she is at right now. Mark Amodei got in from Nevada somehow.

And Chris Stewart got in from Utah. So I am pretty impressed with the attendance, given the weather.

The budget that this subcommittee will consider, not including the Senate items under the Architect of the Capitol, is \$3,448,407,000. That is an increase of at that \$122,515,000, or 3.68 percent above the fiscal year 2014 levels. Before everybody gets ex-

cited, though, again, we are a long way from having our 302(b) set. When you include the Senate, the entire request for the legislative branch is \$4,464,900,000, an increase of \$206,900,000, or 4.86 percent above the fiscal year 2014 level.

Ms. Wasserman Schultz, do you have any opening remarks you would care to make?

Ms. WASSERMAN SCHULTZ. Just a few brief remarks, Mr. Chairman, the first of which is to welcome you.

Mr. COLE. Thank you.

Ms. WASSERMAN SCHULTZ. And congratulate you on your new role as chairman of the Legislative Branch Appropriations Subcommittee. You are certainly no stranger to this committee, as you said. And I am not sure if you characterized yourself this way, but I noticed, given the commitment to the institution that you have when you served on this committee, that you are a Leg Branch nerd like me. So, you know, there are some of us that actually volunteer for this job, and you and I have consistently been among them.

We have a lot of work to do on our Leg Branch bill for fiscal year 2015. And Ms. Davita Vance-Cooks, who since our last meeting has been confirmed as the Public Printer, congratulations. That is wonderful. You were in an acting capacity a year ago. And everything I have heard about your service has really validated the Senate's confirmation of your choice.

Ms. VANCE-COOKS. Thank you.

OPENING STATEMENT OF RANKING MEMBER WASSERMAN SCHULTZ

Ms. WASSERMAN SCHULTZ. Last year, we discussed the National Academy of Public Administration report, which outlined recommendations for bringing GPO into the digital age. And I know the committee would benefit from hearing an update about that. I am assuming that you have one. The recommendations were costly to implement, and so, hopefully, you have made some significant progress. We also should acknowledge, Mr. Chairman, that a lot of Members, not on this subcommittee, use GPO as a political football because they have the word "printing" in their name, lacking the understanding that it is actually more expensive to produce things digitally than it is to actually print them. So the Public Printer has recommended a name change, which I understand in checking with them that the unions who represent the employees at GPO support, to more accurately reflect that they are a publishing operation, much moreso these days than a printer. So the Government Publishing Office would become their name after legislation that has been introduced would be adopted.

GPO has repeated time and again that two-thirds of their print costs for congressional work go toward content development. So reflecting that name change is important. And I think we should keep that in mind as we listen to the Public Printer's testimony today.

The other thing during your testimony, if you have not already planned to provide it, is GPO had some struggle with accident reports. When I was chair, we monitored those pretty closely because there seemed to be a disproportionately high number of accidents that occurred. And then also EEOC complaints as well. So I am in-

terested to hear about how both of those have developed or retracted under your tenure.

Thank you, Mr. Chairman.

Mr. COLE. Thank you.

Now, the first agency we will hear from this morning is the Government Printing Office. The Government Printing Office requested \$128.9 for the fiscal year 2015, an increase of \$9.6 million, or roughly 8 percent above the fiscal year 2014 level.

I want to welcome Ms. Davita Vance-Cooks, and look forward to hearing your testimony on behalf of the entire committee. I want to congratulate you, obviously, for your new position as being named as our new Public Printer. We look forward to hearing your testimony. And as I believe you are the first woman and first African American to hold that position. So it is quite a wonderful distinction and recognition of your tremendous public service. Do you have any additional remarks you care to make?

Ms. WASSERMAN SCHULTZ. No, not at all.

Mr. COLE. So, with that, the floor is yours.

Ms. VANCE-COOKS. Thank you.

Mr. COLE. Thank you.

OPENING STATEMENT OF PUBLIC PRINTER

Ms. VANCE-COOKS. Mr. Chairman, Ms. Wasserman Schultz, and members of the subcommittee, good morning, and thank you for inviting me here to discuss GPO's appropriation request for fiscal year 2015. Seated beside me is Jim Bradley, the Deputy Public Printer. I am especially glad to be here on this day of all days because it is the 153rd anniversary of the day that GPO first opened its doors for business in 1861. In other words, today is GPO's birthday. So much of the GPO has changed since then. And it is especially evident today, because later this morning, we will be releasing the President's fiscal year budget 2015. And it is not just in print, which was the traditional format for decades. It is also in digital format, including a mobile Web app. Times have changed, and the GPO is changing with it.

I would also like to point out at this very moment 153 years ago today, while the GPO was opening its doors for business, crowds were gathering on the other side of the Capitol to witness the inauguration of President Abraham Lincoln, another historic moment. I mention this because President Lincoln had a special relationship with the GPO, which is the subject of a current exhibit that we have open to the public.

As you know, the GPO is the official digital secure resource for producing, procuring, cataloguing, indexing, authenticating, disseminating, and preserving the official information products of the Federal Government. This morning in my prepared remarks, I would like to discuss two key issues. The first is a brief overview of our accomplishments in fiscal year 2013, to be followed by a brief overview of our budget request for fiscal year 2015.

Our key accomplishments: In spite of the fiscal challenges that we, like other agencies, confronted this past year, GPO was able to meet the information product requirements of Congress, the Federal Agencies, and the public without having to resort to furloughs and without having any interruption in service. We were able to do

this by aggressively pursuing a cost containment strategy, resulting in reduction of overhead expenses back to the 2008 level. We continued the development of an integrated, diversified product and services portfolio that has an emphasis on digital.

FDsys, our online content management tool, has nearly today 1 million titles from all three branches of the government. We average 38.7 million documents retrieved each month. During the shut-down, those retrievals spiked to 45 million. By March 2014, we expect to reach the 1 billion mark in retrievals since the launch of the system in 2009.

We began the development of the next generation of FDsys to ensure an improved search capability and navigation functionality. We released a version of the 113th Congressional Mobile Member Guide App. We released the fiscal year 2014 budget of the Federal Government as a mobile app. We worked with the Library of Congress to make House bill summaries prepared by the Congressional Research Service available in XML format. We worked with the Library of Congress to update the widely respected Constitution Annotated via the Web, an app, and an improved print version. We began development of the next generation of passports. We opened a smart card COOP capability on budget and on time.

We continue to modernize plant operations with digital equipment and processes, while achieving industry certifications. We are changing our culture.

We participated in OPM's fiscal year 2013 employee viewpoint survey. And the GPO employees designated GPO as one of the best places to work. I know that we have a lot more to do to cement this in our future, but I am so encouraged by the progress that we are making.

Finally, there is a legislative proposal currently pending before the Senate to change our name to the Government Publishing Office, reflecting who we are and what we do in the digital age.

In terms of our budget request, GPO's appropriation request for fiscal year 2015 is \$128.9 million. While it shows an increase over the level of 2014 funding, I respectfully ask that you not believe that we are printing more, because that is not the case. We have asked for an increase in investment funds to cover digital projects and building improvements.

The print workload that we anticipate for the congressional printing and binding account will actually continue to decrease as we continue to work with Congress to become more efficient and digital. Other than a small increase due primarily to price level and pay increases, there is little difference between the 2014 and the 2015 congressional printing and binding account.

But what is different is our ability to offset the requested amount with unspent funds from this account from prior years. In fiscal year 2014, we had nearly \$10 million to offset our request. For fiscal year 2015, we only have \$5.3 million. But we are working very hard to determine whether more can be made available to reduce our request. And this is a big difference.

So, Mr. Chairman, Ms. Wasserman Schultz, and members of the subcommittee, thank you, again, for this opportunity to appear before you this morning. I deeply appreciate the support we were

given last year, and I look forward to working with you in consideration of our appropriation request.

Mr. COLE. Thank you very much for your testimony.

[The prepared statement of Ms. Vance-Cooks follows:]



OFFICIAL | DIGITAL | SECURE

Davita Vance-Cooks

Public Printer

**Prepared Statement before the
Subcommittee on Legislative
Branch Appropriations, Committee
on Appropriations, U.S. House
of Representatives**

On the Appropriations Request of the
U.S. Government Printing Office for FY 2015

HT-2, The Capitol

Tuesday, March 4, 2014

10:00 a.m.

Chairman Cole, Ranking Member Wasserman Schultz, and Members of the Subcommittee on Legislative Branch Appropriations, it is an honor to appear before you this morning to discuss the appropriations request of the Government Printing Office (GPO) for fiscal year 2015. As background, my prepared statement provides an overview of GPO's functions and operations.

Government Printing Office

The Government Printing Office (GPO) is the OFFICIAL, DIGITAL, SECURE resource for producing, procuring, cataloging, indexing, authenticating, disseminating, and preserving the official information products of the Federal Government.

Under Title 44 of the U.S. Code, GPO is responsible for the production and distribution of information products for all three branches of the Government, including the official publications of Congress and the White House, U.S. passports for the Department of State, and the official publications of other Federal agencies and the courts. Once primarily a printing operation, we are now an integrated publishing operation and carry out our mission using an expanding range of digital as well as conventional formats. Total GPO employment today is 1,879.

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Along with sales of publications in digital and tangible formats to the public, GPO supports openness and transparency in Government by providing permanent public access to Federal Government information at no charge through our Federal Digital System (FDsys, at www.fdsys.gov), which today makes nearly one million Federal titles available online from both GPO's servers and links to servers in other agencies, and in 2013 averaged 38.7 million downloads per month (with a spike up to 47.5 million retrievals during the recent Government shutdown). We also provide public access to Government information through partnerships with approximately 1,200 libraries nationwide participating in the Federal Depository Library Program.

In addition to GPO's Web site, <http://www.gpo.gov>, we communicate with the public routinely via Twitter twitter.com/USGPO, YouTube <http://www.youtube.com/user/gpoprinter>, Facebook [http://www.facebook.com/USGPO](https://www.facebook.com/USGPO), our Government Book Blog govbooktalk.gpo.gov, and most recently Pinterest <http://pinterest.com/usgpo/>.

History

From the Mayflower Compact to the Declaration of Independence and the papers leading to the creation and ratification of the Constitution, America is a nation based on documents, and our governmental tradition since then has reflected that fact. Article I, section 5 of the Constitution requires that "each House shall keep a journal of its proceedings and from time to time publish the same." After years of struggling with various

systems of contracting for printed documents that were beset with scandal and corruption, in 1860 Congress created the Government Printing Office as its official printer. GPO first opened its doors for business on March 4, 1861, the same day Abraham Lincoln was inaugurated as the 16th President.

Since that time, GPO has produced and distributed the official version of every great American state paper — and an uncounted number of other Government publications, documents, and forms — including the Emancipation Proclamation, the legislative publications and acts of Congress, Social Security cards, Medicare and Medicaid information, census forms, tax forms, citizenship forms, passports, military histories ranging from the *Official Records of the War of the Rebellion* to the latest accounts of our forces in Afghanistan, the *9/11 Commission Report*, Presidential inaugural addresses, and Supreme Court opinions. This work goes on today, in both digital and print forms.

Strategic Vision and Plan

GPO is transforming from a print-centric to a content-centric publishing operation. In FY 2015 and the years ahead, GPO will continue to develop an integrated, diversified product and services portfolio that primarily focuses on digital. Although industry experts predict tangible print will continue to be required because of official use, archival purposes, authenticity, specific industry requirements, and segments of the population that either have limited or no access to digital formats, we recognize that the volume of tangible print that is requisitioned from GPO will continue to decline.



Our five year strategic plan, 2014-2018, which is available for public review at www.gpo.gov/about/, is built around four continuing strategic goals: satisfying our stakeholders, offering products and services, strengthening our organizational foundation, and engaging our workforce. The plan provides the blueprint for how GPO will continue to achieve its mission of *Keeping America Informed* with an emphasis on being OFFICIAL, DIGITAL, SECURE. GPO's senior managers convene at the beginning of the fiscal year to review the plan and approve it before it is issued.

Technology Transformation

GPO has continually transformed itself throughout its history by adapting to changing technologies. In the ink-on-paper era, this meant moving from hand-set to machine typesetting, from slower to high-speed presses, and from hand to automated bookbinding. These changes were significant for their time.

Yet they pale by comparison with the transformation that accompanied our incorporation of electronic information technologies, which began over 50 years ago in 1962 when the Joint Committee on Printing directed the agency to develop a new system of computer-based composition. That order led to the development of GPO's first electronic photocomposition system, which by the early 1980's had completely supplanted machine-based hot metal typesetting. Following the enactment of the GPO Electronic Information Access Enhancement Act in 1993, the databases generated by our composition system were uploaded to the Internet via GPO's first Web site, *GPO Access*, vastly expanding the agency's information dissemination capabilities. Those functions continue today with FDsys on a more complex and comprehensive scale.

As a result of these sweeping technology changes, GPO is now fundamentally different from what it was as recently as a generation ago: smaller, leaner, and equipped with digital production capabilities that are the bedrock of the information systems relied upon daily by Congress, Federal agencies, and the public to ensure open and transparent Government in the digital era. As we prepare GPO for the Government information environment and technology challenges of the future, our transformation is continuing with the development of new ways of delivering Government information, including apps and bulk data download files.

GPO and Congress

For the Clerk of the House, the Secretary of the Senate, and the committees of the House and the Senate, GPO produces the documents and publications required by the legislative and oversight processes of Congress. This includes the daily *Congressional Record*, bills, reports, legislative calendars, hearings, committee prints, and documents, as well as stationery, franked envelopes, memorials and condolence books, programs and invitations, phone books, and the other products needed to conduct the legislative business of Congress. We also detail expert staff to support the publishing requirements of House and Senate committees and congressional offices such as the House and Senate Offices of Legislative Counsel. We work with Congress to ensure the provision of these services under any circumstances through continuity-of-operations (COOP) planning.

Today the activities associated with creating congressional information databases comprise the vast majority of the work funded by our annual Congressional Printing and Binding Appropriation. In addition to using these databases to produce printed products as required by Congress, GPO makes them available to the Internet via FDsys, and they are the source of the apps we build for congressional information. Our advanced digital authentication system, supported by public key infrastructure (PKI), is an essential component for assuring the digital security of congressional documents.

GPO's congressional information systems also form the building blocks of other information systems supporting Congress. Our congressional information databases are provided directly to the Library of Congress to support its new Congress.gov system as well as the legislative information systems the Library makes available to House and Senate offices. We are collaborating with the Library on the digitization of previously printed documents, such as the *Congressional Record* dating from 1873 to 1998, to make them more broadly available to Congress and the public.

GPO Cuts the Cost of Congressional Work

The use of electronic information technologies by GPO has been a principal contributor to lowering the cost, in real economic terms, of congressional information products. In FY 1980, as we began replacing hot metal typesetting with electronic photocomposition, the appropriation for our Congressional Printing and Binding Appropriation was \$91.6 million, the equivalent in today's dollars of \$259 million. By comparison, our approved funding for FY 2014 is \$79.7 million, a reduction of more than two-thirds in constant dollar terms.

Productivity increases resulting from technology have enabled us to make substantial reductions in staffing requirements while continuing to improve services for Congress. In 1980, GPO employment was 6,450. Today, we have 1,879 employees on board, representing a reduction of 4,571, or more than 70%. This is the smallest GPO workforce of any time in the past century.



Highlights of FY 2013 Congressional Work

In 2013, we released a version of the 113th Congress Mobile Member Guide app, which contains data equivalent to the *Congressional Pictorial Directory*, with further updates to be completed this year.

At the direction of the House Appropriations Committee, and in support of the House's task force on bulk data, in 2013 we worked with the Library of Congress to make House bill summaries prepared by the Congressional Research Service available in XML bulk data format, from the beginning of the 113th Congress. This follows the work we have done to make House bills available in XML bulk data format, also beginning with the 113th Congress.

On September 17, 2013, Constitution Day, GPO and the Library of Congress jointly announced the results of a project to produce and update the *Constitution Annotated*, via the Web, an app, and a new print version. The 2013 edition marks the centennial of this highly regarded publication, which now is more broadly accessible than ever, with a new schedule for digital updates as Supreme Court decisions are announced.

The 2013 Presidential inauguration included the work GPO provided under the direction of the Joint Congressional Committee on Inaugural Ceremonies. We designed and produced approximately 80 different products for the event, including invitations, tickets, signs, pins, and other items that supported the organization and conduct of the inaugural ceremonies. We also produced secure credentials for the event.



GPO and Federal Agencies

Federal agencies are major generators of information in the United States, and GPO produces their information products for official use and public access. Federal agencies and the public also rely on a growing variety of secure credentials produced by GPO, including travelers holding U.S. passports, Medicare beneficiaries in Puerto Rico, and other users. Our digital systems support key Federal agency publications, including the annual *Budget of the U.S. Government* and, most importantly, the *Federal Register* and associated products. As it does for congressional documents, our digital authentication system, supported by public key infrastructure (PKI), assures the digital security of agency documents. GPO does not receive appropriations to produce work for Federal agencies. Instead, we provide products and services on a reimbursable basis.

Highlights of FY 2013 Agency Operations

For the past two years we have made the *Budget of the U.S. Government* available as a mobile app. In 2013, the FY 2014 *Budget* on FDsys had nearly 122,000 users in the first few days of availability, and our mobile Web app had approximately 62,000 users.

One of GPO's major agency customers is the Office of the Federal Register (OFR), which produces the daily *Federal Register* and related publications such as the *Code of Federal Regulations*, and other key information products like the *Daily Compilation of Presidential Documents* and the *Public Papers of the President*. GPO produces these publications in both digital and print formats.

A major document that GPO produces is the U.S. passport for the Department of State, which we have been responsible for since 1926. At one time no more than a conventionally printed document, the U.S. passport since 2005 has incorporated a digital chip and antenna array capable of carrying biometric identification data. With other security printing features, this document – which we produce in Washington, DC, as well as a secure remote facility in Mississippi – is now the most secure identification credential obtainable. In 2013, we began work on development of the next generation passport, a project that we now have underway.

Since 2008, we have served as an integrator of secure identification smart cards to support the credentialing requirements of Federal agencies and other Government entities. Our secure credential unit has been certified by the General Services Administration (GSA) as the only government-to-government provider of credentials meeting the requirements of Homeland Security Presidential Directive 12 (HSPD-12). In 2013, following the approval of the Joint Committee on Printing, we completed the installation of a COOP facility for card production at our facility in Mississippi on time and under budget, and began operations.

Partnership with Industry

Other than congressional and other work such as the *Federal Register*, the *Budget*, and secure and intelligent documents, we produce virtually all other Federal agency information product requirements via contracts in partnership with the private sector printing and information product industry. This work currently amounts to about \$300 million annually. Approximately 16,000 individual firms are registered to do business with GPO, the vast majority of whom are small businesses averaging 20 employees per firm. Contracts are awarded on a purely competitive basis; there are no set-asides or preferences in contracting other than what is specified in law and regulation, including a requirement for Buy American. This partnership provides great economic opportunity for the private sector.



GPO and Open, Transparent Government

Producing and distributing the official publications and information products of the Government fulfills an informing role originally envisioned by the Founders, as James Madison once said:

A popular Government without popular information, or the means of acquiring it, is but a Prologue to a Farce or a Tragedy, or perhaps both. Knowledge will forever govern ignorance, and a people who mean to be their own Governors, must arm themselves with the power which knowledge gives.

GPO operates a variety of programs that provide the public with “the means of acquiring” Government information that Madison spoke of. These programs include the Federal Depository Library program (FDLP), Federal Digital System (FDsys), Publications Sales, and social media.

Federal Depository Library Program (FDLP)

The FDLP has legislative antecedents that date back 200 years, to 1813. Across those years, depository libraries have served as critical links between “We the People” and the information made available by the Federal Government. GPO provides the libraries with

information products in digital and, in some cases, tangible formats, and the libraries in turn make these available to the public at no charge while providing additional help and assistance to depository library users. The program today serves millions of Americans through a network of approximately 1,200 public, academic, law, and other libraries located across the Nation, averaging nearly three per congressional district. Once limited to the distribution of printed and microfiche products, the FDLP today is primarily digital, supported by FDsys and other digital resources.

Federal Digital System (FDsys)

GPO has been providing online access to congressional and Federal agency documents since 1994. Today, FDsys provides the majority of congressional and Federal agency content to the FDLP as well as other online users. This system has reduced the cost of providing public access to Government information significantly when compared with print, while expanding public access dramatically through the Internet. Public utilization of FDsys has increased substantially. In 2013, FDsys recorded its 500 millionth document retrieval since replacing our original online Web site, *GPO Access*. Currently, FDsys serves as a secure preservation repository for nearly one million individual titles from all three branches of the Government, the only system of its kind in operation today. In 2013, FDsys averaged 38.7 million downloads per month, with a spike up to 47.5 million retrievals during the recent Government shutdown. GPO is continually adding collections to FDsys to provide increased public access to Government information.



GPO Achieves Savings in Information Dissemination

In 1995, the first full year of our online operations, the cost of printing and distributing millions of copies of printed publications to Federal depository libraries nationwide was funded at \$17.6 million, the equivalent of \$26.9 million in constant dollars. For FY 2015, we are proposing to fund this function at \$8.7 million, a reduction of more than 67% in constant dollar terms. Along with appropriations to GPO's Revolving Fund, we have used the savings from reduced printing and distribution costs to pay for the establishment and operation of our digital information dissemination operations, achieving additional savings for the taxpayers, and vastly expanding public access to Government information.

Publication and Information Sales Program

Along with the FDLP and FDsys, which are no-fee public access programs, GPO provides public access to official Federal information through public sales featuring secure ordering through an online bookstore, a brick and mortar bookstore at GPO headquarters in Washington, DC, and partnerships with the private sector that offer Federal publications as eBooks. As a one-stop shop for eBook design, conversion, and dissemination, our presence in the eBook market continues to grow. We now have agreements with Apple, Google's eBookstore, Barnes & Noble, OverDrive, Ingram, Zinio, and other online vendors to make popular Government titles such as the *Financial Crisis Inquiry Report* available as eBooks. Additionally, we are working with Congress to make various publications, including *Women in Congress*, *Black Americans in Congress*, and the upcoming *Hispanic Americans in Congress*, available as eBooks.

Reimbursable Distribution Program

We operate distribution programs for the information products of other Federal agencies on a reimbursable basis, including General Services Administration (GSA) Consumer Information Center publications, from warehouses in Pueblo, CO, and Laurel, MD.

GPO and Social Media

We use Facebook, Twitter, YouTube, and a book blog to share information about GPO news and events and to promote specific publications and products. By the end of 2013, we had 2,731 likes on Facebook, 5,000 followers on Twitter, and 93,705 views across nearly 53 videos on YouTube. Our book blog, Government Book Talk, focuses on increasing the awareness of new and classic Federal publications through reviews and discussions. In February 2013, we started up a presence on Pinterest and now have 288 followers pinning on 15 boards of Federal Government information.

GPO's Finances

Revolving Fund All GPO activities are financed through a business-like Revolving Fund. The fund is used to pay all of GPO's costs in performing congressional and agency printing, printing procurement, and distribution activities. It is reimbursed from payments from customer agencies, sales to the public, and transfers from GPO's two annual appropriations: the Congressional Printing and Binding Appropriation and the Salaries and Expenses Appropriation of the Superintendent of Documents. Our appropriations constitute approximately 15% of our total revenues.



Appropriated Funds GPO's Congressional Printing and Binding Appropriation is used to reimburse the Revolving Fund for costs of publishing the documents required for the use of Congress in digital and print formats. The Salaries and Expenses Appropriation of the Superintendent of Documents is used to pay for costs associated with depository distribution, cataloging and indexing, statutory distribution, and international exchange distribution. The reimbursements from these appropriations are included in GPO's Revolving Fund as revenue for work performed.

FY 2013 Financial Results Revenue totaled \$719 million while total expenses were \$689 million. The expenses include a \$1.4 million beneficial adjustment reflecting a decrease in the GPO long term liability for workers' compensation. Before that adjustment and net of the accumulation of \$20.7 million in reimbursements from the State Department reserved for capital investment supporting passport production, GPO's operating net income was \$7.3 million. Our financial statements are audited annually by an independent third party contracted for by our Office of Inspector General, and we routinely receive an unqualified or "clean" opinion.

FY 2015 Appropriations Request

We are requesting a total of \$128,919,000 for FY 2015, an increase of \$9,619,000 or 8.1% over the level of funding provided for FY 2014 in P.L. 113-76. The increase is primarily attributable to the Congressional Printing and Binding account due to the currently projected reduction in the availability of unexpended prior year funds to offset new funding requirements. The other significant component of our increased request is for support of GPO's Federal Digital System (FDsys) and our Composition System Replacement project as well as necessary facilities maintenance and repairs.

GPO's appropriations request for FY 2015 will enable us to:

- Ⓐ meet projected requirements for GPO's congressional printing and binding operations;
- Ⓑ fund the operation of GPO's statutory information dissemination programs and provide investment funds for necessary information dissemination projects; and
- Ⓒ continue the development of FDsys and GPO's Composition System Replacement project and carry out necessary facilities maintenance and repair projects.

Congressional Printing and Binding Appropriation

We are requesting \$85,400,000 for this account. This represents an increase of \$5,664,000 or 7.1% over the level approved in P.L. 113-76. Rather than representing an increase in congressional printing and information product requirements, the increase is due primarily to the reduced availability of unspent prior year funds that can be used for this account.

For FY 2014, we estimated that total congressional printing and binding requirements would be \$89,487,000. We plan to use \$9,751,000 of transfers from the unexpended balances of prior year appropriations to help offset these requirements. This reduced our need for new funding to \$79,736,000, the level that has been approved for FY 2014.

For FY 2015, we estimate that total congressional printing and binding requirements will be \$90,713,000, an increase of \$1,226,000 or 1.4%, which is a third less than the anticipated 2.1% inflation increase. At this time, we plan to use \$5,313,000 that is available in unexpended prior funds to offset these requirements, resulting in our request for \$85,400,000 in new funding. We are continuing to monitor the liquidation of outstanding obligations against our prior year accounts, and should additional prior year unexpended balances become available, we will request their transfer for FY 2015 purposes.



The estimated requirements for FY 2015 include a projected price level increase of \$1,895,000, based on an average 2.1% rise in printing costs. The effects of the price level increase are offset by an estimated \$669,000 reduction in volume requirements. The volume estimate is derived from historical data. While volume is projected to increase for hearings, miscellaneous printing and services, bills and resolutions, and the *Congressional Record Index*, volume reductions are projected for all other congressional printing and binding categories, chiefly in the categories for the *Congressional Record*, legislative calendars, document envelopes and franks, miscellaneous publications, and committee prints.

Salaries and Expenses Appropriation of the Superintendent of Documents

We are requesting \$32,171,000 for this account. This represents an increase of \$671,000 or 2.1% over the funding approved in P.L. 113-76.

The funding we are requesting for FY 2015 will cover mandatory pay and related cost increases of \$271,000. Merit and other pay increases are included for 94 FTE's, a reduction of 20 from the level requested for FY 2014. In addition, the requested funding covers projected price level increases of \$400,000, including ongoing systems maintenance and FDsys operating expenses.

Our total requirements for this account for FY 2015 are projected to be \$37,238,000. This includes \$2,500,000 for the development of metadata for the digitized bound Congressional Record and Federal Register; \$1,067,000 for the FDLP's digital harvesting and content management project; \$1,000,000 for the historic shelflist digitization project; and \$500,000

in projects to enhance public access to Web-based publications. To cover these costs, there is approximately \$5,067,000 in unexpended balances from prior year accounts. We will request the Appropriations Committees for authority to transfer these funds to the Revolving Fund to cover these project costs.

Revolving Fund

We are requesting \$11,347,500 for this account, to remain available until expended. This represents an increase of \$3,284,000 or 40.7% over the funding provided in P.L. 113-76.

The request includes \$5,331,500 for FDsys projects, including \$3,800,000 for repository development, search development, and Web app and processing development, to maintain consistent delivery of new features and functionality associated with the introduction of the next generation FDsys, scheduled for FY 2015. In addition, we are requesting \$1,531,500 for FDsys infrastructure improvements including test environment, development environment, storage upgrade, and additional bandwidth to accommodate continuing increases in public use. The recent report of the National Academy of Public Administration on GPO discussed the need for appropriations to provide necessary funding for FDsys.

GPO has been working on the development of our XML-based Composition System Replacement (CSR) project, which will replace our aging Microcomp composition system. The objective of the project is to match the typographical style and page layout of current printed publications, as well as support enhanced search, retrieval, data formats, and repurposing of data. In FY 2015, GPO plans to continue active development of core legislative documents, beginning with bills, resolutions, and amendments but also efforts to migrate additional publications to XML. We are requesting \$3.5 million for this purpose, which will cover the costs for hardware, software, and staffing needed for project support, development and implementation.



We are also requesting \$2,516,000 for facilities projects, including replacement of aging elevators and the roof, acquisition of a new automated utility management system, and projects to install upgraded volt transformers, design of a "free cooling" heat exchange system, installation of an air compressor, and a new cooling system for GPO's data center.

Chairman Cole, Ranking Member Wasserman Schultz, and Members of the Subcommittee, thank you again for inviting me to be here today. This concludes my prepared statement and I look forward to answering any questions you may have.

Mr. COLE. We will proceed with questions from the members of the subcommittee. Just for informational purposes, at least initially, I am going to try to adhere to the 5-minute rule, but I would expect we will have plenty of time to come back for more than one round if members have something they particularly want to explore. When I had the good fortune of being here before when Ms. Wasserman Schultz was chair, I could sort of do whatever I wanted to do, ask whatever questions I wanted to ask. She encouraged that.

Ms. WASSERMAN SCHULTZ. And you did.

Mr. COLE. I did. And now I have a staff that gives me the questions that they want to ask. So I had a lot more freedom under Ms. Wasserman Schultz than I have today. But they are matters that I agree with very much.

SECURE CREDENTIALS

As you are well aware, the GPO plays a critical role in America's security by producing U.S. passports for the Department of State and secure credentials for Federal Agencies. Recently, there have been some issues brought to our attention regarding the secure credential production. Some points being that GPO has a monopoly within the Federal Government for the production of secure credentials and is actively using a robust marketing team to increase your share of the secure credential business arena.

Given that, as a committee, we have no question that you should be involved in producing U.S. passports for the Department of State. Would you briefly tell us the benefits, particularly for the new Members of Congress, and explain the programs that exist, the level of business, the kind of revenue that you generate off secure credentials?

Ms. VANCE-COOKS. Sure. Let's start off by talking about smart card credentials, and then we will talk about the passports. In terms of the smart card credentials, we started to become involved in that product in about 2008, when the Joint Committee on Printing gave us the approval to develop a smart card capability. And we put that in our main headquarters. And we started to produce smart cards.

But it is important to realize that our involvement in smart cards is very limited in scope and very small. We function basically as a print card integrator. And what that means is that we pull the best from all of the private sector industry—everything that they have to offer—to create quality products in a secure environment. And so our strategic position is simply that we offer an in-government solution for those Federal Agencies that want the Federal Government to produce the cards for them. When I talk about the fact that it is an in-government solution, I am referring to the fact that we make the smart cards in a Federal building, that our production environment is run by secured government employees. In fact, our production environment is ISO 9001 certified. We are also GSA certified to graphically personalize HSPD-12 cards, the only government agency that has that designation.

We are easy to do business with because all you need is an SF-1 requisition. And that is because this is how we have always operated, which is with an SF-1. We function as an in-government so-

lution primarily, as I said, just because we are offering an option to the government agencies.

Now, what we have also found is that because we are small in stature and limited in scope, last year, in fiscal year 2013, we generated smart card revenues of just \$15 million. That is only 2 percent of our total revenue. When you look at our shipments, you can also see that when you compare it to the wide market for the smart cards, it is about two-hundredths of 1 percent. We are a small player in this. But we are also very much involved with the smart card community because we purchase from them. We purchase consultation, digitization, personalization, equipment, supplies, raw materials. All of those goods and services we purchase from the smart card community to create these smart cards. So we have a very good relationship with them.

We believe very strongly that we are just an option. There is no such thing for us as a monopoly. We don't even have a monopoly on printing. If you really think about it, there are about 80 printing plants across the Federal agencies. And we also procure printing. So there is no monopoly here for us as well with the smart cards. But it is also important for us to realize that we provide that option to the Federal agencies if they want it.

There is no marketing sales team. That sales team is exactly one person, and that person is primarily responsible for handling inquiries that come into us. We don't have any intention of going to the State and local governments. We are not allowed to. There is no such thing as us having or generating profits because Title 44 only allows us to recover our costs. Our pricing is very transparent. It is based upon capital investment, labor, overhead, and materials. Because of that, we try very hard to reduce our overhead expenses. We are a very small part of this field.

We are also a member of Smart Card Alliance. This is an industry association comprised of about 200 members. We are not competing. You will not see us in a RFP because once there is an RFP, it means that a Federal agency has decided to go outside of the government. Now, you will see us occasionally in a RFI. But a RFI simply means that we are providing research. And that is only if the Federal agency asks us. So we are very small.

Mr. COLE. Two quick follow ups, because you gave a very thorough answer. One, can you just, for the benefit of the committee, give us a range, when you say smart cards, of the kind of different things that entails? And then, number two, I think you addressed the question of monopoly very well. Could you give us some idea of what percentage of the Federal budget or Federal business in this area, if you even have any idea, that GPO does as opposed to private entities?

Ms. VANCE-COOKS. Well, let's answer the second part first.

Mr. COLE. Sure.

Ms. VANCE-COOKS. I can tell you with \$15 million in sales for fiscal year 2013, the fact that it is only 2 percent of our revenue, that gives you an idea of just how small we are. And when you think about the fact that the smart card business is a multi-billion dollar business, we are real small. We are very tiny. We have that niche. And that niche is just simply that we provide an in-government solution.

And if you talk about ranges in terms of revenue, you have some very large vendors who probably make millions and millions of dollars. We are nowhere near there. Don't intend to, as a matter of fact. Our main objective is simply to have that small niche which is to provide that government option, that choice for the Federal agency that wants it.

And as I said before, all you have to do is provide us with an SF-1 requisition. When you look at our client base, the customers that we have for the smart card business are the same customers that we have for printing. They are very accustomed to using an SF-1. So that is why they are there for us.

Mr. COLE. Very good.

Ms. Wasserman Schultz.

COSTS OF DIGITAL OPERATIONS

Ms. WASSERMAN SCHULTZ. Just a couple of questions. The FDsys, like I referenced in my remarks, is expensive. And with the arrival of the digital age, we have to catch up. Because with 153 years of history at GPO, in 2014, we are just not making these investments to catch you up when the digital age has been underway for quite some time.

I am not sure, Mr. Chairman, how many Members on both sides of the aisle would actually know what an app is. No offense to the Members. But if we did a survey—

Mr. AMODEI. None taken.

Ms. WASSERMAN SCHULTZ. Present company excepted, of course. If they did know, it is probably their children or grandchildren that are showing them what they are. But you have asked for a little more than \$32 million for the Superintendent of Documents. And that is a 2 percent increase. And the increases are for digital harvesting and historic digitization, which is the hardest word there is to say. But can you just give us an idea of the outyears on what you expect to be investing in and how long this project will go on for?

Ms. VANCE-COOKS. Sure. I can start off by telling you that I believe that investment in FDsys will be ongoing. And that is because we are moving towards a digital environment. And that is also because our stakeholders are moving digital. And because of that, we need to make sure that we give them what they need. And what they want is information. The fact that we have now seen about 38.7 million documents retrieved each and every month simply means that there is an insatiable demand for information. We must make sure that we give that information to them and that it is accessible.

But in terms of it being accessible, we also have to make sure that you can easily retrieve it. So we need to make sure that we pay for or have the funds to pay for new search engines, data storage, file storage, test environments, content management systems, and so on.

Back in the day when we were merely just a printing operation, you could buy a piece of equipment, and it would last for 30 years old. And I know this for a fact because we are just now starting to upgrade some of the equipment that we have. It is more than

30 years old. And you know what, some of that equipment still works, still churns out, and everything is great.

But when you talk about digital, and as you talked about the mobile app, those digital iterations change constantly. And we need to make sure that we are at the table and that we can make those changes. So I expect us to always ask for about \$6 million to \$7 million a year to keep up with all of the changes.

This particular time we are in the next generation of FDsys, and we really need to get a new search engine. Because of the fact that there are so many retrievals from FDsys, we have to make sure that when you retrieve it, you don't wait for a while to have the data. And you know how frustrating that can be.

Ms. WASSERMAN SCHULTZ. Just, and I ask the question knowing the answer—

Ms. VANCE-COOKS. Okay.

Ms. WASSERMAN SCHULTZ [continuing]. Because I want to make sure that we are able to put Members on notice that we will have an expect—I mean we can either stay in the 20th century or we can make investments and be able to have you serve your clients better and be able to get more. I mean the goal is to get more information into more people's hands, not less.

Ms. VANCE-COOKS. That is right.

EEO AND ACCIDENT RATES

Ms. WASSERMAN SCHULTZ. And then I referenced the EEOC and injury issues that GPO has had in the past. If you could just—

Ms. VANCE-COOKS. Sure. The most recent report was issued on EEOC, and we have four complaints versus 10 this time last year. So we are doing very well. And a lot of that has to do with the fact that we communicate with our employees constantly. I know for a fact that I am very committed to communication. And I have found that when we communicate with our employees and tell them what is going on, there tends to be a better understanding of how we are changing.

Since I became acting Public Printer in fiscal year 2012, I have made it a point to have a town hall meeting every quarter. I am getting ready to go into my ninth town hall meeting. This is a big deal for us because we are 24 by 7. That means that we are here all day. We have three shifts. And our last town hall meeting is at midnight. But it works out because we are talking to our employees. In terms of accidents—they just gave this to me—our accident rate is down slightly compared to last year, 22 versus 23 last year. It is lower than the Architect of the Capitol and several other—

Ms. WASSERMAN SCHULTZ. It would be helpful, just since I have been asking over the years, to give this committee a historical comparison.

Ms. VANCE-COOKS. Sure.

Ms. WASSERMAN SCHULTZ. Because I want to see how much it has gone down through the years.

Ms. VANCE-COOKS. Absolutely. We can do that.

[The information follows:]

Formal EEO complaints filed at GPO for FY 2009—2014 to date:
FY 2009 84

FY 2010	53
FY 2011	34
FY 2012	27
FY 2013	50
FY 2014	(first quarter: 4 vs. 10 for the same period in FY 2013)
Number of workplace injuries/illnesses reported at GPO for FY 2009–2014 to date:	
FY 2009	76
FY 2010	90
FY 2011	88
FY 2012	79
FY 2013	72
FY 2014	(through 2/7/14: 22 vs. 23 for the same period in FY 2013)

LEGISLATION ON GPO

Ms. WASSERMAN SCHULTZ. And just, lastly, Mr. Chairman, I just think it is important to note, given I appear to be the only woman that is a member of the committee—

Mr. COLE. No, the only one here.

Ms. WASSERMAN SCHULTZ. The only one here. We will leave it at that.

Mr. COLE. We are actually evenly balanced.

Ms. WASSERMAN SCHULTZ. That the legislation that would rename GPO also makes sure that we get rid of the gender-specific pronouns, recognizing that the law probably did not anticipate there ever being a woman that was a Public Printer. And now that there is, calling her a him is probably not a good idea.

Ms. VANCE-COOKS. Duly noted.

Mr. COLE. Printer, printess.

Dr. HARRIS.

Dr. HARRIS. Thank you very much and thanks for being here this morning.

Ms. VANCE-COOKS. Hello.

INCREASE IN REQUEST

Dr. HARRIS. There is an increase in FY 2015 request of 8.1 percent over this year. I understand that most of the \$5.6 million additional spending is for congressional printing and binding and that the \$3.3 million increase is for the revolving fund. What is net paid from the revolving fund? I understand that when you provide printing services for agencies, they are reimbursing you what it costs you, correct? When you print for the public they reimburse you, correct? So what is the net that gets paid out of the revolving fund?

Ms. VANCE-COOKS. Sure. In our appropriations, we have three components. We have the congressional printing and binding, which pays for the congressional printing; the salaries and expenses, which pays for our Federal Depository Library Program; and the revolving fund, which pays for capital investments. So that is why you will see us requesting certain capital investments to be paid out of the revolving fund, which is part of the appropriation.

This year, we have asked for digital project upgrades as well as building improvements. In terms of the digital project upgrades, we have asked for some improvements in FDsys, our online content management tool, and we have also asked for funding for our composition system replacement. The composition system replacement is a composition tool that we use in the pre-press. And we have

also asked for some funding for building improvements because we need to fix the roof.

Dr. HARRIS. What fund is the unspent prior year's fund?

Ms. VANCE-COOKS. This is in the congressional printing and binding account. Now let's talk about the congressional printing and binding offset. When we estimate for congressional printing and binding, we use historical data based upon what year we believe the congressional session will be. And in this case, we are talking about the first year of a new Congress. So we have some historical data that tells us what we can estimate. The total requirements for fiscal year 2014 were about \$89 million. For fiscal year 2015, they were \$90 million. So, basically, they were about the same.

The difference is that when we reached back into the unspent funds from 5 years prior, we had more money to offset in fiscal year 2014 than we did in fiscal year 2015. So when we submitted the budget for fiscal year 2014 of about \$89 million, we had \$10 million that we could pull forward, which showed us then with a final request of about \$79 million. But then, for fiscal year 2015, we only had about \$5.3 million to pull forward. All of this is specifically related to the congressional printing and binding. It does not touch the revolving fund.

Dr. HARRIS. Okay. Why in a digital age, are congressional printing and binding costs continuing to increase?

Ms. VANCE-COOKS. No, sir, they are not continuing to increase.

Dr. HARRIS. So fiscal year 2015 is the first year of a term that you are projecting an increase in the budget from 89 to 90. Is that correct.

Ms. VANCE-COOKS. Okay. In fiscal year 2014, it was \$89 million.

Dr. HARRIS. Right.

Ms. VANCE-COOKS. Then in fiscal year 2015 it is \$90 million. That increase is basically wage increases. There are about 10 categories that go into the estimates for this account. That would be hearings, miscellaneous publications, envelopes, those kind of things. Most of those have declined. So it is about a 1.4 percent increase basically just due to wage and price increases. When you look at all of the different categories, you are going to see significant decreases. And it is just that we did not have enough money to offset. But we are working on that, sir. We are trying very hard to identify whether there are additional funds that can be brought forward.

Dr. HARRIS. And the unspent funds, why is that balance decreasing over time? Is it because you were funded at higher levels than necessary in the past? Is that what increased the balance in the unspent funds account?

Ms. VANCE-COOKS. That is a good way of putting it. But we are talking about 5 years ago, because we are only allowed to go back in 5-year increments. So when we went for 2014, we were looking at 2009 estimates. Now, the agencies have 5 years to continue to submit bills. So you need to have the money sitting there for some of the bills that still may need to be paid. And then, after that is paid, then you take a look at what is unspent. So rather than sending it back to the Treasury, it sits out there waiting for us to pull it forward. This particular strategy is something that this par-

particular committee developed many years ago as a way for us not to continue to come back to the well.

Dr. HARRIS. Okay, so there is a 5-year period that Congress can submit a bill, correct?

Ms. VANCE-COOKS. That you all can submit a bill. We are only talking about Congress at this point.

Dr. HARRIS. Why would it take Congress 4 years to submit a bill? I must be missing something.

Ms. VANCE-COOKS. I don't know.

Dr. HARRIS. Certainly, that is not a common business practice. Could you provide an example of why this delay would occur?

Ms. VANCE-COOKS. Hearings are not always published at the same time.

Dr. HARRIS. I recognize that but 3, 4, 5 years later?

Ms. VANCE-COOKS. It does happen, yes.

Dr. HARRIS. This is certainly not a common standard business practice, but Congress is not a standard business.

Mr. COLE. Mr. Bishop.

VOTING AND ID CARDS FOR CONGRESS

Mr. BISHOP. Thank you very much, Mr. Chairman.

Thank you, Ms. Vance-Cooks, for appearing and your testimony. And commendations and kudos to you on your confirmation.

Ms. VANCE-COOKS. Thank you.

Mr. BISHOP. I continue to be amazed at the skill with which you have taken the agency from your interim capacity and now in your official capacity to such a tremendously efficient management. I wanted to ask you if you print our voting cards and our ID cards for the Congress. Do you? Do you do those?

Ms. VANCE-COOKS. No.

GPO NAME CHANGE

Mr. BISHOP. Okay. Those are outsourced?

And of course with the name change and the gender neutrality, I assume that the title of the office will be the Public Publisher. Is that correct?

Ms. VANCE-COOKS. No, it will be the Director.

Mr. BISHOP. Okay. Very good.

Mr. MORAN. These are really probing questions.

GPO SECURITY FORCE

Mr. BISHOP. I understand that the GPO has its own security force which counts for roughly \$6 million of your budget. Do the officers at the GPO have similar training and experience and requirements as the Capitol Police? Do they have similar benefits and salaries? Have there been any discussions about merging the security forces there at the GPO with the Capitol Police or any of the other law enforcement agencies? Does it make sense from your perspective? Is there a unique reason why the GPO should have its own security forces?

Ms. VANCE-COOKS. You are correct that we do have a security force, and it is distinctly different from the U.S. Capitol Police. And they are very well trained. We have a director who has been here

about 5 years, and he has really and truly taken leadership of this particular force. He has assured us that they are completely trained. We have a combination of uniformed police as well as contract security officers. They are responsible for protecting our assets as well as our people. And by "assets," I mean not just the main headquarters, but also the passports, here in Washington as well as down in Stennis, MS.

In a hearing that I participated in last December, where we talked about the future of GPO, I think it was GPO in 2023, I was asked the same question, whether we would be interested in having discussions about merging our police with the U.S. Capitol Police. And we are always willing to talk about that if that is the case that you believe that this is something that we should be doing.

Mr. BISHOP. I am not advocating it. I was just wondering if there were any unique capabilities that the GPO security forces had that perhaps the Capitol Police do not have. Is there any special knowledge or expertise that they have, given the documents and the sensitive materials that you protect that would require you to have your own security force?

Ms. VANCE-COOKS. I think basically they have the same training as the U.S. Capitol Police, but they just have more knowledge of the type of assets that they are protecting, especially in terms of the passports. And they are trained in the D.C. code and other areas related to the perimeter of our building. We are set right next to WalMart—by the way, the new WalMart is right next to us. And some other areas. So they have specific training in that.

CONTINUED NEED FOR PRINT

Mr. BISHOP. Recently, there was an article in the Washington Post about how a lobbying group organized by the paper industry wants to slow the Federal Government's move towards digitization. The group argues that many senior citizens don't have Internet access and by rushing to go paperless, that many of the seniors will feel disenfranchised and the digital divide will grow even deeper. I understand that you are being asked to do more with less. And of course, I learned today that digital printing is not necessarily cheaper than traditional printing. But I represent a rural area in southwest Georgia where broadband has not reached every hamlet, as we had hoped. The question is, are we rushing too fast to digitize everything and to do less of the printing?

Ms. VANCE-COOKS. I think that is an interesting point, because I read that article as well. And I thought that the term they used, "digital divide," was fascinating. Because there is such a thing, in my mind, as a digital divide. We always have to remember that we need to balance both tangible print as well as digital print; that in terms of digital print, there are a number of areas that are underserved, there are a number of people in various communities who not only don't have access to it, they may not even want to have access to the Internet.

But also we need tangible print for archival purposes, for issues of authenticity. There are some industries, for example the legal profession, that still require tangible print in many cases. We just need to make sure that we are always there to accommodate it. So I see the GPO's role as being responsible for balancing both tan-

gible as well as the digital. We have stakeholders across the Nation. And our stakeholders need to make sure and we need to make sure that they understand we can accommodate whatever it is that they desire.

PROVIDING DIGITAL DOCUMENTS TO THE FDLP

Mr. BISHOP. My final question is: In July 2013, the Government Accountability Office issued a report on Federal printing that found that as agencies are shifting from paper to digital publishing, that many of them have not submitted digital documents to the Federal Depository Library Program. What steps is GPO taking to ensure that the FDLP is preserving and collecting digital government documents?

Ms. VANCE-COOKS. We call those fugitive documents, because they are missing from the FDLP, and because we are trying to find them. More and more of the agencies are putting their documents on the Web. That means they are born digital. And so with the FDLP program, we have the capability of harvesting those Web sites. We go in and crawl the agency site and harvest these documents and put them into our program.

At the same time, we want to make sure that the agencies realize that when they update that document or when they take it down, they really need to let us know so that we can try to capture it as quickly as possible before it disappears. This is important because we are responsible for capturing those documents. This is our history. These documents tell us what the agencies are doing. We need to work much more collaboratively with the agencies to make sure that we don't lose those documents.

Mr. BISHOP. Do you need legislation, any encouragement from Congress to the agencies to do that?

Ms. VANCE-COOKS. I don't think we need legislation, sir, but I do think we need encouragement. I think we need to always let them know that we must have those documents. We are doing our part through Web harvesting. But if the agencies want us to keep track of what they are doing, and especially the mission-critical documents, it is important for us to have them.

This became very apparent during the shutdown. We were open. The FDsys portal was open. As I mentioned in my testimony, we had 47.5 million retrievals. A lot of the other Web sites went dark, and the librarians told us that people were scrambling trying to find the information. If we had the capability of having all of that information harvested and put on FDsys, something like a shutdown or anything along that nature would not have been as catastrophic for those people who were seeking information. And it matters.

INABILITY TO RETRIEVE DIGITAL DOCUMENTS

Mr. COLE. If the chair may, I just want to interject quickly on two points that Mr. Bishop made. And one as an old historian, I can tell you not having the documents, we already have a lot of examples, because the technology has changed so rapidly, of documents that were digitized that can't be retrieved now. We have literally lost the capability. So that maintaining the documents really is important.

COSTS OF POLICE CONSOLIDATION

Second, you made the point about the Capitol Police and the Government Printing Office. And I know we have looked into this as a staff, because I have asked that question myself. Just for the record, I was told it would really cost tens of millions of dollars to merge them. So there is a huge up front cost with anything like that and we would really have to look at.

Mr. Stewart.

Mr. STEWART. Thank you, Mr. Chairman. This is my first hearing as a member of the appropriations committee.

I want you to know I look forward to working with you, the ranking member, Ms. Wasserman Schultz as well.

Thank you.

And to you, I am impressed with your testimony, Ms. Vance-Cooks. It appears clear to me why you were selected for this position. And we congratulate you upon that.

Ms. VANCE-COOKS. Thank you.

STEWARDSHIP OF FUNDS

Mr. STEWART. A couple things, if I could, and I think I can actually be quite brief on this. You said something in your testimony that makes my heart go pitter patter, and I admire you for your courage in admitting it, and that is you had actually unspent funds. I don't know of any other agency that did, or that would admit it if they did. So thank you for that and your stewardship and being obviously careful with taxpayer resources. I wonder, you know, when we come in and see your request for an increase, which is not insubstantial—

Ms. VANCE-COOKS. Right.

Mr. STEWART [continuing]. If every agency was requesting an 8 percent increase, I think we would agree we would be in trouble and it would be nearly impossible to do that.

Ms. VANCE-COOKS. Sure.

BUILDING IMPROVEMENTS

Mr. STEWART. You explained I think fairly well to me why that is and some of the reasons that that is necessary. The digitization and other things, I would like to come back to Mr. Bishop's comments in just a second.

But before we do, could you explain a little bit about building improvements? That was one of the things that you mentioned that some of these additional funds were necessary for. Could you elaborate on that?

Ms. VANCE-COOKS. Sure. Our building is very old and it is very large. Because of that, we have a number of things that need to be taken care of. The roof, we are still in the process of finishing the roof repairs. We have some elevators that need to be repaired. These are health and safety issues that are primarily part of our request for appropriations.

Mr. STEWART. Have these been delayed for a period of time?

Ms. VANCE-COOKS. Yes. During the period of time of significant austerity they were delayed.

Mr. STEWART. Yes.

Ms. VANCE-COOKS. And so we would like to take care of that, especially because there are health and safety issues.

Mr. STEWART. Okay. And do you have a round figure for about how much money they are in totality? About what percentage?

Ms. VANCE-COOKS. In this particular budget, we ask for about \$3.5 million.

Mr. STEWART. So a relatively small amount still.

Ms. VANCE-COOKS. Yes, sir.

UNAVAILABILITY OF DOCUMENTS

Mr. STEWART. Going back to Mr. Bishop's comment, once a document is digitized, and talking about some folks in rural counties or rural areas or maybe an older segment of the population who are not as interested or capable of being comfortable with the Internet, are all of those documents available in paper form if someone were to request them?

Ms. VANCE-COOKS. Not all of them, no.

Mr. STEWART. What percentage of them would you say?

Ms. VANCE-COOKS. It is hard to tell. I really don't know that answer. And I don't think anyone does, sir. I will say that it is important for me at least to emphasize for you that we have Federal Depository Libraries throughout the United States. In fact, we have about 1,200 of them. And these are libraries that we have a relationship with and we send tangible documents to them.

Mr. STEWART. Okay.

Ms. VANCE-COOKS. So if someone at, like you just suggested, wanted some of those documents, they could actually go to that library and retrieve that document. But I will be clear, and I think you are making a good point, not all of those documents are captured. Therefore, not everything is there.

Mr. STEWART. Could you give me an idea, is it extraordinarily rare that someone asks for something and you just say we don't have it, or does it happen every day?

Ms. VANCE-COOKS. I think it happens every day.

Mr. STEWART. Okay. But it would be—even though it happens every day, I guess I am trying to kind of connect those two dots, is that a big concern for you then?

Ms. VANCE-COOKS. It is.

Mr. STEWART. That we have people requesting things—

Ms. VANCE-COOKS. Sure. Because we specialize in government documents. And the government documents tell the people of the United States what is happening with their government. And it is not just the Congress that we are capturing information for; it is Federal agencies.

Mr. STEWART. Okay.

Ms. VANCE-COOKS. And when that information is not available, then that means the information is just not there for them. And I think that we need to satisfy our mission, which is to keep America informed.

Mr. STEWART. Okay. Even though it may happen every day, would you say it is what, 1 percent, 2 percent, 10 percent of the requests that you get you are not able to fulfill?

Ms. VANCE-COOKS. I think it is hard to say. If I had to, I would say it is about 10 percent, but that is just a gut feeling.

Mr. STEWART. That is a fairly significant amount.

Ms. VANCE-COOKS. It is. And I think it would be really nice for me to check with the Federal Depository Librarians to ask them. The Federal Depository Library Program is just rich with information. Depository librarians tell us all the time about people coming in asking for certain government documents.

Mr. STEWART. Okay.

Ms. VANCE-COOKS. And we can have that for the record. It is a great question.

[The information follows:]

FUGITIVE DOCUMENTS

The exact percentage of documents fugitive to the Federal Depository Library Program (FDLP) is currently unknown. Over the years, specific agencies, time frames, or other subsets of the universe of Government publications have been examined and resulted in a percentage of fugitive publications. GPO did one such study with FY 1996 titles distributed through the FDLP and examining the FY publications of NTIS, DOE, NASA, and DTIC. It was determined that approximately 50% of the publications were fugitives. However, GPO conducted this study at a time when publications distributed to depository libraries were almost exclusively tangible.

In April 1991, the Joint Committee on Printing conducted a hearing, *Government Information as a Public Asset*, which asked the questions, “Approximately how many reference requests does your Department receive per year? About what percentage of these are you unable to satisfy due to one or more of the fugitive document problems you’ve outlined in your testimony?” The regional depository librarian at the University of Kentucky responded:

We answered 16,000 questions in fiscal year 1989-90. I cannot answer the second part of this question with any certainty since we do not keep statistics on the number of questions that receive a negative response but my impression is that it would be in the realm of 5-10%. The other factor here which might increase the percentage I just cited is the number of times that our users have been forced to use older data than they wanted or a different research report than the one they were originally seeking simply because we did not have the information that they originally asked for.

Dramatically fewer publications are distributed to depository libraries in print format in the digital age as agencies are publishing directly to their Web sites. To acquire more online content for the FDLP, and to help mitigate the fugitive document problem, GPO began automated harvesting of agency Web sites. From November 2012 to February 2014, over 21,549,000 publications (2.3 TB of data) were harvested from thirty-nine agencies, and made accessible to Federal depository libraries and the public they serve through the Catalog of U.S. Government Publications (<http://catalog.gpo.gov>).

This alone will not eliminate the fugitive document problem. Harvesting activities need to be expanded well beyond the 39 agencies. Federal depository library responses to the recent FDLP Forecast Study questionnaire convey a need for GPO to harvest and preserve digital content. They see this as something that should be done within the next five years to improve access to Government information. Further, libraries indicated this as a role for GPO in the “ideal FDLP” that meets their current and anticipated needs for Federal Government information.

One of the recent recommendations of the National Academy of Public Administration relates to the problem of fugitive information available only in digital form on agency Web sites: “Congress should establish a collaborative interagency process, and designate a lead agency or interagency organization, to develop and implement a government-wide strategy for managing the lifecycle of digital Government information.”

GPO and the Superintendent of Documents are well positioned to contribute to the development of a much needed government-wide strategy, including agreed upon standards and processes, to capture and preserve digital government information on agency Web sites. GPO is actively engaged with entities in all three branches—including Congress, the Library of Congress, Administration Office of the United States Courts, the National Archives and Records Administration, and Federal agencies—in the discovery, capture, access and preservation of digital government information. This role for GPO is supported by the American Library Association, which in June 2013 adopted a “Resolution Urging Congress to Designate the Government Printing Office as the Lead Agency to Manage the Lifecycle of Digital United States Government Information.” GPO welcomes the opportunity to take on this critically important leadership role should Congress so wish.

GPO TOWN HALLS

Mr. STEWART. Would you, please? Let me conclude with this. You mentioned your town halls. I appreciate you doing them, as do we, although your reception may be a little warmer than some of ours.

Ms. VANCE-COOKS. Okay.

Mr. STEWART. Can you tell me how many people work in your employ? How many people you are responsible for?

Ms. VANCE-COOKS. Nineteen hundred.

Mr. STEWART. Okay. Thank you, Mr. Chairman.

Ms. VANCE-COOKS. You are welcome.

Mr. COLE. Okay. Mr. Moran.

GPO'S TRANSFORMATION

Mr. MORAN. Thank you, Mr. Chairman. It is actually fortunate that my close friend from Georgia rearranged the chairs because he asked the questions that I would have, and did so more articulately than I could have.

So I just want to applaud and thank you for the job that you are doing, Madam Printer, and your predecessors and your colleagues beside you and behind you.

The Government Printing Office could have become the most anachronistic of all of our government functions, but you have seen to it that it has gone through the transition to digitization without untoward disruption. You have done a very fine job managing up to 2,000 employees and anticipating what the needs of the future are going to be. I guess the one thing that we need to bear in mind is that there is an assumption that these carryover balances are going to be reduced in future years. So we have had kind of a little bit of a free ride since we have been able to draw on these balances in the past. But each year, those balances are going to be reduced. And so what looked like increases are really not in terms of operational resources. So, with that recognition, again, I think you are doing a terrific job, and we appreciate that.

Thank you, Madam Printer.

Ms. VANCE-COOKS. Thank you.

CONCLUDING REMARKS OF CHAIRMAN COLE

Mr. COLE. I want to echo my friend's appreciation for your stewardship. As Mr. Stewart said, it is obvious that you really know your subject backwards and forwards. We are going to have some more questions we are going to ask for the record if we could, but I am going to try to keep us on schedule. Does anybody else have any additional questions?

Ms. WASSERMAN SCHULTZ. I have no additional questions. The only thing I would like to conclude is by saying if you want something done and done well, give it to a busy woman.

Mr. COLE. Nobody is going to try and top that one.

Ms. VANCE-COOKS. I like that. Thank you.

Mr. COLE. Thank you very much.

Ms. VANCE-COOKS. Thank you so much, all of you.

[Questions submitted for the record by Chairman Cole follow:]

**GOVERNMENT PRINTING OFFICE
QUESTIONS FOR THE RECORD**

CONGRESSIONAL PRINTING AND BINDING

Ms. Vance-Cooks, the GPO is seeking funding of \$85.4 million dollars for Congressional Printing and Binding. This is an increase of \$5.7 million or 7.1 percent over the current funding level. This increase is due primarily to the reduced availability of unexpended prior year funds.

Question. What part of this increase results from increased workload? And what part is a result of reduced availability of prior year funds?

Response. Congressional Printing and Binding overall workload is projected to decrease, but because fewer funds are available to transfer from prior years, the appropriation request is a \$5.7 million increase. The increase is comprised of the following:

- A \$0.7 million decrease due to an overall reductions in workload;
- A \$1.9 million increase for price level and pay increases; and
- A \$4.4 million increase due to a reduction in funds available for transfer to meet program requirements in FY 2015, compared to FY 2014.

Congressional Printing and Binding program requirements are projected to be \$90.7 million for FY 2015, before the transfer of funds, compared to \$89.5 million in FY 2014, before the transfer of funds. This represents an increase of \$1.2 million over FY 2014, which is less than the rate of inflation. Funding from transfers of prior-year surplus appropriations is expected to offset \$5.3 million in program expenses in FY 2015, compared with the \$9.7 million in prior year funds that was available for FY 2014.

GPO is continuing to evaluate prior year open obligations to determine whether additional unexpended balances may be available for transferring forward to help meet our FY 2015 appropriations requirements.

Question. In prior years we have seen the funding request decline, and thus we must assume there has been a decline in Congressional Printing and Binding. What is now driving the workload demand in the other direction?

Response. As noted above, we anticipate that workload requirements for FY 2015 will actually decline by \$0.7 million compared with FY 2014.

The long term trend in the Congressional Printing and Binding Appropriation is one of significant reductions in spending. Congressional action to cut back on printing and distributing certain documents has contributed to this trend, but the use of electronic information technologies by GPO has also been a principal contributor to lowering the cost, in real economic terms, of congressional information products. In FY 1980, as we began replacing hot metal typesetting with electronic photocomposition, the appropriation for our Congressional Printing and Binding Appropriation was \$91.6 million, the equivalent in today's dollars of \$259 million.

By comparison, our appropriation for FY 2014 is \$79.7 million, a reduction of more than two-thirds in constant dollar terms.

In terms of the last 10 years alone, this account reached a high point of \$96.8 million in FY 2009. We have been able to reduce it from this level – by working in cooperation with the Subcommittee, by implementing measures such as the 2011 survey of all congressional offices on their continued need for printed copies of the *Congressional Record*, and by utilization of prior year unexpended fund balances – to \$79.7 million for FY 2014, a drop of 17.7%. During the period FY 2009-2014, this account averaged \$89.5 million annually; by comparison the amount we are requesting for FY 2015 is \$85.4 million, and we are reviewing this account to determine whether additional unspent funds from prior years can be applied to further reduce our request for new funding.

GPO is transforming from a print-centric to a content-centric publishing operation. In FY 2015 and the years ahead, GPO will continue to develop an integrated, diversified product and services portfolio that primarily focuses on digital. Although industry experts predict tangible print will continue to be required because of official use, archival purposes, authenticity, specific industry requirements, and segments of the population that either have limited or no access to digital formats, we recognize that the volume of tangible print that is requisitioned from GPO will continue to decline. Today the activities associated with creating congressional information databases comprise the vast majority of the work funded by our annual Congressional Printing and Binding Appropriation. In addition to using these databases to produce printed products as required by Congress, GPO makes them available to the Internet via FDsys, and they are the source of the apps we build for congressional information.

Question. The Committee believes to begin to make some reductions to the increased demands on this account that consideration needs to be given to a bottom to top review and possible rewrite to Title 44 of the U.S. Code. In your professional opinion do you see this as the first, middle or end step to possible cost reductions?

Response. Although the congressional printing provisions of Title 44 of the U.S. Code were written in the age of printing, it has been possible within the provisions of the law to achieve significant savings through the use of digital information technologies to maximize productivity. In 1980, GPO employment was 6,450. Today, we have 1,879 employees on board, representing a reduction of 4,571, or more than 70%. While staffing reductions of this magnitude cannot be repeated, investments in digital technology will continue to substantially increase productivity, expand and improve digital services, and improve cost-effectiveness. Moreover, GPO does not print or produce information products for Congress that are not ordered by the committees of Congress, the Secretary of the Senate, the Clerk of the House, or other offices, and we have successfully worked with these entities to adjust production and delivery levels to their changing needs over time. Amending the provisions of Title 44 may align congressional information product requirements more closely with modern technology, but as a practical matter it is possible to achieve significant savings under the provisions of current law.

Question. What do you think would be the appropriate adjustments to the entire Congressional Printing and Binding Program that could achieve some significant savings?

Response. Capital investments in more efficient digital technologies will continue to increase productivity and service levels. This year we will install press equipment that will significantly reduce staffing and production requirements for producing congressional hearings. We also intend to upgrade our 30-year old binding system to reduce costs and improve flexibility. Holding the line on wage costs can help control costs significantly. Over the past year, GPO successfully negotiated long term wage contracts with all labor unions representing plant operations staff that provide for the increases equivalent to the rate of increases approved by the President and Congress for other Civil Service employees. In 2013 there was no pay increase and in 2014 the increase is 1%. Additionally, since 2011 we have been successful in reducing overhead costs – which comprise up to a third of the cost of congressional work – to 2008 levels, achieving significant savings. Increased sharing of GPO capabilities and facilities can also reduce the cost of GPO services to Congress.

SHARED SERVICES

The Committee has been very supportive and has encouraged cross servicing within the Legislative Branch agencies. As you may be aware the Legislative Branch Financial Management System (LBFMS) currently at the Library of Congress provides accounting services for the Library of Congress, Congressional Budget Office, Capitol Police and is beginning the migration of Architect of the Capitol to the shared services environment with the Government Accountability Office currently preparing a cap analysis in order to be the next agency to migrate to the LBFMS.

Question. This shared service environment has proven itself to achieve millions of dollars in annual savings to the Legislative Branch bill. Do you think the GPO could benefit from participation in the LBFMS? Or are the accounting requirements of the GPO so unique that you must maintain an independent system? If not, could you begin dialogue to potentially migrate the GPO to the shared services environment?

Response. We agree with the concept of shared services and have attempted where possible to implement it where savings and utility to GPO can be achieved, including our space sharing program with other legislative branch agencies, and our relationships with the National Finance Center for payroll and human resources support services and the Treasury Department for electronic funds transfer, payments through IPAC for intra-governmental collections, offsets for debt collection, and Pay.gov for credit card processing. GPO has been part of discussions regarding the LBFMS option, but unfortunately it does not appear that we would benefit from participation because GPO has significantly different requirements, particularly differences in accounting standards and the fact that most of our funding is nonappropriated. Additionally, large front-end costs would be required to convert to a new system.

GPO has historically prepared its financial statements in conformity with U.S. generally accepted accounting principles (GAAP), based on accounting standards issued by the Financial Accounting Standards Board (FASB), the private sector standards-setting body. The Federal Accounting Standards Advisory Board (FASAB) has been designated by the American Institute of Certified Public Accountants as the standards-setting body for financial statements of Federal

Government entities, with respect to the establishment of GAAP. FASAB has indicated that financial statements prepared based upon accounting standards published by the FASB may also be regarded as in conformity with GAAP for those Federal agencies, such as the GPO, that have issued financial statements based upon FASB accounting standards in the past. FASAB, in SFFAS 34, indicates the following among factors to consider, which apply to the GPO Revolving Fund:

Examples of factors to consider include but are not limited to:

- a. The entity's primary funding is derived from a source other than through annual Federal appropriations.
- b. The entity has been delegated the financial and operational authority to carry on its activities in a manner similar to private business enterprises.
- c. The entity sells goods and/or services to individuals outside of the Government reporting entity as its principal activity.
- d. The entity is intended to, in the normal course of its operations, maintain its operations and meet its liabilities from revenues received from sources outside of the Federal Government reporting entity.

Accordingly, consistent with historical reporting and GPO's requirements, GPO's financial statements are presented with accounting standards published by FASB. Under such standards, the GPO prepares its financial statements using the full accrual basis of accounting under which revenues are recognized (recorded or accrued) when earned and expenses are recognized as incurred, regardless of when cash is exchanged. GPO has unique requirements and priorities, including financial statement formats, contract manufacturing operations, job order costing in plant operations, rate determination, reimbursable purchased printing operations, exchange revenue, and retail sales. To meet this unique mix of requirements and priorities, GPO uses Oracle financial management through a shared service cloud arrangement at Austin, TX.

At the same time, GPO continues to participate in the Legislative Branch Financial Managers Council as a means for exchanging information and expertise on other financial matters unique to the legislative branch.

REVOLVING FUND

The GPO is seeking \$11.3 million as direct appropriation to the GPO Revolving Fund. This is an increase of \$3.3 million or almost 41 percent above the current funding provided.

Question. For the benefit of the new Members could you explain the GPO Revolving Fund and how does it operate?

Response. The GPO Revolving Fund is an inter-governmental fund established by Congress in 1953 under the provisions of 44 U.S.C. 309. The Fund is available without fiscal year limitation for financing a continuous cycle of business-like operations and maintenance of GPO, except for those information dissemination programs of the agency that are funded by annual appropriation to the Superintendent of Documents. The Revolving Fund is a self-sustaining financial entity used primarily to finance and account for GPO's Printing and Binding Operations and

Publication and Information Sales Program. Accordingly, the major sources of revenue to the Revolving Fund are reimbursements from the Congressional Printing and Binding Appropriations and other Federal customers for providing printing and information products as requisitioned (including U.S. passport production), and publication and subscriptions sales to the public. GPO's Printing and Binding Operations account for the revenues and expenses associated with services provided by in-plant production and purchased printing and product services. The costs of these services are recorded through a system of rates used to bill customers. The rates include direct costs, depreciation, overhead, and related expenses permitted under 44 U.S.C. 309. The Publication and Information Sales Program sells Federal Government information products to the public. The prices of Federal Government publications and subscriptions sold through the program are established in accordance with 44 U.S.C. 1708.

Question. There seems to be an ever increasing demand for direct appropriations to this account to cover new and existing projects/programs and a range of facilities projects such as new elevators and a new roof. Why do you believe that a direct appropriation is warranted?

Response. Additional Revolving Fund capital is required to finance these expenditures because large capital investments for new technology and services, as well as building repairs, cannot practicably be financed through fees for current services. In particular, GPO's digital systems costs – which are essential to the agency's ongoing technological transformation to support Congress' desire for an increased digital capability, which has made it possible for GPO to drastically reduce the costs of and exponentially expand public access to congressional information – have relied on appropriated funds and will most likely continue to do so without acceptable financing alternatives, as the recent report of the National Academy of Public Administration suggested. Regarding building-related costs, GPO historically has sought appropriations as additions to working capital in the Revolving Fund to finance necessary repairs and improvements.

Question. Should projects and facilities funding requirements not be built into your pricing in order to cover these costs?

Response. Additional capital is required to finance these expenditures at the front-end. Allocating these large fixed costs on the basis of rates for individual service volumes would not reflect an incremental cause and effective relationship and would risk resulting in large cost variances based on varying workload levels.

NAME CHANGE

Recently a bill was introduced in the Senate (S. 1947) to rename the Government Printing Office to the Government Publishing Office. In addition this bill would also change the name of the "Public Printer" to "Director of the Government Publishing Office". We must assume you are supportive of this proposed legislation.

Question. Could you give us your thoughts on this and why after 150 years a name change is warranted?

Response. I support this legislation. During hearings on my confirmation last May before the Senate Rules and Administration Committee and in testimony before an oversight hearing of the House Administration Committee last December, I called for a change to GPO's name. In my view, it is time for our name to catch up with who we are and what we do.

The essential purpose of GPO has always been to create the information products and services required by Congress and Federal agencies and distribute them to the public—in other words, to carry out the informing function that is an essential component of government in a democracy. GPO's performance of this function is traceable to the requirement in Article I of the Constitution that “each House shall keep a journal of its proceedings and from time to time publish the same,” and it is a function that GPO recognizes today in its mission statement: *Keeping America Informed*.

From the time GPO opened in 1861 to the late twentieth century, the various technologies used for printing were the most effective and economical way the informing function could be performed. But today, GPO is no longer just for printing, a finding that was underscored by the National Academy of Public Administration in its 2013 study of GPO. In that report, the Academy said, “In the digital age, GPO's core mission of authenticating, preserving, and distributing Federal information remains critically important to American democracy.” The Academy said that “the Federal Government needs to establish a broad government-wide strategy to manage digital information,” and that “GPO has a critical role to play in developing a government-wide strategy that...effectively provides information to current and future generations.” To carry out that role, GPO needs a name that effectively conveys who we are and what we do.

Modern publishing operations provide a suite of services to ensure access to the information they disseminate, from conventional printing to eBooks, digital publishing, mobile access, social media, and other strategies. All of these services are provided by GPO today. Yet with “printing” as our middle name, the availability of these services is obscured from Congress, Federal agencies, and the public. In the digital information age, for example, Members of Congress and the public quite naturally question the need for the Government *Printing* Office when the same information is available online (answer: GPO puts the information online). Federal agencies may not recognize that GPO represents the most effective means of getting their information disseminated to the public when they think the agency is limited to just printing. The public may not recognize the GPO as the single rich source it has become for free access to vast range of information in digital formats from all three branches of the Federal Government. And it becomes difficult for GPO to recruit the requisite skills among younger workers who don't see their career paths being fulfilled through a “printing” office. To address this problem, it's time to change GPO's official name.

S. 1947 would officially “redesignate” the name Government Printing Office as the Government Publishing Office anywhere it appears in law, regulation, or otherwise, thereby preserving the well-known initials of the GPO. This is the same approach that was used several years ago to redesignate the name of the General Accounting Office as the Government Accountability Office. Among other things, redesignation means that name-changing costs would be minimal.

Our current name reflects a century and a half of proud tradition and history, which I respectfully embrace. But I also acknowledge that it is limiting. Our current name does not adequately describe who we are. It does not adequately describe what we do. We are so much more than that. We are no longer the Government Printing Office. We are the Government *Publishing* Office.

Question. Do you know if similar legislation has been introduced in the House?

Response. To our knowledge it has not been introduced in the House.

TUESDAY, MARCH 4, 2014.

ARCHITECT OF THE CAPITOL

WITNESS

HON. STEPHEN T. AYERS, ARCHITECT OF THE CAPITOL

OPENING STATEMENT OF CHAIRMAN COLE

Mr. COLE. Next we have before us Mr. Stephen Ayers, the Architect of the Capitol. Architect of the Capitol is requesting, excluding the Senate office buildings, which will be considered by the other body, \$567.4 million, or 7.3 percent above the fiscal year 2014 level. Including the Senate, the entire Architect of the Capitol budget is \$676.6 million, or 12.4 percent above the current level.

I will next turn to my ranking member if you have any opening statement you would care to make.

Ms. WASSERMAN SCHULTZ. I do. Thank you very much, Mr. Chairman. Good morning.

Mr. AYERS. Good morning.

Ms. WASSERMAN SCHULTZ. It is good to see you.

Mr. AYERS. Thank you.

OPENING STATEMENT OF RANKING MEMBER WASSERMAN SCHULTZ

Ms. WASSERMAN SCHULTZ. I join the chairman in welcoming the Architect of the Capitol to this year's hearing. The Architect's fiscal year 2015 budget request of \$677 million is a 12 percent increase above enacted levels. That reflects many of the challenges, I know, of making sure that we can keep our buildings in working order, making sure that they don't come down around us. And clearly, your budget has grown with your square footage.

It should be noted that the Architect generally asks for a far bigger increase than we are able to provide. And I am sure this year will be no exception. The Capitol Visitor Center that opened in 2008 and added nearly 580,000 square feet to the complex, in addition to the four buildings owned by the Architect for use of the House, means that the Architect is managing significant resources for the House of Representatives. And that is now added to with the leasing of part of the Tip O'Neill building from GSA.

And Mr. Chairman, I will note that we had a raging battle—to the degree that we have raging battles in Leg Branch—over whether or not we were going to spend the money that we would need to spend to lease that building when I first became chair of the committee. Today, I can't imagine how we would function without it and especially in anticipation of the renovation/restoration of the Cannon House Office Building. That might have been a more subtle way of saying, I told you so. But, you know, maybe not.

But if that is not enough, the area that encompasses the reflecting pool on the West Front of the Capitol was transferred to the AOC's jurisdiction from the Department of the Interior in fiscal year 2012. And I raise these points to highlight why we have seen the need for the subcommittee to provide historic funding levels to the Architect.

Mr. Ayers, as I mentioned, fulfilling all these requests is going to be tough, really next to impossible. In addition to justifying the projects that you requested, you have asked for significant increases in operation accounts as well. I look forward to hearing from you about why those increases are necessary.

And I also am interested in hearing, given your role as a member of the Capitol Police Board, your perspective on how the now inter-operable radio systems are being implemented now that they finally are. And before I conclude, Mr. Chairman, I want to acknowledge and thank you for your support in the fiscal year 2014 omnibus of the \$70 million requested level to the House Historic Buildings Revitalization Trust Fund. And I am sure Mr. Ayers shares my appreciation as well. It is a tremendous source of pride for our committee, for me, that we were able to bank those available resources and anticipate, given the years of cost overruns that we had with other major projects, that the idea that we knew we had huge expensive capital projects coming down the pike, the idea behind this, because we have a lot of new members, behind this trust fund is that if we bank the money gradually year after year, we are less apt to get hit with unexpected cost increases. And when we do, we are more likely to have the resources to address them.

So, thank you, Mr. Ayers, for requesting the \$70 million for that trust fund again this year.

But this is, again, Mr. Chairman, a tough assignment. This is a particularly tough agency because of how many needs they have. And I look forward to working with you in funding the agency's priorities.

Mr. COLE. I have to say for the record, had I been here when the Tip O'Neill building fight was on, I am sure I would have followed my chairman. I always did the 2 years that I was on this committee.

Ms. WASSERMAN SCHULTZ. Thank you. You sure did.

Mr. COLE. Your judgment has been vindicated, no question about it.

Mr. Ayers, your entire statement will be submitted for the record, so you are free to summarize. Please proceed.

OPENING STATEMENT OF ARCHITECT OF THE CAPITOL AYERS

Mr. AYERS. Thank you, Mr. Chairman, and Congresswoman Wasserman Schultz, and members of the subcommittee. And thank you for the opportunity to testify today.

We appreciate the support and trust that Congress and this subcommittee have placed in us to be reliable stewards of the resources provided each year. And your investments in our organization have created a healthier and more vibrant workplace for employees and a safer and more inspiring experience for the more than 2 million visitors that come to their Capitol each and every year.

In our pursuit of meeting the highest standards of government accountability, we received our ninth consecutive clean audit opinion from our independent auditors on our financial statements and cleared all of our outstanding material weaknesses, something we are very proud of. Our greatest resource, of course, is the dedicated men and women who use their specialized skills to maintain our historic buildings, many of which continue to rapidly deteriorate.

This year's budget request addresses several critical projects across the Capitol campus.

Also I would like to thank the subcommittee for your support of the Capitol Dome Restoration Project. The dome exterior restoration continues on schedule and on budget. You may notice on the West Front that preparation work is well underway, and later this spring and summer work will become much more visible to the general public as we begin construction of the scaffolding system around the dome.

As part of the preparation work on the exterior, the rotunda must be closed for 2 weeks in April, and I recognize this temporary rerouting of Capitol tours is unfortunate and will certainly cause disappointment to some. This closure is for the contractor to place a protective canopy that will allow visitors to safely access the rotunda while the exterior project continues.

As we work over the next year-and-a-half to complete this exterior renovation, we have included in our budget request the final phase of the dome restoration; specifically, repairs to the rotunda, parts of which date back to 1824. Over time, humidity and moisture in the rotunda have deteriorated its condition, and the work requested includes upgrading the rotunda's mechanical and electrical systems to current codes and the installation of new safety systems there as well. The work will also restore the interior finishes, the painted columns, pilasters, and the beautiful coffered ceiling that have sustained water damage.

We have also reached a critical stage in the life of the oldest House office building in our care, the Cannon House Office Building. And beginning in 2015 and 2016, the Cannon Building will undergo a top-to-bottom phased renewal.

This month we will begin to lease space in the O'Neill Building now that GSA has substantially completed its renovation work there. The O'Neill Building is an integral part of the strategy for accommodating some House support offices and committee staff during the construction and renovation of the Cannon Building. We will take proactive steps to minimize disruption to congressional work, and we will work with our partners in the CAO to ensure that building occupants are informed well in advance of every step of that project.

As we work to preserve the buildings in our care, we are also committed to finding ways to save money and save energy across the Capitol campus. This begins at the Capitol Power Plant, where we are currently working to implement a long-term strategy for saving resources, including the implementation of cogeneration that would allow us to use one fuel source to make electricity and steam at the same time. And we are seeking a public-private partnership to leverage private investment, and are working through the complicated business transactions to do so.

The AOC is committed to getting the best value for the government and believe that cogeneration is the best solution for achieving optimal energy savings and maintaining a reliable source of chilled water and steam to heat and cool the buildings for the Congress and the Supreme Court.

Our mission, of course, is to preserve the buildings of the Capitol campus for generations to come so they, too, can marvel at the splendor of the dome, learn the history of our great nation, and watch democracy in action. And with your support, we will continue in this stewardship role so our buildings and grounds can inspire and educate all who visit the United States Capitol.

Thank you, Mr. Chairman.

Mr. COLE. Thank you.

[The prepared statement of Mr. Ayers follows:]

**Statement of the Honorable Stephen T. Ayers, FAIA, LEED AP
Architect of the Capitol**



Architect of the Capitol Fiscal Year 2015 Appropriations

**Statement before the Subcommittee on Legislative Branch,
Committee on Appropriations, U.S. House of Representatives**

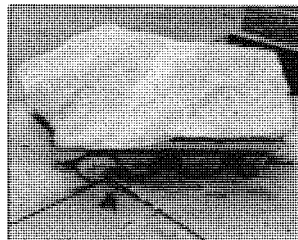
Tuesday, March 4, 2014

**Statement of the Honorable Stephen T. Ayers, FAIA, LEED AP
Architect of the Capitol**



Mr. Chairman, Representative Wasserman Schultz and members of the subcommittee, thank you for the opportunity to testify today regarding the Architect of the Capitol's (AOC) Fiscal Year 2015 budget request.

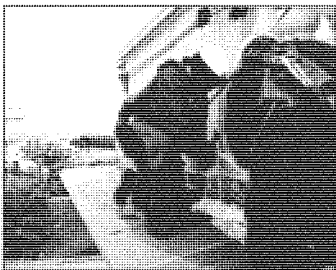
We appreciate the support and trust Congress has placed in us to address critical construction projects across the Capitol campus, especially the ongoing U.S. Capitol Dome Restoration Project. The investments you have made in the AOC have created a healthier, safer and more vibrant workplace for employees. Visitors to the Capitol campus have experienced awe-inspiring facilities in a safe and secure environment. Funding has also enabled us to preserve history and ensure Congress can accomplish its daily functions.



A large piece of stone that fell from the Capitol Building.

Stone preservation continues to emerge as one of our biggest priorities. Time and weather have not been kind to the historic buildings entrusted to our care. For the long-term preservation and safety of our buildings, we must take measures to stop water infiltration and do what we can to abate the deterioration of historic stone.

The conditions of the exterior stone on most, if not all, of the buildings on Capitol Hill are rapidly deteriorating. This was evident in October 2013 when a large piece of stone broke away from the Cannon House Office Building and fell several stories to the ground. Fortunately, it was in an area where there is no pedestrian traffic. However, the piece was large enough that if it had fallen in a public area, it could have potentially caused great damage to anything or anyone below it. Many of our buildings are experiencing similar problems across the Capitol campus. The Capitol Building and the Supreme Court Building, in addition to the Cannon Building, have required the installation of unattractive and utilitarian netting systems to catch any falling stone. While the netting is a measure that will work temporarily, it is not a long-term solution. To prevent further deterioration, significant near-term investment is necessary.



AOC employees install netting on the Cannon Building to prevent additional stone from falling.

The first phases of the Capitol Building and Russell Senate Office Building exterior stonework were funded by Congress in Fiscal Year 2014. Coordination is underway to survey and plan for the erection of scaffolding around portions of these buildings. You will see the next phases of these projects in our Fiscal Year 2015 request. This investment will pay long-term dividends, as we make critical improvements that both address the growing needs across the Capitol campus and preserve these historic buildings for decades to come.



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We have developed our Fiscal Year 2015 budget request through a deliberative planning process using the best planning and predictive tools available. The recommendations we bring to you today are the result of this rigorous decision making, which balances our mandate to be both fiscally prudent and trusted stewards of the national treasures you place in our care.

In Fiscal Year 2015, we are requesting \$676.6 million – a 0.7 percent decrease from our Fiscal Year 2014 request.

To address capital projects categorized as urgent or immediate, we are requesting \$156.5 million. This is a \$1.8 million or 1.2 percent increase from our Fiscal Year 2014 request, leaving \$259.9 million in deferred maintenance work – work that still must be accomplished in a future request. While deferring maintenance increases costs and risk of facility failures, we recognize that current fiscal realities won't allow for every project to be funded.

Aging Infrastructure Requires Critical Prioritization

We specialize in repairing and restoring the historic buildings that provide both an effective workplace for Congress and a destination that millions of Americans visit and enjoy all year long. Our workforce has unique and specialized skills honed for our historic buildings. In many instances, the craftsmanship of our employees has successfully disguised the serious conditions or fragile states that facilities are in or has temporarily stemmed any further deterioration.

The key to successfully identifying these needs and the appropriate time to make these key investments is to prioritize projects to ensure resources go toward the most important work. Our Project Prioritization Process has never been more important than it is today. With vital work to be done and not enough resources to do it, the most urgent projects must rise to the top.

We employ our Project Prioritization Process to rank every necessary project using two primary drivers: the conditions of the facilities and the urgency in which the deficiencies need to be addressed. Our process also takes into account the need to protect key infrastructure, mission-critical work, preservation of heritage assets and our commitment to the efficient use of public funds. This has effectively allowed the AOC to identify and recommend to Congress the levels of investment and maintenance required to ensure that all the facilities on the Capitol campus remain safe, functional and protected.

As with all deferred maintenance, the longer necessary repairs and maintenance are postponed, the greater the risk of problems becoming worse over time and the repairs becoming more costly. The AOC continues to carefully monitor and maintain the facilities and systems to minimize the risk of catastrophic failure. However, delaying work on critical infrastructure and preventive maintenance puts even greater pressure on future fiscal years and on our employees to keep deteriorating systems running for much longer than best practices dictate.

Due to the constraints of available resources, we have found that in certain cases it is necessary to phase major projects to better manage the time and resources needed to complete them. The

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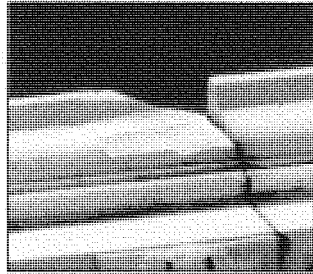


ongoing Dome Restoration Project is a first-rate example of this practice's success. The was completed on time and below budget, and phasing the project provided the project team with valuable lessons learned for the future phases of the Dome Restoration Project.

In addition to maintenance and construction work necessary to preserve our infrastructure, we are also faced with additional responsibilities that must be addressed. In March 2014, we will begin leasing office space in the recently refurbished Thomas P. "Tip" O'Neill, Jr. Federal Building, located adjacent to the Ford House Office Building. The leasing of additional office space will facilitate the future restoration of the Cannon House Office Building in 2016. Additionally, to meet a new mission requirement, we are requesting funds for the leasing of space on four commercial antenna towers within the metropolitan area to support the U.S. Capitol Police Radio System.

Critical Projects

The buildings of the Capitol campus are well cared for by the dedicated men and women of the AOC who use their incredible talents and skills to maintain the buildings and grounds. However, upon closer examination, it is evident that wear and tear, weather, and environmental factors have taken their toll on the buildings. Water in particular is very destructive to stone structures. The sandstone and marble façades of our historic buildings are cracking, spalling and, most seriously, stone is actually breaking away and falling from many buildings, as noted earlier.



Cracked and spalling stone on the Capitol Building.

To address stone failures across the Capitol campus, the AOC has been conducting a series of exterior stone surveys. The results of these evaluations continue to confirm our deepest concerns – the conditions of the exterior stone on most, if not all, of the buildings on Capitol Hill are rapidly deteriorating. The precarious threat of falling stone is significant. Additionally, the temporary fixes that the AOC is undertaking to prevent catastrophic failures are not enough to prevent conditions from worsening. To fully address these issues, significant investments will need to be made.

In our Fiscal Year 2015 budget request, we have highlighted several exterior stone projects for which we are requesting funding to repair. The **U.S. Capitol South Extension Exterior Stone and Metal Preservation** request is the second of four planned phases and involves the stabilizing, cleaning, repairing and preserving of the exterior stone on the Capitol Building's north façade of the south extension and its connection to the main west façade. This work will help to stem the water infiltration that has been destroying the existing historic fabric of the building and protect members of Congress, staff and the public from the risk of falling stone.

The second phase of the five-phase **Russell Senate Office Building Exterior Envelope Repair and Restoration** project will address the east façade of the 105-year-old office building. The work

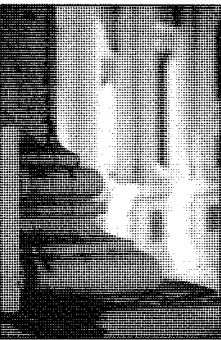


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will repair the façade, windows and doors; repoint the masonry; restore and refinish the exterior metals and make structural repairs to the balustrades.

At the U.S. Botanic Garden (USBG) Conservatory, conditions at the exterior envelope continue to deteriorate with widespread cracking and spalling stone, and cornice and roof flashing failures. The **USBG Conservatory Exterior Stone Repair and Roof Replacement** request will repair hundreds of cracks and spalls across the Conservatory's façade; repoint and reseal masonry joints and remove the existing roofing systems and replace them with a new vegetative roofing system. Instead of replacing the roof in kind, a new vegetative roofing system will have a longer lifespan and will reduce water runoff.

These exterior stonework examples clearly show that the longer deferred maintenance projects are delayed, the more the conditions of these facilities will deteriorate. Instances of cracking and spalling stone will grow more serious, and ultimately, more costly to repair. Additional consequences from not addressing looming deferred maintenance projects are the continued crumbling of infrastructure; a loss of historic artwork and architectural features; continued system and building failures; and security threats.



Water infiltration into the Rotunda has caused damage to cast iron columns and threatens historic artwork.

Damage to our crucial building infrastructure is especially concerning, such as the deterioration of several garages. We are requesting appropriations for the first of four phases to address the necessary **Rayburn House Office Building Garage Rehabilitation** repairs, which will focus on the severe concrete delamination and improving the structural stability of the garage. Engineering studies have identified severe corrosion of the reinforcing steel as well as spalling and delaminating concrete in the ceiling and support columns.

At the Capitol Power Plant (CPP), the West Refrigeration Plant is more than 30 years old and has long-standing structural and waterproofing issues, which have led to failures in spandrel beams and falling concrete. The **CPP West Refrigeration Plant Chiller System Replacement** request would finish funding the third phase of the project, which includes repairs to the precast concrete connections, walls, columns and decks; applying water repellent coatings to the concrete roof deck and exposed surfaces and repairing flashing at column transitions.

Safety is a top priority for the AOC and a number of safety-related projects are included in the Fiscal Year 2015 budget request, including the second phase of the project to replace the exhaust system serving the main kitchen areas of the Dirksen Senate Office Building. The work will renovate the kitchen exhaust systems to comply with the current fire safety code. In addition, the request also includes funding needed to enclose the West Grand Stair in the Capitol Building to prevent smoke migration in the event of a fire. The work will address an Office of Compliance citation and will prevent the risk of smoke, heat and flames from spreading. Several projects in the Library of



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Congress buildings are needed to address life-safety issues as well. The construction of new exit stairs in the Thomas Jefferson Building will allow for the direct discharge of building occupants to the exterior of the building, as required by current code. In the James Madison Memorial Building, the number of elevator breakdowns has increased, requiring a growing amount of maintenance. The modernization of several elevators will significantly decrease wait times, reduce power consumption and decrease the need for maintenance.

Our Fiscal Year 2015 budget request also includes funding for the final phase of the **Dome Restoration Project**, specifically to repair the interior of the Rotunda. The work will restore the interior walls, painted columns and pilasters, and the coffered ceiling that have sustained water damage and paint delamination. Over time, the infiltration of humidity and moisture in the Rotunda has deteriorated the condition of the metal, allowing daylight to be visible through parts of the coffered ceiling. The work will also include upgrading the Rotunda's mechanical and electrical systems to current codes, and installation of new fire alarm and communications systems.

Funding our recommended capital projects in Fiscal Year 2015 ensures that necessary investments are made in our historic infrastructure, and increases the safety and security of those who work in or visit the facilities on Capitol Hill. In future budget requests, we will continue to include multi-phased projects to restore and repair the damage to the exterior stone to ensure that we preserve the unique and historic masonry features of the buildings that serve Congress and the American people.

Working Leaner

The AOC's team of skilled craftsmen and professionals is our greatest resource and each employee's contribution is vital to our success. They understand that we must find new and innovative ways of doing business to improve efficiency and productivity. During Fiscal Years 2013 and 2014, we addressed the challenges of sequestration by undertaking cost avoidance measures to work smarter and leaner.

Even in a challenging fiscal climate, we continued to reduce our overtime costs by improving project planning, restructuring work shifts and establishing overtime budgets. As a result, the AOC cut more than 18,600 overtime hours from Fiscal Year 2012 to Fiscal Year 2013. A great example of this occurred in the Capitol Building jurisdiction, which reduced its overtime to less than five percent of the available hours.

Across the AOC, we are implementing a new initiative that capitalizes on the exchange of institutional and professional knowledge. The Exchange of Critical Expertise and Learning (ExCEL) Program uses internal resources for training in an effort to combat dwindling training budgets, a growing number of employee retirements and the loss of institutional memory, and filling gaps in essential workplace competencies due to ongoing hiring freezes. It's also an innovative opportunity for AOC jurisdictions to work together and share their knowledge and expertise with their fellow colleagues. Now when employees who have participated in the program are working on equipment and need assistance, they can reach out to others across the organization for guidance.



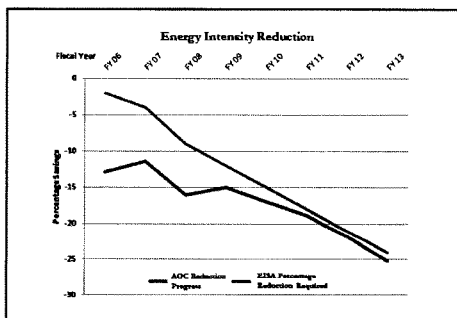
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Another cost avoidance strategy that was developed and implemented was the Return to Work program, which is intended to return long-term workers' compensation employees to positions that have been designed to accommodate their limitations. This effort provides opportunities for these employees to be productive and affords reductions in workers' compensation costs for the AOC.

In Fiscal Year 2013, recognizing tight budgets and limited resources, we decreased our investment in employee training. Sensing a need, our Training and Employee Development Branch and Acquisition and Material Management Division worked together to enroll the agency in the Federal Acquisitions Institute, which offers courses and webinars on various topics for a nominal fee or at no cost to the AOC. By creatively approaching problems, we open up doors to new and additional resources to meet our growing demands with limited funds.

Saving Energy and Natural Resources

The AOC has successfully reduced energy consumption across the Capitol campus for the past several years. However, with the completion of the U.S. Capitol and U.S. Senate Energy Savings Performance Contracts (ESPCs) in Fiscal Year 2013, meeting the mandated energy reduction goals will be more difficult because the projects that yielded quick results have been completed. We will be required to achieve further operational energy savings to complement the energy savings performance projects that are ongoing or have been completed.



The ESPCs allowed the AOC to pursue energy and water conservation projects without incurring up-front capital costs or obtaining appropriations to pay for improvements. In the House Office Buildings, many facility infrastructure upgrades were made, including installing 33,000 energy-efficient lamps and ballasts, adding state-of-the-art lighting harvesting and dimming, and upgrading heating, ventilation and air conditioning controls.

In Fiscal Year 2013, we exceeded the Energy Independence and Security Act of 2007 (EISA 2007) energy reduction goal of 24 percent by achieving a 25.2 percent reduction. This marks our eighth consecutive year of meeting energy reduction goals outlined in EISA 2007, and represents approximately \$14.5 million in avoided annual utility costs.

We've continued to make improvements to building automation systems by installing direct digital controls on the air handling units and terminal equipment offices; reducing water usage; installing more efficient lighting systems, and further implementing energy curtailment strategies in the office buildings to reduce energy use across the Capitol campus.



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The CPP continues to play an essential role in the AOC's long-term energy conservation efforts. The CPP has made several operational improvements that contributed greatly to the reduction in energy consumption including the commissioning of a new, half-size chiller in December 2013, as part of the Refrigeration Plant Revitalization project. Not only does this project increase the CPP's energy efficiency, it will reduce its long-term operating costs and increase cooling system reliability. In addition, the CPP continues to utilize a "free cooling" process where we use cold, outside air to create chilled water with running the old chillers, thereby conserving electricity.

We are always looking to the future and strategizing long-term on how to save energy and resources in innovative and forward-thinking ways such as Cogeneration at the CPP, which is an energy efficient and cost effective way to generate both steam and electricity using one source of fuel.

Pursuing Safety Excellence

Reducing energy consumption and conserving natural resources saves money, as does preventing injuries and accidents within the AOC's workforce. Our philosophy of *People First, Safety Always* serves as the foundation for continuous improvements in safety and safety systems.

The AOC strives to integrate safety into everything we do as we pursue our zero-injury safety culture. We are standardizing and coordinating operational best practices. Safety continues to be a top consideration in planning and allocating funds for capital projects.

As we pursue safety excellence, we continue to develop and rollout our agency-wide, safety enhancement programs. During Fiscal Year 2013, AOC employees experienced an injury rate reduction from 3.91 percent down to 3.28 percent. Specifically in the House Office Buildings, employees achieved an injury rate reduction of nearly 33 percent from January 2013 to January 2014. These gains were achieved by focusing on individual awareness, inspections and identifying and correcting at-risk behaviors through employee engagement.

Enhancing Visitor Experiences

The AOC is dedicated to creating a safe, welcoming and informative experience for all who visit Capitol Hill. For many visitors, this may be their first and only time seeing the nation's Capitol, and we work hard to ensure the experience is worthy of this working symbol of American democracy and freedom.

The U.S. Capitol Visitor Center (CVC), with its mission to "inform, involve and inspire," introduces visitors to Congress and the legislative process, as well as the history and development of architecture and art of the U.S. Capitol. On December 2, 2013, the CVC marked the fifth anniversary of the day its doors were first opened to the public. And since that day, the CVC team has welcomed more than 11 million people to the U.S. Capitol. The dedicated employees of the CVC team work to enhance customer service, hospitality and visitor engagement in a seamless, positive visitor experience. For example, the CVC staff initiated two new informational programs, "What's Happening in the Chambers," and "Encounters in Exhibition Hall." They also provided



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tour training for nearly 4,000 congressional staffers. Overall, the CVC continues to welcome nearly two million visitors annually and ensure that visitors receive an enriching, memorable and inspirational tour experience.

The USBG is a living plants museum with a mission to educate the public about the value of plants in our society by providing visitors with a unique and inspiring experience. In 2013, the USBG had a record-setting year with a total annual visitation of nearly 1.7 million, an increase of almost 500,000 visitors over the previous record. With the one-day blooming of the titan arum (also known as the corpse flower) on July 22, 2013, the USBG had its highest visitation day on record with more than 22,000 people. During its 13-day public display, more than 140,000 people saw the titan arum in person and over 670,000 unique viewers watched on the live web stream, making it one of the most publicly viewed flowers in the history of U.S. gardens. In addition to displaying rare plants in bloom, the USBG also hosts special exhibits like the popular annual holiday show and a biennial orchid exhibit in partnership with Smithsonian Gardens. The enthusiastic employees of the USBG continue their dedication to educating the public about ways to nurture the plants that support life on our planet and explaining the importance of plants to the well-being of our nation and the world.

Accomplishments

Congress and the American people can trust that the AOC is an exceptional steward of the resources provided to us every year. We carefully manage taxpayer money to ensure the very best value and prudent use of funds.

The AOC is dedicated to meeting the highest standards of government reporting by cultivating an atmosphere of accountability and responsibility. For the second consecutive year, we were recognized by the Association of Government Accountants (AGA) with its Certificate of Excellence in Accountability Reporting (CEAR) Award for our Fiscal Year 2012 Performance and Accountability Report. The annual CEAR award recognizes high-quality Performance and Accountability Reports and Annual Financial Reports that effectively illustrate and assess financial and program performance, accomplishments and challenges, and cost and accountability. We also received our ninth consecutive Clean Audit Opinion from independent auditors on our financial statements. In addition, the AOC cleared the material weakness from past years regarding our Internal Control Program and for the first time have neither material weaknesses nor significant deficiencies resulting from our annual audit.

Small businesses are the cornerstone of our success and developing partnerships by working with local small companies is a sustainable practice on which we will continue to build. In Fiscal Year 2013, we exceeded all of our small business goals, even surpassing the accomplishments achieved in Fiscal Year 2012. Specifically, we beat our goals for women-owned, veteran-owned and HUBZone small businesses, and awarded more than \$25 million to small businesses.

In 2013, the AOC successfully completed the planning and construction activities in support of the Presidential Inauguration and the orchestration of 222 post-election office moves for the U.S.



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House of Representatives and 32 office moves for the U.S. Senate. In addition, we completed the restoration of the House Chamber ceiling during the August District Work Period.

We are true professionals, recognized by our peers, and Congress can count on us to get the job done. Industry professionals regularly acknowledge our work on construction projects. For example, the Construction Management Association of America recognized the AOC with multiple awards, including for our work on the East and West House Underground Garages and the Capitol Dome Skirt Restoration project.

Conclusion

Members of the subcommittee, our mission is to care for and preserve the iconic buildings on Capitol Hill for generations to come. Continued deterioration and deferment of critical maintenance poses great challenges to the AOC, but we will continue to work with Congress to provide our best professional advice and counsel on how to address these projects.

We appreciate Congress' support, and that of the American people, as together we make the investments necessary to preserve and maintain our national treasures. We developed our Fiscal Year 2015 budget request by prioritizing projects that allow us to be good stewards of our buildings and taxpayer dollars. There is much work to be done, but we believe that preserving the historic fabric of our nation is well worth the effort.

We look forward to our continued collaboration with you to serve Congress and the American people, preserve the historic facilities entrusted to our care and inspire and educate those who visit the U.S. Capitol.

Mr. COLE. I suspect most of us would agree the stage is sometimes grander than the play that takes place on it. But thanks for maintaining the stage so well.

COGENERATION AT THE CAPITOL POWER PLANT

You touched a little bit on this in your testimony, but you are asking in your budget a continuation of \$1.7 million for project management, construction management and review, and commissioning services provided by a temporary contractor for these cogeneration projects. Your budget justification reflects that construction on cogeneration has been delayed because of the delay in receiving the necessary air permits, which you informed us about last year. But also construction has been delayed because of a revised procurement strategy that we are just learning about from your office.

The committee was advised by the Government Accountability Office that as early as September 2013 there were issues with the cogeneration procurement. Would you please tell the committee why a project of this magnitude that had issues as early as September 2013 was not brought to our attention by your office, but rather by the GAO?

Mr. AYERS. I think the short answer to that, Mr. Chairman, is that we should have. We certainly want to partner with you and be good and trusted stewards of taxpayer dollars, and when we encountered some trouble we should have certainly brought that to the committee's attention.

I think the longer answer is that we want to bring you solutions, not problems. So at that point we had a problem, we didn't have solutions. Secondly, I think, in September we received proposals from a contractor to do that work, and a portion of that proposal far exceeded the government estimate, and far exceeded what we think is reasonable to do the work. So we were in negotiations with that vendor from September through the middle of December, and at this point we have concluded those negotiations and are seeking alternative strategies to perform the work.

But I think your point is well taken, and we certainly could have and should have kept you informed of our progress along the way.

Mr. COLE. I appreciate that. Just moving along this same line, the GAO has told us that the project costs about \$120 million, which is \$53 million over your budget projection for the project, which I guess was originally \$67 million. Can you explain to us why that large difference between your estimate, obviously, GAO's initial projection. Has the project changed, or what are the actions we are taking to sort of deal with that discrepancy?

Mr. AYERS. I think our estimate is about \$105 million or \$106 million for that work. I am not aware of a \$67 million estimate off the top of my head.

[Clerks note: Information provided to the committee on January 27, 2012 reflected an amount of \$63 million.]

The initial bid that we received from our vendor was right in alignment with ours for all of the work except one element, and that was their management fee to undertake the work and oversee it and finance it. So it is really that portion of the work that is significantly different from what we think it should be, and we think

it is unreasonable, and we think the vendor probably is just not interested in undertaking the work at this time.

Mr. COLE. Well, I would like to get to the bottom, so maybe at another venue we can explore the difference between the estimates, because I am operating off of the information that I have. But regardless of that, it is my understanding GAO is pursuing a study of this. It will be shortly available to us, and to you, obviously. I would hope we could hold off on any commitments or anything until we actually see what the GAO study has to say.

Mr. AYERS. Absolutely.

Mr. COLE. Okay. And I think you answered this in your testimony. I want to get it down one more time. You still think cogeneration is, indeed, the best way to go for the concern, the objectives that you have laid out in your testimony?

Mr. AYERS. Absolutely, yes, we do.

Mr. COLE. No close peer competitor?

Mr. AYERS. No, not that I am aware of. A number of years ago we brought in a blue ribbon panel and worked with the National Academy of Sciences to develop a long-term strategy for the Capitol Power Plant, and we looked at a wide range of alternatives, and cogeneration clearly rose to the top, and we are convinced that it still remains at the top today.

Mr. COLE. Okay.

Ms. Wasserman Schultz.

Ms. WASSERMAN SCHULTZ. Thank you.

Just to stay on the energy subject matter, I would also, as I told you in my office, share the concerns of the chair that there needs to be better communication in real time when you have an estimate that is as out of whack as the one that you were expecting.

And back, Mr. Chairman, when we were managing, bringing the Capitol Visitor Center in for a landing, by aggressively and closely managing the end of the process, and we committed to stop the cost overruns, to stop the delays, and to get it done. And that was really as a result of there finally be direct accountability and regular communication put in place.

We can't let that happen again, and especially as you are about to manage some very significant projects that will begin next year, making sure that your entire team and that the culture within your team is more communication, not less. We don't need to have all of the answers and all the i's dotted and t's crossed before you give us information that is essential for us to be able to make the appropriate decisions that are policy related.

ENERGY REDUCTION AND SUSTAINABILITY

On energy cost savings, you in your discussion on sustainability championed that AOC avoided annual utility payments of \$14.5 million. And what I don't understand clearly is whether your actual bills from Pepco have been reduced by \$14.5 million or is this an estimate on what AOC would have spent if those measures were not in place, because there is clearly a difference between cost avoidance and actual savings.

Mr. AYERS. Most of that cost avoidance comes from the three energy-savings performance contracts that we implemented; one in the House, one in the Capitol, and one in the United States Senate.

And by using those energy-savings performance contracts, which are private dollars invested in our buildings to make energy retrofits and improvements, those energy retrofits have driven our electricity bill and steam usage. So it costs less for us, and our bills from Pepco are less than they were.

Ms. WASSERMAN SCHULTZ. So you have a direct savings, your bill is \$14.5 million lower?

Mr. AYERS. Those numbers don't exactly match, but in general, the money that is saved is used to pay those vendors that made that investment.

Ms. WASSERMAN SCHULTZ. Right. No, I understand how the co-generation—

Mr. AYERS. So there is a direct savings, but that savings is used to pay for the investment that was made.

Ms. WASSERMAN SCHULTZ. And then over time you recoup the investment. And what is the timeline for that recoupment?

Mr. AYERS. All three of those contracts are different, but they range from 13 to 18 years, approximately.

Ms. WASSERMAN SCHULTZ. Okay.

We in our conversations talked about this, and I understand that we have not met the 30 percent mandated reduction in energy use as required by the bill we passed into law, the Energy Independence and Security Act of 2007. And you have got a small window remaining by fiscal year 2015 to meet those reductions. So what else needs to be done on campus to ensure that those requirements are met?

Mr. AYERS. I think two things. We need to continue with the refrigeration plant revitalization work that is ongoing now. And secondly, there was money funded in our 2014 bill for digital control upgrades at the Library of Congress. We would consider the library to be a target-rich environment for energy savings. Recalling that we have made significant progress in the House, Capitol and Senate, we did not implement an energy savings performance contract at the library, so there are opportunities there.

The digital control upgrades that the committee funded in 2014 and that we are requesting phase two of that in 2015 are important energy saving projects for us, and they are going to make substantial improvements.

REDUCING OVERTIME

Ms. WASSERMAN SCHULTZ. Thank you. How much did you spend in overtime in the last 3 fiscal years?

Mr. AYERS. I don't have the physical number, but we have reduced our overtime numbers 33 percent this year or about 150,000 hours.

Ms. WASSERMAN SCHULTZ. Can you explain the effort that you have made to cut overtime in your budget?

Mr. AYERS. This initiative goes back 3 or 4 years where my team and I recognized that our overtime rates were exceedingly high and continuing to grow and grow and grow every year, and we put some controls in place to enable us to begin reducing that, thinking that we need to control and manage that. And if we don't, this committee is going to do that, and we are going to be in a far better position if we manage it and lead it.

So we put a series of policies and controls in place. We changed managers' and leaders' performance plans, requiring them to reduce overtime and find ways to reduce overtime. And we have done that and have been incredibly successful with that by changing shifts. Instead of everyone working Monday through Friday, and then a handful of people working overtime on Saturday or Sunday, people will now work Tuesday through Sunday or Monday through Saturday. So doing things like that have enabled us to drastically reduce our overtime expenditures.

Ms. WASSERMAN SCHULTZ. The Capitol Police has a cap on their overtime that we allow them to have. We don't allow them to go over that cap. How would a cap on overtime affect the Architect of the Capitol and would you anticipate any problems if we implemented that?

Mr. AYERS. I would not anticipate any problems. I think we are able to effectively manage our overtime expenditures.

Ms. WASSERMAN SCHULTZ. Okay.

Mr. Chairman, I just have two other questions.

Mr. COLE. Go ahead.

CANNON BUILDING RESTORATION

Ms. WASSERMAN SCHULTZ. Okay. Thank you.

On the House Historic Revitalization Trust Fund, I think, Mr. Chairman, we have had a very long lead time in this committee to become aware of the timeline for when Cannon's revitalization is going to start. It is going to start next year. Most Members and most of the Capitol community doesn't realize that we are there. We are at stage zero in 2015 next year.

So could you, I just want to ask for the record, give the subcommittee the current estimate and timeline for Cannon and what your funding request for Cannon is?

Mr. AYERS. Our funding request for fiscal year 2015 is \$70 million to be placed in the House Historic Buildings Revitalization Trust Fund.

Ms. WASSERMAN SCHULTZ. So you are not asking for additional. This is to draw down from the trust fund?

Mr. AYERS. No, I think the Congress needs to put \$70 million in the trust fund every year through 2022.

Ms. WASSERMAN SCHULTZ. Yes. Right. And the timeline?

Mr. AYERS. The total cost of that project is currently \$752.7 million. And phase zero, which is enabling work, starts a year from now, in 2015. The first move-out of a wing of the building starts in 2016 and will happen every 2 years. It will happen on the congressional move cycle. So as Members are moving in the month of December anyway, that is the same time that we will empty a wing of the building and refill the wing that was recently completed. So that will take us through 2024 to complete all four phases of that renovation.

Ms. WASSERMAN SCHULTZ. And you anticipate which offices, which types of offices to be moving?

Mr. AYERS. All offices would move out of the Cannon Building one wing at a time. Certainly Member offices will move to the Rayburn and Longworth Buildings, and committee staff, Clerk's office,

Architect's office, CAO staff and others will move to the Ford Building or the O'Neill Building.

OPERATIONS REQUEST

Ms. WASSERMAN SCHULTZ. Okay. And then lastly just on your operations request. We focus a lot on your Capitol request, but you have asked for significant increases in operations. Your Capitol buildings operations increase is 3.1 percent. The Capitol Power Plant's is only half a percent. Can you discuss the disparity in the difference in increases in your operations request and also why it is so significant?

Mr. AYERS. Certainly. A couple of our jurisdictions are requesting increases in their operational accounts, and those things include prenegotiated contract increases. They include the need to do a better job maintaining our elevators and escalators. I know in the House there is a comprehensive lighting replacement that is needed as well as better maintenance on the exterior stone surfaces of our buildings.

Ms. WASSERMAN SCHULTZ. And are those greater than in previous years, those needs?

Mr. AYERS. Much of the contract maintenance work that we do and the contract cleaning work that we do have annual price escalations, so there is some of that in there. And in the House Office Buildings there is a lighting replacement that we don't do every year; we do every 3 or 4 years. We do a group relamping project every 3 or 4 years instead of replacing one light bulb at a time. We do them all at the same time. And similarly, the exterior maintenance of stone surfaces is something that our team has identified as something we need to make better investments in.

Ms. WASSERMAN SCHULTZ. By the way, Mr. Chairman, I don't know, you have been here a long time, your office is probably in Rayburn. But my office has been in the Cannon the whole time I have been here. And since you mentioned the lamping, lighting, I noticed a couple of years ago that you—this is probably trivial, but I want to bring it up because I have heard it from other Members—that the light bulbs that you changed to, which aren't because we changed to LED light bulbs, because there are softer versions of those, that it appears that the light bulbs you changed to changed the harshness, made the lighting along the hallways more harsh in Cannon than the softer lighting that we had, that to me fits better with the architecture of the building. So was there a deliberate decision to that? Has anyone noticed it? Did you get any complaints? Consider this one if you haven't.

Mr. AYERS. We did replace the light bulbs in the corridors of the Cannon Building, and that must have been over a year ago, with a very bright and harsh and too white of a color temperature bulb, and we went back through and changed all of those.

Ms. WASSERMAN SCHULTZ. Oh, did you? Okay.

Mr. AYERS. Since changing those we haven't received any complaints.

Ms. WASSERMAN SCHULTZ. Okay, good. I will have to go back and look again. I am glad that you did that.

Thank you.

Mr. AYERS. It is a much softer color and a much better color.

Ms. WASSERMAN SCHULTZ. Okay.
Mr. COLE. Dr. Harris.

CANNON BUILDING RESTORATION

Dr. HARRIS. Thank you very much, and I will be brief because the ranking member actually asked the main question that I was going to ask, which is the status of the Cannon Building restoration. The total budget for that project, is not \$752 million, correct? That figure represents other work in addition to the Cannon Building, correct?

Mr. AYERS. That is the Cannon Building.

Dr. HARRIS. So the \$752 million budget represents restoration work only in the Cannon Building? How has the estimate changed over the past 2 years?

Mr. AYERS. It has not changed.

Dr. HARRIS. Okay, so you anticipate that there will not be no increase in costs as you restore the building? I mean, usually the cost of building projects goes up as you approach them or as time passes. So you would normally anticipate an increase within that budget, even though you are 2 years out?

Mr. AYERS. We do anticipate that. We put a great deal of effort into defining what needs to be done before we proffered a cost estimate, and we are holding our teams, our designers and our contractors accountable for delivering a project for that number. We don't anticipate that will change.

Dr. HARRIS. However you don't have contracts signed for 8 years out, do you? Do you already have contracts signed through completion of the restoration?

Mr. AYERS. Actually, we do.

Dr. HARRIS. Okay, good. And the last question is a really technical one because my first office was located in the Cannon building. What is a wing of the Cannon Building? I thought it had four sides.

Mr. AYERS. A wing is synonymous with a side.

Dr. HARRIS. So one side, okay.

Mr. AYERS. Yes.

Dr. HARRIS. So when you start moving people out in 2016, you anticipate that you will have one wing completed by 2017?

Mr. AYERS. At 2018. It happens every 2 years.

Dr. HARRIS. I understand, but the moving occurs in January so when you move people out in 2016, you mean December 2016?

Mr. AYERS. Correct.

Dr. HARRIS. So it is 2016, 2018, 2020, and 2022, but the move-out in 2022 would mean completion would be in 2024, if you did one side at a time, is that correct?

Mr. AYERS. Correct. Yes.

Dr. HARRIS. So the project will actually, be completed in 2024 not as you said 2022, is that correct?

Mr. AYERS. Correct.

Dr. HARRIS. Okay, all right.

Mr. AYERS. To move out in 2022, and then move back in, in 2024.

Dr. HARRIS. The brand new building, all four sides—

Mr. AYERS. Yes.

Dr. HARRIS. Thank you very much.

Thank you, Mr. Chairman.
Mr. COLE. Mr. Bishop.

ACCESSIBILITY TO CONGRESSIONAL BUILDINGS

Mr. BISHOP. Thank you very much, Mr. Chairman.
Thank you, Mr. Ayers, for your appearance.

I want to go back to a report that was issued last September by the Office of Compliance that found that there were numerous barriers to access for people with disabilities at the Library of Congress. What steps are being done to address the situation, and where does compliance with the Americans with Disabilities Act rank in terms of setting your priorities for Capitol projects?

Mr. AYERS. The Office of Compliance did issue a report, an extensive study of accessibility issues across the Library of Congress campus for the 111th Congress, and the report identified some 270 items that needed to be repaired. Eighty-two of those have been corrected so far. Of that 270, there are 65 of those that are inside the building, and of those 65 we have completed 48. And there were another 205 issues outside, and we have completed 34 of those. So it is something that we are working on and continue to work on to abate all of those.

And certainly complying with the Americans with Disabilities Act is right at the top of our list. It is the law. So we are certainly going to do everything we must do to comply with the law.

Mr. BISHOP. Thank you.

ADDRESSING WORKPLACE ISSUES

In the same report, I think, the Office of Compliance report noted that 37 percent of the total claims for race, gender, pregnancy, age, and disability discrimination were filed against your office. How are you resolving these claims, and how many of them have been resolved to date? What efforts are you undertaking to address workplace discrimination concerns?

Have you consulted with any other agencies for best practices? We just heard from the Government Printing Office, for example, and they were able to reduce their discrimination complaints by 60 percent over the last year. Have you been able to consult with some of the other agencies, such as GPO or the Capitol Police, that have been wrestling with these same problems and appear to be making some progress in terms of developing some best practices for your office?

Mr. AYERS. I don't have the numbers in front of me of where we stand on the 37 percent from that report that was issued a year-and-a-half ago. But certainly we believe we are making very, very good progress. Our internal EEO office and Conciliations Program office, the complaints that we have received there have generally gone to zero over the past year-and-a-half, and we just don't have systemic complaints and issues.

Mr. BISHOP. How were you able to accomplish that? Did you take any steps? What efforts, specifically, did you do that resulted in a reduction?

Mr. AYERS. Well, I think there are a number of things that we have done. One is certainly training all of our employees and our

supervisors annually, and it is a requirement that they take sensitivity and EEO training on an annual basis.

Two, really focusing in on our supervisors and improving the skill level of our supervisors, because we found that most of that kind of problem and interaction happens with first-line supervisors. So training them to resolve problems at the lowest level, to treat people respectfully, and engage and communicate with employees on an ongoing basis really works to resolve problems.

And we have done some interesting things recently. We just had a seminar with Howard Ross. You may know Howard Ross, he is a well-known author. And he came in and talked to us about unconscious bias. Many people don't think they have bias, but Howard does an incredibly great class in bringing out the unconscious bias that many people may have within them.

Mr. BISHOP. This was for your supervisors?

Mr. AYERS. Yes.

Mr. BISHOP. Okay.

One of the things that I heard from the GPO was that they put a lot of emphasis on communications with the employees themselves. And to that end, even though they work 24/7, they had town hall meetings on a quarterly basis with their workforce, with all three shifts, and that was viewed by the public printer as an effective tool for helping to reduce the number of complaints, which resulted in that 60 percent reduction.

Have you considered having some town hall meetings with the employees? Not only do the supervisors need to know, but the employees need to understand what their responsibilities are and what their rights are. There needs to be, I think, good communication in that regard.

Mr. AYERS. I think you are absolutely right, Congressman Bishop, that communication is the key to resolving those matters. And certainly from the top, for at least 6 years, I have had 50 town hall meetings every single year, one in the spring and one in the fall, for all of our business units, and that is about 50 a year. And then we require each of our leaders to have their own town halls, and we require first-line supervisors to have a staff meeting or a shop meeting in their individual shops at least once a month.

So we do employ town hall meetings, and we do, we think, have a good process in place whereby we communicate with our employees and show respect and engage them in what we do.

Mr. BISHOP. So we should expect, then, next year that 37 percent of the total claims, or a significantly smaller percentage, will come from the Architect of the Capitol then?

Mr. AYERS. Absolutely.

Mr. BISHOP. Okay, thank you. We look forward to that.

Mr. COLE. Mr. Amodei.

Mr. AMODEI. Thanks, Mr. Chairman.

Mr. Ayers, I am going to overlook the fact that your educational background includes some time spent at the University of Spoiled Children. I want to just move on to architectural issues if that is okay with you.

Mr. AYERS. That is not South Carolina for the rest of you. It is Southern California.

Mr. AMODEI. All of us folks who couldn't get in have a particularly bitter view towards that institution.

I want to follow up on the vice chair's questioning just real quick, and that is, have you determined what order the Cannon wings are going to go in? Let's get down to brass tacks. As an inhabitant of the Cannon Building, what order are the wings going in?

Mr. AYERS. So we are going to renovate the west side first.

Mr. AMODEI. Okay.

Mr. AYERS. North is second, east is third, and south is fourth.

Mr. AMODEI. Very good. That is a good answer. Thank you very much.

EXTERIOR STONE RESTORATION

I just have one other thing I would like to touch on. As I am looking at this stuff where you talk about stone buildings and water and stuff like that, and I am looking at pictures of netting where your staff has triaged those areas that concern you the most and are taking appropriate safety precautions until you can get to them, I want to ask you if, since the campus is the showplace and stone is obviously a big part of that, and stone weathering is something that you have documented, I think, pretty clear, if your budget request—I know that all governments and even at this level are not the same—you tend to want to push these things off, hopefully, right up until before failure because it costs money. And as a new Leg Branch geek, I sure as heck don't want to be on the committee while something falls where somebody is or things like that.

So my question in this context is, and it is not a back-door safety thing, are your requests adequate to aggressively go repair those stone structures that are in need of repair or are you basically prioritizing them hoping that nothing will happen beyond what we have experienced by the time you get to them?

Mr. AYERS. I think they are appropriately prioritized. We developed those projects based upon a series of condition assessments that have happened over many years. We have been tracking the condition of stone over a series of years and made a decision to intervene in the Capitol Building last year, the Russell Senate Office Building last year, and the Botanic Garden in fiscal year 2015. So I think they are pretty good strategic decisions. They are not just requests where we say we have stone falling, we need to do something now. It is something that we have been watching for many years and made a conscious effort to intervene when we need to.

Mr. AMODEI. Okay. Well, I will just leave it at this, assuming that you have already done the work. At some point in time I would like to visit with you to say, tell me, you know, based on what you have done already, what you think the threat is in the buildings on the campus in terms of stuff falling off the buildings or a failure before at your present restoration or maintenance schedule. That is, just because I think it is below ground, we now have on the record we are putting netting over stone for good reasons that may have some fall, but based upon our budget stuff we are hoping that we can get to that netting 6 years from now or something like that.

So I am not criticizing anything you have done. I just don't want to be in a position where you say we fix it as fast as it is funded,

and even though we have netting up across a bunch of stuff, we didn't have the funding to go do basic exterior/safety stuff.

So with that, I will yield back. Thanks.

Mr. COLE. Mr. Moran.

DEFERRED MAINTENANCE

Mr. MORAN. What would your budget request have been, roughly, if you had been able to put it together in the context of a less restrictive fiscal environment? So while you ponder that, let me just explain what I am talking about. It seems to me that this budget was put together in an acknowledgment that the political environment is one of relatively severe fiscal restraint, and so you deferred \$260 million of what you consider to be necessary maintenance. It is going to have to be done, as others have suggested, eventually, but if it were not for the current fiscal austerity within which we make these decisions, what would the budget have looked like?

Mr. AYERS. You are absolutely right that we have a long list of projects that you can find in our budget book and we recommended we fund 21 of them. There is another \$260 million worth of projects that need to be done and will ultimately have to be done that we did not put forth in our budget request.

Mr. MORAN. If I could just add to that, when we actually do them, they will be more expensive for reasons of inflation, the contractual costs, and probably for exacerbated maintenance problems.

Mr. AYERS. I think you couple that with the fact that our backlog of work today is \$1.4 billion worth of work, and that is a backlog of deferred maintenance and capital renewal work. So thinking out loud, taking those two metrics or rubrics together, I would suggest that the right size of our budget is maybe \$40 million, maybe \$50 million more than what you see in our request.

Mr. MORAN. Okay.

Mr. AYERS. And I think that is about the maximum throughput that we could actually get done at any given time.

Mr. MORAN. Sure. You have obviously got a constraint in terms of how much you can get done within a limited period of time, and you wouldn't want to over budget, but that is really what I was looking for. Thank you.

Again, I don't really have a sufficient problem with the way things are being done that I want to imply that I am critical. I think this is—it is a glorious campus. We are privileged to work here. I know it is expensive to maintain it. But I do think we owe it to the American people, really, for them to, when they come to Washington, to take pride in the entire campus, all of its buildings, and so I think you are doing a good job, and I won't have any further questions then.

Mr. AYERS. Thank you, Mr. Moran.

Mr. COLE. Mr. Stewart.

Mr. STEWART. Mr. Chairman.

Thank you for your time today. I think I can be brief.

Let me say that when I was young, like a lot of Americans, I visited the Capitol. I don't remember a single person I met. I think I met with my Congressman. I don't recall. But I do remember the atmosphere. I remember the buildings. I remember standing out-

side some of these buildings and kind of going “wow.” And I think that is the way most of us feel. So the responsibility you have is meaningful and significant.

I compliment you on some of the work you do. I was particularly interested in some of the things you have done with overtime, for example; a 33 percent reduction is a meaningful reduction. I don't want to say that you were inefficient before that, but some of that was obviously necessary. And to move from a 5-hour day, and then paying overtime on the weekends, to doing what a lot of industries do, and that is going to where people have staggered shifts, I think that was appropriate, and thank you for that.

CANNON BUILDING RESTORATION

Could you take a moment and just discuss quickly, I know it is a large project, but what is going to happen in Cannon as far as what does the renovation include? Is it interior and exterior? And will the offices essentially be designed and laid out the way they are now?

Mr. AYERS. The Cannon Building really hasn't had a comprehensive renovation or restoration since its original construction. And what we suffer from today is really mechanical, electrical, fire protection and safety system issues. We can't control temperature in that building. If you are a Cannon resident, you probably know that already.

Mr. STEWART. Yes.

Mr. AYERS. It is really a gut of everything in the building and a rebuild of all of the mechanical, electrical, fire protection, and safety systems in there.

The office suites will look essentially like they do today. Every Member's office is a three-room suite today, and when they go back it will be a three-room suite and the walls will be in the same place. We will make some efficiencies on electrical and HVAC improvements in those offices. And then all of the exterior will be upgraded and put back together the way it should be.

Mr. STEWART. So some of the exterior work, at least for this building, some of these concerns you have with the stonework and the fracturing and different things there, is that true?

Mr. AYERS. Yes, sir, all of that stonework is included in the project.

Mr. STEWART. So in theory, when you are finished with this the Cannon is good for another couple of hundred years as far as breaking up and falling apart on the outside?

Mr. AYERS. Yes.

Mr. STEWART. Okay. The parking structure remains the same?

Mr. AYERS. Yes.

Mr. STEWART. Okay. You mentioned in your written testimony that there are some offsets. You are going to be leasing some space in the Tip O'Neill Building, maybe some antennas on top of some other buildings that will generate revenue. Do you know what kind of revenue that would generate to offset some of these costs? I am guessing it is relatively small.

Mr. AYERS. We must have misled you in our testimony. Actually, the leases are a cost to us. They are not revenue generating. So we lease antennas for the Capitol Police. We lease space for

many building tenants across the Capitol campus. I think today we have nearly—

Mr. STEWART. Okay.

Mr. AYERS [continuing]. \$30 million in lease costs annually.

Mr. STEWART. Okay. So those antenna towers aren't to commercial buildings. Those don't generate any revenue at all.

Mr. AYERS. That is correct.

Mr. STEWART. That was my mistake. I apologize for that.

EXTERIOR STONE RESTORATION

And the last thing just in general, the stonework which you spent a lot of time on is a relatively small part of your overall concern but seems to be something that has captured people's attention, we are really just putting band-aids on most of these things, is that true? I mean, there is not much you can do with this building as far as the stone is the stone. It is what it is, and you can kind of repair it, but long term that is just going to be an ongoing effort. Is that true?

Mr. AYERS. In most cases it is not the stone itself, it is really the joints between the stone. And the mortar has deteriorated and we have to go back in there and remortar those joints. That is the biggest part of that, to keep water out.

And then secondly, the photographs you may see in our budget request, there are several pieces of cracked stone and stone that has fallen off. All of those stones need to be replaced. And then the stone that is—and this is primarily sculptural stone that is severely deteriorated—we can apply a stone consolidant on there that retards the continuing deterioration of some of that sculptural stone.

Mr. STEWART. All right, thank you.

Mr. AYERS. Yes, sir.

Mr. COLE. I have two quick questions, and then I am going to go around and see if anybody has one or two more. But one, just for the members' sake, particularly the new members, I would like you to talk a little bit about the dome project and what is underway, because I think they will get more questions about this than anything else, I think, as this takes shape. And want to thank you again for giving me a tour and showing me what was underway. It is a pretty remarkable structure, and having your expertise was really helpful.

CONDITION ASSESSMENT

Second, the staff recently caught an article where it mentioned that the Architect of the Capitol had hired a consulting firm to assess the condition of the Senate, House office buildings, Supreme Court, Capitol, Capitol Visitor, Library of Congress, for about \$5 million. We have reviewed the prior year budget and we found no indication of that funding request for that contract, nor have we been provided. So could you enlighten us about that particular contract, or perhaps maybe the newspaper article was in error.

Mr. AYERS. So the last one first, if I may.

Mr. COLE. Sure.

Mr. AYERS. I think that is a condition assessment. I mentioned condition assessments once or twice today. And that is an impor-

tant part of our work, that we have an independent look at 20 percent of all of our building inventory every year, so that every 5 years there is an independent look by an engineering company that reviews all of our mechanical, electrical and life safety systems. And I think that \$5 million is not the contract amount. It is a multiyear contract, probably a 5-year contract with a maximum amount of \$5 million. That is how we procure services like that.

Mr. COLE. Okay.

Mr. AYERS. And I don't know, but if one of my team members knows how much we spend annually on condition assessments, if you could let me know. Otherwise I will give you that for the record.

Mr. COLE. Yes, that would be very helpful.

[CLERKS NOTE.—Information is included in Questions for the Record.]

Mr. AYERS. But it is certainly nowhere near \$5 million. It is less than \$1 million, I believe.

DOME RESTORATION

And on the Capitol dome, there are three phases remaining for the Capitol dome. One is the restoration of the exterior cast iron shell, and that was funded in fiscal year 2013. And we will soon see, certainly in April, the rotunda closed for 2 weeks; right after that, scaffolding going and covering the entire area of the outer shell. And that work fixes some 1,300 known cracks and breaks and missing pieces in the outer shell.

The second phase, which was funded in our 2014 appropriation, revitalizes the space between the outer shell and inner shell. If you recall, there are two domes, an inner and an outer dome, and we call that the interior restoration. And the third and final phase, which is the interior space in the rotunda, is what is in our 2015 request, and that will hang scaffolding from the interior of the rotunda, and all of the surfaces visible there will be restored back to their original condition.

Mr. COLE. Thank you very much.

Ms. Wasserman Schultz.

Ms. WASSERMAN SCHULTZ. I don't have any questions.

Mr. COLE. Dr. Harris.

CANNON BUILDING RESTORATION

Dr. HARRIS. Yes, let me ask a couple of quick follow-up questions. Again, the Cannon restoration, the \$752 million includes the, I take it, the rentals for the Tip O'Neill Building and all, the cost of moving people out?

Mr. AYERS. The moving costs are included in the \$752 million, yes.

Dr. HARRIS. And the rental of the other space?

Mr. AYERS. I don't believe that is included, no.

Dr. HARRIS. So the \$752 million is mostly just structural renovation. Is it just a little under a million square feet, Cannon?

Mr. AYERS. It is about 800,000 square feet.

Dr. HARRIS. So the back of the envelope, it is about \$800 or \$900 a square foot. I mean, how do I the answer a constituents that

says, look, a hospital in New York costs less than \$500 a square foot to build brand new, all new system.

The Dubai Towers, \$500 a square foot, commercial office building. How am I going to justify we are spending almost twice as much on a renovation of an office building that—look, I had an office in Cannon. I mean, they worked. I mean, they are not great, but they work. How do we justify that amount?

Mr. AYERS. I think a renovation and a historic renovation with extensive hazardous materials abatement in it is going to be far more expensive than new construction, no doubt about it. And I think from my perspective the Cannon Building is an important part of the history of the Congress and one that we need to preserve and maintain.

Dr. HARRIS. So that is perfectly in line with restorations of historic office buildings?

Mr. AYERS. I believe so.

Dr. HARRIS. Okay, thank you very much.

Thank you, Mr. Chairman.

Mr. COLE. Mr. Bishop.

Mr. BISHOP. Thank you.

DOME RESTORATION

I have got one other question relating to the Capitol Dome. I understand that in preparation for the restoration of the Dome, Architect of the Capitol workers traveled to see recent repairs done at statehouses in New Jersey and Ohio, and for painting tips they inspected the Chesapeake Bay Bridge.

Could you tell the committee what you learned from these inspections and what steps you are taking to ensure that the restorations that you will be making will last for at least another 50 years?

Mr. AYERS. We certainly did send teams to those other statehouses that had cast iron domes, and our work there was to validate our repair techniques that we are using to fix these nearly 1,300 cracks and deficiencies in the dome. And we found that they were, in fact, using different repair techniques, and we spent a great deal of time evaluating those techniques and understanding, if we could employ them here, would they be faster, cheaper, and ultimately determined that the work that they did is not similar and not an apples-to-apples comparison to the work that we do.

And the biggest difference is that they took most of their cast iron plates off of their dome, down to the ground, and repaired them under shop conditions, and we are not able to do that. And we are making these repairs in situ, 250 to 280 feet in the air. So we validated our repair technique and understood that we couldn't repair it in the same way that they had. So I think that was good for us.

Mr. BISHOP. And what did you learn from the Chesapeake Bay Bridge painting?

Mr. AYERS. I think that work is very similar to the work we are doing here on the Capitol because it is such a massive removal of lead-based paint. And we wanted to understand the safety requirement from someone that has done that work. We wanted to understand how to create a negative pressure environment on an enclo-

sure several hundred feet in the air and be able to suck all of that lead-based paint down to vacuum trucks that are sitting on the ground. And that work is very much like the work that they did on the Chesapeake Bay Bridge, and I think there, again, we validated the design work that we had before us, and led to an increased comfort level and reduced sense of risk about the work.

Mr. BISHOP. Thank you.

Mr. COLE. Mr. Stewart.

Mr. STEWART. Nothing.

Mr. COLE. Mr. Moran.

Mr. MORAN. No, I am fine. I can empathize with Dr. Harris' concern about the cost per square foot. I am glad you raised that on a square-footage basis.

But as Mr. Bishop and I were discussing, it generally is considerably more expensive to restore than to build initially. But I wonder if some of the contracts weren't a little excessive, and I just wonder how competitive they are, when they see a contract like that, if they don't feel that they can build in extras that sometimes are not built in, in the private sector.

It is difficult from this vantage point to really determine that, so we just have to trust you that we are getting the most for the taxpayer's dollar. But it is a bit disturbing that per-square-foot cost is awfully high. But thank you.

Mr. COLE. Thank you.

I thank you, Mr. Ayers. We appreciate it very much. And thanks for the work you do. We will have some questions for the record.

[Questions submitted for the record by Chairman Cole follow:]

**Questions for the Record — Architect of the Capitol
Subcommittee on Legislative Branch
Committee on Appropriations
U.S. House of Representatives
Fiscal Year 2015**

DEFERRED MAINTENANCE AND CAPITAL RENEWAL PROJECTS

Question. The Architect of the Capitol, as your justification states, is facing a significant dilemma as to how to address the growing backlog of Deferred Maintenance and Capital Renewal projects. For the record, by appropriation, list all the Deferred Maintenance and Capital Renewal projects and estimated costs associated with each.

Response. The Architect of the Capitol (AOC) identifies and continually updates Deferred Maintenance and Capital Renewal work elements as part of the Facility Condition Assessment (FCA) program. This immense list of work represents raw survey data that is routinely utilized to identify initial project requirements that are, in turn, used to develop projects submitted as line item construction projects on an annual basis, as well as projects funded through jurisdictions' operational funding. This Deferred Maintenance and Capital Renewal survey data is indicated in each jurisdiction's section in AOC's annual Budget Justification under "Facility Summary" at the beginning of each section. In addition to the FCA, there are other drivers of project identification including client requests, statutory requirements, and Congressional operational or business requirements. Facility Condition Assessments are funded from the General Administration Appropriation, Architectural and Engineering Services program group. On average, the AOC has spent \$850,000 annually for the Assessments.

The AOC is continually amending these numerous and fundamental Deferred Maintenance and Capital Renewal work elements. The most urgent and highest defined projects, created from multiple work elements, are included in AOC's annual budget request as Recommended Line Item Construction Projects, and are indicated in the FY 2015 Budget Justification on page 9 of the "Overall Budget" section. Other projects that the AOC has developed, but has decided not to request are included in the Deferred Line Item Construction Projects list indicated in the FY 2015 Budget Justification on pages 10 and 11 of the "Overall Budget" section. (This list, sorted by appropriation, is attached for the record.) In addition, a number of other projects that are awaiting additional information gathered in the FCA and/or Capital Improvements Plan processes are included in the total Deferred Maintenance and Capital Renewal estimates, but are not listed in the annual budget requests.

CAMPUS-WIDE SHUTTLE BUS SERVICE

Question. In the fiscal year 2014 House Report 113-173 you were directed to prepare a report of the inventory of the complete AOC vehicle fleet. Please provide that report for the record.

Response. The AOC Fleet Report is attached for the record.

Question. In order to meet the sequestration cuts the Architect of the Capitol cancelled the campus-wide shuttle bus service contract, which resulted in a cost savings of nearly \$275,000. Before you cancelled this service did you perform an analysis as to the financial impact to other agencies that used the shuttle bus service? After all, if savings to the AOC created greater costs to other Legislative Branch entities the net sum gain to the Legislative Branch could be substantial.

Response. The authorization to provide shuttle services was granted to the AOC via the Capitol Grounds Appropriation in 1976 (2 USC § 2163). Although we did not conduct a formal financial impact analysis, we did conduct an informal analysis over several months that pointed to low ridership and virtually no ridership outside of AOC employees. Therefore, it was identified as a potential service level cut in our sequestration planning. When sequestration occurred, we implemented the plan.

ENERGY CONSUMPTION

Question. The AOC has completed a number of projects to further reduce energy consumption across the Capitol campus, including the installation of more than 230 new utility meters campus-wide and developed a database to log and track collected data.

How does the installation of utility meters reduce energy consumption?

What do you do with the database you developed to log and track collected data? How does this reduce energy consumption?

Response. The installation of advanced utility meters, in itself, does not save energy. However, our advanced metering system, in combination with our Utility Metering Enterprise System (UMES), allows for near real-time graphical representation of data down to 15-minute intervals. The availability and accessibility of this building-level metered data allows AOC energy managers and operational personnel to easily analyze trends, identify performance anomalies and savings opportunities, and track results of efforts such as the energy savings progress of our energy savings performance contracts (ESPCs).

Examples of improved building energy performance (electric and thermal) include increased chilled water temperature differential (reducing plant pumping energy), optimized phased morning warm-up and setback scheduling, reduced excess outside air and simultaneous heating and cooling during shoulder and opposite seasons. The system has also provided critical information for determining losses and pinpoint sources of deviations within the steam and chilled water distribution systems and for building energy model calibration.

Using the utility meters to drive reductions in energy consumption across the Capitol campus has helped Congress meet the Energy Independence and Security Act of 2007 goals for the past several years. The meters continue to be instrumental in the AOC's efforts this fiscal year. The

AOC's energy reduction plan for FY 2014 focuses on reducing steam usage in all buildings as well as implementing nighttime set-backs. By monitoring the utility meters, the AOC will be able to measure the results of its efforts and make adjustments quickly, if necessary.

O'NEILL BUILDING OCCUPANCY

Question. Mr. Ayers, the Committee has been informed that you have signed an occupancy agreement for the O'Neill Building, which began on March 1, 2014.

For the benefit of the new Members to the Subcommittee could you give us a brief history of the project?

Response. In 2003, the Architect of the Capitol received approval from the House Office Building Commission to plan, design and lease 200,000 square feet of office space in the Thomas P. O'Neill Jr. Federal Building (O'Neill), formerly Federal Office Building Eight (FOB8), a GSA-owned building. GSA contracted Boggs and Partners Architects (BPA) to design the base building, formerly a laboratory building, for office use. House support staff will occupy the third through sixth floors of this newly renovated building that features a central atrium and new furnishings.

The U.S. Department of Health and Human Services occupies the lower four floors (Lower Level to Second Floor). Floors three through six were designed and constructed with 20 suites whose sizes can be adjusted as needed. GSA contracted with Turner Construction to perform the base building and tenant construction, which began in spring 2010. Telecommunication systems were procured and managed through the House Chief Administrative Officer (CAO). Federal Protection Services (FPS) will be in charge of the building security. The AOC has invested funds totaling \$53,941,000 over the course of the past 10 years to get this facility ready for use by the U.S. House of Representatives.

Question. What is the estimated rent for the facility for the current fiscal year and the next?

Response. Based on the March 1, 2014, occupancy agreement and additional expenses, the rent and additional expenses for FY 2014 is approximately \$9,051,506.26. The rent and additional expenses for FY 2015 is approximately \$16,537,000. Additional expenses were estimated based on incurred costs for existing GSA leases. Additional expenses include additional security guards, overtime heating, ventilation and air conditioning (HVAC), and any modifications or changes needed to our spaces.

Question. What level of security is being provided in the facility? And has this been vetted and approved by the Capitol Police?

Response. In 2005, United States Capitol Police (USCP) requested a redesign due to security requirements. The building was analyzed and an acceptable security level was determined. The perimeter security was also upgraded to comply with USCP requirements. As the AOC is the

majority tenant, the USCP has been leading the Facilities Security Council (FSC) for the O'Neill Building and has held monthly meetings to establish building security regulations and procedures. For example, the FSC determined the location of guard posts. Once House employees occupy the O'Neill Building, the security screening procedures will follow standard House screening protocols. The USCP have been fully involved during the design and construction process and have installed cameras, alarms and card readers throughout the floors that House employees will occupy.

Question. When do you anticipate we will start to occupy the building?

Response. One group is on schedule to occupy the facility beginning in May 2014. As the process to identify additional tenants is underway, there is the possibility that additional groups could occupy the facility earlier.

CAPITOL DOME RESTORATION

Question. Mr. Ayers, you have requested \$21.2 million dollars for the final phase of a program to restore the Capitol Dome which has not undergone any major repairs in over 50 years. This has been a multi-year funded project that upon completion is estimated to have a cost in excess of \$106 million dollars.

For the benefit of the new Members to the Subcommittee, would you briefly explain the entire project and give us a current timeline of when and what we will begin to see as far as progress or movement on the next phase, which rehabilitates the Dome exterior?

Response. The entire project program consists of three phases, Phase IIA – Exterior; Phase IIB – Interior, and Phase IIC – Rotunda. Phase IIA – Exterior was funded in FY 2013 and consists of the following tasks: Construction site compound set up, scaffolding assembly, lead paint removal, cast iron surfaces and ornamentation restoration, window repair, and new sealant and paint application. A scaffold system will enclose the entire Dome, and a donut-shaped safety netting system will be installed in the Rotunda.

Phase IIB – Interior work is funded in FY 2014, and includes the upgrade of the mechanical, electrical, lighting, roofing and communications systems. Upgrades also will be made to the fire protection and catwalk systems. Phase IIC – Rotunda, which is included in the AOC's budget request for FY 2015, includes lead paint removal, restoring the surfaces to a period of historical significance, replacing the existing lighting system, and stone cleaning. A suspended scaffold system covered by a donut-shaped safety netting system will be installed in the Rotunda.

The Phase IIA timeline began with the contract award on September 30, 2013, followed by the notice to proceed on November 4, 2013. The submittal process, including the extensive field surveying and engineering for the specialized scaffold and safety netting systems, is nearly complete. Onsite mobilization including protection of underground utilities, tree protection, underground airshaft shoring, and construction of a staging compound with security is underway.

This work will be followed by the installation of the tower and bridge scaffold and hoist system on the northwest corner of the Capitol, and a floor and art protection system in the Rotunda. These preparation efforts will be completed on time for the scheduled safety netting installation in April, and the Dome scaffold installation is to start in May. As the scaffold is installed in stages, (beginning at the Peristyle level and working upward), the lead paint abatement will begin, followed by the restoration work and painting. This phase will be complete in the fall of 2015.

The Phase IIB work will be performed in parallel with the Phase IIA work. The final phase will overlap the Phase IIA work and be complete by the fall of 2016.

Question. Within the final phase request you are asking for \$1.5 million dollars for “Inaugural Schedule Contingency.” Would you explain what this represents?

Response. Preparations for the 2017 inauguration require completion of the Phase IIC – Rotunda restoration by the fall of 2016. Given the amount of water damage and the amount of time that has passed since the last restoration efforts, there is a potential to encounter unknown site conditions that may lead to contract changes. While the cost of these changes is expected to be covered by the construction contingency, there is a risk that unforeseen construction conditions could cause necessary schedule acceleration to meet the project schedule. If changes were necessary that could impact the completion date, acceleration of the schedule could require extended work shifts, or additional expertise and materials. The Inaugural Schedule Contingency would be utilized for these additional costs, if needed.

Question. Do you anticipate problems that will preclude completion of the project prior to the next inaugural?

Response. Prior to the start of construction, risks that could potentially impact the schedule are identified. Plans for mitigating the risks are implemented. Many of these risks identified and development of the implementation plans came from the research done during the project design phase and from the lessons learned from the successful completion of the recent Dome Skirt Restoration. Examples include cast iron repair techniques, allowance for an unforeseen quantity of repairs that cannot be identified until the removal of the paint, and upfront unit pricing for various elements of work, improved submittal and repair tracking processes, and overall management of the construction team. We expect to successfully complete the project prior to the next inaugural.

CAPITOL BUILDING EXTERIOR STONE AND METAL PRESERVATION

Question. Mr. Ayers, in current fiscal years the Committee provided \$16.6 million to begin a multi-year \$37 million dollar project to address the exterior stone and metal preservation of the U.S. Capitol. This year you are seeking \$2.5 million dollars to address the next phase of this project.

Can you tell the Committee the full scope of this project?

Response. The Capitol Building Exterior Stone and Metal Preservation program consists of four phases to rehabilitate the exterior stone of the U.S. Capitol to prolong the building's life expectancy and preserve its historic and decorative features. Phase I, funded in FY 2014, includes work on the North Extension, terrace balustrades, Senate Carriage Entrance, and metals preservation. Phase IIA, which is included in the FY 2015 budget request, addresses the connector and north elevation of the South Extension. Phase IIB, funding request and execution planned for FY2016 – FY2020, includes the remainder of South Extension and House Carriage Entrance. Phase III, funding request and execution planned for FY2016 – FY2020, includes the East Front and West Front.

Question. How will this coincide with the Dome Restoration Project? Will both projects be done simultaneously?

Response. Phase I and Phase IIA are scheduled to occur concurrently with the Dome Restoration Project. Having multiple contractors working simultaneously in and around Congressional buildings is not uncommon, and the project teams are accustomed to the coordination required, ensuring conflicts do not occur. During the design of the Dome Restoration and stonework projects, the project management staff and Capitol Superintendent staff reviewed the logistics for both projects to ensure staging and work areas did not overlap in a way that could cause a disruption to either project or to Congressional operations. The scope of work for the stonework project funded in FY 2014 is not in the same location as the Dome Restoration work. Subsequent stonework restoration work is scheduled to occur after the completion of the Dome Restoration project.

Question. Is there a possibility that this project could interfere with the next inaugural?

Response. Phase I and Phase IIA are scheduled to be complete prior to the next inaugural. Work on Phase IIB and Phase III will not begin until after the next inaugural.

Question. What step are you taking to make sure that does not take place?

Response. The construction schedule will be proactively managed by the AOC to ensure the project is tracking correctly. Risk management practices will be employed to identify and mitigate potential schedule impacts.

FULL TIME EQUIVALENT (FTE'S) UTILIZATION

Question. Mr. Ayers the Committee was able to provide additional funding to the Architect in fiscal year 2014 of \$23.3 million or 6 percent over fiscal year 2013 for your Operating Budget's. In fiscal year 2013 your actual FTE utilization was 2,102 and your projected utilization for fiscal year 2014 is 2,269. This is an increase of 168, or 8 percent, in FTE utilization.

With the FY 2014 budget not being finalized until the middle of January 2014, how is it that the AOC can gear up so quickly to achieve such an increase in FTE utilization?

Response. Total payroll funded FTE's for the AOC is capped at 2,269, as reported in our FY15 Budget Justification Book. Due to the uncertainty of sequestration and the exact amounts that might be reduced in the FY13 Operating Year, AOC took steps to slow down and freeze hiring as a precautionary measure, leaving many of our maintenance shops undermanned. The freeze led to the reduced FY13 FTE utilization of 2,102, which is 167 below our total FTE cap.

In April 2013, once the level of the FY13 Appropriation and sequestration was known, the AOC began gearing up by hiring key trades and skills. Since the FY14 Appropriation Bill has been passed, the AOC has filled approximately 75 positions and continues to seek highly skilled and diverse employees to bring our maintenance shops up to correct manning levels. As of now, our current FY14 FTE projected utilization is 2,205.

At the direction of the Committee, in FY14 the AOC requested payroll funding for only 2,234 FTE's, which is 35 below its cap. This reduced request accounted for the average lapse rate associated with personnel hiring. Subsequently, in FY15 the AOC is requesting payroll funding for 2,238 FTE's, 31 below the FY14 cap, again to account for the projected adjusted lapse rate.

RAYBURN BUILDING GARAGE REHABILITATION

Question. Mr. Ayers, another project is \$30.5 million dollars as a down payment on an estimated \$128 million project to be accomplished in four phases to rehabilitate the Rayburn Building Garage parking areas. The Committee understands that significant slab deterioration has and is occurring.

As part of this project you are proposing architectural modifications for life safety, accessibility, lighting, electrical, mechanical, plumbing, fire protection and physical security. Briefly explain this project and how each of the elements I just mentioned are part of the project.

Response. The purpose of the Rayburn Garage Rehabilitation project is to enhance the safe use of the parking structure, to prolong the life of the facility, maintain garage functionality, reduce the required extent of periodic maintenance, and provide modifications that comply with current code and life-safety requirements to the maximum extent possible.

A study of the garage concrete deterioration was performed in 2000, and the results of the study conveyed that after 2010, more costly and structurally difficult repairs would be necessary. We are finding that these more difficult repairs are, in fact, reality. Recent failures within the garage are of the size that makes undertaking them near impossible within the capabilities of current staff and allowable Congressional timeframes. Each year that funding is not provided for the garage rehabilitation project, the repairs will become more structurally intensive and much more costly.

The work includes the following:

ARCHITECTURAL/LIFE-SAFETY/ACCESSIBILITY

Repair deteriorated and failed internal and exterior waterproofing.
 Upgrade ADA egress route for full code compliance.
 Update garage and wayfinding signage.
 Repair garage finishes, concrete, block and plaster wall, ceiling surfaces, floor strips, floor directional arrows, traffic toppings and garage color designation systems (garage levels, life-safety, communications, security, equipment controls).
 Update parking layout including additional handicapped parking spaces and accessibility, parking striping and numbering.
 Restore aluminum garage doors to maintain historic significance.

STRUCTURAL

Remove and replace deteriorated garage concrete slab.
 Remove and replace garage expansion joints.
 Remove and replace garage structural features including deteriorated curbs, ramps, and masonry walls.

FIRE PROTECTION

Provide new sprinkler system to replace the original system that is at the end of its useful life.
 Provide new fire alarm system including additional strobe devices for the hearing and sight impaired with improved coverage.

MECHANICAL

Remove and replace aging deteriorated mechanical ventilation systems with energy efficient systems.
 Install new carbon monoxide monitoring and alarm systems.
 Upgrade mechanical ductwork supply systems.
 Install new and energy efficient mechanical control systems.

ELECTRICAL/LIGHTING/PLUMBING

Install new energy efficient lighting system and controls.
 Replace aging electrical panels, transformer and electrical conduits.
 Update building communication and security systems.
 Control and monitor garage lighting system into building automation system.
 Remove and replace deteriorated domestic water piping system.
 Upgrade garage drainage system.
 Replace aging deteriorated sump pumps, waste receptor, and floor drains.

Question. If we anticipate that our allocation for fiscal year 2015 will not be greater than fiscal year 2014, is there any way this project could be scaled back or broken up into larger phases?

Response. Subdividing the Rayburn Garage Rehabilitation project into additional phases, for example, eight phases instead of four, would increase the cost of the overall project. Among the other disadvantages to increasing the number of phases includes lengthening the completion

schedule, adding costs due to the mobilization and demobilization associated with the additional project phases, and expanding the need for temporary utilities needed to support eight phases. Construction work activities would also have a greater impact on building occupants, such as traffic backups at entrances/exits, detours and dust infiltration.

Question. How does this project compare in scope to that of the East and West Garages that were both rehabilitated at a total cost of \$37 million?

Response. The scope of work for the Rayburn Garage Rehabilitation, East House Underground Garage (EHUG) and West House Underground Garage (WHUG) Rehabilitation projects are the same.

However, the difference between the projects is the volume of work to be done. The Rayburn Garage is approximately 1,373,731 square feet; the EHUG and WHUG combined are approximately 574,000 square feet. The amount of repair work in the Rayburn is more than double that of the EHUG and WHUG, and the associated costs correspond with the increased amount of work to be done to make the Rayburn garage safe and secure. In addition, the EHUG and WHUG was non-phased work done during the daytime; the Rayburn Garage will undergo its renovation in phases and work will be completed at night.

Deferred Line Item Construction Projects

Title	Appropriation	Project Cost (\$000)	Project Urgency	Project Classification
Sustainable Site Demonstration Garden, Barholdt Park, BG	BG	1,995	I	CI
Air Handling Unit & Fan Replacements, Phase I, USC	CB	9,847	I	DM
Kitchen Renovation, Senate, USC, Kitchen Exhaust, USC	CB	13,187	I	DM
Domestic Water, Storm, Sanitary and Vent Piping Replacement, USC	CB	3,553	I	DM
Laylight Conservation, House & Senate Extensions, USC	CB	3,757	H	CR
Wall Decoration Restoration, Senate Reception Room, USC	CB	350	H	CR
Air Intake Tunnels Replacement, USC	CB	665	H	DM
Fireplace Exhaust Fans Replacement, USC	CB	4,039	H	DM
Electrical Branch Circuit Wiring Replacement Study, USC	CB	1,000	H	CR
Emergency Power Upgrade, USC	CB	1,000	H	CI
K-12 Fence Replacement, USCP	CPBG&S	4,119	I	CI
Chiller Replacement and Chilled Water System Expansion, Phase II, ACF	CPBG&S	960	I	CR
Offsite Delivery Screening Center, Phases I & H, CPBG&S	CPBG&S	1,192	I	CC
Electrical Distribution Upgrade, ACF	CPBG&S	1,840	I	CR
Power Switchgear Replacement, USCP, HQ	CPBG&S	3,737	I	CR
Electrical Distribution Upgrade, ACF	CPBG&S	1,840	I	CR
Uninterruptible Power Supply System, USCP HQ	CPBG&S	4,441	H	CI
ACF Land Purchase	CPBG&S	5,534	H	CC
Roof Replacement, PPBP & PPGP	CPP	2,500	I	DM
Garage Rehabilitation, Phase II, RHOB	HOB	29,168	I	DM
Fire Alarm System Replacement, LHOB	HOB	10,523	H	CR
Kitchen Upgrade, LHOB	HOB	11,594	H	CI
Pressure Reducing Valve Station & Water Heater Replacement, LHOB	HOB	1,320	H	CR
Cafeteria Renovation, UHOB	HOB	660	H	CI
Fire Damper and Smoke Control System Modifications, Stairwell Pressurization/Protected Exit Path, Option1, JAB	LB&G	3,010	I	CI
Emergency Lighting System Upgrade, JAB	LB&G	3,238	I	CI
Emergency Generator Replacement, JMMB	LB&G	37,177	I	CI
Elevator Modernization, Center Core, ME 1,2,5 & 6, JMMB	LB&G	2,577	I	DM
Stained Glass Window Repairs, South & Southwest Windows, Phase I, TJB	LB&G	3,000	I	DM
Garage Structural Repairs & Entry Improvements, West, Phase I, JAB	LB&G	7,936	I	DM
East and West Main Pavilion Roof Replacement, TJB	LB&G	5,858	I	DM
Water Infiltration Upgrades, Phase I, JMMB	LB&G	17,311	I	DM
Fire Sprinkler Corrosion Repair Pilot, JAB	LB&G	1,900	I	DM
Renewal Study, LOC	LB&G	500	I	CR
HVAC Installation, Main Data Center, JMMB	LB&G	5,130	I	CI
Water Infiltration Repairs, Ft. Meade	LB&G	1,000	H	DM
Building Performance Improvements, JMMB	LB&G	1,335	H	CR
Fire Alarm and Audibility Upgrades, JAB	LB&G	453	H	CR
Stair Handrails Upgrades, JMMB	LB&G	673	H	CI
UPS and Power Systems for Electronic Sensitive Equipment, Phase I, PCAVC	LB&G	10,556	H	CI
Exterior Way Finding, LOC	LB&G	400	H	CI
ABA Tenant Fit Out, JMMB	LB&G	500	H	CI
Neptune Fountain Renovation, TJB	LB&G	800	H	CR
NW Courtyard Renovation, TJB	LB&G	1,500	H	CI
Interior Way Finding, LOC	LB&G	760	H	CI
Escalators Removal and Infill, 1-4, JMMB	LB&G	1,232	H	CI
West Stair Handrails, TJB	LB&G	695	H	CI
Taft Memorial Renewal, SOB	SOB	2,979	I	DM
HVAC Modernization, Phase I, HSOB	SOB	10,687	I	CR
Exterior Envelope Rehabilitation, HSOB	SOB	1,132	H	DM
Building Infrastructure Rehabilitation, RSOB	SOB	3,650	H	CR
Prescriptive Egress Improvements, HSOB	SOB	957	H	CI
Fire Alarm System Upgrade, Phase II, HSOB	SOB	12,000	H	CR
Reprographics Area Upgrade, DSOB	SOB	2,194	M	CI
Total		259,961		

Urgency Classification: I = Immediate; H = High; M = Medium; L = Low

Project Classification: DM = Deferred Maintenance; CR = Capital Renewal; CI = Capital Improvement; CC = Capital Construction



Architect of the Capitol
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December 23, 2013

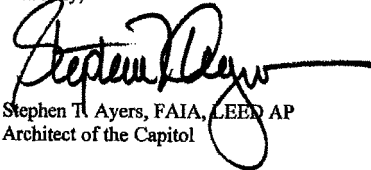
The Honorable Tom Cole
Chairman
Subcommittee on Legislative Branch
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

In accordance with guidelines, I am notifying you of a complete inventory listing of the Architect of the Capitol vehicle fleet. This report includes the year and model of each vehicle, the purchase price or annual lease cost, fuel and other operating costs, purpose for each vehicle and the operational jurisdiction to which the vehicle is assigned. This report also includes whether or not the vehicle is currently used as a take-home vehicle.

Should you have any questions, I would be pleased to provide additional information.

Sincerely,



Stephen T. Ayers, FAIA, LEED AP
Architect of the Capitol

cc: The Honorable Debbie Wasserman Schultz, Ranking Member, Subcommittee on Legislative Branch, Committee on Appropriations

AOC Fleet Inventory Listing (Owned Vehicles)

Jurisdiction	Vehicle Model	Year	Purchased or Leased	Purchased Price	FY 2012 Operating Costs	Fuel Type	Take-home Vehicle (Yes / No)	Vehicle Purpose (Provide explanation if needed)
BG	TRUCK, DUMP, 2012, 4X2	2012	Owned	\$ 34,054		Gas	No	Utility
BG	TRUCK, FORD F350 STAKE BODY, 4X2	2012	Owned	\$ 30,105	\$ 82	E85	No	Utility
BG	VAN, FORD, F250, CARGO	2003	Owned	\$ 18,082	\$ 1,275	Gas	No	Cargo
BG	VAN, STEP, FORD E250	1996	Owned	\$ 24,898	\$ 82	Gas	No	Cargo
BG	VEHICLE, CHEVY VOIT, 2013	2013	Owned	\$ 38,279		Electric	No	Passenger
BG	TRUCK, CHEVY, PICK UP, EXT CAB	2003	Owned	\$ 24,879	\$ 3,134	Gas	No	Utility
BG	VAN, FORD ECONOLINE E150	2011	Owned	\$ 18,295	\$ 82	E85	No	Cargo
BG	TRUCK, CHEVY, PICK UP, 3500, 2WD	2009	Owned	\$ 13,770	\$ 2,979	Gas	No	Utility
BG	TRUCK, CHEVY, ELECTRIC, GEM XD NEV	2003	Owned	\$ 19,790	\$ 250	Electric	No	Utility
BG	VAN, STEP, CHEVY, 2002	2002	Owned	\$ 37,555	\$ 82	Gas	No	Cargo
BG	TRUCK, GMC 2007, 18' VAN BODY	2007	Owned	\$ 30,704	\$ 82	Gas	No	Cargo
BG	VAN, CARGO, FORD ECONOLINE E350	2010	Owned	\$ 31,769	\$ 70	E-85	No	Cargo
BG	VAN, CARGO, FORD ECONOLINE E350	2010	Owned	\$ 31,769	\$ 307	E-85	No	Cargo
Total BG:				\$ 354,050	\$ 8,423			
CB	VAN, DODGE CARAVAN SE, 2007, AFV	2007	Owned	\$ 19,395	\$ 1,702	E-85	No	Passenger
CB	TRUCK, FORD PICKUP F150, BLUE	2010	Owned	\$ 17,820	\$ 1,614	E85	No	Utility
CB	TRUCK, STAKE BODY, FORD F350, 4x4	2011	Owned	\$ 34,696	\$ 1,015	E85	No	Utility
CB	TRUCK, BOX, FORD, F-550, 16' CREW CAB	2012	Owned	\$ 39,650	\$ 3,507	Gas	No	Utility
Total CB				\$ 111,561	\$ 7,838			
CPP	TRUCK, FORD, 2004, F250, SUPER CAB	2004	Owned	\$ 22,261	\$ 2,908	Gas	No	Utility
CPP	TRUCK, FORD, F150, 2004, WHITE	2004	Owned	\$ 25,400	\$ 383	Gas	No	Utility
CPP	TRUCK, CHEVY, SUBURBAN LS	2009	Owned	\$ 35,584	\$ 1,023	E-85	No	Passenger
CPP	VAN, FORD CARGO, E150, 2005	2005	Owned	\$ 20,800	\$ 205	Gas	No	Cargo
CPP	TRUCK, FORD, F450, 2004, WHITE	2004	Owned	\$ 32,625	\$ 1,033	Gas	No	Utility
CPP	TRUCK, FORD F250, 4 DOOR, 2004	2004	Owned	\$ 24,447	\$ 864	Gas	No	Utility
CPP	TRUCK, FORD F-150, 4 X 4	2005	Owned	\$ 35,141	\$ 136	Gas	No	Utility
CPP	TRUCK, FORD F-150, 4 X 4	2006	Owned	\$ 28,031	\$ 245	Gas	No	Utility
CPP	TRUCK, PICK UP, DODGE 1500, CREW CAB	2011	Owned	\$ 22,284	\$ 670	F-85	No	Utility
CPP	TRUCK, CHEVY SILVERADO	2011	Owned	\$ 35,956	\$ 372	Hybrid	No	Utility
CPP	VANTAGE ELECTRIC TRUCK, EVR, 1000	2010	Owned	\$ 23,501	\$ 919	Electric	No	Utility
CPP	VANTAGE ELECTRIC PASSENGER VAN	2010	Owned	\$ 22,216	\$ 1,050	Electric	No	Passenger
CPP	DODGE GRAND CARAVAN	2011	Owned	\$ 24,458	\$ 714	E-85	No	Passenger
CPP	TRUCK, UTILITY, FORD 1994, F350	1994	Owned	\$ 22,921	\$ 320	Gas	No	Utility
Total CPP				\$ 375,625	\$ 10,832			

AOC Fleet Inventory Listing
(Owned Vehicles)

Jurisdiction	Vehicle Model	Year	Purchased or Leased	Purchased Price	FY 2012 Operating Costs	Fuel Type	Take-home Vehicle (Yes / No)	Vehicle Purpose (provide explanation if needed)
CG	TRUCK DUMP INTERNATIONAL 2004	2004	Owned	\$ 50,354	\$ 6,080	Gas	No	Utility
CG	TRUCK STAKE BODY 2004 18'	2004	Owned	\$ 28,974	\$ 4,515	Gas	No	Utility
CG	TRUCK CHEVY 2500 2003 4X4	2003	Owned	\$ 20,398	\$ 5,313	Gas	No	Utility
CG	VAN COMPACT VW BEO SLIDE	2013	Owned	\$ 22,660		Gas	No	Cargo
CG	TRUCK CHEVY 2005 EXT CAB 3500	2005	Owned	\$ 30,900	\$ 7,662	Gas	No	Utility
CG	TRUCK GMC 2005 REG CAB BLUE	2005	Owned	\$ 24,400	\$ 9,691	Gas	No	Utility
CG	TRUCK FORD TRASH STERLING 2001	2002	Owned	\$ 45,593	\$ 9,311	Diesel	No	Utility
CG	TRUCK FORD A/C TRUCK CRAFT	2010	Owned	\$ 43,239	\$ 5,076	Diesel	No	Utility
CG	SUV FORD ESCAPE HYBRID 2010	2010	Owned	\$ 28,250	\$ 2,190	Hybrid	No	Passenger
CG	TRUCK CHEVY SILVERADO 2500HD	2003	Owned	\$ 27,450	\$ 6,595	Gas	No	Utility
CG	TRUCK CHEVY 4X4 3/4 TON HD	2004	Owned	\$ 20,440	\$ 5,207	Gas	No	Utility
CG	TRUCK CHEVY SILVERADO 2500HD	2003	Owned	\$ 27,450	\$ 6,265	Gas	No	Utility
CG	TRUCK CHEVY 4X4 3/4 TON	2004	Owned	\$ 23,990	\$ 6,100	Gas	No	Utility
CG	TRUCK CHEVY 4X4 4 DOOR 3/4 TON	2003	Owned	\$ 22,949	\$ 4,947	Gas	No	Utility
CG	TRUCK CHEVY PICKUP 2500 HD	2004	Owned	\$ 20,440	\$ 5,458	Gas	No	Utility
CG	TRUCK CHEVY 4X4 3/4 TON HD	2004	Owned	\$ 23,990	\$ 6,354	Gas	No	Utility
CG	TRUCK FORD F550 STAKE BODY	2010	Owned	\$ 36,424	\$ 6,099	Diesel	No	Utility
CG	TRUCK DUMP 33,000GAL KENWORTH	2007	Owned	\$ 30,679	\$ 5,164	Diesel	No	Utility
CG	TRUCK BUCKET DIESEL 7500	2003	Owned	\$ 39,500	\$ 4,959	Diesel	No	Utility
CG	TRUCK DUMP FORD F550 DIESEL	2008	Owned	\$ 39,956	\$ 6,925	Diesel	No	Utility
CG	TRUCK DUMP 2008 FREIGHTLINER	2006	Owned	\$ 39,156	\$ 6,234	Diesel	No	Utility
CG	TRUCK DUMP FORD L6000 1997	1997	Owned	\$ 35,789	\$ 4,450	Diesel	No	Utility
CG	TRUCK PICK UP FORD F250 XL	2006	Owned	\$ 22,439	\$ 5,022	Gas	No	Utility
CG	TRUCK PICKUP 2007 FORD RANGER	2007	Owned	\$ 18,744	\$ 2,850	Gas	No	Utility
CG	TRUCK DUMP FORD F550	2008	Owned	\$ 38,604	\$ 6,767	Diesel	No	Utility
CG	GEM ELECTRIC PASSENGER NEV	2008	Owned	\$ 19,333	\$ 5,000	Electric	No	Utility
CG	GEM ELECTRIC PASSENGER NEV	2008	Owned	\$ 19,333	\$ 5,000	Electric	No	Utility
CG	VEHICLE ELECTRIC VANTAGE E/V100	2009	Owned	\$ 19,973	\$ 5,000	Electric	No	Utility
CG	VEHICLE ELECTRIC VANTAGE E/V100	2009	Owned	\$ 19,973	\$ 5,000	Electric	No	Utility
CG	VEHICLE ELECTRIC VANTAGE E/V100	2009	Owned	\$ 19,973	\$ 5,000	Electric	No	Utility
CG	TRUCK TRASH KENWORTH T370	2010	Owned	\$ 15,089	\$ 7,985	Diesel	No	Utility
CG	TRUCK FORD PICKUP F250 4X4 BLUE	2012	Owned	\$ 39,394	\$ 5,318	E85	No	Utility
CG	TRUCK FORD PICKUP F150 4X4 BLUE	2012	Owned	\$ 39,934	\$ 4,755	E85	No	Utility
CG	TRUCK FORD PICKUP F350 4X4 BLUE	2012	Owned	\$ 39,394	\$ 5,436	E85	No	Utility
CG	TRUCK FORD 550 STAKE BODY BLUE	2012	Owned	\$ 37,794	\$ 7,325	Gas	No	Utility
CG	TRUCK PICKUP FORD F250 3/4 TON 4X4 UTILITY BODY	2012	Owned	\$ 40,880	\$ 4,366	Gas	No	Utility
CG	TRUCK PICK UP CHEVY COLORADO 4X4 CREW CAB 2012	2012	Owned	\$ 27,595	\$ 2,500	Gas	No	Utility
CG	TRUCK PICK UP CREW CAB	2013	Owned	\$ 39,976	\$ 4,000	Gas	No	Utility
CP&G/FCB	GEM E4 ELECTRIC PASSENGER NAV	Total CG	Owned	\$ 1,139,410	\$ 205,920	Electric	No	Passenger
CP&G/FCB	FORD ESCAPE HYBRID ADR	2008	Owned	\$ 13,517	\$ 450	Electric	No	Passenger
CP&G/FCB	FORD ESCAPE HYBRID ADR	2011	Owned	\$ 29,524	\$ 301	Hybrid	No	Passenger
		Total CP&G		\$ 43,041	\$ 751			

AOC Fleet Inventory Listing (Owned Vehicles)

Jurisdiction	Vehicle Model	Year	Purchased or Leased	Purchased Price	FY 2012 Operating Costs	Fuel Type	Take-home Vehicle (Yes / No)	Vehicle Purpose (Provide explanation if needed)
GA	VAN, CHEV/ASTRO,2003	2003	Owned	\$ 21,127	\$ 966	Gas	No	Cargo
GA/CMD	VEHICLE,ELECTRIC,GEN,NEV E4	2010	Owned	\$ 14,327	\$ 450	Electric	No	Passenger
GA/CMD	VEHICLE,ELECTRIC,GEN,NEV E4	2010	Owned	\$ 14,327	\$ 450	Electric	No	Passenger
GA/CMD	TRUCK,GMC 3500 UTILITY,TAN	1993	Owned	\$ 19,696	\$ 220	Gas	No	Utility
GA/CMD	TRUCK,INTERNATIONAL 4700,2000	2001	Owned	\$ 42,215	\$ 1,815	Diesel	No	Utility
GA/CMD	TRUCK,DUMP,INTERNATIONAL 4700	2001	Owned	\$ 42,215	\$ 1,800	Diesel	No	Utility
GA/CMD	TRUCK,DUMP,2008,XENAWORTH 1300	2008	Owned	\$ 26,200	\$ 2,650	Diesel	No	Utility
GA/FED	VAN,DODGE,GRAND CARAVAN	2011	Owned	\$ 25,094	\$ 190	E-85	No	Passenger
GA/FED	VAN,VANTAGE ELECTRIC VAN	2010	Owned	\$ 21,766	\$ 250	Electric	No	Cargo
GA/FED	TRUCK,FORD F150,CREW CAB 4X4	2012	Owned	\$ 26,726	\$ 115	E-85	No	Utility
GA/FENG	VAN,FORD,PASSENGER,150XL FULL SIZE	2011	Owned	\$ 22,248	\$ 210	E-85	No	Passenger
GA/FENG	TRUCK,PICKUP,CHEVY SILVERADO 1500	2012	Owned	\$ 29,054	\$ 412	E85	No	Utility
GA/HV Lighting	TRUCK,FORD,F350,1993,BROWN	1993	Owned	\$ 13,536	\$ 999	Gas	No	Utility
GA/HV Lighting	TRUCK,BUCKET,ALTEC,FORD F550	2004	Owned	\$ 26,885	\$ 1,279	Gas	No	Utility
GA/HV Lighting	TRUCK,FORD F550,UTILITY,2004	2004	Owned	\$ 33,203	\$ 1,205	Diesel	No	Utility
GA/HV Lighting	VAN,CHEVY,112TON,PASSENGER	2008	Owned	\$ 20,431	\$ 1,965	E-85	No	Passenger
GA/HV Lighting	VEHICLE,ELECTRIC,VANTAGE EVR1000	2010	Owned	\$ 23,376	\$ 275	Electric	No	Utility
GA/IRM	VAN,CARGO,DODGE CARAVAN	2010	Owned	\$ 20,184	\$ 724	E-85	No	Cargo
	Total GA			\$ 442,651	\$ 15,974			
HOB	TRUCK,CHEV CREW CAB 4X4,2004	2004	Owned	\$ 26,296	\$ 3,276	Gas	No	Utility
HOB	TRUCK,DUMP,FREIGHTLINER,2002	2002	Owned	\$ 37,500	\$ 6,571	Diesel	No	Utility
HOB	VAN,FORD,CARGO,E-250,WHITE	2011	Owned	\$ 20,794	\$ 1,016	E-85	No	Cargo
HOB	VAN,FORD,CARGO E-150	2005	Owned	\$ 18,587	\$ 2,466	Gas	No	Cargo
HOB	TRUCK,FORD,F-250,4X2	2011	Owned	\$ 22,964	\$ 1,839	Gas	No	Utility
	Total HOB			\$ 126,141	\$ 15,168			
LBG	TRUCK,FORD F-250,4X4,2004	2004	Owned	\$ 26,977	\$ 1,028	Gas	No	Utility
LBG	VAN,FORD,FREESTAR,2006,MINI	2006	Owned	\$ 24,065	\$ 1,058	Gas	No	Passenger
LBG	TRUCK,FORD EXPEDITION,2004	2004	Owned	\$ 31,093	\$ 1,902	Gas	No	Passenger
	Total LBG			\$ 82,135	\$ 3,988			
Senate	TRUCK,PICKUP,2010 DODGE DAKOTA	2010	Owned	\$ 20,994	\$ 1,582	E-85	No	Utility
Senate	TRUCK,CHEVY,SILVERADO 1500	2005	Owned	\$ 21,048	\$ 2,298	Gas	No	Utility
Senate	TRUCK,CHEVY,C6500,INCLOSED BODY	2000	Owned	\$ 43,903	\$ 4,064	Gas	No	Utility
Senate	TRUCK,GMC,INCLOSED BODY,1988	1988	Owned	\$ 23,511	\$	Gas	No	Utility
Senate	ELECTRIC VEHICLE VAN, PASSENGER, VANTAGE, E1P 1000	2012	Owned	\$ 21,516	\$	Electric	No	Passenger
Senate	GMC VAN TRUCK, 24, 1500	2005	Owned	\$ 12,857	\$ 2,025	Gas	No	Cargo
	Total SOB			\$ 143,829	\$ 9,969			
	TOTAL OWNED			\$ 2,816,441	\$ 278,812			

Footnote:
 1) Operating costs include fuel and maintenance costs
 2) Electric vehicles will not show fuel costs.

AOC Fleet Inventory Listing
(Leased Vehicles)

Jurisdiction	Vehicle Model	Year	Purchased or Leased	Annual Lease Costs	FY 2012 Operating Costs	Fuel Type	Take-Home Vehicle (Yrs / Mo)	Vehicle Purpose (Provide explanation if needed)
GA	FORD ESCAPE HYBRID, 4DR, 2WD	2008	Leased	\$ 7,279	\$ 82	Hybrid	No	Passenger
BG	FORD ESCAPE HYBRID, 4DR, 2WD	2008	Leased	\$ 7,279	\$ 82	Hybrid	No	Passenger
	Total BG:			\$ 14,558	\$ 164			
CP&G/FCF	FORD ESCAPE HYBRID, 4DR	2008	Leased	\$ 5,636	\$ 101	Hybrid	No	Passenger
CP&G/FCF	SATURN VUE HYBRID	2009	Leased	\$ 7,851	\$ 322	Hybrid	No	Passenger
	Total CP&G/FCF:			\$ 13,487	\$ 422			
GA/CMD	CHEVY VAN, LUP, LANGER, SILVER	2007	Leased	\$ -	N/A	E-85	No	Passenger
GA/CMD	VAN, CHEVY	2008	Leased	\$ -	N/A	E-85	No	Cargo
GA/CMD	FORD RANGER, BLACK	2004	Leased	\$ -	N/A	Gas	No	Utility
GA/CMD	CHEVY PICKUP, COLORADO, TAN	2004	Leased	\$ -	N/A	Gas	No	Utility
GA/CMD	CHEVY VAN	2008	Leased	\$ -	N/A	E-85	No	Cargo
GA/CMD	DODGE CARGO VAN, WHITE	2007	Leased	\$ -	N/A	E-85	No	Cargo
GA/CMD	FORD PICKUP, F-150	2008	Leased	\$ -	N/A	E-85	No	Utility
GA/CMD	FORD F150 PICKUP	2008	Leased	\$ -	N/A	E-85	No	Utility
GA/CMD	CHEVY PICKUP, SILVERADO	2007	Leased	\$ -	N/A	Gas	No	Utility
GA/CMD	FORD PICKUP, F-150, WHITE	2004	Leased	\$ -	N/A	Gas	No	Utility
GA/CMD	FORD STAKE BODY F250, GRAY	2006	Leased	\$ -	N/A	Gas	No	Utility
GA/CMD	CHEVY PICKUP, 3500, STAKE BODY, RED	2006	Leased	\$ -	N/A	Gas	No	Utility
GA/CMD	CHEVY PICKUP	2007	Leased	\$ -	N/A	Gas	No	Utility
GA/CMD	CHEVY UTILITY, 1 TON, 3500 HD, GREEN	2001	Leased	\$ -	N/A	Diesel	No	Utility
GA/CMD	CHEVY TRUCK, VAN, BODY, C, 6500	2000	Leased	\$ -	N/A	Diesel	No	Utility
GA/CMD	INTERNATIONAL TRUCK, MACK, FORCE, DU, RA, STAR	2012	Leased	\$ -	N/A	Diesel	No	Utility
GA/CMD	CHEVY PICKUP, COLORADO	2012	Leased	\$ -	N/A	Gas	No	Utility
GA/CMD	FORD PICKUP, F-150	2012	Leased	\$ -	N/A	Gas	No	Utility
GA/CMD	DODGE 3500	2012	Leased	\$ -	N/A	Gas	No	Utility
GA/CMD	CHEVY PICKUP, 3500 HD, SILVER	2013	Leased	\$ -	N/A	Gas	No	Utility
GA/CMD	CHEVY STAKE, 1 TON, BLUE, C6500	2002	Leased	\$ -	N/A	Gas	No	Utility
	Sub Total GA/CMD:			\$ 123,864				
GA	JEEP GRAND CHEROKEE	2011	Leased	\$ 8,038	\$ 2,425	E-85	Yes	Passenger
GA	CHEVROLET ASTRO	2005	Leased	\$ 7,643	\$ 1,025	Gas	No	Cargo
GA	VAN, FORD E 350, 15 PASSENGER	2009	Leased	\$ 4,221	\$ 1,375	E-85	No	Passenger
GA/ENG	CHEVY VAN, UPLANDER	2007	Leased	\$ 6,735	\$ 410	E-85	No	Passenger
GA/SEFP-FMD	CHEVY TAHOE, HYBRID	2008	Leased	\$ 3,766	\$ 365	Hybrid	No	Passenger
GA/SEFP-FMD	CHEVY TAHOE, HYBRID	2008	Leased	\$ 3,166	\$ 287	Hybrid	No	Passenger
GA/SEFP-FMD	FORD ESCAPE, HYBRID	2009	Leased	\$ 8,296	\$ 367	Hybrid	No	Passenger
	Total GA:			\$ 164,830	\$ 6,254			
HOB	FORD VAN, 15 PASSENGER	2009	Leased	\$ 6,500	\$ 320	E-85	No	Passenger
	Total HOB:			\$ 6,500	\$ 320			
Senare	TRUCK, CHEVY, SILVERADO, E85	2009	Leased	\$ 3,934	\$ 1,501	E-85	No	Utility
Senare	CHEVY VAN, G3300, DARK BLUE	2011	Leased	\$ 7,078	\$ 920	E-85	No	Cargo
Senare	CHEVY VAN, 1500, GREEN	2002	Leased	\$ 6,583	\$ 675	Gas	No	Cargo
	Total SEN:			\$ 17,595	\$ 3,096			
	TOTAL LEASED \$			\$ 215,980	\$ 10,257			

Mr. AYERS. Thank you.

TUESDAY, MARCH 4, 2014

CONGRESSIONAL BUDGET OFFICE

WITNESS

DOUG ELMENDORF, DIRECTOR

OPENING STATEMENT OF CHAIRMAN COLE

Mr. COLE. We will hear the testimony from the Congressional Budget Office. The CBO is requesting \$46.1 million for fiscal year 2015. That is an increase of \$378,000, or .8 percent, above the fiscal year 2014 level of \$45.7 million.

I want to welcome Dr. Doug Elmendorf, the director of CBO, back to the committee. I get to work with him on the Budget Committee as well. And I also want to express our appreciation to your staff and especially to Janet Airis for the work that they do for our committee. We really look forward to hearing your testimony.

And again, thanks very much. I know it has been a very grueling year for you. We look forward to your testimony.

But first, Ms. Wasserman Schultz, did you have anything you wanted to say before?

OPENING STATEMENT OF RANKING MEMBER WASSERMAN SCHULTZ

Ms. WASSERMAN SCHULTZ. Welcome. I enjoyed the privilege of seeing your role from a different perspective when I was on the Budget Committee in the last Congress. And I already had the pleasure, when I chaired the committee, of working with you. This is a hearing, for the new kids on the block, that you generally struggle mightily to have us ask you questions about your actual budget request, rather than the direction that we generally end up tending towards, given the nature of the analysis that you do. I would expect that this would be no exception.

But I will note that you, within 10 months, within a 10-month CR were able to finally get some relief and have your request fully funded. And I know, given the pressures on your agency and your employees that that was incredibly helpful. And your requests this year as well, I would note, is not really an increase because we actually adequately funded you.

Dr. ELMENDORF. Yes.

Ms. WASSERMAN SCHULTZ. So, hopefully, we can have that trend continue since your services are vital. And I am looking forward to exploring with you the question that I had asked you every year and your predecessor, how you are doing on diversity in your recruitment. Thank you.

Mr. COLE. The floor is yours.

OPENING STATEMENT OF DR. ELMENDORF

Dr. ELMENDORF. Mr. Chairman, Ranking Member Wasserman Schultz, and members of the subcommittee, my colleagues and I appreciate the opportunity to present CBO's budget request for fiscal year 2015. As you mentioned, Mr. Chairman, we are requesting appropriations of \$46.1 million, which would be an increase of roughly \$400,000, or less than 1 percent, from the \$45.7 million provided to CBO for 2014. In the bottom on the sheet in front of you, which simply repeats the key figures from our budget document, the rightmost bar, again at the bottom, shows our request for 2015, and the bars to the left show our appropriations during the preceding 4 years.

The requested funding would enable CBO to achieve and maintain staffing of 235 full-time equivalent employees. That is the level intended under the 2014 appropriation but one that we will be unable to fully attain this year. In the top figure on the sheet, the rightmost point shows our goal of 235 FTEs in 2015. And the points to the left show our staffing during the past dozen years. Two hundred and thirty-five FTEs are in line with what was funded between 2004 and 2008. For 2009 and 2010, the Congress approved significant increases in our budget to support a step up in staffing to more than 250 FTEs. That step up was intended primarily to increase the agency's capacity to analyze potential changes in Federal health care programs, while maintaining our capacity to provide cost estimates and reports on other topics.

However, because of the budget constraints of recent years, CBO's staffing has now dropped to about 220 FTEs. With the funding provided for 2014, we have sharply increased our recruiting efforts in order to return our staffing to the traditional level of 235 FTEs as quickly as possible so that we can better serve the Congress. As an economist, I pay a lot of attention to supply and demand. It is not unusual for the demand for CBO's estimates and analysis to exceed the quantity we can supply. But the mismatch has been more acute than usual during the past several years. The enactment of major health care legislation in 2010 has been followed by a high level of congressional interest in analysis of that legislation and the proposals for further changes in health care programs. In addition, the slow recovery from the economic downturn has spurred interest in the agency's economic forecasts and in policies that might boost economic growth and opportunity in both the near term and the longer term.

Moreover, the surge in Federal debt and the high level of projected deficits in the long term have led to efforts to enact fundamental changes in spending and tax policies. All of those developments have strained CBO's resources, and we consult regularly with the key committees and the leadership offices to ensure that our resources are focused on the work that is of highest priorities of the Congress. We are very grateful for this committee's decision to restore our staffing to its previous level so that we can say "yes" to more requests and can respond more quickly.

As you know, our work encompasses the wide array of subjects that Congress deals with and takes the form of many different kinds of products. Reports on the outlook for the budget and the

economy, analyses of the President's budget, long term budget projections, and options for reducing budget deficits. We produce about 500 formal cost estimates each year, most of which address not only Federal costs, but also the cost of mandates imposed on State and local governments and the private sector. We do thousands of preliminary, informal cost estimates, the demand for which is very high, as committees seek to have a clearer picture of the budgetary impact of proposals before they formally consider legislation. We produce about 130 scorekeeping tabulations.

Janet Airis and her wonderful crew are working hard for you and the other appropriators, including account level detail for individual appropriation acts and various summary tables and running totals on a year-to-date basis. And we publish dozens of analytical reports and other publications, generally required by law or prepared in response to requests from the chairmen and ranking members of key committees, on a broad range of topics, including health care, policies for increasing economic growth and opportunity, changes in benefit programs, defense policy, infrastructure, and the government's role in the financial system.

In closing, I want to thank you very much for the support you have provided CBO over many years. We look forward to continuing to provide the Congress with careful, objective analysis as you grapple with the many challenging issues facing the Nation. I will be happy to answer any questions that you have about our budget or about the work we have done with regard to the overall Federal budget and the economy. Thank you.

[The prepared statement of Dr. Elmendorf follows:]



Testimony

CBO's Appropriation Request for Fiscal Year 2015

Douglas W. Elmendorf
Director

Before the
Subcommittee on the Legislative Branch
Committee on Appropriations
U.S. House of Representatives

March 4, 2014

This document is embargoed until it is delivered at 12:00 p.m. (EST) on Tuesday, March 4, 2014. The contents may not be published, transmitted, or otherwise communicated by any print, broadcast, or electronic media before that time.

Mr. Chairman, Ranking Member Wasserman Schultz, and Members of the Subcommittee, thank you for the opportunity to present the Congressional Budget Office's (CBO's) budget request.

CBO requests appropriations of \$46.1 million for fiscal year 2015. That amount represents an increase of roughly \$400,000, or less than 1 percent, from the \$45.7 million provided to CBO for 2014.

The requested funding would enable CBO to achieve and maintain staffing of 235 full-time-equivalent positions (FTEs), which is the level contemplated in the 2014 appropriation and in line with the FTEs funded between 2004 and 2008. After the budget constraints of recent years, CBO's staffing dropped from a peak of 250 FTEs in fiscal year 2010 to about 220 FTEs now, and the agency is currently engaged in an intensive effort to use the increased funding to bolster its staff so that it can better serve the Congress. Of the requested funding for 2015, 91 percent would support pay and benefits, 6 percent would be for information technology (IT), and 3 percent would go toward purchases of data, training, office supplies, and other items.

CBO's Funding History and Its Effects on Staffing and Output

Because such a large share of CBO's budget represents compensation, the contours of the agency's budget and staffing levels have been and will continue to be closely linked.

Between fiscal years 2002 and 2008, the number of authorized FTEs at CBO held between 232 and 235 (see Figure 1). During that period, CBO's budget generally rose slowly, as federal employees received salary increases and the cost of federal benefits increased. For fiscal years 2009 and 2010, the Congress approved larger increases in CBO's budget to support a step-up in staffing. That step-up was intended primarily to increase the agency's ability to analyze potential changes in federal health care policy while maintaining its capacity to provide cost estimates and reports on other topics. CBO had sufficient funding for 254 FTEs in 2010.

The increase in staffing enabled CBO to engage in analyses of particularly complex issues and to provide substantially more estimates and other analyses to the Congress. Among the accomplishments that were facilitated by the larger staff were a significant expansion of health care analysis, substantial enhancement of financial analysis, considerable improvement in modeling the economic effects of federal tax and spending policies, the issuance of several reports with options for changing federal benefit programs, significant gains in the transparency of CBO's analysis, and continued high quality of the agency's cost estimates and analyses of numerous other topics.

However, constraints on CBO's funding (and on discretionary appropriations as a whole) caused the agency's staffing to shrink in fiscal years 2011 through 2013. The agency's appropriation for 2013 was well below the amounts provided to the agency during the preceding years (see Figure 2). Those cuts, combined with small increases in average pay and rising costs of benefits and other items during those years, required a drop in the number of FTEs to only 225 in 2013, the lowest level in more than a dozen years. In addition, the agency had to defer critical purchases of IT equipment and services and other items.

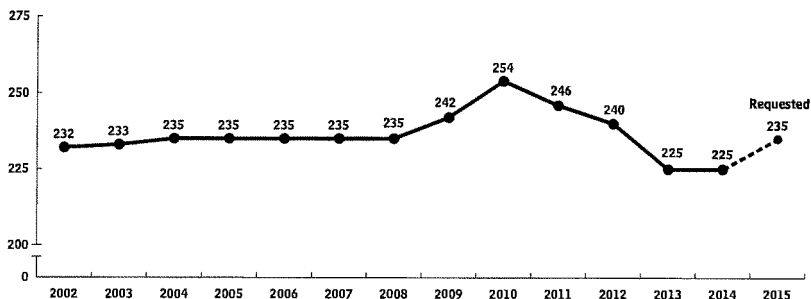
CBO's appropriation for 2014 is significantly larger than its appropriation for 2013. Accordingly, the agency has sharply increased its recruiting efforts in order to return its staffing to the traditional level of 235 FTEs as quickly as possible, and it is catching up on deferred purchases.

CBO's Funding Request and Its Consequences for Staffing and Output

In fiscal year 2015, CBO will continue its mission of providing objective, insightful, timely, and clearly presented budgetary and economic information to the Congress. Funding of \$46.1 million to support 235 FTEs would allow CBO to provide the following estimates and other analyses to the Congress:

- Reports presenting the outlook for the budget and the economy, analyses of the President's budget, long-term budget projections, and options for reducing budget deficits;

Figure 1.
FTEs Authorized for Fiscal Years 2002 Through 2015



Note: FTE = full-time-equivalent position.

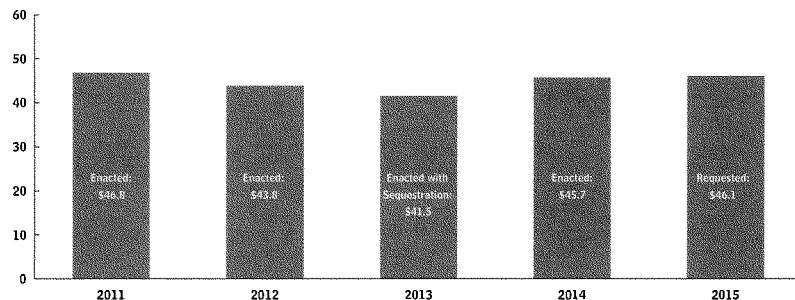
- More than 500 formal cost estimates, most of which will include not only estimates of federal costs but also assessments of the cost of mandates imposed on state, local, and tribal governments or the private sector;
- Thousands of preliminary, informal cost estimates, the demand for which is very high as committees seek to have a clearer picture of the budgetary impact of proposals and variants of proposals before they formally consider legislation;
- About 130 scorekeeping tabulations, including account-level detail for individual appropriation acts at all stages of the legislative process and summary tables showing the status of discretionary appropriations (by appropriations subcommittee) and running totals on a year-to-date basis; and
- Roughly 85 analytical reports and other publications—generally required by law or prepared in response to requests from the Chairmen and Ranking Members of key committees—on a broad range of topics, including health care, policies for increasing economic growth and opportunity, changes in benefit programs,

defense policy, infrastructure, energy policy, and the government's role in the financial system.

Those products would be the result of very hard work by CBO's highly dedicated staff. Nevertheless, the agency expects that the anticipated volume of estimates and other analyses will fall considerably short of the number of Congressional requests. The demands on CBO remain intense: The enactment of major health care legislation in 2010 has been followed by a high level of Congressional interest in analysis of that legislation and numerous proposals for further changes in federal health care programs. In addition, the slow recovery from the economic downturn has spurred interest in the agency's economic forecasts and in policies that might boost economic growth and opportunity in both the near term and the longer term. Moreover, the surge in federal debt and the high level of projected deficits have led to ongoing Congressional efforts to enact fundamental changes in spending and tax policies, which have strained the agency's resources in many areas. CBO regularly consults with committees and Congressional leadership to ensure that its limited resources are focused on the work that is of highest priority to the Congress.

Figure 2.
Funding for Fiscal Years 2011 Through 2015

(Millions of dollars)



The requested funds would be used as follows:

- \$31.4 million for pay of personnel—an increase of \$1.5 million (5 percent) over the amount that will be spent in fiscal year 2014—to support the increase in FTEs for a full fiscal year. (The ramp-up of staffing in 2014 will take some time, and CBO anticipates that the agency will average about 225 FTEs for the current year.) The additional staffing would be devoted to analyzing critical budgetary and economic issues of interest to the Congress, including health care, policies for increasing economic growth and opportunity, and many other topics. The increase would also cover performance-based salary increases for current staff and an anticipated across-the-board increase of 1.8 percent for employees making less than \$100,000 (if such an increase is authorized for executive branch agencies).
- \$10.6 million for benefits of personnel—an increase of \$0.6 million (6 percent) relative to the amount appropriated in 2014, to fund an increase in the cost of federal benefits as well as the benefits for the added staff members.

- \$4.0 million for other purposes—a decrease of \$1.7 million (30 percent) from the amount appropriated in 2014. The funds would go toward purchases of information technology, data, training, and other items. A decrease for 2015 is made possible in part by the fact that the 2014 funding will allow CBO to catch up on deferred purchases and to make some purchases this year that will reduce future funding needs.

In closing, I would like to thank the Committee for the support it has provided CBO over many years, enabling the agency to provide timely, carefully thought-out nonpartisan budgetary and economic analysis to the Congress as it addresses the critical issues facing the nation.

Mr. COLE. You really want to start that debate?

Dr. ELMENDORF. If you recall last year, Mr. Chairman, I didn't bring my thick notebook. I made a point of bringing it this time.

THE ABILITY TO HIRE AND FUNDING

Mr. COLE. Very wise decision. I actually want to ask you, and I think this would be helpful to other committees, obviously, we were able in fiscal year 2014 at the last moment in the omnibus to get you back up to where we all thought you needed to go, but at such a late point in the process you weren't able to use everything that we gave you. So you actually returned money to the Treasury. So I would like you to explain going forward, why that wouldn't be necessarily possible to do again.

Dr. ELMENDORF. Well, as you know, we need people with very specialized technical skills to do much of our work. And identifying the right people and attracting them to CBO doesn't happen overnight. So we started to recruit aggressively as soon as we knew what our funding was for this year. And we have already been able to attract a number of people, but not enough to come back up to 235 right away.

That is partly because when we hire people who are finishing graduate programs, they tend to look for jobs in the winter, in anticipation of finishing their degrees in the summer and joining us after that. So a number of people that we have already attracted have said they will come, but they are not coming next month; they are coming after they finish their programs in June, July, August, or September. So they won't add much to this year's FTE average for CBO, but they will be on board next year and producing work for the Congress, but also costing money to have in our budget. And we think that for next year, we will be able to be up at 235 FTEs if the Congress provides the funding for that.

INTERNSHIP PROGRAM

Mr. COLE. And you might also talk a little bit about some of the other people that come and work for you really on an almost pro bono basis or an intern-like basis from other agencies. That would, again, I think be useful for new members of the committee to hear about.

Dr. ELMENDORF. We have had for many years a very successful internship program, successful both in the immediate returns that we are able to find people who can really contribute to our analysis during the period they are with us, but also has been very important in our recruiting people to come to us on a more permanent basis. A number of our permanent hires have been people who got their first taste of the work that we do and the culture we have in one of our summer internships. So, over the past few years, with the restraint in funding, we have had unpaid interns. And that has worked fairly well, but not as well as our paid internship program. Many people need to earn some money over the summer so they can use that when they go back to school in the fall. So, this year, we are again having paid internships, and we hope to do that in coming years.

USE OF END-OF-YEAR BALANCES

Mr. COLE. Now a little tougher one. You are requesting new language to provide 50 percent of unobligated balances to remain available for obligation during fiscal year 2016. No other legislative branch agency carries language of this type. Please explain why you think the CBO needs this language. And if you would, give some examples of what types of things this money would be used for.

Dr. ELMENDORF. So there are a few other non-legislative-branch appropriations bills that have provisions like this. At the end of a fiscal year, we usually allow less than \$100,000 to lapse. We try to use the money effectively that you provided to us, but some of the money ends up lapsing. And our view is that if we were able to spend some portion of that in the following fiscal year, then we could put that to good use in meeting the needs of the Congress. But I understand, and obviously, it is your judgment about whether you want to do that for us or for other legislative branch agencies.

HIRING EMPLOYEES WITH NON-IMMIGRANT VISA

Mr. COLE. Finally, one last question. You are also requesting new language that would authorize you to hire foreign nationals who have special skills and hold non-immigrant visas into positions that are difficult to fill. Could you give us some examples of the types of positions these foreign nationals would fill?

Dr. ELMENDORF. Yes. For example, the starting point is to recognize that a significant share of the people finishing economics Ph.D. programs in this country are foreign nationals. So we had a couple years ago a number of people who were experts in modeling the economic effects of changes in fiscal policy, how changes in government, taxes, and spending affect the economy. They were foreign nationals. And they have now moved on from CBO for personal reasons. But in our effort to replace them, we have not been able to look at as broad a set of people as we would like to look at. We have hired some excellent people, but it hinders our recruiting efforts to have such a large share of people finishing degree programs with the skills we need just sort of taken out of consideration to start with.

DIVERSITY IN HIRING AND WORKFORCE

Mr. COLE. Ms. Wasserman Schultz.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Chairman.

Just to follow up on that, related to recruiting practices, given the prohibition, how has that impacted your recruiting practices, particularly related to diversity?

And, you know, for the members that have not been on the committee before, I don't ask the diversity question for the sake of being diverse, but obviously, the perspective of a wide variety of individuals from different backgrounds is important in informing the analysis that the CBO provides to the Congress. So if you can give us an update on, particularly related to women, and your recruitment efforts.

Mr. BISHOP. Let's include minorities in that, too.

Ms. WASSERMAN SCHULTZ. Yes. My question includes the range of diversity.

Dr. ELMENDORF. Yes. So we work assiduously, Congresswoman, Congressman, and others, to be sure that the people that we are attracting to CBO come from a wide range of perspectives on all sorts of dimensions: the nature of their training, their perspective on the issues we study, and in terms of gender and race. And we have been I think reasonably successful but not as successful as we would like to be in that regard. So, currently, of our management and professional staff, which is almost all the agency, more than 15 percent represent members of minority groups and about 45 percent are women.

The pools of people from which we hire tend to be, in some of these fields we hire in, disproportionately male. So it is a long-standing issue in the economics profession that of all the women who start taking economics classes in college, there is a great attenuation of that share as people move on through their college and graduate school careers. And we are not unique to hire out of the pool of people who have the skills that we need, obviously.

But we work hard to recruit from a wide range of programs so that we are picking up people with a wide range of backgrounds to the extent that we can. And we take recruiting of women and minorities very seriously. We also, I should emphasize, that when we are considering promotions within CBO—we have a very flat organizational structure—but when we are promoting people to management positions, we are very careful to ensure that we are looking at a wide range of internal and external candidates, giving everybody a fair and even chance at positions.

Ms. WASSERMAN SCHULTZ. So I have been asking this question for 7 years. Do you have a sense of the improvement or lack thereof over that 7-year period?

Dr. ELMENDORF. So I have in front of me a table that I am happy to share with you, Congresswoman.

Ms. WASSERMAN SCHULTZ. Thank you.

Dr. ELMENDORF. The share of minorities has been—among our management and professional staff has been a little over 15 percent now for the last 5 years. The share of women has been around 45 percent for the last 5 years. So I am afraid that those numbers are not moving up at this point. And as I say, it concerns us whenever we think we are not able to attract the people with the breadth of perspectives that we need to do our work. We are continuing and will continue to work hard in that direction.

Ms. WASSERMAN SCHULTZ. Thank you.

IMPACT OF REDUCED STAFFING ON ANALYSES OF THE AFFORDABLE CARE ACT

I have a couple of other questions, if that is okay. A few years ago, we gave you an increase in your line item for health care analysts, and you subsequently lost those. How has that affected your ability to do analysis as we implement the Affordable Care Act?

Dr. ELMENDORF. Well, we certainly used the extra staff that we had I think in a very effective way. And with the cutbacks in staffing, we have not been able to do as many analyses, as many estimates as we would like. That has slowed our progress in a variety

of areas. We recognize, though, that health care is a particularly important issue in the Congress. So even as the overall staffing has declined, we have tried to ensure that as much resources as possible have gone into health care and other high priority areas.

While we were getting smaller, it was quite difficult. Basically, we were relying on attrition to avoid having to furlough people. And we were able to avoid furloughing or laying off people. But that meant that the attrition happened where it happened in the agency. So we had to live with where those cutbacks were. So we made less progress than we would otherwise. But we understand that resources are scarce. We understand better than perhaps anybody that budget resources are scarce and economic resources are scarce. And we have not asked to be excluded from that. But it is important for you and your colleagues to understand that if we are 10 percent smaller, then we will do roughly 10 percent fewer estimates. There aren't short cuts in that sense for what we do.

Ms. WASSERMAN SCHULTZ. I just wanted it to be said out loud that we are cutting off our nose to spite our face—those are my words not yours—when we have cutbacks that result in us not being able to have enough information to make policy decisions. And I alluded to the use of the appropriations that we give you rather than the analysis of the result.

AFFORDABLE CARE ACT AND THE INCREASE IN DEMAND FOR GOODS
AND SERVICES

And so I wanted to just ask you a couple of questions in that regard. You at CBO recently did the budget and economic outlook report. And I would say that there are—it could probably be suggested that the results of that report were used in ways that could be called disingenuous at best. So I want to just get some clarity. In that budget outlook, CBO speaks to the impact on labor demand. And it says, “On balance, CBO estimates that the Affordable Care Act will boost overall demand for goods and services over the next few years.” And then the report goes on to say, “The net increase in demand for goods and services will in turn boost demand for labor over the next few years.” That is the conclusion, correct?

Dr. ELMENDORF. Of that part of the analysis, yes, Congresswoman.

Ms. WASSERMAN SCHULTZ. And when you boost demand in labor in this type of economy, you are in turn also reducing the unemployment rate, correct?

Dr. ELMENDORF. All else equal, Congresswoman, yes.

Ms. WASSERMAN SCHULTZ. Doesn't your report also speak to people who can choose not to work because they now have access to health care through the Affordable Care Act. And isn't that different than someone losing the opportunity to work?

Dr. ELMENDORF. Yes, it is, Congresswoman.

Ms. WASSERMAN SCHULTZ. Okay. Thank you.

On page 124 of the budget and economic outlook, and I will quote here, “On balance, CBO estimates that the Affordable Care Act will boost overall demand for goods and services over the next few years because the people who will benefit from the expansion of Medicaid and from access to the exchange subsidies are predominantly in

lower income households and thus are likely to spend a considerable fraction of their additional resources on goods and services.”

Can we extrapolate further that for those States that have chosen not to expand Medicaid, that it is a missed opportunity to grow their economy?

Dr. ELMENDORF. You certainly quote correctly, Congresswoman.

I think to the extent to which States have not expanded Medicaid and do not expand Medicaid under the Affordable Care Act, that will reduce the income of those people, and it will reduce the extra demand for goods and services that could come from giving them that benefit.

Ms. WASSERMAN SCHULTZ. Thank you.

MINIMUM WAGE ANALYSES

And lastly, the CBO’s recent report on the minimum wage, and analyzing what the impact of increasing the wage to \$10.10 would be has gotten a lot of attention and given us a lot to debate. Based on the option of increasing the Federal minimum wage to \$10.10 an hour, your analysis found that 16.5 million workers would have higher wages, 900,000 people would move above the poverty threshold. Is that correct?

Dr. ELMENDORF. Yes, that is right.

Ms. WASSERMAN SCHULTZ. And regarding the focus that our friends on the other side of the aisle have placed on the estimate of job loss, how much certainty generally is there in your estimates of job loss associated with an increase to \$10.10? And I will note, for example, that none other than Warren Buffett in an interview this morning commented on both sides about the predictability—problem with being exact in terms of job loss or job gain when it comes to the minimum wage and whether we increase it.

Dr. ELMENDORF. There is a great deal of uncertainty surrounding those estimates, Congresswoman. As we emphasized in the report, we provided a likely range, which was quite broad, but also said even that likely range captured what we thought might be two-thirds of the distribution of possible outcomes. So numbers that are even smaller or even bigger are possible as well.

Ms. WASSERMAN SCHULTZ. So you could have minimal job loss to possibly even more job loss than—

Dr. ELMENDORF. Yes.

Ms. WASSERMAN SCHULTZ. But it is a range.

Dr. ELMENDORF. It is a range.

Ms. WASSERMAN SCHULTZ. Okay. So zeroing in and pinpointing the numbers that fit the argument for or against is unwise.

Dr. ELMENDORF. We try to provide both the central estimate and the range so that we can convey explicitly the uncertainty that we feel about these estimates. And we do that for other estimates that we do as well when we can.

Ms. WASSERMAN SCHULTZ. Thank you.

And lastly, there were more than 600 economists that signed a letter supporting an increase in the minimum wage recently. And that letter said that a review of academic literature suggests that the weight of evidence now showing that increases in the minimum wage have had little or no negative effect on the employment of

minimum wage workers. Do you agree with that assessment on previous increases in the Federal minimum wage?

Dr. ELMENDORF. Yes. I think that is right. And I would say that I don't think our—so as you know, we did estimates of an increase to \$9, an estimate of an increase up to \$10.10, as you said. The increase to \$9 we chose partly because it is more similar to past increases in the minimum wage that economists have studied. Our estimate for the effect of that increase on employment was a very small number, a central estimate to 100,000 loss with uncertainty around that. For an increase to \$10.10, we think even for that, our estimate we have of a decline in employment is small relative to the total number of people who would be affected by the increase in the minimum wage. We think both those estimates are consistent with a balanced reading of the economic literature in those areas.

Ms. WASSERMAN SCHULTZ. Thank you. And lastly, Mr. Chairman, Dr. Elmendorf, would you say it is a reasonable conclusion that an increase in the minimum wage has a stimulative effect on the economy?

Dr. ELMENDORF. We think that, in 2016, which we did these estimates, that the transfer of income that happens under an increase in the minimum wage, primarily toward people with a higher propensity to spend that money, would be a positive factor for the economy—for the demand for goods and services and output in 2016. We have not done the analysis beyond that.

Ms. WASSERMAN SCHULTZ. Thank you very much.

Mr. COLE. Dr. Harris.

Dr. HARRIS. Thank you very much. I guess we have left the budget area, your budget area, we are moving into—

Dr. ELMENDORF. You can talk to me about whatever you would like to discuss.

REASSESSMENT OF AFFORDABLE CARE ACT IMPLEMENTATION

Dr. HARRIS. Thanks. And I appreciate your comments. Last year, if you recall, I asked you about SGR estimates, and you were right on. I mean SGR estimate is in the same ballpark, last week's re-estimate. But I want to ask you a question that has to do I guess with the implications of not having—perhaps not having enough health care analysts and perhaps not having enough staff to do reassessments periodically, which is a little bothersome to me because especially in the area of Affordable Care Act implementation, there are perturbations occurring on an almost daily basis. I mean, we anticipate, if you believe the news, that in the next few days, they are going to announce a long-term extension of the ability of insurance companies to offer policies that otherwise would have been canceled at the end of the last year, having dramatic—in my opinion, perhaps dramatic implications on some of the policy outcomes specifically.

But I want to ask you about one specific and just ask you, you may not know whether or not it is due for reassessment, is the impact of risk corridors on the Federal budget. Because the initial assessment, I believe, assumed a relevancy of the Medicare part D risk corridors applying to this and assumed a more normative distribution of applicants into the Affordable Care Act individual mar-

ket. That didn't occur. It is blatantly obvious to—I mean, we had a briefing last week from the American Association of Actuaries, you know, AHIP, I mean coming in saying, look, it is just not going to occur. And yet the estimate, the latest estimate from CBO still is that risk corridors are going to make money for the Federal Government, not lose it. Although unlike risk adjustment and the reinsurance, there is certainly no guarantee at all of making money. And in fact, as that—as the dynamic—that situation dynamically occurs, again, with what is going to happen this week most people think, it will have dramatic implications. Because of course, remember, that the risk corridors was supposed to be a 3-year temporary policy until you get stabilization of the market. Obviously, delaying individuals under the mandate to have ACA-compliant policies destabilizes the market for a longer period of time.

When would a reassessment normally occur under CBO policy when it becomes so clear that—at least to some observers—that initial, perhaps well founded—I mean if you believe that the demographics of individuals signing up was going to match initial expectations, it is possible that risk corridors might have made a few dollars. Now it is I think becoming increasingly obvious it is going to cost the American taxpayer potentially tens of billions of dollars. When would a reassessment normally occur under your current restraints and constraints of staffing?

Dr. ELMENDORF. So we will be producing a new estimate of the coverage provisions of the Affordable Care Act as part of our spring baseline, which is to say in just a month or more. We produce new baseline projections a few times a year. The rest of the Affordable Care Act's provisions don't get estimated on an updated basis because they are really part of now—sort of interwoven with the pre-existing law for taxes and for Medicare and so on. But the coverage provisions stand apart in a way so that our normal baseline projections include new estimates of those provisions. So we are working right now on updating those estimates. And as soon as we finish the rest of our spring baseline and these together, then we will release the spring baseline and this updated analysis of the effects of the Affordable Care Act's coverage provisions.

Dr. HARRIS. And is your data, because, you know, these things are happening in real time, I mean, do you have better data sources than we do, for instance, of how many people have actually paid a premium? In Maryland, for instance, the estimate is only one half of people, of the 33,000 claimed to have joined have actually paid a premium. Obviously, that would impact the—because I find it easiest to believe that people with preexisting conditions who are at higher risk actually want to get in and will make sure they pay their premium—that that occurring that dynamically, I mean do you have sources that are better than the average person's sources for that kind of information that is so critical to making the assessment of something that could be so expensive as a risk corridor payments to the insurance companies?

Dr. ELMENDORF. We don't have a single magic source. We do take pains to reach out to people, for example, in State Medicaid agencies, to understand what is happening in the Medicaid expansions in their States. So we try to reach out. And we try to inter-

pret the evidence that we read and hear as carefully as we can. But we don't have a secret source—

Dr. HARRIS. No secret source.

Dr. ELMENDORF. In that sense, Congressman.

I would say for the risk corridors that we think the part D analogy is by no means perfect, but is the best available analogy. So we tried to use it. And I think the issue is not so much the absolute distribution of risks of people signing up through the exchanges, but how that distribution compares to the distribution that the health insurers expected. So we, for example, in our projections always expected, and our conversations with insurers suggested that they always expected, that the risk pool in the first year would be skewed toward people who were less healthy. And the question then is not an absolute amount of unhealthiness; it is how the actual distribution compares with what they thought would be happening. They won't know that for sure themselves until they see the health care bills over the course of this year. So, even in the estimates we release a month from now, we will have only very partial evidence about what is actually going on.

We do devote a lot of effort, I should say generally, to trying to keep up with the developments under the Affordable Care Act. And as you know, the developments are both on a—from a regulatory, administrative perspective and in terms of the reactions of beneficiaries and insurers and providers and so on. And actually, one of the positions that we just filled is an additional analyst to work exclusively on the Affordable Care Act.

Dr. HARRIS. Well, thank you very much.

And like I say, it is so dynamically changing I don't envy your job in having to do that. I would only ask that it recognize the dynamics there, that waiting 1 year for actual data is probably going to be a little—well, let me just ask you that. Do you feel on that particular subject, your analysts need to wait a year to see data, or you can—by demographics of sign ups, not actual experience, that by demographics and estimates, that you will be able to in more real-time fashion estimate the costs of the Affordable Care Act?

Dr. ELMENDORF. So we don't wait a year in the sense of just freezing something and saying we will come back to that later. I was saying that just to emphasize that a huge amount of uncertainty will attend the estimate we provide in a month and the estimates we would provide later in the summer or later than that. And that is true for the risk corridors, and it is true for many, many other aspects of the expansion of insurance coverage under the Affordable Care Act. We are always trying to give you the best estimate we have at a point in time. But the uncertainty is very, very large.

Dr. HARRIS. And will that estimate include a range, as it did, for instance, in the estimates of, you know, the effect of minimum wage increase on jobs? I mean, as you grow the uncertainty, and we are in uncharted territory here, in terms of the Affordable Care Act and what its effect is going to be on things like risk corridors. As you say, the next best example is Medicare part D, which is a pretty different program. Will a range of estimate be included in the next one?

Dr. ELMENDORF. It won't, Congressman.

For our budget estimates, we tend to focus on point estimates, because we need to add up the pieces so we have an overall projection of the budget deficit. We need to have point estimates to do the addition and subtraction to get to that point. So we talk about uncertainty in our budget projections. And in our long-term budget outlook last fall, we had a chapter on uncertainty, we illustrated how different economic outcomes, including health care costs, would affect budget outcomes. But we don't as a regular matter produce baseline estimates that have those official specific ranges.

Dr. HARRIS. Thank you very much.

Thank you, Mr. Chairman.

Mr. COLE. Thank you very much.

Mr. Bishop.

VA MEDICAL FACILITIES LEASES

Mr. BISHOP. Thank you very much, Mr. Chairman. Thank you, Dr. Elmendorf for your appearance and for what you do.

Obviously, your agency is vital to helping those of us who make policy have the best real-time information upon which to make judgments. And so I appreciate you more very much.

As the Ranking Member of the House Military Construction, Veterans Affairs Appropriations Subcommittee, I wanted to ask you about how the CBO scores the leasing of VA medical facilities. Last July, Dr. Robert Petzel, the Under Secretary for Health at the Department of Veterans Affairs, testified before the Veterans' Affairs Committee and said that beginning in 2012, CBO's technical cost analysis scored VA's proposed 2013 and 2014 major medical facility lease authorizations as capital leases, requiring the Department to budget up front the full cost of the lease. This score, as a result, precludes the VA from procuring all of the requested 27 major medical facility leases that would be serving more than 340,000 veterans in 20 States. He went on to say that the Department is very concerned about the potential negative effects on veterans being able to utilize veterans health care. If the Department is unable to pursue these planned projects, six existing clinics may have to close, 14 will have constrained services to already overpopulated facilities, and long planned expansions to address veterans' health care needs will not move forward. Increased travel and wait times are likely to occur for veterans, especially those that are located in rural areas like I represent, where access to care is limited. Why did CBO decide to make this change—that is, to view the leases as purchases beginning in 2012? Isn't that in fact contrary to reality in terms of actual dollars spent?

Dr. ELMENDORF. Congressman, as you know, we take no position on how much support is provided to veterans for their health care. Our job is just to try to provide you and other Members of Congress with an assessment of the costs of decisions that you make.

Mr. BISHOP. Right.

Dr. ELMENDORF. And we understand that Veterans Affairs—

Mr. BISHOP. But you pay the costs of a lease by the year, don't you? You don't pay it all up front.

Dr. ELMENDORF. We understand Veterans Affairs view these leases as operating leases. And were they truly operating leases, in

which a new decision can be made from year to year, then it would be appropriate for us to treat them that way. And there are some leases the VA has that we do treat them that way.

But there is a set of leases that, as we reexamined the situation, seemed to us to be more analogous to contracts for acquiring facilities. And I think the issues here are things like how specifically is that particular facility set up to serve Veterans Affairs in their functions? What is the commitment that the Federal Government has over time to continue that lease? And there are other cases, for example Department of Defense contracts for overseas housing and some other sorts of leases that we have said consistently over time represent effectively purchases. They are purchases in which the Federal Government is not putting all the money out up front because it is relying on the financing by third parties, but in which the Federal Government is effectively committing to make payments for a long period of time. And as we looked again at this situation, it seemed to us that this set of leases fell more into the category of effectively being purchases, rather than truly being leases that you could do this year but decide not to do in the following year.

Mr. BISHOP. What is the term of the lease that makes you want to look at it in terms of a capital lease? A capital expenditure as opposed to a periodic contract?

Dr. ELMENDORF. Most of these leases in question, Congressman, were for lengthy terms, 15 to 20 years. And again, as I said, the facilities are being built to the Department's specifications. So it is not like you might picture you or I went to lease some office space downtown or to rent an apartment, where we are taking something that is existing on the market and we sign a lease for a year, and next year we could move back out. These are cases where people are really building facilities to do what the VA wants them to do with a commitment that lasts for decades.

Mr. BISHOP. So it would be a lot easier then in terms of scoring and in terms of costs, say, to the VA if they were to lease a facility that was already constructed as a medical facility as opposed to one that the government would have to outfit and to make suitable for medical purposes?

Dr. ELMENDORF. I think that is right, Congressman, but I want to be a little careful here, so I am looking at Bob Sunshine, who is our deputy director, who is more knowledgeable about this than I am. And we have a number of analysts who have worked on this issue with staff of committees on the Hill. And I don't want to speculate myself about something that more knowledgeable people are thinking hard about. So your logic sounds right to me, but I really want to be careful and have some of our folks talk with you and your staff about this issue at greater length if you would like.

Mr. SUNSHINE. One of the complicating factors is that even operating leases, things that are actually called and readily identified as operating leases, the obligations for those operating leases, according to the OMB circular A-11, are supposed to be recorded up front for the entire term of the operating lease or for the first year plus any cancellation costs. And one of the problems is that actually VA hasn't been doing that. And so as we engaged in this analysis of the leases and discussed with the Veterans' Committee, it

became clear that there is a disconnect between how VA has been recording these and what the actual procedures are. So even if you just want to call it an operating lease and if it is a 20-year operating lease, in theory the Appropriations Committee would need to provide 20 years' worth of those lease payments in budget authority up front, even though the lease payments would be made year by year according to—that is the way the Federal budget system works.

Mr. BISHOP. Unless there was an escape clause so that they could get out.

Mr. SUNSHINE. Correct.

Mr. BISHOP. With a cancellation fee that would be significantly less than the full cost.

Mr. SUNSHINE. Right. And the problem is if the builder were building the facility specifically for the purposes of the VA, it would be hard to have a small cancellation cost. If it were just a facility that was being otherwise built for other purposes and the VA was leasing it for a short term, then you might have a small cancellation cost.

Mr. BISHOP. Let's assume that the lease would be for the same term, 15 or 20 years, but it was already an existing facility, an existing hospital, for example. Would that change the way that you would score that?

Mr. SUNSHINE. It would really depend in part on what kind of contract one could negotiate with the owner of the facility.

Mr. BISHOP. Right.

Mr. SUNSHINE. And whether you could negotiate a cancellation clause that was not equal to the cost of building the facility. I think that would be the key factor.

Mr. BISHOP. That is the key. Thank you. I appreciate that very much.

Mr. COLE. Mr. Stewart.

REVIEW ANALYSES FINDINGS

Mr. STEWART. Thank you. We are winding down a long hearing here, and I appreciate it, Mr. Chairman. I think I can be brief.

I enjoyed your exchange with the minority leader on the effects of the minimum wage, ACA. I agree with some of what you said. I disagree with you on some of your other analysis. But that I guess we would need to forego that discussion for another opportunity.

You mentioned a couple times in answering various questions, about uncertainty. And I get that. I have a degree in economics. It is a B.A., not a B.S., because economics is an art, not a science. After that, I have kind of a schizophrenic training because I went into the Air Force as an Air Force pilot. And I loved that, because it is very predictable. You got thrust, vector, lift, and your inputs and your outputs are kind of known and able to project. And I know you don't get to work in that world. And so I am interested in your culture, and two things particularly. One is recognizing that it is difficult and that you are projecting with an enormous number of variables, but do you have any process where you can go back and review the findings that you have made and compare

it with the real world result and to say, Okay, we did a good job here, and we didn't do a good job here?

Dr. ELMENDORF. So we go back when we can, Congressman. In some cases, it is straightforward in a way; in some cases, it is more complicated. So one example, when the Medicare part D benefit was added, CBO had a projection of its costs over the next decade. The actual costs had come in way below what we had expected. And we have a report, almost complete now, in which we have gone back to examine that experience and see what factors led to the lower costs than we had anticipated. And some of that work, as we have been building it up, has been in our minds as we work on other estimates now. But there are other changes where we have estimated the effects of some policy when one can't really go back because the policy change affected a stream of Federal spending that would have been there anyway. Part D was a new stream of spending, so you could see what it turned out to be, and otherwise, it would have been zero. But there are big changes in Medicare in the late 1990s that there has been some dispute about whether our estimates were right. But you can't tell—we can tell that after this change was made, spending was less than we had thought it would be, but we can't tell if the error was in the estimate of those policy changes or if the error was in the projections we had on the eve of those policy changes.

Mr. STEWART. So, once again, I understand that we have enormous variables. It is an art, not a science. But I am curious, do you have a process where you go back and look at your analysis and review it and score yourself, "yes, we did a good job, or no, we missed the boat on this?"

Dr. ELMENDORF. So, again, in cases where we can go back, Congressman, we do. So I mention one example from part D. We do a regular report on the accuracy of our economic forecasts. And we analyze ourselves and report to you and the world how we have done. So when we think there is an opportunity to do that, we do it. And we try to learn what we can.

Mr. STEWART. And just kind of your gut feel, what percentage of the time are you able to do that would you think?

Dr. ELMENDORF. A small percentage, because most changes involve changes in some program that would have been in place anyway, and we can't really after the fact disentangle the effects of a particular policy. We also read outside observers, of course. There are people who are trying to estimate, people in universities and think tanks, who are trying to estimate the effects of policies. And we draw on that when we can.

NONPARTISAN CULTURE

Mr. STEWART. One other thing, again, part of your culture, would you say that you are a nonpartisan entity?

Mr. STEWART. Absolutely, Congressman.

Mr. STEWART. That is an important part of what you do, isn't it.

Dr. ELMENDORF. That is absolutely central.

Mr. STEWART. And I suppose you probably pride yourself on maintaining that nonpartisanship.

Dr. ELMENDORF. Yes, we do, Congressman.

Mr. STEWART. I congratulate you for that. I got to say, if you are able to do that, you are perhaps the only organization within a 50-mile radius of here who is. Because it is kind of like falling in a mud pit. After a while, you are going to get some mud on you. So if you are able to do that—

Dr. ELMENDORF. So Congressman, this has been a central pillar of our culture for the 39 years that CBO has been in existence. And we find it less difficult I think than you might imagine. If one wants to come to Washington to work on policy issues where one can express one's personal views through that work, then there are many, many places one can go do that. If one wants to come to Washington and work on policy issues, putting aside one's personal views and just do the analysis, there aren't as many places you can do that. And we attract those kinds of people to CBO.

Mr. STEWART. Do you have any processes, again, or you as the leader, do you have any leadership traits that you have that encourages this nonpartisanship throughout your organization?

Dr. ELMENDORF. Well, I think this tradition came well before me, Congressman. I think the part of the director is to ensure that, first of all, the director's own views never affect the work that is done. Secondly, to ensure that other people—other analysts are not letting their views affect their work. For example, we never talk, ever talk about what we would individually do about policies. I don't know what people at CBO would do if they controlled policies in the areas they work on, and they don't know what I would do.

I think a third thing is that it is the director's job to ensure that every projection that is made, every estimate that is being drafted is scrutinized by a set of people who ask a lot of questions about why a certain number is what it is and whether it should be higher or whether it should be lower. And I do that as my principal role when having analytic discussions to probe people's reasoning.

Mr. STEWART. And so do you have an internal process of peer review?

Dr. ELMENDORF. Yes. So every estimate, every formal cost estimate is reviewed by at least two levels of management and then by me. And the people who are responsible for that review are actually listed at the end of cost estimates. Our reports go out for—in addition to many levels of internal review, these long analytic reports go out for external review. And we deliberately try to find a set of people who have a very wide range—we think will have a very wide range of views about the issue at hand so that we hear from people with a very wide range of views.

Mr. STEWART. And let me conclude, I hope you don't assume from my line of questioning that I view this as an issue or problem. I know some people do. Maybe I do, maybe I don't. I will be like you, I will hold that to myself. But to encourage you to do what you have done here, and that is if you are viewed as being partisan, then you immediately become ineffective from both sides of the political spectrum.

Dr. ELMENDORF. Yes.

Mr. STEWART. I appreciate your leadership and would encourage you, as I know you would desire to do, to maintain that non-partisanship.

Dr. ELMENDORF. Yes, Congressman, that is what we will do.

Mr. STEWART. Thank you.

Mr. COLE. I will note for the record, it has some disadvantages. In the view of every Member of Congress, you are wrong about half the time.

Dr. ELMENDORF. Yes.

Mr. COLE. You attract a lot of fire.

Mr. Moran.

5-YEAR PROJECTION VERSUS 10-YEAR PROJECTION

Mr. MORAN. Thank you, Mr. Chairman.

I have a real problem with the Congress' determination to make our estimates 10 years in length. Since I have looked, been in Congress now for over 20 years, I also have a B.A. in economics, for whatever it is worth, which I don't think is a whole lot, frankly. I hate to have estimated the value of that. But we used to do 5-year estimates. And those 5-year estimates were invariably more accurate than the 10-year. And I think the reason is that so much can happen over a decade's time. Congress changes in its composition. The Presidency changes. The global economy changes. And while you can get some sense of the inflationary trends, over a decade, it is almost impossible to predict what they are going to be. They are dependent upon energy costs, et cetera.

I don't know that we are ever going to change it. But I wonder if you have done any kind of analysis as to the accuracy of the 5-year projection versus 10, because to make a 10-year projection, you also have to make a 5-year projection. Have you found that this sense that the 5-year projections were more accurate than 10 to be consistent?

Dr. ELMENDORF. I don't know if we have formally evaluated our 5-year and 10-year projections for the budget. But I have no doubt, Congressman, 10-year projections are less accurate. We talk a lot about how uncertainty increases the further out one goes. It is hard to know what is happening in the economy right at this moment, until some time has passed and one can look back. It is much harder, as you note, to predict a year or 2 or 3, and it gets worse as one looks further out. That is why, in this long-term budget outlook from last fall, we had a chapter that was explicitly about uncertainty and why, in a number of our analyses, we report ranges to be sure that other people reading our work have the same sense of the uncertainty of this that we have in putting that work together.

But I guess the argument for looking at things over 10 years, in some cases, a longer horizon, is that Congress is making policy decisions that will have implications over longer horizons. And it is natural for you and your colleagues to be curious about those implications. We try, though, to be clear that the crystal ball we have is even hazier as one looks further out. And we, for example, when we report effects on a second decade, which we have done for a few pieces of major legislation, we don't really express those views in dollar terms. We express them as shares of GDP, and we use different sorts of language just to be sure nobody mistakes them for the same thing as an estimate a year from now or 2 years from now.

DISINVESTMENT IN RESEARCH AND INFRASTRUCTURE

Mr. MORAN. And that is thoughtful and responsible. And I have to say that I think the Congress' judgments are far more often than not—actually, I guess I would say invariably based upon short-term considerations, normally political considerations moreso than they are the impact of our decisions 10 years out.

The decision that was made just about a year ago, I guess it was, in January of 2013, to protect the entitlement programs, to accept most of the Bush tax cuts, and thus to allow the deficit reduction to fall primarily on discretionary programs, personally, I felt that was wrong and took exception to it, not that my opposition amounted to anything, because, clearly, the vast majority of the Congress felt it was the right thing to do. But we are now at a discretionary funding level that is comparable, as a percentage of GDP—and you are suggesting that is how we should look at it—to what we were investing in about 1940. And what I wonder is, what is the long-term impact of that disinvestment in the research and the infrastructure investment, in terms of transportation and the like, and the human infrastructure, in terms of education, and so on? Have you done any analysis of this? Because this is a very striking trend to sustain the entitlement programs and to sustain the tax cuts but to do so at the expense of discretionary investment.

Dr. ELMENDORF. Well, Congressman, as you say, we have noted that all of Federal spending, apart from Social Security and the major health care programs and interest on the debt, everything else together will, by 2020 or so, be a smaller share of GDP than at any point since at least 1940, which is the earliest year for which we can collect those data. So it is a striking change in the composition of Federal spending. The government as a whole is not growing. Certain programs are growing a lot, but the rest of government will actually be smaller relative to the size of the economy than it has been.

We have done several reports trying to look at the consequences of that. So one we published last December, it was on Federal investment. This documented the change that we have seen in the past in Federal investments and also in investment by State and local governments and by the private sector, trying to show what has happened in the past and will happen in the future, given the caps on discretionary funding that are in the law.

Mr. MORAN. Do we all have this? I think that would be fascinating, particularly for the appropriators. Could you make those available, at least to the members of the subcommittee?

Dr. ELMENDORF. Absolutely. We will bring you a stack.

Mr. MORAN. Thank you.

Dr. ELMENDORF. As we say here, Congressman, about half of nondefense discretionary spending represents an investment of some sort in physical infrastructure, like highways, in human capital, you said, like through education and training, or in research and development. So as nondefense discretionary funding shrinks, which it is scheduled to do under current law, unless there is some very sharp rearrangement within that pool, Federal funding for investment will be declining noticeably relative to the size of the economy. What this report does not do very much of is to say, well,

how is that going to play out in terms of the strength of the economy itself.

HUMAN INVESTMENT

Mr. MORAN. And our competitiveness globally.

Dr. ELMENDORF. Yes. So we are trying do more work in that area. For this, we mostly draw on other people's research. So there are a set of economists who have worked on, for example, the effectiveness of highway spending at boosting the economy. And we basically draw on that work. We have not done our own independent research of that. We drawn on that. We have noted, for example, that if one did all of the highway spending that would pass a cost-benefit test, one would do a lot more than we are doing today, which is itself more than can be supported, given the current stream of funding dedicated for the Highway Trust Fund. So we try to draw on some of that outside research to make that point. I think it is difficult because the set of investments the Federal Government supports are very varied. There are all sorts of different things. And the effectiveness of different sorts of investments can be quite different.

But we also have work underway about Federal policies toward innovation. We have given presentations on that topic that are on our Web site, but they are drawn out of ongoing work and a report that we hope to publish in a few months. So we are trying do more work digging into what the Federal Government can do through its spending but also through other policies that would support economic growth over the longer term.

Mr. MORAN. Good. I wasn't aware you had done that. And I want to read it. So thank you.

And given the fact that you have done that kind of analysis, I am going to ask a couple other questions related to seeing whether you have done comparable analysis. Given the shortfall in discretionary funding, I met with some folks who are fairly affluent but concerned about the direction we are taking in this area of the budget. And they have come up with the concept of municipal bonds for—and these are my words—human infrastructure investments. In other words, we will make municipal bonds with tax benefits available for physical infrastructure, but we have never really done it for human infrastructure. And so, for example, an example they use, if we invested in early childhood development, and if the numbers are consistent, that by making that investment we have more people stay in high school, more people go to college, more people earn considerably more in income, you have less expense for incarceration, less crime, et cetera—in other words, you can analyze what the cost-benefit results are of making an investment in the early years when the brain is most absorbent. I wonder if you have made any kind of an analysis like that. Because if there was an effort to put this into any kind of legislation, clearly, CBO would have to come up with an estimate whether it was even a valid assumption and whether it could be converted into a legislative initiative.

Dr. ELMENDORF. Congressman, I am aware of that work. I actually have a former colleague and a former student who are active in that area.

Mr. MORAN. Who are they?

Dr. ELMENDORF. I don't want to name them on the record. I will suggest them to you later, Congressman.

Mr. COLE. Yes, we want their names.

Mr. MORAN. Maybe for different purposes.

Dr. ELMENDORF. So I am aware of that work, and my colleagues are aware of it. We have not, at this point, ourselves, analyzed the returns on specific sorts of investment in human capital. This is a group of people at CBO who work on issues, income security and education. It is a group that has actually gotten smaller. But we are looking to hire for and build up, given the extra funding that the committee has provided for this year. So we are trying to dig more deeply in some of these issues. We have not come to this one yet. But I will note your interest. I think it is an important question.

Mr. MORAN. Thank you. Boy, it would be wonderful if you did such an analysis. Now, I have one last if the chairman would be indulgent.

Mr. COLE. Quite all right.

Mr. MORAN. Thank you. And this is even more off the wall.

Mr. COLE. At least you admit it up front.

NATIVE AMERICANS

Mr. MORAN. Yeah. Well, and I know it is an issue that is near and dear to the chairman's heart. On the Interior Committee, each year, and I have been chair and ranking member for a few years now, we have tried to put more money into programs for Native Americans. For the most part, it goes into the Indian Health Service. Critically necessary. The health conditions are abysmal, particularly in some reservations, like the Sioux and so forth. And we put it into, you know, education or housing or whatever. It is never enough. And for the most part, it is Band-Aid. And I wonder if we made or worked with an institute—I know Turkey, for example, was willing to provide some foreign funding for housing. I wonder if we made the upfront investment in trying to create some kind of, you know, real economic growth that we subsidized the original investment to make it competitive. But it seems as though it is all after the fact. It is reacting to a horrible situation that should make anybody feel miserable over what we have done to many of these tribes.

Have you made any analysis of the alternatives to some of these programs? In other words, an upfront investment that actually created some greater economic vitality in what essentially are isolated villages as we have on some of these reservations?

Mr. MORAN. I know that is off the wall, but it is something that I wondered if any kind of economic analysis has been done.

Dr. ELMENDORF. Congressman, I am not aware of having done any work on this topic, but I think your point is an important one. You know, it is difficult to trace. It is difficult to change people's behavior, and it is difficult to trace the effects of changes that can matter over long periods of time.

So, a few months ago, you were concerned about having long-term projections becoming the uncertainty. So if some of those issues come back, we are trying to understand what the effects are

of helping a kid have better health, better education in a way that will pay dividends maybe decades from them.

Mr. MORAN. Yeah.

Dr. ELMENDORF. And you know, it is in this area and many others, we really rely on the research being done by people at university think tanks to draw the evidence from. Our job is to really apply the evidence to specific public policy that you and your colleagues are considering. We are relying on the underlying evidence. So there is, for example, more work being done now in how Head Start can affect people much later in their lives. But that work is—there isn't a lot of that kind of work.

I think partly what you are looking for here is something that is looking for effects over longer periods of time of more fundamental changes, and there may be some work that I am not aware of—and we won't get into this now, but I would just caution that it can be hard to identify the sort of cause and effect.

Mr. MORAN. There is no question, and I acknowledge, I think we are probably talking about qualitative factors, except for tribes that have casinos, and the like. It is really the sense of hopelessness that seems to be the biggest burden to overcome. The kids grow up in a condition where they really don't see any real future and invariably leads to substance abuse or the like.

And so it is creating a future, an economic future for them, something that they can envision. And it seems to me if we made that—if we can make that investment up front, in an ideal world, it would take extraordinary dividends in terms of the reduction of the kind of Band-Aid programs that we invariably have to make because we have been so unsuccessful in, you know, in atoning for what they did to them initially.

But I just throw it out there because those are the kinds of analyses that I just love to see because that changes policy.

So much of what we do, you know, is well, somebody gets an idea, you estimate what the costs are, we view it from the prism of our own, you know, politics, and policy bias, and but it is these kinds of off-the-wall analyses, if you would, that get people thinking about really substantive directions and changes in the direction of policy. Thank you.

Dr. ELMENDORF. We will look at that concept.

Mr. COLE. Well, as our wise ranking member predicted earlier, this would move from the CBO, to the state of the budget, and now well beyond. But it is a useful discussion for us to have. And the fact that we have it is because we have a lot of confidence in the product that the CBO produces that lead us into these areas. So unless anybody has anything specific to the operation of the CBO, I will go ahead and—

Mr. MORAN. If I could just say, Mr. Chairman, underscore that. The reason we don't have these questions is that we trust their judgment in putting their own budget together.

It may be failed, but—

Mr. COLE. Well, I am sure that if the American people were asked to choose between the CBO and the Congress of the United States—

Mr. MORAN. Hands down.

Mr. COLE [continuing]. We would lose that. But we appreciate the work. Thank you for being here with your staff. We will be in recess until 10 tomorrow, at which time we will receive the testimony from the Library of Congress and the Government Accountability Office. But again, thanks to all concerned for a good discussion. Thank you.

Dr. ELMENDORF. Thank you, Mr. Chairman.

QUESTIONS SUBMITTED FOR THE RECORD FROM CONGRESSMAN ANDY HARRIS

(1). Does the Administration's policy announcement last week to allow individuals to more easily claim a hardship exemption to the individual mandate impact the CBO's scoring of risk corridors? If so, how?

Answer. That announcement, along with others that Administration has made recently, may affect CBO's projections of the budgetary effects of various aspects of the Affordable Care Act (ACA), including risk corridors. CBO is currently in the process of updating its baseline projections, and it has not yet completed its assessment of the most recent Administration announcements, including specific statements about risk corridors. CBO and the staff of the Joint Committee on Taxation expect to incorporate into those revised baseline projections new information and additional data about the ACA that become available, including their analysis of the Administration's recent announcement regarding hardship exemptions.

WEDNESDAY, MARCH 5, 2014.

LIBRARY OF CONGRESS

WITNESSES

JAMES H. BILLINGTON, THE LIBRARIAN OF CONGRESS

ROBERT DIZARD, JR., DEPUTY LIBRARIAN OF CONGRESS

OPENING STATEMENT OF CHAIRMAN COLE

Mr. COLE. The subcommittee will come to order.

Today we will hear the testimony from the Library of Congress and the Government Accountability Office on their respective fiscal year 2015 budget requests.

First up, we have the highly regarded Dr. James Billington, the Librarian of Congress, who is requesting \$593 million, an increase of 14 million, or 2.4 percent above the current level of \$579 million.

And I must say that it is a particular privilege and honor for me to be working with you again on this committee. There is nobody who has worked in scholarship that I admire more. I actually feel like we should just suspend the hearing and get a lecture on the Ukraine and advise us as to what we ought to do. It might actually be more helpful to Congress. Well, somehow we ought get into that in Q and A if somebody wants to throw a question.

Ms. WASSERMAN SCHULTZ. Didn't stop us yesterday.

Mr. COLE. That is exactly right.

And so with that, I am going to yield to my friend, the Ranking Member Ms. Wasserman Schultz, for any remarks she might care to make.

OPENING STATEMENT OF MS. WASSERMAN SCHULTZ

Ms. WASSERMAN SCHULTZ. Thank you so much. Dr. Billington, welcome back to the committee. It is no secret my affection for the Library of Congress and for your stewardship. Congratulations on 27 years as Librarian. You have an international reputation, and I stand with Chairman Cole in that perhaps we could call a—that there are perks to this job, Mr. Chairman, and, you know, maybe we can gather the subcommittee back together so we can hear from Dr. Billington on what is really going on in the Ukraine.

During the hearing I do want to just explore some of the issues that have arisen with the Copyright Office, and I know the Register of Copyrights is here with us, and we will have a chance to talk to her as well. But as you know, Mr. Chairman, I think you were on the committee when we were dealing with a really significant backlog of registering copyrights, and that has been largely cleared out, but given the drop in funding during the sequester, as well as, you know, some administrative issues, it is potentially becoming a problem once again, among some other things.

So I would love to, talk to you about that as well and just hear from you on your budget request, because you are a robust advocate for the Library, and we know that the Library has needs. I am concerned about what you had to cut back on in recent years, and I know your request is modest.

Oftentimes the agencies in recent years have come back to us with more realistic modest requests, which we appreciate, but we also really need to get a sense of what your needs are, and, if you didn't have these severe constraints of the sequester, what you find imperative to proceed forward.

So thank you, Mr. Chairman. I look forward to his testimony.

Mr. COLE. Thank you.

Dr. Billington, your entire statement will be made a part of record, as well as the statements of the Register of Copyrights and the Director of Congressional Research Service. At this point, please summarize and highlight the accomplishments of the Library for the past year, and offer whatever thoughts you care to offer on your budget.

Mr. BILLINGTON. Thank you, Mr. Chairman.

OPENING STATEMENT OF THE LIBRARIAN OF CONGRESS

First of all, I welcome Chairman Cole back to the subcommittee, now as chair, and thank ranking member Ms. Wasserman Schultz for her continuing support and good counsel, and indeed this entire supportive subcommittee. We look forward to working with you to realize the full potential of what is, in fact, the world's greatest library for the creative future of the United States in a very fast-changing world.

The Library of Congress' fiscal 2015 budget request represents, as you indicated, Mr. Chairman, \$14.2 million, or a 2.3 percent increase over the Library's fiscal 2014 funding level. This request includes no program increases for the Library, and is exclusively for mandatory pay and price-level increases anticipated for fiscal 2015.

The Library of Congress has the largest and most wide-ranging collection anywhere, both of the world's recorded human knowledge and of the cultural and intellectual creativity of the American people. This is an enormous and growing asset for the United States in an increasingly knowledge-dependent world. It was created and sustained by the Congress for 214 years. The Library has encouraged, protected, and preserved America's free creativity through the work of the Copyright Office since 1871, and has also been the Congress' primary research arm through the Congressional Research Service for 100 years, and for 182 years through the Nation's largest law library.

Now, over the past several years, the Library has been operating with progressively decreasing resources. Our total appropriations declined in excess of 12.5 percent, from \$684.3 million in fiscal 2010 to \$598.4 million in fiscal 2013. Between the fiscal years 1992 and 2014, the Library built our now massive digital outreach alongside our still growing analog library. However, our FTE level has decreased during the same period by 1,389. That is a 30.5 percent loss in FTEs, so we are doing more with less.

Precisely because our staff has such one-of-a-kind skills, we minimized making budget cuts in our staff pay budget, administering

only a 3-day Library-wide furlough for all staff in all fiscal 2013. Nevertheless, substantial attrition continues, and it is resulting in growing knowledge and other gaps.

Now, moving into fiscal 2014, with the prospect of continued sequestration budget reductions, the Library was deeply concerned about absorbing additional cuts in our core program activities or burdening our staff with another series of furlough days. Thus, the Library very much welcomed receiving some relief in the fiscal 2014 omnibus appropriation, including the partial restoration of sequestration reductions, and also funding for the construction of Fort Meade's Module 5, which will provide critically needed storage space for preserving and making accessible the Library's incomparable collections.

Now, despite the challenging budget environment, the Library's uniquely experienced, dedicated, and multitalented staff is looking boldly into the future for what we can do better and more inexpensively for America in the rapidly changing, unpredictable times that we are living in now and that lie ahead.

Mr. Chairman, the Congress of the United States has been the greatest patron of the library in history. Each year the Library is privileged to serve every Member of Congress, every congressional committee, millions of Americans often in ways that would otherwise be unavailable to them. All of the Library's present and future work must and will be: first, directly important for the United States, and not just for our own institution, and secondly, of service to the public in ways that no one else can do as well or better.

The Library embodies and advances the distinctly American ideal of a knowledge-based democracy, and we will be grateful for your consideration of our budget request for 2015.

So, Mr. Chairman, Ms. Wasserman Schultz, let's see now, Mr. Moran, Dr. Harris, Mr.—

Mr. STEWART. All the rest of us.

Mr. BILLINGTON [continuing]. Mr. Bishop, and Mr. Stewart, to all of you and the other members of the subcommittee, we thank you for your good counsel and support for the Library.

Mr. COLE. Well, thank you very much, Dr. Billington, I always appreciate your testimony.

[The prepared statements of Dr. Billington, Ms. Mazanec, and Ms. Pallante, follow:]

Statement of Dr. James H. Billington
The Librarian of Congress
before the
Subcommittee on Appropriations
U.S. House of Representatives
Fiscal 2015 Budget Request

March 5, 2014

Mr. Chairman, Ms. Wasserman Schultz, Members of the Subcommittee:

I welcome Chairman Cole back to the Subcommittee, now as Chair; and thank Ranking Member Ms. Wasserman Schultz and this entire supportive Subcommittee. We look forward to working with you to realize the full potential of the world's greatest Library for the creative future of the United States in our fast changing world.

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We are doing more with less. Precisely because our staff have such one-of-a-kind skills, we minimized making budget cuts in our staff pay budget, administering only a three-day library-wide furlough for all staff in fiscal 2013. Nonetheless there has been substantial attrition, resulting in growing knowledge gaps.

Moving into fiscal 2014 with the prospect of continued sequestration budget reduction, the Library was deeply concerned about absorbing additional cuts among its core program activities or burdening our staff with another series of furlough days. Thus, the Library very much welcomed receiving some relief in the fiscal 2014 Omnibus Appropriation, including the partial restoration of sequestration reduction and funding for the construction for Fort Meade Module 5. Constructing Module 5 will provide critical storage space for preserving and making accessible the Library's incomparable collections.

Despite the challenging budget environment, the Library's uniquely experienced, dedicated and multi-talented staff is looking boldly into the future for what we can do better and more extensively for America in the rapidly changing, unpredictable times that lie ahead.

Our remarkable staff is participating – at a variety of levels, in addition to their regular work – in a Futures Program for the Library. I recently wrote our staff that, “our shared task in shaping this program is to demonstrate that the nation's oldest federal cultural institution has the unique resources and people to become one of America's most innovative.”

The Futures Program is a Library-wide effort to define an action plan for the Library of Congress in the 21st century by September 1st of this year. It seeks to find new synergies and economies while bringing digital and traditional services closer together and provide a blueprint for streamlining and developing the Library of Congress both onsite and online.

We have already received bold new ideas from 72, mostly younger, staff members on eight teams. Those teams are now being succeeded by three teams covering the key Library-wide issues of (1) mediating knowledge through a new type of Knowledge Navigator, (2) developing a coherent and accountable overall digital strategy, and (3) defining appropriate new forms of collaboration with outside organizations and communities.

We will be consulting actively with this Subcommittee as well as the Joint Committee on the Library about new initiatives we may be implementing as the most effective and cost-neutral approach to further the Library's mission for the 21st century. While we work on the Futures Program and the future of the Library, the Library continues to bring great value to the Congress and the nation.

At the direction of the Speaker's Office and the Clerk of the House, the Library both led and participated in a number of initiatives over the past year to enhance public availability and transparency of legislative information. We have upgraded

Congress.gov, which is now surpassing our popular THOMAS website in both high-level functionality and ease of use on all types of devices.

Working on the Bulk Download Task Force created by this Subcommittee, we have coordinated closely with the Office of the clerk, the Government Printing Office and others to make data publicly available for third party web and app integration, and to design the basis for possible U.S. participation in international parliamentary data sharing. We developed a new mobile version of the U.S. Constitution Annotated, which will make this unique resource (a CRS product now in its centennial edition) much more widely available to the public.

The Library not only collects, preserves, and provides web-based information, but actively participates in social media outlets (blogs, Facebook pages, YouTube tutorials, and Twitter feeds) that share our collections and staff expertise with thousands of Americans every day. Our pioneering work on the Twitter collection has given us valuable hands-on experience in organizing big data for research and scholarship. We expect to make the 2006-2010 portions of the collection –21 billion tweets— available in June within the Library for research use by the public.

The Library now manages 6.5 petabytes of digital information. Millions of primary digital materials are available onsite or online. This material is widely used in K-12 education and by life-long learners throughout America.

Our World Digital Library continues to grow in popularity in America and beyond, with 178 partners from 80 nations that are providing the Library with high quality primary documents of the world's greatest treasures—with expert curatorial commentary in seven languages. This project helps Americans understand and value other cultures. Young “digital native” users abroad appreciate that America is taking the lead in the “virtual repatriation” of their own heritage.

Building on the Library's vast collection of materials on the early Americas, Central America, and Mexico, we conducted in December a two-day “Celebration of Mexico”, which brought to the Library a wide range of cultural luminaries with whom we plan to work more closely in the future.

CRS, which is celebrating 100 years of service to the Congress, partnered with other Library units and the Government Printing Office (GPO) to publish the centennial edition of the Constitution of the United States of America: Analysis and Interpretations (known as The Constitution Annotated) on Constitution Day, September 17, 2013.

CRS analysts and information professionals served every Member's office on all major issues on the legislative agenda. Economists, policy analysts and attorneys

responded with analyses and consultations on the complex issues surrounding the government shutdown, the debt ceiling and sequestration. Much of this work was on a short-turnaround basis, given the fast-moving events.

Collaboration across several CRS divisions was necessary to support Congress' oversight of implementation of the Affordable Care Act, analyze legislative options to amend the law and describe the impact of the developing jurisprudence on challenges to some of the Act's provisions. Congressional options in light of events in Egypt, Syria and Iran were addressed in CRS reports, memoranda and briefings.

Working closely with the House Judiciary Committee, the Register of Copyrights helped commence a comprehensive Congressional review of the nation's copyright laws, for the purpose of assessing issues resulting from the vast changes over the past 20 years in the way that creators disseminate and consumers access, music, books, films and software. The Copyright Office also updated its Compendium of Copyright Office Practices, which is the authoritative source of registration procedures relied upon by Copyright Office staff, the public and the courts. The revision is undergoing external review and will be published in 2014.

The Law Library has improved its coverage of key foreign jurisdictions of interest to Congress, and has acquired rare and important legal materials including one of the first books on law printed in the new world (Mexico 1556), and a collection of rare 17th century German legal dissertations. Private and individual donors have generously supplied the Law Library's bringing the Lincoln Cathedral 1215 version of the Magna Carta back to the Library of Congress for its exhibit on the 800th anniversary of the signing of this seminal document.

We have been privileged this past year to have organized and hosted exclusively for Members of Congress a new series of major evening conversations with outstanding experts on our greatest early Presidents (the most recent with David McCullough on John Adams) for 125 members from both houses and both parties. For these evenings we display original documents of the Presidents, listen to our generous benefactor David Rubenstein ask the expert searching questions, ending with comments and questions by the Members. All Members of Congress are invited to these memorable evenings. The next will be held in James Madison on March 11.

A FutureBridge Program that began in October 2013 pairs our young professionals with a senior colleague who can mentor and share his or her one-of-a-kind knowledge and experience. Annually, the Library brings college and graduate students into units throughout our institution through the Knowledge Navigators/Junior Fellows programs. During their time as apprentices at the Library,

these students bring more of our materials into the stream of knowledge and often become librarians themselves.

This year the Library added another program in its multi-pronged efforts to address illiteracy thanks to a generous gift from David Rubenstein. The Library developed a new program that awarded three prizes and identified best practices in innovative programs that open up the world of reading to the illiterate in America and globally. This program is part of the Library's commitment to life-long learning that includes our annual National Book Festival, our Nobel-type Kluge Prize for Lifetime Achievement in the Study of Humanity, our Young Readers' Center on Capitol Hill, and our national Teaching with Primary Sources Program.

Mr. Chairman, the Congress of the United States has been the greatest patron of a library in history. Each year, the Library is privileged to serve every member of Congress, every Congressional Committee, and millions of Americans, often in ways that would otherwise be unavailable to them. All of the Library's present and future work must and will be (a) directly important for the United States and not just for our own institution, as well as (b) serve the public in ways one else can do as well or better.

The Library embodies and advances the distinctly American ideal of a knowledge-based democracy. And we will be grateful for your consideration of our budget request for fiscal 2015.

Mr. Chairman, Ms. Wasserman Schultz, and Members of the Subcommittee, I thank you all again for your good counsel and support for the Library.

Statement of Mary B. Mazanec
Director, Congressional Research Service
before the
Subcommittee on the Legislative Branch
Committee on Appropriations
U.S. House of Representatives
Fiscal 2015 Budget Request

March 5, 2014

Mr. Chairman, Ms. Wasserman Schultz, and Members of the Subcommittee:

It is a pleasure to appear before you today to present the fiscal 2015 budget request of the Congressional Research Service (CRS) during this the centennial year of CRS. On July 14, 1914, the House of Representatives passed the appropriations bill for the legislative branch which provided funds to “enable the Librarian of Congress to employ competent persons to prepare such indexes, digests, and compilations of law as may be required for Congress and other official use...” Two days later, the bill was signed by the President. The concept of a support agency for the legislative branch was born and over the years it has evolved and matured to the modern Congressional Research Service it is today, providing authoritative, objective and non-partisan information and analysis to all Members and committees in support of their legislative tasks. I am appreciative of the support this committee has given to CRS and we are committed to continuing the century-long tradition of contributing to an informed national legislature.

Support for Congress

Analysis and Information. The past year saw challenges on the domestic and international fronts that taxed the Congress and required CRS analysts and information professionals to address a range of complex and controversial issues.

During debates on the lapse of appropriations last October, CRS assisted lawmakers with information, analyses, and consultations on past government shutdowns; shutdown planning by federal agencies, and the process of determining which government activities could continue during a funding lapse. CRS advised the Congress on legislative process questions relating to the enactment of appropriations and assessed possible ramifications of a shutdown on congressional operations. Federal contracting for goods and services during a shutdown, execution of policies such as the Affordable Care Act, Medicaid, Medicare, and the impact on military service member pay and the nation’s financial sector were also the subjects of CRS analysis.

CRS analysts addressed the evolving budgetary landscape over the course of the year, explaining processes and trends involved with sequestration and the implementation of the Budget Control Act. CRS experts also reviewed strategic priorities in the fiscal 2014 defense budget, assessed long-term trends in defense spending, analyzed military procurement, and provided consultative support on costs associated with various force structure options that could result from the expected reduction in U.S. forces over the next decade.

Following the publication of information on NSA collection of telephone and internet communications, the Congress began debating the proper scope of the surveillance authorities provided under the Foreign Intelligence Surveillance Act (FISA). CRS attorneys analyzed the constitutional implications of the disclosed activities. They advised on proposed amendments to the FISA that would be most effective in increasing privacy protections without impairing the NSA's mission. CRS analysts examined the need to balance the level of intelligence activities with difficult budget choices, the domestic use of intelligence, as well as civil liberty and information security issues. Proposals to introduce more transparency and opportunity to present counter arguments before the FISA court were also analyzed.

CRS also provided analyses of legislative proposals that would modify or repeal ACA. The implementation of the Act continued throughout the year necessitating CRS support on a variety of issues, including legal analyses of enforcement of private health insurance market reforms, contraceptive coverage and the migration of Members and certain staff to the new health care marketplaces.

Immigration reform continued to generate great interest and a variety of legislative approaches. CRS assisted with various immigration reform proposals and border security bills considered in the House. Analysts addressed proposals to increase border security and immigration enforcement, strengthen enforcement in the interior, expand verification of employment eligibility and worksite enforcement, revise nonimmigrant visa categories and legal permanent immigration, and legalize some unauthorized aliens currently residing in the United States.

Both the House and Senate considered separate omnibus bills to replace the expiring 2008 farm bill. CRS agricultural specialists provided analysis of various legislative proposals regarding farm commodity support, conservation, trade, rural development, nutrition, credit, energy, livestock, and organic agriculture. Congress also considered a number of proposals to reduce Supplemental Nutrition Assistance Program (SNAP) (food stamps) costs. CRS responded by providing background information on SNAP program rules, as well as analyses of a number of the cost-saving proposals such as restricting SNAP "categorical eligibility" and changing benefit

calculation rules for certain recipients of energy aid. CRS summary and analysis of the approved legislation appeared on its website shortly after enactment in early February.

On the energy front, Congress expressed interest in the increased U.S. natural gas supply and the possibility of exporting liquefied natural gas (LNG). The Department of Energy has approved four permits to export LNG to non-Free Trade Agreement countries, with dozens of other applications pending. CRS presented a seminar on LNG exports last March and an analyst testified before a House subcommittee on the issue the following month. Throughout the year CRS analysts responded to numerous requests for memoranda, briefings, and consultations on LNG, and in July the House considered a bill that would expedite the permitting process for natural gas exports.

Concerns over water contamination, water demand, fugitive gas emissions, and the potential for induced seismicity associated with hydraulic fracturing (“fracking”) led the Congress to hold hearings and introduce bills that would change EPA’s regulatory authority over the technique. CRS analysts collaborated to ensure the environmental, technical, and economic issues were addressed and testified in May at a House committee hearing addressing the role of the states in various environmental control programs.

Unrest continued in the Middle East and CRS experts addressed numerous country-specific and regionally focused issues during the turmoil. Analysts assisted the Congress as it dealt with civil war in Syria and whether and how the United States should intervene in that conflict, particularly following the use of chemical weapons by the Assad regime. Congress looked to CRS for information and analysis on the nature and size of Syria’s chemical weapons stockpile and delivery capabilities as well as the implications of Syria joining the Chemical Weapons Convention. CRS also analyzed the agreement that was entered into to dispose of Syria’s chemical weapon stockpile. Congress sought legal assistance regarding the potential use of force by the United States against Syria and CRS responded by providing briefings and analysis on declarations of war and authorizations for the use of force, as well as congressional authority to limit military operations.

CRS offered ongoing support following Mohammed Morsi’s overthrow in Egypt and the increasing unrest and polarization between government forces and Muslim Brotherhood sympathizers, including analysis of U.S. aid to Egypt and future political, economic, and security ties. During diplomatic efforts surrounding Iran’s nuclear program and the short-term agreement entered into by the parties, CRS advised on the technical aspects of Iran sanctions laws, analyzed how those laws were implemented

and what effects they had on Iran's economy, as well as providing ongoing analysis of the Iranian political arena, foreign policy, and nuclear programs.

During the past year, congressional scrutiny of the terrorist attack at a U.S. facility in Benghazi, Libya, ranged over a number of issues including the circumstances of the attack and the Obama Administration's response, the formal post-attack inquiry process and response, and the funding and programs to support the security of diplomats and U.S. facilities overseas. CRS experts supported the Congress while more than a dozen hearings were held and legislative proposals were considered. CRS produced analyses addressing multiple security issues stemming from the Benghazi attacks, including complex funding information for accounts that support diplomatic security and numerous draft proposals to amend existing practices and law.

Technology Enhancements. As part of the Library's multi-departmental team, CRS contributed to continuing development and daily operations of the next generation legislative information system platform and services (beta.congress.gov). This work is a significant component of Project ONE, a multi-year Library-wide strategy initiative that will replace two legacy legislative information systems (LIS and THOMAS), with a single, modern system. CRS provided data analysis, subject matter expertise consultation, system testing, user testing, coordination of data partner relationships, and support for congressional users. Work continues to enhance the functionality and content of the site.

Several enhancements to the CRS website, CRS.gov, occurred during the past year. The search experience was improved, with the search window expanded in size and made more prominent on the home page. Among other search enhancements were full-text search, enhanced ability to filter search results by topic, author, date, and content type "facets," and a feature that displays search results to emphasize analysts, attorneys, and information professionals thereby facilitating client contact with relevant experts.

In light of the proliferation of mobile devices on Capitol Hill, CRS modified the website layout to adapt to the smaller mobile screens and added improvements to support touch-screen users who cannot effectively execute desk-top-specific commands.

CRS also introduced streaming videos to the website in addition to its menu of seminar DVDs. At the end of the fiscal year, 10 streaming videos were available to the Congress on topics including immigration reform, border security, natural hazards and disasters, financial challenges to the U.S. Postal Service, major cases from the recent Supreme Court term, and the fiscal 2014 defense budget. This year, CRS will augment its video presence and also include on-demand videos of popular CRS policy seminars.

CRS Policy Insights, a new product type modeled on the CRS Legal Sidebar, is being implemented in response to client feedback for shorter, succinct products that are published quickly to address fast-moving public policy issues. Introduction of this product line is expected in late winter. A two page "In Focus" product line is also under development. These short briefing documents are designed for Members and staff who need abbreviated analysis about current policy issues facing the Congress.

We are also refreshing the Home Page of the CRS web site to modernize its look and feel and facilitate user access to products and services. Many of the new products will be highlighted and users should find the site even easier to navigate. Following on web layout improvements that we made last year, the Home Page refresh will also aid mobile users of the web site. The changes in our product line and the web site updates are part of our continuing efforts to provide a menu of products and services that are responsive to client needs and the demands of the legislative process.

New Members Seminar

We are beginning our planning for the CRS Seminar for New Members for the 114th Congress which will take place in January, 2105 in Williamsburg, VA. The last program was attended by a large number of the newly elected House members and we expect another productive exchange with the next Congress's freshman class. The program, offered in conjunction with the Committee on House Administration and led by CRS and outside experts, exposes new House members to the range of issues that they will confront in their initial months in office as well as briefings on the legislative and budget process.

Budget Opportunities

Budget realities have made it incumbent on CRS to achieve efficiencies and to maintain the necessary support for the Congress with fewer resources. We appreciate that the increased fiscal 2014 funding gave us the opportunity to begin to fill some critical gaps in our analytical and information professional ranks and in our infrastructure offices. The fiscal 2015 budget request of \$108,382,000 only includes increases for mandatory pay and price level changes.

We have begun recruiting a cadre of research assistants in order to support analysts and facilitate their analytical work. Drawing from the best talent emerging from universities and graduate schools, this pool of researchers will enable analysts to focus more on their analytical work. These positions will also enable analysts to work more efficiently and will contribute to making available to congressional staff a broader mix of products and services. CRS will continue to explore the composition of its workforce to achieve efficiencies and best serve client demand.

The increased funding also enabled us to devote resources to technology projects that we had deferred. Our authoring and publishing system and business processes need to be reexamined and our client relationship management system, which intakes and manages congressional requests, requires modernization. We will be utilizing both in-house and contracted expertise to achieve these objectives.

CRS Anniversary Planning

Planning for commemorating the centennial of CRS in 2014 continues. Among the planned events are a one-day symposium highlighting the Congress and the challenges of governance in a global era, a collection of online photographs depicting CRS over the past century, a centennial publication highlighting CRS history, and a Library exhibition featuring objects marking milestones in CRS development throughout the century. The centennial events center around the 100th anniversary of CRS on July 16, 2014. The symposium and evening reception are being co-sponsored with CRS by the Former Members Association and are funded through privately raised individual and foundation support.

Centennial Edition of the Constitution Annotated

CRS partnered with other Library units, including the Law Library of Congress, and the Government Printing Office (GPO) to publish the centennial edition of *The Constitution of the United States of America: Analysis and Interpretation*, (known as *The Constitution Annotated* or CONAN) on Constitution Day, September 17, 2013. The document was produced in both print and digital formats (managed by GPO), and as an Apple application (managed by the Library of Congress)(an Android application is forthcoming). A seminar on educating the public on the Constitution to which Supreme Court Justices have been invited is scheduled for September as part of the events surrounding the centennial of CRS.

Conclusion

I want to close by again expressing appreciation for the support this committee has given to CRS. This centenary year for CRS is a time to reflect on the work of the Service and its evolution over the last 100 years into what I hope is your most valued source for the authoritative and objective research and analysis that you need to perform your legislative tasks. It is a privilege to be the Director during this time and to be part of a staff that remains dedicated to supporting the Congress into the next century.

Statement of Maria A. Pallante
Register of Copyrights and Director
United States Copyright Office
before the
Subcommittee on the Legislative Branch
Committee on Appropriations
United States House of Representatives
Fiscal 2015 Budget Request

March 5, 2014

Mr. Chairman, Ranking Member Wasserman-Shultz, and Members of the Subcommittee:

I appreciate the opportunity to submit the fiscal 2015 budget request of the United States Copyright Office. This is an exciting and busy period for the copyright system and for the Copyright Office. Throughout 2012 and 2013, the Copyright Office worked toward the goals outlined in the *Priorities and Special Projects of the United States Copyright Office* via a public process that engaged the Office's stakeholders and the general public. A consistent theme echoed throughout our public processes is that both the copyright law and the Copyright Office itself must evolve to meet the needs of the marketplace in which creative content is accessed, performed and distributed across a wide variety of consumer platforms.

It is an unusual time for copyright policy. The Chairman of the House Judiciary Committee, Bob Goodlatte, stated in an April 24, 2013 address, "There is little doubt that our copyright system faces new challenges today.... Even the Copyright Office itself faces challenges in meeting the growing needs of its customers—the American Public."¹ The Chairman was responding to my March 2013 call for updates to the copyright law, to ensure that it remains effective for authors and flexible for the public in the 21st century. Following Mr. Goodlatte's address, the House Subcommittee on Courts, Intellectual Property and the Internet has held eight hearings on a wide array of copyright-related topics, with many more expected throughout the year. In addition, the Office has engaged in a major effort to update its *Compendium of Office Practices and Policies*, the comprehensive internal guidebook used by Office staff that also serves as a

¹ Chairman Bob Goodlatte, World Intellectual Property Day, April, 24 2013.

recognized authority consulted by copyright owners, legal practitioners and the courts.

While these copyright policy activities have been a major focus of the Copyright Office throughout the past year, we have also maintained other important law and policy functions including administering the national registration and recordation systems, engaging in copyright policy discussions domestically and internationally including in trade agreements and negotiations, and providing expert support to congressional offices and agencies. In doing so, the Office draws upon a surprisingly small, expert staff that has been increasingly called upon to do more with less. Given the key role that the Office plays in the copyright ecosystem and because copyright industries constitute a substantial and growing sector of the national economy, it is clear that we must seek increased funding in the near term to continue providing our basic public services while also engaging in necessary modernization efforts. I fully recognize the difficult budget environment within which we exist, but enhanced budget authority for the Copyright Office should be viewed as a public investment that is both prudent and sensible.

In terms of the U.S. economy, authors, songwriters, book and software publishers, film, television and record producers, and others depend on the copyright registration and recordation systems to protect their creative works and business interests. Based on a study released in 2013 using data from 2012,² these core copyright sectors—whose primary purpose is to produce and distribute creative works—accounted for nearly 6.5% of the U.S. domestic gross product, or exceeding \$1 trillion for the first time. The core copyright industries also employed 5.4 million workers (4.04% of U.S. workers), and that number doubled to over 11.1 million people (8.35% of the U.S. workforce) when those who support the distribution of copyrighted works were added into the equation.

Fiscal 2015 Budget Request

The Copyright Office recently completed a major two-year effort gathering information through a series of public meetings with participants in the marketplace including authors, publishers, producers, distributors and

² Stephen E. Siwek, *Copyright Industries in the U.S. Economy: The 2013 Report*, prepared by Economists, Inc. for the International Intellectual Property Alliance (2013), available at http://www.iipa.com/pdf/2013_Copyright_Industries_Full_Report.PDF.

aggregators, educators, libraries, archives, and end users such as consumer and bar associations. Results of the effort acknowledge and clarify a number of shortcomings regarding Copyright Office IT systems and services, some of which were already under discussion both within the Copyright Office and throughout the copyright stakeholder community. There is no question that the Office has both near term and long term investment needs. Nonetheless, for this immediate cycle the Copyright Office request put forward for fiscal 2015 as part of the Library's larger budget process is limited to inflationary increases to maintain existing spending levels including staff costs.

For fiscal 2015, the request put forth is \$53.068 million, offset by fee collections of \$27.971 million, and licensing royalty collections of \$5.611 million, applied to the Office's Licensing Division and the Copyright Royalty Judges. Specifically, our requests are as follows:

- A 2.8% increase (\$1.272 million) over fiscal 2014 for Copyright Basic to support mandatory pay-related and price level increases affecting administration of the Office's core business systems and public services;
- A 2.6 % increase (\$131,000) over fiscal 2014 in offsetting collection authority for the Copyright Licensing Division to support mandatory pay-related and price level increases affecting the administration of the Office's licensing functions; and
- A 2.7% increase (\$41,000) over fiscal 2014 for Copyright Royalty Judges to support mandatory pay-related and price level increases.

Copyright Office Special Projects

As mentioned earlier, fiscal 2013 marked the conclusion of many of the projects outlined in the *Priorities and Special Projects of the United States Copyright Office*. Three of these projects rise to the level of special discussion--Technical Upgrades, Compendium Rewrite, and Recording Documents.

The Copyright Office's Technical Upgrades Project focused on issues relating to the reliability, security and searchability of Office's records as well as the ease of use and convenience of our online services. Public response to the Office's Federal Register Notice called attention to shortcomings with the digital repository, user interface, quality of data and public records, standard identifiers, information architecture and infrastructure, and customer experience. Many

cited basic frustrations, such as the need to access previous applications for reference, and the need for enhanced features, such as customized dashboards.

Rewriting the *Compendium of Office Practices and Policies* was the most ambitious of our projects. Accomplished largely by an internal team of senior attorneys and registration experts, the Office engaged in auditing, reconciling, and documenting current registration practices. The team devoted special attention to legal developments in the courts and technical developments for creating and distributing works. A key goal of the project is to make the Office's practices more transparent and accessible. In some cases, the review led to a reevaluation of existing practices and a replacement to ensure a more robust registration record. During this process, it has become clear that this revision is the first step in developing a registration program for the twenty-first century. The Compendium must remain a dynamic document that evolves with changes to the marketplace.

As with registration, there is no general requirement that copyright owners record copyright-related documents, including assignments of ownership, with the Office. Instead, the law provides incentives for recording. During the previous reengineering effort, the Office tabled updating the recordation function, which now provides the Office with an opportunity to remake the recordation function in a manner to best serve the current marketplace. The Office met with many law firms, businesses and trade associations to clarify issues relating to recordation. The system would benefit for having more copyright owners publicly assert their ownership interests as a condition of maintaining certain remedies of protections. Further, the Office would benefit from reviewing other systems, such as those used by local governments, to process documents on public record. By making recordation less burdensome, the Office can create a more robust public record. The Office is engaging the public in further discussions on the Recordation program in fiscal 2014 to determine the future of the Recordation Program.

Challenges of the Current Fiscal Environment

The Office appreciates the restorations that the Committee provided to the Office in the 2014 appropriation. However, the Office is still down about 7% from 2010 levels, and Fiscal 2014 has been an especially challenging year because fee revenue in the first quarter was the lowest it has been in five years. Moreover, implementation of a new fee schedule in April will make revenue largely unpredictable for the remainder of the fiscal year.

Title 17 states that fees received remain available until expended. In some fiscal years, fee collections exceed the spending authority granted for that particular year, while in other years fee collections fall below the spending authority. Fees in excess of expenses are collected and maintained in a reserve fund to be used by the Office in years during which fee collections fall short. The unpredictability of fee receipts in fiscal 2014 highlights why it is critical that the Copyright Office maintain sufficient reserve funds to deal with contingencies effectively. In recent years, the reserve has fallen below and remained under \$5 million; this may seem a relatively small figure but these funds may nonetheless mean being able to patch an IT system or staff an important study for Congress.

While the Office is able to fund two-thirds of its operations with fees, appropriated dollars are essential to fund the many activities that serve the general American public and commerce that cannot reasonably be funded by fees for copyright registration and other services for copyright owners. We therefore respectfully request that the Copyright Office budget includes sufficient spending authority as to fees collected, and sufficient appropriated dollars, but that a reserve remains available to meet shortfalls in projected receipts so that public services are not negatively affected.

The accumulated results of budget cuts and unpredictable revenue income have taken a toll on the Office's ability to provide critical services at the level the public demands. Declining budget support has impacted or will impact the Office in the following ways:

- Although the Office is currently understaffed, it has reduced new hiring and reduced non-personnel expenditures. These cuts have very real and negative effects on the Office's ability to meet its current demands, and having already made significant and repeated cuts to non-personnel spending leaves precious little flexibility to absorb future cuts.
- As a result of staff lost in the registration program, the Office is beginning to see increases in registration processing times—meaning that the public is waiting longer to have their registrations processed.
- The Office continues to reduce IT spending on eCO³ and has maintained previous reductions to the Help Desk for internal and external stakeholders who use eCO. This means that we are delaying updates to the system and stakeholders are waiting longer to get information on eCO.

³ Electronic Copyright Office or eCO is the Office's online registration system.

- While the Office is doing what it can with existing resources, progress on many IT projects is incremental at best, including:
 - Needed enhancements to the registration system including a secure repository for digital copyright deposits.
 - An online system for filing and processing copyright-related documents submitted for recordation. Records of such documents are critical for determining chain of title to copyright-protected works.
 - A searchable online catalog of pre-1978 digitized copyright records. Making these records widely available will help address the problem of works whose owners are unknown (often referred to as orphan works).

Law and Policy

The Register of Copyrights is the principal advisor to Congress on issues of domestic and international copyright policy. The Copyright Office prepares major studies for Congress on highly complex issues, presides over administrative hearings and public roundtables, testifies before the Congress and coordinates with intellectual property offices in the executive branch. The Office works closely with both copyright owners and users of copyrighted works to sustain an effective national copyright system that balances interests on both sides in issues ranging from enforcement to fair use.

As noted above, Congress is now involved in a particularly busy period of copyright review and possible copyright revision that is especially important and rather rare. This kind of review has not occurred for decades. The Register and the Copyright Office are playing a critical role in supporting this ongoing congressional review, and have also engaged in a multi-year effort to update and improve Copyright Office services. The Copyright Office participates in important U.S. negotiations relating to intellectual property, for example, treaties and free trade agreements, at both the bilateral and multilateral levels. The Office also works with the Department of Justice on critical copyright cases.

Fiscal 2013

In fiscal 2013, the Office provided ongoing support to Members of Congress upon request and through formal assignments. The Office prepared a major report on copyright small claims. The report proposed that Congress

create a process where parties can more efficiently pursue small copyright infringement matters. The Office also worked on a study of how current copyright law affects and supports visual artists and how a federal resale royalty right for visual artists would affect current and future practices of groups or individuals involved in the creation, licensing, sale, exhibition, dissemination, and preservation of works of visual art. The office held public roundtables on the issue in fiscal 2013 and published its report on resale royalties in early fiscal 2014. The Office also began a renewed review of the problem of orphan works and mass digitization, issuing a formal request for public comments in early fiscal year 2013. The Office will hold public roundtables on this issue in the Spring.

On the international front, the Office continues to participate on U.S. delegations to World Intellectual Property Organization (WIPO) regarding a variety of global issues. In June 2013, a senior member of the Office joined the U.S. delegation to WIPO's diplomatic conference that resulted in the historic Marrakesh Treaty to Facilitate Access to Published Works for Persons Who are Blind, Visually Impaired, or Otherwise Print Disabled. The Office also continued to provide significant technical advice and support for ongoing negotiations of the Trans-Pacific Partnership.

Registration and Recordation

Registration Program: Since the end of 2013, the Office experienced growth of the number of claims on hand. The growth is directly related to loss of staff to process these claims. At current staffing levels, the growth in unprocessed claims will likely continue unabated and lead to increased processing times and other problems the Office has historically experienced during periods of reduced production.

Document Recordation: As discussed earlier, the Office will utilize its first Kaminstein Scholar in Residence, a well recognized authority on U.S. copyright law, to prepare a full report on the possible future state of recordation, which is expected at the end of fiscal 2014. The Office's goal is to build an online filing system for document recordation that will meet the expectations of stakeholders who routinely engage in online commerce. Document recordation is of paramount importance to the copyright community and providing electronic and fully searchable functionality is a major goal.

Statutory Licensing

The Copyright Office administers certain statutory license provisions of the U.S. Copyright Act, which involves setting royalty rates and terms and determining the distribution of royalties for those licenses. These licenses cover activities including the making and distribution of phonorecords of musical works, secondary transmissions of radio and television programs by cable television systems and secondary transmissions of network and non-network stations by satellite carriers.

In fiscal 2013, the Office's Licensing Division collected nearly \$316 million in royalty fees and distributed approximately \$324 million in royalties to copyright owners, according to voluntary agreements among claimants or as a result of determinations of the Copyright Royalty Judges. The Division also continued a multiyear business process reengineering program designed to decrease processing times for the examination of statements of account, implement online filing processes, and improve public access to Office records. The new processes will be implemented and refined throughout fiscal 2014, 2015 and beyond.

Acquisitions

In addition to the registration program, whereby works deposited through the registration program are made available to the Library of Congress, the Copyright Office also administers the mandatory legal deposit of works published in the United States, whereby certain publishers must deposit two copies of published works with the Library of Congress. In fiscal 2013, the Office managed the combined deposit of 641,723 copies of books, motion pictures, and other creative works for the Library's collection, valued at approximately \$29.4 million, which the Library would otherwise have had to purchase.

Because more and more journals, magazines, and newspapers are "born digital," the Copyright Office is working with the Library and with publishers to obtain and manage serials that may only appear in electronic formats. The Office's current work sets the stage for the Library's broader electronic acquisition strategy, which will ultimately enhance and diversify the Library's collections to capture and reflect American digital culture.

Fees for Services

On November 14, 2013, the Office delivered a study of the costs it incurs and the fees it charges with respect to the registration of claims, recordation of documents, and other public services, pursuant to its authority under 17 U.S.C. § 708(b). The statute requires that the Office establish fees that are "fair and equitable and give due consideration to the objectives of the copyright system." 17 U.S.C. § 708(b)(4). The Office is following two guiding principles for determining fees—the establishment of sound fiscal policies and a budget derived largely from offsetting collections, and the pricing of services at a level that encourages participation in the registration and recordation processes. The Office anticipates implementing the new fees in early April 2014.

Conclusion

Mr. Chairman, I want to thank you for your consideration of our budget request today and for the Committee's past support of the U.S. Copyright Office. Thank you in particular for considering the funding we require to sustain a first-rate staff and meet necessary expenses, enabling us to perform our core duties under the law and build the infrastructure necessary to support America's copyright system in the years ahead.

Mr. COLE. We are going to call on some of your team for a number of things, and as I mentioned yesterday when I had the privilege of serving under my good friend then-Chairman Wasserman Schultz, I got to do whatever I wanted to do on this committee. I got to ask any question I wanted to ask, go anyplace. Now I have a script, and I no longer have the freedom which she granted me as a member of this committee. I want to actually direct, Mr. Dizard, my first question to you.

INFORMATION TECHNOLOGY

In House Report 112-148, which accompanied the fiscal year 2012 appropriation bill, the committee spoke to our continuing support of the information technology services segment of your budget, of which this fiscal year you are seeking \$108 million. The committee believes that an enhanced Office of Strategic Initiatives and Information Technology is critical to ensuring that all Library programs and services continue to meet the challenges and opportunities before them.

The committee recognizes that the major information technology requirements of the Library's organizations can and will only be met through Library-wide collaboration. The committee directed the Librarian to consider managing within the Office of the Librarian information technology planning and resource allocations to ensure that information technology requirements were properly prioritized and all resources are effectively used.

Mr. Dizard, what actions have you taken regarding the language and the concern expressed in that report?

Mr. DIZARD. Mr. Chairman, we not only considered the committee's language, the Library really has moved in the direction that the committee suggested. There are some major areas of technology work that are now being directed and managed by the Librarian's Office. I am personally involved in each of them.

I can give a few examples of this, but the primary one, which we started right about the time of the committee's report language, was to consolidate all of our Web—the Library's Web presence—under a single Web governance board, which I chair.

I will give you one example of the work we have done there. On congressional information, we had separate systems for congressional information—THOMAS was one system. It was a separate platform run by one organization. The LIS system had its own platform run by CRS at that time. THOMAS was run by the Law Library. Each of those systems was very fragile and not able to be updated quickly. We, through the merging of the technology people with the subject-matter experts, have now put our congressional information on a single platform and with greater functionality. And, frankly, as the committee directed, the central management really has permitted us to greatly improve our Web presence. The organizations would not have been able to do this separately, minus the kind of direction of the Librarian's Office.

You probably heard about the Twitter archive where the Librarian's Office is actively involved, again bringing reference librarians together with technology experts. We are now indexing over 21 billion tweets in the 2006 to 2010 archive. We hope to make that available for initial research in June.

CENTRALLY PROVIDED SERVICES

We also have worked on a central geospatial information system for the Library. We were going in the direction of each individual organization developing their own system. The Librarian's Office has combined that into one business case, and one business plan. There may even be some legislative agencies participating in that program.

Another example right now, we are consolidating mobile devices across the Library. They were all separate contracts; now they will be in a single contract, which has greater cost efficiencies for the administration.

So we have made efforts there. I will say that we do need to apply this approach to other program areas. My own opinion is we have many common needs across the Library with our different organizations, and we must meet them with shared services—centrally provided services for all organizations.

And our success in technology is ultimately going to be about how we manage. It is really a management question; it is not a technology question. And I think the direction of the committee and where we are going now in terms of a shared services approach will really determine our level of success.

Dr. Billington mentioned the Futures Program. Through that we will develop a strategic information technology plan, and from that we will determine the best organizational makeup for the Library, including what happens with OSI and other—

CHIEF INFORMATION OFFICER

Mr. COLE. I know staff shortages have complicated many of your efforts. It is our understanding that the Director of the Office of Strategic Initiatives, which we assume, or I assume, would be the Chief Information Officer, has been vacant for almost 2 years. Could you speak first to that, and then how do you deal with a position that critical that is vacant that long?

Mr. DIZARD. Right. It has been vacant. There have been acting directors in there who are very capable. And we have decided, as I mentioned before, to look at the whole organizational structure of IT at the Library once we develop the IT strategic plan for the future. That will determine what happens with OSI. I did not want to lock in a central organization or the existing organizations in terms of IT for the future. But I say, as I said in the beginning, even though we have had acting people in there, we haven't missed a beat. I frankly think we are working better together, collaboratively across the Library.

STRATEGIC INFORMATION TECHNOLOGY PLAN

Mr. COLE. Now, if I understand your answer correctly, you don't currently have a strategic information technology plan, but you are working toward one. What kind of timeline, or what is the state of that plan?

Mr. DIZARD. Dr. Billington's timeline for the Futures Program is that we will develop these and have this game plan by the end of August. We have an information technology plan now in terms of just what we normally do as a library, and what our individual

units do. It needs to be updated and the shared services approach executed in it. That is our challenge now.

Mr. COLE. Thank you very much.

Ms. Wasserman Schultz.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Chairman.

PRESERVATION

Dr. Billington, I wanted to just touch base with you about something that I know is near and dear to your heart, and that is preservation of the collection. In your fiscal year 2015 budget justification, the program for preservation of books, specifically mass deacidification, is you are going to be transitioning that program, as far as I understand, and going to a multiyear new contract. This is a program that was affected deeply during sequestration.

Were you able to in the plan restore some of the cuts and the components of the program that were dramatically affected prior to the fiscal year 2014 appropriation? And also, just if you could discuss with us the effect of the new contract and how many new titles need to be preserved through deacidification, and how many will the new contract require to go through that process?

Dr. BILLINGTON. I think that I will want to bring in our Director of Preservation to get into some of the details, but there is no question that this has been reduced. We used to do, what, about 290,000 a year. That has been reduced to about 220,000 currently. What we have now, this is a complex and difficult problem. Because nobody else is doing this, anything like this, this kind of preservation is a service for the Nation.

Most people don't realize that almost everything on which both knowledge and creativity is recorded and preserved since about the middle of the 19th century is on perishable material. And incidentally, zeroes and ones on a magnetic tape are all the more impermanent. The oldest things we have on which knowledge and creativity are recorded are the stones, steles from the third millennium B.C. Those are quite permanent; whereas, as you go forward, you get more and more impermanence.

Now, that is the price of a democratic and enhanced civilization and all that it produces, but the deacidification of paper has been one thing that the Library has championed for a long time, been very effective at, but there aren't many other people doing it. And so it is a particularly crucial service, and I will let Mark, our excellent new Director of Preservation, fill in the details.

But there is no question that part of our charge is to preserve this unique universal collection for future generations, and this is getting more and more important as the world becomes more and more knowledge-dependent.

So, Mark.

MASS DEACIDIFICATION

Mr. SWEENEY. I would say that our mass deacidification plan has been to treat—

Mr. COLE. Could you state your full name for the record?

Mr. SWEENEY. Mark Sweeney, Director of Preservation.

The massive deacidification plan for the Library has been to treat 8.5 million volumes and 30 million manuscript sheets over a

30-year period from fiscal 2001 to 2030. The quantities were determined in the late 1990s based on a belief that about 30 percent of the book collection would be on acidic paper that would still be treatable, and that the Library would acquire approximately 100,000 new works every year that would be on acidic paper that would need to be treated. In total, so far, we have addressed more than 3.7 million books and 10.9 million manuscript sheets from the collection, and we are only 13 years into the program.

During the past 10 years, the Library has averaged deacidification of approximately 290,000 books per year and slightly more than a million sheets per year. Recently we did reduce that quantity to 220,000 units per year for books and 920,000 units for the manuscript sheets.

But despite the success of this program, our sound program management requirement is that we recalibrate large preservation programs in light of new developments in the field. And to that need to look at other programs. We commissioned a study by the Library's Federal Research Division to look at what Association of Research Libraries' member institutions were doing with deacidification. This benchmarking opportunity was to find out where we stand in the rest of the community, and understand what options we might have, and what directions they are taking.

That study revealed that the number of institutions that are using deacidification is declining, especially since 2008. Only 15 out of the 87 research libraries surveyed currently use mass deacidification for bound volumes, and only 11 currently use mass deacidification for unbound materials. Those would be manuscript sheet-like materials.

We also found that the Library of Congress accounts for the largest percentage of volumes being preserved through mass deacidification. In 2008, the Library accounted for about 77 percent of the total volumes being treated. In 2012, the Library accounted for 96 percent of the volumes being treated. This is the estimate from the Federal Research Division from this ARL survey.

Also, spending. Obviously, ARL members are spending less than \$100,000, and we are spending \$6.1 million per year. So this is a program that is in need of recalibration. Another concern is, as we surveyed the parts of the collection that would need to be worked from in the next 5 years, there are severely overcrowded areas which will prevent us from efficiently working through that part of the collection. These are also areas that have a lack of inventory control.

So at this time it looks like the prudent thing to do would be to reduce the quantity of material that we are targeting for the next 5 years to about 100,000 volumes per year, but look to try to increase the number of manuscript sheets that are being treated per year.

Ms. WASSERMAN SCHULTZ. Would the goal still be to deacidify all documents and books that need the deacidification?

Mr. SWEENEY. From our resurvey of the collection, we have about 11 million items that have not yet been reviewed for deacidification, books from the collection. We estimate that about 3.7 million are on acidic paper that could be treated. We also know that 16 percent of what we looked at was so severely embrittled that it

could not be treated, and we will need to reformat that material. At this point the Library does not have a digital reformatting program for brittle books, so our hope would be that by taking a look at this program and reducing some of what we are spending on it, we could put some funds into a brittle book program so we can ensure that more at-risk material can be accessible.

Ms. WASSERMAN SCHULTZ. Mr. Chairman, I have a question for the Register of Copyrights. I don't know if you want me to go forward with those right know.

Mr. COLE. Why don't we give Dr. Harris an opportunity, if that is okay.

Ms. WASSERMAN SCHULTZ. Okay.

Mr. COLE. Dr. Harris.

Dr. HARRIS. Thank you very much, Mr. Chairman, and I will just be very brief because there are other questions we need to ask.

You know, the discretionary budget remains flat from last year, once you take into account the change in veterans' pensions that were already made. If you couldn't get an increase, if you couldn't get the 2.4 percent increase, what would the plans be? How would you deal with that?

Dr. BILLINGTON. Well, we would just simply have to reassess generally, because this already is a pretty lean request. The cost of mandatory pay and price level increases is just one dimension of our needs.

I suppose that the simplest thing we could do, although we would have to discuss it and see how to handle it, would be that we just couldn't proceed to repair the damage that was done by the reductions in the sequestration. Absorbing those costs would be a pretty serious challenge. I will give you a written answer if you want one.

FUTURES PROGRAM

All parts of the Library have suffered a loss of staff, and this has been particularly damaging with staff being the critical asset that everything depends on. We have a big Futures Program, which is being done entirely by our own staff, without the distractions and the added expense of a consultant. The staff has enormous continuity of experience and dedication. We will hopefully be able to have this work completed by August 30th, so that we will be able to apply our conclusions in the next fiscal year, and at the same time provide the basis for our overall strategic plan, including the IT plan, in terms of what can be done centrally, more efficiently, and what are the areas with unique needs.

In determining how to spread the increase that the 2014 budget presented we gave preference to Copyright and CRS, which received 50 percent of the sequester amount, while the others—the National Service for the Blind and Physically Handicapped and the rest of the Library—only received 37 percent.

There isn't much give, but what we are doing with the Futures Plan is, entirely through consultation with the staff itself, to present a systematic projection of requirements and options in extremely fast-changing times. What can we do with reduced resources that represents a permanent contribution and, on the basis of that, to develop our new strategic plan, including the IT, anticipating the questions that both you and Ms. Wasserman Schultz

have, in effect, raised about defining what it is that we really need, that we can bring forward in the following fiscal year.

So that is where we stand. I would be happy to—

Dr. HARRIS. No, thank you. Thank you very much.

Mr. COLE. Thank you.

Mr. Moran.

Mr. MORAN. Thank you, Mr. Chairman.

I have been on this subcommittee for several years, maybe more than anybody, and I guess I probably asked about all of the questions that I have in me, but I want to take the time to make a couple of points.

BUDGET REQUEST

One, a general point about the budget itself, because I fully support this budget request, but I think it ought to be underscored what you are actually asking for. The fact that it is a 2.3 percent increase means that it is just barely paying for the costs that we are already incurring under this year's operating cost. So there is no expansion, and in some areas there will be very moderate reductions.

But I think it is important to point out what you did, Mr. Billington, that from fiscal year 2010 to fiscal year 2013, you went from \$684 million down to less than \$600 million, and a 12.5 percent cut is a big cut. Now, you know, maybe we thought we could get away with it because nobody really fully understands or appreciates what the Library of Congress does, but we are going to pay a price for that.

DIGITAL OUTREACH

And the other thing that I thought was really impressive, for 23 years now, the Library has built this massive digital outreach, and I give you a lot of credit, Jim, for doing this because it was an analog library. We would have been so critical of it if it had not modernized, and yet you have done it at the same time that you reduced your workforce by about 1,400 people.

Now, we heard from the GPO, the Government Printing Office, yesterday, and they made, I thought, a point that in order to digitize, oftentimes it requires more resources, more people. And yet we have digitized this massive collection of information at the same time that we have cut the budget, and we have significantly cut the workforce. So that needs to be pointed out.

LIBRARY STAFF

And I also want to make some note of the people that are sitting around us here. These are all professionals in their field, top-flight professionals. They work for us; more importantly, they work for our constituents. And they do an extraordinarily fine job, so they really deserve a lot of credit, and they go unnoticed, and for the most part we never see them except in an opportunity like this. So we wanted to say thank you to all of you.

OPEN WORLD

Now, the second point is this Open World Institute. I think it is a very important program, Ms. Wasserman Schultz. I will make no more personal references. But it has had bipartisan support. It has brought 20,000 people, future leaders, to the United States. It is the kind of thing that we can only measure qualitatively. It is not the kind of thing you can really measure quantitatively because it is a long-term investment, and the principal reason we are doing it is to bring about a more fair and just judicial system in Russia under the democratic governments.

We have got to deal with Russia. We could not be more aware of that today with what is happening in Ukraine. We need to not just be able to communicate with Putin, but, more importantly, there needs to be people in Russia who get it, who understand what our long-term objectives are, because we have got to continue to trade with Russia. They have enormous deposits of natural resources. Europe needs to be able to trade with them.

You know, I know recently, there is—well, I won't be specific because I think it is a very legitimate point that the State Department should be doing this. And that is a substantive discussion, and so nobody is necessarily right or wrong on it. But we think this is a way to kind of go around the institution of the State Department that perhaps have a little more credibility that sometimes the State Department carries with it a certain amount of baggage for all of the, you know, diplomatic positions that it has to take. And as we all know, and some better than others, politics is all about personal relationships, and this is about personal relationships.

So this, I think it is a small investment. I appreciate Chairman Cole putting it back in, but it is an argument that needs to be made, and I do give credit to, you know, people whose judgment we respect greatly to have raised the issue. But I hope that we will be able to continue because we have this asset at the Library of Congress that to some extent is more greatly appreciated in Russia than it is here in the United States; one of the world's foremost experts on Russian literature and culture, and so we want to take advantage of that.

Anyway, this is an important program. I hope we can continue it, but I know we are going to have another robust discussion, and it will be a substantive discussion because the people involved are substantive, good people who want to do what is right. But I hope the end result is that we can continue to fund Open World, and do so even more robustly.

So that is my time that has been taken up, Tom. I said I wasn't going to ask any questions. I have asked all of the questions over the years.

Mr. COLE. Thank you, my friend.

Mrs. Roby.

Mrs. ROBY. Chairman and Ranking Member, I just want to say it is an honor to serve on this committee, and I look forward to, of course, working with all of you.

FUTURES PROGRAM

Dr. Billington, you touched on the Futures Program Library-wide to get to some potential solutions or the future for the Library by December 31, 2015. Can you just lay out for us a little bit more specifically a brief overview of the program, and what you envision is the end result of the investment of these efforts, and what you plan to do with them, and how you hope it helps?

Dr. BILLINGTON. Well, this is to provide a blueprint for the 21st century for how to perform the Library's service to Congress and the American people. The fundamental question is, how do you sustain and make useful the largest curated collection in human history of both the world's recorded human knowledge, in almost all languages, 470, and the independent intellectual and cultural creativity of the American people, thanks largely to copyright deposits and all the other riches that we have.

I won't give you the statistics, but this is a one-of-a-kind institution, and the futures plan is being developed by a one-of-a-kind staff. I am glad that Mr. Moran pointed to the quality. This is a very experienced, diversely talented, highly dedicated staff, working without the expense and distraction of outside consultants. Rich preparatory work has already been done by people below the executive committee level. The Librarian's Office has also a parallel track in assessing overall conditions, as our great deputy here has outlined to you—questions of digital information, how we organize it, and how we conceive of it and focus it, and also space issues in the three buildings here on Capitol Hill.

The Librarian's Office will produce by the end of April the first draft of this suggested plan, which we will share with you so you can survey it. It will then be reviewed to be revised where appropriate by the Executive Committee of the Library and issued in final form so that the implementation can begin in fiscal 2015.

Starting this month and throughout the whole formation and implementation of this program, the Library will continually seek the advice and be shaped by the decisions of the Congress. Any suggested changes or innovations will be as cost neutral as possible. We hope to realize both new synergies and new economies as we bring together and prioritize our advanced digital resources.

We have not only more than 30 million items of American history and culture and related curatorial comments, widely used for educational and inspirational purposes in the school system and even in homes around America representing 6.5 terabytes of data; we also have vast quantities of digital information produced elsewhere through the National Digital Information Infrastructure and Preservation Program, which is mandated by the Congress.

So starting this month, as I say, and right through until the end of August, we will again attempt to bring together and prioritize the vast analog and digital resources in ways that do two things: Are important, demonstrably important, not just for this institution but for the United States as a whole, in our increasingly knowledge-dependent world both at home and abroad, and also are not being done as well or better by any other institutions. You will have a systematic look at the many things that are possible. You can do an infinite number of things with the resources, both mate-

rial and human, that the Library of Congress has. Which options meet those two criteria?

I just want to say in conclusion that our people—what we have tried to support most importantly because everything depends on them, and they are, I can tell you, extraordinary—embody as well as serve America's identity as a knowledge-based democracy in which everyone has a chance, and everyone plays.

So I believe, like America itself, the Library offers a unique capacity for our country. This institution, the oldest Federal cultural institution, will be able to become the total creation of the Congress of the United States, to honor the past, preserving the diologic values of the book culture, which created this country, while innovating and accepting and sorting out the vast tsunami of information by creating knowledge navigators that will help all aspects of American education at home and American broader foreign policy, selecting the better angels of our nature, as Lincoln said it, abroad. So we are going to honor our past, innovate for the future, and we will clear it with this committee, as well as the Executive Committee of the Library and other committees to whom we return.

I don't want to repeat myself, Mr. Chairman, but that is a brief, rough outline.

Mr. COLE. I want to continue to go back and forth in a bipartisan fashion, so if Mr. Amodei and Mr. Stewart will hold for a second, I want to go back to Ms. Wasserman Schultz. She has some questions, and I think it is very important this committee hear that discussion on the copyright issue.

COPYRIGHT

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Chairman.

Dr. Billington, if we could have the Register of Copyrights Ms. Pallante come to the table.

Dr. BILLINGTON. Yes, sure.

Ms. WASSERMAN SCHULTZ. Thank you very much. Welcome.

Ms. PALLANTE. Thank you.

Ms. WASSERMAN SCHULTZ. I had mentioned in my opening statement that the Judiciary Committee is going through a review of the copyright laws, and oftentimes we get a little frustrated in the Appropriations Committee that substantive policy changes are made, and we are not kept in the loop, and then we have to come up with the funding or address funding shortfalls, or the opposite, come up with funding for things that we were not a part of deciding. So I want to make sure that we are up to speed on everything you are dealing with.

Ms. Pallante, I know that there is a bit of a rub between copyright owners and making sure that their materials are protected and giving access to the public to those materials. That is a natural, normal rub, but it seems that it might have reached a little bit of a more challenging situation at the Library because the two functions of the Library might be at odds with one another.

Can you address specifically what role the Register has in deciding what specifically goes to the Library's collections and how that process works? And I have a number of other questions to address challenges.

Ms. PALLANTE. Thank you, Ranking Member.

Good morning, Mr. Chairman.

So that is the 21st century question, and I would, if you don't mind, frame it at a little higher level, which is that, as you said, the copyright law is showing some of the strain of its age in that much of it was negotiated in—well, it was enacted in 1976, negotiated in the 1950s and 1960s. So we shouldn't be surprised that it is showing some strain. And then we have a DMCA digital overlay that happened in 1998. Again, in Internet years, that is a really long time ago.

So we have some natural issues that are kind of bubbling up, and in serving the Judiciary Committees, whom I work with very closely, we are looking at issues like are authors protected on the Internet? Do we need to recalibrate their exclusive rights so that it is clear that they have controls on the Internet? Do we need to also update exceptions, say, for libraries?

So we are very much a neutral arbitrator in the policy space, and sometimes it is true that the Library of Congress is both our parent organization, and sometimes a stakeholder in those discussions. So we have to be very careful.

When it comes to deposits for the Library's collections, we have two very specific functions. Both of them I would put into that larger spectrum of we should expect to have to look at them because they are part of the greater copyright system and also haven't really been looked at for many decades.

COPYRIGHT REGISTRATION

So one is registration. And in that, which I think you may be referring to, people are registering their works with us for protection, and in order to do that we require that they send us a deposit. That deposit may be selected by the Library of Congress. We have guidelines and regulations that affect that. It doesn't necessarily mean that the Library can make that work accessible to the public, particularly if it is a work that is being sold on the open marketplace. So we are now in the space of trying to figure out how digital affects that relationship, and we probably have to recalibrate it.

We are feeling the strain in registration in a couple of ways. The usability of the system is a little frustrating. It was implemented in 2007 after, I think, a 5- or 6-year planning period, and I think it is a very good first generation of services, but it is by no means state-of-the-art today.

And so how do we make it better? Well, on the one hand I have a library that has often relied on deposits for its collection. On the other hand, I have copyright owners saying, I am very concerned about the security of the deposit. I am not sure I can register it, give you a copy without knowing about your data security for the deposit. I am also concerned that it is expensive, that it is a little clunky, and maybe wouldn't it be better if we could register using an app on a mobile device? Isn't that how people are using content?

So I think we have to reconcile those two things, and, again, I think it is not a surprise to me that we have to reconcile those two things, but I think it is really hard.

COPYRIGHT BUDGET

Ms. WASSERMAN SCHULTZ. In that same vein, I know the Library, and this is a unique relationship that the Copyright Office has with the Library—

Ms. PALLANTE. Yes. Yes.

Ms. WASSERMAN SCHULTZ [continuing]. Because they essentially submit your budget. But I am not sure how much communication there is, and obviously, it is a world of continuing priorities.

Ms. PALLANTE. Yes.

Ms. WASSERMAN SCHULTZ. But the Library has, understandably, at our direction really, kept increases and requests to inflationary costs and limited in a challenging economic environment what they have asked for. You know, the politics of the CR is impossible. But given the IT's challenge that you just alluded to and the need for IT upgrades, all of which you just described would be included and made a part of, it is kind of shocking that in 2014 that we haven't caught up yet, or that we are not investing in ensuring that we catch up.

So can you give us a sense, I mean, what are the resources that you need for fiscal year 2015 that would invest in projects that bring us up to speed, and do you have the authority to charge fees to cover those improvements? Would that have to be funded through appropriations? And what about the registration system in general? We have a backlog that we were able to deal with.

COPYRIGHT BACKLOG

My understanding is that you have lost staff. When we were able to ramp up and add staff, were you able to backlog—for the members that haven't been on the committee, I mean, it was a backlog of years. Years. And we transitioned to an e-system, so that we could speed up the registration. But the e-system took a long time to transition to, to train the staff so that they would know how to use it, and then we subsequently lost some of those staff. And so how has that impacted the wait time?

Ms. PALLANTE. Okay. Thank you again for the questions. I will answer the backlog question first and the staffing question, and then the IT—

Ms. WASSERMAN SCHULTZ. Sure.

Ms. PALLANTE [continuing]. Question, if that is okay.

The backlog is definitely creeping up. So I should say I was appointed by Dr. Billington June 1st of 2011, and the backlog was almost under control at that point. So it is a complete testament to the extra hours and work ethic of the Copyright Office staff and the support of the Library to attack that backlog.

It has some consequences, one of which is we now have to look at the accuracy of the registrations that were pushed through, for lack of a better phrase. And so we are updating a compendium of practices to make sure that everybody is following the law, because in the end that is the only thing we are supposed to be doing.

We lost over 100 staff over the past several years (since 2007), and that has really, really hurt us. I don't want to say we are the smallest we have ever been, because I would have to go back decades and decades, I am sure, but we have 362 people running the

national copyright system, and the backlog is most definitely creeping up.

Ms. WASSERMAN SCHULTZ. Over 100?

Ms. PALLANTE. Yes. Yes. And it is just not enough, and I think the whole Library is suffering a little bit, and we are suffering, too.

I think for us, the stress is very palpable because we serve a very valuable and very opinionated stakeholder community who have very valuable copyrighted works. So film, software, they have expectations. They are right to have expectations, and they pay fees for services.

Ms. WASSERMAN SCHULTZ. Reasonable expectations. I mean, but they are not—they are not—we are not talking about prima donna expectations.

Ms. PALLANTE. Well, that is true, and I think we are a very public-facing office, so we feel the stress of that on a daily basis. And I have to say, as soon as I became Register, people approached me both internally and externally about their expectations, very politely and I think very patiently and very appropriately. And I think our stakeholders have been patient.

But ultimately we are not interoperable with the commercial marketplace. Our technology doesn't speak to the technology of the marketplace; our data doesn't speak to data in other databases. So, for example, if you are a songwriter, and you have a work in ASCAP, which is a songwriter organization, our data and licensing terms should speak to that data, and it is a global marketplace now, so we have to kind of step up and start to look at new paradigms.

COPYRIGHT FEES

We do charge fees. And I think what I would like to say about fees is that it would be terrific for us if we could work with this committee on what Title XVII now says about fees, because it does not allow us, for example, to charge for capital improvements. It does not allow us to charge on an aggregate basis, meaning that I could charge a film company a little more than I could charge a poet. Those might be reasonable adjustments that would allow us to be more self-sustaining. And then I think that the catch would be that then the stakeholder community would expect that that money goes into the copyright system. And so we have to have kind of a reasonable conversation about—

Ms. WASSERMAN SCHULTZ. Right now doesn't it go into the Library?

Mr. COLE. Well, I want to quickly, because I wanted this very much on the record, but I want to make sure our other Members have an opportunity to ask their questions as well. This is a very important discussion for us to have, so thank you. But did you have another point you wanted to make?

Ms. PALLANTE. Well, just I was just going to finish my point that I think for the Copyright Office, our Bible is the copyright law, and we have to carry that out, and we have to make sure that our measure of success is whether we are meeting the objectives of the copyright system. And how we interact with the greater Library on IT and other things is a really important discussion. They have been our home for such a long time. There is no reason we can't

make that adjustment, but I think my point would be that we have to make some adjustments because digital has changed everything.

Mr. COLE. Very good. Thank you very much. Very helpful. Thank you.

Mr. Amodei.

Mr. AMODEI. Thanks, Mr. Chairman.

Mr. COLE. Thank you for your indulgence. I appreciate it.

Mr. AMODEI. That is fine. The ranking member, I was a little upset that my colleague from Alabama didn't even show up yesterday and got to go in front of me today.

Mr. COLE. Sorry.

Mr. AMODEI. Anyhow, following up on the copyrights, coming from a checkered past, part of which was on the IP subcommittee on Judiciary, I can just—I am glad to see the conversation is going where it is. But this is an area where we have asserted Federal jurisdiction. It is our jurisdictional area exclusively. And when you listen to what is going on in the industry in terms of support or not support, or uncertainty in terms of the operations, and this is no disrespect to you, but that as we sit here and try to be responsible in terms of financial resources to support that operation, I think we need to be mindful that while nobody gets, you know, “whatever you want” sort of thing, that this is having a profound impact on an industry over which we have asserted exclusive Federal jurisdiction over their activities. And so to assert that jurisdiction on the one hand and then not give them the tools to at least stay abreast of it is something that I will just say bothers me. And I will stop with that. I am going to be brief.

Dr. Billington, I would appreciate it if you could let the folks know in the cafeteria on the top floor of the Madison Building that I am an employee of the United States Congress so I can get the good deal up there like the rest of the employees do. If that is within your jurisdiction, you can—if you can give me a special badge or something like that that says I am part of the team, that would be great.

Mr. COLE. Can we have this coarse political bargaining take place after—

Mr. AMODEI. Well, following Mr. Moran's, you know, lead, I just thought I would go ahead and do some hardball.

Mr. MORAN. I don't think mine was quite so self-centered.

Mr. AMODEI. If you are nice to me, I will take you with me up there since the voting card doesn't do it.

Ms. WASSERMAN SCHULTZ. I would note that that is two things that I have agreed with Mr. Amodei on.

Mr. AMODEI. You know—

Ms. WASSERMAN SCHULTZ. I am a patron of the Madison cafeteria myself.

Mr. AMODEI. Since I am that far ahead, I should stop.

Mr. COLE. I don't know if we can do all of Congress, but this committee may have to do an expedition to look into that.

Mr. AMODEI. I will live with that scandal, so don't worry about it.

Other than that, I have got some questions, but they are really not program related, so with that I will yield back. But I look forward to working with your folks on whatever we can do to kind of

make sure that those who come to us in that capacity have some stability and some predictability in terms of that service.

I yield back, Mr. Chairman.

Mr. COLE. Thank you.

Mr. Stewart.

Mr. STEWART. Well, thank you, Mr. Chairman, I will be very brief. I will hold my questions, as most of them have been answered and discussed already.

CONGRESSIONAL DIALOGUE

Dr. Billington, to you and your staff, thank you. Obviously, the favorite thing that I have the opportunity to do since I have been in Congress—which has been, you know, going on more than a year now—has been your congressional dialogue of the great American Presidents. Those are wonderful evenings. Thank you for doing that.

CRS is a great resource for us, and we use them all the time in our office.

Mr. STEWART. I am thanking you for the great American Presidents and those evenings, and CRS as well.

As a personal note, I am an author. I have written 18 books. I have been on the New York Times best seller a number of times. I don't think there is anyone that has more affinity for what you do than maybe I do, and have a great respect for your efforts as well.

TWITTER

I am a little puzzled by one thing, though, and that is in reading your testimony, noting that you are attempting to collect and store 21 billion tweets, knowing that 8 billion of them came from Congress, I see no value at all in them. I would recommend to cancel that program and save the money.

Mr. MORAN. Finally you have identified some waste, fraud, and abuse.

Mr. STEWART. And with that, Mr. Chairman, I will yield back.

CHAIRMAN'S CLOSING REMARKS

Mr. COLE. Well, I want to give the Librarian a chance to respond, but I want to be pretty much tyrannical about time so we get on to the GAO. So I want to give you the last word, Professor Billington.

But I want to thank you again, you and your extraordinary team, for the amazing job you do every day and have done under very constrained budget circumstances in the last few years. It is very deeply appreciated by this committee, and honestly, I think, by every Member of Congress, and by the people we represent.

We have the opportunity on so many occasions to visit you. It is one of the highlight points for anybody that comes to Washington, D.C., to go and see that extraordinary institution.

LIBRARIAN'S CLOSING REMARKS

Dr. BILLINGTON. Thank you. Well, Mr. Chairman, it has been created and sustained exclusively by the Congress of the United

States, which is a wonderful kind of lesson to the world that those people who make the laws and oversee their execution have created and sustained this enormous treasure chest of human knowledge and of American creativity.

The Register of Copyright was very eloquent discussing how modernization and the development of new technology doesn't make the other obsolete. People thought when movies came in, there wouldn't be any interest in plays; that when television came in, there wouldn't be an interest in radio. Americans are a unique culture in the history of the world where we add without subtracting. We add new Americans every year. We don't shoot the old, or it is not at the expense of anybody else. This is an enormously wonderful experiment.

The Library's Futures plan is not just an idle exercise, but it is a desire to present to the Congress and discuss with the Congress what this place is capable of doing for the United States in this changing world, and doing it in a way that will not be outmoded as technology advances. And you have heard some sense of what the Copyright's concerns are.

As far as the Library is concerned, you can hear similar things from all of the other parts of the Library, too, because this has been a uniform period of tightening down and reducing FTEs. But we didn't want to just come with piecemeal requests; we wanted to sort all of this out and present you with it as a plan.

As far as the Copyright office is concerned, you heard a very eloquent statement of its needs and concerns. The same thing applies in terms of entering the digital area. And that is why the IT points that Deputy Dizard made are a good illustration of how we are going to try to find synergies where we can and economies as much as we can, but we are going to tell you what we could do, and you are going to determine what we will do.

But there is so much potential. There is unique potential. I have been Chief Executive Officer of five Federal programs, all funded by Congress, beginning with the Fulbright program. I can tell you that this staff that is engaged in the Futures work is excellent; this is not just the ritual of saying nice things about the staff. I have learned even more in this Futures Program that everybody has constructive things to say, because of the experience they have, in part based on their length of service.

The transfer of the one-of-a-kind knowledge of our senior staff to a new generation is going to be very demanding. There are problems—or opportunities, I would say, that we will present you with, but you can determine our direction.

From the Library's point of view, one of the unique things that we have, that is the closest thing that we have to a mint record of American intellectual and cultural creativity, is the performing arts collections. I could rattle off the statistics of what we have the biggest collections of—movies, maps, music—in the world. But with the record of American creativity and innovation in so many fields, scientific as well as intellectual and cultural, there is so much we can do with this. American creativity is so diverse and all over the place, so it is being recorded and kept in many places. Our collections include an extraordinary representation of this creative output because of copyright deposit primarily. It is a unique reposi-

tory. And a lot of copyrighted things you can only use physically here in the buildings because of intellectual property rights.

But I can tell you that from the point of view of the Library, if we were to lose the two copies we receive of all of this creative work in America, that would really be an expensive loss.

Mr. COLE. Under no threat, I can assure you—

Dr. BILLINGTON. I am not saying that anybody is threatening that, because I don't think anybody is, but what we are trying to do here is to present to you something that is generally consultative management. We are consulting with a very experienced team. Our deputy has been going on a parallel track in consultation with staff and has done a terrific job of bringing together the right resources so that we will be able to service, for instance, Twitter and big data, both significant challenges. That is a whole new set of projects.

Mr. COLE. With that I want to bring us to a close, if I may, because we have the GAO.

Dr. BILLINGTON. I want to thank everybody here for all of your comments, and we are grateful to you, Mr. Chairman, and the ranking member.

Mr. COLE. Thank you.

Dr. BILLINGTON. And also for Mr. Moran, who has actually worked for the Congressional Research Service early in his life. So we are very honored to have you with us so long. Thank you.

Mr. COLE. Thank you. Appreciate it.

[Questions submitted for the record by Chairman Cole, Ranking Member Wasserman Schultz, and Representative Harris follow:]

House Subcommittee on Legislative Branch Appropriations
Hearing on the Library of Congress Fiscal 2015 Budget Request
March 5, 2014

Questions for the Record
Chairman Tom Cole

WORKING TOWARD THE SPIRIT OF THE GOVERNMENT PERFORMANCE AND
RESULTS MODERNIZATION ACT

Question. In March of 2013 the Inspector General issued a report entitled “Working Toward the Spirit of the Government Performance and Results Modernization Act”. The purpose of the report was to evaluate the Library’s progress in complying with spirit of the Modernization Act. Within your Office of Chief Financial Officer there is a Strategic Planning Office devoted to this effort. Provide the titles, duties and salary and benefit costs of all positions assigned to this office? Also provide, by appropriation, the titles, duties and salary and benefit costs of all personnel Library-wide working on this issue?

Response: The Library’s Strategic Planning Office (SPO) is part of the Office of the Chief Financial Officer (OCFO). SPO coordinates Library-wide planning activities on behalf of the Librarian of Congress and works with staff assigned to coordinate planning activities for each of the Library service units. All of the service unit staff members working on planning also perform work outside of their Library and service unit planning duties.

SPO has 3.5 FTE (\$539.5K) dedicated to Library-wide planning and performance management. The combination of service unit staff hours dedicated to the Library’s GPRAMA activities represents a total of 3.4 FTE (\$534.9K). Detailed information on staffing and cost by organizational unit is provided in the table below.

Title	Duties	Total Cost Per Pay Period	Annual Cost	FTE
Library of Congress, S & E Office of the Librarian				
Management Analyst	Management and facilitation of Library-wide strategic planning, annual planning, and program performance assessment. These responsibilities encompass but are not limited to management of Library-wide planning and performance assessment processes, Library-wide communication with service units, Library-wide subject matter training to Library managers, analysis of Library-wide program performance, and participation in other Library-wide planning initiatives, as needed.	\$ 5,108	\$ 172,101	1.0
Program Analyst	Management and facilitation of Library-wide strategic planning, annual planning, and program performance assessment. These responsibilities encompass but are not limited to management of Library-wide planning and performance assessment processes, Library-wide communication with service units, Library-wide subject matter training to Library managers, analysis of Library-wide program performance, and participation in other Library-wide planning initiatives, as needed.	\$ 4,209	\$ 141,805	1.00
Director, Planning and Program Management	Management and facilitation of Library-wide strategic planning, annual planning, and program performance assessment. These responsibilities encompass but are not limited to management of Library-wide planning and performance assessment processes, Library-wide communication with service units, Library-wide subject matter training to Library managers, analysis of Library-wide program performance, and participation in other Library-wide planning initiatives, as needed.	\$ 3,188	\$ 106,744	0.50
Management and Program Analyst	Management and facilitation of Library-wide strategic planning, annual planning, and program performance assessment. These responsibilities encompass but are not limited to management of Library-wide planning and performance assessment processes, Library-wide communication with service units, Library-wide subject matter training to Library managers, analysis of Library-wide program performance, and participation in other Library-wide planning initiatives, as needed.	\$ 3,526	\$ 118,813	1.00
Total, Office of the Librarian Library Services		\$ 16,011	\$ 539,463	3.50
Deputy Associate Librarian for Library Services	Responsible for overall planning, budget, space management, and human resources for Library Services.	\$ 1,186	\$ 40,029	0.19
Administrative Officer	Assists with planning efforts, internal control program and various administrative duties	\$ 1,808	\$ 60,919	0.53
Total, Library Services Office of Strategic Initiatives		\$ 2,996	\$ 100,948	0.71
Lead Management and Program Analyst	Performance Measurement coordination for OSMTS, OSI/ITS liaison to the Strategic Planning Office and member to teh Planning Working Group. Works with OSMTS management on developing performance measurements and targets.	\$ 2,904	\$ 97,827	0.60
Total, Office of Strategic Initiatives Law Library		\$ 2,904	\$ 97,827	0.60
Law Library Planning Officer	Directs Law Library strategic and annual planning	\$ 2,574	\$ 86,718	0.53
Total, Law Library Office of Support Operations		\$ 2,574	\$ 86,716	0.53
	Works directly with SPO in developing and reporting OSO's Library wide performance measures. Works with the OSO program offices to ensure desired milestones are achieved. As Member of OSO's Senior Leadership Team, they work the OSO Program Office Directors to	\$ 2,846	\$ 95,902	0.60
Planning Performance Program Officer Total, Office of Support Operations		\$ 2,846	\$ 95,902	0.60
Total, Library of Congress, S & E		\$ 27,331	\$ 920,857	5.94
Copyright Office, S & E				
Program Specialist	Planning/Statistics/COOP	\$ 1,704	\$ 57,814	0.33
Chief of Operations	Oversees Operations	\$ 198	\$ 6,719	0.03
Total, Copyright Office, S & E		\$ 1,902	\$ 64,533	0.36
Congressional Research Service, S & E				
Associate Director/Finance and Administration	Planning Supervisor	\$ 158	\$ 5,271	0.03
Information Research Specialist	Documentation Coordinator	\$ 1,394	\$ 46,367	0.35
Total, Congressional Research Service, S & E		\$ 1,552	\$ 51,638	0.38
Books for the Blind and Physically Handicapped, S & E				
Deputy Director, National Library Service for the Blind and Physically Handicapped	Assists in managing the division that provides books and magazines in digital audio and braille, as well as the playback equipment to U.S. residents or American citizens living abroad whose low vision, blindness, or physical handicap makes reading a regular printed page difficult.	\$ 1,118	\$ 37,365	0.19
Total, BBPH, S & E		\$ 1,118	\$ 37,365	0.19
Total, Library of Congress		\$ 31,803	\$ 1,074,392	6.86

Question. It seems the Library has been working on this issue for some time. What has the Library learned from the resources devoted to this effort?

Response: The Library has had a planning office for many years and has been working specifically to implement the “spirit of GPRA” since 2006, when Senator Wayne Allard (then Chair of the Senate Appropriations Committee for the Legislative Branch) directed legislative branch agencies to follow the Executive Branch planning framework. SPO has chaired a GPRA subcommittee of the Legislative Branch Financial Managers Council (LBFMC) in an effort to define the “spirit of GPRA” for the Legislative Branch and ensure that legislative branch agencies are implementing similar approaches and applying consistent standards in their related planning activities. With strong support from the Librarian of Congress, implementing the spirit of GPRA at the Library has brought about important progress in breaking down programmatic stovepipes among service units and directing a Library-wide focus to a discrete set of goals and outcomes. The planning framework the Library has developed as part of coordinating and executing these planning activities has also improved governance and accountability across the Library, establishing clear lines of responsibility for delivering specific, target-driven objectives that support Library goals, and implementing rigorous performance management processes and reporting to track and document how the Library is executing its plans. Regularly scheduled performance reporting meetings, led by the Deputy Librarian and attended by representatives of all Library service units, have not only served to maintain a focus on the Library’s priority goals and objectives, but also enabled the Library to zero in on and mitigate issue areas where the Library may be falling short of its intended results.

Question. What adjustments or realignment of resources has resulted from this effort?

Response: The Library’s GPRA activities have represented more of a focus on performance management, and specifically on governance and accountability, than on budget. However, considering the fact that over 62% of the Library’s budget (and a much higher percentage in various pockets of the Library) represents staff pay, having a planning and performance management framework that ensures a highly directed focus on the Library’s highest priority and most mission critical activities and on delivering specific results in these activities, the Library’s GPRA activities have by definition involved an effective means of aligning and realigning Library resources.

Question. What cost avoidance, if any, has been determined? If there is cost avoidance, what are they? What has been the return on investment resulting from this effort?

Response: Over the past several years, the Library has been operating with progressively decreasing resources. While declining resources in the Library’s base budget have required difficult cuts to certain important program activities, the Library’s robust planning and performance management framework has helped the institution ensure that the remaining resources are allocated to the most useful, meaningful, and effective activities, and that those activities are executed with clearly defined (and carefully monitored) objectives in mind. The Library’s central planning office is staffed with a 3 ½ FTEs, and the Library’s service units assign planning coordination duties to a select few staff. Although we do not have a means of estimating a specific return on this “investment” of resources for planning and performance, we feel the expenditure of resources for these planning and performance activities has helped to

develop a clear agency-wide focus on the Library's strategic goals and to build an effective and reliable structure for delivering results on those goals.

TEACHING WITH PRIMARY RESOURCES

Question. What is the total budget for this program for fiscal years 2013, 2014 and requested for 2015?

Response: The total budget for the program was \$6,595,001 in fiscal 2013 and \$7,119,000 in fiscal 2014. The fiscal 2015 request amount is \$7,271,000.

Question. How much of the funding provided is allocated for administrative costs, direct and indirect, provide a detailed breakdown of the costs.

Response:

TPS Funding - FY 2013-2015

2/28/2014

BOC	Description	FY 2013 Budget	FY 2013 Obligations	FY 2014 Plan	FY 2015 Request
11/12XX	Pay and Benefits	\$1,016,278.00	\$870,734.13	\$1,398,980	\$1,419,904
1152	Awards	\$5,000.00	\$0.00	\$1,000	\$1,015
1181	HACU	\$26,450.00	\$26,450.00	\$28,992	\$29,427
1181	Teacher-in-Residence	\$96,284.00	\$67,245.74	\$65,820	\$66,807
1295	Metro Transit	\$5,455.00	\$4,273.35	\$6,000	\$6,090
	Total Pay 11XX/12XX	\$1,149,467.00	\$968,703.22	\$1,500,792	\$1,523,243
2101	Travel	\$50,000.00	\$34,906.64	\$50,000	\$51,068
	Sub-Total 21XX	\$50,000.00	\$34,906.64	\$50,000	\$51,068
2201	Shipping	\$3,200.00	\$1,570.00	\$1,000	\$1,021
	Sub-Total 22XX	\$3,200.00	\$1,570.00	\$1,000	\$1,021
2410	Printing	\$10,000.00	\$3,704.92	\$3,900	\$3,983
	Sub-Total 24XX	\$10,000.00	\$3,704.92	\$3,900	\$3,983
2501	Other Services - Miscellaneous	\$496,279.00	\$326,515.83	\$95,090	\$97,120
2520	Training - College & Conf	\$4,000.00		\$4,000	\$4,085
2522	Training - Private Sector	\$439.00			
2523	Training - Government	\$1,561.00	\$1,141.91		
2551	Professional Services Contracts				
2575	Special Events	\$29,363.00	\$33,490.37	\$80,000	\$81,708
2597	FSA Admin Fee	\$441.00	\$72.60	\$75	\$77
2599	Metro Transit Fee				
	Sub-Total 25XX	\$532,083.00	\$361,220.71	\$179,165	\$182,990
2680	Supplies	\$750.00	\$578.47	\$46,000	\$46,982
	Sub-Total 26XX	\$750.00	\$578.47	\$46,000	\$46,982
3114	Software	\$1,750.00	\$597.32		
3146	Equipment	\$1,750.00		\$5,000	\$5,107
	Sub-Total 31XX	\$3,500.00	\$597.32	\$5,000	\$5,107
	Total Non-Pay	\$599,533.00	\$402,578.06	\$285,065	\$291,151
4100	Grants	\$4,846,001.00	\$4,814,658.00	\$5,333,143	\$5,456,605
	Sub-Total 41XX	\$4,846,001.00	\$4,814,658.00	\$5,333,143	\$5,456,605
	GRAND TOTAL	\$6,595,001.00	\$6,185,939.28	\$7,119,000	\$7,271,000
	Administrative	\$1,749,000	\$1,371,281	\$1,785,857	\$1,814,395
	Grants	\$4,846,001	\$4,814,658	\$5,333,143	\$5,456,605
	Total	\$6,595,001	\$6,185,939	\$7,119,000	\$7,271,000

Beyond the traditional known costs of managing the grants themselves, administrative costs enable the development of educational content and support teacher professional development that broadly benefits grantees. The administrative categories/activities for TPS include:

Pay

- 8 FTE and 1 NTE administer and support the grants; develop content for the Library of Congress's Teachers Page, including online professional development modules used by consortium members; present at professional conferences, often in collaboration with

consortium members; write curricular materials; direct summer teacher institutes; conduct on site teacher training; and develop best practices utilized by TPS partners.

- Annually, one TPS contract between the Library and a school district, allows a Teacher in Residence to work closely with the Library’s Educational Outreach team (staff and consortium members) developing materials, presenting at conferences, and supporting other onsite teacher workshops.

Travel

- The TPS grants manager, and occasionally the Educational Outreach Director and the Teacher in Residence (see contracts), travel to support the grants. Annually, the program manager participates in three regional conferences, two advisory board meetings, and periodically attends partner-sponsored conferences or professional development events.
- Other TPS staff members travel to present and exhibit at large professional conferences for teachers (often in partnership with consortium members). These include the National Council for the Social Studies, National Council of Teachers of English, and American Association of School Librarians.

Contracts

- TPS contracts for “special events” support to exhibit at the large professional conferences, reaching large numbers of teachers and alerting them to the Library’s online resources and the opportunities available through consortium members.
- TPS also contracts for web services support, allowing the program to reach countless teachers; and has contracted for consultants to assist staff in annually conducting five week-long, onsite summer teacher institutes. The best practices developed through these institutes serve the larger TPS consortium.

Question. How was the administrative cost determined? What was the methodology?

Response: These categories of administrative support are based on how to best administer the grants and provide the underpinning support and guidance necessary for grantees and the Library to grow a successful educational outreach program. Best practices employed by successful consortiums that feature programmatic balance and cooperation between and among members and the granting organization were the methodologies used.

Question. What was the allocation for grants in fiscal year 2013, 2014 and requested for 2015?

Response: \$4,846,001 was allocated for grants in fiscal 2013; \$5,333,143 in fiscal 2014; and \$5,456,605 in the fiscal 2015 request.

Question. Provide a listing of grant recipients in fiscal years 2011, 2012, and 2013.

Response:

TPS Partner	FY11 (10/10-9/11)	FY12 (10/11-9/12)	FY13 (10/12-9/13)	Total Funds Awarded 2011-2013
Barat Education Foundation GA07C0020	\$360,000	\$212,000	\$209,000	\$781,000
California University of Pennsylvania GA07C0061	\$90,206	\$200,000	\$180,000	\$470,206
Collaborative for Educational Services from Hampshire Educational Collaborative GA11C0014	\$300,000	\$150,000	\$100,000	\$550,000
DePaul University GA07C0048	\$111,000	\$58,000	\$166,470	\$335,470
Eastern Illinois University GA070019	\$0	\$160,000	\$88,532	\$248,532
Fed. Indep. Ill Colleges and Universities GA07C0025	\$400,000	\$200,000	\$187,000	\$787,000
Governors State University GA06C0076	\$200,000	\$230,000	\$200,000	\$630,000
Illinois State University GA08C0004	\$200,000	\$160,000	\$199,650	\$559,650
Illinois State University (Regional) GA08C0017	\$400,000	\$25,000	\$250,000	\$675,000
Indiana University Center on Congress GA06C0066	\$400,000	\$200,000	\$180,000	\$780,000
Loyola University of Chicago GA07C0029	\$0	\$137,000	\$155,000	\$292,000
Mars Hill College GA09C0005	\$150,000	\$80,000	\$68,000	\$298,000
Metro St College of Denver (Regional) GA08C0018	\$270,000	\$150,000	\$0	\$420,000
Metro St College of Denver GA08C0012	\$755,000	\$230,000	\$545,000	\$1,530,000
Middle State Tennessee GA08C0077	\$0	\$52,000	\$138,000	\$190,000
Northern Virginia School Districts GA07C0055	\$115,000	\$98,700	\$30,000	\$243,700
Northwest Council for Computer Education GA11C0028	\$407,000	\$181,000	\$169,000	\$757,000
Quincy University GA07C0060	\$0	\$94,600	\$150,000	\$244,600
Rockford College GA08C0078	\$160,000	\$160,000	\$144,000	\$464,000
Southeastern Louisiana University GA08C0022	\$11,386	\$150,000	\$135,000	\$296,386
Southern Illinois University-Carbondale GA07C0058	\$200,000	\$200,000	\$130,000	\$530,000
Southern Illinois University - Edwards GA07C0056	\$0	\$230,000	\$220,000	\$450,000
Stanford University GA09C0053	\$300,000	\$150,000	\$142,500	\$592,500
The University of the Arts GA11C0077	\$300,000	\$0	\$100,006	\$400,006
United Fed of Teachers Edu Found, Inc. GA10C0012	\$175,000	\$175,000	\$157,500	\$507,500
University of California, Davis GA10C0005	\$460,000	\$230,000	\$225,000	\$915,000
University of Central Florida GA10C0011	\$150,000	\$68,000	\$135,000	\$353,000
University of Northern Colorado (Regional) GA08C0013	n/a	n/a	N/A	\$0
University of Northern Colorado GA07C0003	\$0	\$0	\$200,000	\$200,000
Waynesburg College (Regional) GA08C0016	\$600,000	\$300,000	\$400,000	\$1,300,000
Waynesburg College GA07C0057	0	\$0	\$65,000	\$65,000
Totals	\$6,514,592	\$4,281,300	\$5,069,658	\$15,865,550

Question. What is the selection process for awarding grants?

Response:

For current grantees (Consortium members)

- The Library distributes a request for TPS funding, similar to a request for proposals
- Consortium members who wish to receive an additional TPS grant submit a request for funding that covers the coming two fiscal years
- The Grants Management Office prepares and sends a cooperative agreement amendment

- Authorized staff from the partner organization sign and return the cooperative agreement amendment

For new grantees

- Ed Outreach decides what type of partner to bring into the Consortium based on geography and perceived gaps in the consortium, teacher/student population reached, and expertise in using primary sources in a unique way
- We release a notice of funding availability through various publications, listservs and associations requesting proposals
- A selection committee, if formed, includes Ed Outreach staff, Grants Management Office staff, Consortium members and representatives from outside organizations (the committee totals about 10 persons)
- Members of the selection committee use a standard sheet to rate proposals
- The proposal with the highest rating is awarded a TPS grant
- Ed Outreach staff requests a revised proposal, if necessary, to more closely align proposed activities to TPS needs
- The Grants Management Office prepares and sends a cooperative agreement for the awardee to sign and return

Question. For fiscal years 2011, 2012, and 2013, for travel, please provide name of individual, reason for the travel, place of travel, and cost?

Response:

Teaching with Primary Sources (TPS) Travel ~ Fiscal 2011 - 2013

FY	# of Staff	Description	Location	Cost
2013	1	Meeting of Teaching with Primary Sources (TPS) sub-grantees	Denver, CO	\$226
2013	5	2013 National Council for Social Studies (NCSS) Conference	Seattle, WA	6,867
2013	3	2012 National Council of Teachers of English (NCTE) Conference	Las Vegas, NV	4,426
2013	3	Visit to Charles County Public School	Charles County, MD	115
2013	1	Visit to John Dawes Learning Center	Manalapan, NJ	271
2013	2	National Association of Independent Schools (NAIS) Conference	Philadelphia, PA	1,512
2013	2	Computer Using Educators (CUE) Conference	Palm Springs, CA	3,415
2013	2	Association for Supervision and Curriculum Development (ASCD) Conference	Chicago, IL	3,017
2013	2	Teaching with Primary Sources (TPS) Eastern Regional Conference	Pittsburgh, PA	1,516
2013	1	Summer Teacher Institutes at Henry Knox Museum	Portland, ME	103
2013	2	Teaching with Primary Sources (TPS) Educational Consortium Meeting	Nashville, TN	2,130
2013	1	Society of American Archivists (SAA) Conference	New Orleans, LA	309
2013	1	Lodging Stipend & Travel for Teacher in Residence	Washington, DC	11,000
Fiscal 2013 - Travel				\$34,907
2012	4	American Association of School Librarians (AASL) Conference	Minneapolis, MN	\$5,391
2012	2	National Council of Teachers of English (NCTE) Conference	Chicago, IL	2,393
2012	1	Midwinter American Library Association (ALA) Meeting	Dallas, TX	1,664
2012	1	Observing Train-the-Trainer Program	Chicago, IL	1,327
2012	1	Teaching with Primary Sources (TPS) Advisory Board	Davis, CA	1,064
2012	4	National Association of Elementary School Principals (NAESP) Conference	Seattle, WA	6,233
2012	1	Meeting to address regional sub-grantees	Kansas City, MO	505
2012	4	Association for Supervision and Curriculum Development (ASCD) Conference	Philadelphia, PA	3,788
2012	2	University of Arizona Teacher Day & International Reading Association (IRA) Conference	Tucson, AZ & Chicago, IL	4,963
2012	8	International Reading Association (IRA) Conference	Chicago, IL	11,604
2012	4	International Society of Technology in Education (ISTE) Conference	San Diego, CA	7,927
2012	1	Teaching with Primary Sources (TPS) Conference	Chicago, IL	178
2012	1	Lodging Stipend & Travel for Teacher in Residence	Washington, DC	15,000
2012	1	Teaching with Primary Sources (TPS) Meeting	Denver, CO	522
2012	1	Local Travel	Washington DC	85
Fiscal 2012 - Travel				\$62,842
2011	1	Presentation to educators about the Library's Educational Outreach initiatives in education	New Haven, CT	1,245
2011	1	Presentation to Montana Teacher's Conference	Helena, MT	1,321
2011	2	2010 National Council of Social Studies (NCSS) Conference	Denver, CO	2,689
2011	1	Teaching with Primary (TPS) Workshop	Orlando, FL	1,065
2011	1	eTech Ohio Educational Tech Conference	Columbus, OH	892
2011	1	Teaching with Primary Sources (TPS) Partner Workshop	Orlando, FL	853
2011	2	Conexions Conference	Houston, TX	2,390
2011	1	Professional Development event at the Unified School District	Riverside, CA	800
2011	4	2011 Northwest Council for Computer Education (NCCCE) Conference	Portland, OR	5,811
2011	1	State of Maryland International Reading Association Council (SoMIRAC) Conference	Baltimore, MD	695
2011	1	Teaching with Primary Sources (TPS) Advisory Board Meeting	Nashville, TN	591
2011	1	Annual American Library Association (ALA) Meeting	New Orleans, LA	1,525
2011	8	International Society for Technology in Education (ISTE) Conference	Philadelphia, PA	9,086
2011	1	Teaching with Primary Sources (TPS) Advisory Board Meeting	Asheville, NC	960
2011	1	Lodging Stipend & Travel for Teacher in Residence	Washington, DC	14,150
2011	1	International Society for Technology in Education (ISTE) Conference	San Diego, CA	1,811
Fiscal 2011 - Travel				\$45,886

- The conference travel enabled staff members to present sessions on behalf of the Library to diverse groups of educators, often with TPS partners. Staff members also interacted with educators one-on-one in the conference exhibit halls while staffing the Library's booth. Many of these one-on-one encounters served to alert educators to opportunities available to them and their school and district colleagues through the TPS consortium.

- The travel to individual schools and school districts allowed staff members to collaborate with, as well as observe, TPS partners and individual teachers who have participated in TPS programs. These opportunities help to ensure that the program is promoting teacher-tested, best practices.

- The travel to TPS regional conferences, TPS Advisory Board meetings, and TPS Consortium Meetings allow staff to convey information, share ideas, and insure programmatic quality among grantees.

- In order to ensure that TPS programming and outreach reflect audience need, the Library's Teacher in Residence program selects a current K-12 educator to contribute to the work of Education Outreach. Historically, the teacher is selected from areas outside the Washington, DC area and is in residence one school year, from August/September until June. The Library provides reimbursement to the selected teacher for lodging expenses and travel.

NATIONAL DIGITAL INFORMATION INFRASTRUCTURE AND PRESERVATION
PROGRAM (NDIIPP)

Question. Provide an analysis of NDIIPP base funding since the beginning of the program.

Response:

Library of Congress National Digital Information Infrastructure and Preservation Program (NDIIPP) - Funding Analysis Fiscal 2001 - Fiscal 2014	
Funds: 02X173 - 02X175 (No-Year)	
Fiscal 2001 Enacted Budget	\$100,000,000
Less: Rescission	- 54,078,000
Fiscal 2001 Net Enacted Budget	<u>\$ 45,922,000</u>
Fiscal 2002 - 2007 - No Funding Provided	\$ _____ 0
Fund: 010174 (Annual)	
Fiscal 2008 Enacted Budget	\$ 1,482,000
Less: Rescission	- 3,705
Fiscal 2008 Net Enacted Budget	<u>\$ 1,478,295</u>
Fiscal 2009 Enacted Budget	<u>\$ 7,511,000</u>
Fiscal 2010 Enacted Budget	<u>\$ 7,677,000</u>
Fiscal 2011 Enacted Budget	\$ 3,729,169
Less: Rescission	- 7,458
Fiscal 2011 Net Enacted Budget	\$ 3,721,711
Fiscal 2011 Spending Plan Realignment	110,534
Fiscal 2011 Approved Spending Plan	<u>\$ 3,832,245</u>
Fiscal 2012 Enacted Budget	<u>\$ 3,740,835</u>
Fiscal 2013 Enacted Budget	\$ 3,740,835
Less: Sequestration	- 188,187
Less: Rescission	- 7,481
Fiscal 2013 Net Enacted Budget	\$ 3,545,167
Fiscal 2013 Spending Plan Realignment	- 291,006
Fiscal 2013 Approved Spending Plan	<u>\$ 3,254,161</u>
Fiscal 2014 Enacted Budget	\$ 3,332,990
Fiscal 2014 Execution Plan Realignment	251,066
Fiscal 2014 Approved Execution Plan	<u>\$ 3,584,056</u>

Question. Provide the authorized and actual FTE level and a head count of actual people, their grade/step, and whether they are part-time or full-time employees. Also provide the duties performed by each employee.

Response:

**Library of Congress
National Digital Information Infrastructure and
Preservation Program (NDIIPP) - Staff Analysis**

Count	Grade	Step	Status	Salary	Benefits	Annual Cost
1	11	06	FT	\$ 73,607	\$ 19,955	\$ 93,562
1	12	01	FT	75,621	20,501	96,122
1	12	05	FT	85,703	23,234	108,937
1	12	08	FT	93,264	25,284	118,548
1	13	04	FT	98,816	26,789	125,605
2	13	05	FT	101,914	27,629	259,086
1	14	03	PT	113,346	30,728	144,074
3	14	04	FT	116,887	31,688	445,725
2	14	05	FT	120,429	32,648	306,155
1	14	07	FT	127,512	34,569	162,081
1	14	08	FT	131,053	35,528	166,581
1	15	09	FT	157,100	42,590	199,690
1	15	10	FT	157,100	42,590	199,690
Total:				\$ 1,452,352	\$ 393,733	\$ 2,425,855

Authorized FTE: 20

Headcount: 17

The duties of these NDIIPP staff fall into seven areas.

Digital Preservation Partnerships and Networks Support

- Collaborate with Library staff and national and international partners, via the International Internet Preservation consortium, to identify national digital preservation policy issues.
- Serve as secretariat of the National Digital Stewardship Alliance (NDSA), a membership organization that promotes improved digital stewardship practices among government agencies, educational institutions, non-profit organizations, and other entities. Serve as co-chairs of and participants in working groups that focus on all areas of NDSA interest, including content, standards, and infrastructure. Support Alliance membership services. Facilitate Coordinating Committee's decision-making and governance and sponsor governance committee meetings. Conduct membership surveys.
- Support digital preservation trainer and trainee workshops, including collaboratively developing curriculum and master training certification in digital preservation

management, and train the trainer program to develop regional pools of qualified trainers. Mentor and guide digital preservation fellowship recipients. Conduct training program surveys.

Web Archiving

- Collect content from the web in accordance with Library-identified priorities. Manage the Library's crawling and hosting contract to collect content. Build a Library-wide infrastructure for the stewardship of web content. Develop tools and best practices for managing web archive collections throughout the digital lifecycle. Manage web archive collections throughout the digital lifecycle in collaboration with a variety of Library staff.

Communications and Outreach

- Manage the program's website, www.digitalpreservation.gov, as well as social media properties. Promote and distribute program and partner information about digital preservation practice and training. Broadly engage with the public to raise awareness about digital preservation. Interact with the media.

Develop Tools and Services for Partnership Content Visualization and Presentation

- Develop technical and user support of the Viewshare service, a free public platform for partners to showcase and articulate the value of the collections they are preserving.

Develop Internal Library Guidelines and Practices for Digital Content Life Cycle Management

- Collaborate with Library service units to issue and adopt comprehensive technical guidance documents; provide staff training on essential digital preservation activities; and document workflows, tools, and practices required for stewardship of digital content.

Monitor Emerging Trends and Practices in Digital Stewardship

- Monitor emerging practices and standards for new forms of born digital content. Convene industry and other organizations and engage experts around challenges in digital preservation, including trends in storage architectures. Expand interactions outside the network to expand knowledge of digital content stewardship practices.

Program Management and Administration

- Support the administration and operation of NDIIPP programs, networks, and partnerships. Coordinate resources. Prepare briefs and reports. Measure and evaluate program performance.

Question. How has NDIIPP made a difference/influenced digital information and preservation world-wide, nation-wide, and Library wide?

Response: In December 2000, Congress established the National Digital Information Infrastructure and Preservation Program, to be led by the Library of Congress. The legislation called for the Library to work with other federal agencies and also with a variety of additional stakeholders to develop a national approach to digital preservation. From the beginning, NDIIPP

has featured three focus areas: Content Preservation, Partnership Network, and Technical Infrastructure.

		Library	National	International
Content Preservation	Capturing, preserving, and making available significant digital content	X	X	
Partnership Network	Forming a national stewardship network to meet the challenges of digital preservation	X	X	X
Technical Infrastructure	Developing a technical infrastructure of tools and services	X	X	X

Content Preservation

The Library has formed and worked with a network of expert partners to identify and build a collection of high-value digital information from the 21st century. NDIIPP partners and the Library have selected, collected, and preserved content in areas that provide the greatest value to the public policy, education and research, and cultural heritage communities.

Library

- Expanded and supported Library of Congress web archiving resulting in significant collections of web content

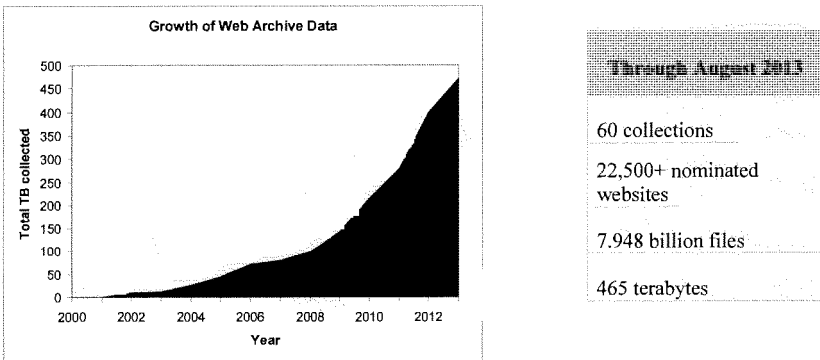


Figure 1. Growth of Web Archiving Data at the Library

National

- As of a 2009 survey, NDIIPP partners had collected, preserved and made available over 1,400 digital collections documenting American culture and history; for a listing of the collections, see <http://www.digitalpreservation.gov/collections/>

Collection Subjects

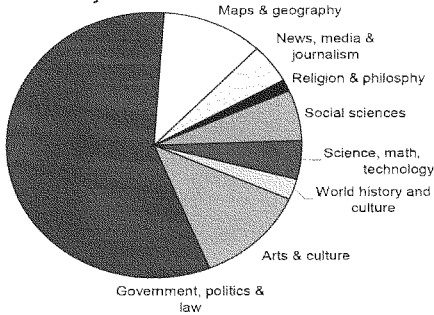


Figure 2. NDIIPP Partner Collections by Subject. Determined from 2009 survey of partners.

Partnership Network

Collaborative partnerships were mandated in the legislation that chartered the NDIIPP program in 2000. Following after the 50+ digital projects supported by the NDIIPP program, the National Digital Stewardship Alliance was initiated in 2010 to sustain partnership efforts and to leverage the expertise and resources of a growing community of preservation organizations. Activities currently underway support the Library’s strategic goal to lead and work collaboratively with external communities to advance knowledge and creativity.

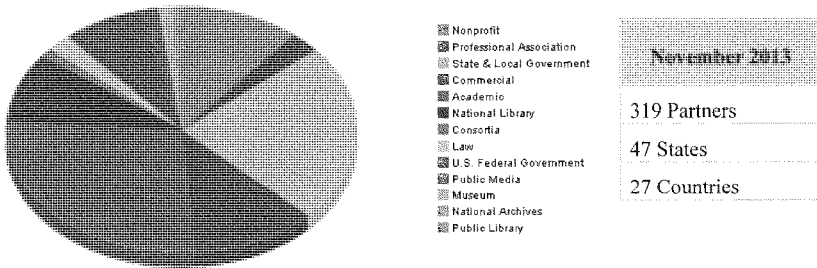


Figure 3. NDIIPP Partners by Institution Type

Library

- Connected staff with outside professionals working to preserve and archive digital content, including hosting specific content summits with external technical experts

National

- Built network of over 300 partners
- Supported products that are broadly applicable across the preservation community, including *Levels of Digital Preservation* maturity model; *National Agenda for Digital*

Stewardship; and published member surveys for digital preservation staffing, storage and web archiving

International

- Influenced and learned from the strategies of institutions from around the world; analyzed the approach of 33 national libraries and other organizations through published report, *Analysis of Current Digital Preservation Policies*

Technical Infrastructure and Tools

For over a decade, NDIIPP has supported projects to build digital preservation tools and services. These contributions are a key part of the digital stewardship infrastructure in use by organizations across the nation, including the Library of Congress. Some tools were co-developed with NDIIPP partner organizations and implemented directly at the Library; the others provided valuable insight as the Library scoped its digital content management needs. This work has a direct benefit for the Library's care of digital collections.

Library

- Developed advanced digital preservation technical guidelines as basis for staff technical training and direction
- Documented digital preservation workflows and practices in use by Library curatorial divisions to standardize enterprise solutions

National

- With partner organizations, identified common technical requirements to build widely used preservation products, including tools to transfer digital collections; services for cloud storage; and software to identify digital files
- Coordinated the work of federal agencies and other partners to define core technical preservation specifications, including guidelines for applying metadata and digitizing cultural heritage materials

International

- Collaborated with national libraries and others to develop and support digital preservation tools and practices to archive web and other digital content, including web collection tools and complete life cycle management and preservation systems

COPYRIGHT OFFICE

Question. On March 2013 you testified before the House Judiciary Committee regarding the need for possible revisions to the copyright law. Since then Judiciary Committee has had further hearings on the way the copyright law may need to be improved and/or updated. In administering major provisions of the copyright law, would changes in the law require changes to the way the Copyright Office does business?

Response: It is possible that revisions to the copyright law could add to the Copyright Office's responsibilities. For example, Congress has been discussing possible changes to statutory rates and compulsory licenses and the Copyright Office has delivered a major study recommending

the creation of a small claims system that would be administered under the Register's supervision. It is generally true that a nimble, forward-leaning Copyright Office could absorb oversight, education and regulatory functions of the law and facilitate licensing or voluntary standards amongst private parties, thereby reducing the need for legislation in some instances. Moreover, the framework for copyright law today is increasingly international, driven by treaties, trade negotiations and global business models. As a result, many countries around the world, including, for example, Member States of the European Union, Canada and Australia, are also engaged in review or revision of domestic copyright laws. Among the many subjects of interest is how registries and data standards might improve the efficacy of copyright law on a global basis.

However, even under existing provisions it is vital that the Copyright Office have the resources and technical capacity to administer, interpret and otherwise support the law. The Office needs to stay relevant to the public interests that it serves, including several critically important sectors of the U.S. economy. These include industries that create and disseminate creative works (and invest in the technologies and platforms to do so), and those that rely upon accurate and timely copyright records for a variety of research and business endeavors. It is for this reason that the Copyright Office commenced, and has nearly completed, an overhaul of its practices and policies for copyright registration, aligning them more comprehensively with the digital marketplace (the Compendium of Copyright Office Practices). These practices address issues such as how to register websites and how to submit deposits for databases and software. This project, though significant, is just the beginning of adjustments and new paradigms that will be necessary in the years ahead. In short, the 20th century practices of the Office (many of which were moved to electronic processes but which otherwise have not been changed significantly since the 1970s) will need to be very carefully evaluated in the near future. Because the practices of the Office have the potential to affect the legal rights and economic interests of both copyright owners and users of copyrighted works, the Office will need to conduct a series of comprehensive analyses, including public hearings, consistent with the Administrative Procedures Act under which it operates. To the extent statutory changes may be prudent, the Register will make appropriate recommendations to Congress.

As a foundation for this work, and as I stated in my budget testimony, the Office published and conducted a series of special projects from October 2011 - October 2013. Through these projects, staff of all levels participated in internal and external discussions regarding the relative strengths and weaknesses of the Office in carrying out its services and its general preparedness to meet the demands of the digital era. In November 2013, I reported on this public exchange, in a legal lecture at George Washington University sponsored in part by the members of the Copyright Society of the USA. ("The Next Generation Copyright Office: What it Means and Why it Matters.") Among our conclusions is that the Copyright Office's functions and technologies should be more efficient and interoperable with those of its customers and that additional precautions should be exercised with respect to the exchange of digital works. In the case of copyright registration, these works are provided to the care of the Office by authors, publishers and producers seeking the protections of the law.

Specific strategies may require investing in commercial-grade security measures to ensure the safety of digital works; reducing or otherwise altering the deposit requirements for certain works;

improving the interface, functionality and security of the Copyright Office website (www.copyright.gov) *vis-a-vis* the Register's specific duties and authorities articulated in Title 17; offering new ways to register and identify copyright interests, for example, registering photographs through mobile device applications or identifying the individual tracks of a sound recording through new investments in Meta data and web interfaces; and implementing platforms and data standards that allow for business-to-business applications with programs and databases in the copyright industries or technology sectors.

The kinds of improvements referenced above will require capital investments but are necessary to make the Copyright Office a twenty-first century institution. More importantly, it would help create a less burdensome, more efficient and more useful copyright system for the benefit of global commerce and cultural exchange. The Copyright Office has long been a model for agencies and stakeholders in foreign countries. However, it has a clear obligation to acknowledge and plan for the next generation of services.

Question. The Committee understands that, in accordance with the Copyright Act, the Copyright Office recently concluded a fee study, in which you assessed the costs of the Copyright Office in providing services. Please summarize the results of the fee study, including the nature and timing of any fee increases that the Copyright Office may be implementing?

Response: The Copyright Office expects to implement a new fee schedule on or about May 1, 2014. The current fee schedule was implemented in 2009 and includes a number of artificially deflated fees that I understand were designed to incentivize participation in the electronic system.

By way of background, the Office reviews its fees every several years in accordance with Section 708 of the Copyright Act. Pursuant to these provisions, the Register is instructed to consider both the costs of the Office in providing services and the overall objectives of the copyright system. This review is extremely important to the Office because approximately two-thirds of the Office's spending is facilitated by fee revenue. In November 2013, the Register delivered a proposed fee schedule which showed the most significant fees, including those for the registration of copyright claims and the recordation of copyright documents (which account for more than 90% of the Office's fee receipts). Congress has 120 days to disagree with the proposal and pass contrary legislation. Other fees are established directly by the Register after reviewing the costs—for example, fees charged for the copying of public records.

In summation, the Office determined that some fees should be increased, a few should be decreased, and some should remain the same. With respect to registration, the Office proposed to increase the standard registration fee for electronic registrations from \$35 to \$55, but to institute a new, reduced fee of \$35 for single authors registering single works electronically. The basic recordation fee of \$105 will remain the same, although the Office proposed a modest increase from \$30 to \$35 for processing up to ten additional titles of works in connection with a recorded document. Recordation fees remain more expensive than registration fees, but this is the subject of current public discussions on related legal, business and technology matters. The Office also collects fees for the filings of royalty reports by cable and satellite providers, and established a new fee schedule for these services in 2013 as directed under the Satellite Extension and Localism Act of 2012 (“STELA”).

Question. We understand that some copyrighted works are more complex than others, and that copyright owners range in size from individuals to multinational corporations. Did the Copyright Office take these kinds of facts into consideration when establishing fees?

Response: Yes. For what I believe to be the first time in the Office's history or at least modern history, we differentiated certain fees in the latest fee study, leaving fees flat for some individual authors while raising fees for publishers, producers and those filing multiple claims or claims in multiple works.

The Copyright Act directs the Register to take into account the objectives of the copyright law when recovering costs. To this end, the Office believes that individual authors should be encouraged to register the copyright interests in their works, and that pricing has a bearing on whether they will do so. Authors are the first beneficiaries of the copyright law, as prescribed by the Constitution and upheld by the Supreme Court. Registration provides an important level of legal protection as well as an enhanced public record. The Office thus refrained from increasing the fees of single authors in instances where the applications are relatively easy to process, i.e. when they are registering copyright interests in single works electronically. By contrast, there is no compelling policy reason to subsidize the registrations of multinational corporations. These claimants cannot only afford the cost of filing but they frequently have claims that are more complex and time consuming to examine. The Office believes that the new registration fees are properly calibrated to reflect these differences and will further the goals of the copyright system. To be clear, the Office did not have the authority to charge any set of claimants more than the reasonable costs of recovery. In differentiating fees, it exercised its ability to recover less for some than for others. This approach was supported in public comments.

I expect to initiate additional fee studies over the next few years to make additional changes to the fee schedule. As the Office further refines its registration practices around digital technologies and specific categories of works (e.g. collections of digital photographs, e-books, sound recordings), it is likely to fine-tune its recommendations as to costs for specific services. Moreover, I anticipate working with Congress to assess whether and how costs might be assessed through more innovative equations. This might include mechanisms to allow for the recovery of costs in aggregate, or the recovery of capital costs that are in the interest of the copyright system, as a supplement to such funds as Congress may continue to appropriate and invest in the Copyright Office.

Question. Ms. Pallante, it is very important to the Committee that a vibrant, efficient and automated copyright process is available to the public. The Committee understands from a March 22, 2013 notice in the Federal Register that you have been working with the copyright community to identify and evaluate potential improvements including information technology platforms that support the online system for copyright registration. We also noticed that a second public notice, dated January 15, 2014, regarding five options for reengineering the recordation function. To be clear, we fully understand that recordation is distinct from registration. The former is the process by which you examine creative works and issue certificates of ownership and copyrightability. Recordation, however, refers to the system which records licenses, assignments, security interest, wills and other documents relating to the transfer

or sale of copyright interest between parties. This is very important for the digital marketplace and we are dismayed to find out that this is still a paper-based service.

Beginning in fiscal year 2000 an investment of over \$50 million dollars has been provided to the Library for a major Copyright Office Re-engineering Project. It is our understanding that electronic registration was part of this project. We realize this was before your tenure, but would update us on the registration system?

Response: Although it is a purely voluntary system, the copyright registration system has become a major focus of my tenure because I believe it has the potential to play an increasingly important role in facilitating transactions and creative partnerships in the global marketplace—following a period of several decades in which its relative purpose and usefulness was the subject of considerable debate within and outside the United States. In general, the fast-moving environment in which creative works are disseminated, streamed and otherwise used would benefit greatly from a series of interoperable identification and licensing protocols anchored by a twenty-first century registration system, in the first instance, and an equally relevant recordation system to track transfers of title, terminations and other transactions made after a registration certificate is issued, in the second instance. Thus, in the past two years, we have spent considerable time updating the Compendium of Copyright Office Practices for the digital environment, and we have spent considerable time discussing with our customers the Office's level of service in these areas and the improvements it might or should make. It is clear that in this digital era of copyright law, the ability of the Register to run the national registration system and otherwise administer the copyright law is largely dependent upon the investment, planning and management of technology infrastructure.

The electronic system that is now in place was fully implemented in 2008 by the previous Register of Copyrights, thanks to several years of dedicated funding from Congress. It was designed to transpose the paper-based systems of the Office into an electronic interface, allowing copyright owners to register their claims using the Internet. The project was executed with fiscal responsibility in mind. It was developed from off-the-shelf software and, after some discussion, placed under the Library's enterprise systems.

It is worth noting that the funding received from Congress was meant to cover a broad range of activities, including the renovation of the Copyright Office spaces in the Madison building (which required renovation to accommodate the re-engineered workflow) and the relocation of the vast majority of Copyright Office staff to temporary office space in Arlington, VA and then back to Capitol Hill. In fact, these projects were the lion's share of the \$50 million budget—accounting for \$28.4 million. The amount allocated to developing new technology systems was approximately \$15.6 million.

The transition to electronic registration was successful in that it migrated registration processes to the online world. Today approximately 90% of claimants submit applications electronically. Of these, about half mail a physical deposit for examination purposes and half upload a digital copy (representing a limited cross section of categories). As to claims submitted fully electronically, the Office issues a registration or refusal within a period that is under five months. Paper claims require more time, but are generally under ten months, because the Office must translate the application into its electronic system. Many claims fall somewhere in the middle.

Public comments submitted to the Copyright Office last year represent a range of views about current operations. For example, they want user-friendly web interfaces, instructional wizards, the ability to see all completed registrations as well as the status of claims within the processing system, granulated identification systems (works within works), image recognition capabilities or partnerships with those who do, business to business applications (for batch submissions and to ensure interoperable Meta data standards), the facilitation of APIs to connect private databases, compatibility with mobile devices, and swifter and easier processes. As one patron said to me recently, we appreciate that it is no longer a paper system but it shouldn't take 45 minutes to complete a copyright application.

Registration volume has generally remained steady over the past several decades, with inclines or declines from time to time, primarily because registration carries certain legal benefits when exercised in a timely manner (as set forth in the Copyright Act). Nonetheless, registration does not come close to encompassing most works of authorship and it is unknown, but must be presumed, that it does not encompass all of the most culturally or commercially important ones. In short, if the registration system is going to play a vital role within the copyright law of the twenty-first century, we have to make it lighter, swifter and more reflective of the digital era. Certainly the electronic registration system we have in 2014 reflects a major achievement. It does not, however, offer the level of service that would truly facilitate a twenty-first century law.

The registration system is one part of the 1976 Copyright Act and, like other chapters, it reflects an era in which businesses distributed physical copies of works and consumers felt the need to own them. Today, businesses offer many works by streaming or displaying them via an array of technologies, and consumers watch sports programming, read books, and listen to musical performances through mobile devices. Frequently this content is licensed, rather than bought and sold, and copies may or may not be offered for downloading. Because of a vast increase in Internet piracy, many copyright owners choose to keep tight controls on digital formats, including encryption and other copying controls. These kinds of realities will be a focus of the Register's office for the next few years, because they need to be evaluated against the purpose and efficacy of the law, more generally, and the degree to which the Copyright Office is keeping pace. As part of this process, the Office will continue to engage all stakeholders. In addition, it will work with the Library's collection and preservation experts, as to the Library's interest in acquiring registered works for its collection and the terms by which it might provide access to the public.

In summary, the Copyright Office is comprehensively engaged at this time in reviewing the copyright law as well as its own strengths and weaknesses as an institution. I addressed these efforts further in my budget testimony. We continue to install software updates and make necessary improvements where possible, for example, developing custom features to make the online system more efficient for both our customers and registration staff. These kinds of improvements are important, but they will not address the more systemic issues discussed above. I am grateful for the attention and interest of Congress in this regard.

Question. How does recordation fit into this process?

Response: Recording transfers, licenses and other copyright documentation is a key responsibility of the Register, and like registration, it bestows some legal presumptions and benefits. It is potentially more important to the legal framework than ever before, because more and more people interact with copyrighted works than at any time in history (creating greater demand for information), and because a variety of new businesses are tasked with assessing or licensing copyrights in their work (creating frustration and gridlock). Recordation is potentially more useful than registration because, unlike registration, it can present an ongoing record of who has acquired what in the way of exclusive rights. Registration, by contrast, presents an important record of copyrightability but a limited and static record of ownership.

Question. Was it not part of the original re-engineering project? Because clearly it was our understanding that it was.

Response: The recordation program was part of the original re-engineering project but was ultimately delayed. I understand the following were the primary reasons: (1) converting the registration system proved more costly than anticipated; and (2) a significant backlog of registration claims required the Office's full attention as to operations.

Today recordation remains the same paper submission process it always was, although Copyright Office staff transpose the documentation into electronic indexes. Among other problems with this process, it is accomplished using legacy software that is no longer supported by the Library's technology staff because it does not meet current security requirements. To address this immediate crisis, the Copyright Office is in the process of migrating the recordation system to a new set of software. This migration is not a systemic fix. It will leave the paper-based system intact. It is merely an interim step until a new system can be built that incorporates electronic submission and other business requirements informed by the intensive public process the Office has engaged in over the past two years.

Although the recordation system is rightly a major priority today, I believe that, on balance, I am pleased that it did not go forward as originally planned 10 years ago. If it had, we would not have had the benefit of the larger review that is underway in copyright law, as well as conversations in both the United States and foreign countries as to the need for interoperable copyright information. I believe we have an opportunity now to recalibrate the recordation system and make it immeasurably more useful to the digital marketplace than it is in its 20th century incarnation. We have done quite a lot of groundwork on this front in the past couple of years. In addition to the special projects on technology matters described above, we are in the middle of a targeted public discussion regarding recordation particularly. We recently solicited written comments from the public and, later this month, are conducting three public hearings. The hearings will focus on five questions that will further refine our recommendations to Congress and our strategies for administrative improvements.

Finally, I am concerned that the registration and recordation databases, as currently populated and presented, do not produce adequate information about registered claims or their owners. This is unfortunate for many reasons, but the primary reason is that in the case of a timely claim, a copyright owner may elect statutory damages, which can be considerable, against an infringer. While the policy is reasonably sound, it quickly becomes problematic if the state of the

Copyright Office's database prevents a good-faith actor from locating or interpreting the chain of title or the scope of the registration. These issues were a focus of Congressional deliberations in recent years regarding the problem of so-called "orphan works" (missing copyright owners) and the requirement that would-be users conduct a diligent search of copyright records.

Question. What is your estimate of the cost and time frame for automating recordation?

Response: Revising and administering the recordation process will be a primary duty of the Office of Public Records and Repositories, a new department designed to ensure accountability to the law and to our customers. To commence a re-engineering effort in FY 2015 (following the preparatory work and forthcoming conclusions of 2014 described immediately above) would cost approximately \$1.5 million to cover the essentials of year-one planning and requirements gathering.

The full costs of a system build-out are not yet known but could be prepared in the months ahead, as soon as we conclude the public hearings and complete initial requirements gathering. As with registration, some of the reengineering efforts may need to occur in phases to ensure maximum improvements. For example, we may be able to vastly change the interface and procedures for prospective customers in a first generation effort, leaving room to implement greater improvements thereafter and taking care not to build anything that creates inflexibility as to future improvements that may be desirable. We will also need strategies to integrate the limited information of historic records into new databases. In any event, it is clear that the long-term success of a recordation project will depend upon the quality and flexibility of technology infrastructure. It may also require retraining staff or recalibrating their roles over time.

The Copyright Office has other funding needs that are related to recordation, as recordation is part of the chain of title that derives from registration and which should be available as a seamless part of the public record. These are the costs of creating secure repositories (\$3 million for analysis and requirements gathering) and costs to establish an application development environment (\$2.4 million). These are initial costs only and do not reflect the kind of capital funding that will be necessary to truly remake the Copyright Office functions in the long-term.

Question. What other parts of the automated "re-engineering" project, if any, were not completed and why?

Response: The final re-engineering plan did not include dedicated repositories for digital works, for reasons that are unclear to me. I mention them here because my staff tells me they were initially contemplated and then removed. Today, a digital deposit that is submitted by a copyright owner to the Copyright Office via registration is stored on a server, in some instances alongside files from other parts of the Library. This has worked more or less without incident during the past years, but is unsustainable as a business model and insufficient as to the Register's custodial duties under the Copyright Act.

The Copyright Office's needs in this area are a priority for me. As discussed above, the Office has just begun to consider a number of new registration paradigms, to better align registration practices to the digital marketplace, including the formats of creative works. While it is certainly

possible that the Office may cease to require the submission of physical copies in some instances, it is also true that the Office may increase or strengthen its requirements for digital works, for example, thumbnail images or digital film. In any case, where the Office requires a digital copy of a work as a condition of granting a copyright registration, it has a legal duty to treat that work securely. In my view, this includes providing dedicated and discrete storage, file protection, and other security measures that meet the expectations of our customers and the law.

As a foundation for this work, my team and I created a new senior level position, the Director of Public Records and Repositories as part of a 2013 reorganization request submitted to the Librarian. The reorganization is designed to update the functions of the Copyright Office and reallocate resources to critical areas. Likewise, we created the position of Chief Information Officer, to advise the Register on information technology matters that increasingly affect the full spectrum of Copyright Office activities. This position will supervise the day-to-day technology maintenance that is already in place, and for the first time ensures the Office has a dedicated focus on future technology needs. Both positions were effective March 10, 2014. (For more information, see www.copyright.gov/newsnet.) Finally, as noted above, the Copyright Office conducted an extensive public discussion regarding its state of technology and future needs from 2011-2013. Per the conclusions of that process, the Copyright Office must make significant improvements to its technology and related business practices in order to carry out its statutory responsibilities effectively.

MASS DEACIDIFICATION – PRESERVATION TECHNOLOGIES

Dr. Billington in the early 70's the Library began testing and developing a new technology to be known as "mass deacidification" a process by which the acid content of paper in traditional library materials is neutralized thus substantially prolonging the useful life by an estimated 300% or longer. During the past eleven years, the Library has averaged 290,000 books and a little less than 1 million sheets of manuscript per year. Since 2001 the Library has contracted with Preservation Technologies as the mass deacidification provider funded at an average of over \$5 million dollars per year.

The Committee wants to acknowledge the fine work of Mark Sweeney, the head of your Preservation Program, and his team for the work in this important area of preservation.

Question. In 2001 the Library presented a 30-year plan for deacidification of the collections. Almost halfway into the 30-year plan are you on target, ahead of target, or behind target.

Response: The Library is significantly ahead of schedule for the treatment of books, by approximately 2 1/2 years. In 2001 the Library estimated that 8.5 million books would require deacidification treatment. Through fiscal 2013 we have treated 3.7 million books and are approximately 800,000 books ahead of schedule. A project review has estimated the future need for treatment to be no more than 4.1 million books and could be considerably lower due to drastically reduced numbers of new incoming acidic books. Today, our revised project target total is 7.8 million books. For manuscript sheets we are on schedule, and our project target remains 30 million sheets treated.

Question. Is Preservation Technologies the only vendor that can provide the deacidification process required by the Library?

Response: Preservation Technologies is the only vendor at this time in the North American market that can provide the services required by the Library. This has been confirmed by the recent Federal Research Division report dated February 2014. A European company uses a somewhat different process that might be acceptable to the Library, but they have not entered the North American market.

Question. Has further evaluation or research been conducted to determine if deacidification is still the most feasible and cost effective manner of preserving the collections? For example would “cold storage” be a better solution?

Response: The Preservation Directorate closely monitors and evaluates the costs of deacidification and evaluates preservation alternatives. The Preservation Directorate also updates its website (<http://www.loc.gov/preservation/about/deacid/index.html>) on the current status of deacidification at the Library.

For acidic general collection books that are in sound and usable condition, a sizeable subset of the Library’s collection, deacidification remains a viable preservation option. The presence of a deacidification alkaline reserve is beneficial for paper strength retention and prevention of embrittlement. At room temperature, research shows that deacidified paper will retain its strength about 3.3 times longer than untreated paper. However, mass deacidification addresses only one form of paper deterioration – loss of physical strength and embrittlement, caused mainly by acid hydrolysis. Improved storage environment addresses multiple forms of chemical decay, including loss of strength, discoloration, leather binding deterioration, and is helpful in reducing the impact of light and pollutant damage.

Cold storage provides preservation benefits to a broader range of collections, including those materials that cannot be deacidified: such as severely embrittled books and photographs. Digital reformatting of embrittled works provides not only access for multiple users, but also provides transformative value, such as through text search capabilities, not possible with only preservation of the original artifact. The number of severely embrittled books (16% of survey sample) that cannot benefit from deacidification represent a growing concern and will require reformatting attention in the near future.

Since 2001 the costs of deacidification and cold storage have increased somewhat while the cost of digital reformatting for stable material has decreased significantly. The Library sees that all three programs have a measured value for the preservation of the Library’s collections at this time. The following table provides a rough cost estimate for preserving 2.2 million volumes through storage in Ft. Meade climate controlled facilities or through mass deacidification treatment:

Ft Meade Module		Mass Deacidification	
Store 2.2 M volumes		Treat 2.2 M volumes	
one-time construction cost	\$18 M	cost per volume \$22.33	
Prepare 2.2 M volumes for storage	\$13.2 M		
Total cost	\$31.2 M	Total cost	\$49 M
Significantly increase life span of acidic volumes		Significantly increase life span of acidic volumes	
Additional benefits for a wider variety of materials		No storage capacity increase	
Additional storage capacity			

To date, the Library has been unable to secure additional cold storage capacity at a rate that meets ideal collection needs.

Question. Within the Preservation component of the Library how have you determined the various priorities and allocated funding?

Response: The Preservation Directorate must preserve for future generations all of the Library's collections (including more than 34.5 million cataloged books and other print materials; more than 66.6 million manuscripts; more than 14 million photographs; and the world's largest collection of legal materials, maps, and sheet music). This diverse set of materials, of which acidic paper is only a part, requires a multi-pronged approach in setting priorities and conducting different preservation activities from monitoring and improving storage environments; planning for and responding to collection emergencies; providing treatment and housing of collections; and reformatting materials.

The Preservation Directorate initiates an annual call for preservation services to all custodial units, to survey collection needs for the upcoming year. Knowledge of an item's value, current and future use, and material risks informs which preservation actions should be taken within a reasonable period of time. High priority items are acted upon based on available staff and fiscal resources. Information on unmet needs is compiled and factored into decision-making in the next budget cycle. This resource decision-making process includes assessing the needs of exhibition and digitization projects; incorporating acquisition of new collections; evaluating collections being relocated to off-site storage; and improving the condition of existing collections by improved housing and treatment. The budget request process runs parallel to this assessment of need to ensure that needs and budgets are in alignment as much as possible. Periodically, the Preservation Directorate reviews spending in various preservation program areas to identify any unnecessary erosion of capacity (staff or fiscal) that may result in severely unmet collection needs or where advances in technology or preservation science suggest a recalibrated effort.

LIBRARY WIDE FUTURES PROGRAM

Dr. Billington in September 2013 you launched the first phase of a Library-wide Futures Program to chart a map for the future of the Library of Congress by December 31, 2015. The program is to address key issues facing the Library and develop better ways to fulfill the Library's historic service missions. You have established eight teams utilizing 72 staff members

to make recommendations to you regarding problems/opportunities that the Library will be dealing with in the following two years, when the program is scheduled to be completed.

Question. Could you give us a brief overview of this program? You can expand for the record.

Response: During the discovery stage of the Futures Program, eight special teams focused on eight problems/opportunities that the Library will be dealing with in the following two years. The Librarian asked the teams to suggest some bold new outlines for working together across traditional lines within the Library and to map out proposals for addressing the eight focus areas.

Each team's area of focus is as follows:

Team 1: Recruiting, mentoring, and retaining high quality new staff expertise for LC including a new cadre of Knowledge Navigators and succession planning.

Team 2: Creating an integrated national program for enhancing life-long learning for the American people, with particular emphasis on K-12 education.

Team 3: A role for the Library of Congress in advancing STEM with and for both the private and public sector.

Team 4: An integrated program for greater Library of Congress focus on Latin America, Latino recruitment, and on Mexico in particular.

Team 5: An overall program for better serving and working with and for the Congress including—but reaching beyond—CRS and the Law Library.

Team 6: The international collections and programs of the Library of Congress, including acquisitions, overseas offices, and the World Digital Library.

Team 7: Outside collaborations and cost-sharing possibilities with other public and private institutions that do not involve inappropriate special favors for such partners.

Team 8: Viable long-term policies and procedures that can promise the continued acquisition of U.S. domestic creativity in all formats (within and beyond copyright deposit) to sustain LC's status as a unique intellectual and creative "national patrimony" of the American people.

Three overarching themes emerged from the discovery teams' recommendations. Three new Committees are now being formed to develop solutions in each area:

Committee 1: Mediation of Knowledge--will focus on innovative approaches for mentoring and critical skill set management to ensure the Library has the capability to translate/interpret our collection content for the Congress and American people.

Committee 2: Coherent and Accountable Digital Strategy--will focus on the Library-wide policy for acquisition and access for both the digital and analog collections along with the integration of the digital and the analog elements in both our internal operations and our external services.

Committee 3: Fresh Collaborations with Outside Organizations and Local Communities—will focus on energizing life-long learning across the entire continuum of current and potential Library patrons, especially K-12 (Civic Education, Teaching with Primary Sources) and advance basic values (Multi-culturalism, Rule of Universal Law, “What is the essence of democracy?”).

These committees will continue to represent the perspectives of the staff below the Executive Committee. Drafts of the Futures Program will be prepared in the Librarian’s Office, and revised when necessary by the Executive Committee.

In developing the Futures Program, in the months between March and August this year, key staff perspectives from the eight teams and three follow-on committees will be integrated as appropriate into two Library-wide reviews being conducted on a separate track by the Librarian’s Office.

The Deputy Librarian of Congress, Robert Dizard, is leading a technology review of the integration of the digital and the analog elements in both our internal operations and our external services. The technology review is developing recommendations for technologies related to the Library’s services to Congress and the nation that can be implemented in the course of the Futures Program. This important effort will help ensure that the Library will consider the technology options that can help us maintain a high level of performance and provide accessible services in this fast-changing environment.

The Chief of Support Operations, Lucy Suddreth, is leading a Capitol Hill space utilization and allocation review. This review is an initial assessment with suggested recommendations and general guidelines for space utilization within the Library’s three Capitol Hill buildings. This ad hoc committee will consider emerging trends in space utilization and allocation that support the Futures Program and the Library’s mission.

The final Futures Program aims to be completed by August 30 so that it can begin to be implemented in fiscal 2015. At every stage in the development of the Futures Plan, and of its subsequent implementation, the Librarian will discuss and revise as needed its projected plans with the Joint Committee on the Library of Congress, the two Subcommittees on Appropriations for the Legislative Branch and other Committees of the Congress as needed.

Question. How will or does this tie to the work of your Strategic Planning Office and your efforts in regards to the “Working Toward the Spirit of Government Performance and Results Modernization Act” (GPRAMA)?

Response: The Library’s Strategic Planning Office is facilitating the Futures Program. The results of the program will provide the Strategic Planning Office with the background necessary to coordinate the next phase. The committees’ work is intended to inform the next update of our Strategic Plan. Once the Strategic Plan is complete, we will use the Library’s Planning and

Budgeting framework, which is compliant with the spirit of the Government Performance and Results Modernization Act (GPRAMA) standards, to guide the implementation of the new Strategic Plan through annual planning and performance reporting to hold ourselves accountable to demonstrable results in all of the Library's programs.

Question. What do you envision as the return on investment of all of these efforts?

Response: The return on investment for these efforts is the creation of a clear roadmap for addressing key issues facing the Library and the development of better ways to fulfill the Library's historic service missions in the rapidly changing and unpredictable times that lie ahead.

In our increasingly knowledge-dependent world, having and sustaining the largest and most wide-ranging collection of both recorded human knowledge and of America's cultural and intellectual creativity is an incalculably great asset. We will be guided in determining how best to use it by asking two basic questions: (1) Is what we do important for America, not just for an institution? And (2) Is anyone else doing this as well or better than the Library of Congress? This roadmap of the Futures Program, along with our systematic Planning and Budgeting framework, will establish Library-wide objectives and related measurable targets for accomplishing the program's goals.

Question. Will you vet these findings with your entire management team?

Response: Executive Committee meetings are held to ensure the entire management team is kept abreast of the progress we are making and to provide feedback. Initially, in forming the discovery teams, and more recently as we form the new committees, I have invited the management team to offer committee member nominations. Transparency is essential for the success of the Futures Program.

FULL TIME EQUIVALENT (FTE) UTILIZATION

The Committee was able to provide additional funding to the Library in fiscal year 2014 of \$21.1 million or 3.8 percent over fiscal year 2013. Within this amount a little over \$13 million dollars was for partial restoration of the sequestration. In fiscal year, 2013 the Library's actual FTE utilization was 3,165 and your projected utilization for fiscal year 2014, the current fiscal year, is 3,746. This is an increase of 581, or 18 percent, increase in FTE utilization.

Question. Considering the final FY 2014 budget was not finalized until the middle of January of 2014, how is it that the Library can gear up so quickly to achieve an 18 percent FTE utilization increase with only nine months remaining in the fiscal year?

Response: The fiscal 2014 FTE value of 3,746 represents the Library's authorized FTE ceiling, not the projected FTE utilization. Budget cuts over the past four years have required the Library to realign resources to cover core program requirements. This realignment resulted in reduced funding in support of staff. As base funding in support of pay was reduced, no adjustment was made to the authorized FTE ceiling of 3,746.

With the delayed enactment of the fiscal 2014 budget, the Library projects the majority of new staff hiring to occur in the fourth quarter of fiscal 2014. This staffing increase will equate to usage of an additional 114 FTEs or an increase of 3.6%, bringing the estimated FTE staffing level in fiscal 2015 to 3,279. The Library will work with the Committee to identify unfunded FTEs by appropriation, and make the necessary adjustments to the authorized FTE ceiling.

SHARED SERVICES

Dr. Billington, the Library of Congress received funding in fiscal year 2014 of \$4.5 million dollars for cost associated with the migration of the Architect of the Capitol (AOC) financial data into the Legislative Branch Financial Management System (LBFMS) shared services environment. The funding also provided for the Library to migrate the shared services system to a more efficient external cloud computing service. It should be noted that the Legislative Branch will realize an average annual savings of \$1.9 million dollars from the AOC migration. This is similar to the savings from the migration of the Capitol Police which realized an annual savings of over \$2 million dollars.

At this time we have some questions for Jeff Page, your Chief Financial Officer.

Question. Jeff, would you give the Committee an update on the AOC migration?

Response: The Library posted a requisition on January 31 to reserve the \$4.5 million for the cloud migration, the financial system software upgrade, and the AOC migration, which will occur in this order. The requisition included an acquisition plan and a preliminary statement of work. On February 19, the Library and AOC held a kickoff meeting to begin planning for the migration. Our agencies have a core team that is meeting weekly to focus on 1) defining a detailed scope for the project; 2) refining the statement of work to incorporate the more detailed scope and implementation requirements for the overall project; and 3) developing the project management plan.

Developing a detailed project scope and accurate statement of work, in a collaborative effort involving both agencies (the Library and AOC) and our other legislative branch partners, is a critically important planning phase in implementing such a project and a best practice established in the successful migration of the USCP into the LBFMS. The statement of work will lay out essential details and requirements for performing the cloud migration, the software upgrade for the Library, and the AOC migration. It will become the roadmap for the entire project and define what success looks like at the end of the project for the integration contractor. In addition, the contract will protect the Legislative Branch if any disputes arise with the contractor as the contract is executed. In short, this phase of the project involves taking some time for the Library to do its due diligence, ensuring that the project roadmap is clear, specific, and accurate.

During this planning phase, the Library has also been working to develop a project management plan, which includes developing a project charter, identifying project stakeholders, reviewing lessons learned from past migration projects, and developing a communications plan. Developing the overall project management plan also includes work to refine the preliminary

project schedule developed as part of the AOC migration gap analysis. Based on our progress to date, we plan to have a task order awarded by no later than July 2014.

Question. What is the status of the migration to the external cloud?

Response: The cloud migration task has been included with the task order for the AOC migration, as the work is to be completed sequentially by the same vendor. Although writing the multi-phased project into a single statement of work adds complexity to the planning phase, it ultimately streamlines the overall administrative requirements for the Library and the participating legislative branch agencies. The migration to the cloud is similar in complexity to the AOC migration, as it requires several departments within the Library, in addition to the participating agencies, to be involved with planning and providing input to the statement of work. For example, we are working closely with the Library's Office of the Inspector General (OIG) to coordinate the migration schedule in order to address potential impacts on the financial statement and IT controls audit. We are also consulting with the Library's General Counsel to assess and address any potential risks in this new contractual area for the LBFMS. As a result, we are compiling comments from each department to be incorporated into the draft statement of work.

Since the cloud migration involves the transfer of our financial data to a new system, the financial statement audit will incur additional scrutiny to validate that balances were transferred accurately, which is another reason we are consulting closely with the OIG. Since this conversion adds some risk to the Library financial statement audit, we want to make sure that it is managed and verified properly so that we keep our unqualified audit opinion. Because of these complexities, although Library is still planning to execute the cloud migration in fiscal 2014, we must time the effort within a window that will not interfere with year-end budget execution, the closing of the fiscal 2014 books, or processing of fiscal 2014 financial reports. Due to these considerations and the estimated date of the task order award (by July 2014), the cloud migration effort will begin in fiscal 2014, but may not be completed until early fiscal 2015.

Question. Jeff as the Chair of the Legislative Branch Financial Managers Council (LBFMC), the Committee wants to know if the LBFMC has given any consideration to other shared services such as contracting, procurement, travel and/or Human Resources.

Response: Beyond pursuing synergies and efficiencies by implementing financial management systems shared services, the LBFMC has committed to identifying and developing plans to implement additional efficiencies and savings for the Legislative Branch by consolidating transaction processing (e.g., accounts payable, accounts receivable, financial systems administration, and financial reporting), eliminating services level overhead, and reducing further financial system audit costs. The LBFMC is currently developing a statement of work to add a travel system to the Legislative Branch financial system. The U.S. Capitol Police are leading this task. As part of a current gap analysis effort for migrating the GAO to the LBFMS, the LOC is reviewing requirements to perform expanded transaction processing for the GAO. This effort has inspired action on another of the LBFMC's longer term initiatives: establishing a legislative branch Center of Excellence (COE) for financial management. As the COE matures, adding other shared services such as procurement and HR shared services should be

contemplated as part of the continued effort to pursue legislative branch synergies and efficiencies.

Questions for the Record
Ranking Member Debbie Wasserman Schultz

COPYRIGHT

The U.S. is currently engaged in important negotiations with other countries which have substantive copyright components. As the federal entity with particular expertise in U.S. copyright law, the Copyright Office has an important role to serve in these negotiations.

Question. Does the office have the resources necessary to fully, effectively and consistently participate in these negotiations?

Response: No it does not. The Copyright Office is short on both staff and travel funds. As a result we participate in bilateral and multilateral negotiations, as well as important intergovernmental meetings, only on a case-by-case basis. For example, the Office has been unable to attend all of the relevant meetings of the Standing Committee on Copyright at the World Intellectual Property Organization in Geneva and has been unable to attend all of the trade negotiations pertaining to intellectual property in the Pacific Rim. This is unfortunate because the framework for copyright law has become largely if not primarily international in recent years and, in any case, the United States is in the midst of an extremely busy period of negotiations involving trade and treaty obligations. Other agencies rely upon the Copyright Office for its expertise in all areas of copyright law—the interpretation of domestic provisions and jurisprudence, foreign copyright laws, and international obligations.

I should clarify that the staffing shortage has affected a number of areas, including the ability to replace vacancies in our registration program and public information department. That said we have an especially acute shortage of seasoned lawyers—that is, the experienced legal experts who can participate in or lead complex discussions. This is doubly problematic now because the Congress is so substantively involved in domestic copyright policy (in a manner that has not been the case in many years) and is thus drawing heavily (and appropriately) on Copyright Office lawyers for studies, preparatory work and leadership. To this end, the ability to hire even a few additional lawyers would make a significant difference at this time.

Because of staffing shortages, the Register relies on a small group of people to carry out its law and policy activities. While dedicated, these lawyers are in an impossible situation trying to balance the Office's service to Congress, its service to the U.S. Trade Representative, Department of Commerce (and USPTO), and Department of Justice, and support of the many statutory and regulatory questions that stem from administering copyright registration and recordation, for example. Much of this legal work is time-sensitive or, in the case of negotiations, carries expectations of dedicated support and overseas travel.

Separate from staffing shortages, I would also note that the portfolios of Copyright Office lawyers have grown increasingly complex in recent years. Many lawyers are handling work that

is exceedingly important to the United States and which requires significant investments of time and effort over weekends and evenings. We also rely upon them to mentor and review the work of junior staff on a consistent basis. While this kind of work ethic is natural at the top of any legal organization, it is my view that the Copyright Office needs more senior level positions, both to attract qualified attorneys and to reflect the actual complexity and importance of the work being asked. I have discussed this observation with the Library and will continue to assess the situation.

Related to the staffing deficits described above, the Copyright Office is short on travel funds. Most copyright issues today involve international relations, not only in the context of formal negotiations but also for important meetings and professional conferences that require a United States presence. However, this is not only an international issue. The Office has many domestic duties, speaking to legal associations, state bars, and stakeholders and attending major conferences and meetings. Where possible, the Office seeks external funding to offset costs, but for ethics reasons this is not normally an option.

Questions for the Record
Representative Andy Harris

MASS DEACIDIFICATION PROGRAM

Dr. Billington has testified for more than two decades as to the critical importance of the mass deacidification program to the Library's mission, including at the Legislative Branch hearing on Wednesday, March 5, 2014. During the hearing, Library of Congress staff mentioned that the Library would like to cut the program by roughly 60% to 100,000 volumes per year, despite the Library's recognition that at least 3.7 million books remain to be deacidified. In FY 2014 testimony to the Subcommittee, Dr Billington stated further cuts to deacidification could jeopardize the viability of the contractor and the sustainability of the program.

Question. What policy changes took place within the Library of Congress to call for such a change to the mass deacidification program over the last year?

Response: No policy change occurred. A confluence of budget, collection storage, and inventory control restraints caused Library management to re-evaluate the trajectory of the program. Budget cuts over recent years have required that management take a stringent view of all programs and resources.

Question. Won't these changes increase costs for the Library and jeopardize the viability of the program? If the program is no longer viable, what is the Library's plan to address the preservation of the remaining 3.7 million books?

Response: The Library is budgeting \$4.9 million for fiscal 2015 deacidification activity. The proposed reduction in the number of volumes treated will result in higher unit costs; in addition, existing storage conditions and inventory control will limit the pace of work and contribute to rising costs. If continued deacidification of collections were not an option, the Library would

need to procure or lease additional Ft. Meade-like cold storage capacity, not an identical preservation solution but one that may be more cost effective. A study of Association of Research Libraries (ARL) deacidification practices suggests that the impact of reduced deacidification capacity on other research libraries would be limited. Only 15 out of the 87 research libraries surveyed currently use mass deacidification for bound volumes, and fewer use the technology for unbound materials. In 2012, the Library of Congress accounted for 96% of all volumes being deacidified.

Question. Is it possible to offset the costs of deacidification on new books that are printed on acidic paper that are given to the Library by requiring the Library to charge a fee for the cost of deacidification?

Response: The number of newly received acidic volumes is relatively low, less than 25,000 volumes per year. Currently the Library has no authority to charge a fee for deacidification costs. Most books received by the Library come through copyright deposits or purchase, not through gifts.

Question. Can you justify the urgency to redirect funds toward a new Brittle Books program, especially given the remaining 3.7 million books to be deacidified and Dr. Billington's testimony that FY 2015 funding is not intended for new programs?

Response: The Library is recommending a reduction in mass deacidification funding for several reasons. The Library has had a reformatting program since the 1930s that works almost exclusively on highly acidic newsprint materials that the Library does not retain in original form. The Library needs to expand the scope of this program to include endangered brittle books through digital technology. Over the last 12 years, the Library has passed over an estimated 2 million brittle books identified through the deacidification program for future reformatting, for which there has been no funding. That material cannot be deacidified. It is at a higher level of risk given that it is already embrittled and unusable without significant loss of content. The estimated 3.7 million books in the collection that could be deacidified are currently in useable condition.

Question. Obviously, it has been a long standing tradition that the Library of Congress provides materials to individuals free of charge. However, if materials are requested by foreign governments or the agents of foreign governments, would it be appropriate to consider charging those users a fee?

Response: The Library does charge non-U.S. institutions for interlibrary loan services. Currently the Library accepts loan book requests from foreign sources if they are accompanied by International Federal of Library Associations (IFLA) Vouchers, a payment option that was created to streamline international interlibrary loan processes. The charge for each book loan or microfilm request is three vouchers (US\$24); the charge for each photocopy of 25 or fewer exposures is two vouchers (US \$16).

WEDNESDAY, MARCH 5, 2014.

U.S. GOVERNMENT ACCOUNTABILITY OFFICE

WITNESSES

GENE L. DODARO, COMPTROLLER GENERAL OF THE UNITED STATES

Mr. COLE. We will bring the subcommittee to order.

Now we will hear from the Government Accountability Office (GAO). The GAO is requesting \$525 million for fiscal year 2015, an increase of \$19.7 million, or 3.9 percent above the fiscal year 2014 levels. For a return of \$100 for every dollar invested in GAO, we are thankful, quite frankly, for your agency's work. The subcommittee has seen firsthand the work you do while we were building the Capitol Visitor Center (CVC), continuing work on the Capitol Police radio modernization project, and, most recently, the Capitol Power Plant.

I want to welcome Mr. Gene Dodaro, the Comptroller General of the United States, back to the committee. We look forward to hearing your testimony.

Ms. Wasserman Schultz, do you have anything you would like to say as an opening statement?

Ms. WASSERMAN SCHULTZ. Just briefly, Mr. Chairman.

Also welcome back, Mr. Dodaro. The thing that concerns me the most is that your agency is responsible for accountability, for ferreting out waste and fraud. You do that very well. The Chairman referenced that you were an incredible partner for this subcommittee when we were trying to bring the CVC in for a landing and stop the cost overruns and the missing of deadlines. So the sequester cuts, which were indiscriminate for your agency in particular, resulted in penny wise and pound foolish decisions. So I am hopeful that we can focus on rebuilding the GAO so you can recover and do your job as well as you always do, not to suggest that you have not, but without forcing you to do it with one hand tied behind your back.

So just, Mr. Chairman, that is really all I wanted to say. We have a number of other things that we have to get through today, so I appreciate the opportunity. Thank you.

Mr. COLE. You bet.

Mr. Dodaro, your entire statement will be made a part of the record. At this point, please summarize your statement, highlight the accomplishments of the GAO, and whatever other points you want to make. Good to have you here.

GOVERNMENT ACCOUNTABILITY OFFICE RESULTS

Mr. DODARO. Thank you very much, Mr. Chairman. It is good to see you all this morning. Ranking Member Wasserman Schultz, Congressman Harris, Congressman Moran, good morning.

First, I just want to say thank you to the subcommittee for your support with our mark for 2014. I was very pleased with that, and it shows a lot of trust and confidence in the GAO. I believe we have returned on that investment. Mr. Chairman, as you mentioned, we returned in financial benefits to the government over \$51 billion last year, which is the \$100-to-1 return on investment that you mentioned. In addition, I might add that figure doesn't include the billions of dollars that our work supported in helping offset the sequester in the 2014 Omnibus Appropriations Act that was just passed. Our work on the Aviation Security Fees, the Strategic Petroleum Reserve, and raising the premiums on the Pension Benefit Guaranty Corporation (PBGC) program, which is on our high-risk list all helped offset the sequester.

We also have a lot of benefits that aren't able to be quantified. Last year we had over 1,300 other improvements in government programs, and activities, such as public health and safety issues. I am very proud of that record, and we will continue to make sure that we provide returns, both financial and nonfinancial, to the Federal Government.

Looking forward in 2014, with the support that you have provided us, we are continuing our efforts to rebuild the capacity of GAO. We are trying to restore some of the staff that we lost. We had a 15 percent cut between 2010 and 2013. We will be able to gain back a substantial portion of that staff with the 2014 budget. We are hard at work trying to do that.

GAO FY 2015 REQUEST

The request that we make for fiscal year 2015 is basically to sustain the increase in staff capacity that we will be able to achieve in 2014 and to make some modest increases in our aging IT infrastructure and our building systems. Our building is about 60 years old, and so it needs some attending to. We have deferred including many of these areas over the past few years as we have dealt with the cuts from the sequester.

With the mark we requested for 2015, we will be staying level at an FTE level of about 2,945. Last year we were at 2,849 FTE, which, as I mentioned last year, is the lowest level we have been at since 1935. So we are very appreciative of getting back to the 2,945 mark. Ultimately I believe the optimal level is at 3,250 for GAO, but recognizing the constraint that the Congress is operating under at this point, I am not requesting funds for that. I just want to maintain the capacity that we will be able to build back in 2014 for next year. I think we will be able to do that and meet the highest-priority needs of the Congress.

Our work is requested by 95 percent of the standing committees of the Congress and about two-thirds of the subcommittees, so we have a broad footprint across the Congress. I have done outreach and met with many Chair and Ranking Members of the Committees across the Congress to make sure that we are providing support and meeting their highest-priority needs. With your support, we will be able to continue to do that.

So thank you very much. I would be happy to answer whatever questions you have.

Mr. COLE. Well, thank you very much.

[The prepared statement of Mr. Dodaro follows:]

United States Government Accountability Office

GAO

**Testimony
Before the Subcommittee on Legislative
Branch, Committee on Appropriations,
U.S. House of Representatives**

For Release on Delivery
Expected at 11:00 a.m. EST
Wednesday, March 5, 2014

**FISCAL YEAR 2015
BUDGET REQUEST**

**U.S. GOVERNMENT
ACCOUNTABILITY
OFFICE**

Gene L. Dodaro
Comptroller General of the United States



Highlights

Highlights of GAO-14-407, a testimony before the Subcommittee on Legislative Branch, Committee on Appropriations, U.S. House of Representatives.

Background

GAO's mission is to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the benefit of the American people. GAO provides nonpartisan, objective, and reliable information to Congress, federal agencies, and to the public and recommends improvements, when appropriate, across the full breadth and scope of the federal government's responsibilities.

GAO's work supports a broad range of interests throughout Congress. In FY 2013, GAO received requests for our work from 35 percent of the standing committees of Congress and almost two-thirds of their subcommittees. Additionally, senior GAO officials testified at 114 hearings on national and international issues, before 93 committees and subcommittees. Our focus is virtually all major Federal Agencies.

GAO remains one of the best investments in the federal government and GAO's dedicated staff continue to deliver high quality results. In FY 2013 alone, GAO's work resulted in about \$1.5 billion in financial benefits as a result of about \$700 for every dollar invested in GAO. Over FY 2009, GAO's work has resulted in:

- over 16 billion dollars in financial benefits, and
- about 14,000 programs and operational benefits that helped to change laws, improve public services, and promote sound management throughout government.

GAO is requesting a budget of \$525.1 million to preserve its staff capacity and continue critical information technology and building infrastructure investments.

View GAO-14-407. For more information, contact Gene L. Dodaro at (301) 512-2000 or gened@gao.gov.

March 5, 2014

U.S. GOVERNMENT ACCOUNTABILITY OFFICE

Fiscal Year 2015 Budget Request

GAO's fiscal year (FY) 2015 budget request of \$525.1 million seeks an increase of 3.9 percent to maintain staff capacity as well as continue necessary maintenance and improvements to our information technology (IT) and building infrastructure. Additionally, receipts and reimbursements, primarily from program and financial audits, and rental income, totaling \$30.9 million are expected in FY 2015.

GAO recently issued our draft Strategic Plan for Serving Congress in FYs 2014-2019. The plan outlines our proposed goals and strategies for supporting Congress's top priority. I also have met with the Chairs and Ranking Members of many of the standing committees and their subcommittees to hear firsthand feedback on our performance, as well as prioritize requests for our services to maximize the return on investment.

In order to address Congressional priorities, and fulfill GAO's mission, a talented, diverse, high-performing, knowledgeable workforce is essential. Workforce and succession planning remain a priority for GAO. A significant proportion of our employees are currently retirement eligible, including 34 percent of our executive leadership and 21 percent of our supervisory analysts.

In 2014, through a targeted recruiting strategy to address critical skills gaps, GAO plans to boost our employment level for the first time in 3 years to 2,945 Full Time Equivalents (FTE). The requested FY 2015 funding level will preserve strides planned for FY 2014 to increase our staff capacity. In conjunction with the ongoing recruiting efforts and planning, we will revive our intern program and hire and train an increased number of entry level employees. This will reverse the downward staffing trajectory, develop a talented cadre of analyst and leaders for the future, achieve progress in reaching an optimal FTE level of 3,250 FTE, and assist GAO in meeting the high priority needs of Congress.

We also take great pride in reporting that we continue to be recognized as an employer of choice, and have been consistently ranked near the top on "best places to work" lists.

Improvements to our aging IT infrastructure will allow GAO to further streamline business operations, increase staff efficiency and productivity, as well as improve access to information. Planned investments in IT will address deferred upgrades and enhance our technology infrastructure to support an array of engagement management, human capital, and financial management systems.

We also plan to continue upgrading aging building systems to ensure more efficient operations and security. Areas of focus include, increasing the energy efficiency and reliability of the heating, ventilation, and air conditioning system; enhancing continuity planning and emergency preparedness capabilities; and addressing bomb blast impact mitigation efforts.

United States Government Accountability Office

Chairman Cole, Ranking Member Wasserman-Schultz, and Members of the Subcommittee:

On behalf of the U.S. Government Accountability Office (GAO), I appreciate the opportunity to discuss our fiscal year (FY) 2015 budget request. I also want to thank the subcommittee for its continued support of GAO and the confidence you have shown in our efforts to help support the Congress.

With Congress's support, our FY 2014 funding will allow GAO to increase its staff capacity to 2,945 full-time equivalents (FTE). This level reverses a downward FTE trajectory and allows us to make progress towards our optimal FTE level of 3,250.

GAO's FY 2015 budget request of \$525.1 million represents an increase of 3.9 percent that will preserve the 2,945 FTE level planned for FY 2014, as well as allow for needed maintenance and improvements to our information technology (IT) and building infrastructures. This will ensure we have the staff capacity to support Congress in carrying out its responsibilities and oversight.

Assisting Congress and the Nation

GAO remains one of the best investments in the federal government, and our dedicated staff continues to deliver high quality results. In FY 2013 alone, GAO provided services that spanned the broad range of federal programs and activities. We received requests for our work from 95 percent of the standing committees of Congress and almost two-thirds of their subcommittees. We reviewed a wide range of government programs and operations including those that are at high risk for fraud, waste, abuse, and mismanagement. GAO also reviewed agencies' budgets as requested to help support congressional decision-making.

Last year, our work yielded significant results across the government, including \$51.5 billion in financial benefits—a return of about \$100 for every dollar invested in GAO. Also, in FY 2013, we issued 709 reports and made 1,430 new recommendations. The findings of our work were often cited in House and Senate deliberations and committee reports to support congressional action, including improving federal programs on our High Risk list; addressing overlap, duplication, and fragmentation; and assessing defense, border security and immigration issues. Our findings also supported the Bipartisan Budget Act of 2013, in areas such as aviation security fees, unemployment insurance, improper payments to inmates, the strategic petroleum reserve, and the contractor compensation cap.

Senior GAO officials also provided testimony 114 times before 60 Committees or Subcommittees on a wide range of issues that touched virtually all major federal agencies. A list of selected topics addressed is included in Appendix I.

Financial Benefits

GAO's findings and recommendations produce measurable financial benefits through Congressional action or agency implementation. Examples of FY 2013 financial benefits resulting from congressional or federal agency implementation of GAO recommendations include:

- **\$8.7 billion from reducing procurement quantities of the Joint Strike Fighter Program:** DOD decreased near-term procurement quantities in three successive budget submissions to lessen concurrency and the associated cost risks in light of our numerous recommendations citing the F-35 Joint Strike Fighter program's very aggressive and risky acquisition strategy, including substantial overlap among development, testing, and production activities.
- **\$2.6 billion from revising the approach for the Navy's Next Generation Enterprise Network (NGEN) Acquisition:** Our recommendations led Navy to revise its NGEN acquisition strategy—which was riskier and potentially costlier than other alternatives identified due to a higher number of contractual relationships—thus significantly reducing program costs between 2013 and 2017.
- **\$2.5 billion from eliminating seller-funded payment assistance for FHA-insured mortgages:** The Department of Housing and Urban Development and Congress took steps to prohibit seller-funded down payment assistance, citing our findings that losses associated with those loans had substantially higher delinquency and insurance claim rates than similar loans without such assistance, and were contributing to the Federal Housing Administration's deteriorating financial performance.
- **\$2.3 billion from consolidating U.S. Forces stationed in Europe:** DOD removed two brigade combat teams and support units from Europe, allowing it to further consolidate and close facilities, based in part on our work showing significant costs related to maintaining permanent Army forces in Europe and our recommendations that DOD identify alternatives that might lead to savings.
- **\$1.3 billion through improved tax compliance:** Our recommendations on the use of information reporting to reduce the tax gap contributed to legislation requiring banks and others to report income that merchants receive through credit cards, third-party networks, and other means to help IRS verify information reported on merchants' income tax returns. The estimated increased revenue through improved tax compliance is expected over the provision's first 3 fiscal years.

GAO has generated recommendations that save resources, increase government revenue, improve the accountability, operations, and services of government agencies, increase the effectiveness of federal spending as well as provide other benefits. Since FY 2003, GAO's work has resulted in substantial financial and other benefits for the American people, including:

- over ½ trillion dollars in financial benefits;
- about 14,500 program and operational benefits that helped to change laws, improve public services, and promote sound management throughout government; and
- about 12,000 reports, testimony, and other GAO products that included over 22,000 recommendations.

Program and Operational Benefits

In FY 2013, GAO also contributed to 1,314 program and operational benefits that helped to change laws, improve public services, and promote sound management throughout government. Thirty six percent of these benefits are related to business process and management, 31 percent are related to public safety and security, 17 percent are related to program efficiency and effectiveness, 8 percent are related to acquisition and contract management, 5 percent are related to public insurance and benefits, and 3 percent are related to tax law administration. Examples include:

- enhancing coordination between DOD and the Social Security Administration (SSA) on the more timely delivery of military medical records through electronic transfer;
- improving Veterans Affairs (VA) oversight of its medical equipment and supply purchasing;
- increasing collaboration between the Army and Veterans Affairs through a joint working group to improve management of military cemeteries and help eliminate burial errors and other past problems;
- updating Federal Emergency Management Administration (FEMA) National Flood Insurance Program contract monitoring policies to reduce the likelihood that contractor performance problems would go unnoticed; and
- establishing National Oceanic and Atmospheric Administration policies outlining the processes, roles and responsibilities for transitioning tsunami research into operations at tsunami warning centers.

Overlap, Duplication, and Fragmentation

In FY 2013 GAO issued its third annual report on overlap, duplication, and fragmentation. In it, we identified 31 new areas where agencies may be able to achieve greater efficiency or effectiveness. Within these 31 areas, we identified 81 actions that the executive branch and Congress could take to reduce fragmentation, overlap, and duplication, as well as other cost savings and revenue enhancement opportunities. This work identifies opportunities for the federal government to save billions of dollars.

We also maintain a scorecard and action tracker on our external website where Congress, federal agencies, and the public can monitor progress in addressing our findings. Federal agencies and Congress have made some progress in addressing the 131 areas we identified and taking the 300 actions that we recommended in our 2011 and 2012 reports.

High Risk Programs

In February 2013 GAO issued the biennial update of our High Risk report, which focuses attention on government operations that are at high risk of fraud, waste, abuse, and mismanagement, or need transformation to address economy, efficiency, or effectiveness challenges. This report, which will be updated in 2015, offers solutions to 30 identified high-risk problems and the potential to save billions of dollars, improve service to the public, and strengthen the performance and accountability of the U.S. government. Our 2013 High Risk

work produced 164 reports, 35 testimonies, \$17 billion in financial benefits, and 411 program and operational benefits.

The major cross-cutting High Risk program areas identified as of September 2013 range from transforming DOD program management and managing federal contracting more effectively, to assessing the efficiency and effectiveness of tax law administration and modernizing and safeguarding insurance and benefit programs.

The complete list of high-risk areas is shown on Appendix II. Details on each high risk area can be found at <http://www.gao.gov/highrisk/overview>.

Electronic Protest Docketing System

GAO's FY 2014 budget request sought statutory authority for a new electronic docketing system to be funded by a filing fee collected from companies filing bid protests. The sole purpose of the filing fee would be to offset the cost of developing, implementing, and maintaining the system. We appreciate that the Consolidated Appropriations Act, 2014, directed GAO to develop an electronic filing and document dissemination system under which persons may electronically file bid protests and documents may be electronically disseminated to the parties. GAO is making progress in establishing the electronic protest docketing system. We have convened an interdisciplinary team of experts within GAO to examine matters such as technical requirements, the potential for commercially available systems, fee structure, cost-benefit analysis, and outreach to stakeholders, including representatives from the small business community. GAO will be reporting regularly to the House and Senate Committees on Appropriations on its progress in implementing the system.

Watchdog Website

In September 2013, GAO launched the Watchdog website, which provides information exclusively to Members and congressional staff through the House and Senate intranets. The new site is designed to provide a more interactive interface for Members and their staff to request our assistance and to access our ongoing work. In addition, Watchdog can help users quickly find GAO's issued reports and legal decisions as well as key contact information.

Strategic Plan for Serving Congress

In December 2013, Members and their staff were invited to comment on our draft Strategic Plan for Serving Congress in FYs 2014-2019. The draft plan was issued in February 2014 and outlines our proposed goals and strategies for supporting Congress's top priorities. Our strategic plan framework (Appendix III) summarizes the global trends, as well as the strategic goals and objectives that guide our work. GAO's strategic goals and objectives are shown in Figure 1.

Figure 1: GAO Strategic Goals and Objectives – FY 2014 through FY 2019

Goals	Objectives
Provide Timely, Quality Service to Congress and the Federal Government to Address Current and Emerging Challenges to the Well-Being and Financial Security of the American People related to . . .	<ul style="list-style-type: none"> • <i>Healthcare needs</i> • <i>Lifelong learning</i> • <i>Benefits and protections for workers, families and children</i> • <i>Financial security</i> • <i>Effective system of justice</i> • <i>Viable communities</i> • <i>Stable financial system</i> • <i>consumer protection</i> • <i>Stewardship of natural resources</i> • <i>the environment</i> • <i>Infrastructure</i>
. . . Respond to Changing Security Threats and the Challenges of Global Interdependence involving . . .	<ul style="list-style-type: none"> • <i>Homeland security</i> • <i>Military capabilities</i> • <i>readiness</i> • <i>U.S. foreign policy interests</i> • <i>Global market forces</i>
Help Transform the Federal Government to Address National Challenges by assessing . . .	<ul style="list-style-type: none"> • <i>The government's fiscal position and outlining options for closing the fiscal gap</i> • <i>Fraud, waste, and abuse</i> • <i>Major management challenges and program risks</i>
Maximize the Value of GAO by Enabling Quality, Timely Service to Congress and Being a Leading Practices Federal Agency in the areas of . . .	<ul style="list-style-type: none"> • <i>Efficiency, effectiveness, and quality</i> • <i>Diverse and inclusive work environment</i> • <i>Professional networks</i> • <i>collaboration</i> • <i>Institutional stewardship</i> • <i>resource management</i>

The draft strategic plan also summarizes the trends shaping the United States and its place in the world. The plan reflects the areas of work we plan to undertake, including science and technology, weapons systems, the environment, and energy. We also will increase collaboration with other national audit offices to get a better handle on global issues that directly affect the United States, including international financial markets; food safety; and medical and pharmaceutical products. These trends include:

- U.S. National Security Interests;
- Fiscal Sustainability and Challenges;
- Global Interdependence and Multinational Cooperation;
- Science and Technology;
- Communication Networks and Information Technology;
- Shifting Roles in Governance and Government; and
- Demographic and Societal Changes.

In the upcoming decade, for example, the US will face demographic changes that will have significant fiscal impacts both on the federal budget and the economy. The number of baby boomers turning 65 is projected to grow from an average of about 7,600 per day in 2011, to more than 11,600 per day in 2025, driving spending for major health and retirement programs.

To ensure the updated strategic plan reflects the needs of Congress and the nation, we have solicited comments from stakeholders in addition to Congress, including GAO advisory entities, the Congressional Budget Office, and the Congressional Research Service.

Managing Workload by Focusing Resources on Congressional Priorities

To manage our congressional workload, we continue to take steps to ensure our work supports congressional legislative and oversight priorities and focuses on areas where there is the greatest potential for results such as cost savings and improved government performance. Ways that we actively work with congressional committees in advance of new statutory mandates¹ include 1) identifying mandates real time as bills are introduced; 2) participating in ongoing discussions with congressional staff; and 3) collaborating to ensure that the work is properly scoped and is consistent with the committee's highest priorities.

In FY 2013, 35 percent of our audit resources were devoted to mandates and 61 percent to congressional requests. I have met with the chairs and ranking members of many of the standing committees and their subcommittees to hear firsthand feedback on our performance, as well as highlight the need to prioritize requests for our services to maximize the return on investment.

Repeal or Revision of Mandates

GAO also appreciates Congress's assistance in repealing or revising statutory mandates that are either outdated or need to be revised. This helps streamline GAO's workload and ensure we are better able to meet current congressional priorities. During the second session of the 112th Congress, based on our input, 16 of GAO's mandated reporting requirements were revised or repealed because over time they had lost relevance or usefulness. In addition, GAO worked with responsible committees to have 6 more mandates repealed or revised as part of the 2014 National Defense Authorization Act.

GAO has identified 11 additional mandates for revision or repeal and is currently working with the appropriate committees to implement these changes. For example, our request includes language to repeal a requirement for GAO to conduct bimonthly reviews of state and local use of Recovery Act funds. As the vast majority of Recovery Act funds have been spent, GAO's reviews in this area are providing diminishing returns for Congress.

Promoting Good Governance and Accountability

GAO is seeking authority to establish a Center for Audit Excellence to improve domestic and international auditing capabilities. The Center also will provide an important tool for promoting

¹ Congressional mandates include requirements directed by statutes, congressional resolutions, conference reports, and committee reports.

good governance, transparency and accountability. There is a worldwide demand for an organization with GAO's expertise and stature to assume a greater leadership role in developing institutional capacity in other audit offices and provide training and technical assistance throughout the domestic and international auditing communities. The proposed Center would operate on a fee-basis, generating revenue to sustain its ongoing operation, including the cost of personnel and instructors. The Center would be primarily staffed with retired GAO and other auditors, and thus, would not detract from or impact the service GAO provides to Congress.

In a similar vein, to provide staff from other federal agencies with developmental experiences, GAO is requesting authority to accept staff from other agencies on a non-reimbursable basis, who can learn about GAO's work. This would allow people to develop expertise and gain experience that will enhance their work at their own agencies.

GAO Recognized as One of the "Best Places to Work"

We take great pride in reporting that we continue to be recognized as an employer of choice, and have been consistently ranked near the top on "best places to work" lists. In 2013, we ranked third overall among mid-sized federal agencies on the Partnership for Public Service's "Best Places to Work" list, and again ranked number one in our support of diversity. Also, in November 2013, *Washingtonian Magazine* named us as one of the "50 Great Places to Work" in the Washington, D.C. region among public or private entities.

In addition, earlier this year, O.C. Tanner, a company that develops employee recognition programs, cited us in its article, "Top 10 Coolest Companies to Work for in Washington, D.C." Our management continues to work with our union (IFPTE, Local 1921), the Employee Advisory Council, and the Diversity Advisory Council to make GAO a preferred place to work.

Fiscal Year 2015 Requirements

GAO's FY 2015 budget request will preserve staff capacity and continue critical infrastructure investments. Offsetting receipts and reimbursements primarily from program and financial audits and rental income totaling \$30.9 million are expected in FY 2015. The requested resources provide the funds necessary to ensure that GAO can meet the highest priority needs of Congress and produce results to help the federal government deal effectively with its serious fiscal and other challenges. A summary of GAO's appropriations for our FY 2010 baseline and FYs 2013 to 2015 is shown in Figure 2.

Figure 2: FY 2010 Baseline and FY 2013 to FY 2015 Summary of Resources (dollars in thousands)

Funding Source	Fiscal Year 2010 Actual		Fiscal Year 2013 Actual		Fiscal Year 2014 Estimated		Fiscal Year 2015 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Salaries and Expenses Appropriation		\$556,325		\$479,407		\$505,383		\$525,116
Non-legislative-branch appropriation		21,604		345		70		-
Reimbursements		10,214		13,450		10,980		6,700
Offsetting receipts		10,892		25,922		26,950		23,750
Did protest user fees		-		-		-		450
Total budget authority	3,347	\$599,235	2,849	\$519,134	2,945	\$543,383	2,945	\$556,016

Staff Capacity

The requested funding supports a staffing level of 2,945 FTEs, and provides funding for mandatory pay costs, staff recognition and benefits programs, and activities to support congressional engagements and operations. These funds are essential to ensure GAO can address succession planning challenges, provide staff meaningful benefits and appropriate resources, and compete with other agencies, nonprofit institutions, and private firms who offer these benefits to the talent GAO seeks.

In order to address the priorities of Congress, GAO needs a talented, diverse, high-performing, knowledgeable workforce. However, a significant proportion of our employees are currently retirement eligible, including 34 percent of our executive leadership and 21 percent of our supervisory analysts. Therefore, workforce and succession planning remain a priority for GAO.

Moreover, for the first time in several years our budget allows us to replenish the much needed pipeline of entry level and experienced analysts to meet future workload challenges. In FY 2014, through a targeted recruiting GAO plans to hire entry-level staff and student interns, boosting our staff capacity for the first time in 3 years to 2,945 FTE. This will allow GAO to reverse the downward trend in our FTEs and achieve some progress in reaching our optimal staffing level of 3,250 FTE, and develop a talent pool for the future.

Our FY 2015 budget request seeks funding to maintain the 2,945 FTE level. In FY 2015, pending final OPM guidance, we also plan to implement a phased retirement program to incentivize potential retirement eligible staff to remain with GAO and assist in mentoring and sharing knowledge with staff.

Improving Internal Operations

Efforts to address challenges related to GAO's internal operations primarily relate to our engagement efficiency, information technology and building infrastructure needs.

- **Engagement Efficiency**

To better serve Congress and the public, we expanded our presence in digital and social media, releasing GAO iPhone and Android applications, and launching streaming video web chats with the public. During the past year, 7,600 additional people began receiving our reports and legal decisions through our Twitter feed. More than 26,600 people now get our reports, testimonies, and legal decisions daily on Twitter.

GAO remains focused on improving the efficiency of our engagements through streamlining or standardizing processes without sacrificing quality. In FYs 2012 and 2013, we continued our improvements in this area. For example, with active involvement from GAO's managing directors, we identified changes to key steps and decision points in our engagement process and now have a revised engagement process that we began implementing on a pilot basis in January 2014. We also piloted and revised a tool to help teams better estimate expected staff days required for engagements. In FY 2014, we plan to implement a series of process changes that will transform the management of engagements, the use of resources, and message communication.

- **More Efficient Content Creation, Review, and Publication**

GAO will strive to dramatically improve the efficiency of our content creation and management processes by standardizing, automating, and streamlining the currently cumbersome and manually intensive processes for creating, fact-checking, and publishing GAO products. In FY 2014, we plan to request proposals to acquire a technical solution and phase implementation in FYs 2014 and 2015. The proposed system will automate document routing and approvals, incorporate management and quality assurance steps, and generate required documentation. To ensure our message is available to both our clients and the public, the proposed system capability will also enable GAO to routinely publish content on GAO.gov, GAO's mobile site, and various social media platforms.

- **Greater Transparency of Engagement Information**

To promote transparency, increase management capabilities, and reduce duplicate data entry and costs, in FY 2014 GAO will begin implementing a modernized, one-stop engagement management system. This system automates key business rules and decision points, improves resource management, eliminates rework, and provides increased visibility for all participants. In FY 2015, we will retire legacy databases as the new system becomes fully operational.

- **Infrastructure Improvements**

The FY 2015 budget also provides funds to maintain our information technology (IT) systems, which are a critical element in our goal to maintain efficient and effective business operations and to provide the data needed to inform timely management decisions. Improvements to our aging IT infrastructure will allow GAO to further streamline business operations, reduce redundant efforts, increase staff efficiency and productivity, improve access to information, and enhance our technology infrastructure to support an array of engagement management, human capital, and financial management systems.

GAO also plans to continue upgrading aging building systems to ensure more efficient operations and security. To support these requirements our FY 2015 budget request includes resources to:

- begin upgrading the heating, ventilation, and air conditioning system to increase energy efficiency and reliability;
- repair items identified in our long-range asset management plan, such as the water heater, chiller plant, and cooling fans;
- enhance continuity planning and emergency preparedness capabilities; and
- address bomb blast impact mitigation efforts.

Concluding Remarks

In conclusion, GAO values the opportunity to provide Congress and the nation with timely, insightful analysis. The FY 2015 budget requests the resources to ensure that we can continue to address the highest priorities of Congress.

Our request seeks an increase to maintain our staffing level and provide employees with the appropriate resources and support needed to effectively serve Congress. The funding level will also allow us to continue efforts to promote operational efficiency, and begin addressing long-deferred investments and maintenance.

This concludes my prepared statement. I appreciate, as always, your continued support and careful consideration of our budget. I look forward to discussing our FY 2015 request with you.

Appendix I: Selected Testimony Topics for FY 2013, by Strategic Goal

Goal 1: *Address Current and Emerging Challenges to the Well-being and financial Security of the American People*

- Processing Veterans' Disability Benefits
- Science, Technology, Engineering, and Mathematics Education
- Social Security Administration Management
- School Lunch Nutrition Standards
- Medicare and Medicaid High Risk Update
- Export-Import Bank Management and Reporting
- Veteran-owned Small Businesses
- Patient Protection and Affordable Care Act
- Water Infrastructure
- Medicare Highest-Expenditure Part B Drugs
- Community Bank Failures: Causes and Consequences
- Transportation Issues and Management
- Federal Real Property Management
- U.S. Postal Service Financial Viability
- Private Pensions Multiemployer Plans and PBGC
- Chemical Regulation
- California High Speed Passenger Rail
- Federal Courthouse Construction

Goal 2: *Respond to Changing Security Threats and the Challenges of Global Interdependence*

- Intellectual Property: Effect of Counterfeited and Pirated Goods on U.S. Economy
- State Department: Diplomatic Security Challenges
- DOD's POW/MIA Mission and Challenges
- Personnel Security Clearances
- DHS at 10 Years: Progress and Remaining Work
- TSA Oversight of Alleged Misconduct
- DHS's Overstay Enforcement Efforts
- DOD Security Cooperation and Capacity Building
- Trade Adjustment Assistance for Manufacturers and Service Firms
- Naval Acquisition Risks: Littoral Combat Ship
- Strategic Sourcing Potential Savings
- DOD Acquisition Risks: F-35 Joint Strike Fighter
- Modernizing the Nuclear Security Enterprise
- Border Security Goals, Measures, and Resources

Goal 3: *Help Transform the Federal Government to Address National Challenges*

- Need for Federal IT Efficiency Implementation Initiatives
- Need to Improve National Cybersecurity Strategy
- Weaknesses in OPM IT Management and Incremental Improvements
- Financial Performance and Management Challenges
- GAO's 2013 High-Risk Series Update
- VA and DOD Sharing of Electronic Health Records
- Improved Mitigation Strategies Needed for Environmental Satellite Coverage Gaps
- Unknown Extent of Refund Fraud Using Stolen Identities
- Progress Made by DHS in Addressing High-Risk Issues
- Need to Eliminate Duplicative IT Investments

Additional information on selected testimonies can be found in Part II of the 2013 Performance and Accountability Report at: <http://www.gao.gov/products/GAO-14-2SP>

Appendix II: GAO's 2013 High Risk List

Strengthening the Foundation for Efficiency and Effectiveness

- Limiting the Federal Government's Fiscal Exposure by Better Managing Climate Change Risks (*new*)
- Management of Federal Oil and Gas Resources
- Modernizing the U.S. Financial Regulatory System and Federal Role in Housing Finance
- Restructuring the U.S. Postal Service to Achieve Sustainable Financial Viability
- Funding the Nation's Surface Transportation System
- Strategic Human Capital Management
- Managing Federal Real Property

Transforming DOD Program Management

- DOD Approach to Business Transformation
- DOD Business Systems Modernization
- DOD Support Infrastructure Management
- DOD Financial Management
- DOD Supply Chain Management
- DOD Weapon Systems Acquisition

Ensuring Public Safety and Security

- Mitigating Gaps in Weather Satellite Data (*new*)
- Strengthening Department of Homeland Security Management Functions
- Establishing Effective Mechanisms for Sharing and Managing Terrorism-Related Information to Protect the Homeland
- Protecting the Federal Government's Information Systems and the Nation's Cyber Critical Infrastructures
- Ensuring the Effective Protection of Technologies Critical to U.S. National Security Interests
- Revamping Federal Oversight of Food Safety
- Protecting Public Health through Enhanced Oversight of Medical Products
- Transforming EPA's Processes for Assessing and Controlling Toxic Chemicals

Managing Federal Contracting More Effectively

- DOD Contract Management
- DOE's Contract Management for the National Nuclear Security Administration & Office of Environmental Management
- NASA Acquisition Management

Assessing the Efficiency and Effectiveness of Tax Law Administration

- Enforcement of Tax Laws

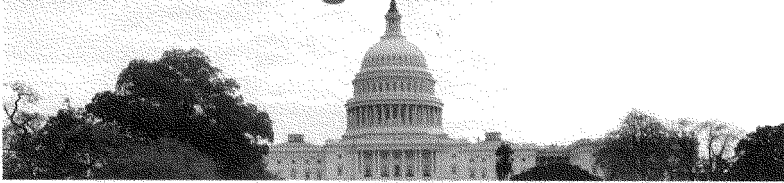
Modernizing and Safeguarding Insurance and Benefit Programs

- Improving and Modernizing Federal Disability Programs
- Pension Benefit Guaranty Corporation Insurance Programs
- Medicare Program
- Medicaid Program
- National Flood Insurance Program

Source: GAO

Appendix III: GAO's Strategic Plan Framework

Serving the Congress and the Nation GAO's Strategic Plan Framework



MISSION

GAO exists to support the Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people.

Trends Shaping the United States and Its Place in the World

National Security Trends	Fiscal Sustainability and Debt Challenges	Global Interdependence	Science and Technology Trends	Communications Networks and Information Technologies	Shifts in Governance and Government	Demographic and Societal Change
Goals			Objectives			
<p>Provide Timely, Quality Service to the Congress and the Federal Government to...</p> <p>Address Current and Emerging Challenges to the Well-being and Financial Security of the American People related to...</p>			<ul style="list-style-type: none"> ▣ Health care needs ▣ Lifelong learning ▣ Challenges facing an aging population ▣ Effective system of justice ▣ Housing finance and viable communities 	<ul style="list-style-type: none"> ▣ Stable financial system and consumer protection ▣ Natural resources and the environment ▣ National infrastructure ▣ Benefits and protections for workers, families, and children 		
<p>Respond to Changing Security Threats and the Challenges of Global Interdependence involving...</p>			<ul style="list-style-type: none"> ▣ Homeland security ▣ Military capabilities and readiness 	<ul style="list-style-type: none"> ▣ Foreign policy and international economic interests 		
<p>Help Transform the Federal Government to Address National Challenges by assessing...</p>			<ul style="list-style-type: none"> ▣ Government's fiscal position and approaches to address current and projected fiscal gaps ▣ Federal government audit and internal control standards 	<ul style="list-style-type: none"> ▣ Major management challenges and program risks ▣ Fraud, waste, and abuse, and improvements in internal controls 		
<p>Maximize the Value of GAO by Enabling Quality, Timely Service to the Congress and Being a Leading Practices Federal Agency by focusing on...</p>			<ul style="list-style-type: none"> ▣ Efficiency, effectiveness, and quality ▣ Diverse workforce and inclusive work environment 	<ul style="list-style-type: none"> ▣ Networks, collaborations and partnerships ▣ Human, information, fiscal, technological, and physical resources 		

CORE VALUES

Accountability	Integrity	Reliability
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Source: GAO.

GAO Strategic Plan 2014-2018

PROPOSED CENTER FOR AUDIT EXCELLENCE

Mr. COLE. And let me just state for the record that every encounter I have had with the GAO has been a good one, particularly on the Appropriations staff. But across the board, the people that I have had the privilege to work with on Defense, or on Interior, or on various other subcommittees have always just brought so much to the table, been an incredible value for us.

I suspect that while you may not ask for 3,200, I will bet Mr. Moran might make that request for you in a minute. But this is a bipartisan appreciation of your work product and the quality of the personnel that you lead.

A particular area that I wanted to get your input on, and that is your Center for Audit Excellence that you are seeking authority to establish in order to improve your domestic and your international capabilities. You state the center will provide a powerful tool for promoting good governance, transparency, and accountability. Can you tell us a little bit about what your vision is for this, why it is needed, how it would operate, and what amount you have included for a start-up budget for this?

Mr. DODARO. Okay. Very good. I appreciate the question very much.

In addition to trying to reduce our administrative costs to handle the budget reductions over the past few years, I have been trying to think about ways to exploit our greatest assets. And we have two. One is a physical asset in our building, and we have rearranged that, and now we have another tenant in. So we are bringing in some revenue that way.

The other asset we have is an intangible one, but it is our reputation as one of the premier audit organizations in the world. We set standards for how auditors have to do audits here domestically. We participate in setting international standards, and there is a great demand for our services. We don't have the authority right now to receive any funds at all to provide services to other auditors.

For example, I have created a working group now of 25 different countries to audit their implementation of international reforms in the financial regulatory structure so that we can have a global view on how well those reforms that were instituted by the G-20 are being implemented on a global basis. The financial problems last time started in the United States, but they can start anywhere in the world and affect us and U.S. interests.

Same thing with medical products and food safety. Eighty percent of ingredients for drugs right now come from foreign sources, and about 40 percent of finished products. We have FDA's oversight on our high-risk list to protect those areas. So what I want to try to do eventually is build the audit capacity in other countries so that they can audit their own regulatory regimes. That will, indirectly, help better protect the U.S. public and services.

The Federal Government also provides a lot of foreign assistance. The audit functions over there are important for accountability and transparency. The same thing domestically. We get calls all the time from State and local governments to try to help build their audit capacities.

It is a modest start-up cost in our budget, less than a million dollars, I would estimate, right now to get up and running. My vision is that this would be on a fee basis. It would pay for itself. We would use retired GAO and other auditors to do the work so that we wouldn't detract at all from our ability to support the Congress with our main appropriation.

So I think this is a viable business model. It will help U.S. interests in a wide variety of ways; not just help us from a revenue standpoint, but also help the country both domestically and internationally.

Mr. COLE. Could you tell us a little bit about the fee structure that you might propose to sustain something like this? Because it is an interesting idea.

Mr. DODARO. Yes, it would depend on the service. Sometimes we are asked to provide training courses which we already have prepared. We can provide the training, so we would charge labor costs for that and any production costs or other costs. I have not spent a lot of time investing in it until I get the okay from the Congress to go forward on it.

Mr. COLE. Fair enough.

Mr. DODARO. But there are accepted models and fees that we could use to be able to do this. I don't anticipate any problems. We get dozens and dozens if not hundreds of requests every year from not only other national audit offices, but from other countries' legislative bodies, who are looking to set up audit organizations to support them like we support the Congress. We are considered a model in supporting the Congress. A lot of other national audit offices in other countries only work with their budget accounts committee. They only work with one committee in their legislative body, as opposed to what we do work working with all the committees across Congress. That has intrigued a lot of legislatures to have better support. So we get a lot of requests for assistance.

We would set up whatever fee structure would be to cover our labor costs and our indirect costs. I hope to generate enough revenues out of this that we would be able to use it in some of our training programs for example to update our training materials.

Mr. COLE. That was actually a point I was going to ask you and maybe clarify. So you see the fee structure just sustaining the center, or do you see it as an additional source of revenues so you can do other things?

Mr. DODARO. Yes. I see it—

Mr. COLE. The latter?

Mr. DODARO [continuing]. As the latter. And, of course, we would work with the committee. We would have everything audited to ensure no problems.

Mr. COLE. You are the last guys I am worried about on that score.

Mr. DODARO [continuing]. With transparency, and we would provide information.

But I think once we get it up and running, that is why I started thinking about it. As I mentioned, we have at least 2 more million dollars a year now in rent revenue coming in with an office of the Justice Department renting in our building. Our reputation is in-

valuable. I think we can use that to help people who need help around the world, but also domestically, and also help ourselves.

In today's budgetary environment, and based on our long-range projections of where the Federal Government is headed, I am looking for ways to increase our revenue streams to help provide more stability in our budget picture going forward.

Mr. COLE. Very good.

Ms. Wasserman Schultz.

PROPOSAL REGARDING FEDERAL DETAILEES

Ms. WASSERMAN SCHULTZ. Thank you. Just a couple of quick questions.

You have a proposal in your request to allow GAO to use detailees from Federal agencies. I have had plenty of experience with the detailee system. The thing that would concern me, though, is that the reputation that you have for objectivity could be compromised if you bring, let's say, a DOJ detailee in to analyze the DOJ budget or a DOJ issue. And if you bring someone else in who doesn't have that expertise from another agency, that wouldn't make sense. So how would this work?

Mr. DODARO. Basically I am not requesting this for GAO's benefit. The Executive Branch has developmental programs where people have to go out to another agency as part of their professional development. Midlevel managers, in some cases upper-level managers, want to come to GAO to learn how we do our work. We can't, we don't have any authority to accept nonreimbursable—

Ms. WASSERMAN SCHULTZ. But if we gave you the authority, how would—

Mr. DODARO [continuing]. Arrangements. We definitely would not have them work in the area of the agency in which they came from, from an independence standpoint. We would have them observe. We wouldn't necessarily have them work on audits per se. They could observe GAO's operations, our methodologies, and how we conduct our work. According to our audit standards, everybody has to be a trained auditor to be able to work on GAO's audit reports. So they could provide some assistance, but they wouldn't be doing mainline GAO work.

GAO'S HIRING PLANS

Ms. WASSERMAN SCHULTZ. Okay. And then we were able to get you just about up to presequester levels of funding in the omnibus bill, but you just got access to those funds in January, which means you have 8 months to use them. Are you able to hire all the people you need to hire in that period of time?

Mr. DODARO. Yes. It is going to be a challenge, but I believe we can do it. We have adjusted our plans. For example, we went to a recent graduate announcement so that we could hire people who have already graduated and could report right away, as opposed to waiting for people that will be reporting after they graduate this year. So we have made some adjustments. We are going to streamline some of our hiring practices. Hopefully, we can expedite our screening and hiring of the people.

I have no doubt that we can hire all the people that we need to at really high qualified levels. We have never had a problem doing

it. Whether we can get them all on board in time to burn the FTE level is still a question. We have a plan to be able do it. I have asked for weekly updates on where we are against that plan. Hopefully we will be able to do it, but it will be a challenge because of the fact we only have three-quarters of the fiscal year. We missed the main hiring cycle on the campuses in the fall. If you are not out in fall, it is hard to catch up.

GAO'S TELEWORK PROGRAM

Ms. WASSERMAN SCHULTZ. Yeah. You have got a telework program that seems to be saving you about \$2 million a year in rent and other costs associated with in-person work. Is that something you are looking to explore, and how is it working out?

Mr. DODARO. Yes. It is a pilot program. We have it now in operation in 8 of 11 of our field offices, and that is where the \$2 million largely comes from. We are also saving money on transit benefits. When people are teleworking, they don't have transit benefits. We don't have a figure yet on that, but we are trying to develop one.

We are evaluating the pilot as if we were evaluating another agency's use of a pilot program. So far people are very satisfied with it. There is no diminution in the quality and productivity of our work, which I am watching very carefully. We plan to expand it to all of our field offices, and eventually into the headquarters operation. This will potentially free up space that we can use for other purposes, maybe additional rental income over time.

But I want to see. How the pilot goes. It is a change in the culture, and I want to be careful in implementing it. We are being very careful. We will expand it as we feel comfortable it is effective and make necessary adjustments associated with it.

But I tell you one thing, it has helped our retention level. Our retention is the highest it has ever been. We are only anticipating about 6 percent attrition this year, which is one of our low points. Typically, GAO's experience would be about 10 percent.

Ms. WASSERMAN SCHULTZ. Thank you for your leadership on that.

Mr. DODARO. Thank you.

Mr. COLE. Thank you.

RECEIPTS AND REIMBURSEMENTS

Dr. Harris.

Dr. HARRIS. Thank you very much, and thanks for being here today.

In your budgetary request there is an additional appropriations request for \$7.2 million to offset estimated reductions in receipts from reimbursement and offsetting receipts. You are already authorized to collect rent on the space, but where does the \$7.2 million shortfall come from?

Mr. DODARO. What happens is we have the authority you mentioned, Congressman Harris, but we also have the authority to collect reimbursements from financial audits that we do that normally are paid for by departments and agencies. For example, we do the audit of IRS, not only of their appropriation, but the \$2.5 trillion in revenue that is collected, the audit of public debt, FDIC, SEC and the Troubled Asset Relief Program as well. Over time we col-

lected this money, we didn't use it all right away, being the prudent planners we try to be and advise the rest of the government to be. So that money was available to help us during this last 2 years when we had decreases in our budget and the sequester. As a result, we haven't had to lay anybody off, we haven't had to furlough anybody. Now in order to sustain the FTE level going forward, that money is pretty much exhausted. We are down to just regular collections, and that is the \$7 million gap that we are asking Congress to help fill at this point in time.

Dr. HARRIS. So I assume the receipts from the financial audits have been decreasing off over the years? Is that correct and if so I am not sure I understand why.

Mr. DODARO. Yes. It is particularly in the Troubled Asset Relief Program.

Dr. HARRIS. One time for sure.

Mr. DODARO. Yes.

Mr. COLE. We hope.

Mr. DODARO. We still have to do the audits until the last buck is repaid. But it is nowhere near the size of activity that it was—

Dr. HARRIS. In the past.

Mr. DODARO [continuing]. In the past. And we collect not only money to recover our labor costs, but also indirect costs for the building, so we don't have to spend that all immediately. We have some ability to save it for a rainy day. It has not only been raining, it has been pouring the last couple years, so it was helpful.

GAO'S HIGH RISK LIST

Dr. HARRIS. Now, in your written testimony you mention that you have the 2013 High-Risk List, which is published in February of 2013. You mentioned it is biennial.

Mr. DODARO. Yes.

Dr. HARRIS. Do you know when the 2015 list will be issued?

Mr. DODARO. It will be out in February. We issue it at the beginning of each new Congress.

Dr. HARRIS. Your 2013 list has two subjects that are categorized as new.

Mr. DODARO. Correct.

Dr. HARRIS. Mitigating gaps in weather satellite data and limiting the Federal Government's fiscal exposure by better managing climate change risk were added in the interim correct?

Mr. DODARO. They were added in the 2013 report. We add and delete typically at the beginning of each Congress.

Dr. HARRIS. So there were only two? We are not managing these problems over the 2-year time period to the point where you can only flip two on and off the list?

Mr. DODARO. Yes, there is some progress being made, but there is a lot more that needs to be done.

Dr. HARRIS. Well, let me ask you about one issue that I think needs to be added to the list. You have gotten requests, I know, from Mr. Walden from Oregon, for instance, to look at some of the problems with the implementation of the Affordable Care Act. In Maryland, we have spent \$200 million in Federal dollars, and have a system that doesn't work. You list as one of the overall categories managing Federal contracting more effectively. However, I don't

see HHS on the list. DOD, DOE, and NASA are all listed. However, hundreds and hundreds of billions of dollars have been spent on contracting that just apparently—and I am not talking about the Federal exchange, the State exchanges—that just doesn't work. Is this a goal that you think will make it onto the 2015 high-risk list for managing Federal contracting more effectively?

Mr. DODARO. We are going to be doing the work, both on the Federal exchanges and the State exchanges that you see. We are just getting into that work now. We are looking at all aspects of it. This is an area, too, to go back to the audit center that we will partner with some of the State auditors out there to see what they are doing regarding the exchanges and build off of their work.

So we will have to wait and see. We already have Medicare and Medicaid on the high-risk list because of the risk of fraud, waste, and abuse in those programs. Typically HHS, in the scale of DOD and NASA and DOE contracting, isn't quite the same volume of money historically, but they are a new risk that was introduced because of the scale of the Affordable Care Act. So we will look carefully at it and make an evaluation whether we want to add it to the list or not.

Dr. HARRIS. Okay. Thank you very much. I yield back.

Mr. COLE. Thank you.

Mr. Moran.

Mr. MORAN. Thank you, Mr. Chairman.

So basically your request is the same as you requested last year. Congress dropped you \$20 million. Your budget is based upon your anticipation of congressional requests. And as Chairman Cole pointed out, we get about \$105 back for every dollar that we invest. So it does seem to me that your budget request is a modest but responsible request and, as far as I am concerned, should be supported. I doubt that we are going to have any flexibility within the 302(b) allocation to do much more than support your request, but I hope we can at least do that.

GAO'S WORK ON CLIMATE CHANGE RISKS

Dr. Harris mentioned as one of the high risks that you identified better managing climate change risks. I wonder if you would, because both Mr. Cole and I serve on the Interior Committee—I wonder if you would elaborate on some of the things that the government is doing and should be doing in terms of addressing climate change, and particularly the cost of extreme weather events that we have been experiencing.

Mr. DODARO. Sure. I will be happy to.

First, our area is focused on adaptation, not on the mitigation in terms of emissions. And we look at this from several perspectives. One, the Federal Government is one of the largest property owners in the world. It has hundreds of billions of dollars worth of property including DOD installations, along the coastlines, and owns 29 percent of all the land in the United States, as you well know from your Interior responsibilities.

Secondly, we are a large insurer. Federal crop insurance costs have been more than doubling over the past few years. The flood insurance program has been on our high-risk list since 2006. Right now it is \$24 billion in the hole that it owes the Treasury Depart-

ment, and it is highly unlikely under the current premium structure that it will ever be repaid. It is not actuarially sound. The Biggert-Waters Act made some changes to help.

The Federal Government also provides a lot of disaster aid, and what we have said is the criteria for the disaster aid, whether the Federal Government decides to intervene or not, really hasn't been updated for many, many years. It hasn't even been fully adjusted for inflation over a long period of time. We estimate if the criteria had been adjusted for inflation, there would be about 25 percent fewer disasters that would meet the threshold for federal assistance as opposed to the State and local governments having the capability to respond to the problems.

Also right now the Federal Government doesn't budget for major disasters. They only budget for disasters costing \$500 million or less, and with a lot of the extreme weather events we have, there is really no budget. In order to help pay for disasters, we are borrowing money. It is not in any of the long-range simulations by GAO or CBO or others. It is really just an exposure out there that the Federal Government has.

We have also said that there is not enough strategic planning. A lot of Federal agencies are on the playing field here. There needs to be better coherent strategic planning and working with State and local governments. The Federal Government invests a lot in infrastructure costs. What we are saying is that if the Federal Government could advise State and local governments, that we could build our infrastructure smarter so it would be more resilient. We spent a lot of money after Katrina elevating bridges and doing other things that could have been done earlier if people had planned appropriately. Same thing with the experience in New York City and how they are handling things after Superstorm Sandy. So we are trying to get the Federal Government to be smarter initially and better protect its assets and its investments.

GAO'S WORK ON CYBERSECURITY

Mr. MORAN. Very good. I just have one other. Thank you for the excellent response.

We are under increased threat from cyber attack. We see it in the private sector, and we are undoubtedly going to see it to a broader extent in the public sector. Have you ever done any studies in terms of the need for redundancy in the event of a cyber attack on our most essential Federal facilities?

Mr. DODARO. Yes. We have been focused on cybersecurity for a long time. In 1997, we actually added it to the high-risk list governmentwide. This is the first time we ever designated anything governmentwide high risk. In 2003, I think we added critical infrastructure protection, including most of the assets which are in private sector hands. We have done some work looking at the Internet, for example, and the need for security there.

I would have to go back, and I will provide a detailed answer for the record, but it is something we are really focused on at the GAO. There needs to be more partnerships between the public sector and the private sector. It is one area where we don't have enough of a trained workforce. We have noted gaps, critical skill gaps, across the Federal Government with the right people and

skills to respond to cybersecurity threats. There needs to be some legislation. For example, the Department of Homeland Security has responsibility now for overseeing all other Federal agencies, but it doesn't have the authority, and that needs to be rectified.

I will give you a more specific answer on the redundancy aspect of it for the record.

[The information follows:]

Cyber Security**Question:**

Have you ever done any studies about the need for redundancy in the event of a cyber attack on our most essential federal facilities?

Response:

GAO has completed numerous studies that focus on federal agencies and their continuity of operations and contingency planning, including addressing back-up facilities and service restoration plans and procedures. While we have not issued a report that focuses specifically on redundancy for what are considered to be our most essential federal facilities, we have (1) reviewed continuity of operations and contingency planning for essential systems and data at selected agencies, (2) summarized continuity of operations assessments for the major federal agencies, and (3) reported on the need to be able to recover from potential disruptions to the Internet.

(1) We have issued several reports on weaknesses in individual agencies' information security programs, which includes continuity of operations and contingency planning. For example:

- In January 2013, we reported¹ that while the Census Bureau had, for example, stored backup copies of data for its critical systems off site at a secured location, it had not established restoration priorities for bureau information systems or processing functions; ensured that the contingency plan for its computing center contained contact information and information on backup personnel and was distributed to all relevant personnel; and comprehensively tested potential weaknesses of its disaster recovery plans. We made specific recommendations to the Census Bureau to address these weaknesses.²
- In July 2012 we reported³ that the Environmental Protection Agency's contingency plans lacked key information, including evidence that selected contingency plans had been reviewed and approved annually and updated as appropriate. Further, five of the six plans in our review did not include full contact information on personnel who may be needed during an emergency. We recommended that EPA implement an agency-wide, uniform method for approving contingency plans, ensure annual testing of the viability of contingency plans, and include full contact information in each contingency plan's emergency contact list. EPA concurred with our recommendations.

¹GAO, *Information Security: Actions Needed by Census Bureau to Address Weaknesses*, GAO-13-63 (Washington, D.C.: Jan. 22, 2013).

²The specific recommendations we made to address these weaknesses are contained in a separate report with limited distribution.

³GAO, *Information Security: Environmental Protection Agency Needs to Resolve Weaknesses*, GAO-12-696 (Washington, D.C.: July 19, 2012).

- In March 2012 we reported⁴ that the Internal Revenue Service had not effectively implemented and enforced backup procedures for a key tax-processing system. As a result, the agency could not demonstrate that it could restore this system's functionality without losing critical data. We made specific recommendations to IRS aimed at addressing these weaknesses.⁵ Since our report, IRS has implemented our recommendations.
- In December 2010 we reported that the National Nuclear Security Administration had not provided effective oversight to ensure that its three weapons laboratories—Los Alamos, Sandia, and Lawrence Livermore—had comprehensive and effective contingency and disaster recovery planning and testing.⁶ Specifically, NNSA did not ensure that the laboratories (1) developed business impact analyses to determine the impact of potential service disruptions, (2) fully tested data backup processes, and (3) developed and tested contingency and disaster recovery plans. These shortcomings existed, at least in part, because NNSA's component organizations were unclear of their roles and responsibilities for providing oversight in the laboratories' implementation of contingency and disaster recovery planning. We made a number of recommendations to address these issues, and NNSA generally agreed.

(2) We also recently issued our Federal Information Security Management Act (FISMA)-mandated report,⁷ which summarized the results of agency office of inspector general evaluations of the information security programs at 23 major federal agencies.⁸ This included continuity of operations as one component of a comprehensive information security program, and we reported that agencies had declined in implementing elements of continuity of operations programs. Specifically, 18 of the 23 major federal agencies had established a business continuity and disaster recovery program that was consistent with FISMA requirements, Office of Management and Budget policy, and applicable NIST guidelines; however, the number of agencies that fully implemented certain key elements of such a program had declined from fiscal year 2011 to fiscal year 2012. These elements included developing business impact analyses to prioritize recovery strategies, documenting business continuity and disaster recovery plans, and regularly testing disaster recovery and business continuity plans.

⁴GAO, *Information Security: IRS Needs to Further Enhance Internal Control over Financial Reporting and Taxpayer Data*, GAO-12-393 (Washington, D.C.: Mar. 16, 2012).

⁵The specific recommendations we made to address these weaknesses are contained in a separate report with limited distribution.

⁶GAO, *Information Security: National Nuclear Security Administration Needs to Improve Contingency Planning for Its Classified Supercomputing Operations*, GAO-11-67 (Washington, D.C.: Dec. 9, 2010).

⁷GAO, *Federal Information Security: Mixed Progress in Implementing Program Components; Improved Metrics Needed to Measure Effectiveness*, GAO-13-776 (Washington, D.C.: Sept. 26, 2013).

⁸Our FISMA report covers 24 major federal agencies; however, one agency's inspector general did not assess continuity of operations metrics for fiscal year 2012.

(3) Concerning recovery from disruptions to the Internet, we issued a report in June 2006 detailing the results of a study of the primary laws and regulations governing recovery of the Internet in the event of a major disruption, and the Department of Homeland Security's plans for facilitating recovery from Internet disruptions and challenges to such efforts.⁹ We found that federal laws and regulations addressing critical infrastructure protection, disaster recovery, and the telecommunications infrastructure provided broad guidance that applies to the Internet, but did not address roles and responsibilities in the event of an Internet disruption.

Further, DHS had developed high-level plans for infrastructure protection and incident response, but the components of these plans that address the Internet infrastructure were not complete. In addition, the department had made limited progress on initiatives to improve the nation's ability to recover from Internet disruptions, other initiatives lack time frames for completion, and the relationships among these initiatives were not evident. We also identified key challenges to establishing a plan for recovering from Internet disruptions, such as the decentralized control of the networks making up the Internet, a lack of consensus and legal issues around DHS's role in responding to a disruption, the reluctance of private sector entities to share information about Internet disruptions, and leadership and organizational uncertainties within DHS. We made nine recommendations to DHS to improve its facilitation of public/private efforts to recover the Internet in the case of a major disruption, and DHS subsequently implemented most of them.

⁹GAO, *Internet Infrastructure: DHS Faces Challenges in Developing a Joint Public/Private Recovery Plan*, GAO-06-672 (Washington, D.C.: June 16, 2006).

Mr. MORAN. Thank you for your excellent testimony, Mr. Dodaro. Thank you.

Mr. DODARO. Thank you very much, Congressman Moran.

PRIORITIZATION OF CONGRESSIONAL REQUESTS

Mr. COLE. Mrs. Roby.

Mrs. ROBY. Thank you for being here today. Three just quick questions.

You get hundreds of requests from Congress and others required by law. What is the system of prioritizing how you respond and in what order?

Mr. DODARO. We have written congressional protocols that we have worked out with the Congress over the years. There are three priorities. The priority one is a request that is in a law, as part of a mandate or in a congressional resolution, committee report, or conference report. Those are our first priority.

Second priority are requests from committee chairs and ranking members. They are treated the same to reinforce our nonpartisan status.

Then priority three are requests from individual Members of Congress. Right now we haven't done a request from an individual Member of Congress, because we haven't had the resources, probably for over a decade.

Mrs. ROBY. Wow.

Mr. DODARO. Right now if you want to get in the queue, and we get anywhere from slightly under 900 to maybe 1,100 requests a year from the Congress, you have to get committee support. Now, I do have broad statutory authority to initiate work on our own accord if we see a gap or a particular issue, so I listen to what all Members have to say.

Mrs. ROBY. Therefore I have to be really nice to my chairman in order to get my own request answered.

Mr. DODARO. That is the best way to do it.

Mr. COLE. Would you like to make an exception for this committee?

FUNDING FOR INFORMATION TECHNOLOGY AND BUILDING SERVICES

Mrs. ROBY. So you asked for an increase in funding for IT and building and security services. Can you tell us what improvements need to be made to your IT systems and your building structures? But between the two, which request is in more dire need?

Mr. DODARO. It is like choosing which child you love the best, you know.

Mrs. ROBY. My children ask me that question all the time.

Mr. DODARO. I say I love everybody equally.

Mrs. ROBY. And I say, I love you the same, but different.

Mr. DODARO. Right. That is a good answer. I will have to remember it.

In the IT area, our network infrastructure is aging. Our switches and routers are over 9 years old. Our end user devices, our laptops are over 5 years old. In this day and age—

Mrs. ROBY. Which means they are just archaic.

Mr. DODARO. Right. And we are bringing in new people who are used to more up-to-date technology. So we really need to upgrade there.

I have prioritized people over technology during these times of budgetary decline. I had two priorities: Maximize our support to the Congress, minimize the effect on GAO employees. So we have had to defer some of these investments, and we are getting to the point where we can no longer do that.

The building infrastructure, our building was built in 1951, so it is several decades old. We have replaced pieces of different parts of things, but we are doing a comprehensive assessment right now. But a lot of the heating and cooling systems for the building—it is a large building—are in need of repairs, particularly the chillers to cool the building. We need to make some investments.

We are only asking for about a million dollars for both areas in terms of an increase over the 2014 amount. So it is strategic. We are looking for savings within both areas. We are cutting back. We just went to a new contract to manage the building. We own the building. It is not a GSA building. The new contract for facilities management is going to save us a couple million dollars. We are getting savings that we are plowing back into these assets and needs. We just need the \$1 million more. That is for both areas combined.

Mrs. ROBY. Okay. I yield back.

Mr. COLE. Thank you.

GAO'S SUCCESSION PLANNING

Mr. Stewart.

Mr. STEWART. Yes, Mr. Chairman. Thank you.

Thank you for your testimony. You are an excellent witness.

Two things. I think we can do them fairly quickly. They are very general. I used to be a business owner, so I understand that managing personnel is sometimes very difficult. But if I had a third of my executive team that was eligible for retirement, along with nearly a fifth of my other senior analysts, that would keep me awake at night. Can you respond to that? You and Ms. Wasserman Schultz talked about that a little bit.

Mr. DODARO. Yes.

Mr. STEWART. Could you address that more directly and how you plan to deal with that?

Mr. DODARO. Sure. I have been working on succession planning now at the GAO for about 15 years. We have turned over our Senior Executive corps probably about 70 percent during that period of time. We have a well-structured Senior Executive Candidate Development Program. We have about a dozen people that are right now in acting Senior Executive Development roles. We give them extra training. We are preparing that cadre to replace the retiring executives. We have upticked the number of candidate development programs. We have one a year now. We have a pipeline of people within the organization that I feel confident can move up to senior management with the proper training.

We also have statutory authority to do what we call knowledge transfer, where I can bring back retired GAO executives for specific projects for specific periods of time, and their annuity is not offset,

which is the general rule. I can waive the offset and bring them back. I do that strategically if I have difficult areas in need of transition or assistance.

The most important reason I don't lose a lot of sleep is because we have terrific people that have been coming through the system. That is why I was so worried last year before this committee. I mentioned I felt like a college football coach, where the seniors were leaving, and there were no freshmen and sophomores coming in. So that is why I am so grateful for this support for 2014.

Mr. STEWART. Although if you do have to bring those Senior Executives back, it is much more expensive to bring them back on a contract basis, correct?

Mr. DODARO. I don't use contracts. We just pay them for the salaries. Under this retired annuity authority—actually it is cheaper because you don't pay any benefits. They are already on the governmentwide benefits.

Mr. STEWART. So these aren't individuals who have retired and you are asking—

Mr. DODARO. They are retired or left for some other reason. I can bring them back. They are regular GAO employees. We pay their salaries, and that is it.

Mr. STEWART. Okay. So it sounds like it is worth noting, but not a concern of yours right now. It sounds like you have taken the steps to deal with it.

Mr. DODARO. Yes. I believe we have efforts under way. I won't say it is not a serious problem. And part of our value is having institutional knowledge across the government, but we are managing it the best we can. Sometimes we will recruit from the outside to bring a Senior Executive in. They don't all have to come up through the system.

Mr. STEWART. And what you do is too important for us not to be assured that there is continuity built into that. And it sounds, again, like you have taken appropriate steps to deal with that over the past year.

Mr. DODARO. Congressman, with my job you have a 15-year tenure, so I have 12 years left. So I have a vested interest to make sure I am not the only person left at the end of the 12 years and I have a well-functioning organization there.

ESTIMATING GAO'S IMPACTS

Mr. STEWART. Very quickly, could you elaborate on—you say that the GAO is one of the best investments in the Federal Government, and you have this figure of \$51.5 billion. Help me understand how you come to that conclusion.

Mr. DODARO. Sure. Some examples. We count where the Federal Government has cut back on investments, saved money, or enhanced revenues. For example, we have been raising concerns about the production risk for the Joint Strike Fighter over the years. As a result of our concern, the Department of Defense has cut back on its production schedule. They have saved billions of dollars as a result of following our advice. We mentioned to DOD that it was very expensive for them to base in Europe, that they ought to reexamine that. They reexamined it, they cut back and brought some brigades back, saved about \$2 billion in that area.

In the housing area, we looked at the Federal Housing Administration, where they were allowing seller-financed transactions we did a comparison. We said, you are losing money. Every time you allow seller financing, you have a higher rate of delinquency. So Congress said no more seller financing, saved several billion dollars.

SOURCES OF GAO'S WORK

Mr. STEWART. So for those examples, or the majority of your work, are they a result of a request from Congress or from someone in the executive? Do you ever initiate that type of analysis yourself?

Mr. DODARO. Oh, yes, we initiate quite a bit on ourselves. Often they become a part of what the Congress asks for. For example, most of the things on the high-risk list are things that we started doing ourselves and now the Congress mandates we do every year. Like we do an analysis of the DOD weapons systems portfolio.

Mr. STEWART. Yeah.

Mr. DODARO. We do one now of NASA's investment portfolio, space portfolio. A lot of the work, about a third at least of our financial benefits come from working on these high-risk areas to try to reduce program costs and achieve efficiency.

One area is improper payments. We initiated work in this area as a result of financial audits. Congress has since passed legislation. Before we started work in that area, the Federal Government didn't even know the size of its improper payment problem. Right now it is over \$100 billion a year, half of it in Medicare and Medicaid. It is being measured now and managed, and as a result agencies can identify and reduce improper payments.

If I had the level of resources that I mentioned at the 3,250 level, I would make more investments on our own to help identify other opportunities for savings. Right now the highest priority is meeting the Congress' needs.

Mr. STEWART. Okay. Just to make sure I understand, you are not frustrated in the sense that you see opportunities that you could go after, but you are waiting to be directed or requested to do that; you have the latitude to initiate those on your own.

Mr. DODARO. Yes. I have the latitude, but, again, I don't have as many resources as I would like.

Mr. STEWART. So you are limited by resources, but not by targets.

Mr. DODARO. That is correct.

Mr. STEWART. All right. And finally, can you give me an idea what percentages roughly—how much of these studies are initiated internally versus requested from Congress or other—

Mr. DODARO. Right. Ninety-six percent is either a mandate or a congressional request.

Mr. STEWART. Okay.

Mr. DODARO. So 4 percent are initiated on our own. Now, you have to take into account we develop a strategic plan for serving the Congress. We just updated our plan and issued it the end of February for 2014 to 2019. That plan identifies areas that we mention to Committees across the Congress that we think is important for us to look at, they then request the work. Most of that 96 per-

cent are things that we think are important, they agree with and send the request letters in.

Mr. STEWART. So if we doubled your expenditures, could you save us a trillion dollars then?

Mr. DODARO. I would try hard.

Mr. COLE. If we would do what they say.

Well, in typical GAO fashion we started you late, and you finished ahead of time.

Any other member of the committee have any additional questions?

Thank you. You had a terrific presentation. And again, thank you very much for the work that you do. We are very, very grateful.

Mr. DODARO. Thank you all very much.

Mr. COLE. We are adjourned.

[Questions submitted for the record by Chairman Cole follows:]

Shared Services**Question:**

In the current budget the Committee provided funding to the Library of Congress for costs associated with the migration of Architect of the Capitol (AOC) financial data into the Legislative Branch Financial Management System (LBFMS). The Committee understands that GAO is performing the required gap analysis so as to migrate your financial data into the LBFMS. However, your migration is pending that of the AOC which is currently underway.

- Do you have an estimate of the savings GAO will realize when you migrate to the LBFMS?
- We asked the Library of Congress Chief Financial Officer if other opportunities were available for shared services in the Legislative Branch. Do you think other shared services such as procurement, travel and contracting could be done on a shared service basis within the agencies of the Legislative Branch?

Response:

Projected cost savings cannot be determined until the gap analysis is complete. The analyses should be complete within the next 60 to 90 days. The analysis will help to determine the transition costs as well as the basis for ongoing incremental costs for LOC to host GAO.

GAO currently operates in a shared services environment for financial management at the Department of Transportation's Enterprise Services Center (ESC). The interagency agreement between GAO and ESC for financial management, support services, and associated licensing costs averages just under \$2.5 million a year.

When GAO migrated to ESC in FY 2007 we experienced cost savings through staff reductions. We do not anticipate further staff reductions at GAO if we move to the LBFMS. If GAO migrates to the LBFMS, the LOC would provide similar services to those we currently receive from ESC. Based on preliminary indications it appears that LOC will need to augment its operations support staff to adequately support and service GAO's current and future financial management transaction volumes.

In addition, it is surmised that cost savings will be a natural outcome of the migration to LBFMS. Such cost savings may ensue from improvements to GAO and LOC business processes; leveraging additional and/or integrated system capabilities particularly in the areas of acquisition and financial management; and the effect of synergies and economies of scale in an environment where the participating organizations have more similarities to GAO than the alternative. Further, overall cost savings should also be achieved by virtue of GAO transitioning from ESC's franchise fund model of operations to the LBFMS' direct cost financial model of operations where shared services are funded for the gamut of operations for all, with individual customers funding only additional nuanced needs, if any.

Beyond pursuing efficiencies by implementing financial management systems shared services, the Legislative Branch Financial Management Council (LBFMC) has committed to identifying and developing plans to implement additional savings for the legislative branch by consolidating

transaction processing (e.g., accounts payable, accounts receivable, financial systems administration, and financial reporting), eliminating service level overhead, and reducing further financial system audit costs.

Other services, such as acquisitions, travel and IT infrastructure could certainly be considered for use on a shared basis across the legislative branch. Acquisitions activities may not lend themselves to significant cost savings since, in general, the process already uses automated systems and the workload fully utilizes available staff. However, the LBFMC is actively exploring opportunities for leveraging the combined buying power of legislative branch agencies by using contract vehicles that allow all agencies to award task orders in support of their individual operations when appropriate, such as LOC's Financial Management Shared Services environment.

Travel consolidation could potentially yield savings if policies and practices were standardized across all legislative branch agencies. The greatest potential travel benefit could be realized by having all legislative branch agencies migrating to a single automated travel system. To that end, the LBFMC is currently in the process of acquiring GSA's eTravel solution. In addition, while legislative branch entities currently achieve some economies through the shared alternate computer facility for backup redundancy, consolidating all legislative branch Information Technology infrastructure operations given the proper upfront investment, could also yield significant long term cost savings.

ELECTRONIC FILING FOR PROCUREMENT PROTEST**Question:**

In fiscal year 2014 the Committee provided authorization to establish and operate an electronic filing and document dissemination system. The GAO was also given authority to collect a fee to support the establishment and operation of the system. As I am sure you know Senate report 113-70 requires a report this month to the Committees.

- Can you give us an update on the implementation of the system?

Response:

GAO is making progress in establishing the electronic protest docketing system. We have convened an interdisciplinary team within GAO to examine matters such as functional requirements, acquisition strategy, and the potential for commercially available systems, analysis of alternatives based on cost-benefit analysis, fee structure, and outreach to stakeholders.

We are currently focusing on functional requirements for establishing the system. We will consider needs of the companies and attorneys submitting bid protests, the agencies that are subject to protests, and the attorneys and staff in GAO who work with the filed documents. A major next step is the enumeration of possible options for the system, ranging from implementing the system internally to contracting with a vendor who will operate the system as a service, and analyzing the feasibility and costs and benefits of these options.

This analysis of alternatives will drive our acquisition strategy and subsequent steps in acquiring a system. As we conduct our evaluation, we are placing the utmost importance on data security and confidentiality considerations. GAO is also examining approaches used by federal and state entities that collect and use fees for functions similar to GAO's bid protest function.

Additionally, GAO is working with internal experts on user fees to determine how best to structure and collect fees for the electronic protest docketing system. GAO is examining options for collection methods and cost measurement. We are working to develop a simple fee structure that will be equitable and easy to apply and will not place an undue burden on businesses.

We are conducting outreach with stakeholders to obtain input on usability and ensure that any proposed filing fee is imposed in a fair and equitable manner. We have met with our authorizing committees to seek their input as part of our normal outreach, and we will reach out to congressional committees on Small Business and Veterans' Affairs. GAO will also reach out to the Small Business Administration, Offices of Small and Disadvantaged Business Utilization at federal agencies, and small business associations. We will work with stakeholders who will be primary users of the electronic protest docketing system, including agencies' counsel and law firms who represent protesters.

Question:

Have you determined the amount of the fee to be collected?

Response:

We have not yet determined the amount of the fee to be collected, because the amount of the fee is dependent on the costs of establishing and operating the system. As noted, we are still developing the functional requirements for the system.

However, we are working with internal experts on user fees to determine how best to structure and collect fees for the electronic protest docketing system. GAO is examining options for collection methods and cost measurement. We are developing a simple fee structure that will be equitable, easy to apply and will not place an undue burden on businesses.

GAO will consult with the Department of the Treasury and stakeholders on matters related to fee structure and collection methods.

Question:

Understandably this system will streamline the process for the GAO. How does this improve the filing for the individual?

Response:

Individual filers of bid protests will benefit from a streamlined bid protest filing and document submission process. They will receive instantaneous confirmation that their protest has been received by GAO, and the system will automatically and immediately notify agencies that a protest has been filed at GAO.

The electronic protest docketing system will benefit all parties during the course of a protest since they will be able to submit and access documents through a readily accessible web-based portal. This web-based portal will significantly streamline service of filings by, and for, protesters and participating parties. They will also have the ability to view the status of a protest through the web-based portal.

THURSDAY, MARCH 6, 2014.

UNITED STATES HOUSE OF REPRESENTATIVES

WITNESSES

**HON. ED CASSIDY, CHIEF ADMINISTRATIVE OFFICER, OFFICE OF THE
CHIEF ADMINISTRATIVE OFFICER**

**HON. KAREN L. HAAS, CLERK, OFFICE OF THE CLERK OF THE HOUSE
OF REPRESENTATIVES**

**HON. PAUL D. IRVING, SERGEANT AT ARMS, OFFICE OF THE SER-
GEANT AT ARMS**

OPENING REMARKS—CHAIRMAN

Mr. COLE.

We are, obviously, on an extraordinarily tight schedule. So we are going to try and move to expedite things.

Before I do, I just want to get on the record how much all of us appreciate what all of you do and how well it is done. We are very grateful for the manner in which this House is run professionally.

And we have got a great Clerk. We have got a great Sergeant at Arms. And we have got a great Chief Administrative Officer.

There is a bipartisan agreement. I am going to ask you to dispense with your statements. If you have any points you care to make, we will certainly provide an opportunity during questions. But I want to allow members, since we are going to try to move this along before votes, to have the opportunity to present whatever questions they have directly to you.

[The prepared statements of the House officers follows.]

**Chief Administrative Officer Budget Request — Fiscal Year 2015**

Statement of
Ed Cassidy
Chief Administrative Officer
U.S. House of Representatives
Before the
Subcommittee on Legislative Branch
Committee on Appropriations
March 6, 2014

Summary

Chairman Cole, Ranking Member Wasserman Schultz and Members of the Subcommittee, I appreciate the opportunity to appear before you today in my new capacity as the Chief Administrative Officer. It is a privilege and an honor to serve the House in this role.

As you know, I have worked closely with this subcommittee in my previous position, and have always appreciated its strong support for the House Officers and other institutional entities that serve the House.

We look forward to working with you on this budget request and on the other issues, initiatives, and challenges that we face during the coming months and in fiscal year 2015.

The FY 2015 budget request for the Office of the Chief Administrative Officer is \$116,163,350 which is \$3,063,350 or 2.7% above the Consolidated Appropriations Act, 2014 per Public Law 113-76. There is an increase of \$874,000 or 1.4% in personnel which is attributed to the FY 2015



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COLA, longevities, and overtime. There is an increase of \$4,449,350 in non-personnel which is attributed to fully funding annual costs and key projects. These increases are partially offset by a decrease of (\$2,200,000) in no-year funding as the Enterprise Storage Costs are on a 5-year budget cycle and were funded in FY 2014.

Our core mission is providing financial, information technology, logistics, and other support services to the House Community. It is our goal to do this in the most effective and efficient manner possible.

Patient Protection and Affordable Care Act

Under final regulations issued by the Office of Personnel Management (OPM) in October 2013, Members and their designated staff are eligible for employer-provided health plans offered through the District of Columbia's DC Health Link exchange. They are no longer eligible for the Federal Employees Health Benefit Program (FEHBP).

In the months leading up to this past Health Benefits Open Season, staffers in Payroll and Benefits spent countless hours in discussions and meetings with the Office of Personnel Management and the DC Health Link exchange in an effort to provide as smooth a transition as possible to those now covered under the Affordable Care Act in the DC Health Exchange.

To support Members and staff through this transition, the Chief Administrative Office provided detailed resources and hosted multiple live briefings throughout November and December on the healthcare plans available to Washington, DC and District office congressional staff.

These briefings, which were also broadcast live online and on the House cable network, included presentations by OPM, DC Health Link, and the insurance carriers offering plans through DC



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Health Link. In addition, the carriers and DC Health Link assisted staffers at several CAO sponsored open houses and at the annual Health Benefits Fair.

CAO Payroll and Benefits counselors worked evenings, weekends, and through the holidays to assist Members and staff with answers to their questions. Thousands of staffers took advantage of these opportunities to connect with the insurance carriers and DC Health Link.

There were severe problems initially with the DC Health Link website and many staffers were unable to sign up by the deadline. Payroll and Benefits counselors reached out to those individuals and have worked with them to ensure they receive the benefits to which they're entitled with no lapse in coverage.

To date, more than 300 Members and 4,300 staffers have successfully signed up for health benefits through the DC Health Link exchange. Currently, Payroll and Benefits counselors are assisting newly hired designated staff in signing up for their benefits.

Transition

Planning and preparations for the transition to the 114th Congress are well underway. We are working closely with the other House Officers and the Committee on House Administration to finalize a strategic plan for transition services.

Our efforts are centered on providing departing and new Members and staff with clear, concise information that is readily accessible and easily acted upon.

To support this, all CAO personnel with roles in planning and executing the transition are working to improve our operations based on feedback from the 113th transition.



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Transition websites are being updated and Logistics and Support is repairing furniture and ordering supplies to support office moves.

During the last transition, individual meetings with Members-elect on administrative issues and setting up District offices proved successful. We will streamline the information that's passed along and provide additional follow-up opportunities during this transition.

The CAO is working on several initiatives to obtain accurate and complete contact information for persons handling all financial matters for departing offices; provide additional communications regarding terminating utility and telecommunications services; and is reviewing how to obtain W-9 information more expeditiously from the many new vendors added during the transition.

A benefits fair for new staff during the last transition was well received and another is planned for January 2015.

Several dozen Members have already announced they are retiring or running for another office and leaving the House at the end of the 113th Congress. Briefings for departing Members and their staff begin in June. Additionally, for the first time, recorded briefings will also be available 24/7 for staff that cannot attend in person. Counselors in both Payroll and Benefits and the Office of Employee Assistance will schedule personalized meetings for staff in departing offices that request them. More than 100 of these individual meetings were held during the 113th transition.



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Technology

Enterprise Storage Renewal

Each month the House backs up more than one billion data files. This is equivalent to 15-million CD-ROMS full of information. Storage and backup of data is done on an enterprise level using replication technologies connected via Storage Area Networks (SANs) which allow systems to share data effectively, conduct disaster recovery, and efficiently communicate with application servers. The storage and backup environment is divided into three parts: the performance based storage array, the capacity based storage array, and the backup hardware.

Information Security

Digital and electronic security of the House network remains a top priority as intrusion attempts and spyware detected by the CAO's Information Systems Security Office remains high.

The CAO's House Information Security program provides two types of services: back office and customer facing. Back office services include firewall protection, intrusion detection, malware threat mitigation, web filters, patch management, technology review and evaluation, compliance and audits, and incident management. Customer facing services include: security and awareness training; SecurID services; foreign travel mobile device scanning; and defining, publishing and communicating policies and standards.

Information Security systems address an ever changing threat environment and therefore must be updated more frequently to ensure continued operations of the network and its protections. Additional funds have been requested for on-going Information Security support for the coordination of required certification and accreditation (C&A) activities related to applications



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and general support systems, system security plan updates, increasing Cyber Security demands, and Forensics requirements.

Business Continuity/Disaster Recovery (BC/DR)

The House's ability to respond to threats and disruptive events is strengthened by a strong working relationship between the Sergeant at Arms, the Office of the Clerk and other legislative branch agencies.

Our budget requests reflect the importance of ensuring the House can carry out its constitutional duties if interrupted. House Members, leadership, committees, and institutional offices use the services provided by the BC/DR program on a daily operational basis, as well as for disaster recovery. Beginning in FY 2014, BC/DR will begin executing its life cycle replacement plan for equipment at the end of its useful life or before vendors cease support.

Mail

The offsite mail processing center and the House digital mail program not only enhance the efficiency and delivery of physical mail, but it makes it more secure. Total participation in the digital mail program is up to 236 Member offices. All freshman Members of the 113th Congress were automatically enrolled and participation is optional for Members elected prior to the 113th Congress.

Negotiations with the mail vendor, Novitex, and realignment of usage costs with the Library of Congress enabled the Acquisitions Management team to reduce the cost of the first option period by \$789,000. The current contract expires on August 31, 2015 but can be extended until 2019 with two optional two year extensions that include small cost increases.



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Internal Controls

The CAO established its first organization-wide internal controls program in 2011. A primary focus thus far has been on addressing information technology weaknesses identified in prior years. As we work to further enhance our internal controls program, I have made clear that a top priority must be given to a rigorous review of the CAO's systems for managing millions of dollars of House inventory -- including furniture, IT hardware and software, telecommunications and other equipment. I am determined to ensure that our people, processes and systems are up to that critically important job.

PeopleSoft Upgrade

The CAO upgraded the PeopleSoft system in three stages during 2013. The last phase was completed in October. PeopleSoft 9.1 upgrades were accomplished within the scope of the budget and within the approved timeframe.

The upgrade continued the integration of PeopleSoft with the E-Voucher and office content management systems. This feature lets authorized administrators enter vouchers directly into PeopleSoft. Benefits of this function include faster processing, remote submissions, delegation of authority, electronic approval, expanded visibility into the status of all vouchers, and the elimination of signed paper vouchers.

The CAO acquired the Hyperion Budget & Planning suite of software along with the PeopleSoft purchase. The Hyperion solution has several advantages that will allow the CAO to save both time and money. Under Hyperion, the CAO can consolidate multiple budget systems, streamlining the budget process to save staff time and allow them to better allocate their resources. The increased accuracy of Hyperion will result in real dollar savings, on the order of



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\$100,000 annually, enabling us to eliminate spending on other budget tools. Additionally, the CAO will retire CAPS (Congressional Accounting & Personnel System) because of the advantages of Hyperion.

Cannon Renewal

The Cannon renewal project moves into high gear during 2014 with the relocation of staff to the Ford and O'Neill buildings. The first of five phases of construction on Cannon begins in 2015.

The CAO is working closely with the Architect of the Capitol to coordinate budgetary requirements for any additional operational costs. Specifically, while telephones and computers are included in the project budget, a memorandum of understanding is pending regarding the cost of moving and installation of furniture and furnishings.

Cost Sharing

The CAO mission to provide support services to the House offices creates efficiencies and synergies that could not otherwise be accomplished. This is especially true in the areas of financial reporting, technology, IT security, mail security, digital mail, and Business Continuity and Disaster Recovery.

In other areas the CAO has extended extra support to offices in tight financial times, such as with enterprise subscriptions to the National Journal and Roll Call; and in sensitive situations such as the recent email blocking by third party vendor, and in collaborative ways to save money and energy with the House Cloud.

Moving forward, the CAO will develop and evaluate prospective cost sharing models for various services provided to individual offices.



Chief Administrative Officer Budget Request — Fiscal Year 2015

Closing Remarks

Thank you for the opportunity to testify today. The entire CAO team is more committed than ever to providing House Members and staff the tools and resources they need to work efficiently and effectively in a secure environment.

I look forward to working with the Committee and would be pleased to answer any of your questions.



OFFICE OF THE CLERK
UNITED STATES HOUSE OF REPRESENTATIVES

THE HONORABLE KAREN L. HAAS
CLERK OF THE HOUSE OF REPRESENTATIVES

**STATEMENT BEFORE THE HOUSE APPROPRIATIONS
SUBCOMMITTEE ON THE LEGISLATIVE BRANCH
ON THE OFFICE OF THE CLERK, FY2015**

MARCH 6, 2014

Chairman Cole, Ranking Member Wasserman Schultz, and members of the Subcommittee, thank you for the opportunity to testify before you about the operations of the Office of the Clerk and our fiscal year 2015 budget request. With the resources and direction provided by this Subcommittee, the Clerk's Office continues to carry out its duties and responsibilities for the legislative and institutional operations of the House of Representatives. I thank the Subcommittee for its support over the past year.

SUPPORT FOR THE LEGISLATIVE OPERATIONS OF THE HOUSE

As the Subcommittee is aware, the Office of the Clerk oversees a broad range of services, including support for many of the core legislative functions of the House of Representatives. Our staff is directly involved in each step of the legislative process. Bill clerks handle the introduction of all bills and resolutions by Members of the House. Our official reporters cover all committee hearings and markups. We provide assistance and support to committee staff by preparing committee documents and reports in XML format to facilitate accessibility. Our official reporters transcribe House Floor proceedings, gavel-to-gavel, for inclusion in the Congressional Record. Our tally clerks operate the Electronic Voting System, our journal clerks prepare the constitutionally required Journal of the House of Representatives, and our enrolling clerks prepare legislation that has been considered by the House for transmittal to the Senate or to the White House for presentment to the President. At the end of the legislative process, our archival staff preserve all noncurrent records of the House, including committee records in electronic and paper formats, and make those records available in accordance with House Rules. Throughout the legislative process, the Office of the Clerk provides support to the House, Members, committees, and staff.

TRANSPARENCY IN THE LEGISLATIVE PROCESS

Given our unique involvement in each stage of the legislative process, the Office of the Clerk has taken on a leadership role in developing and deploying new technologies to increase the transparency of House committee and Floor proceedings.

Making Legislative Documents Available for Bulk Data Download

After successfully coordinating an effort to make the text of all bills introduced in the House available to the public for bulk data download in 2012, the Clerk's Office completed an effort in 2013 to make House bill summaries available for bulk download. In the 2013 appropriations cycle, this Subcommittee called for the creation of a Bulk Data Task Force to study the feasibility of providing such downloads. That Task Force, chaired by the Clerk's Office, brings together bipartisan leadership, committee staff, representatives from GPO and



the Library of Congress, and other stakeholders to enable the bulk download of House documents through GPO's website.

In partnership with the Library of Congress, the Task Force also initiated two Legislative Data Challenges, which were open to the public and involved translating House bills into the widely accepted international format Akoma Ntoso. The second challenge also included bills from the United Kingdom Parliament. This effort aims to advance the exchange of legislative information worldwide. The first challenge winner was announced December 19; the second challenge winners were announced February 25.

The Task Force is working on the requirements for its next project, the modernization of Member and committee data.

Improving HouseLive

As you know, HouseLive (HouseLive.gov) delivers live streaming video of House proceedings to desktop and mobile device users. In the past year, the Clerk's Office implemented HouseLive functionality to allow users to search for specific Member Floor statements within archived webcasts of Floor proceedings.

The free video clipping tool offered by the Clerk's Office enables House staff to download video clips of Floor speeches and post them to their web or social media sites. The clipping tool, which debuted in 2011, is proving to be very useful to Members and committees. Video clipping tool usage increased 47% in 2012 and 90% last year. Almost 3,000 video clips were downloaded in 2013.

The Clerk's Office is planning our next HouseLive project, which will make all archived video—in addition to the live feed—available on mobile devices.

Enhancements to the Committee Repository

Last year we successfully deployed the expanded Committee Repository website (docs.house.gov), which includes a centralized calendar of all committee hearings and meetings as well as access to a number of committee documents, providing the public with a one-stop shop for the important work conducted by House committees. Building on this achievement, we actively supported the repository by making several improvements to the administrative module, public site, and data made available to the public. Clerk staff also worked with the Rules Committee to adopt a GPO XMetal utility that will soon allow Committee Repository users to capture committee votes and post them on websites.



The Clerk's Office is committed to working with the Committee on House Administration and committee staff to identify other ways to add value to the repository.

Website and Social Media Development

I am pleased to report that we have continued to partner with the Office of the Historian to enhance its History, Art & Archives website (history.house.gov). In its first full year, the website had 1,551,758 visits and 7,830,158 page views. A project is underway to make the website available to mobile device users.

The Clerk's Office assisted the Office of the Historian with the setup and August release of its History, Art & Archives YouTube Channel (youtube.com/USHouseHistory), which allows social media users to explore oral history interviews featuring former Members, House Officers, and staff on a range of topics. In November, the History, Art & Archives @USHouseHistory Twitter account (twitter.com/USHouseHistory) was launched and quickly gained more than 1,000 followers.

Our Office introduced an RSS feed that provides a summary of House Floor proceedings in a format that can be easily repurposed. We are also putting the finishing touches on the new Floor Summary @USHouseFloor Twitter account, which is slated to go live in mid-March 2014.

Finally, one of the top web development priorities for the Clerk's Office is to redesign our website. The project is in the early requirements-gathering stage and will continue throughout 2014.

PUBLIC DISCLOSURE SERVICES

In addition to our efforts to make the House's legislative operations, history, art, and archives more accessible to the American people, the Office of the Clerk is charged with administering numerous other transparency initiatives to increase public awareness of and confidence in the legislative process.

Financial Disclosure: Implementation of the STOCK Act

During 2013, the Clerk's Office worked with the House Ethics Committee to develop an electronic filing and public disclosure system for all financial disclosure reports filed with the Clerk. As required by the STOCK Act, the system was deployed on January 2, 2014, and allows the public to search data contained in the reports. Since its launch, 49% of the periodic transaction reports (PTRs) filed have been submitted electronically.



The Clerk’s Office will continue to develop components for the Financial Disclosure System (eFD) throughout 2014 by adding guidance updates from the Ethics Committee, optimizing the application’s performance, building PTR search and import functions, and creating a filing review tool for the Ethics Committee. Furthermore, in partnership with Ethics, we will support several financial disclosure preparation clinics before the May 15 filing deadline.

Lobbying Disclosure

In addition to administering the House’s financial disclosure system, the Clerk’s Office maintains the electronic filing and disclosure system for all lobbying registrations, quarterly lobbying activity reports, and semi-annual lobbying contribution reports, as required by the Lobbying Disclosure Act of 1995. Our staff administers this system on a continuous basis for the House and Senate. The Office processed more than 98,000 unique lobby disclosure filings last year.

In 2014, the Clerk’s Office will test and deploy an import tool to allow filers to use a web-based form and will provide upgrades to the tool that creates a printable version of the electronic form.

INSTITUTIONAL SERVICES AND MEMBER SUPPORT

In addition to our responsibilities for the legislative operations of the House, the Clerk’s Office provides important institutional services and Member support, with the goal of achieving savings for Member offices that would otherwise need to fund these services individually.

House Library

The House Library provides legislative research resources, database access, and digital and print subscription services to Members, committees, and legislative support offices—achieving cost savings for the House. The Library’s substantial collection of national and international publications and video services, as well as our knowledgeable staff, make it an invaluable resource. House librarians regularly offer classes at the House Learning Center for ProQuest, one of the most popular Library offerings, as well as outreach training to District staff.

Management of Vacant Member Offices

The Office of the Clerk supervises Member offices that become vacant following deaths or resignations. Administration of vacant offices is a statutory responsibility of the Clerk that

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requires time and resources. Since I last testified before the Subcommittee, the Clerk's Office has managed ten vacant Member offices (Illinois 2nd, South Carolina 1st, Missouri 8th, Massachusetts 5th, Alabama 1st, Louisiana 5th, Florida 13th, North Carolina 12th, Florida 19th, and New Jersey 1st), four of which remain under our supervision.

Records Management and Archival Services

The Clerk's Office provides Members with assistance in archiving their papers. Under House precedent, a Member's personal legislative records remain the property of the Member even after he or she leaves office. Our archival staff provide Members with consultations and guidance should they choose to deed their papers to universities or other research facilities upon their departure from the House.

Pursuant to House Rule VII, the Office also receives noncurrent committee records for processing and archiving. Clerk staff participate in the Committee Records Forum as well as conduct presentations at the House Learning Center to advise committee staff on best records management practices.

Preserving the Heritage of the House

The Clerk's organization serves as the custodian of all art and historical artifacts in the House Collection. We continue to make tremendous progress in caring for the House's heritage assets. Curatorial staff move approximately 1,000 artifacts each year to protect them during construction, to install them in committee rooms and ceremonial spaces, and to clean and conserve the House's treasures so that they will remain part of the institution for generations to come.

Contingency Planning

The Clerk's Office works closely with the other House and Senate Officers to ensure that we are prepared for emergencies that may confront the legislative branch. We remain mindful of the importance of continuous review and improvement of our emergency planning with our legislative partners to ensure continuity of operations.

House Employment Counsel

The Office of House Employment Counsel (OHEC) provides House-wide employment law services to Members, committees, and other House employing offices. In addition to providing legal representation, OHEC offers training and advice to assist offices in



STATEMENT BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE
ON THE LEGISLATIVE BRANCH ON THE OFFICE OF THE CLERK, FY2015

complying with the Congressional Accountability Act of 1995. All consultations with OHEC are handled on a strictly confidential basis.

Capitol Services

Through our Capitol Services Group, the Clerk's Office supports the Members and Family Committee Room, the Lindy Claiborne Boggs Congressional Women's Reading Room, the Congressional Prayer Room, and attendant services for Floor operations.

FY 2015 BUDGET REQUEST

To fulfill this wide range of responsibilities, the Office of the Clerk relies on our highly professional, diverse, and experienced staff. As we review our operations under a zero-based budgeting process, we always look for innovative ways to reduce costs without compromising quality. At the same time, we know that demands for our services will grow in the coming years. To meet these demands, we are aggressively pursuing ways to use technology to provide additional services and improve delivery of current services; consequently, we will be spending a larger share of our budget on technology. We regularly research new technology to evaluate its ability to meet the needs of the Clerk's organization and the House of Representatives. As the House focuses its efforts on making the legislative process more transparent, it will prioritize electronic data collection, digitization, storage, presentation, and archiving. The House will need to make more of its functions publicly available in a variety of media, some of which are being developed or are unknown.

Much as we met our mandate under the STOCK Act to facilitate public access to financial disclosure records, we look forward to playing a leading role in making the legislative operations of the House more transparent. Our goal is to continue to contain costs and be wise stewards of taxpayer dollars, while providing innovative legislative services and support to the House. For FY 2015, we are requesting \$24,639,000 to fund our operations. This is an increase of 2.6 percent over FY 2014; but 0.5 percent less than FY 2013.

I appreciate the opportunity to appear before the Subcommittee today. I am ready to assist you in any way throughout the development of the FY 2015 spending bill for the House, and I will be more than happy to answer any questions you may have.



Statement of the Honorable Paul D. Irving
Sergeant at Arms, U.S. House of Representatives
Before
The Subcommittee on Legislative Branch Appropriations
For the Office of the Sergeant at Arms
Fiscal Year 2015 Budget Submission

Good morning Mr. Chairman, Ms. Wasserman Schultz, and members of the Committee. I appreciate the opportunity to appear before you to present the Sergeant at Arms budget request for fiscal year 2015. Before I begin, I would like to say that as the Sergeant at Arms, it is both a privilege and honor to have the opportunity to serve this institution and I look forward to continuing to work with you and the other members of this committee.

The Office of the Sergeant at Arms provides a variety of security, safety and protocol services to Members, committees and the staff who serve them. To accomplish our mission, we have a highly dedicated and focused team of professionals working in several different divisions: the Immediate Office (which includes Police Services/Law Enforcement), Protocol and Chamber Operations, Parking Security, House Security, Information/Identification Services, and Emergency Management.

As Sergeant at Arms, I am responsible for directing security matters relating to the House of Representatives, and as a member of the U.S. Capitol Police Board and Chairman this year, I establish policies and guidelines to safeguard the Capitol complex and its occupants. I also serve as a member of the oversight board of the Office of Congressional Accessibility Services. This

very small, but essential office provides and coordinates accessibility services for individuals with disabilities, including Members of Congress, officers and employees of the House of Representatives and Senate, and visitors to the Capitol complex.

Before turning to our Fiscal Year 2015 Budget Submission, there are several ongoing initiatives the Office of the Sergeant at Arms is engaged in which I would like to bring to your attention:

- We continue to pursue enhanced physical security systems and access control devices throughout the House Office Buildings and the Capitol.
- In partnership with U.S. Capitol Police, we continue a strong and effective outreach program with Member offices regarding District Office security. We offer guidance on best practices, providing information on how to obtain a thorough security review, and how to coordinate security surveys when requested. We will continue to provide this essential service to offices, while remaining mindful of the need to provide cost effective recommendations as well as solutions.
- The Law Enforcement Coordinator Program (LEC) remains an important focus – it is something that should be an integral part of every District Office Security plan. As each of you know, LECs can and do provide an essential link to the local law enforcement community, enabling effective liaison and personal rapport with local and state law enforcement. The LEC program has clearly demonstrated its benefit to the institution, in

a cost-effective manner and we will continue to focus our efforts on this critical initiative during the current and future Congresses.

- In partnership with the Chief Administrative Officer, the Clerk of the House, the U.S. Capitol Police, the Architect of the Capitol, the Attending Physician, and peer organizations in the Senate, the Sergeant at Arms implements a comprehensive Emergency Management Program for the House of Representatives, ensuring the Continuity of Operations of the House and the safety of House Members, staff, employees, and visitors during emergencies. As part of a comprehensive emergency preparedness strategy, we are committed to enhancing the emergency management program for every Member, Committee, and support office. For example, we place continued emphasis on the implementation of the Office Emergency Coordinator (OEC) program, an initiative designed to facilitate emergency planning and information sharing for all House offices.
- The Emergency Management Division continues to oversee emergency planning, training, and exercises including notifications, evacuations, and shelter-in-place activities to ensure readiness to respond to any emergency affecting the U.S. House of Representatives.
- Employees of the Sergeant at Arms have supported numerous special events, including the annual State of the Union Address by the President. Support was also provided off-site to several issues retreats in Cambridge, Maryland and the National Prayer Breakfast. I might add that the President will be visiting here again next week for the annual Friends

of Ireland luncheon, and security planning is underway for several Congressional ceremonies, the annual Peace Officers' Memorial Service (to be held on the West Front on May 15), and the upcoming annual concerts on the West Front lawn.

- We continue to focus on final plans for a repository for many of the classified documents received by the House of Representatives and the content management system used to store this data. System enhancements will provide a vital backup providing robust data integrity, while reducing the chance of degradation or loss of data. Enhanced auditing, encryption, and authentication measures should also greatly increase the security of individual classified documents in the new system.
- All divisions in the Office of the Sergeant at Arms will soon begin preparations for the beginning of the 114th Congress. This includes the design of Congressional Lapel Pins and Plates, as well as Congressional IDs and parking permits.

The Sergeant at Arms FY2015 request has been developed in the spirit of zero-based budgeting without jeopardizing any mission critical service provided to the House community. We realize that in the current fiscal environment – and for the foreseeable future – we must plan prudently and operate within tight fiscal boundaries.

In order to fund our on-going efforts, the Office of the Sergeant at Arms is requesting **\$12,057,729** for fiscal year 2015. This includes **\$9,430,980** for personnel expenses and **\$2,626,749** for non-personnel items.

The employees in the Sergeant at Arms organization are our most important assets and have a shared responsibility in fulfilling the Sergeant at Arms goals and mission. While we are authorized for 132 FTE in fiscal year 2015, we are requesting funds for only 127 mission critical positions in Office of the Sergeant at Arms.

Non-personnel expenses for fiscal year 2015 will support critical equipment, supplies and materials, other services, printing, and telecommunications.

Funding for Equipment is requested to support hardware/software needs throughout all divisions, as well as required maintenance. Some highlights covered in this request include:

- Lifecycle replacement of PCs, laptops and other office equipment
- Purchase of equipment to support deployed House operations
- Purchase of equipment and annual maintenance and upgrades to several emergency planning software systems to be used in support of continuity of operations

Funding for Supplies and Materials is requested to purchase general office supplies, ID supplies, and miscellaneous supplies which include Parking Security supplies, the life-cycle replacement of Parking Security uniforms, and the lifecycle replacement of wireless devices,

cellphones, and air-cards. This funding will also provide for the procurement of Member and spouse identification pins, license plates, and parking permits for the 114th Congress.

Funding requested for Other Services includes job specific training for Sergeant at Arms staff. Additional funding is requested for contractual services in the areas of threat mitigation, force protection, counterterrorism, emergency preparedness, response and recovery, and on-line security refresher training.

Funding requested for Printing includes general printing needs as well as the preparation of emergency training materials.

Telecommunications funding will support telephone, cell phone, air cards and wireless service for all divisions of the Sergeant at Arms.

In closing, I would like to thank the Committee once again for the opportunity to appear today. I know I speak for everyone in the Sergeant at Arms organization when I say how grateful we are for your continued support. I want to assure you of my commitment – and that of my entire office – to provide the highest quality services for the House of Representatives while maintaining the safest and most secure environment possible. All of us will remain focused on security and preparedness, while continuing to maintain the strict level of fiscal responsibility demanded by the House of Representatives.

I will continue to keep the Committee informed of my activities and will be happy to answer any questions you may have.

**Statement of Sandra L. Strokoff, Legislative Counsel
Office of the Legislative Counsel
U.S. House of Representatives**

**Before the House Subcommittee on Legislative Branch
Appropriations
Regarding Fiscal Year 2015 Appropriations**

Mr. Chairman and distinguished Members of the subcommittee, thank you for the opportunity to present to you the fiscal year 2015 appropriation request for the Office of the Legislative Counsel.

I am pleased and honored to appear before you today in my capacity as Legislative Counsel of the House. This is the fifth time I have provided testimony to this subcommittee since becoming Legislative Counsel in July of 2009. I would like to take this opportunity to express my appreciation to the Members of the subcommittee for their past and continuing support for our office.

The Office of the Legislative Counsel has provided assistance in the preparation of legislation to the House of Representatives for more than 95 years. We would like to continue that tradition and, with the support of this subcommittee, improve our ability to provide this important service to the Members and committees of the House.

Office Budget Request

For fiscal year 2015, I am requesting \$8,892,975 for salaries and expenses of the Office of the Legislative Counsel. This amount includes \$7,846,475 for mandatory items; \$0 for price level changes; \$506,500 for program current services; and an increase of \$540,000 in program level changes from fiscal year 2014.

Our request includes a decrease of \$90,000 that reflects a decision not to renew after fiscal year 2014 an outside contract for test-validation services in connection with implementation of the House Modernization Initiative for which the office entered into a contract in September 2012, an increase of \$90,000 toward the anticipated need for new computer servers sometime in fiscal year 2015, and a request for an additional \$540,000 to complete during fiscal years 2015 and 2016 parts of the Modernization

Initiative, which have been delayed due to coordinating work of a single contractor with 6 projects for the office and the Office of the Law Revision Counsel.

Functions and History of the Office

While Members of the subcommittee are familiar with our office, for the benefit of others who may review this testimony it may be helpful to provide a brief synopsis of our functions and history.

The statutory charter of the Office of the Legislative Counsel charges the office with the duty to advise and assist the House, its committees, and Members in the achievement of a "clear, faithful, and coherent expression of legislative policies". Our goal, therefore, is to prepare drafts that accurately reflect the legislative objectives of the Member or committee concerned, that are legally sufficient to carry out that policy, and that are as clear and well organized as possible under the circumstances. Although this goal may not be achieved in every case, we always seek, to the extent possible within existing time constraints, to improve the clarity and technical accuracy of the legislative product, avoid drafting errors, reduce unnecessary confusion, and avoid future litigation.

The office is neutral as to issues of legislative policy. Since our inception, we have provided legislative drafting assistance to Members representing all political viewpoints while maintaining confidentiality with each client.

Professional legislative drafting in the House of Representatives began in 1916 as an experiment offered to the House by a professor at Columbia Law School, Middleton Beaman. The experiment was regarded by the House as a success, and Mr. Beaman was appointed Legislative Counsel to the House in 1918 pursuant to an amendment to the Revenue Act of 1918. At first, the office focused primarily on tax legislation. Over the following decades, the work of the office gradually expanded to cover every area of Federal law. A statutory charter for the office was enacted in the Legislative Reorganization Act of 1970. This was followed by an expansion in staff and, over time, a gradual change to the current specialization system within the office. Under that system, each attorney primarily handles legislative drafting requests in specific areas of Federal law and strives to achieve a high level of substantive knowledge and expertise in those areas.

Ancillary Services

In addition to performing our primary function of drafting legislation, we also provide several ancillary services to the House. Most important among these is the preparation of Ramseyers for committees for inclusion in committee reports as required by clause 3(e) of House Rule XIII, as well as the preparation of each bill as reported to the House.

In recent years, the period between final committee action on a reported bill and the filing of the committee report (including the Ramseyer) has become increasingly compressed. Until 2009, we were sometimes unable to complete the Ramseyers in time for the filing of committee reports. This required that the Rules Committee issue a waiver of clause 3(e) of House Rule XIII. Clearly, this was an unsatisfactory situation. We were urged by several committees to find a way to solve this problem, and we requested funding from this subcommittee for that purpose.

We developed unique software to speed up the production of Ramseyers in fiscal years 2007 and 2008 and we began implementing that software in fiscal year 2009. It is now more likely that we will be able to prepare Ramseyers for almost every reported bill, even for large bills with short deadlines. For example, our staff prepared the 750-page Ramseyer for H.R. 5 (the Student Success Act), the reauthorization of the Elementary and Secondary Education Act of 1965, in a short period of time in order that the report on the bill could be filed before the bill was brought to the floor. This would have been an impossible task without the software. The software used to produce the Ramseyers does not require any additional in-house staff, but it does require contractor support and maintenance on an ongoing basis, the cost of which is included in our budget request for software systems discussed below.

In the first session of the 113th Congress, our office received 297 requests for the preparation of materials for bills reported to the House.

In addition to the Ramseyers, we also provide the committees, the Members of the House, and the Senate Legislative Counsel with electronic compilations of up-to-date versions of the most frequently amended Public Laws. For many years these were printed by the Government Printing Office (GPO) for various House committees in bound volumes. The material contained in these documents provides the building blocks for our Ramseyers. It also represents the only current version of approximately two-thirds of all Federal law, and is, therefore, essential to understanding and drafting all bills amending existing law. Beginning with the 112th Congress, we began maintaining electronic compilations of virtually all Public Laws for use in the production of Ramseyers and for electronic distribution to meet the needs of the House. Again, specialized software has been developed and

implemented in support of this function, the cost of which is included in our budget request for software systems discussed below.

While our staffing is inadequate to enable us to provide assistance to the committees in the preparation of these valuable compilation documents for printing by the Government Printing Office on a continuing basis, we do recognize how vital they are to the committees of jurisdiction, to the Members, and to the entire legislative process. Therefore, we have begun to make compilations of major laws that we prepare in our office available to the entire House on our office's Web site in the form of current Adobe Acrobat PDF files. These documents are essential to the lawmaking process but are not available from any other source inside the Congress or elsewhere. (This does not include the United States Code provisions that are available from the Law Revision Counsel or from copyrighted, outside, nongovernmental sources.)¹

Because of changes in the House Rules in the 112th Congress requiring the submission of constitutional authority statements accompanying all bills being introduced, the office developed forms for this purpose, accessible on the office's Web site, along with additional information to assist Members and staff in completing the forms. Attorneys in the office have also provided guidance, upon request, to Members and staff regarding appropriate clauses of the Constitution for particular types of legislation. In addition, the office provides guidance regarding the application of the "protocols" of the leadership relating to the consideration of legislation on the House floor. Among the duties we consider ancillary to our primary purpose, we also frequently assist some Members, at their request, in putting their own legislative language in XML format and the proper statutory style but *without analysis, review, or correction by attorneys*. These are situations where the Member concerned, or someone on the Member's staff, requires legislative language so quickly that we cannot process it through our normal system of attorney analysis and review. Unfortunately, this is not an insignificant part of our work, but since we consider it purely a clerical function, we are exploring ways to address these requests. Clerical or paralegal staff may format the requests with little or no attorney supervision.

Given the current size of our staff (46 attorneys) and our current workload, we are not able to provide certain other additional services that are often requested. These include extensive research, preparing side-by-

¹ A compilation of the extremely complex health care legislation, enacted in 2010, was prepared by attorneys in our office, and was made widely available through joint publication by several committees. This compilation has become a primary resource in the Nation for analyzing and proposing revisions to the health care law.

side analyses of House and Senate bills, drafting explanatory language for committee reports, and preparing summaries or analyses of sections or bills. These tasks are more appropriately performed by other offices such as the Congressional Research Service.

In addition, in order to maintain our impartiality, it has always been our policy not to prepare letters or memoranda explaining, defending, promoting, or justifying any particular legislative proposal.

Workload and the Nature of Our Work

We completed 18,944 final drafts in calendar year 2013, as compared to 16,457 in 2012, 22,322 in 2011, and 15,958 in 2010. Of that 2013 total, 10,840 final drafts were bills, 7,119 were amendments, and 985 were resolutions. As of February 26, 2014, the number of final drafts we have completed so far in 2014 is 2133, of which 1463 are bills, 552 are amendments, and 118 are resolutions. For calendar year 2013, the average number of drafts per Member was 22. However, the office generated 218 drafts for one Member, 110 for another Member, and 50 or more drafts for each of 34 different Members. (These statistics on completed drafts do not cover the number of reported bills for which our office provided Ramseysers or the number of compilations of existing law we prepared.)

Putting these statistics in any kind of meaningful perspective is difficult because some drafts are merely simple resolutions or responses to requests to put language developed elsewhere into proper form. On the other hand, a single request could be very extensive, requiring months of intensive work by a team of experienced attorneys. In addition, for each final draft, there may have been multiple earlier versions, each involving a significant investment of time. If all the versions of the 2013 figures are calculated (this is the manner in which the Office of the Senate Legislative Counsel calculates their job totals), then the totals rise to 56,167 versions, 37,773 of which were bills, 15,725 were amendments, and 2,669 were resolutions.

Bills and amendments continue to be lengthy and complex. The annual national defense authorization bill, for example, covers many different areas of the law and so requires the dedication of significant office resources from a number of different attorneys as the bill moves from introduction through final conference agreement between the two Houses of Congress. The authorization bill for fiscal year 2014 was more than 1,000 pages. As bills move through committee and the floor, the office may prepare hundreds of amendments for a single bill, often in a very short timeframe. From the fall of 2011 and culminating at the beginning of 2014, the office also devoted

substantial resources to completion of the 575-page conference report on the farm bill (H.R. 2642, the Agricultural Act of 2014).

A development over the past few years that has substantially increased the office's workload has been the involvement of the office in assisting the Appropriations Committee in the drafting of appropriations bills, which previously had been done entirely by that Committee. The office has created a team of attorneys to assist in this task, although most attorneys in the office become involved with provisions in their respective areas of expertise. Indeed, whereas in the past appropriations bills were on a fairly predictable schedule during a few months each year, we have found that over the past several years, because of ongoing unresolved appropriations matters, we have had to devote significant resources to appropriations matters on an ongoing (and not merely seasonal) basis.

We also anticipate continuing to dedicate significant resources to budgetary issues generally. Requests relating to the budgets of Government programs across the spectrum will involve many attorneys in our office.

The pace of the legislative process continues to be rapid. In particular, we face deadline situations in the context of Rules Committee and floor schedules—preparing amendments for Members for submission to the Committee for consideration or to comply with a preprinting requirement for consideration on the House floor. These deadlines, at times, make it impossible for our attorneys to adequately review the legislation or make a serious determination as to its legal effectiveness. Because of the volume of these requests, we may be able only to format amendments and include them in our computer database for GPO retrieval.

In other contexts we receive requests for "formatting" or "rush" jobs. We respond to these requests to the extent we can, but we do give priority to those requests on which we can make a meaningful contribution to the final product. Consequently, as I mentioned above, formatting and rush jobs may often be handled by our clerical or paralegal staff.

Turnaround Time

Members often ask how soon their projects can be "turned around" by our office. There is no single answer to this question. Projects not requiring attorney involvement may be processed more quickly, but the quality of the drafting will reflect the absence of value added by a skilled drafter. With the quick turnaround, there will be no assurance that the language will (1) legally accomplish what its sponsor wants it to do, (2) be referred to the desired committee, (3) be enforceable, (4) avoid conflicts with existing law,

(5) give authority to the correct Federal agency, or (6) avoid litigation and questions from the press that cannot easily be answered.

Even in cases where the Member or committee desires to have the best possible draft prepared, the turnaround time varies. Often it takes twice as long to review, analyze, and rebuild an existing draft prepared by outside groups as it would to draft the bill from scratch because, in the former cases, we first need to unearth the policy within language that may not be completely clear, and then begin drafting from there.

Our attorneys specialize, and when a topic is timely and of interest to many Members, the one, two, or three attorneys competent to work on that topic are often inundated with drafting projects. We prioritize our efforts by handling conference drafting requests first, floor amendments second, and committee projects third. Bills for introduction by individual Members are dealt with only after those priority projects are finished, and they are handled in the order in which we receive them. I realize that Members are disappointed not to have every request they send to us processed immediately, but absent wasteful and unlimited resources, we will never be able to meet that standard.

Personnel

Staffing Levels

Our existing staffing level is 70. We currently have a staff of 61 (46 attorneys, 3 paralegals who maintain our compilations of laws and prepare all the Ramseys for the committees, 1 additional paralegal who performs drafting functions, 3 information technology personnel, and 8 clerical support staff). As of February 26, 2014, we are short-staffed because of the recent resignations of an attorney and an individual on the clerical staff. We plan on hiring one individual for the clerical staff in fiscal year 2104 and 2 new attorneys at the end of fiscal year 2014. In addition, we expect 3 law students to work in the office in the spring and summer of 2014. As is explained in the following paragraphs, our need to continue hiring new attorneys is an urgent one.

Recruitment, Training, and Retention of Attorneys

Recruiting well-qualified attorneys to work in our office is becoming increasingly more challenging. The salary levels in private practice remain very high, creating a huge disparity between private-practice salaries and those of Government lawyers, and housing costs in the Washington metropolitan area have also remained high. It is true that while many young

lawyers feel that they cannot afford to work for the Federal Government because of their student loan debts, the House student loan repayment program has been very helpful to us in our recruitment efforts. The level of assistance is now at the same level as elsewhere in the Federal Government (\$10,000 per year with a cap of \$60,000). But the recent Federal budgetary uncertainties, and the possibilities of indefinite salary freezes and reductions in benefits, may be discouraging the best of the law student pool to consider working in our office.

The complexity of legislation requires years of training new attorneys to become legislative drafters of the high quality to which we always aspire. We have 18 senior attorneys in the office, that is, those who have been with the office for more than 20 years; of these, 7 have been with the office for more than 30 years, and 2 for more than 40 years. Two senior attorneys retired in 2011, and one in 2012. In order to plan for the anticipated retirement of so many attorneys in the near future, we feel we need to continue to hire new attorneys both to address the pace and volume of requests the office receives and to have attorneys who are sufficiently trained in the relevant subject areas when a senior attorney retires.

We are concerned about our continued ability to retain new and particularly mid-level attorneys in the current work environment, particularly given the years we invest in training each new attorney. Indeed, we have lost four junior attorneys in the past 18 months. The ability to provide merit raises for the extraordinary work performed by the attorneys in our office continues to be extremely important in retaining skilled attorneys. Another is having sufficient personnel to allow attorneys to work in teams in increasingly complex subject areas. We have found that this approach improves morale and work product, as it has been our experience that individuals who must work "solo" in an area that becomes "hot" can (understandably) become overwhelmed by the workload. This is another reason for the need to continue to hire new attorneys.

Impact of Anticipated Relocation

Our entire office is scheduled to be moved from the Cannon Building to the Ford Building permanently as early as the summer of 2014. We expect this move will inevitably change the way in which we have worked for decades with Members and staff on both sides of the aisle and with the Senate, and will incur additional costs in establishing a technological infrastructure in the new location. Our experience has been that face-to-face meetings, with all interested parties in the room, are invaluable in honing the policies on which all drafting is based and have been crucial when drafting final versions of bills for passage by the House and the Senate.

Likewise, proximity to the House floor when bills are being considered has been invaluable. The leadership has indicated that we will have some conference space available in proximity to our current office space to address these concerns to some extent. We hope that having substantial conference spaces, enhanced through the installation of wall-mounted screens and teleconferencing capabilities, will continue to permit revisions of drafts in a group setting, including potentially a virtual one. During the recent end-of-the-year budget negotiations, we successfully used remote teleconferencing capabilities with leadership personnel to produce timely drafts and revisions. With the impending move we anticipate the need for greater use of Internet-based communications technology, which could involve both 1-time and ongoing expenses which we cannot reasonably predict at this time. We understand that expenses involved in the configuration of our new space to meet our ongoing needs should be included in the Cannon renovation costs, but there may be some unanticipated costs that will need to be covered. We are hoping that a careful design of our new space and related technologies will offset the inconvenience to our staff and clients of this move.

Managing the Uneven Workload

Our workload fluctuates greatly during each session of Congress. Peak periods are always difficult to manage. We also continue to see many omnibus bills, including requests from individual Members. The complexity of Federal law continues to increase. Our attorneys are always operating under timetables dictated by external events and constraints. Assembling multifaceted legislation in a thoroughly professional manner and minimizing errors is a growing challenge, even for our most experienced staff.

Our office has become increasingly structured around teams of attorneys with expertise in particular subject areas within the jurisdiction of the standing committees of the House. However, in order to address the excessive workload presented by certain bills, particularly requests for amendments for committee markup and the House floor, in addition to the core of the drafting team and other attorneys with expertise in subjects covered by the bills, another 15 or so attorneys have volunteered to help with drafting requests and have been directly involved in support of the House's effort for both those who supported and opposed the legislation. These auxiliary teams significantly improved turnaround time for Members' amendment requests, both for committee consideration and for submission to the Rules Committee prior to floor consideration, while permitting those with the most expertise to work with the committees and leadership on both sides of the aisle. This auxiliary team effort has allowed the preparation of

hundreds of amendments over a matter of days. The team approach is crucial to handling large bills; we continue to develop the teamwork approach for appropriations bills, which has proved challenging. Ultimately, it is our goal to have a team of attorneys working in each major subject area.

In addition, we are continuing our successful program of using attorneys who have retired from our office to work part-time under contract on an as-needed basis. These experienced attorneys are required to have no actual or potential conflicts of interest. They are paid on an hourly basis at the equivalent of the rate of pay that they were earning immediately prior to retirement and are assigned to help for a limited period with a special problem or a particularly difficult or large project. This system has also proved to be a very cost-effective way to handle temporary personnel issues such as absences due to family and medical leave and to help manage the peak times of a fluctuating congressional workload during each session. Of the retired attorneys with whom we have contracts to participate on an as-needed, part-time basis, four are currently providing services.

Nonpersonnel Expenditures

The major nonpersonnel expenditures for our office are associated with the maintenance and enhancement of our existing software systems and future improvements in our ability to provide assistance to committees.

Software Systems

Existing Systems

Our office currently uses 4 major types of software:

- (1) Customized document management software to inventory and track the progress of requests for drafting assistance (iManage).
- (2) Customized software (XMetal) for the composition and modification of bills, amendments, and resolutions in the now-standard Extensible Markup Language (XML) format.
- (3) Customized software to show existing law with all current amendments and to produce documents showing the changes in existing law resulting from proposed legislation containing

amendments and repeals (Ramseyer software), for use in drafting and preparation of Ramseyers.

(4) Customized software to maintain a current database in XML of frequently amended Federal laws (compilation software).

Keeping our document management software system working and properly integrated with the other software systems used in the office requires the part-time attention of 1 in-house software specialist and a \$5,200 annual maintenance/license contract. This contract allows us to keep the server and client software up to date, as well as to receive technical support.

Our in-house software specialist (sometimes in consultation with Legislative Computer Systems (LCS)) has been able to address most difficulties that continue to arise in the XMetal text composition software designed for us by the Clerk of the House and now in use by many committees. We will need to devote additional resources during the current fiscal year as the House and our office move from XMetal 5.5 to XMetal 7.0 and to Windows 7. We have several layers of software built on top of what LCS has provided us (in XMetal), so that we will need testing and probably modifications to accommodate the new version of XMetal software.

The third and fourth items on our existing software list (Ramseyer software and compilation maintenance) require ongoing support, training, and occasional minor improvements. These expenses have been included in our request (under drafting legislation).

In support of our ongoing work and the additional transparency projects described below, the office in fiscal years 2013 and 2014 contracted for a quality control specialist. However, we are not including funds for this purpose in our fiscal year 2015 request, as we will seek a more focused, less expensive means of achieving the same underlying objective.

Additional Systems To Increase Accuracy and Transparency

We have also initiated 6 projects, through contracts awarded by CAO Acquisitions Management at the end of fiscal year 2012 as part of the House Modernization Initiative (for both the Office of the Legislative Counsel and the Office of the Law Revision Counsel), for the long-term development of software programs to enhance the transparency of legislation throughout the legislative process. The projects are the following:

1) A project to enhance and improve the Ramseyer-related software for use in drafting ("Ramseyer toolkit").

2) A project to develop software to show, in context, the impact on bills of amendments drafted to those bills (in a manner similar to the way in which the Ramseyer program shows the impact of amendments in bills to laws) ("Amendment Impact Project" or "AIP").

3) A project to improve the maintenance and completeness of our database of compilations of laws ("compilation maintenance in XML").

4) A project to improve our internal information management tools (in iManage and Outlook) in order to enhance internal management, workflow, and productivity.

5) A project to develop a "legislative lookup" tool that would enable drafters and readers to effectively hyperlink to a referenced provision without having any preexisting hyperlinks.

6) A project to develop a tool within XMetal that would track changes made in a draft and to automate the process of converting those tracked changes into amendments to that draft.

The first 3 projects are based on previous projects variously denominated "Drafter's Toolbox" or "Amendment Impact Project" that we have undertaken through the proof-of-concept stage. These projects are designed to enhance the speed and accuracy of drafting amendments to laws and bills and, once fully functional, we hope can be adapted for direct use by professional staff and Members' offices.

These 6 projects were initiated with reprogrammed funds (including internally reprogrammed funds) from fiscal year 2012. These projects are being coordinated with the Modernization Initiative being conducted by the Office of the Law Revision Counsel. Because several of these projects share a common contractor, it was decided that the contractor would initially begin work on the OLRC portions of the project and has only begun concentrated work on the HOLC portion in the latter part of fiscal year 2013. Progress on all of these projects is being monitored regularly by a team that includes representatives from the CAO (Office of Acquisition Management) and the Committee on House Administration.

In particular, a prototype for the Amendment Impact Project (AIP) has been developed and initially tested on some bills, such as the highway bill which was the subject of dozens, if not hundreds, of floor amendments. We are hoping to have an internal version that can be tested initially on amendments to select bills in the Rules Committee later this year, with the intention of later demonstrating how this tool can be used in one or two other committees. The development process for AIP has revealed a number of technical shortcomings in the legislative amendment process, including

some language inconsistencies and problems with generated text that are imbedded in the original technical specifications for bills (the "DTD"). We are developing strategies to address these issues, but at some point in time (and in connection with development work occurring at the Office of the Law Revision Counsel) there may be a need to make some more significant changes in the legislative DTD being used.

The project of moving compilation maintenance into XML has been proceeding well and we are aiming to have converted over to XML maintenance virtually all of our statutory compilations by later this year. We are already benefiting from our decision to maintain in XML all laws enacted beginning in the 112th Congress. However, we still find challenging converting over many earlier laws which were not drafted following any uniform style.

For the legislative lookup project, we have tentatively identified a syntax which can potentially become the basis for an international standard for legislative references. The underlying concept involved in looking-up-and-linking legislative references is not unique to United States Federal legislation. Therefore, in our development work, we are cognizant of the broader potential implications of our work. Parsing the many variations in language used for these references has been a challenge that we are addressing.

An additional complication we are experiencing in all of these projects is the added cost of testing and software modifications required in the process of migration from the Windows XP operating system and XMetal 5.5 to Windows 7 and XMetal 7.0. The software used by our office has been a highly customized version of XMetal 5.5 in the Windows XP environment and making the required transition has been consuming both internal and external resources in the current fiscal year. Virtually all of our projects are designed to be "layered" on top of not only the Windows operating system and XMetal, which must be updated by April 7, 2014, because support of Windows XP will expire then, but also the previous customizations both of Legislative Computer Services (LCS) and by our office. It is possible that additional funds to address the migration process described above may be needed in fiscal year 2015.

We anticipate needing an additional \$540,000 to complete, extend, and maintain the amendment impact, legislative lookup, and track changes projects, and for software licensing in connection with these projects. Previous funding for the 6 projects is available for periods of 2 years (for the information management, compilation database, and Ramseyer toolkit

projects) and up to 4 years for the remaining projects (i.e., amendment impact, legislative lookup, and track changes projects).

We have provided demonstrations of the programs in development to staff on the Committee on House Administration and the Committee on Rules, as we believe these tools can significantly enhance the transparency initiatives undertaken in the House. The Deputy Legislative Counsel has been representing the office and participating in the House's Bulk Data Task Force which is chaired by Robert Reeves, Deputy Clerk of the House.

We have enabled the use of videoconferencing technology, and are exploring the greater use of teleconferencing, in order to provide for greater efficiencies in working on bills in conference, both with the Senate and within our office, including during inclement weather. The use of the large video screen alone proved very useful most recently in drafting portions of various budget reform legislation as well as Medicare physician payment reform (SGR) legislation.

Educational Programs

During the past several fiscal years, the office has been fortunate to be able to host, for periods of from 2 weeks to 6 months, legislative drafters for the British Parliament, the Parliament of the Republic of Korea, and the European Parliament. These visiting drafters have been able not only to learn how attorneys in our office draft legislation for the House, but to teach those in our office how drafting is done in those parliaments. While here, our visitors also met with the House Parliamentarian, the Law Revision Counsel, the Office of the Senate Legislative Counsel, and the Congressional Budget Office to learn about their respective roles in the legislative process. This program has required no additional expenditure of funds from our office's budget, other than indirect support costs such as technical support and office supplies.

We have received invitations from the First Parliamentary Counsel of the British Parliament, the Director General of the Legislative Counsel Office of the National Assembly of the Republic of Korea, and from the Director of Legislative Acts of the European Parliament, to host attorneys from our office in their legislative drafting offices.

We feel that a program that allows an office such as ours to share knowledge and experience first-hand with drafters in other venues, whether here in the United States or abroad, is invaluable. It will lead to better understanding of legal systems elsewhere and hopefully better legislation everywhere.

We request, therefore, that funds made available to the Office of the Legislative Counsel be available for educational purposes, including international exchanges such as those described under this heading.

In addition, the Office's activities in the development of software in the drafting and analysis of legislation are overlapping with parallel developments in other countries, including the development of international standards. Therefore, it would also be useful for funds made available to the office to be available to promote the office's involvement and collaboration in those efforts.

Conclusion

I would like to express my appreciation for the support this subcommittee has given our office. This support has enabled us to develop and maintain the ability to provide quick, efficient, and expert drafting assistance to the Members and committees of the House. We are continuing our efforts to improve our services wherever possible.

This completes my testimony. I will be happy to answer any questions that any Member of the subcommittee may have.

Statement of Kerry W. Kircher, General Counsel
Office of General Counsel
U.S. House of Representatives
Before the Legislative Branch Subcommittee
of the Committee on Appropriations
Regarding Fiscal Year 2015 Budget Request of the Office of General Counsel

Chairman Cole and Members of the Subcommittee. Thank you for the opportunity to present and explain the fiscal year 2015 (“FY’15”) budget request of the Office of General Counsel (“OGC”). For FY’15, OGC requests \$1,352,987, which represents an increase of \$12,000 over the FY’14 Consolidated Appropriations Act, of \$1,340,987. This budget request is comprised of \$1,235,987 for personnel costs and \$117,000 for non-personnel costs. The increase of \$26,000 in personnel costs represents a \$12,000 COLA increase and a \$14,000 reallocation of funds between our personnel and non-personnel budgets. A justification of this increase and reallocation appears below.

Functions of the Office

Pursuant to Rule II.8 of the Rules of the House of Representatives (113th Cong.), OGC provides legal advice and assistance to Members, Committees, Officers and employees of the House without regard to political affiliation, on matters related to their official duties. OGC is a non-partisan, independent entity in the House which reports, on policy matters and matters of institutional interest to the House, to the Speaker and the Bipartisan Legal Advisory Group (consisting of the Majority and Minority leaders, and the Majority and Minority whips). While it is difficult to provide an exhaustive list of all the types of advice and representation OGC provides, it addresses the following matters with some frequency:

- **Judicial Proceedings:** OGC represents Members, Committees, Officers and employees, both as parties and witnesses, in litigation arising from or relating to the performance of their official duties, at both the trial and appellate levels. Among other things, OGC defends civil suits; moves to quash or limit subpoenas; applies to District Courts, on behalf of Committees and Subcommittees, for immunity orders for witnesses; sues, on behalf of Committees and Subcommittees, to enforce congressional subpoenas; and files amicus curiae briefs on behalf of the House, or one or more of its constituent entities, in cases that raise issues of significant institutional interest to the House and its Members.
- **Committee Subpoenas:** OGC provides advice to House Committees and Subcommittees in connection with the preparation, service and enforcement of Committee and Subcommittee subpoenas, including advice and assistance in dealing with recalcitrant witnesses.

- **Requests for Information:** OGC provides advice and representation in connection with responses to informal and formal requests for information (grand jury subpoenas, trial and deposition subpoenas, FOIA requests) from governmental agencies (including the Department of Justice), as well as private parties.
- **Privileges:** OGC reviews, evaluates and advises regarding the applicability and waiver of various privileges including, most particularly, the Speech or Debate Clause privilege (U.S. Const. art. I, § 6, cl. 1), but also including executive, Fifth Amendment, attorney-client, and attorney work product privileges.
- **Tort Claims:** OGC reviews and evaluates tort claims for administrative resolution by the Committee on House Administration, and, where appropriate, refers such claims to the Department of Justice for defense under the Federal Tort Claims Act.
- **Tax Matters:** OGC advises House offices and vendors regarding applicable tax exemptions for official purchases.
- **Constituent Casework:** OGC provides advice to Members and their staffs about the handling of constituent casework, including responding to questions that concern the confidentiality and discoverability of constituent communications and information.
- **Contract Disputes:** OGC assists in resolving major contract disputes involving House Members/entities and outside vendors.
- **Internal Policies:** In consultation with the Speaker's office and other leadership offices, OGC assists in creating, amending and evaluating internal House policies, rules and regulations.
- **Formal Legal Opinions:** From time to time, OGC issues formal legal opinions on matters of interest to Members, Committees and/or Officers, including whether proposed legislation raises constitutional questions.
- **Other Matters:** OGC provides day-to-day advice on a wide variety of other legal matters including, but not limited to, immigration, intellectual property, debt collection, jury duty, landlord/tenant, and miscellaneous constitutional and separation of powers issues.

Justification for the Increase and Reallocation of Funds

At present, OGC is comprised of, in addition to the General Counsel, five experienced attorneys, one Office Administrator, and three full-time staff attorneys/law clerks. The \$26,000 increase in the personnel budget reflects an annualized and prorated cost of living increase of \$12,000 and a \$14,000 reallocation of funds. We have re-evaluated our personnel and non-

personnel needs, and have reallocated \$14,000 to the personnel component of the budget by reducing three other components of OGC's budget: travel – \$8,000; printing – \$2,000; other services – \$4,000. Based on the proposed funding level, OGC expects to be able to provide the same level of effective service it currently provides.

* * *

I would be happy to respond to any questions the Subcommittee might have. Thank you for your consideration.

Statement of Theresa M. Grafenstine, Inspector General
Office of Inspector General
U.S. House of Representatives
Washington, DC
March 6, 2014

Before the House Subcommittee on Legislative Branch Appropriations

Chairman Cole, Ranking Member Wasserman Schultz, and Members of the Subcommittee, I thank you for this opportunity to highlight the important work of the Office of Inspector General (OIG). The OIG was established by the House during the 103rd Congress to conduct periodic audits of the financial and administrative functions of the House and of joint entities. Over the past twenty years, the OIG has added value by working closely with the Committee on House Administration, House Officers, and joint entities to improve the operations of the House, to reduce inefficiencies, minimize costs, and help mitigate risk. In addition to providing traditional audit and investigative services, the OIG also provides proactive analysis and guidance in the improvement of House operations through its management advisory services.

Our FY 2015 budget request is consistent with our history of fiscal stewardship; demonstrated by our self-imposed budget reductions over the last several years, to formulate a budget request that adequately funds the OIG's vital mission at the House. For FY 2013, our budget request included a self-imposed cut of \$353,000 or seven percent reduction and our FY 2014 budget request was at a level that was actually four percent less than our FY 2009 budget. In addition, we have consistently been able to return unused portions of our appropriation nearly each year. We are proud to have been able to make these cuts without impacting the quality of service that we provide to the House. We have accomplished this by (1) investing in staff training, thus diminishing the need for outside technical experts, and (2) by continuing to automate and standardize many of our internal processes, thereby freeing up resources to focus on our mission rather than burdensome administrative processes.

The OIG staff consists of twenty-four experienced and dedicated professionals, all of whom possess advanced degrees, one or more professional certifications, and extensive public or private sector work experience. Currently, the OIG has twelve ongoing audits, advisories, and investigations in various stages of completion, as well as three reports pending final approval for release from the Committee on House Administration.

Highlights of the 113th Congress

The OIG's objective, value-added reviews have helped to significantly improve the House's financial management, administrative processes, workplace safety and security, the security of House data, and the information technology infrastructure. So far, the OIG has issued twelve reports this Congress. These reports spanned the diverse range of services it offers including financial, performance, and information systems auditing services; management advisory services; and investigative services.

Financial Auditing Services. Financial audits review the effectiveness and efficiency of House financial operations. A major portion of this effort involves the oversight of an external certified public accounting firm's annual audit of the House Financial Statements. Additionally, we conducted an audit of House accounts receivable.

FY 2012 Financial Statement Audit Report. This report presents the audited Annual Financial Statements of the House for the fiscal year ended September 30, 2012. We contracted with an external certified public accounting firm to perform an audit of the House's financial statements and to report on internal controls over financial reporting and on any reportable non-compliance with laws and regulations. For the fifteenth consecutive year, the House received an unqualified opinion on its financial statements. An unqualified opinion means the financial statements present fairly, in all material respects, the financial position and results of House operations in conformity with U.S. generally accepted accounting principles. The House continues to make significant progress in implementing a comprehensive internal control program. However, the external auditors reported two significant deficiencies in internal control over financial reporting. The two significant deficiencies relate to controls over financial reporting processes and information technology. The auditors identified no instances of non-compliance with applicable laws and regulations.

Audit of the House Accounts Receivable. House accounts receivable (A/R) represents amounts due to the House from Federal entities, Members, employees and/or vendors, less an allowance for doubtful accounts for debts estimated to be uncollectible. A/R primarily arises from employee and vendor overpayments. The House evaluates the collectability of accounts receivable and presents the balance net of an allowance for doubtful accounts. It is critical that accounts receivable are properly tracked and collections efforts are sufficient to mitigate the risk of losing House resources or inaccurately reporting the value of accounts receivables. This audit disclosed that the Office of the Chief Administrative Officer (CAO) needs to improve management oversight and processes related to House A/R, including recording transactions and completing monthly reconciliations correctly and in a timely manner. Additionally, we identified opportunities to increase accountability and efficiency within the A/R process by fully utilizing the functionality of PeopleSoft to assist in automating ineffective manual processes. The CAO concurred with the findings and is taking corrective actions.

Performance Auditing Services. Performance audits evaluate the efficiency and effectiveness of the House administrative functions and the adequacy of internal controls over these functions, to include benchmarking policies and procedures against "best business practices". We performed a variety of performance audits to assist the House in improving the efficiency and effectiveness of House administrative operations. One of the performance audits conducted during the 113th Congress included an audit of the CAO's capital planning process.

Review of the CAO Capital Planning Process. Capital planning is an integrated management process for the selection, management, and evaluation of Information Technology (IT) investments. Not having a robust capital planning process can result in the lack of an IT strategic plan, inadequate IT funding and resource shortfalls, and lack of communication between IT management and CAO management. These risks may cause a failure to adequately plan for

relevant and significant issues which could result in budget overruns and/or unnecessary expenditures. This audit disclosed that the CAO did not have a capital planning process for the organization. Currently, investment decisions are justified through the annual budget exercise. This process does not take into account key governance and long-term planning requirements, such as establishing a strategic plan that governs investment decisions, gathering metrics on the cost of sustaining operations, defining processes to monitor the health of existing projects, and applying lessons learned from prior projects. Additionally, the CAO lacks an enterprise architecture function to define and enforce compliance to an agreed-upon enterprise architecture. The CAO concurred with the findings and plans to develop and implement a capital planning process and enterprise architecture program.

Information System Auditing Services. The OIG conducts information systems audits of computer security, operating systems, information systems, network hardware and software, and the information resources management function in the House. These audits assess the confidentiality, integrity, and availability of House information resources and evaluate the adequacy and effectiveness of House policies and procedures related to information systems. Some of the information system audits conducted during the 113th Congress include an audit of the Sergeant at Arms' (SAA) disaster recovery process and procedures, a security review of the CAO's House cloud file service, and a review of controls over House system interconnections.

Sergeant At Arms Disaster Recovery Process and Procedures. We performed an audit to determine whether the SAA's Information Technology (IT) Disaster Recovery Plan was adequate, effective, and supported the prompt recovery of crucial SAA and Office of Emergency Management (OEM) functions in the event of system disruptions and failures. IT and automated information systems are vital elements in most business processes. Because IT resources are essential to an organization's success, it is critical that the services provided by these systems are able to operate effectively without excessive interruption. This audit disclosed improvements are needed in the overall Business Continuity Disaster Recovery (BCDR) program. We provided the SAA with recommendations, that when fully implemented, will ensure the SAA's IT BCDR planning is comprehensive and thoroughly tested. The SAA concurred with the findings and plans to take corrective actions to address the issues.

House-wide Review of Controls over Information Systems Interconnections. A system interconnection is the direct connection of two or more IT systems for the purpose of sharing data and other information resources. If interconnections are not properly designed, security failures could compromise the connected systems and the data that they store, process, or transmit. Similarly, if one of the connected systems is compromised, the interconnection could be used as a conduit to compromise other systems and its data. The potential for compromise is underscored by the fact that, in most cases, the participating organizations have little or no control over the operation and management of the other party's system. This audit disclosed that the House needs to improve its inventory of, policies and procedures over, and management and technical controls for its system interconnections. The House Officers jointly concurred with the findings. During the audit they took actions to remediate encryption-related control weaknesses and plan to take additional actions to correct the remaining weaknesses.

Review of the CAO House Cloud File Service (HCFS). The HCFS is a virtualized environment where one physical server is divided into multiple isolated virtual environments. The CAO has implemented a virtual environment in some of their core business processes. Virtualized environments offer improved asset utilization, lower costs, and increased flexibility, but introduce management complexity and overhead. In some cases, the potential security vulnerabilities of virtualization mirror those of physical server environments. Virtualization also presents unique challenges, both technical and operational, that necessitate extra security precautions. This audit disclosed that controls have been implemented to secure Member virtual servers and their data. Virtual servers are isolated and data is encrypted to ensure that only the Member's office can access and view their data. A network filter further protects Member virtual servers by adding a layer of security between the HCFS infrastructure computers and the rest of the House network. Infrastructure computers are used to manage, host, and store Member virtual servers and data. House Information Resources (HIR) has also implemented software to monitor virtual servers and respond to security incidents when needed. However, this review also identified control deficiencies that, if exploited, could result in Member servers being unavailable for use by their office. During this audit, CAO personnel took prompt action to address and correct some of the security control deficiencies identified. The CAO concurred with the findings and is working towards correcting the remaining weaknesses.

Management Advisory Services. In the advisory services area, the OIG continues to assist the House in identifying ways to proactively improve the effectiveness and efficiency of House processes and operations. Historically, advisory services have included work in the areas of emerging technologies, systems development, service and business process improvement, as well as risk management. So far during the 113th Congress, examples of our advisory projects have included benchmarking House IT policies, assisting in developing a training curriculum for Member office financial administrators, and following-up on changes made within the CAO financial counseling and payroll and benefits areas. In the areas of risk management, we provided advisory services related to the CAO's Microsoft Exchange 2010 and PeopleSoft upgrades.

Benchmarking House IT Policies. HIR, a unit within the CAO, provides enterprise infrastructure and computing systems support for the House. HIR is also responsible for maintaining the IT policies that govern the operations and usage of computing systems at the House. This includes the Information Systems Security Program (ISSP) Manual, House Information Security Policies (HISPOLs), House Information Security Publications (HISPUBs), and House IT Policies. As security policies are the foundation of information security in an organization, the House must have effective IT security policy documents to help protect its information assets from current threats and risks. This review examined the IT security documents of the House and compared them to recognized government and private sector best practices. We identified numerous opportunities for improvement in the current set of IT policies and procedures. These included suggested changes to conflicting and outdated policies as well as missing standards related to newer technologies being utilized at the House. The OIG offered recommendations that the Committee on House Administration and CAO could implement to help improve the effectiveness and relevancy of these policies and procedures.

Member Office Financial Administrator Training Curriculum. The OIG recently completed two advisory engagements that focused upon ways to improve the financial administration practices and fraud awareness for Member offices. Disseminating this information to House Member offices would allow them to improve the efficiency and effectiveness of Member office operations and benefit the overall operations of the House. The objective of this engagement was to widely communicate the practices derived from those reports by updating or creating courses offered by the CAO Learning and Development team. The OIG facilitated a team of people from the CAO and the Professional Administrative Managers (PAM) group to build a sustainable way to share the information. The effort moved at a rapid pace to ensure new materials would be ready to train financial administrators at the beginning of the 113th Congress. The CAO began offering the updated and new classes through the House Learning Center in February 2013.

Financial Counseling/Payroll & Benefits Review Follow-up. In 2010, the Committee on House Administration requested that the OIG perform an organizational assessment of the Financial Counseling and Payroll and Benefits (P&B) departments within the CAO. At the time, there were concerns about customer satisfaction, work performance, and employee morale. Following the completion of the 2010 report, the Committee requested the OIG conduct a follow-up review to determine the extent of improvements in Financial Counseling and P&B. This report examined the CAO's improvements in the areas of current performance and process efficiency and effectiveness; managing organizational change; customer satisfaction; training; staff qualifications and development; and performance reviews. While there have been significant service improvements, we found that opportunities remain to improve performance metrics as well as staff assessment, training, and development.

Microsoft Exchange 2010 Upgrade Advisory. The CAO completed a successful upgrade of the House email system from Microsoft Exchange 2007 to Exchange 2010. The Exchange 2010 project team invited the OIG to provide advisory services related to project planning and execution, risk management, and change management. We provided real-time feedback to the project team throughout the project. Additionally, we aggregated our observations and suggestions related to the management of this project and the risk management practices employed so that future project teams, across the CAO, could leverage a more robust and repeatable process for future initiatives.

Investigative Services. Generally through the result of audit outcomes, advisory activity, or anonymous tips, the OIG, with bi-partisan approval from the Committee on House Administration, executes investigations into sensitive allegations of fraud, waste, and abuse in the administrative operations of the House. During the 113th Congress, the OIG continued its efforts to increase fraud awareness by helping to educate House offices about unscrupulous vendor practices. The OIG coordinated these efforts with the CAO and the Office of General Counsel to implement controls to protect House offices and, as a result, had decreased payments by ninety-eight percent to vendors known for their misleading and/or fraudulent business practices.

The Second Session of the 113th Congress

A number of important challenges face the House during the second session of the 113th Congress. The OIG continues to do its part to contribute to a more effective and efficient House support structure by identifying and helping to mitigate significant risks to the House and highlighting opportunities for improving the efficiency and effectiveness of House operations. We will continue to work closely with the other House Officers and the Committee on House Administration to focus on areas of significant risk and provide our honest and independent assessments, opinions, and recommendations. I believe that the OIG's proactive, value-added audit, advisory, and investigative services will continue to help shield the House from significant financial losses, damage to the House's reputation, and delays and disruption to House financial and administrative operations.

FY 2015 Budget Request

The OIG's FY 2015 budget request calls for total funding of \$4.742 million, which puts us at a level that is actually four percent less than our FY 2009 budget. This amount includes \$3.467 million in mandatory items associated with current staff; \$1.275 million for non-personnel expenses, which includes contract funding for the annual independent audit of the House Financial Statements, and when necessary, specialized subject matter experts to support the wide-range of information security and technology engagements handled by our office.

Chairman Cole, I wish to thank you, Ranking Member Wasserman Schultz, and the Members of the Subcommittee for this opportunity to present the work of the OIG and its FY 2015 budget request. The OIG looks forward to working with the Subcommittee and continuing our role of providing value-added advice and counsel to House Leadership, the Committee on House Administration, House Officers, and joint entities of the House as we focus on issues of strategic importance to the House and its ability to efficiently and effectively conduct its operations in accordance with best business practices. We are proud to be able to serve the People's House in this way. I would be happy to answer any questions you may have.

STATEMENT OF

RALPH V. SEEP

LAW REVISION COUNSEL OF THE U.S. HOUSE OF REPRESENTATIVES

to the

Subcommittee on Legislative Branch

of the House Committee on Appropriations

Mister Chairman and Members of the Subcommittee:

Thank you for the opportunity to appear before you to present the budget request of the Office of the Law Revision Counsel (Office) for fiscal year 2015. Our Office appreciates the continuing support given to us by the Subcommittee and Congress.

Budget Request

For fiscal year 2015, I am requesting \$4,113,587 for the Office to sustain operations with respect to existing personnel and ongoing technology needs. The total request of \$4,113,587 includes the sum of \$3,113,587 for continuing operations plus \$1,000,000 for the House Modernization Project.

Continuing Operations.--The amount of \$3,113,587 represents a 0.84 percent increase over the amount appropriated by the Consolidated Appropriations Act, 2014, Public Law 113-76. This amount will allow for continuation of current personnel, including a small cost-of-living adjustment, routine maintenance and replacement of equipment, and continuation of service contracts for editorial work and technical support.

House Modernization Project.--The amount of \$1,000,000 for the House Modernization Project is not a change, but rather a planned continuation. In 2012, at the behest of House leadership, the Office of the Law Revision Counsel, together with the Office of the Legislative Counsel, launched the House Modernization Project using reprogrammed funds to cover the initial costs. It was anticipated that a subsequent appropriation would be required to fully fund the project. The fiscal year 2015 request of \$1,000,000 will allow the Office of the Law Revision Counsel to complete its portion of the House Modernization Project.

Functions of the Office

The principal functions of the Office are specified by chapter 9A of title 2 of the United States Code. They are: (1) to maintain the official version of the Code, and (2) to prepare legislation to enact individual titles of the Code into positive law.

Maintaining the United States Code

The United States Code contains the general and permanent laws of the United States, organized into titles by subject matter. The two primary tasks in maintaining the Code are classifying new laws and updating the text.

Classifying New Laws.--Every law enacted by Congress is read in its entirety by a number of attorneys to determine which provisions should be classified to the Code and where in the Code they should be placed. The Office gives the highest priority to this classification function, and the classification of a law is normally completed by the time it is signed by the President. While thoroughness and accuracy are the prime concerns, speed is also important so that classifications can be posted online and included in printed slip laws and made available to the public as quickly as possible.

Updating the Text.--Updating the text of the Code includes not only integrating new statutory provisions into existing text, but also preparing extensive editorial material enabling users to find, track, and understand the updates. This editorial material includes statutory citations and amendment notes to help track the legislative history, notes to explain such things as effective dates, transfers of functions, and a variety of other matters, tables to indicate the status of statutory provisions and their location in the Code, and an index.

The Office is required to publish, in printed form, a complete new version of the Code once every six years and annual cumulative supplements in intervening years. The Office also publishes the Code on its public website, which has recently undergone an extensive upgrade and is still undergoing improvements to become an ever more useful tool.

Improvements in Timeliness and Organization

Improvements in Timeliness.--The timely update of a publication of the size and complexity of the Code is a challenging task and depends heavily on the training and expertise of the staff of the Office. The Office places a high priority on retaining existing staff and also seeks to retain the services of retired employees by contracting with them for part-time work. As a result of the efforts of experienced staff, the Office has been able to steadily improve the speed with which updates are published without sacrificing the high level of accuracy that is expected and demanded of the official United States Code.

Improvements in timeliness have also been made due to an increased focus on providing electronic access to the Code. Traditionally, the print publication has driven the editorial practices of the Office. However, current recognition of both how and how soon users want access to legislative updates has impelled the Office to reevaluate and successfully streamline some of these practices to tailor them for online publication. As a result, updated titles can be published not only more quickly, but also continuously throughout a congressional session without having to wait for the conclusion of a session as required by the print publication.

Accordingly, the Office now maintains a current, easily accessible online Code in addition to producing the print Code. Bulk data is available for download in a variety of formats (XML, XHTML, PDF, and locator text files). These enhancements have been made possible through the Committee's ongoing support combined with the determined efforts of the Office's professional staff. The Office continues to strive for improvements in timeliness through innovative editorial practices that take advantage of emerging technological possibilities.

Improvements in Organization.--As part of its ongoing work in maintaining the Code, the Office undertakes reclassification projects to improve the organization of problematic areas of law. Two noteworthy projects this year have improved the organization of laws relating to congressional officers and employees in title 2 of the Code and laws relating to national security in title 50 of the Code. Over the past decades, both of these areas had become overgrown, confusing, and difficult to navigate. Significant work was done to reorganize these provisions and update statutory references accordingly. As a result, these areas of law are now far more accessible and transparent.

Positive Law Codification

The second principal function of the Office is to prepare legislation to enact individual titles of the United States Code into positive law as required by 2 U.S.C. 285b. The Code currently consists of 26 positive law titles and 24 non-positive law titles (one title has been omitted). A positive law title is a title that has been enacted into law by Congress in the form of a title of the Code. In contrast, a non-positive law title is an editorial compilation by the Code editors (the Office of the Law Revision Counsel or its predecessors) of various acts separately enacted into law by Congress.

Positive law codification is a complex process. It may take a codification attorney a year or more to prepare a codification bill for introduction. After the bill is introduced by the Chairman of the House Committee on the Judiciary, a formal review and comment period begins. Congressional committees, Government agencies, legal experts, and members of the public are invited to review and comment on the bill. Because of the size and complexity of codification bills, it may take several years of study for reviewers to provide detailed and thoughtful feedback. During these extended comment periods, the codification attorneys work with the committees, agencies, and others to improve the bill in order to achieve the best possible organization and wording of the new title and ensure that no substantive changes are made by the bill.

Once all issues are resolved, a revised bill is prepared by the codification attorneys in the Office. Typically, the revised bill is reported by the Committee on the Judiciary as an amendment in the nature of a substitute, and the bill is passed by the House under suspension of the rules. In the Senate, the bill goes to the Committee on the Judiciary and the process continues until the bill is passed by the Senate, typically by unanimous consent. In most cases, a codification bill must be updated several times for new legislation and reintroduced in several Congresses before finally being enacted. The codification attorneys are involved throughout the process, working with the staffs of House and Senate committees, Government agencies, and others to perfect the bill and move it toward enactment.

Current Projects.--The Office submitted several codification bills to the House Judiciary Committee in 2013, and two of the bills passed the House. However, the Senate has not yet taken action on the bills. In addition, the Office is working on several new projects affecting various titles of the United States Code. Current projects of the Office include a bill to enact subtitles III and IV of title 35 and to redesignate the title as Patents, Trademarks, and Other Intellectual Property; a bill to make technical corrections and improvements in title 36, Patriotic and National Observances, Ceremonies, and Organizations; a follow-up bill to incorporate recently enacted provisions in title 41, Public Contracts, and to conform cross references in other laws; a follow-up bill to incorporate recently enacted provisions in title 51, National and Commercial Space Programs, and to conform cross references in other laws; a bill to enact title 53, Small Business; a bill to enact title 54, National Park Service and Related Programs; a bill to enact title 55, Environment; and a bill to enact title 56, Wildlife.

House Modernization Project

As noted above, the request for fiscal year 2015 includes \$1,000,000 for the House Modernization Project, which was initiated with reprogrammed funds in 2012. The House Modernization Project is a set of interrelated projects being undertaken by the House Office of the Law Revision Counsel and the House Office of the Legislative Counsel in consultation with representatives from the Committee on House Administration, the Legislative Computer Systems branch of the Office of the Clerk, and the Acquisitions Management branch of the Office of the Chief Administrative Officer.

In the Office of the Law Revision Counsel, work on the House Modernization Project proceeds in three stages. In the first stage, which has been completed, a conversion tool was designed and implemented to enable the Office to convert the United States Code into XML. Since July 2013, the Office has made the United States Code available for use and bulk download in XML through the Office's website.

In the second stage, which is currently underway, a new system for codification bills is being designed and implemented to enable the Office to produce codification bills and associated material in XML. Existing production tools are outdated. The Office is still using a MicroComp based system unlike the other drafting offices of Congress (the House Office of the Legislative Counsel and the Senate Office of the Legislative Counsel), which draft bills in XML.

In the third stage, a new system for editing and updating the United States Code will be designed and implemented. Currently the Office uses a specialized suite of internally developed software programs to edit and update the United States Code. The current methodology works well to promote accuracy and efficiency, but it is an outdated, MicroComp based system. So long as the old system is used to edit and update the United States Code, the Code must be converted into XML for public distribution and use by other congressional offices. In the third stage of the House Modernization Project, the office will design and implement a new XML-in/out system for editing and updating the United States Code.

As work on the House Modernization Project progresses, we are increasingly aware of the potential for powerful enhancements that are beyond the scope of the original vision for the Project. For example, the development of XSL-FO printing capability for the United States Code is an exciting idea that could dramatically reduce printing costs while simultaneously providing users with the ability to create customized compilations of selected portions of the Code in a high quality print environment. This year's budget request does not include funding for anything beyond the scope of the original vision, but the ideas are at least worth considering for the future. Potential enhancements beckon us with the prospect of increased efficiency and greater transparency for the Hill community and beyond.

Website for the United States Code

The budget request includes an amount for continuing maintenance and development of the website. During fiscal year 2010, the Office began a project to upgrade the search engine for the United States Code database and the user interface of the Office's website. An initial version of the upgraded website was released during fiscal year 2011, and a revised version was released near the beginning of fiscal year 2013. Improvements in the website include a redesigned interface, full browse and search capability for the current version of the Code as well as prior versions, improved site navigation tools, hyperlinking to cited sections of the Code, a new search engine to access Code data in XHTML format, and new explanatory material about the Code and the website. In 2013, thanks in part to developments in the House Modernization Project, significant enhancements were made in the availability of bulk data downloads from the website. Each time the Code is updated, current bulk data is made available for download in a variety of formats (XML, XHTML, PDF, and locator text files). Additional planned enhancements for the website are in the offing, and the services of the contractor will be required for the maintenance and continuing enhancement of the website.

Conclusion

Thank you for giving me the opportunity to present the fiscal year 2015 budget request of the Office of the Law Revision Counsel and for the Subcommittee's support for the Office. I will be pleased to respond to any questions that you may have.

Mr. COLE. I want to begin by recognizing my good friend and the ranking member of the Appropriations Committee, and one of the people I treasure having a relationship, my good friend from New York, Ms. Lowey.

OPENING REMARKS—RANKING MEMBER LOWEY (FULL COMMITTEE)

Mrs. LOWEY. Those kind words are so overwhelming, Mr. Chairman.

You know it is mutual, and it is a pleasure for me to be here. And, I also would like to thank the hardworking people who really make this place run.

Thank you very much.

And it is a pleasure being here with Ranking Member Wasserman Schultz as well.

First of all, did I congratulate you on your new role as chair of the subcommittee?

This committee is too often overlooked as the smallest, but its importance in assuring our branch of government remains the first among equals in our democracy is a large task. I know you are up for it, there is no question.

PASSAGE OF THE CONSOLIDATED APPROPRIATIONS ACT 2014

Thank you very much for giving me the opportunity just to say a few words. The passage of the 2014 Consolidated Appropriations Act was a baby step in the right direction in reversing sequestration's detrimental impact on Congress' ability to operate most effectively. The House of Representatives had the least amount of sequester relief, leaving our institution at a disadvantage to the other branches of government and even the Senate.

FY 2015 BUDGET REQUEST

After years of cuts to Members' offices and committees, I am pleased this year's budget request includes a modest increase of 2 percent in Member Representational Allowances, or MRAs. But I would remind our members that office budgets have been cut \$106 million since 2010.

The agencies funded through this bill provide the critical security and support necessary for the House of Representatives to function. Indeed, the men and women of these nonpolitical agencies provide everything from legal counsel to Members and staff to preservation of the heritage of the House through archival services. Not funding these agencies adequately is politically expedient but irresponsible, based on our duty to serve as stewards of this institution as well as our constituents.

Additionally, I welcome the return of normalcy to this subcommittee now that we do not have to argue about the legal fees associated with the Defense of Marriage Act.

I look forward to today's hearing.

Yield back.

OPENING REMARKS—RANKING MEMBER WASSERMAN SCHULTZ

Mr. COLE. Thank you very much.

And I would like to go to my good friend and partner on this committee, the ranking member, Ms. Wasserman Schultz.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Chairman.

Are we just going to go right to questions?

Mr. COLE. Absolutely. If you have a point you care to make, feel free to do it.

But otherwise, go right to questions.

Ms. WASSERMAN SCHULTZ. I don't have any opening remarks. They might have written me one, but no.

Let me scan this real quick. Yeah, I will just echo the remarks of the chairman and just get right to it.

I do echo the comments of the chairman. We have a remarkably talented and committed leadership professionally and administratively for the House of Representatives. We are really fortunate. I had an opportunity to talk with the new CAO, who I worked with in his previous role in the Speaker's Office.

LONGWORTH CAFETERIA RENOVATIONS

Just a couple of questions. One, Mr. Cassidy, on the Longworth cafeteria, there is a request in to renovate Longworth for about \$482,000 in the serving area. And we just renovated it in December of 2013. How often do we have to redo the salad bar and the seating area? I mean, \$482,000 is quite a bit of money. So what is wrong with Longworth that it needs renovation again?

Mr. CASSIDY. Ms. Wasserman Schultz, thank you.

The renovations that were done at the end of the year were cosmetic in nature, and they were paid for in their entirety by the concessionaire, Restaurant Associates.

The request this year, the \$482,000, would fund the replacement of salad bars, refrigerated systems, sort of the front-end serving equipment, most of which is at the end of its useful life.

Ms. WASSERMAN SCHULTZ. And, our contract with them requires us to provide those facilities?

Mr. CASSIDY. It does. We are also right now in the process of replacing dish-washing and pot-scrubbing units that are more than 20 years old.

Ms. WASSERMAN SCHULTZ. Okay.

SERVICEWARE

Now, I don't want to belabor the greening of the Capitol project back and forth, but I think one of the things that is the most glaring from the transition out of the—and there was a lot to be said about not using corn-oil-based silverware. But, do we have to use Styrofoam products in the cafeterias? I mean, there is no fast food restaurant in the Nation that uses Styrofoam. It does not biodegrade. Whether we agree or disagree on global warming and climate change, everybody knows that it is bad for the environment to continue to produce waste that is made of Styrofoam. I mean, can't we just transition to cardboard, so that at least we have biodegradeable material for the most part?

Mr. CASSIDY. That is certainly something I would be happy to take a look at.

Ms. WASSERMAN SCHULTZ. I mean, really. That shouldn't be political. And it is just bad for the environment. Styrofoam is terrible.

And, you know, we should take a page from Wendy's, McDonald's, and Burger King's book.

Mr. CASSIDY. We will be happy to look at that.

Ms. WASSERMAN SCHULTZ. Thank you.

CAPITOL COMPLEX ACCESS POINTS

Mr. IRVING. I wanted to just talk with you about access points, because that continues to be a very significant source of frustration now that we really have fully funded you. And, the proposal on the table is to do the same. You have access points, like there are two in the Cannon, a number around the rest of the Capitol Complex. Members hear complaints from our constituents about the length of the lines, to say nothing of how tough it is for our staffs to get in the buildings. So are you reevaluating the opening of access points now that you have more resources?

Mr. IRVING. Absolutely, we are. We are looking at that reevaluation in the context of other priorities of the police, and are certainly reevaluating all those access points.

Ms. WASSERMAN SCHULTZ. As in you have plans to open access points that are now closed?

Mr. IRVING. We are looking at the impact of the lines currently and options to possibly open some doors for limited hours in the heightened areas, during the periods of rush hour.

Ms. WASSERMAN SCHULTZ. We are about to hit spring break.

Mr. IRVING. Yes. Yes.

Ms. WASSERMAN SCHULTZ. And that is the season in which, obviously, our lines get even longer, and especially with Cannon tunnel. And I know we made accommodations for the staff in the Cannon tunnel, but we know what those lines are going to be like. And if we don't have a dedicated staff, instead of putting them at the front of the line, if we don't have a dedicated mag for staff, it is going to be a problem.

Mr. IRVING. Absolutely. We will certainly keep you posted, but we are looking at reassessing that.

Ms. WASSERMAN SCHULTZ. Thank you.

STOCK ACT IMPLEMENTATION

Ms. Haas, welcome again.

Ms. HAAS. Thank you.

Ms. WASSERMAN SCHULTZ. The only thing I wanted to ask you about is the implementation of the STOCK Act.

Ms. HAAS. Sure.

Ms. WASSERMAN SCHULTZ. Because we have had some revisions to the STOCK Act. But obviously, it is a significant thing, which probably dramatically increased your workload. So how is the implementation going?

Ms. HAAS. Absolutely. Well, I am happy to say the implementation is going very well. We were required by law to implement the system effective January of this year. So the system is up. This is an electronic system for filing financial disclosures as well as other documents that are required. So it is in use. Right now, the periodic transaction reports are being filed at a rate of about 49 percent of what has been filed have been filed electronically. So we are

continuing to provide enhancements to the system leading up to the May 15th filing deadline.

We also have a plan in place to get the word out about the system, to market it to—not only to the Members and staff here, but as you probably know, other leg branch agencies also file with the House, so to make sure that the word is out to encourage everyone to use the system.

We believe we have created a user-friendly system. But to your point, it did require a lot of resources. This has been, in the last 22 months, it has really been our priority. And we did the majority of the work in-house, but it had a significant impact, both in time and money, and we had to put some of our other projects on hold to be able to implement this on time.

Ms. WASSERMAN SCHULTZ. Okay. Thank you.

HEARING ROOM RENOVATIONS

And Mr. Chairman, I just have two more questions.

Mr. COLE. Sure.

Ms. WASSERMAN SCHULTZ. Mr. Cassidy, on the hearing room renovations, we are still renovating hearing rooms 8 years after I was chair of the committee. And so where are we? I mean, I note the request includes \$2.3 million. And what is the timeline for wrapping those up? Because we have to have probably gotten most of them done at this point, correct?

Mr. CASSIDY. Well, regrettably, as I understand it, we are a long way from wrapping it up because it is an ongoing process. And yes, most of the hearing rooms have received audiovisual upgrades of one sort or another. Some of them have actually been done twice. These systems have a useful—

Ms. WASSERMAN SCHULTZ. Twice?

Mr. CASSIDY. Yes, we are in the second round on some of these hearing rooms, because the early installations of those committees have exceeded their useful life. In some cases, they are no longer supported. It is impossible for the recording studio, which maintains those facilities, to get replacement parts. Just yesterday, the Committee on Financial Services had its witness mikes go out in the middle of a hearing. And it has happened in the Budget Committee as well. It happened when Ben Bernanke was testifying late last year.

As you know, those systems are heavily used. Many of them are 7 and 8 and 10 years old. And what we found is that you have really got to replace them on a cycle. If we had all the money to do all the hearing rooms this year, then we would get a break for 7 or 8 or 10 years, perhaps, if we were lucky. But much in the same way that agencies that have to replace IT infrastructure experience, when you are doing it on an as-funds-become-available basis, you do a little bit this year, a little bit next year, and by the time you get toward the end of the line, it is time to start over again. It is a little bit like painting a long bridge. So I don't think we are going to have the opportunity to wrap it up, as you put it, any time soon.

Ms. WASSERMAN SCHULTZ. Are there any hearing rooms that have had no work done yet and haven't—

Mr. CASSIDY. There are a couple subcommittee rooms that have not been done in better than a decade. But for example, this year, we are—

Ms. WASSERMAN SCHULTZ. We can tell which ones those are when you have a meeting in them.

Mr. CASSIDY. We are trying to get to those, too.

Mr. COLE. Didn't that happen in Oversight yesterday?

Mr. CASSIDY. In fact, Chairman Smith of Texas of the Science Committee has just committed his own committee's funds to replace all of the electronic infrastructure in his subcommittee hearing room. The Architect will handle the infrastructure problems.

One point I ought to make the committee aware of, because this really crosses jurisdictions between the CAO and the AOC, in many cases, when you upgrade the AV systems, you have to go into the ceilings or the walls. By law, when we go into the ceilings and walls, we then have to do asbestos abatement. And if we make structural changes to the room, we then, in many cases, have to do ADA compliance, which can add hundreds of thousands of dollars. The OOC has given us some forbearance on that until we renovate a room. But once we renovate it, then we are in for the whole hog in some cases. So it is a big, expensive proposition.

You will be happy to know, Mr. Chairman, that the number one priority this year is upgrading the AV systems in the Appropriations full Committee hearing room.

Mr. COLE. That is a wise choice.

Mr. CASSIDY. I certainly thought so. It was one of my earliest decisions.

Mr. COLE. Very thoughtfully delivered at this moment, too.

Mr. CASSIDY. We are going to do the Appropriations Committee room and the Ways and Means Committee hearing room, which is an alternate Chamber for the full House this year, as well as Financial Services.

Ms. WASSERMAN SCHULTZ. Thank you.

COMPENSATION STUDY

Just the last question, Mr. Cassidy, and then I am done, Mr. Chairman.

We stopped doing compensation reviews a number of years ago. In the fiscal year 2014 omnibus bill, executive branch employees were allowed to receive a cost-of-living increase of 1 percent. I mean, there are transparent increases for the executive branch, but we, because Members make their own decisions based on how they decide to spend money in their MRA, we really don't have any idea, because there is no compensation study anymore, to know how our employees are being paid comparable to executive branch or even the Senate.

We already know that, oftentimes, we are at a competitive disadvantage from previous compensation studies. And I know you were not CAO when the decision was made to end those. But I mean, is there a way for us to consider starting to do those again, so that we can not be at a competitive disadvantage? And when it is transparent, it is a lot easier for us—Members should still be making their own decisions, but if Members and employees have an opportunity to see the comparison to their fellow comparable posi-

tions in other agencies, then we have a better shot at retaining and attracting the top talent.

Mr. CASSIDY. Absolutely, Ms. Wasserman Schultz.

In fact, as I think all of you know, I spent the bulk of my career here in personal offices, most of that time as chief of staff to several Members. I found those compensation studies to be among the most useful tools that were available to me. I was concerned at the time when the decision was made to step away from that process. And I have already advised our staff that, one way or another, we are going to conduct a compensation study this year and make that available to Members and chiefs of staff at the start of next year.

Ms. WASSERMAN SCHULTZ. That is great. Thank you very much.

Mr. CASSIDY. I can't tell you how we are going to get it done, but we are going to get it done.

Ms. WASSERMAN SCHULTZ. That is good news. Thank you very much.

Thank you, Mr. Chairman.

Mr. COLE. Thank you.

Just Mr. Moran and Mr. Stewart have joined us a little late. So you are aware, we dispensed with opening statements. We have votes coming up. So I want to give the members some time to go directly to questions.

So, Mr. Stewart, I am going to call on you next and whatever questions you care to address, or if you like, I will give you time to think and go to Mr. Moran, who has had a little more time to think about this. I will let you make the call.

Mr. STEWART. The only question I have is, what is the meaning of life? And if you can answer that—

Mr. COLE. We might go to Mr. Moran right away. The Irish actually always know what the meaning of life is.

But did you have any questions?

Mr. STEWART. No, maybe after.

Mr. COLE. If you want to, that is fine.

If I could, then, Mr. Moran.

AFFORDABLE CARE ACT

Mr. MORAN. Thank you, Mr. Chairman.

I would like to know if you have done an analysis of what proportion of the committee and personal staff switched over to the Affordable Care Act programs from the traditional health insurance that they had. Do we have a sense now of what kind of transitions that occurred or convulsions some would call it?

Mr. CASSIDY. Yes, sir, we do. As you know, all of the Members of the Congress—of the House were designated to the exchange. There were almost 50 Members who, in the previous Congress, participated in FEHBP, who are not currently enrolled in the D.C. Health Link Exchange. All of the rest of those, more than 300 Members, have actually purchased their insurance through the D.C. Health Link Exchange.

So at the staff level, we have got about 4,200 House staff who were designated to the exchange who have actually enrolled and another roughly 450 or so who were previously in FEHBP and are not enrolled in the D.C. Health Link Exchange. And although we don't know, we suspect in most cases, those are individuals who ei-

ther went onto a spouse's plan or, if they are younger staff, perhaps went onto a parent's plan.

So roughly 316 Members are in the exchange and about 4,200—plus House staff are in the exchange. The payroll and benefits staff in the CAO organization worked tirelessly through the late fall, all the month of November, December, and into January, worked nights and weekends, to help a large number of primarily staff, but in a couple of cases Members, a large number of staff who encountered real difficulty enrolling in the D.C. Health Link Exchange, in many cases through no fault of their own.

It is not clear that the D.C. exchange was ready for us. It certainly wasn't designed for such a large number of employees of a single employer. But our staff has worked closely with theirs, and we have narrowed the number of staff who are still not enrolled to literally a few dozen. And although there are deadlines, as you know, for enrolling, and after those deadlines, you lose the opportunity until the next open season, in this case, because it is evident to us and to D.C. that folks who have not yet enrolled have been trying, those deadlines are going to be waived. And in fact, as soon as we can get the last remaining staff members enrolled, they will go into the system with no loss of coverage, because there is a retroactive provision.

Mr. COLE. Would the gentleman yield for a follow-up question?

Mr. MORAN. Please.

Mr. COLE. I am very curious, in addition to these individual statistics, Members, obviously, had the option of their staff going in or not going in. Can you tell us roughly how that broke down in terms of how many offices decided to stay with the preexisting Federal insurance they had and how many opted into the exchange?

Mr. MORAN. That was going to be a follow-up question. I am glad you asked it, Tom.

Mr. CASSIDY. Mr. Chairman, I can provide those numbers for the record. That is not data that—we pretty carefully avoided compiling that data because we didn't want it used for political purposes. And I think you can understand how some folks might have wanted to do that. But we can make that information available.

Mr. COLE. I would appreciate it.

Mr. MORAN. Maybe just to the committee members.

Mr. CASSIDY. Certainly.

Mr. MORAN. I agree, you don't want it to be—if there is any possible that way we can flog ourselves, we usually seize that.

Mr. CASSIDY. For example—

Mr. MORAN. And then give the public at large opportunity to follow up as well.

Mr. CASSIDY. For example, at the outset of this process, we made clear to the payroll and benefits staff we didn't want any lists developed, for example, that showed X percentage of Republican Members or X percentage of Democratic Members did what. And as you know, in most cases, it was all or nothing. A Member or a chairman made a designation for their entire staff, but there were some exceptions for long-serving employees and those with special circumstances. And we would be happy to make any of that information available to you.

Mr. COLE. I would appreciate it if you did that at the committee level.

Mr. CASSIDY. Certainly.

Ms. WASSERMAN SCHULTZ. Subcommittee level.

Mr. COLE. Subcommittee level. Thank you. The tighter the circle, the better.

Mr. MORAN. I think we can let the chair and ranking member take a look at it, and then they can decide to extend the information. I trust the two of you.

Mr. COLE. Fair enough.

CAPITOL POLICE PERSONNEL COMPENSATION

Mr. MORAN. Ms. Wasserman Schultz asked about the Capitol Police. What is the distribution between regular pay and overtime now? There was a point at which overtime pay had gotten pretty substantial. And in fact, people were, in my view, performing regular daily functions and somehow were on overtime.

Could you give us some insight into that, Paul?

Mr. IRVING. Yes. Over the years, the mission of the Capitol Police has expanded to the point that, due to ongoing threats, as assignments were created, overtime really had to be paid for just normal daily operations, such as door openings.

Mr. MORAN. Yeah.

Mr. IRVING. As their mission expanded to other threats, not only threat assessment, but K-9, magnetometers, bomb explosives, all of the other functions the Capitol Police has, just to open up the doors every day required a pretty healthy degree of overtime. So once sequestration hit, we looked at the core mission and worked our way out and realized that there were some doors that we could possibly close because they were not used, not accessed as frequently as others. So when we prioritized, that is really where we cut. And frankly, that was a huge reduction in overtime. We reduced overtime by quite a bit.

Now, the Capitol Police still does pay overtime to open up doors every day. But it is far, far reduced. And we are certainly going to now look at the ongoing priorities of the department. A couple of things the department has not done in the last couple years is train. There is a lot of in-service training, a lot of perishable skills that need to be honed. So we need to get back into training. Hiring. There has been a moratorium on hiring. So we really need to get back to hiring because the number of officers is decreasing to the point that operationally, it is going to impact. So we have to get back to training, and hiring.

So looking at those priorities, we will certainly look at reassessing the doors and other assignments that have been cut and certainly the impact of that. But we really, really appreciate that and recognize it.

Mr. MORAN. Yeah. I appreciate you looking at it. I remember when I was mayor of Alexandria, I came across something that a whole lot of municipalities experienced with firefighters. Oftentimes, they would live in areas where the housing costs were much reduced, but it meant there was a substantial commute, so they would essentially work about 3 days a week, and they had worked

out their overtime, and had a second job and the like. And it was not the most efficient use of our resources. So I am glad.

But the ranking member tells me that we are going to have a hearing on the Capitol Police specifically, so I can hold my questions for that.

MEMBERS' REPRESENTATIONAL ALLOWANCE

The only other question I would be interested in is the distribution of the MRA between salaries and office equipment, travel, all of that kind. I would just be interested to see how it shakes out. I don't know if you have any numbers, but I would be interested.

Mr. CASSIDY. I would be happy to provide those, Mr. Moran. We break the expenditures by Member offices down into what is known as budget object classes and can identify with great specificity how much an average Member spends or any particular Member spends on each of the things that the MRA is used for.

Mr. MORAN. I think that would be helpful. And you know, I would actually be interested in what the average salary we are paying staff now is. I know an average doesn't tell you a whole lot, but maybe even a little, you know, bell curve in terms of what normal salary is and how that bell curve—

COMPENSATION STUDY

Ms. WASSERMAN SCHULTZ. Would the gentleman yield?

Mr. MORAN. Please.

Ms. WASSERMAN SCHULTZ. Because we have not had the benefit of compensation studies, we don't know this, but it would actually be interesting to see that by position, because, you know, how are we doing at the staff assistant level compared to the chief of staff level, for example, or legislative director.

Mr. MORAN. Yeah. Sure.

Mr. CASSIDY. We would be happy to do that.

Mr. Chairman, if I might, just as an Alexandria resident and taxpayer, I would like to thank Congressman Moran for his efforts to keep police overtime in Alexandria under control. And in fact, I am personally honored not only to be here today but to be well represented. I have both my Congressmen here. I have my Congressman during the week is Congressman Moran, and Dr. Harris is my Congressman on the weekends. I feel very well represented.

Mr. COLE. It sounds like you are well compensated, too.

Mr. CASSIDY. I will let you and my wife talk about that.

Mr. MORAN. Excellent observation, Mr. Cassidy. Very good. I appreciate your testimony and your service. And I won't pursue that, but I thank you for providing the information.

Thanks, Mr. Cassidy.

Mr. COLE. Mr. Stewart, you have had a chance to collect your thoughts if you care to ask any questions.

Mr. STEWART. No. I think, from talking to my staff, the questions we had have been answered already previous to my getting here. And in deference of time, Mr. Chairman, I will just yield back.

Mr. COLE. Ms. Roby, did you have any questions you care to submit?

REMARKS—MRS. ROBY

Mrs. ROBY. I don't. But I do just want to take an opportunity to tell you how much I appreciate you, Mr. Irving, and the challenges that you have in front of you. I think a lot of what you do Members of Congress don't think about every single day. We take for granted all that goes on around us and all that we are shielded from because of your diligence and your work and your bee dance that you have to manage, so to speak, between security issues and everything else you have on your plate. And so, you know, I look forward to working with you. I look forward to continuing to have one-on-one conversations with you about how this subcommittee and the Appropriations Committee can help you in the challenges that you have.

But more than anything, I just want you to know I have, as I have told you one on one, I have a deep respect for law enforcement and for those that are willing to put a shield on their body that says, "I am going to take a bullet for you," and walk out their door every day.

And again, this committee oversees the guts of the operation. And you play a key role. So more than anything, I just want to thank you for all of the sleepless nights you may have and your concern over all the issues that we take for granted. So thank you.

Mr. IRVING. Thank you very much, Congressman, for your kind words. We will certainly keep you posted.

Mrs. ROBY. Yes, sir.

CLOSING REMARKS—CHAIRMAN

Mr. COLE. Any additional questions?

A couple of remarks from me quickly. We will undoubtedly be submitting some questions for the record since we have had an abbreviated session. I think other members will probably want to do the same thing that weren't able to get here given the votes and the fact that it is the last day of the week.

I do really want to associate myself with the ranking member's remarks about access points. I think we all have staff and people that run into that problem. So if you can give that extra consideration and look. It really throws the whole day off when large groups are coming through and they are arriving late. So whatever you can do and whatever we can do, honestly, in helping you achieve that goal, I would love to hear.

Finally, seriously, let's just end where we began. Thank all three of you and the staff that you represent for what you do on a regular basis and what you have done for this institution and how, in a difficult budget time, you kept it up and operational. We are all very proud of the professionalism of the staff and all the areas that you represent.

So thanks again.

I will say the subcommittee stands adjourned until March 24, when we will hear testimony from the United States Capitol Police.

So, again, thank you very much.

[Questions submitted for the record by Chairman Cole follows:]

**Legislative Branch Subcommittee
March 6, 2014
Office of the Clerk**

- 1) At the request of this Subcommittee, the Office of the Clerk has taken the lead in the Bulk Data Task Force. Can you share what progress is being made by this group with regard to legislative transparency?**

I believe the Bulk Data Task Force continues to make great progress in several areas. First, the coordination that is taking place did not exist prior to this group's establishment and is extremely helpful. We are able to leverage the expertise within the group and needs of our stake holders to establish project priorities. We have been able to complete projects more quickly and more efficiently. The release of the Bill Summaries bulk data and the RSS Feed of House Proceedings are two examples of recent projects that have increased transparency in the legislative process. As we become more efficient in the way we disseminate legislative information, both our internal users as well as the public at large will benefit.

- 2) The Office of the Clerk was required under the STOCK Act to deploy an electronic Financial Disclosure system by January of this year. Can you update the Subcommittee on your progress as well as the impact this project has had on your resources?**

The new e-FD system was deployed in January as required. We believe that we have designed a user friendly system and we have worked collaboratively with all of our partners through-out this process. This has been an extremely labor intensive project and it has required that we delay other projects that had been scheduled. Our total estimated costs to date are just over \$2 million which includes software, hardware, staff salaries and a small amount of contract assistance. As I mentioned in my testimony we will continue to make enhancements to the system leading up to the filing deadline including a review tool for the Ethics Committee. In addition staff will be assisting filers at several training clinics we have scheduled prior to May 15.

- 3) According to your testimony, the Office of the Clerk is on track with the deployment of the electronic Financial Disclosure system. Can you tell us what steps you are taking in preparation for the May 15th filing deadline to assist members and staff in this transition to a new program?**

First we have designed a system that we believe is intuitive. There are prompts and information panels built into the system to assist individuals as they fill-out each section of the filing. We are currently working on a plan to inform our filers of the new system using web resources, posters and in-house cable updates; all in coordination with the Committee on Ethics. We have also scheduled several training sessions in the House Learning Center in the weeks leading up to the filing deadline to assist filers that would like hands-on assistance. Finally we have conducted several internal training sessions for Clerk staff so they are fully educated on the system and can assist filers who call in during the busy filing period. (Our filers include House Members, Candidates, House staff and other Legislative branch agencies.)

4) In what continues to be a difficult budget climate, are there initiatives within your Office that provide cost savings to the House of Representatives?

First, I would like to highlight our efforts with the House Library. The Library has expanded the subscription services it makes available for both print and electronic publications on a daily basis. We have increased the information that is available through the databases that are offered and continue to offer video clipping services to House offices. These are all examples of services that we pay for and offices may use at no cost. On the technology side we have several projects scheduled that will help streamline current processes and hopefully result in additional printing reductions. Finally, we are in the process of upgrading our bladeframe servers to improve performance, efficiency and provide for future system growth. These servers support the Committee Repository, Financial and Lobby Disclosure systems as well as the Clerk website. This upgrade will reduce the number of physical servers needed and decrease maintenance costs resulting in thousands of dollars in overall savings to the House.

5) In your budget submission you indicate that future growth within your organization will take place through technology. Can you give us some examples of upcoming projects that will demand resources?

We are in the early stages of a project to re-design our website with a goal to make information more easily available to our users. We will continue to address the demand to make additional legislative information available in bulk downloads so it can be repurposed. We have already developed an electronic House telephone book system which can be updated regularly via the web but at this time we do not display the information in a user friendly electronic format. This development could lead to further printing reductions. We are also developing a web based interface that could be used to order stationery and envelopes from GPO. This could potentially save both time and money. We need to maintain and improve the other systems we are responsible for including the Electronic Voting System, Financial Disclosure, Lobby Disclosure, HouseLive and Committee Repository. Each and every one of these examples requires significant staff resources to accomplish. We are excited to have the opportunity to be innovative and could not make these improvements without the support of this Subcommittee.

Legislative Branch Subcommittee
March 6, 2014
Questions for the Record
Office of the Sergeant at Arms

1. Some have noticed an upturn in large and vocal demonstrations inside the House Office Buildings. What steps have you taken to maintain order and safety while still providing citizens the opportunity to present their issues and dialogue with the representatives?

Balancing the rights of citizens with the need for order, decorum and security is one of the more challenging aspects of the duties of the Sergeant at Arms. My office employs a number of strategies in an attempt to minimize any disruptions. We work very closely with the United States Capitol Police (USCP) to determine what demonstrations will occur on campus each week and if any civil disobedience is expected to occur. Usually that does not occur with groups that have applied for demonstration permits. We also work with USCP to monitor impromptu demonstrations that occur around campus. The USCP has worked to streamline its standard operating procedures to restore order in a faster time frame in the hopes of minimizing the disruptions on campus. Many times Committee staff will notify my office of a hearing that could be potentially disruptive. We work with the Committee and USCP to ensure the proper police presence is at the hearing. Sergeant at Arms staff meets with the Committee staff to outline what should happen if a disruption occurs, gain an understanding of what the committee is looking for in terms of a response and to make sure everyone is prepared in the event a disruption does occur. My staff monitors weekly hearing schedules to determine if there are any hearings that may draw protestors and we then monitor those hearings. Generally speaking we are pleased with how the USCP handles the demonstrations and believe that most Member offices are as well.

2. What is the status of the garage security project?

At the present time we have begun the initial phase of the project which involves working with the Architect of the Capitol to install the necessary infrastructure required to support the various electrical, mechanical and physical security enhancements. Some of the enhancements are doors, cameras, lighting, and barricades.

3. Can you update us on the status of your outreach to Member district offices regarding security issues and concerns.

The primary interaction between my office and Member district offices in terms of security is through the Law Enforcement Coordinator (LEC) program. The LEC program was developed after the shooting of Rep. Gabrielle Giffords and was designed to put staff in touch with local law enforcement agencies in order to determine what law enforcement presence is needed at each event the Member holds in the district and what local issues may be that would create a concern. Presently there are 781 LECs representing 421 Members, a 95.4% participation rate in the LEC Program. This year all offices have been contacted to verify and/or identify LECs. Those offices without identified LECs (20) will continue to receive promptings to establish this important function within their workplace.

The Sergeant at Arms Police Services/Law Enforcement staff oversees the LEC program. They work with the LECs in the district offices to ensure that Member events, such as town hall meetings and field hearing, are successfully conducted. LEC's are also contacted when there is a particular event or notice of criminal activity that has, or may affect their district office. For example, this year we have made several notifications to district offices regarding demonstration activity that is planned to occur in the district, or even at the office. This has led to coordination with local law enforcement to ensure that awareness is heightened and protocols are enacted to provide for Member, staff, and public safety. My staff also works with the LECs and the United States Capitol Police (USCP) in the event that there is a specific threat to a Member of Congress. This involves assessment and mitigation planning, coordinated with the USCP, local, state, and/or federal law enforcement, and the district office staff.

We have prepared various training materials and guidance for LECs to use to educate themselves and fulfill their role. I am in the process of procuring contractor support to standardize the training material and to identify any gaps. Additionally, I am dedicating a staff member to reach out to the LECs to validate the contact information, follow up on any assistance that the office may need, and ensure that all LEC information remains current.

While the LEC Program remains the primary interaction between the Sergeant At Arms Office and Member district offices, another important and productive interface occurs as our office provides guidance to offices regarding physical security assessments and security briefings. My office coordinates physical and technical security assessments for

Member district offices with the USCP, and other law enforcement agencies, as necessary. These valuable services are provided several times a month, briefings usually done by my office in tandem with the USCP, and on-site surveys conducted by the USCP, or an approved partner, provided to identify areas of vulnerability, and ensuing solutions.

4. Have the door closures and post reductions necessitated by sequestration unduly impacted Member mobility and do you plan to re-open doors in the near future?

We have not heard of any instances Members themselves have been impacted directly. We have observed that there are certain high impact times of the week that groups having appointments with Members encounter long lines at access points. The USCP and the Office of the Sergeant at Arms continue to work towards mitigating problems with access. Among these efforts are additional signage, staff only doors, aggressive line monitoring and directing visitors to other available doors. We are also studying the feasibility of actually opening additional doors or magnetometer lanes at every primary entry point during the morning rush hour and on days of expected hearings and events.

Legislative Branch Subcommittee
March 6, 2014
Questions for the Record
Office of the Chief Administrative Officer

- 1. Under the Affordable Care Act, beginning in January every Member and thousands of House staffers who previously participated in the Federal Employee Health Benefits (FEHB) program may now purchase employer-provided coverage only through DC Health Link, the local ACA exchange recently established here in the District of Columbia. What's the status of this transition?**

As of 3/5/2014, 318 Members and 4,243 staff were enrolled in DC Health Link. The CAO Office of Payroll and Benefits attempted to contact every individual who had not enrolled by the deadline to make sure they had the opportunity to do so. New Members and newly hired designated staff are enrolling directly through DC Health Link. The CAO Office of Payroll and Benefits continues to assist Members and staff with the enrollment process.

In September 2014, in preparation for Health Benefits Open Season, Members will have an opportunity to change staff designations if they wish. In addition, Members and staff who wish to make changes to their health benefits will have the opportunity to do so during Open Season.

The CAO Office of Payroll and Benefits will soon communicate updates to the staff designation policy. The new policy will state that moves between FEHB and DC Health Link within a calendar year can only occur after a Member makes a designation through a hiring action or by assuming a Chair or Leadership position. The policy will also state there can be only one additional move between FEHB and DC Health Link within a calendar year.

- 2. What's the status of preparations for the transition from the 113th to the 114th Congress? And will the movement of staff to the Ford and O'Neill buildings later this year to facilitate the upcoming Cannon Renewal have any impact on the CAO's normal post-election transition activities?**

The CAO is beginning preparations for the 114th Congressional Transition with the following activities:

- Coordinating with the Committee on House Administration, House Officers and other offices to create a strategic plan that includes a timeline of events and deadlines for transition services
- Securing a contract for carpeting installations as well as preparing core furniture for use
- Conducting office briefings for retiring Members
- Updating the transition website to meet the needs of departing, returning, and newly-elected Members
- Evaluating possible technology solutions to replace the paper based New Member Orientation briefing book

The office moves related to the Cannon Renewal will not impact the CAO's normal post-election transition activities. All FY 2014 Cannon Renewal office moves are scheduled to be complete by the November election. Once these moves are completed, all CAO and AOC resources will shift to Transition activities in November.

3. As the principal manager of House finances, information technology, and physical property and equipment, how confident are you that sufficient internal controls are in place to protect the taxpayers' investment and ensure the integrity of critical House systems?

CAO management is responsible for establishing and maintaining effective internal control over financial reporting, which includes safeguarding of assets and compliance with applicable laws and regulations.

The CAO conducted an assessment of the CAO's internal control over financial reporting in accordance with the requirements of Appendix A of Office of Management and Budget (OMB) Circular A-123, Management's Responsibility for Internal Control. Based on the results of this assessment, the CAO can provide reasonable assurance that its internal control over financial reporting as of June 30, 2013 was operating effectively, except for a material weakness related to the accounting for disposals of fixed assets. No other material weaknesses were noted in the design or operation of the internal controls over financial reporting.

The internal control program is responsible for sustaining an internal controls program in accordance with the intent of OMB Circular A-123. The activities include the review and maintenance of process narratives, flowcharts, and controls. In addition, the program is also responsible for testing controls on a periodic basis, communicating results to process owners, monitoring status of corrective actions, and reporting to management on the status of the program. The program provides the support for management to provide reasonable assurance to the financial auditors that its internal control over financial reporting is operating effectively.

Although much needed progress has been made in this area in recent years, I intend to focus considerable management time and resources on ensuring that people and processes across the CAO organization benefit from a robust internal controls effort. In particular, we are placing special emphasis on internal controls as a tool for improving inventory management for House property and equipment.

4. A wide array of products and services are necessary to operate 441 Member offices as well as dozens of committee and leadership offices. Some of those products and services are paid for by individual offices while others are provided by the House at little or no cost to end users' budgets. In light of the current fiscal challenges, would you recommend that this subcommittee reexamine the way operational costs are distributed across the House?

Yes, I believe that type of analysis would be useful for House decision makers. Over the past decade or so, a number of important decisions about how to pay for services provided across the House have been made by various institutional entities – often without consulting other institutional partners, and without the benefit of any sort of House-wide paradigm or strategic framework for cost-sharing, cost-shifting or cost-recovery from end users. This sort of one-off decision making in a strategic vacuum can result in funding inequities that cannot be explained as anything other than an unanticipated consequence of the way the original decision was made. Even more troubling, in a time of reduced overall House funding, some of these individual decisions have led to higher-than-foreseen costs in some areas that have resulted in shortages of funding for higher priority needs.

So I am convinced that this is an area on which the Subcommittee should focus attention in the coming year, and the CAO stands ready to assist with spending data, possible funding models and analytical support as needed.

5. Have you had an opportunity yet to assess the quality and quantity of training and professional development available to House staff?

The CAO is in the process of reviewing the quality and quantity of training and professional development the CAO currently offers to House staff.

Currently, the House Learning Center (HLC) offers a broad range of courses. Some are stand-alone courses focused on individual topics and other courses are grouped into a comprehensive curriculum. Examples of individual topics include legislative and information resources, emergency preparedness, staff personal and professional development. In addition, there are several curricula designed to provide House staff with development opportunities based on the positions they hold or aspire to hold - including Chief of Staff, Office Manager, Financial Administrator, Executive Assistant/Scheduler, Legislative Staff, Web Administrator, System Administrator, Intern, Staff Assistant, and Press Secretary.

Courses are taught by a number of different entities depending on the course topic. These facilitators include CAO Training and Development staff, contractor support, internal subject matter experts including the House Historian; Office of House Employment Counsel (OHEC); Sergeant at Arms; House Librarians; and external subject matter experts including National Journal; General Accountability Office (GAO); and Congressional Federal Credit Union.

Courses are delivered through three methods – live/in-person, virtual classroom and online training. The HLC provides in-person/live training courses. With the HLC's online course registration, staff can view the latest training schedule, build a course history, browse the course catalog, and register for classroom training anytime using the HLC's "register me" online portal. The HLC also provides virtual courses through its HouseConnect platform. These courses are done in both live and pre-recorded formats. Finally, House staff can access training 24 hours a day, 7 days a week from virtually anywhere they can access the Internet. The HLC's robust library of self-paced courses covers topics such as computer desktop skills, IT, teamwork, management, and leadership.

Over the coming year I look forward to exploring with the Subcommittee and our various institutional partners ways we can further enhance training offered to House staff. In some respects, we're caught on the horns of a dilemma. On the one hand, as in most large organizations, training is among the first places funding gets cut when budgets get tight. But on the other hand, as budgets get tighter and staffs get smaller, our people are inevitably asked to do more with less, which makes professional training an even more essential tool for increasing staff productivity. Moreover, as budget pressures make raises and promotions harder to come by, opportunities for high value training and professional development are one way our organization can hold onto its most valuable employees. So, again, this is a conversation which I look forward to continuing during the coming year.

- 6. I have raised concerns for several years about the use of polystyrene products in House cafeterias and restaurants. After the Republicans gained a majority in the House in 2011, the House Committee on Administration began eliminating various “greening” measures with the House’s food service vendor, Restaurant Associates, ostensibly to save costs. Once the “greening” provisions were removed from RA’s contract, the company would presumably be able to purchase whatever packaging it desires. Prior discussions with RA, however, have implied that the company is contractually obligated to use polystyrene products. Are you aware of any contract provisions that direct Restaurant Associates to use polystyrene products? What steps do you plan to take to reevaluate the use of polystyrene products in House eating establishments? (Moran)**

The Restaurant Associates contract does not contain any provisions requiring the use polystyrene products and any other type of serviceware.

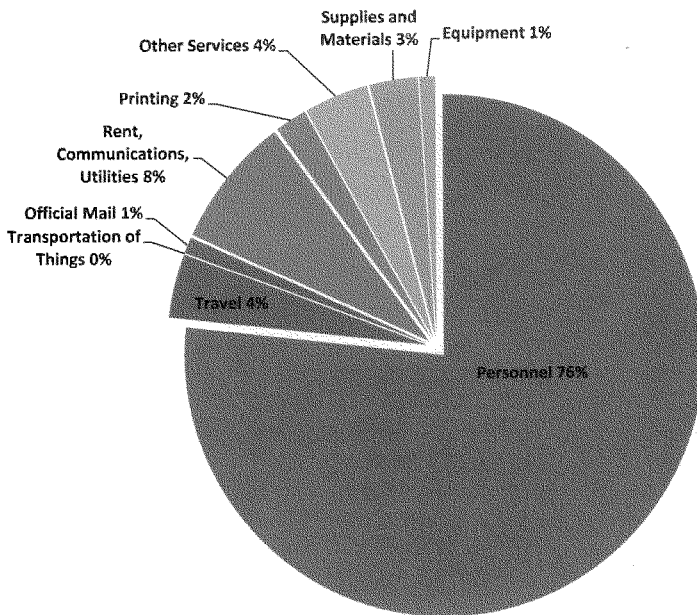
At the Subcommittee’s request, the CAO is reevaluating the use of polystyrene products in House eating establishments, and I look forward to providing the results of that review in the near future.

- 7. Please provide the Committee with a breakdown of MRA funds that includes average Member expenditures by category (staff salary, travel, office supplies, etc.). (Moran)**

The Members’ Representational Allowance chart is attached.

**Members' Representational Allowance
FY 2013 Average Member Spending by Category**

Category	Avg Spending per Member	%
Personnel	\$926,685	76%
Travel	\$51,820	4%
Transportation of Things	\$11	0%
Official Mail	\$17,188	1%
Rent, Communications, Utilities	\$98,577	8%
Printing	\$20,192	2%
Other Services	\$46,764	4%
Supplies and Materials	\$34,877	3%
Equipment	\$15,575	1%
Total Expenditures	\$1,211,689	100%



MONDAY, MARCH 24, 2014.

UNITED STATES CAPITOL POLICE

WITNESS

KIM C. DINE, CHIEF OF POLICE

STATEMENT OF CHAIRMAN TOM COLE

Mr. COLE. The subcommittee will come to order.

Today we will hear from the Chief of Police, Kim C. Dine. The Chief also is accompanied by Assistant Chief Daniel Malloy, and we would like to congratulate him on his appointment as Assistant Chief.

Mr. MALLOY. Thank you, sir.

Mr. COLE. You bet. Thank you.

Chief, we applaud the fact the Department has completed the implementation of the long-awaited and overdue radio modernization project. On behalf of the entire committee, we would look like to give special thanks to Mr. Richard Braddock, who we understand is ill today, as are you, so thank you for being here. But we want to thank Mr. Braddock for his 3-year dedication and determination in seeing this project to fruition.

Chief, I would like to publicly thank you and all the members of the Capitol Police for your constant diligence providing for the security of Members of Congress, congressional staff and the many visitors to the U.S. Capitol Complex. We recognize how hard your folks work, how much they do for each and every one of us, and how much their service means, not just to us but frankly to the entire country, in keeping us secure.

So, please, on behalf of the entire committee, accept our very sincere thanks for the job you do each and every day.

Chief DINE. Thank you, sir.

STATEMENT OF RANKING MEMBER WASSERMAN SCHULTZ

Mr. COLE. Ms. Wasserman Schultz.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Chairman.

Chief, good afternoon. As always, we appreciate you coming before the committee to testify.

And, Assistant Chief, good to see you.

Mr. MALLOY. Thank you, ma'am.

Ms. WASSERMAN SCHULTZ. Thanks for being here.

For us on this subcommittee and really the whole Capitol Complex we know that the Capitol Police operations are one of our most important, if not the most important, because you are really at the epicenter of everything that happens in the Capitol Complex. There is always a delicate balance between access and security. And because we are the Legislative Branch and the People's House, we

are particularly attuned to making sure that that balance is struck in the right way.

During the sequestration process that we have gone through and that we are still coming out of, our constituents were more directly impacted with cuts to your agency in comparison to others. Longer lines are the most visible impact and the most direct impact that our constituents here in the Capitol Complex had to field as a result of cuts to your agency.

You obviously are the first line, not only of defense, but you are also the first foot forward that the public interacts with in so many ways. Your agency contributes to the culture and the environment of our workplace and also the environment and culture of the place that people visit. Our officers are stalwarts for members and staff and being the first and last impression that our constituents have.

But to that end, I really want to underscore how important it is, given that there have been some incidents of challenges that your officers have had in balancing First Amendment rights with security. I know you are working through those issues and helping individual officers deal with that, but it is obviously the department's job to make sure that we can safeguard the democratic process by creating a safe environment for guests to come and interact with us, but also make sure that people have the right to express themselves, which is their constitutional right. So I would like to hear a little bit about how you have conveyed that balance and the importance of it to your officers.

As far as access, we have gotten lots of feedback from our visitors, from our staff, from our constituents, from Members on the lack of access that we have to House Office Buildings now. Given that the Capitol Police is back to near pre-sequester levels in fiscal year 2014, I would really like to hear from you on what considerations you are giving to improving access.

I think there is a very significant expectation that doors that are now closed will be opened, and if you are going basically back up to the funding levels you were at before the sequester, that is and should be the expectation. I realize a lot of those decisions lie with the Sergeant at Arms in both Chambers, but we want to hear what your plans are and how you are working with them to do that.

I also want to congratulate you on bringing the interoperability system, the radio modernization project in for a landing. There were bumps along the way, which I began managing and handed over to a succession of other Leg Branch chairs. And we know we still have kinks to work out in the system, but bringing it in for a landing finally after 13 years since 9/11 is really important and obviously making sure that your officers can communicate with one another and with other agencies is critical.

On the financial side, before your arrival as Chief, the Capitol Police's Administrative Division was in fiscal disarray. Those struggles were most apparent in the budget and accounting areas. I am not going to rehash all of those incidents, but they were many, and they were complex, and they were an embarrassment. So I would like to hear an update on your financial audits and where you are and how close you are to a clean audit if you are not already at one since your leadership began and any changes that have been

implemented to strengthen the financial management of the department.

Finally, let me close by saying the Capitol Police have faced many challenges, including the incidents in 2013 that highlight the uncertainty that we face each and every day here in the Capitol. And the shooting that occurred in October, and obviously that was a tragedy that all of us wish had gone differently and many of the details that occurred are still being worked out, it validated why we invest in training and radios and physical infrastructure.

The Navy Yard shooting was another test of how the department works with other law enforcement agencies in the region. We even saw discrepancies between the House and Senate and the police on what was the appropriate actions to take and how to act accordingly based on what each Chamber wanted. The shootings didn't impact the Capitol Complex specifically, but there was no way to know that at that time. And we obviously have those challenges to sort through as well because we all need to be singing off the same song sheet when there is a danger that presents itself.

So we appreciate the work that you do and all of your officers and the civilian workforce as well. Thank you so much, and I look forward to your testimony.

Mr. COLE. Chief Dine, at this time, if you could summarize your testimony. Your full testimony will be entered into the record.

STATEMENT OF CHIEF KIM C. DINE

Chief DINE. Thank you, sir.

Good afternoon, Chairman Cole, Ranking Member Wasserman Schultz and members of the committee. I am honored to be here today and I appreciate the opportunity to present the United States Capitol budget request for fiscal year 2015. I am joined here today by Assistant Chief Daniel Malloy, our Chief of Operations. As was mentioned, Mr. Richard Braddock, our Chief Administrative Officer, is ill today. And we also have some members of my Executive Management Team here, as well as a representative from our Inspector General's Office.

I consider the United States Capitol Police to be America's police department, a premier Federal law enforcement agency that works to ensure that the legislative process of our Government can function without disruption or lapses in security or safety. Our mission is to protect the facilities we all work in and around, to protect you and your fellow Members, your staff, the Capitol Hill community, and the millions of visitors who come here to be part of the democratic process on a regular basis.

We practice the best in American policing, represent the country we serve and protect the democratic process. We consider all of the people and facilities we protect and the legislative process that we secure as one community. Although we are professionals dedicated to public service and public safety, the employees of the department gain strength and encouragement from your recognition of our accomplishments.

My management team and I are aware that the fiscal situation in the Federal Government requires that we manage ourselves and our plan for our future responsibly and accurately. Therefore, I believe it is our responsibility to submit a budget request that is ac-

curate, reasonable, responsible and based on critical requirements necessary to mitigate and address both the identified and emerging threats and risks.

Our fiscal year 2015 budget request focuses on those critical mission requirements necessary for the department to address the security of the Congress so that it may conduct its constitutional responsibilities in an open and safe manner without disruptions from crime or terrorism. Our fiscal year 2015 request again includes funding for 1,775 of the 1,800 sworn authorized positions and 370 of our authorized 443 civilian positions. These are the staffing levels funded during fiscal year 2014.

Our officers provide a safe environment for the facilities of Capitol Hill. In fiscal year 2013, the department performed over 9.8 million screenings of people entering congressional buildings, including over 1.6 million visitors to the Capitol Visitors Center. Outside the buildings, we kept the Capitol grounds safe by conducting more than 150,000 K-9 sweeps and over 27,000 offsite vehicle inspections.

I am grateful for your time today. We will continue to work closely with you to make sure that we meet the needs of our mission in a reasonable and responsible manner. I want to thank the women and men of the USCP for their support. I appreciate the opportunity to appear before you today, and we would be glad to answer any questions you may have at this time.

[The prepared statement of Chief Dine follows:]

**Testimony of
Kim C. Dine
Chief of Police, United States Capitol Police
Before The United States House of Representatives
Committee on Appropriations
Subcommittee on Legislative Branch**

March 24, 2014

Chairman Cole, Ranking Member Wasserman Shultz and Members of the Committee, I am honored to be here today, and I appreciate the opportunity to present the United States Capitol Police budget request for fiscal year 2015. I am joined here today by Assistant Chief Daniel Malloy, our Chief of Operations, and Mr. Richard Braddock, our Chief Administrative Officer, as well as some of the members of my Executive Management Team and our Inspector General.

At the outset, we at the Capitol Police are proud of the role we play in enabling a safe environment on Capitol grounds for the people of this great country. As the persistent threats to safety and security continuously evolve, we must adapt and evolve as well to effectively address them and maintain our readiness to mitigate threats and tactics of groups trying to do the Capitol Complex harm. We strive to accomplish that through collaborating with all stakeholders and other federal partners, employing robust and timely capabilities, and maintaining world-class readiness.

I have the distinct honor of leading this great organization that is made up of extraordinarily professional and capable women and men, who are dedicated to their work. I also have come to appreciate the interests of the Congress, and especially this Committee, in the continued safety and security of the legislative process. My management team and I are very proud of the close partnership that has evolved between us to make this possible. Your confidence in us, and the support you have provided to the Capitol Police over the years, has indeed been a remarkable contributor to our success in achieving our mission. You and your staffs have taken the time to work closely with the Department's leadership team and have shown a keen awareness of the complexity of our mission and the challenges we face.

I consider the United States Capitol Police to be America's Police Department: a premier federal law enforcement agency that works to ensure that the legislative process of our government can function without disruption or lapses in security or safety. Our mission is to protect the facilities we all work in and around; to protect you and your fellow Members, your staff, the Capitol Hill community and the millions of visitors who come here to be a part of the democratic process on a regular basis. We practice the best in American policing, represent the country we serve, and protect

the Democratic process. We consider all of the people and facilities we protect and the legislative business that we secure as one community that we serve. Although we are professionals dedicated to public service and public safety, the employees of the Department gain strength and encouragement from your recognition of our accomplishments.

Before I begin the specifics of my fiscal year 2015 budget request I would like to express again our appreciation to the Committee and the Congress for providing the essential salaries and general expenses funding for FY 2014 to support our personnel and operations, which has ensured a high-level of capability and mission readiness. In fiscal year 2013, the Department realigned resources to meet the mission under reduced funding without compromising safety and security, which was accomplished with the oversight the Capitol Police Board. We reduced a number of manned access points to the Capitol, thus reducing the total manpower needs and resulting overtime costs. We also delayed expenditures for many of the General Expenses related to training, lifecycle replacement, equipment and technology upgrades to maintain our operations within our funding limits. I assure the Committee that my team understands the need to maintain a balance between security and facilitation of Congress, and as such, we continue to look at our use of personnel and resources to meet the mission in an efficient manner.

My management team and I are aware that the fiscal situation in the Federal government requires that we manage ourselves and plan for our future responsibly and accurately. Having worked a large portion of my 38-year law enforcement career in local government, I can tell you that I have a first-hand understanding of the hardships faced by all levels of government and by average citizens in communities across the country. Therefore, I believe it is our responsibility to submit a budget request that is accurate, reasonable, responsible, and based on critical requirements necessary to mitigate and address both identified and emerging threats and risks. Our fiscal year 2015 budget request focuses on those critical mission requirements necessary for the Department to address the security of the Congress, so that it may conduct its Constitutional responsibilities in an open and safe manner without disruption from crime or terrorism.

Our mission-focused request is grounded in the framework of our Strategic Plan. To achieve our mission as a premier law enforcement organization, the Department continues to reinforce a culture that supports effective planning, communication, accountability and employee empowerment. We are developing the internal framework to employ smart policing; by taking a results-oriented, data-driven approach that effectively meets current and future threats and challenges. We will continue to deliver

safety and security by deploying effective law enforcement services through collaboration, adaptability and innovation. We will strive for organizational excellence to maximize efficiency and effectiveness through best practices, while promoting accountability through employee engagement and a positive work environment. We believe that our people are the key to our continued strength and success; and we want to focus on the future, keeping our employees at the top of their game.

One project that I know you have provided a great deal of support for is our Radio Modernization Project. I am pleased that our new state of the art radio system is operational, as it allows our officers to have reliable situational awareness and the ability to communicate effectively, which keeps all of us safe in the process. The planning, building, and implementation of this system has eliminated considerable risk in our future capability to communicate and to direct mission-critical activities. Because the ability to communicate is critical to life and safety of our officers, we took the necessary time to design, procure, install and test the new radio system. We appreciate the patience of the Congress during this journey. I also want to express my gratitude to our partners in this endeavor; the Capitol Police Board, the Architect of the Capitol and NAVAIR. Not only were we able to complete the project within the planned scope, and within the

funding you provided – but we found efficiencies that allowed us to include the O’Neill Building in the project.

At this time, I would like to offer the Committee an overarching summary of our fiscal year 2015 request. I will follow this summary with a discussion of specific budget items of particular significance to you and the Department.

The Department’s fiscal year 2015 request totals nearly \$356 million and represents an overall increase of 5 percent, or \$17 million over the FY 2014 enacted funding level of \$338 million.

As with other law enforcement agencies, personnel salaries and overtime represent the majority of our budget each year. After all, we are a service organization, and we need the dedicated and trained professionals to provide that service.

The Department’s fiscal year 2015 personnel request reflects our continuous efforts at all levels of management to effectively and prudently manage our existing resources to achieve the best possible balance of staff versus overtime to meet mission requirements. We are constantly analyzing our workforce to align job functions, assignments, workload, risk

management, and organizational readiness along with the ever-changing threat assessments and mandatory mission requirements of a dynamic Congressional community.

In light of the fiscal constraints of the Department and the entire Federal government, our fiscal year 2015 request again includes funding for only 1,775 of our 1,800 sworn authorized positions and 370 of our authorized 443 civilian positions. These are the staffing levels funded during fiscal year 2014. While the staffing levels remain static in the 2015 request, the funding request represents an overall increase of approximately 4 percent over the FY 2014 enacted level. This increase is necessary to address the natural cost of living and within grade salary increases incurred by the Department.

As you are aware, the Department's current sworn staffing levels do not entirely provide the necessary resources to meet all our mission requirements within the established sworn officer utility or the number of work-hours in a year that each officer is available to perform work. This "utility" number is used to determine overall staffing requirements, and balances the utility of available staff with annual salary and overtime funding along with known mission requirements such as post coverage, projected unscheduled events such as demonstrations, late sessions, holiday concerts,

et cetera, and unfunded requirements that occur after the budget is enacted, such as unforeseen critical emergency situations. Because of the need to fill the mission requirement gap through overtime, the Department has struggled to pull our sworn personnel offline to conduct training. In order to achieve mandatory training, we must utilize overtime to ensure that the officers may be offline for training, while meeting our daily mission requirements. There are flexibilities in other law enforcement agencies in offsetting or deferring daily requirements to allow for training that our unique mission does not afford and we are grateful that you have provided us the means to conduct this training in fiscal year 2014.

Thus, mission requirements in excess of available personnel must be addressed through the identification of efficiencies such as post realignment and/or reductions, technology, and cutbacks within the utility. Where necessary, we meet this requirement through the use of overtime. The Department is currently implementing an action plan that is simultaneously evaluating our staffing processes to find more efficiency through information-based management, while developing training and guidance for supervisors on methods for reducing overtime. At the same time, we are considering enhancements to a number of policies and procedures that have an indirect impact on overtime needs. At the requested funded staffing levels, the Department's fiscal year 2015 overtime projection is \$23.45

million, which is just over a half a million dollars more than our overtime allocation for fiscal year 2014. This amount will cover base mission requirements, support of non-reimbursable events at the Library of Congress and an offset to allow for appropriate security staffing so that sworn employees can be backfilled while they attend necessary and mandatory training.

The second area I want to cover in some detail is our requested general expenses budget, which includes protective travel; hiring, outfitting, and training of new sworn personnel; supplies and equipment; management systems; and other non-personnel needs. We are requesting \$64 million for general expenses, which is an increase of nearly \$5 million over the fiscal year 2014 enacted level. No new initiatives or program increases are included in this request. The increase results from normal increases in costs and restoring annual levels reduced in previous fiscal years to meet immediate needs. The amount of the general expense request is slightly lower from last year's request and we will continue to identify areas that we can target for further efficiency or elimination.

With your support, the Department continues to successfully perform our operational mission and has achieved several key accomplishments over the last year, some of which have resulted in greater efficiencies for the

Department, which include addressing several administrative challenges and improving corresponding business practices.

Our officers provide a safe environment for the facilities of Capitol Hill. For the U.S. Capitol Building alone, we provided a secure and open environment for well over 1.5 million square feet, over 600 rooms, approximately 850 doorways and miles of corridors; which speaks to the vast magnitude of our mission and how our ability to remain agile and prepared to respond is key to the accomplishment of our mission. In fiscal year 2013 the Department performed over 9.8 million screenings of people entering Congressional buildings (including over 1.6 million visitors to the Capitol Visitor Center). Outside the buildings we kept the Capitol grounds safe by conducting more than 150,000 K-9 vehicle sweeps and over 27,000 offsite vehicle inspections.

The Department continues to implement uniform procedures to effectively measure and justify U.S. Capitol Police planning, program, and resource requirements through a comprehensive, standardized, and repeatable management process, which we call the "Force Development Business Process." It provides for a transparent decision-making process, including reviews and approvals by an Investment Review Board made up of key agency management, and provides a structure that is results-driven and

based on meeting operational needs. In addition, in order to ensure the accuracy of our budget request, our fiscal year 2015 budget went through multiple layers of review and validation, and is traceable to supporting documentation for each budget element.

Further, we continue our work to close audit recommendations and to address our material weaknesses from prior audits by working closely with our Inspector General and the Government Accountability Office to address identified issues and by providing the evidence necessary to close findings. In particular, I am pleased to report that the Department received a third consecutive unqualified "clean" opinion on our financial statements. Also thus far in fiscal year 2014, we have worked closely with the Office of Inspector General to close 18 recommendations and have completed actions that we believe could lead to closure of another eight recommendations. Further, we are working on the resolution of a number of other recommendations in order to achieve efficiency and effectiveness of our administrative programs. The long-term resolution of recommendations related to internal controls, business processes and material weaknesses remains of the highest importance to our management team.

Before I close my remarks, I want to talk a little bit about our future. The Department has evolved from a lone watchman in the early 1800's to a

professional and unique law enforcement and homeland security force. Over the past thirteen years, we have adopted new capabilities to address our fluid threat environment. These changes have led to an increase in personnel, tools, special skills and new levels of accountability. Over the past year, we have been in the midst of updating our Strategic Plan to ensure that our existing structures are sufficiently aligned and resourced to support our mission requirements into the future. While I gave you a high level summary earlier in my testimony, in the near future we will be unveiling our new Strategic Plan in its entirety.

As we look towards the future, we will be transforming and strengthening our culture to continue to meet 21st Century challenges with a focus on results. We will be engaging you and our other stakeholders more as we further develop this new plan of action. Some of our transformational priorities include improving our management and planning processes; improving communications; enhancing our future leadership capacity; establishing clear expectations and accountability for all personnel; and evolving the Department into an organization that learns from our experience and shares knowledge within our workforce. These will be the foundations upon which we will build a nimble, data-driven, community-focused law enforcement agency for the future.

I am grateful for your time today. As I said earlier, we realize that we have to function within the parameters of the economic and fiscal realities facing the country and specifically the Legislative Branch. We will continue to work closely with you to make sure that we meet the needs of our mission in a reasonable and responsible manner. I want to thank the women and men of the USCP for their support; I appreciate the opportunity to appear before you today and would be glad to answer any questions you may have at this time.

POINTS OF ACCESS INTO THE CAPITOL

Mr. COLE. Thank you very much.

Let's start actually with the issue that Ms. Wasserman Schultz raised and I think you will hear a lot about, and that is points of access into the Capitol.

Obviously, as she pointed out in her testimony, we have been able to address at least some of the personnel problems that were associated with sequester. So could you give us an idea of where we are, what, if anything, is going to be reopened, what your timeline is and what are your concerns?

Chief DINE. Well, first, let me say that we are extremely aware and cognizant of the concern for access into the buildings. We understand that. And, as you know, we have more mission than we have officers. We don't have enough officers to staff every single post and every single Magnetometer at every time, nor would I think any of us say that is necessary.

The plan we have immediately put into place under Assistant Chief Malloy's direction has been to have our personnel and our Command Center constantly monitor the doors. As you know, we have a pretty robust Command Center with a significant number of cameras around the campus, and we are using those cameras in the Command Center to provide realtime information and actually tracking each door.

We used to unofficially and informally track the lines at the doors and track the information, but now we are keeping that data and charting it out. But it is resulting in an instant notification to supervisors in the field who then notify a number of different units, our first responders, our emergency responders, our building patrol, people on bike patrols and our motorcycle officers, so they can respond to any door where we see a backlog and direct people to another door that is open, open up an additional Magnetometer and engage in prescreening, which helps people get through more quickly. That is the operational plan that we have going on right now.

As it relates to funding, as you know, the closures saved approximately \$16 million. Our previous overtime budget was in the middle \$30 million range pre sequester. It is now in the low \$20 million range. And as you also know, our mission is not covered completely with our budget without the use of overtime. That has been the challenge over the years, to judiciously use overtime to cover our mission and meet all of our requirements.

Currently, our overtime level is in the \$23 million range. Thanks to your efforts, which we greatly appreciate, has provided some funding to take our officers offline. One of the bigger challenges that we have, unlike other police agencies, in fact probably most unique to this agency, is we do not have the ability to significantly reduce our footprint because of the number of fixed posts around campus. So, historically as well as currently, we have had to use overtime to backfill officers, to take them offline to do significant training, important training, which, frankly, we have had to defer over the last couple of years.

We have a plan that we are implementing this year, again thanks to the funding you are providing, to complete training for

our officers, to complete active shooter training this year for rest of the 500 officers who will go through that; 600 officers are going to go through refresher training in screening. Obviously, they have been through that, but this is critical refresher training. Those are two pieces of key training that are really, really important to our officers.

As you know, training is one of the last areas that any police department wants to cut, that is really the last place that should be cut, and over the years, we have had to defer that. Thanks to the funding you provided, we are able to address that.

Now, we also know that we need to continue to better manage overtime. Even though we decreased it, we are tracking that better every day. We directed every day that our commanders get a per-day shift report to see who is working, how many people are working, where they are working, and where they are assigned, so we can assign the people when and where they need to be working to reduce overtime.

Mr. COLE. Two quick follow ups. One, if I understood, are you planning to open any points that have been closed during sequester?

Chief DINE. Well, we are still looking at the number of doors. We would not be able to open additional doors without spending additional overtime, given the overtime levels that we have currently, but we are continuing to explore all avenues.

We do think aggressive enforcement of this operational plan, putting the officers and supervisors exactly where they need to be at a moment's notice when they see a bottleneck, will help to resolve these issues. We are constantly monitoring that, and we need to be aggressive and diligent in doing that.

SWORN STAFFING LEVELS AND RECRUITING

Mr. COLE. The fiscal year 2014 budget let you add 41 people to get you back up to 1,775. Could you give us a quick overview of about how much time did it take to find those people, train them; are you where you want to be staff-wise now? Are we at that number, let me put it that way?

Chief DINE. Yes, sir. We are not at that number. And as you mentioned, I appreciate the sort of characterization of our agency, because I view the United States Capitol Police as America's police department, as you mentioned, Congresswoman. These officers are the first impression that people see when they come here. We are America's police department for a number of reasons. We protect you. We protect the people and the place and the processes that makes this country what it is literally. Our officers are the first face that people see, that you see, that your constituents see, and, frankly, people from around the world see when they first come here, and they are also the last people they see. They are literally the face of law enforcement in the United States.

We are very proud of that, but we need to make sure that if that is true, which it is, that they conduct themselves accordingly and meet our mission and your needs as well.

To that end, we hired a new Human Resources director about a month before I came on, and as part of our strategic plan, we have revamped the manner in which we are hiring.

Obviously, like any great agency, we want to hire the best and the brightest, and we want people that want to be here and want to stay here and who are not using this as a place to go somewhere else. We want them to understand what we are all about, so we meet each other's needs.

We set up an assessment center process over the last couple of months where we brought people from around the country to come to the United States Capitol, and it was very exciting. We brought in about the top 200 out of almost 7,000 applicants that we got in a 4-week period. We opened up hiring for about 4 weeks, and we got between 6,900 and 7,000 applicants, which was very exciting for us and heartwarming.

We brought in the top several hundred. Chief Malloy was there, I was there, and Mr. Braddock and many of our command staff were there. We set up a 2-day process, assessment center, where they obviously went through physical testing and academic testing, but they also went through an overview of the agency, who we are and what we do. Because it is really important that they understand what kind of agency we are, that we understand, that we meet their expectations, and they meet our expectations. I can tell you, it was very, very exciting to meet these young men and women who came literally from across the United States just to be part of this process.

We are filling those spots, to get specific to your question, over a three-class process, and we are very excited about that. We are going to hire classes in May, July, and September. We actually have a class in process right now, but that was just a back fill of vacancies, previous vacancies, and we are hopeful that we are going to be able to meet—fill all of those spots. Obviously, with any agency our size there is always attrition and things like that, but we are excited and we feel confident we are going to be able to fill those spots.

BASE, UNSCHEDULED, AND TRAINING OVERTIME

Mr. COLE. Okay. Thanks, Chief.

Ms. Wasserman Schultz.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Chairman.

Chief, I just want to continue with the overtime question. I don't want to be a contrarian, but the sequester sort of did your job for you that you would have had to do anyway, given the statutory cap on overtime. I think it is safe to say that you would not have likely primarily chosen to close doors and shut off access points as a solution to reducing overtime. Maybe a couple, but you wouldn't have balanced almost your entire cut in overtime on the backs of our constituents' access to the Capitol or our staff's ability to get to work, which arguably cuts down on productivity.

And now that the sequester is reduced and your agency has largely passed, you shouldn't be exempt from making hard decisions that you would have had to make and just allow the sequester to have done the job for you, because it is not okay to just cut your overtime through closing of access.

So the question I have more specifically is, you have something called base overtime and you have unscheduled overtime and you have training overtime. So what is the difference between those

three kinds of overtime? Your request for overtime is \$23.4 million. Most of that request is for base activities, \$20.6 million. And then if you ordered—if we directed you as a committee to open more access points, would that cost be added to overtime? You mentioned it would, but you, obviously, have to continue to deal with the statutory cap. So where would push come to shove if you had to make that choice?

Chief DINE. Well, I appreciate your focus there, and as I said, we are and we will continue to aggressively manage the overtime.

Ms. WASSERMAN SCHULTZ. I am sorry, the other thing I wanted to say specifically about access points is directing people, and I can appreciate you more closely managing it through the Command Center, and that is great that you are looking for trouble spots and trying to address it in real time, but directing people to other doors isn't a solution to the fact that there are access points closed that should be open, in my opinion.

Chief DINE. Yes, ma'am. Thank you.

Base overtime is basically overtime that is used for core mission, K-9, scheduled events, DPD, and extended sessions. That is what base overtime is. Unscheduled overtime is unscheduled events, unscheduled protests, special sessions and other things that are more unscheduled. There may be a fine line between some of that. Training overtime is literally overtime that we use to backfill officers that we need to take offline for the types of significant training that I mentioned. That is kind of how that breaks down. We understand there is a need to and we will continue to aggressively manage that.

Ms. WASSERMAN SCHULTZ. I just think most people think of your need for overtime to be more like the unscheduled overtime rather than core mission.

Chief DINE. Right.

Ms. WASSERMAN SCHULTZ. Because your core mission, you should have the ability to put officers in place for the length of time within the normal hours, ideally.

Chief DINE. Yes.

Ms. WASSERMAN SCHULTZ. I realize that that is challenging, but it is the base overtime that really was the focus of the committee when you had the issue and not the unscheduled; that is expected. And training, we obviously want the officers to get as much training as possible. The base overtime is more of a problem.

STATUS OF THE FINANCIAL AUDIT

Then just a couple of other quick questions. I mentioned in my opening statement that your department had some pretty significant, prior to you getting here, fiscal challenges. It was a fiscal disaster. The previous administration didn't know where money was, bills, payroll. Can you give us an update on where you are now and particularly in terms of an audit?

Chief DINE. Yes, ma'am. And as we said, Mr. Braddock is not here today, but I have to give him great kudos, as well as Jay Miller, who is here today, for the great work that he did in our financial area. They just did stellar work to turn this around.

We are getting our third clean opinion. We are very proud of that. We have closed 18 recommendations as it relates to audits

thus far this year. We have eight more we are in the process of closing, on the verge of closing as well. We believe we are continuing to make great progress in that area and becoming more robust and clean as we move forward.

CAPITOL COMPLEX ACCESS DURING VOTING

Ms. WASSERMAN SCHULTZ. Great. I only have one more quick question, and then I will be done for this meeting.

A couple of weeks ago, a vote had been called. And this is something that happened to me; I assume it happened to the other members also. A vote had been called. I was off campus. In the effort to get to the Capitol within the 15-minute time limit that the House allots for the first vote, I had to get in a taxi because the car I was in couldn't get pulled out of valet quickly enough.

So I got in a taxi. I was on the Senate side. I attempted to come through the gate. You know, when we are in our regular car, they let us through on the Senate side with no problem when there is a vote without having the dog go around the car, but they wouldn't allow the taxi that I was in to come through on the Senate side, and they said that was a Senate side policy for a House vote. And I feel quite certain that they let Senators come through in a taxi if that is the vehicle they are in on the Senate side when a vote is on.

So if you could, I am not sure if you are familiar with that difference in policy, but House Members need to get into the Capitol Complex no matter what vehicle they are in when a vote is on. If you could address, either maybe it was something that just happened to me that day and there was an officer that didn't know the policy, or, if not, if that is the policy, it really should be changed.

Chief DINE. Yes, ma'am, I will definitely look into that and let you know. I am sorry for that.

Ms. WASSERMAN SCHULTZ. That is all right. Fortunately, I can run fast. Then I actually flagged down Mr. Cantor's detail coming through in an SUV, hopped in his car, and he very politely hustled me over the plaza.

Mr. COLE. Knowing how you wanted to vote?

Ms. WASSERMAN SCHULTZ. He did. He knew who I was, but I didn't know who he was, and he still brought me, which is really nice.

[The information follows:]

The Department has looked into the matter of Member's access to the Capitol via taxi. The policy was correctly enforced that day by the officer. Commercial vehicles (including taxis) are prohibited from accessing the plaza without prior authorization from the House or Senate Sergeant at Arms. There are stipulations for Members of Congress, but that stipulation does not include access to the Capitol Plaza.

Mr. COLE. Mr. Harris.

Mr. HARRIS. Thank you very much.

TOTAL SALARY APPROACH FOR BUDGETING SALARIES

Just a couple of brief questions. Could you explain what the total salary approach is that you take in setting the salary numbers? In your testimony, it says that you use a total salary approach. It requests full funding for each encumbered on-board position without offset for potential attrition and resulting backfill.

Chief DINE. That references I think the total salary of our budget, which is for 1,775, and I can elaborate more perhaps offline in a written document if that would help.

Mr. HARRIS. If you could. Okay. It is just included in the budget. It said it provides greatest risk mitigation from identified inherent budget formulation risks. I am not sure I understand exactly what that is, so if you could just get an explanation to me.

[The information follows:]

TOTAL SALARIES BUDGET APPROACH

The "Total Salary" approach was adopted in response to a salary shortfall the Department experienced in FY 2010. Under a "total salary" approach, the Department requests a full year of funding for each encumbered onboard position without offset for potential attrition and resulting backfill. Under this approach, funding for sworn and civilian attrition would not offset. Further, funding for sworn official promotions, as well as sworn and civilian backfill, would not be included as a supplemental request, as they are already within the base. Any surplus resulting from this approach is used to partially fund the Department's workers compensation bill each year and the Department does not request funds for workers compensation costs as a result.

BUDGET INCREASES

In your Office of Human Resources for OHR operations, an increase of \$370,000 for labor relations contractor support. Is that above and beyond what you normally spend? Can you explain why?

Chief DINE. No, sir. We are actually short in our labor area. Under human resources, I believe we are about nine people short. That is an effort to shore up labor relations efforts while those positions aren't filled. And we are gradually backfilling two of these, thanks to some of the funding you gave us. But that is to offset that so we can proceed and do labor relations work as necessary.

Mr. HARRIS. But you were down last fiscal year, I take it. So what did you use? You just didn't have contractor support last year?

Chief DINE. Yes, sir, we had some. And I don't know that we were down a total of nine last year, but we are up to nine as of right now.

Mr. HARRIS. All right. Please provide further explanation on that, because it is a large increase in that line item.

[The information follows:]

EXPLANATION OF THE OFFICE OF HUMAN RESOURCES \$370,000 INCREASE

The Office of Human Resources (OHR) has historically been challenged with hiring and retaining solid technical talent. As a result, this has created a significant skill gap for many years attributing to high error rates, poor customer service and a staff of human resources (HR) professionals who lag technically and professionally behind our legislative branch counterparts.

In October 2012, a new HR Director was hired to address and improve the quality and service delivery of human resources service delivery across USCP. She took a three pronged approach to address skill gaps across the organization through training, recruitment of skilled staff and contractor support. OHR's ceiling was 50 employees in 2012 to include the loss of 2FTE. Since FY 2013, OHR lost 12 Human Resources Specialists leaving an even greater talent void. Only 2 positions have been backfilled to date. In addition, USCP has been fraught with budget cuts, ceiling reductions and a government shutdown creating a hiring pause across the Department. Despite these challenges, the OHR successfully reengineered the sworn hiring process and supported the negotiations of two collective bargaining agreements.

Contractor support has been used to augment vacant positions since 2013 consisting of 5 technical experts in labor relations, compensation and processing, position classification and staffing. Labor relations talent has become especially critical during FY 2013 and 2014, to provide support to management during labor negotiations on two collective bargaining agreements. The Department has been without labor relations expertise since 2010. Therefore, expertise in this field is critical to assist and advise management during negotiations of two complicated labor agreements that have high visibility.

In January, OHR was granted approval to fill a Labor Relations Specialist and a Supervisory Human Resources Specialist to oversee compensation, payroll and processing. Recruitment is currently under way for both slots with the objective to reduce contractor support as talent is replenished within OHR.

There was also a \$2 million increase for fiber optic contract support in the Office of Information Systems, is this a special project? Like I say, it is a \$2 million increase. The budget goes from \$10.6 million in the OIS network communications line item to \$12.6 million.

Chief DINE. One of the areas we are behind in is wiring throughout our facilities and our campus as it relates to our work.

Mr. HARRIS. So that is a ramp up, I take it.

Chief DINE. Yes, sir.

Mr. HARRIS. Is that something that is going to continue in future years as well, or is this just what it takes to catch up?

Chief DINE. Well, it may even take more than that, but that is an effort to catch up.

Mr. HARRIS. Okay.

And just one last question. As a physician, medical care catches my attention. There is a large increase in the budget for medical care under total salaries. Are you adding people into that category?

Chief DINE. What we are doing, that is actually a full year's request, and in the past several years, we have not had the funds to do a full year's request. So, we will be hiring people. We have recruits coming on board. That is an effort to actually fund a contract for a full year.

Mr. HARRIS. A full year request for what? It is under medical care.

Chief DINE. For physicals and for fitness for duty physicals for officers that are on board now, physicals for hiring and related medical costs as it relates to our personnel. But in the past several years, we have not had a full year's contract, which is why it shows an increase, when frankly, it is just a complete year's contract request.

Mr. HARRIS. So for this fiscal year and last fiscal year, neither one was a full fiscal year's request, but you managed to get by with it? If so, is there an increase amount in spending?

Chief DINE. We did manage to get by sort of incrementally, and this is just a full year's request, and we are also hiring more people this year. We have barely hired in 2 years actually.

Mr. HARRIS. Thank you, Mr. Chairman.

Mr. COLE. Thank you.

Mr. Moran.

SWORN DISTRIBUTION IN VARIOUS BUILDINGS AND WAIT TIME

Mr. MORAN. Thank you, Mr. Chairman.

Chief, roughly what is the distribution between your allocation of police for the Senate, the Capitol and the House side?

Chief DINE. Sir, I do not have those numbers with me, but I would be glad to get those to you.

[The information follows:]

ALLOCATION OF OFFICERS FOR THE HOUSE, SENATE AND THE CAPITOL BUILDINGS

The allocation of sworn officers for the House, Senate and the Capitol as of 3/31/2014 is as follows:

	House Division	Senate Division	Capitol Division
Officials*	9	7	12
Sergeants	20	15	29
Officers	284	233	369
Total	313	255	410

* Lieutenants, Captains, Inspectors.

Mr. MORAN. Well, I am sure, except that the hearing is now, and there is really no way I can use those figures subsequently. How many people are allocated to the House Office Buildings?

Chief DINE. I can look that up. I can tell you right now we are, as we speak, undergoing an internal staffing review plan to make sure that we have people in the right places, because actually in an effort to continue to reduce overtime, we want to make sure we have people working when and where they need to be working. We will probably be adjusting that. This is the second time we have done that since I have been here. But I can get those numbers for you, or I will have somebody tell me.

Mr. MALLOY. Three hundred and nine officers; 309 officers, roughly speaking.

Chief DINE. For the House?

Mr. MALLOY. For the House.

Mr. MORAN. For the House. Okay. That is out of roughly 1,800.

Chief DINE. We are down to about 1,720 right now.

Mr. MORAN. 1,720, excuse me. I think the point is still a valid one. So we are talking 1,400 allocated in other areas of the campus, other than the House Office Buildings. You nodded so that is an accurate figure apparently. But there are four times more House Members than Senate Members, of course, and the House Complex is a bit larger than the Senate. I am just wondering why you would have less than 20 percent allocated to House Office Buildings?

Chief DINE. Well, that is one of the reasons why we undergo these staffing plans.

Mr. MORAN. Well, Chief, really. You know, you get all these surveys. I have been on and off this Legislative Branch Subcommittee for years, and there is always a survey. Well, we are studying this. We are studying that. You have got a whole lot of studies. And it seems to me that saying that we are studying something is a pretty weak response when you were asked a direct question.

I can't imagine what you do with all the studies. You have been doing studies in the 1990s and 10 years ago, 5 years ago, and you are always—every time we talk to the chief in this hearing, you are doing a study. “We are looking into that.” “We are analyzing the staffing levels.” You must have hundreds of people doing those studies.

Anyway, so you have got less than 20 percent allocated to the House side. But let's take those 309 that are on the House side. You have got what, five entrances, six entrances to the House Office Buildings they have to guard? Is it five or six?

Chief DINE. Yes, sir.

Mr. MORAN. So that is about 60 per entrance. And yet we have people backed up at those entrances, particularly in the winter, you feel badly, particularly when we can come in a separate door and go right through, but we have them backed up on to the sidewalk. It just seems to me that you might allocate more people to open up the other metal detectors. Normally, they have one metal detector, and you have closed the other doors off.

So I don't know, you say that you suggest they go to another entrance. Well, there is no point going to another entrance if that is as much backed up, and there is only one other entrance.

I mean, it is beyond me. So you have got less than 20 percent— I tried to figure out here how many you allocate to the entrances. How many of the 309 would you have allocated to letting people come in to the House Office Buildings?

Chief DINE. It depends on the size of the entrance and how many magnetometers there are.

Mr. MORAN. All right. Give me a—should I give you a building? How about the Cannon Building? How many people do you have allocated to Cannon Building during rush hour, which is basically the 2 hours when the House business starts?

Chief DINE. Do we have that information?

Chief MALLOY. I don't know. There are at least three officers assigned for each post.

Mr. MORAN. How many?

Chief MALLOY. There are a minimum of three officers assigned to each post.

Mr. MORAN. Three. Right. Three. And you have got five entrances. That is 15 of the 309 that are assigned to the entrances when the public is trying to get in. So we have got, what, 290 officers left, right, assigned to the House Office Buildings.

It seems like a curious allocation when you were saying this is America's police force and you want to put a good face on it. So people come in. They wait in rush hour for 15, 20 minutes at times it seems. I haven't stood around to count how long it takes for them to get in. Those are long lines. But it has gone on for the last few years, particularly since you shut the other entrances.

So you have decided that 15 is the proper allocation out of the 309. And you make that decision?

Chief DINE. Well, we work closely with committees and the Sergeant at Arms Offices regarding which door—

Mr. MORAN. Well, the Sergeant at Arms is here.

Is that your decision, Sergeant at Arms, to allocate 15 officers out of the 309 assigned to the House side to let people in?

Mr. IRVING. We work closely with the Capitol Police to determine the allocation and have looked at the wait lines at the various doors.

Mr. MORAN. And what have you determined?

Mr. IRVING. Well, the wait lines at the various doors have been generally under 3 minutes.

Mr. MORAN. Three minutes.

Mr. IRVING. The average has been less than 3 minutes.

Mr. MORAN. That is just not accurate. They are not 3 minutes. They back up down the steps onto the sidewalk.

Mr. IRVING. We can certainly provide you with that information.

Mr. MORAN. They do the same thing at the Rayburn Building.

Ms. WASSERMAN SCHULTZ. Is that the average over the whole day?

Mr. MORAN. Oh, is that the average over the whole day?

Mr. IRVING. That is during the rush hour primarily.

Mr. MORAN. During rush hour, 3 minutes.

Mr. IRVING. Yes. We can show you our studies that have shown the average wait times at all the entrance doors.

Mr. MORAN. The problem is, do you have them now, because this is our only opportunity to ask you.

Mr. IRVING. I don't have them with me, but I can certainly send them to you immediately.

Mr. MORAN. I will be happy to see that, but all it is going to tell me, if that is what it says, is that these are not accurate assessments, because they wait a lot longer than 3 minutes at those entrances during rush hour. We see them. Now, I know you have got the fancy cameras watching them.

But if, for example, let's just hypothesize that you have a line that is out down the stairs, so you have got maybe 30 people in line at least, why would you not use some of the remaining 294 people assigned to the House Office Buildings to open up another one of the machines to reduce the line when there is a line? Let's just pretend that there is actually a line that takes people more than 3 minutes to get in. Why wouldn't you do that?

Mr. IRVING. I think we are certainly looking at that.

Mr. MORAN. You are looking at it.

Chief DINE. I should have elaborated, that is actually the plan that we are implementing now to facilitate getting people in and prescreen them, because prescreening speeds it up. We direct them if there is a nearby open door or open another magnetometer or, if possible, another door. That is the plan that we are implementing as we speak.

Mr. MORAN. So how long have you been thinking about doing this?

Chief DINE. This is what we are doing now ever since when you raised those concerns to us. Obviously, we take them very seriously.

Mr. MORAN. Okay. So they are our concerns that are causing you to respond. It is not something you would consider on your own to be a problem.

Chief DINE. Well, we consider it to be a problem if Committee and staff members find it to be a problem, then it is a problem for us.

Mr. MORAN. Is it a problem?

Chief DINE. Yes. If it is a problem for you, especially.

Mr. MORAN. Well, I am sorry. But if this is America's police force, it ought to be an issue; if it is a problem for the public, then it is a problem for you. Now, why wouldn't you have come up with the idea?

Chief DINE. We have, yes, sir.

Mr. MORAN. Well, you are not doing it yet.

Chief DINE. We are doing it, yes, sir.

Mr. MORAN. You are?

Chief DINE. Yes, sir.

Mr. MORAN. You are having somebody go out and prescreen?

Chief DINE. Yes, sir. And we are literally monitoring and giving realtime information out to supervisors in the field, which, frankly, I don't know if it was happening in the past, but that is what is happening now. And the tracking is better now. Instead of just sort of monitoring—we used to do random tracking, and if we saw somebody with a yellow scarf, we would monitor that person and see how long did it take for the person in the yellow scarf to get in the line. But we asked, that is nice data, but how about constantly monitoring all the doors and come up with actual time so we can chart and graph it out, which is what we have begun to do.

Mr. MORAN. You may be detecting a bit of frustration, because it has been a long time that these hearings have gone on, and the answers seem to be insufficient to addressing the causes of our questions: Why you would have less than 20 percent of your police force allocated to the House side of the Capitol; why you would have, what, 15 people allocated to the doors; and why you wouldn't open up two of the magnetometers; and why you need to close the other doors because you don't have enough overtime when you have got 1,720 people, which is as many as Fairfax County has, it is actually more, and Fairfax County has more than 1 million population and actually hundreds of square miles to patrol.

It is a question, it seems to me, in terms of the responsiveness of the Capitol Police. And I know I am going to get the same answer I was getting back in 1994, actually, which is, what, 20 years ago, yes, 20 years ago. They were studying it. You are making a calculation there, 20 years. And the problem is it gets studied all the time. And I know now we have had a sequester, and we have had more doors closed and we have a greater concern, but I don't see the kind of initiative to settle these issues that it seems to me are important issues if our constituents are coming in and they are waiting as long as they are.

Now, granted, a lot of them are lobbyists, so let them freeze out there I suppose because they are on the clock. They are all billable hours. But this doesn't seem to be a good use of resources nor a good way to have the first impressions made of the people that are coming to visit us in our offices.

Chief DINE. Yes, sir. And I clearly appreciate and understand your frustration. Let me just make it clear, since I have been here, we haven't just been studying it. We have already reallocated people one time during a large-scale shift movement. We have tried new shifts to be more efficient and effective. We have implemented new measures.

Mr. MORAN. New shifts. What is a new shift?

Chief DINE. For instance, we have some people on a 4–10 schedule because we thought that would be more effective and more efficient. It would save overtime.

Mr. MORAN. Four days, 10 hours a day.

Chief DINE. Yes, sir. We have implemented those types of changes.

Mr. MORAN. And they don't get overtime.

Chief DINE. That is right. It reduces overtime, actually, the way we put that shift together. So each commander was tasked with coming up with ways to reduce overtime and to be responsive.

We have moved people around. We have tried new shifts. We are undergoing a new analysis now, but we are not just being stagnant and waiting for more complaints.

Mr. MORAN. Well, I am thrilled that you are doing another new analysis, as you can see.

But, Mr. Chairman—

Mr. COLE. Mr. Moran, I want to move on fairly soon.

Mr. MORAN. I know. So I am going to just summarize in response to you. It just seems puzzling to me that when we have asked about why doors are closing and why lines are as long as they are, that it is because we don't have enough money in the overtime budget. That is what we were told. And it does seem to me out of 1,720 full-time personnel, that we ought not have to be talking about the overtime budget. We could be talking about the regular budget and perhaps implementing one of the dozens of studies that have been done over the years to allocate a sufficient number of people.

Less than 20 percent seems like an unusually small allocation, and then, of that 309 people, you have got about 15 people allocated to the doors at any one time. I don't think that is sufficient, and it doesn't seem to me it requires a study to figure that out.

Thank you, Mr. Chairman.

Mr. COLE. Thank you.

BUDGET PRIORITIZATION

Mrs. Roby.

Mrs. ROBY. Thank you, Mr. Chairman.

And thank you to you, Chief Dine and Assistant Chief Malloy, for being here today. We really appreciate the responsibility that you have and the fact that each of you put on your uniform every day and put your life on the line for not only Members of Congress but, most importantly, our constituents and the Americans that come to our Nation's Capitol to visit and be a part of our government. So to you and to all those people who support you on your staff, just, again, a deep reiterated thanks for that.

Chief DINE. Thank you.

Mrs. ROBY. So we have been talking a lot about overtime and the obvious challenges. Could you just prioritize for me three things that if you were not to get the increase of funding that you are asking for what you would have to do differently. If you were funded at the same level that you are now, what three things beyond the personnel issues that we have talked about with your inability to hire more officers, what other three top issues would you have to change your priority?

Chief DINE. Well, first and foremost, as I mentioned early on, training is one of the most important things for any police department, ours included, so probably one of first things that we would have to cut is the critical training that I mentioned, and that has

already been deferred for several years. I certainly appreciate the frustration.

One of the challenges that I noticed being with this agency versus the two other agencies that I had been with, which was one of largest municipal agencies in the country, the Metropolitan Police Department, and then a mid-sized department, is the staffing levels can go up and down, and, frankly, people don't know that. It is not advertised.

We have so many fixed required posts and that is why we have so many officers. Because it does seem at first blush that there is a lot of police. But we are a full service police department charged with keeping this entire campus safe. Handling doors is part of what we do. But that explains why our staffing is what it is.

Frankly, over the years the budget has never been what it would need to be to cover all those posts and all those assignments with no overtime. Now, of course, overtime is just part of the normal world of policing to a certain extent. The percentage, it is just a normal part of policing.

So to answer your question specifically, we would have to cut training, which would be greatly troubling to me, especially the type of critical training that I mentioned. Ultimately, if that didn't do enough, we would have to go backwards in terms of our staffing levels. Then, of course, that all has this conundrum effect on the amount of overtime.

Mrs. ROBY. So people more than anything.

Chief DINE. Yes, ma'am.

Mrs. ROBY. That would be the top priority. But beyond that, training, equipment?

Chief DINE. Yes, ma'am. And we have deferred equipment purchases over the years. We have extended lifecycle. We have not purchased things. We, as you know, have no new initiatives right now this year or next year. This budget is flat as it relates to that. It is centered around having 1,775 sworn and 370 civilians.

STRATEGIC PLANNING

Mrs. ROBY. You talked in your testimony about the future of the force, the 21st century challenges that are forthcoming, and I think everybody in this room has a deep appreciation for the value of communication. If there is a problem, it is usually because somebody failed to communicate.

So can you talk a little bit about that in terms of a couple of things. Number one, the transformational priority that you outlined, and as your quote says, "evolving the department into an organization that learns from our experience and shares knowledge within our workforce," first of all. And then we will go on from there. So, first, that.

Chief DINE. Well, we are working on our strategic plan. I think there is an outline that we provided to you. If not, I would be glad to provide an outline to you. But we really want to push to be a learning organization, to learn from other police agencies. We want to be more data driven. We want to make sure we are communicating internally very effectively as well as externally. Those are some of our core directions. We want to engage in smart policing.

All of that helps controlling the budget, but it also helps make this campus as safe as we can make it.

[The information follows:]

The USCP Strategic Plan Refresh

The refresh of the USCP Strategic Plan will ensure that the USCP remains a premier Federal law enforcement agency that continues to achieve its mission with distinction in response to an ever-changing threat environment; and within the fiscal realities of budget. It establishes a **data-driven** approach towards planning and management of **safety** and **security** activities that represent the best in law enforcement; with a constant focus on **efficiency, effectiveness and accountability**.

Background and Timeline:

Over the past year, a Planning Working Group (PWG) made up of employees from across the Department has worked with the Executive Management Team (EMT) to evaluate conditions in the Department. A leadership retreat in 2013 produced a new set of strategic goals and objectives, based on this analysis. With the challenges of sequestration and the government shutdown, the new goals and objectives were reevaluated, and were ultimately revalidated. Five working groups made up of EMT and PWG members worked from December 2013 through March 2014 to develop initiative proposals that address five key building block focus areas for improvement, including: improving management and planning, improving communications, enhancing leadership capacity, establishing a performance-based culture, and improving organizational learning. Through June 2014 the EMT and Executive Team will utilize the Force Development Business Process to develop operational initiatives, based on a review of potential Department gaps. Coupled with the plans for the five building block areas, these operational plans will be folded into the USCP Strategic Plan and budget planning. The USCP will release the revised Strategic Plan, and communicate it to stakeholders and employees beginning in Fiscal Year (FY) 2015 – and base the FY 2016 budget submission, and ongoing performance management, on its goals.

The New Draft USCP Strategic Goals and Objectives are:

Goal 1: Employ Smart Policing: Employ a results-oriented, data-driven approach that effectively meets current and future threats and challenges.

Objective 1.1: Collect, analyze, and share information and data that informs management decisions, including resource allocation.

Objective 1.2: Use reliable analysis in support of evidence-based strategies and tactics.

Objective 1.3: Identify and monitor relevant organizational metrics to evaluate and improve Department performance.

Goal 2: Deliver Safety and Security: Provide safety and security by deploying effective law enforcement services through collaboration, adaptability and innovation.

Objective 2.1: Deploy innovative and effective prevention and response capabilities.

Objective 2.2: Ensure that personnel have the necessary information, preparedness, training, and equipment in order to respond to known and emerging threats.

Objective 2.3: Establish partnerships to strengthen and increase the scope of the Department's capability.

Objective 2.4: Acquire, maintain and utilize law enforcement technology to maximize the Department's capability to meet its mission.

Goal 3: Achieve Organizational Excellence: Maximize efficiency and effectiveness through best practices and promote accountability through employee engagement and a positive work environment.

Objective 3.1: Enhance communication within the Department and to external stakeholders.

Objective 3.2: Build on the Department's capacity to learn from experience and retain knowledge.

Objective 3.3: Become an employer of choice, with a highly-motivated and committed workforce.

Objective 3.4: Improve management and planning to create a culture of accountability and continuous improvement.

COMMUNICATION WITH LOCAL LAW ENFORCEMENT

Mrs. ROBY. And speaking of external communication, you do a lot of communicating with local law enforcement agencies because you have all of us that represent so many different places across the United States. Can you talk about specifically any challenges that you have as it relates to those type of external communications?

Chief DINE. Well, we have established wonderful relationships with law enforcement agencies around the Washington area region as well as around the country because, as you know, we do deal with your constituent offices around the country. Frequently, we have to ask local police agencies for assistance, and they are pretty much always happy to assist the United States Capitol Police police in that endeavor, which we appreciate.

We feel responsible to you and your home offices and your members as it relates to safety and security as well, so we take that very seriously. Here in the National Capital Region, we work on a daily basis with almost all the Federal Agencies, not simultaneously, but almost every day, with the Secret Service, the Park Police, and the FBI.

Mrs. ROBY. We just want to make sure from a budgetary standpoint that you don't have obstacles, and if there are clearly defined obstacles that come from your budget or lack of funds, then I think that is something we would all be very interested to know because that communication both rests with our local law enforcement but, obviously, for the other agencies here, is critical for your ability to function at the highest level.

Chief DINE. Right.

Mrs. ROBY. So, again, if we are seeing obstacles, we would like to know about that.

HIRING PLAN AND MENTORING PROGRAM

Real quickly, can you give me the number of officers who have been in the department for 5 years or less compared to those that have been with the department longer than 5 years?

Chief DINE. We have that as part of our hiring plan, but I don't have that with me right now, but I can certainly get that.

[The information follows:]

EXPERIENCE LEVEL OF OFFICERS IN THE DEPARTMENT BY NUMBER OF YEARS

Years of USCP service	
Less than 3	98
3 but less than 5	152
5 but less than 10	498
10 but less than 20	677
More than 20	288

Mrs. ROBY. I will tack on to that is there a mentoring program or practices that match younger, newer first-year officers with those who have been with the department for a number of years?

Chief DINE. Well, actually, we just started a mentoring program, and we had a session last year that exceeded our expectations. It engaged officers at all levels in the agency. We plan on doing that again. We didn't organize it by time on the force. We just wanted

to reach out to the entire Department, the entire workforce at all levels, and we got a lot of positive feedback. That is one of the things we know we need to do is mentoring our people and bring them along.

Mrs. ROBY. All right. Well, thank you for being here. Again, we appreciate your service.

And I yield back.

Mr. COLE. Thank you.

NAVY YARD SHOOTINGS

Mr. Bishop.

Mr. BISHOP. Thank you very much.

Welcome, Chief Dine and Assistant Chief Malloy.

I have got two questions. The first one has to do with the Navy Yard shootings in 2013. It is my understanding that during those shootings, both the Senate and the Capitol were placed under lockdown but the House was not, despite the fact that the House is closer to the Navy Yard. Can you explain why the House wasn't placed on lockdown, and doesn't that create some confusion? And is there anything that the Capitol Police could have done more efficiently to assist law enforcement regarding the tragedy?

The second question is: I would like for you to give the subcommittee an update on the 2001 discrimination suit that was filed by Lieutenant Sharon Blackmon-Malloy, which alleged that more than 200 African-American officers were denied promotions, retaliated against, unfairly disciplined or fired because of their race.

Chief DINE. Yes, sir.

As far as question number one, yes, you are right, it does create confusion, and we will do everything in our power to not have that happen again as long as we are all here.

Obviously, I confer with the Board, and that was a dynamic fluid situation, and people view things how they view them. But I agree with you, that was not an optimum way to handle the campus, because what we want to do is have an across-the-board comprehensive sort of cohesive message.

So I agree with you there, yes, sir.

Mr. BISHOP. Who decided that just the House would not be placed under lockdown, only the Senate and the Capitol? Were they viewed as more vulnerable?

Chief DINE. Pardon me?

Mr. BISHOP. Were the Senate and the Capitol viewed as more vulnerable?

Chief DINE. Well, no, sir. I think your point is well taken. I won't debate it. Frankly, I was conferring with the Sergeant at Arms of the House and the Sergeant at Arms of the Senate, and we had three seasoned law enforcement professionals with probably 100 years experience. People saw things a little bit differently.

But I think at the end of the day, we need to come to the same conclusion, regardless of what that conclusion is. So, I guess I agree with you.

UPDATE ON THE DISCRIMINATION LAW SUIT

I don't have a specific update on the legal suit. I can have our attorneys provide whatever they have been apprised. My under-

standing is there hasn't been a lot of movement, other than that there is now less people on the list. Some of the suit has been withdrawn as time has gone on. But I can give you a specific offline written update on that.

But let me state for the record, as I think I did last time, we don't stand for discrimination. That is not what we stand for as the police department that I just talked about. We are a very diverse agency. We are proud of that. We have outstanding men and women, and I wouldn't stand for it as chief of police, nor would our command staff. That is not the type of agency that we are and wouldn't want to be.

Mr. BISHOP. Did I understand you to say that you have a new human resources director?

Chief DINE. Yes. About a month before I was hired, we hired an outstanding human resources director, Jackie Whitaker.

DIVERSITY WITHIN THE DEPARTMENT

Mr. BISHOP. Do you have any vacancies in the high ranks of the Capitol Police, and have you been keeping statistical data on the hiring of women and minorities in these vacancies? Are there vacancies, and have the vacancies been filled?

Chief DINE. Yes, sir. Most of the vacancies have been filled right now, but obviously, we are in a hiring process. We are a very diverse agency. Our sworn side, we are over 30 percent African-Americans. We have about 18 percent female in our sworn ranks.

Mr. BISHOP. How do these percentages compare with the higher ranking positions within the department? You have 30 percent of your management people that are African Americans?

Chief DINE. No, sir.

Mr. BISHOP. Female?

Chief DINE. No, sir. Not yet. But we are working in that direction.

Mr. BISHOP. Okay. You will provide us with a report, or have your attorney?

Chief DINE. Yes, sir. Absolutely. I will have our General Counsel correspond.

Mr. BISHOP. I would think that by now, there would be some movement with a settlement or some discussions to try to resolve it.

From time to time, I do have members of the Capitol Police that come to my office and say that they are concerned that it hasn't been resolved. As a member of this subcommittee, I certainly want to make sure that we do everything that we can to make sure that the terms and conditions of employment for the Capitol Police, who do such an important job for all of us, are done in an environment that is free of discrimination.

[The information follows:]

*NON-PRIVILEGED COMMUNICATION***BLACKMON-MALLOY, et al. V. CAPITOL POLICE BOARD**
LITIGATION UPDATE – 01-CV-02221 (EGS)**Procedural History**

- * On April 12, 2001, several Plaintiffs sought counseling with the Office of Compliance. The Capitol Police Board (CPB) attempted to schedule mediation with each of the Plaintiffs but after only 8 Plaintiffs mediated their claims, the remaining Plaintiffs sought to end mediation and go directly to district court.
- * On October 29, 2001, Plaintiffs filed a Complaint in district court alleging discrimination, harassment, and hostile work environment. On September 24, 2004, the court dismissed the claims of approximately 322 plaintiffs and permitted 8 plaintiffs to proceed. The plaintiffs appealed this ruling to the D.C. Circuit court.
- * On July 31, 2009, the D.C. Circuit remanded the case for the district court to determine which plaintiffs: 1) requested counseling within 180 days of the alleged discriminatory act; 2) sought mediation no later than 15 days after receipt of the end of counseling notice; 3) provided notice of their claim to the Capitol Police Board (“CPB”) upon request; and, 4) timely filed a complaint in district court within 90 days of receipt of the end of mediation notice.
- * On May 10, 2010, Plaintiffs filed their Fourth Amended Complaint, failing to address the specific responses to the questions for each individual plaintiff as set forth by the D.C. Circuit. On August 12, 2011, the CPB filed a Motion to Dismiss identifying each plaintiff and the reasons for dismissal.

- * On March 9, 2012, the district court referred the motion to dismiss to a magistrate judge for a report and recommendation.
- * On December 14, 2012, Magistrate Judge John Facciola issued his Report and Recommendation. The Magistrate Judge concluded that “[t]he vast majority of the plaintiffs in this case should be dismissed [with prejudice] for failure to exhaust their administrative remedies....” He further reported that only 20 plaintiffs had submitted enough evidence of exhaustion of their claims to move forward.
- * On March 7, 2013, Magistrate Judge Facciola issued a supplemental Report and Recommendation and concluded that an additional two officers had claims that merited proceeding forward. Thus, the Magistrate Judge recommended to District Court Judge Emmet Sullivan that 22 Plaintiffs move forward and the remaining 284 Plaintiffs be dismissed with prejudice
- * Magistrate Judge Facciola’s Report and Recommendation is now pending before Judge Sullivan.

Chief DINE. Absolutely.

BUDGETING FOR SECURITY UPGRADES TO MEMBER DISTRICT OFFICES

Mr. BISHOP. One of the ongoing concerns that I have had, particularly as a result of the shooting of our colleague Gabrielle Giffords, was the number of security improvements we were asked to make. We were given protocols for security, but we faced MRA cuts, and of course, everybody was faced with the sequester. I had to reduce my staff by three positions, yet at the same time, I was requested to address certain security concerns at my district offices.

For example, one of my District Offices, which is my flagship office, is on the first floor of an office building. It has glass windows facing out to the street, but moving to another location was not an option because we couldn't afford to move.

Chief DINE. Right.

Mr. BISHOP. One of the concerns that I have had, and I have been raising it at each one of our hearings with the Sergeant at Arms and with the Capitol Police is: Would a fund like the Sergeant at Arms in the Senate has that is allocated for the security of Member district offices, be appropriate also for House Members, even though the allocation may not be that great? The fund would be at the discretion of the Sergeant at Arms and the Capitol Police. Would such a fund be helpful for providing more security for Members and their constituents in their District Offices?

Chief DINE. Well, I don't know that I can speak to the fund. That is a little bit out of my purview. What I can tell you, as I mentioned, we take very seriously, obviously, the safety of you and your Members and your staff, whether they are here or in your home offices. We do that as part of our job. We will be glad to do a security survey. As you know, we have trained members that go across the country and do that.

Mr. BISHOP. They have done an excellent job, the U.S. Capitol Police Officers that came and assessed our district offices. I thought Agent Adams did a tremendous job, and he helped us to coordinate with local law enforcement officers. The new office that I opened in Macon, Georgia, I think has excellent security, better than any of the other offices that I have. Of course, that was based on his recommendations and our floor plan.

So I am most appreciative of that. But it still costs money, and I have got two other District Offices. And I am sure that other Members, not just me, have district offices across the country that are exposed to security risks without having the adequate resources. If there were a fund that security people could utilize when there is an egregious risk, I would think that it would make for a better environment security-wise for all of the Members.

Chief DINE. Yes, sir.

Mr. BISHOP. Thank you.

IMPROVING BUILDING ACCESS DURING RUSH HOUR

Mr. COLE. Mr. Stewart.

Mr. STEWART. Thank you, Mr. Chairman.

Chief, thanks for being here.

Thanks to your deputy, the Sergeant at Arms and others.

It has been my observation that you and your staff do extraordinary work. It is easy for the Capitol Police to be courteous when I am wearing the pin, but I have watched them with other individuals, and they seem to be just as courteous and professional with them as well.

Chief DINE. Thank you, sir.

Mr. STEWART. I have two main points I would like to address.

Before I do that, I am going to go out on a limb and say that it seems to be the sense of this committee that we need to open up more access during rush hour in the morning. Would you commit to us that you will look at that, and you will find a way to do that?

Chief DINE. We will definitely look at it.

Mr. STEWART. Okay. You will look at it.

Chief DINE. Yes, sir, and we will do everything we can to try to relieve those issues.

Mr. STEWART. Okay. I just think that is important. And if you can't, I think it would be proper to come back to the committee and explain to us why not and see if we can help you, because I think that is one of the things that a lot of people are really quite concerned with.

CAPITOL COMPLEX SHOOTING INCIDENT

I want to come to something that is going to take a little more time, but it shouldn't take much. The incident in October made many of us very uncomfortable. Obviously, it was a tragedy for the family that was involved. I am sure it was difficult for those officers that were involved in that shooting. And I know that you must have examined and evaluated what happened there.

Can you share with us some of the lessons that you learned from that incident that may be helpful to avoiding something like that in the future?

Chief DINE. Well, of course, we all prefer that something like that never happens here. This is one of the top locations in the country for various kinds of threats.

Mr. STEWART. As far as a target.

Chief DINE. As far as a target, of all types. Obviously, part of that is still under criminal investigation by the U.S. Attorney's Office and the Metropolitan Police Department, the use of force aspect. Notwithstanding that, we immediately began to analyze and dissect other aspects like some of our policies as it relates to perimeter security and communication. Those are probably three areas that we have been focusing on, without fully elaborating, given the nature of what we are dealing with now.

Mr. STEWART. I understand. So knowing we can't talk about that and it wouldn't be proper, do you sense that we are in a better position now to handle a situation like that and maybe have a different outcome than we were a year ago?

Chief DINE. Yes, sir, I do. Yes, sir.

Mr. STEWART. And recognizing that it is a dangerous world and in a high stress situation like that, it is unpredictable and the officers do the very best they can, and I wouldn't want to indicate I was finding fault with them, but on the other hand, we would want

to look at it and see if there are lessons we can learn to avoid something like that.

Chief DINE. Absolutely.

AGENCY TURNOVER AND MORALE

Mr. STEWART. The last thing I would like to talk about briefly. Is turnover or retention an issue for you? Do you know what percentage of your new hires are still on the force say 2 years or 5 years later?

Chief DINE. We do have that data, and I don't have it specifically in front of me, but I can tell you turnover has not been much of a problem for us recently. Now, some say that turnover is a function of how the economy is somewhere else, but that is why early on, I said it is so important for us to get the right kind of police officer.

This is one of the most unique police agencies that there is. We do some urban policing, but we do a lot of homeland security and fixed-post enforcement. We do a lot of intelligence work. Obviously, we have a protection detail, a dignitary protection piece. We are kind of a large police department that does a little bit of everything. We are an amalgamation of agencies. We need to hire people that understand the type of agency they are joining, so they don't get frustrated 2 or 3 years down the road. We want to make sure they made the best choice and we make the best choice. Turnover is not much of a problem right now, and we hope it continues to be low.

[The information follows:]

Percentage of New Hires on the Force Two Years or Five Years Later

Since the beginning of FY 2009, 393 new recruits were hired and 26 (6.6 percent) have left the Department within the first two years.

There were 162 new recruits hired in the first half of FY 2009 and 15 (9.3 percent) have left the Department within the first five years.

Class Number	Start Date	FY	Total Recruits Hired	FY09 Loss	FY10 Loss	FY11 Loss	FY12 Loss	FY13 Loss	FY14 Loss	Total
159*	10/6/08	09	1				1			1
160	10/24/08	09	43	3	1					4
161	11/20/08	09	40	2					1	3
162	1/30/09	09	48		1				1	2
163	3/27/09	09	30	3	1		1			5
164	6/5/09	09	32		2		1		1	4
165	10/1/09	10	21						1	1
166	10/13/09	10	22		1					1
167	1/4/10	10	24			1		1		2
168	1/3/11	11	12			1				1
169	3/28/11	11	14			1				1
170	6/20/11	11	19			2				2
171	8/1/11	11	8			1	1			2
172	11/7/11	12	17						1	1
173	3/11/12	12	12				1			1
174	6/10/12	12	23					1		1
175	9/2/12	12	9				1		1	2
176	2/2/14	14	18						1	1
Total			393	8	6	6	6	2	7	35

* The recruit joined class 159 once training began at Cheltenham. The remaining recruits in class 159 started in FY08.

Mr. STEWART. I guess that would be a reflection that you would view your department and your agency as having fairly high morale then.

Chief DINE. I would like to think so, but, as you know, I am the furthest one away. But what we have been doing is working very hard in that regard because that means something to us. For all of the obvious reasons, if you are going to be a good company, you want to take care of your people and have good morale. We have been meeting with the Fraternal Order of Police, for example. Since I arrived, we meet every 2 to 3 weeks. They have instant access to me, to Assistant Chief Malloy and to others in our command staff. Even if we don't meet for a week or two, they can email me or call me directly. We have actually been out to lunch several times with the whole executive board just in the last couple of months.

We have set up a kind of a problem solving approach with them, where we don't want to view of each other as adversaries. But it does take a while to build some trust and communication where we are both feeling that. But I think we have come a long way in that regard.

Mr. STEWART. Okay.

Thank you, Chief.

Let me end where I began: Thank you for coming, and access, access, access.

Thank you, chief.

Mr. Chairman.

Mr. COLE. Thank you.

Ms. Wasserman Schultz.

Ms. WASSERMAN SCHULTZ. Thank you.

Chief, I think that you should be congratulated for being the only person that could actually unify the Congress around an issue, so congratulations.

Mr. STEWART. I am quite uncomfortable with that.

RADIO INTEROPERABILITY DURING THE OCTOBER SHOOTING

Ms. WASSERMAN SCHULTZ. The longest distance starts with the first step. So access. We agree.

But I just wanted to ask you one more question as a follow up to Mr. Stewart's question about the shooting on October 3rd. I know there is litigation, so I am not going to get into asking you about details because of both the ongoing investigation and the litigation.

But there was a deep concern expressed on the part of some officers that in the midst of that incident, the—I realize the interoperable radios, the Radio Modernization Project was not fully online yet—but the radios that the officers were using at the time were not able to communicate with the Secret Service radios, and that was obviously deeply concerning, a real problem. And we were always told that even though we had a system that wasn't fully interoperable, that there were adjustments that could be made so that agency to agency, like the Capitol Police and the Secret Service when an incident was transpiring, that that interoperability was possible.

So prior to the new radios, were the ones used during the October incident capable of communicating with radios used by the Secret Service?

Chief DINE. Yes, in some ways, they were. We have enhanced interoperability now because of the new system.

Ms. WASSERMAN SCHULTZ. Now you do. But what about the radios that were in use?

Chief DINE. Well, yes. There is a couple ways for them to do that. One is through the PMARS, which is the Police Mutual Aid Radio System. That is a way for the Secret Service to have communicated with us. There are also two emergency channels, DC-01 and 02, which existed before as well.

Ms. WASSERMAN SCHULTZ. Did you hear those same concerns, that there was not an ability for the Capitol Police radios to communicate with the Secret Service radios as the events on October 3rd were unfolding?

Chief DINE. Well, I didn't. What I know about the events, it was a very, very quick, very fluid set of circumstances. And it is not to say that the interoperability or technology is not critical, but when something only lasts a number of minutes, there is, frankly, no instant solution.

We now have much better interoperability, and we have also gone above and beyond that. Just so you know, we provided our radios to the Secret Service and Metropolitan Police Department and Park Police. We also have a ring-down phone now that has been placed in our Command Center, and we have better, critically enhanced interoperability with the new system.

Ms. WASSERMAN SCHULTZ. Right. Now that system is fully online, that wouldn't be an issue if, God forbid, anything happens?

Chief DINE. Well, it shouldn't be. I will say, frankly, interoperability works best during a planned event or during an after-action planned event. That is an obvious statement. But if you talk to any chief, even during major events—

Ms. WASSERMAN SCHULTZ. The reason it is critical is when you have an event that is unfolding that isn't planned.

Chief DINE. It is. It is. What it doesn't mean, though, and some don't understand this, that you are not going to have, say, 1,000 officers on one channel from 20 different departments talking to each other. That is sort of the misnomer of it. But we are in a much better place than we were before and taking steps to move that forward.

Ms. WASSERMAN SCHULTZ. Thank you and to your whole corps of officers for your service. We appreciate it.

Chief DINE. Thank you very much.

I appreciate it.

Mr. COLE. Any other members have additional questions?

ASSESSMENT OF POLICE CONDUCT DURING THE OCTOBER SHOOTING

Mr. MORAN. I do, Mr. Chairman.

Mr. COLE. Mr. Moran.

Mr. MORAN. Chief, generally speaking, were you happy with the conduct and the outcome of the shooting that was referenced by Mr. Stewart?

Chief DINE. Well, I am never happy when someone dies.

Mr. MORAN. No. But generally, the conduct? What was your—

Chief DINE. We are still awaiting the criminal review of the specific conduct as it relates to the officers, and then we do an internal administrative review. We have separated out the other aspects that we need to review as an agency.

TRAFFIC CONGESTION AT TRAFFIC LIGHTS

Mr. MORAN. Chief, let me ask another logistical issue that has come to my attention personally but also to the attention of a whole lot of Members. When we are leaving in the evening, there is invariably a backup at the lights. So my excellent staff has done an analysis here. It probably is quicker than yours might have been commissioned. But they found that the light at C Street is 1 and a half minutes, even though there is very little traffic, if any, and yet the light to turn on to the Southeast Expressway is 24 seconds. So that is the basic reason why the traffic backs up and why you need to have officers out there in the evening directing traffic because of the backup. The backup, the problem is this misallocation of the signal timing.

Now, at one point, at Washington and 2nd Street, it was 29 seconds, which wasn't enough. It has now been changed, we understand. But rather than putting an officer out there, perhaps a call to D.C., if they run the lights, just to ask them if they wouldn't apportion the lights based upon the actual traffic demand, would alleviate the need for the officer out there on Washington Street. So if you wouldn't mind doing that.

Chief DINE. We can certainly look into that. And if I might, in your initial question, I just want to elaborate so it came out clearly. Obviously, that is a tragic event when anyone dies, so that review of the officer's conduct is a long, ongoing process. But I have to say these officers are out there every day putting their lives on the line and have to make split second decisions, and it is easy for any one of us to, obviously, sit here and second guess them. And even case law doesn't really allow for that as it relates to use of force. But the law will be applied, number one, and then our policies will be applied, number two.

Mr. MORAN. Well, some people say that given the fact that she was unarmed, granted, you didn't know it at the time, but there wasn't any reason to believe there was and there was a baby in the car, that perhaps shooting at the tires might have been more effective than shooting at her body.

Chief DINE. Right. There are a lot of opinions out there, but most of them are wrong and uneducated.

Mr. MORAN. Okay.

Thank you, Mr. Chairman.

Mr. COLE. Thank you.

Before I gavel this to a close, I would like to ask you, just as I think opinion was so uniform on this access issue, to get back to us about what we are going to do to change that, because I don't think that is going away. And we have put additional personnel, which I know you are bringing on. But I want a real serious look and some direct feedback about what we can do. Because clearly, when Members are running into this and their staff is running into it and their constituents are running into it, then we have an awful

lot of anecdotal evidence that suggests we have a real problem here. So we want to work with you to see what we can do to address that problem. So if you would do that, I would appreciate it.

Chief DINE. Yes, sir.

[The information follows:]

TRAFFIC LIGHT SYNCHRONIZATION AT 2ND STREET AND WASHINGTON AVENUE

Department staff reached out after the hearing to our contacts at the District's Department of Transportation (DDOT) regarding the timing issues. AOC, Congressional staff and USCP have been working with DDOT and a representative from DDOT informed us that they had already met with contacts from the Architect of the Capitol and with Congressional staff the previous week on the issue. DDOT has developed a new traffic signal sequence of operation and traffic signal timing plan for the traffic signal at the intersection of 2nd Street and Washington Avenue to provide additional left turn opportunities for motorists turning onto 2nd Street. Implementation of this plan was expected to be completed within days and based on observations from Department staff, have been completed. Other areas of concern will continue to be addressed between the parties.

Mr. COLE. And then, get well. We hope you get to feeling better.

And, more importantly, again, I want to echo the sentiment on this committee. We appreciate very much the quality of the men and women that you lead, the quality of the service that we receive from them, the wonderful job they do for us and the American people in protecting this place and making sure that people can visit it safely and conveniently. Again, we know we ask an awful lot out of you. We know we get an awful lot more back. So, just again, thank you very much.

Chief DINE. I appreciate it. Thank you.

Mr. COLE. With that, the hearing is adjourned.

[Testimony for the record submitted by Members of Congress and outside witnesses follows:]

**U.S. House of Representatives
Subcommittee on Legislative Branch Appropriations
Testimony of Representative Rush Holt**

March 28, 2014

Mr. Chairman and members of the committee, I thank you for the opportunity to express my strong support for refunding the Congressional Office of Technology Assessment (known as OTA). My views on this issue are well known to members of this subcommittee, as I have had the opportunity to share with you my understanding of the important role that OTA filled as a congressional support agency. Every Member of Congress needs access to policy-relevant, unbiased technical and scientific assessments crafted by those who are familiar with the functions of Congress and written in a language that is relevant to our work. OTA fulfilled that need for 23 years.

In the nineteen years since OTA was defunded, our need for its work has grown only more acute. Consider some of the issues that have come before Congress in recent years: food safety, natural disaster response, cybersecurity, regulation of financial instruments, and nuclear proliferation in some of the most unstable parts of the world. Each of these issues – and almost every other that comes before Congress – has a scientific or technical component. Each deserves careful scrutiny before Congress takes action.

In my view, OTA's greatest contributions were its ability to provide a long-term, forward-looking perspective and to alert Members of Congress to components of policy that are scientific or technical in nature, but which might not immediately be obvious.

Consider some examples: As early as 1995 – before anyone had heard of a Blackberry or iPhone and before cell phones were common – OTA produced a report titled *Wireless Technologies and the National Information Infrastructure*. At least five reports on science and math education were written long before “STEM Ed” became a popular topic. Health care policies and technologies were considered in depth, from the impact of health care reform on rural areas to the costs and benefits of the artificial heart. There were at least 11 reports on cancer, 14 on HIV/AIDS, and six on women’s health. Before most people had heard of biodiesel, OTA was examining the *Potential Environmental Impacts of Bioenergy Crop Production*. And before most Americans held concerns about identity theft or warrantless wiretapping, OTA produced a report on *Electronic Surveillance in the Digital Age*. All of these reports, and most of the 755 produced by OTA, are still relevant to issues being considered by this Congress nineteen years after the lights went off at the agency.

Those responsible for defunding OTA claimed it was necessary to help reign in “excessive” government spending. In its last year, OTA’s operating costs were \$23 million, less than one percent of the Legislative Branch appropriation. Yet the payback from OTA was far reaching: An OTA report was the source of upgrades in computer systems at the Social Security Administration that led to a savings of \$368 million. Studies on the Synthetic Fuels Corporation raised important questions about the program, and its subsequent abolishment saved approximately \$70 billion.

Since funding was withheld, nothing has filled the void left by OTA. Think tanks, experts in academia, the National Academies, CRS, GAO, and other organizations are all excellent resources. They all serve important functions of great use to Congress, but they were not designed to accommodate the type of comprehensive, congressionally directed research performed by OTA. We do not suffer from a lack of information on Capitol Hill. But we do not have the time or resources to gauge the validity, credibility, and usefulness of the overwhelming amount of information we receive.

Our constituents understand that the work done here involves subtlety and complexity. They know it is consequential, and they are concerned. We hear it when they tell us that we are rushing action or that bills should not be so long. Of course, you and I understand that these claims are largely invalid. But at a time when the public's faith in our work – in our ability to represent them – is so clearly shaken, we should take action to restore the American people's confidence that we have the information we need to make informed, well-reasoned decisions in our complex world.

That was the role filled by OTA. The greatest misconception about OTA is that it was a science organization for scientists. But this was not the case. Members used OTA reports to understand all kinds of issues and develop their policy positions. Options explored by OTA became outlines for new legislative proposals. Congress often required OTA to study the implementation of new programs and assess their necessity and effectiveness. OTA benefited every Member and every function of Congress, directly or indirectly.

But we already know that the basic structure of OTA is sound. We have done this experiment before. We just need to heed the results and to breathe life back into OTA. **A fully functioning agency would cost approximately \$35 million today. For a first-year appropriation, I suggest only \$2.5 million to fund the re-establishment of OTA and a handful of research reports.**

Recently, few predicted the extent that technology could be used to could collect bulk data or understood the complexities of computer-assisted mathematical models used in our financial sector. If OTA had been functioning during the development of these new instruments, would Congress – and the American people – have had more warning of their perils? Likewise, would we have benefitted over the last nineteen years from more reports on the challenges we face in energy, health care or defense? What phenomena or technologies will be leading the headlines and changing our world a year from now? Or five years? Or 15? OTA cannot tell us that. But it can – and it did – help us start considering the possibilities. Let's not wait another year to revive this capability for Congress and for the nation.

Thank you.

Written Testimony for the Record
From John D. Moteff
President
Congressional Research Employees Association
To the House Committee on Appropriations, Subcommittee on Legislative Branch

March 7, 2014

Mr. Chairman and Madam Ranking Member,

My name is John Moteff, President of the Congressional Research Employees Association (CREA). CREA is the exclusive representative of all bargaining unit employees at the Congressional Research Service (CRS). On behalf of CREA and our members, I thank you for the opportunity to submit testimony for the record regarding the Library's FY2015 budget request.

For FY2015, CRS requested \$108.382 million, a modest 2.9% increase above the FY2014 budget. The increase covers mandatory and inflationary increases. It also includes a realignment of \$2.179 million from the non-pay to the pay category. It includes no programmatic increases. Even with the modest increase, the request remains \$4 million, in non-inflated dollars, below CRS's FY2010 budget. CREA fully supports this budget request.

The pressures placed on all federal workers over the last few years, in the form of pay freezes, hiring freezes, government shutdowns and furloughs, are well known. This pressure has increased the workloads of CRS staff members; in some cases substantially. It has also caused some to question whether the work they know to be essential is adequately valued by all of the Congress and their fellow citizens. CRS employees are not unique in this regard but neither have they been spared.

According to the Library's annual reports and this year's budget justification, staff levels at CRS have dropped from 651 employees in FY2007 to 593 in FY2013. As recently as FY2011, CRS employed 640 employees. But the demand for our services continues apace. As you are well aware, CRS work is not, at its core, a production job, where our efficiency can be measured in the number of requests fulfilled, or reports, memoranda, information analyses, and consultations we produce per person--although we are proud of the amount of work we undertake. More importantly, our work is knowledge-driven and focused on providing high-quality research services and analysis. Our efficiency is measured by the time it takes your staff to get the detailed, nuanced, and non-partisan information and analysis that they rely on and

receive on a daily basis. As CRS veteran staff with 30 to 40 years of experience continue to retire, invaluable knowledge and expertise is being lost far faster than it can be replaced. Furthermore, as newer staff are asked to cover an ever broader range of duties and areas of study, the time necessary to develop the seasoned expertise in a given area increases. I would add that we are losing that expertise throughout CRS, not just among our analysts and lawyers, but also among our information professionals, support units, and other research resources upon which all CRS staff rely. Last year's slight boost in funding allowed CRS to alleviate some of this pressure by allowing the Service to hire a limited number of critically needed personnel. This year's budget request would allow CRS to continue to support those additional hires and perhaps allow it to hire a few additional critical personnel. Still, the marked decrease in staff remains a continuing challenge.

An easing of pay freezes and the receipt of funding adequate to ensure a limited number of additional hires can go a long way toward enabling our staff to continue delivering the high quality services that you expect from CRS. More flexible work schedules, however, would also help. Management has asked CRS employees to be more flexible in their work duties and assignments to help fill in the gaps and to remain responsive in the face of furloughs and closures. CRS employees have responded in an exemplary fashion. However, the pressure to ensure the consistently high level of service that CRS staff deliver to Congress while doing so with fewer resources can affect both their routines at work and their routines at home.

This Subcommittee was instrumental in bringing telework to CRS, for which the employees at CRS are very grateful. However, additional flexibility is needed. For example, as new CRS employees slowly backfill positions held by veteran staff, they begin their life at CRS with limited leave and thus a limited ability to cope with illnesses and other family matters. The rest of the Library and much of the federal workforce have access to credit hours to help alleviate such challenges. CRS, however, does not have credit hours, even though credit hours place no additional financial burden on the agency.

CRS also serves a unique client, Congress, which may remain in operation while the rest of the federal government is shut down due to weather or other emergencies. Management has asked employees to be flexible and to remain accessible to Congress during these occasions. However, they have not accorded reciprocal flexibility to employees who may have a need, and have requested, to work from home when travel to and from the Library may still be hazardous. While the rest of the federal government has provisions to allow employees to take unscheduled telework on such days, CRS employees must report to the Library or take annual leave. Again, greater flexibility to work from home in these situations would cost nothing, but could increase CRS's service to Congress.

In closing, CREA is thankful for your past support, not only regarding the portions of the budget over which this subcommittee has jurisdiction, but also with respect to your support of the federal workforce in general. We thank you and look forward to your support of this budget request and for the workforce flexibility options we have outlined in our testimony.

Biography
John D. Moteff
President
Congressional Research Employees Association

John Moteff joined the Congressional Research Service in January 1988 and is a Specialist in the Resources, Science, and Industry Division. His areas of expertise include military research and development, critical infrastructure protection, and cybersecurity. John was first elected President of the Congressional Research Employees Association in September 2012, having served in various other elected capacities with the Association since 1998.

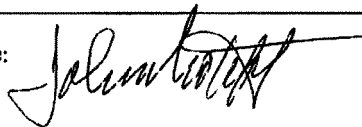
Legislative Branch Subcommittee

Witness Disclosure Form

Clause 2(g) of rule XI of the Rules of the House of Representatives requires non-governmental witnesses to disclose to the Committee the following information, in addition to a C.V., as part of the written statement of prepared testimony submitted in advance of their appearance. A non-governmental witness is any witness appearing on behalf of himself/herself or on behalf of an organization other than a federal agency, or a state, local or tribal government.

<p>Your Name, Title, Organization, Business Address, and Telephone Number:</p> <p>JOHN D MOTEFF PRESIDENT CONGRESSIONAL RESEARCH ASSOCIATION EMPLOYEES</p>
<p>1. Are you appearing on behalf of yourself or a non-governmental organization? Please list organization(s) you are representing.</p> <p>YES CONGRESSIONAL RESEARCH EMPLOYEES ASSOCIATION</p>
<p>2. Have you or any organization you are representing received any Federal grants or contracts (including any subgrants or subcontracts) since October 1, 2010?</p> <p>Yes <input type="radio"/> No <input checked="" type="radio"/></p>
<p>3. If your response to question #2 is "Yes", please list the amount and source (by agency and program) of each grant or contract, and indicate whether the recipient of such grant or contract was you or the organization(s) you are representing.</p>

Signature:



Date:

3/7/14

Submitted by Daniel Schuman, Policy Director, Citizens for Responsibility and Ethics in Washington; Amy Bennett, Assistant Director, OpenTheGovernment.org, on behalf of the organizations listed below.

The Honorable Tom Cole
Chairman Legislative Branch Appropriations Subcommittee
HT-2 The Capitol

The Honorable Debbie Wasserman Schultz
Ranking Member Legislative Branch Appropriations Subcommittee
HT-2 The Capitol

VIA EMAIL

RE: Funding the Office of Technology Assessment as part of the Fiscal Year 2015
Appropriations Bill

March 7, 2014

Dear Chairman Cole, Ranking Member Wasserman Schultz, and members of the
Legislative Branch Appropriations Subcommittee:

We are writing to urge you to restore funding to the Office of Technology Assessment (OTA). The important issues facing Congress frequently require technological and scientific assessments, and lawmakers need expertise to understand the capabilities, costs, and benefits and risks of these new tools. OTA provided this information in a unique way, combining deep expertise, the ability to talk to stakeholders, and a unique bipartisan board that ensured the findings of OTA's reports were relevant, substantive, and unbiased. In light of recent debates over national security and telecommunications policy, Congress needs its own source of technological expertise.

OTA was created in 1972 to equip Congress with "new and effective means for securing competent, unbiased information concerning the physical, biological, economic, social, and political effects" of technology. In the words of a Congressional Research Service Report, OTA "was intended to facilitate congressional access to expertise and permit legislators to consider objectively information presented by the executive branch, interest groups, and other stakeholders to controversial policy questions."¹

At its height, OTA generated hundreds of reports at a relatively modest cost of \$20 million annually.² It was defunded in 1995 along with other entities like the Administrative Conference of the United States, which itself was restored in 2010.³

¹ "Technology Assessment in Congress: History and Legislative Options," Congressional Research Service RS21586 (August 21, 2006), available at <https://opencrs.com/document/RS21586/2006-08-21/>.

² These reports were released to the public and are available here: <http://ota.fas.org/otareports/>.

³ <http://www.acus.gov/newsroom/administrative-fix-blog/acus-nutshell>

Public interest advocates have called repeatedly for OTA to resume operations.⁴ Indeed, the model is so respected that the President's Review Group on Intelligence and Communications Technologies recommended recreating the OTA "within the Civil Liberties and Privacy Protection Board to assess Intelligence Community technology initiatives and support privacy-enhancing technologies."⁵

Technology plays a central role in our lives, from biomedicine to banking, from national security to new energy sources. Congress needs an independent source of expertise it can trust. Please restore funding for OTA.

We welcome the opportunity to discuss this with you further. Please contact Daniel Schuman, policy director, Citizens for Responsibility and Ethics in Washington, at 202-408-5565 or Amy Bennett, assistant director, OpenTheGovernment.org, at 202-332-6736.

Sincerely yours,

American Association of Law Libraries
 Citizens for Responsibility and Ethics in Washington – CREW
 Center for Democracy & Technology
 Center for Science and Democracy at the Union of Concerned Scientists
 Council on American-Islamic Relations – CAIR
 Cyber Privacy Project
 Electronic Frontier Foundation
 Federation of American Scientists
 Government Accountability Project – GAP
 iSolon.org
 National Lawyers Guild
 New America Foundation's Open Technology Institute
 OpenTheGovernment.org
 Project On Government Oversight – POGO
 Public Knowledge
 Sunlight Foundation

⁴ See, e.g., "Ninety Diverse Organizations Support Restoring the OTA," (May 7, 2010), available at http://www.ucsusa.org/assets/documents/scientific_integrity/OTA-sign-on-letter-1.pdf; "OTA Endorsement," (June 1, 2007), available at <http://www.flickr.com/photos/johnarthurw/529928064/in/photostream/>; "Carl Sagan Bemoans the Loss of OTA," (February 27, 2014), available at <http://ota.fas.org/2014/02/27/carl-sagan-bemoans-loss-of-ota/>.
⁵ "Liberty and Security In a Changing World," The President's Review Group on Intelligence and Communications Technologies (December 12, 2013), Recommendation 27 on page 36, available at http://www.whitehouse.gov/sites/default/files/docs/2013-12-12_rg_final_report.pdf

Amy Bennett

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PROFESSIONAL EXPERIENCE

OpenTheGovernment.org, Washington, DC June '08 - Present

Assistant Director

- Analyze and comment on federal openness policies and legislation, including legislation that would amend the Freedom of Information Act (FOIA) or expand the scope of information that can be withheld
- Represent the coalition in meetings with White House, Administration and other executive branch personnel, policymakers, legislative staff, and other non-profit leaders
- Speak about open government issues on panels and to the press, including national outlets
- Write opinion pieces and editorials on open government issues; pieces have been published by the San Francisco Chronicle, Baltimore Sun, and several medium and small outlets

Program Associate

- Organize and coordinate coalition efforts, including writing and circulating letters to policy makers, sending action alerts to coalition members, and writing biweekly newsletter
- Write reports, including assisting in writing the annual Secrecy Report Card
- Plan for coalition participation in Sunshine Week events, including our annual Sunshine Week webcast
- Improve coalition's presence on the web and launch use of Web 2.0 technologies

Alliance for Plasma Therapies, Washington, DC Sept '07 – June '08

Program Manager, Part-time

- Organize and coordinate coalition efforts by representatives of patient organizations, professional societies, manufacturers, and distributors to advocate for adequate reimbursement of plasma therapies

Washington Strategic Consulting, Washington, DC May '07 – Sept '07

Legislative Aide, Part-time

- Wrote and designed newsletter covering health and education legislation and federal actions

Drinker Biddle Gardner Carton LLP, Washington, DC March '06 – Apr '07

Legislative Assistant, Part-time

- Wrote strategic documents, advocacy letters, and Congressional Record statements for client legislative campaigns
- Analyzed health care policies and made preliminary recommendations regarding policy options

Office of Representative Jan Schakowsky, Washington, DC May '02 – Feb '05

Legislative Assistant

- Researched and analyzed legislation concerning education, environment, defense, and other issues
- Wrote concise floor statements and full length speeches for the Representative on issues including education, environment, and troop welfare
- Prepared and staffed the Representative at Energy and Commerce Committee and Subcommittee hearings and mark-ups
- Drafted and managed legislation

Legislative Correspondent

- Developed new system to efficiently respond to constituent concerns and track District opinion expressed via email
- Reply to constituent concerns and update the office on constituent opinions of legislation

Staff Assistant

EDUCATION

Georgetown Public Policy Institute, Georgetown University, Washington, DC

Master of Public Policy, May 2008

Tufts University, Medford, MA

Bachelor of Arts in Political Science, cum laude, May 2001

HONORS and AFFILIATIONS

Fellow, Rockwood Leadership Institute, Human Rights and National Security Reform Leaders, 2011

Secretary, American Society of Access Professionals Board, 2013

Legislative Branch Subcommittee

Witness Disclosure Form

Clause 2(g) of rule XI of the Rules of the House of Representatives requires non-governmental witnesses to disclose to the Committee the following information, in addition to a C.V., as part of the written statement of prepared testimony submitted in advance of their appearance. A non-governmental witness is any witness appearing on behalf of himself/herself or on behalf of an organization other than a federal agency, or a state, local or tribal government.

Your Name, Title, Organization, Business Address, and Telephone Number:

Amy Bennett, Assistant Director, OpenTheGovernment.org
 1100 G St, NW, Suite 500, Washington, DC 20008
 202-332-6236

1. Are you appearing on behalf of yourself or a non-governmental organization? Please list organization(s) you are representing.

OpenTheGovernment.org

2. Have you or any organization you are representing received any Federal grants or contracts (including any subgrants or subcontracts) since October 1, 2010?

Yes

No

3. If your response to question #2 is "Yes", please list the amount and source (by agency and program) of each grant or contract, and indicate whether the recipient of such grant or contract was you or the organization(s) you are representing.

Signature:



Date:

3/7/14

DANIEL L. SCHUMAN**EXPERIENCE** **CITIZENS FOR RESPONSIBILITY AND ETHICS IN WASHINGTON** *June 2013- Present*
Policy Director

A nonpartisan nonprofit dedicated to government accountability and transparency.

- Provide advice to federal executive and legislative branch officials and advocate on behalf of improving public access to government information, reforming lobbying and campaign finance laws, strengthening open government, modernizing ethics laws, building legislative capacity, and opening up legislative information; translator between law, technology, and policy.
- Director of Congressional Data Coalition, which advocates for public access to legislative info.
- Chosen by FedScoop as among the "top 25 most influence people under 40 in gov and tech."

THE SUNLIGHT FOUNDATION *Mar. 2009- May 2013*
Policy Counsel, Director of the Advisory Committee on Transparency

A nonpartisan nonprofit dedicated to technology-mediated government transparency.

- Provided advice to federal executive and legislative branch officials and advocated on behalf of improving public access to government information, reforming lobbying and campaign finance laws, strengthening implementation of the open government directive, modernizing ethics laws, building legislative capacity, and opening up legislative information.
- Directed the high-profile Advisory Committee on Transparency, a coalition that advises members of the Congressional Transparency Caucus and holds public events on transparency issues.
- Wrote on transparency-related topics, including lobbying and campaign finance reform efforts, evaluations of government openness, assessing legislative proposals, characterizing transparency program funding, and improving congressional operations.
- Lead coalition efforts to restore funding for transparency programs, preserve the Office of Congressional Ethics, and improve public access to legislative information.
- Testified before Congress and served as a media spokesperson.

THE CONSTITUTION PROJECT *Sep. 2008- Mar. 2009*
Director of Communications and Counsel

A bipartisan think tank devoted to preserving and promoting constitutional safeguards.

- Provided strategic communications and policy guidance, including managing media relations.

AMERICAN CONSTITUTION SOCIETY *July 2007- Sep. 2008*
Assistant Director of Communications

A nonpartisan progressive organization that promotes the Constitution's fundamental values.

- Writer ACSBlog; handled media inquiries and public relations; launched *ACS ResearchLink*.

CONGRESSIONAL RESEARCH SERVICE *Sep. 2006- July 2007*
Legislative Attorney

- Briefed congressional staff and wrote confidential reports, specializing in communications/telecommunications, national security/civil liberties, and religion.

REP. CORRINE BROWN *Feb. – Nov. 2002*
*Staff Assistant***GEORGIA TRIAL LAWYERS ASSOCIATION, Atlanta, GA** *Nov. 1999- May 2001*
*Director of Publications and Public Relations. Managing editor of law journal and web site.***EDUCATION** **EMORY UNIVERSITY SCHOOL OF LAW, Atlanta, GA**

Juris Doctor Degree, May 2006, graduated *cum laude*

Honors 2006 Distinguished Service Award; Dean's List: Fall 2004-Spring 2006

EMORY UNIVERSITY, Atlanta, GA


Bachelor of Arts Degree in Political Science and Philosophy, May 1999

Legislative Branch Subcommittee

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<p>Your Name, Title, Organization, Business Address, and Telephone Number:</p> <p>Daniel Schuman, policy director, Citizens for Ethics and Responsibility in Washington, 1400 eye Street, N.W., Suite 450, Washington, D.C. 20005. 202-408-5565</p>
<p>1. Are you appearing on behalf of yourself or a non-governmental organization? Please list organization(s) you are representing.</p> <p>Citizens for Responsibility and Ethics in Washington (CREW).</p>
<p>2. Have you or any organization you are representing received any Federal grants or contracts (including any subgrants or subcontracts) since October 1, 2010?</p> <p>Yes <input type="radio"/> No <input checked="" type="radio"/></p>
<p>3. If your response to question #2 is "Yes", please list the amount and source (by agency and program) of each grant or contract, and indicate whether the recipient of such grant or contract was you or the organization(s) you are representing.</p>

Signature: 

Date: 3/7/2014

Testimony of Steven P. Anderson
President of the American Association of Law Libraries (AALL)
On Behalf of AALL, Medical Library Association, and Special Libraries Association
Before the House Committee on Appropriations Subcommittee on Legislative Branch
On Funding for the Government Printing Office and Library of Congress
March 7, 2014

Dear Chairman Cole, Ranking Member Wasserman Schultz, and Members of the Subcommittee:

Thank you for the opportunity to submit testimony for the record in support of the Fiscal Year (FY) 2015 funding requests of the Government Printing Office (GPO) and the Library of Congress (LC). We welcome Chairman Cole back to the Subcommittee and congratulate him on his chairmanship. We also recognize Ranking Member Wasserman Schultz for her ongoing support of GPO and LC.

The American Association of Law Libraries (AALL), the Medical Library Association (MLA), and the Special Libraries Association (SLA) represent more than 18,000 librarians and information specialists throughout the country and around the world. Our members rely on the Government Printing Office and Library of Congress for access to official, authentic, and preserved government information and collections in multiple formats.

Government Printing Office

On March 4, 2014, the Government Printing Office (GPO) celebrated 153 years of “keeping America informed.” Despite great changes to the way documents are published and distributed during this time, GPO’s mission has remained focused on providing access while keeping costs down by using the most efficient technologies. Today, GPO produces, authenticates, disseminates, and preserves government information in multiple formats from all three branches of government. GPO makes this information permanently available at no cost to the public on FDsys and through the Federal Depository Library Program (FDLP).

GPO had a busy and productive FY 2013, which included the confirmation of Davita Vance-Cooks as Public Printer of the United States. Public Printer Vance-Cooks quickly proved herself to be an energetic leader with a strong vision to transform GPO to meet the demands of the digital age. Since her confirmation by the Senate in August 2013, Public Printer Vance-Cooks has overseen several important joint projects with the Library of Congress, including the September 2013 release of a new app and web publication of the *Constitution Annotated* and the February 2014 release of the House of Representatives bill summaries available in XML format for bulk data download. These projects allow members of the public to more easily learn about the laws that govern them.

Public Printer Vance-Cooks also ensured continuous public access to government information during the October 2013 federal government shutdown. While many agency websites were unavailable, GPO.gov was accessible, the Catalog of Government Publications was available to search, and FDsys was updated with Congressional information. The shutdown demonstrated

GPO's critical role in safeguarding the full electronic life-cycle of digital content, from harvesting and cataloging to permanent public access and preservation.

Our associations urge the Subcommittee to approve GPO's request of \$32,171,000 for the Salaries and Expenses Appropriation. This funding will support the FDLP's digital harvesting and content management program and the digitization of GPO's historic shelflist. These initiatives are critical to ensuring long-term access to resources from all three branches.

GPO's recent FDLP Forecast Study found that the federal depository library community relies on GPO to take the lead in life-cycle management processes and procedures to preserve both tangible and digital government information. We strongly urge the Subcommittee to support GPO's efforts to ingest more agency content into FDsys and to continue to harvest agency websites through the Web Harvesting Pilot Project. As Chairman Cole described in the March 4 Legislative Branch Subcommittee hearing on GPO, there are many examples of documents that are no longer available because technologies changed and they were not captured. If more agency information, including older materials, is included in FDsys, the public will have guaranteed permanent public access to this content, even during a government shutdown or similar situation. We urge the committee to support agency partnerships with GPO. GPO's recent pilot partnership to make digitized historic content from the Treasury library available on FDsys is an excellent model.

The 200-year-old FDLP is a successful, cost-saving partnership between government and libraries. Through the FDLP, your constituents receive congressional and other important government publications and information products at 1,200 geographically convenient libraries, with the assistance of trained librarians. The FDLP leverages taxpayer dollars by shifting the considerable costs of these services to its 1,200 partner libraries, including the 30 libraries in your districts. Access to government information in both print and electronic formats through the FDLP is crucial to many types of users, including historians conducting research, members of the public looking for rules in the *Federal Register*, and small business owners searching for regulations in the *Code of Federal Regulations*. We are pleased that GPO recognizes that not all users want to receive information in electronic formats. We commend GPO for continuing to provide access to core documents in print.

Our associations also support GPO's request of \$11,347,500 for the Revolving Fund, which will allow a much-needed upgrade to FDsys as well as critical facilities repairs. Adequate funding for FDsys projects, including a new search engine, will allow GPO to ensure that users can quickly and efficiently access the materials they need. This spring, GPO will host its Federal Depository Library Conference at its headquarters on North Capitol Street. It is critical that GPO have the ability to replace aging elevators and the roof, as well as upgrade basic building infrastructure to protect its employees and guests.

Finally, we urge the Subcommittee to approve GPO's request of \$85,400,000 for Congressional Printing and Binding. Access to legislative information—the daily and bound *Congressional Record*, bills, committee hearings, reports, prints, documents and other materials—allows members of the public to learn about the activities of the Congress and participate in the legislative process.

Library of Congress

As the largest library in the world, the Library of Congress provides leadership on many critical issues, including digitization and preservation, access to legal and scholarly information, and copyright. Members of our associations rely on the Library of Congress for its extensive collection of millions of books, recordings, photographs, maps, and manuscripts. We strongly support the Library's request for a 2.3 percent increase over the FY 2014 level, which reflects only mandatory expenses.

The Library has recently taken the lead on several important digital initiatives. We commend the Library for the launch of Congress.gov, the official source for federal legislative information which is supported by content from the Law Library of Congress. We also appreciate the Library's efforts to work with the Office of the Clerk and GPO to make more legislative data publicly available. These initiatives lead to a more open and transparent government.

The Law Library of Congress is the world's largest law library, with a collection of nearly three million volumes spanning the ages and covering virtually every jurisdiction in the world. We urge support for the classification of the remaining volumes to Class K Law Classification. Without this classification, these materials are not accessible.

Additionally, we support the request of \$53,068,000 for the Copyright Office. Our associations have long contributed to the policy debates on copyright. The House Judiciary Committee is currently conducting a review of copyright law. It is particularly important the Office has support for its priority initiatives, including the ongoing study of orphan works.

Our associations are also grateful for funding in the FY 2014 Consolidated Appropriations package for the construction of Fort Meade Module 5. This funding, which the Library has requested for several years and which we strongly supported, will give the Library the ability to preserve and make accessible more of its unique collections. We urge the Subcommittee to support future requests for storage space that will allow the Library to protect its valuable holdings.

Conclusion

AALL, MLA, and SLA respectfully urge you to fully fund the appropriations requests of the Government Printing Office and the Library of Congress. If we can provide additional information or assistance to the Subcommittee, please contact AALL's director of Government Relations efeltren@aall.org and (202) 942-4233.

Sincerely,



Steven P. Anderson
President
American Association of Law Libraries



American Association of Law Libraries

The American Association of Law Libraries (AALL) was founded in 1906 to promote law libraries' value to the legal and public communities; foster the law librarianship profession; and provide leadership in the legal information field. With nearly 5,000 members, AALL represents law librarians and related professionals who are affiliated with law firms; law schools; corporate legal departments; courts; and local, state and federal government agencies.

<http://www.aall.org>

Contact: Emily Feltren, (202) 942-4233



The Medical Library Association (MLA) is a nonprofit, educational organization with more than 4,000 health sciences information professional and institutional members worldwide. Founded in 1898, MLA provides lifelong educational opportunities, supports a knowledgebase of health information research, and works with a global network of partners to promote the importance of quality information for improved health to the health care community and the public.

<http://www.mlanet.org>

Contact: Mary M. Langman, (312) 419-9094, ext. 27



The Special Libraries Association (SLA) is a nonprofit global organization for innovative information professionals and their strategic partners. SLA serves about 9,000 members in 75 countries in the information profession, including corporate, academic, and government information specialists. SLA promotes and strengthens its members through learning, advocacy, and networking initiatives.

<http://www.sla.org>

Contact: Douglas Newcomb, (703) 647-4923

Steven P. Anderson
Biography

Steven P. Anderson serves as the 96th President of the American Association of Law Libraries (AALL). Prior to becoming President, he served as AALL Vice-President from 2012-2013, and Executive Board Member from 2005-2008. He is also a Past President of the Law Library Association of Maryland.

Mr. Anderson has been the Director of the Maryland State Law Library since 2005. Prior to that, he was the Director of Research Services for the Baltimore law firm, Gordon, Feinblatt, Rothman, Hoffberger & Hollander. Earlier in his career, he was an associate librarian at the Baltimore County Circuit Court Library.

He possesses a JD from the University of Maryland School of Law and a MA in Library Science from the University of Arizona. His undergraduate degree is from the University of California, Berkeley.

Legislative Branch Subcommittee

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Your Name, Title, Organization, Business Address, and Telephone Number:

Mr. Steven P. Anderson
 President, American Association of Law Libraries
 Maryland State Law Library
 361 Rowe Blvd Robert C. Murphy Courts of Appeals Bldg
 Annapolis, MD 21401-1672
 Phone: (410) 260-1432

1. Are you appearing on behalf of yourself or a non-governmental organization? Please list organization(s) you are representing.

American Association of Law Libraries
 25 Massachusetts Avenue, NW
 Suite 500
 Washington, D.C. 20001
 (202) 942-4233

2. Have you or any organization you are representing received any Federal grants or contracts (including any subgrants or subcontracts) since October 1, 2010?

Yes No

3. If your response to question #2 is "Yes", please list the amount and source (by agency and program) of each grant or contract, and indicate whether the recipient of such grant or contract was you or the organization(s) you are representing.

Signature:

Steven P. Anderson

Date:

3/6/2014

Testimony for the Record
FY 2015 Legislative Branch Budget Request

Submitted by:

Joshua Tauberer, Ph.D.
President, Civic Impulse, LLC

and

Daniel Schuman
Policy Counsel, Citizens for Responsibility and Ethics in Washington

on behalf of the

Congressional Data Coalition

To:

House Committee on Appropriations
Subcommittee on the Legislative Branch

Regarding:

Public Access to Legislative Information

Submitted on:

March 7, 2014

FY 2015 leg branch statement
March 7, 2014

Congressional Data Coalition
Public Access to Legislative Information

Dear Chairman Cole, Ranking Member Wasserman Schultz, and members of the House Appropriations Legislative Branch Subcommittee:

We write on behalf of the **Congressional Data Coalition**, a coalition formed in 2014 of citizens, public interest groups, trade associations, and businesses that champion greater governmental transparency through **improved public access** to and long-term preservation of congressional information.

The work of our coalition members reaches tens of millions of individuals and is relied on daily by Members of Congress and their staff, legislative professionals, journalists, and citizens for timely, complete, and accurate information on the activity of Congress. For instance:

- **250 Members of Congress and more than 6,000 congressional staff** use the mobile app “Capitol Bells” by Ted Henderson for vote alerts.
- The mobile app “Congress” by the Sunlight Foundation, used to monitor congressional legislative activities, has been **downloaded more than 500,000 times**.
- Data from GovTrack.us powers the district map widgets on more than **80 House Member websites, DemCom** (the House Democrats’ intranet), as well as Senator Reid’s website’s vote tracker, and back-office dashboards in several Senate offices.

These products have been successful both *in thanks to* and *in spite of* the information made available by legislative branch offices and agencies. A 2012 report by the Cato Institute grading legislative branch data products identified successes, such as data on House floor debates and the Senate data on Senate membership, as well as failures, notably the status and text of amendments.¹

As you know, the House’s Legislative Branch Bulk Data Task Force submitted a report to the Committee on House Appropriations in December 2012 recommending “that it be a priority for Legislative Branch agencies to publish legislative information in XML and provide bulk access to that data.”² The Task Force’s recommendation reiterated a June 2012 statement by Speaker Boehner, Majority Leader Cantor, then-Chairman of the subcommittee Crenshaw, and Oversight and Government Reform Committee Chairman Issa which stated, “Our goal is to provide bulk access to legislative information to the American people without further delay . . . Bulk data is the next and a very important step.”³

¹ Jim Harper. Nov. 5, 2012. *Grading the Government’s Data Publication Practices*. Cato Institute.

<http://www.cato.org/publications/policy-analysis/grading-governments-data-publication-practices>

² Legislative Branch Bulk Data Task Force, *Report of Activities*, December 31, 2012, p. 1.

<http://legalinformatics.files.wordpress.com/2013/07/bulkdatataskforcereport-2012-12-31.pdf>

³ <http://www.speaker.gov/press-release/house-leaders-back-bulk-access-legislative-information>

We commend the Task Force and the committee. Since the start of the 112th Congress⁴, and especially since the start of the Task Force, we have seen significant improvements in congressional transparency, most notably with 1) the publication of floor and committee information on docs.house.gov, 2) the new Rules Committee website that makes it easy to see legislation under consideration for floor action, 3) House floor proceedings XML, 4) a series of conferences on congressional data and transparency, and 5) the new US Code bulk XML data. These accomplishments addressed some of the concerns raised in the 2012 Cato report.

However, important information on bills has not yet been addressed. Our coalition members have used THOMAS.gov as their primary source of information for bill status for more than a decade. When THOMAS is retired at the end of 2014, products developed by our members and used by Members of Congress, citizens, and others **will stop working**. Further, while we welcome the replacement of THOMAS by Congress.gov, neither THOMAS nor Congress.gov meets the House leadership's pledge to make legislative data available. To illustrate the difference between a website and data, we note that **no legislative branch office or agency makes available a spreadsheet that lists every bill introduced in the 113th Congress**. As you may have experienced in your own lives, a spreadsheet is an important tool when working with large amounts of information. Bulk data is like that.

Some of our coalition members offered a path forward in a report submitted to the Task Force in August 2012, in which they recommended that legislative status information, which includes the status of bills, information on cosponsors, and so on be made available to the public in **bulk, structured data formats such as XML**.⁵ Our members have requested this data regularly since 2007⁶, but there is new urgency to our request as THOMAS is

⁴ <http://www.speaker.gov/press-release/speaker-boehner-majority-leader-cantor-call-new-data-standards-make-congress-more-open>

⁵ *Recommendations to the Bulk Data Task Force*, August 24, 2012

<http://assets.sunlightfoundation.com.s3.amazonaws.com/policy/papers/THOMAS/THOMAS%20Recommendations%20FINAL%202012-08-24.pdf>

⁶ May 8, 2007: The Open House Project Recommendations Report: Congressional Information & the Internet.

<http://www.theopenhouseproject.com/the-open-house-project-report/>

March 11, 2009. A bulk data feasibility report was required by the FY09 omnibus bill, see:

<http://www.wired.com/threatlevel/2009/03/federal-bill-wo/>

May 11, 2011: Daniel Schuman, Testimony Before the House Committee on Appropriations.

<http://sunlightfoundation.com/policy/documents/daniel-schuman-testimony-house-committee-appropriations/>

April 10, 2012: Coalition Letter to Representatives Crenshaw and Honda.

<http://assets.sunlightfoundation.com.s3.amazonaws.com/policy/papers/THOMAS/THOMAS%20letter%20to%20Approps%202012-04-10.pdf>

March 17, 2013: Joshua Tauberer, Comments Submitted for the Record for FY 2014 appropriations.

<http://razor.occams.info/blog/2013/03/18/public-comment-to-the-house-appropriations-legislative-branch-subcommittee-for-fy2014/>

FY 2015 leg branch statement
March 7, 2014

Congressional Data Coalition
Public Access to Legislative Information

phased out this year. To provide an orderly transition from THOMAS to bulk and structured data a conversation must begin now.

Our request is relatively simple, inexpensive, and **uncontroversial**. Bulk, structured data is a cornerstone of many legislative information products such as House and Senate roll call votes and House and Senate bill text, which all use XML, as well as nearly all of the recent projects already completed by the Task Force. These methods also embody the “four key data practices that support government transparency” identified by a Cato Institute report.⁷

Specifically, we ask the subcommittee to:

1) Direct the Library of Congress and the Government Printing Office to make timely bill status information available to the public in XML format. Such a requirement could take the form of:

As soon as practicable, and no later than 90 days after the enactment of this Act, the Librarian of Congress, in consultation with the Public Printer, the Clerk of the House of Representatives, and the Secretary of the Senate, shall make available to the public through the Internet and in a structured data format the legislative status data used by the Librarian to provide the information the Librarian posts on what is known today as the beta.congress.gov website.⁸

2) Continue to support the work of the Legislative Branch Bulk Data Task Force.

The House of Representatives has undertaken a historic effort to open Congress to the American people. More people are able to engage with Congress now than at any time in our nation’s history because of these digitization efforts. We welcome the opportunity to work with you to ensure Congress continues to provide crucial, timely legislative information to the public in formats that support analysis and reuse.

To discuss this further, please do not hesitate to contact us. More information on our coalition can be found at <http://congressionaldata.org>.

Yours,

(among other documents)

⁷ Jim Harper. Sept. 23, 2011. *Publication Practices for Transparency Government*. Cato Institute.

<http://www.cato.org/publications/briefing-paper/publication-practices-transparent-government>

⁸ See withdrawn Issa amendment to H.R 5882, 112th Congress.

<http://amendments-rules.house.gov/amendments/ISSA112.xml65121559155915.pdf>

FY 2015 leg branch statement
March 7, 2014

Congressional Data Coalition
Public Access to Legislative Information

Joshua Tauberer
President, Civic Impulse, LLC (GovTrack.us)
202-558-7227 / tauberer@govtrack.us

Daniel Schuman
Policy Director, Citizens for Responsibility and Ethics in Washington, and
Director, Congressional Data Coalition
202-408-5565 / dschuman@citizensforethics.org

on behalf of

The Congressional Data Coalition

and

Capitol Bells
Center for Responsive Politics
Citizens for Responsibility and Ethics in Washington
Civic Impulse, LLC (GovTrack.us)
Data Transparency Coalition
eCitizen.org / GovAlert.me
Ed Walters, CEO, Fastcase, Inc.
Free Government Information
Government Accountability Project
Gregory Slater
National Priorities Project
OpenTheGovernment.org
Project On Government Oversight (POGO)
Public Citizen
R Street Institute
Sunlight Foundation
TechFreedom
WashingtonWatch.com

DANIEL L. SCHUMAN**EXPERIENCE** **CITIZENS FOR RESPONSIBILITY AND ETHICS IN WASHINGTON** *June 2013- Present*
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- Wrote on transparency-related topics, including lobbying and campaign finance reform efforts, evaluations of government openness, assessing legislative proposals, characterizing transparency program funding, and improving congressional operations.
- Lead coalition efforts to restore funding for transparency programs, preserve the Office of Congressional Ethics, and improve public access to legislative information.
- Testified before Congress and served as a media spokesperson.

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Director of Communications and Counsel

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Legislative Attorney

- Briefed congressional staff and wrote confidential reports, specializing in communications/telecommunications, national security/civil liberties, and religion.

REP. CORRINE BROWN *Feb. – Nov. 2002*
*Staff Assistant***GEORGIA TRIAL LAWYERS ASSOCIATION, Atlanta, GA** *Nov. 1999- May 2001*
*Director of Publications and Public Relations. Managing editor of law journal and web site.***EDUCATION** **EMORY UNIVERSITY SCHOOL OF LAW, Atlanta, GA**

Juris Doctor Degree, May 2006, graduated *cum laude*

Honors 2006 Distinguished Service Award; Dean's List: Fall 2004-Spring 2006

EMORY UNIVERSITY, Atlanta, GA

Bachelor of Arts Degree in Political Science and Philosophy, May 1999

Legislative Branch Subcommittee

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Your Name, Title, Organization, Business Address, and Telephone Number:

Daniel Schuman, policy director, Citizens for Responsibility and Ethics in Washington. 1400 I St. NW, Ste 450, Washington, DC.
202-408-5565

1. Are you appearing on behalf of yourself or a non-governmental organization? Please list organization(s) you are representing.

Citizens for Responsibility and Ethics in Washington.
Congressional Dike Coalition.

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Yes

No

3. If your response to question #2 is "Yes", please list the amount and source (by agency and program) of each grant or contract, and indicate whether the recipient of such grant or contract was you or the organization(s) you are representing.

Signature:

Daniel Schuman

Date:

3/6/14

CV

Joshua Ian Tauberer, Ph.D.
 3460 14th St. NW #125
 Washington, DC 20010

tauberer@govtrack.us
 202-558-7227
<http://razor.occams.info>

Professional Experience

2003–present GovTrack.us ([Civic Impulse, LLC](http://CivicImpulse.LLC))

Founder. A reference and legislative tracking tool for bills before the U.S. Congress and one of the most visited government transparency websites in the world.

2013–present [Council of the District of Columbia, Office of the General Counsel](http://CounciloftheDistrictofColumbia.gov)

Consultant. Building open data for DC's laws, internal technology modernization.

2000–present [LARSA, Inc.](http://www.larsa4d.com) (<http://www.larsa4d.com>)

Software Engineer. LARSA, Inc. develops desktop software for structural engineers, primarily used for bridge and earthquake analysis and design.

2012–2014 HealthData.gov / [U.S. Department of Health & Human Services](http://U.S.DepartmentofHealth&HumanServices.gov)

Software Engineer (Sub-Contractor). Python developer for HealthData.gov, HHS's health-focused data catalog modeled after Data.gov and based in part on CKAN.

2010–2012 [POPVOX](http://www.popvox.com) (<http://www.popvox.com>)

Co-Founder and CTO. An advocacy platform for issues before the U.S. Congress.

Education

2010 **Ph.D.** University of Pennsylvania, Department of Linguistics

2004 **A.B.** Princeton University

Press Clips (selected)

June 8, 2012. The Washington Post: Congressional data may soon be easier to use online.

June 2012. Communications of the ACM: Data Mining Meets City Hall.

Sept. 28, 2009. LA Times: These crusaders bring transparency to government.

May 11, 2009. Columbia Journalism Review: Senate goes XML.

Jan. 27, 2005: The New York Times: How Did They Vote? Updates by E-Mail of Congressional Ayes and Nays.

Legislative Branch Subcommittee

Witness Disclosure Form

Clause 2(g) of rule XI of the Rules of the House of Representatives requires non-governmental witnesses to disclose to the Committee the following information, in addition to a C.V., as part of the written statement of prepared testimony submitted in advance of their appearance. A non-governmental witness is any witness appearing on behalf of himself/herself or on behalf of an organization other than a federal agency, or a state, local or tribal government.

Your Name, Title, Organization, Business Address, and Telephone Number:	
Joshua Tauberer	3460 14th St NW #125
President	Washington, DC 20010
Civic Impulse LLC	202-558-7227
1. Are you appearing on behalf of yourself or a non-governmental organization? Please list organization(s) you are representing.	
self, Congressional Data Coalition	
2. Have you or any organization you are representing received any Federal grants or contracts (including any subgrants or subcontracts) since October 1, 2010?	
<input checked="" type="checkbox"/> Yes	No
3. If your response to question #2 is "Yes", please list the amount and source (by agency and program) of each grant or contract, and indicate whether the recipient of such grant or contract was you or the organization(s) you are representing.	
HHS, HealthData.gov program \$50,000 self	

Signature:



Date: 3/7/2014

**Written Statement of Saul Schniderman
President, Library of Congress Professional Guild
AFSCME Local 2910
For the Subcommittee on the Legislative Branch
Committee on Appropriations
U.S. House of Representatives
March 7, 2014**

Members of the Subcommittee,

Thank you for providing us with this opportunity to comment on the fiscal year 2015 budget request for the Library of Congress submitted by the Librarian, Dr. James H. Billington. Our organization – the Library of Congress Professional Guild, AFSCME Local 2910 – represents over 1350 professional employees throughout the Library of Congress including Library Services, the Law Library, the Copyright Office, the Office of Strategic Initiatives which provides information technology and Web services, the Office of Support Operations, as well as the Librarian’s Office. These employees are dedicated to providing the best possible service to Congress and the American people and we wish to use this occasion to present you with some of their concerns.

The Library of Congress is the oldest federal cultural institution in the United States. As is true of all great institutions, the Library serves many communities and clients and each part of the Library contributes to the overall success of the organization. The Library serves the Congress by providing a number of vital services, including specialized library services as well as complex studies in support of legislative activities and by maintaining heavily used Web sites to provide access to legislative information. The Law Library also serves Congress and the legal community through its research and reference service in foreign, international, and American law.

The Library of Congress serves the American public in a myriad of ways, including constituents in every Congressional district. The Copyright Office sustains a national copyright registration system serving owners and users of copyrighted works. In turn, the deposit of copyrighted books, music, motion pictures, and other creative works has helped to build an unrivaled national collection which is the basis for everything else the Library does. The public uses Library collections in specialized reading rooms and, through the internet, utilizes reference services, collections, and Web casts of public programs on the Library’s Web sites. The Library serves the blind and physically handicapped through its “talking books” program. It serves the library community by providing high-quality and authoritative bibliographic records, through the operation of the gift and exchange program, and through participation by staff members at professional meetings, and many other activities. Through the Library’s preservation and outreach efforts – in print, digital, audio and moving image formats – the nation’s cultural heritage is maintained and the Library advances “the ideal of an educated democracy,” to repeat Dr. Billington’s inspiring phrase. The Library occupies a unique place in marshalling the intellectual capital needed to raise national levels of education, innovation and job growth in today’s knowledge-based economy.

While the Library of Congress has been in a leadership role, not just as a national library but as the world's largest repository of knowledge and creativity, decreasing funding has hit hard. Staffing has fallen to its lowest level in decades; cataloging, acquisitions, and some reference staffs have been reduced almost by half. There are deficits in acquisitions. We have not made sufficient progress in securing digital resources. And, in fiscal year 2013 the Library imposed a painful 3-day furlough, a sacrifice which was shared by the entire staff. Thankfully, throughout that furlough period the doors of the Library remained opened and the Library's Web sites remained up and running. Yet the Library was closed last October when our appropriations lapsed in fiscal year 2014. These have been rocky times. We are slipping and we cannot maintain the highest level of service under these circumstances.

We urge you to support the Librarian's FY 2015 budget request, with one reservation. The Guild does not support funding for the initiative which seeks to consolidate reading rooms and transform the historic Main Reading Room in the Jefferson Building into a "Center of Knowledge." We oppose funding for the reading room consolidation initiative (known as "I-900" for its 900 day timeline) because it will close reading rooms in the Adams and Madison Buildings and because it diminishes the services provided by specialized reading rooms. Regrettably, the Local History and Genealogy Reading Room was closed in 2013. The Science, Technology and Business Reading Room, and the Newspaper and Current Periodical Reading Room are slated for consolidation in 2015. The I-900 plan to consolidate collections and services will result in the homogenization of reference service and diminishment of the subject expertise which has been a hallmark of the Library for decades. Concerns about the impact of closing the Science, Technology and Business Reading Room are presented in a resolution attached at the end of our testimony.

Today the Library of Congress is in the midst of a great transition, the outcome of which is far from clear. We hail Dr. Billington's digital initiatives which many of our members are working hard to implement. But in 2014 and beyond, it is the consensus of reference librarians that closing reading rooms will degrade reference service and ultimately undermine the mission of the Library of Congress. Please listen to the Library's veteran knowledge navigators.

Keep Open the Science and Business Reading Room At the Library of Congress

WHEREAS, the Library of Congress plans to implement its “I-900 Plan” that would close the doors of the Science and Business Reading Room early in 2015, move the Science, Technology & Business Division staff and services to the Jefferson Building, and convert the Main Reading Room into the “Center of Knowledge for the 21st Century;” and,

WHEREAS, the Science and Business Reading Room, located in the Adams Building, is one of the largest and most heavily used reading rooms in the Library of Congress, with specialized reference collections and supplemental materials heavily used by researchers; and,

WHEREAS, the Library of Congress—unlike other national libraries such as the British Library—would then lack dedicated facilities for research in the sciences, technology, business, and the humanities and social sciences; and,

WHEREAS, consolidation would serve to diminish the reference collections across all disciplines, including the humanities and the social sciences, by requiring all areas to reduce their specialized collections by as much as 50 percent; and,

WHEREAS, closure of the Science and Business Reading Room would result in a significant increase in delivery time for research requests from the two-thirds of the Library’s general collections housed in the Adams Building; and,

WHEREAS, the projected homogenization of staff and merger of services would diminish the research experience by inhibiting access to subject collections for specialists and patrons; and,

WHEREAS, the consolidation would diminish or virtually eliminate dedicated physical space for collaborative research or consultation, and would limit—rather than facilitate—opportunities for cooperative outreach in science literacy and STEM education; therefore,

BE IT RESOLVED, that we call upon Dr. James H. Billington, the Librarian of Congress, to:

- stop the planned merger and reduction of specialized reference collections and services;
- stop the I-900 consolidation project; and
- stop the closure of the Science and Business Reading Room at the Library of Congress.

Adopted at the March 5, 2014 meeting of the Guild Committee on Reference Service Consolidation

**Library of Congress Professional Guild
AFSCME Local 2910**

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Saul Schniderman
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- 1998 to present : President, Library of Congress Professional Guild
- 1996 to 1998: Chief Steward, Library of Congress Professional Guild
- 1989 to 1996: Cataloger, Copyright Office
- 1987 to 1989: Cataloger, Government Printing Office
- 1982 to 1987: Library Technician, Smithsonian Institution Libraries
- 1979 to 1982: Library Technician, Dept. of Interior Library

Graduated 1969, University of Maryland, BA, Philosophy

5/4/11

Legislative Branch Subcommittee

Witness Disclosure Form

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Your Name, Title, Organization, Business Address, and Telephone Number:

Saul Schniderman, President
 LC Professional Guild, AFSCME Local 2910
 Library of Congress - LM-643
 101 Independence Ave, SE WASH, DC 20540

1. Are you appearing on behalf of yourself or a non-governmental organization? Please list organization(s) you are representing.

Library of Congress Professional Guild
 AFSCME Local 2910

2. Have you or any organization you are representing received any Federal grants or contracts (including any subgrants or subcontracts) since October 1, 2010?

Yes

No

3. If your response to question #2 is "Yes", please list the amount and source (by agency and program) of each grant or contract, and indicate whether the recipient of such grant or contract was you or the organization(s) you are representing.

Signature:

Saul Schniderman

Date:

3/7/14

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