

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 2014

TUESDAY, MAY 7, 2013

U.S. SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, DC.

The subcommittee met at 9:32 a.m., in room SD-138, Dirksen Senate Office Building, Hon. Jeanne Shaheen (chairwoman) presiding.

Present: Senators Shaheen, Hoeven, and Boozman.

LIBRARY OF CONGRESS

STATEMENT OF HON. JAMES H. BILLINGTON, LIBRARIAN OF CONGRESS

ACCOMPANIED BY ROBERT DIZARD, JR., DEPUTY LIBRARIAN OF CONGRESS

OPENING STATEMENT OF SENATOR JEANNE SHAHEEN

Senator SHAHEEN. Good morning, everyone. Welcome to the first subcommittee hearing on the legislative branch.

I am Jeanne Shaheen, Senator from New Hampshire. I will be chairing this subcommittee for the next 2 years. I think of everyone on the subcommittee, only Senator Hoeven is returning. So it is nice to have Senator Boozman here this morning, and we will—hopefully at some point today or at some other hearing—be joined by Senators Merkley and Begich as well. I am very pleased to be here with all of you, and looking forward to working with this subcommittee, and all of the agencies that we oversee over the next 2 years.

Obviously, I would like to continue the long tradition that we have in this subcommittee of working closely together, in a bipartisan way, to write and pass a bill that both funds agency priorities and recognizes the very tight budget constraints that we are all still operating under. I believe with strong oversight and by working together, we can achieve both.

Today is the first of four hearings that we are going to have over the next several weeks on the fiscal year 2014 budget request, and today we will receive testimony from the Library of Congress (LOC) and from the Open World Leadership Center (OWLC). I want to welcome our two witnesses.

First, Dr. James H. Billington, who is the Librarian of Congress, and Ambassador John O’Keefe, who is the Executive Director of OWLC. Thank you both for joining us this morning. Dr. Billington,

I also want to welcome your Deputy Librarian, Robert Dizard, Jr. Thank you, also, for being here.

LOC's fiscal year 2014 budget request totals \$605 million, which is an increase of \$17.7 million or 3 percent more than the final fiscal year 2013 enacted level. Now, I understand that the budget request is very similar to what you have presented over the past several years, and that your primary requested increase in funding is for mandatory pay-related items and price level increases.

Your budget proposal also would restore the funding level for the Copyright Office to the pre-fiscal year 2012 rescission level, which was not completely fixed in the fiscal year 2013 continuing resolution. And there is also \$5 million in funding to begin construction of Module 5 at Fort Meade, but that funding is part of the Architect of the Capitol's (AOC) budget.

I also want to welcome Ambassador O'Keefe of OWLC. Your budget request totals \$10 million, which is a \$2 million increase over the final fiscal year 2013 enacted level. I look forward to your testimony on the impact of your program in the former Soviet Union, and your expansion into Egypt. As you are aware, and everyone here I know is aware, we are facing very difficult funding decisions for numerous critical programs, and I look forward to hearing your thoughts and ideas on how to move this program to the next step of self-reliance.

Now, Senator Hoeven has arrived to join us. I gave you credit, Senator Hoeven, for being the only one who has any sort of institutional experience on the subcommittee this year.

And I would like to turn it over to Senator Hoeven for his opening remarks.

STATEMENT OF SENATOR JOHN HOEVEN

Senator HOEVEN. Thank you, Madam Chairwoman. I appreciate it very much.

I would like to thank both of our witnesses for being here this morning, both the Honorable Dr. James H. Billington, as well as Ambassador John O'Keefe. Appreciate what you do.

Good to be here with you, Senator Shaheen and also you, Senator Boozman. Thanks for joining us.

You are right. I have 2 years. The last 2 years, I have worked with our former chairman, Senator Nelson, on the legislative branch, so I do have a little bit of experience. It is great to see all of you, and thank you for the important work that you do, and the really good work you do.

Once again, we are confronted with the same challenges we had last go-round, of course, and that is making everything work in these times of tight budgets. And so, my approach will pretty much be the same as it was in the last session, and that is to give you as much flexibility as possible to do the very best job that you can with your supervisors. You know, we obviously are going to be dollar-challenged, but that is no surprise to anyone.

So we have got to prioritize and I know you will. I know that this is why you are here today—to talk about your priorities. And to the extent we can, I think we want to try to help with those priorities. We will have some of our own.

One of the things we worked very hard on in the last session was funding for the Capitol dome, which needs to be updated and repaired, and is of great importance, but is also very expensive. So to make that work in the context of your other capital needs, as well as your ongoing operating costs, is no small challenge.

So I know there will be issues and the reality is there are going to be some things that you are probably not going to do that you would like to do, but that is the reality we face. And so, again, other than some of the priorities that, I know the chairwoman and myself will have, perhaps Senator Boozman and others, which we are going to try and make work. My approach will be to try to work with you to provide as much flexibility within how we expend those dollars so that you can do the very best job possible because, certainly, I regard you as the experts in what you do. And so, I want to empower you to the very best with the resources we have.

And Madam Chairwoman, I look forward to working with you very much. Thank you.

Senator SHAHEEN. Thank you very much, Senator Hoeven.

Senator Boozman tells me that he does not have an opening statement, so we will begin with our witnesses. I will ask if you could try and keep your remarks to 5 minutes, and then I will ask each of the members of the subcommittee to do 5-minute questions as well to try and make sure that we can move things along this morning.

So if you would begin, Dr. Billington.

SUMMARY STATEMENT OF HON. JAMES H. BILLINGTON

Dr. BILLINGTON. Thank you Madam Chairwoman, Senator Hoeven, Senator Boozman, and members of the subcommittee.

I am glad to testify before you this morning on LOC's mission and budget. All of us at LOC are grateful for the support that you, and this subcommittee, give to your library.

The Congress of the United States has been, quite simply, the greatest patron of a library in human history. Through thick and thin, more than 212 years, the Congress has enabled LOC to acquire, preserve, and make accessible the largest, most wide-ranging collection of recorded human knowledge ever assembled anywhere by any one institution.

The Congress has also made its library the sole copyright depository of the United States of America, and therefore, the closest thing to a mint record of the free cultural and intellectual creativity of the American people.

The Library of Congress is, first of all, the de facto national library of the United States. It supports the entire library system of America with its cataloguing, and its multi-formatted preservation research, its free interlibrary loans. We have also already become a large-scale, free resource for K through 12 education and lifelong learners by putting online 37 million primary documents of American history and culture together with clear, authoritative explanations by our curators.

Over the last year alone, LOC provided the research references service to half a million individuals onsite, by telephone, or remotely. Approximately 1.7 million people visited LOC, and our

massive preservation program lengthened the useful life of nearly 6 million items in our collection.

We have brought educators during this same period from 33 States here to attend our Summer Teacher Institutes, which we have been doing for quite a number of years, and reached out to more than 25,000 other teachers who participated in our partner's professional development events in 43 States. And finally, we attracted one-quarter of a million participants to our 2-day National Book Festival on the Mall.

Now, the Library of Congress also provides America with three distinctive, one of a kind services: the Congressional Research Service (CRS) is the principal research arm for the legislative and oversight work of the Congress itself; the U.S. Copyright Office for innovative creators; and free national reading resources for the blind and physically handicapped.

The Library's Congressional Research Service, for instance, provides exclusively to all Members of Congress, as you know, objective, nonpartisan information and analysis of legislative and public policy issues, responding last year to more than 1 million such requests.

The Library's Copyright Office plays a fundamental role in the \$932 billion segment of the U.S. economy that produces and distributes content. And it administers U.S. copyright law, publicly documenting the ownership of more than half a million American works last year.

We provided 25 million reading materials, free of charge, to the blind and physically handicapped all over America through their local libraries.

In our fiscal year 2014 budget request, we are seeking only to maintain funding levels for current services adjusted only for mandatory pay raises and price level increases, a 3-percent increase.

We are already doing more with less. Since fiscal year 2010, LOC has sustained a reduction of \$86 million, or 13 percent of our base. I have described in my longer submission to this subcommittee, the serious effects these decreases are having on what is an important and irreplaceable part of our Nation's strategic information reserve, as we are living in the Information Era.

We now have 1,335 fewer staff than 20 years ago, which was before we even began our massive digitization program. We are asking that the Congress help us to maintain LOC's core services for the good of the Nation now, in the midst of this Information Age, and for the future of American leadership in an increasingly knowledge-dependent world.

I am especially mentioning, Madam Chair, the overarching importance of funding Module 5 at Fort Meade, which is in the AOC's budget. It is desperately needed in order to preserve, store, and provide access for Congress and the American people to our unique, and now, overflowing collections.

PREPARED STATEMENTS

So Madam Chairwoman, and Senator Hoeven, and Senator Boozman, and the subcommittee in general, thank you again for your support of LOC, and for your consideration of our fiscal year 2014 request.

[The statements follow:]

PREPARED STATEMENT OF HON. JAMES H. BILLINGTON

Madam Chairwoman, Senator Hoeven, and members of the subcommittee: It is an honor to provide this testimony to the Subcommittee's new Chairwoman, Senator Shaheen.

The Library's budget request seeks support only to maintain current mission-critical services. We have not requested program increases, but we have included inflationary adjustments based on our fiscal year 2013 continuing resolution base funding level.

Madam Chairwoman, the Library of Congress is the largest and most wide-ranging collection of the world's recorded knowledge ever assembled anywhere by any one institution, and also the closest thing to a mint record of the cultural and intellectual creativity of the American people. It was created and has been sustained for 213 years by the Congress of the United States. The Library has served the Congress directly for nearly 200 years with the Nation's largest law library, and for nearly 100 years with its primary research arm: the Congressional Research Service.

Congress's Library is in many ways an embodiment in our Capitol of the distinctively American ideal of a knowledge-based democracy. We have already become a large-scale, free, educational resource for our K-12 educational system by placing online more than 37 million primary source digital files of our Nation's history and culture together with clear explanations by our curators.

For two decades your library has been training teachers and librarians in the effective use of these multi-medial resources. Our National Digital Library/American Memory project empowers teachers and motivates students. Even at surprisingly early ages, children begin asking their own questions rather than struggling to memorize somebody else's answers, which too often leads to their tuning-out of learning altogether.

Congress's Library, which is America's oldest Federal cultural institution, has become a very innovative institution for keeping our democracy dynamic in the information age. And we are doing all of this with 1,300 less staff than we had 20 years ago, before we had begun our program both for putting online our best collections and quarterbacking a congressionally mandated national program with now more than 290 partner institutions for preserving the growing tsunami of important material digitized elsewhere.

It is becoming increasingly challenging to sustain our unique leadership role in the three core necessities of any library, but particularly in a library that serves the entire American people by (1) acquiring important records of human knowledge and creativity, (2) preserving them, and (3) making them maximally accessible. "Memory, reason, and imagination" were the three categories into which Thomas Jefferson organized his private library, which became the seed bed for the Library of Congress's universal collections and unique curatorial staff.

With combined budget cuts since fiscal year 2010 totaling \$86 million (or 13 percent), we are now at the point where we are having to reduce to some degree all of these three key functions that we provide for America, both onsite and online. This involves further reductions to our staff, which currently account for 66 percent of our overall annual budget and 91 percent of the budget of the Congressional Research Service. In the current budget environment, the Library is risking a decline in our core services at precisely the time our mission is becoming more important than ever for America.

If we miss 1 year's subscription to a scientific publication that we had acquired for 50 years, we lose not just one fiftieth, but half of its usefulness, which can never fully be recovered in the future. Reductions in staff also weaken our pioneering efforts to merge traditional and digital services into one-stop shopping for the objective and comprehensive information needed by the Congress and the Nation. We are now increasingly challenged to continue training the new type of librarian for the 21st century that we call knowledge navigators, and who will be responsible for replicating for the future the wisdom and judgment of our magnificent world class curators.

These budget challenges have hit a critical point with the implementation of sequestration. Later in this statement I will address some of the specific consequences of the sequester, not just for the Library, but for the national interest of the United States.

The Library is, quite simply, an irreplaceable asset for the United States. I have called it the Nation's strategic information reserve. It was for instance the only institution anywhere able to give back to the Afghan people enough copies of historical

records of their own legal past to resume a tradition that had been eradicated by the Taliban. And the Library possessed the only paper produced in the U.S. Government that described from an obscure Arabic periodical the basic terrorist scenario followed on 9/11 before it happened.

The Library of Congress is the largest legislative branch agency and it uniquely provides four primary services for the Nation, and, indeed the world: a de facto national library for the United States, the U.S. Copyright Office for innovative creators, the Congressional Research Service for the legislative and oversight work of the Congress, and a National Library Service for the Blind and Physically Handicapped.

The Library of Congress supports the entire library system of America with its cataloging standards and services, its multi-formatted preservation research, and its creation and distribution of special reading materials for blind Americans, and the free access it provides the American people to primary documents of history and culture onsite and online.

The U.S. Copyright Office administers U.S. copyright law, publicly documents the ownership of American works, and plays a fundamental role in the \$932 billion segment of the U.S. economy that produces and distributes content.

The Congressional Research Service provides non-partisan information and analysis of legislative and public policy issues to all Members of Congress.

While some agencies are made up of bureaus or component organizations that could be cut out or scaled back without crippling the agency's ability to accomplish its mission, the Library of Congress is different. Nothing is ancillary. Each component relies on others—and benefits from the diversity and specialized expertise of our skilled workforce.

The role and potential of the Library of Congress is becoming even more important now than ever before in our history. Harnessing knowledge and creativity may well be more important to our economic future than anything else, but knowledge and creativity never stand still. We cannot stop or severely slow down the Library's work without beginning to degrade irreversibly our ability to sustain the Nation's intellectual and creative capital.

Continuing to acquire a universal knowledge is, by necessity, a multicultural pursuit. Jefferson's library included material in more than a dozen languages, and the Library of Congress today has the most multi-lingual and multi-formatted collection in a world that is becoming increasingly more diverse and globally interdependent.

We understand the imperative to cut Government spending. The Library has been "doing more with less." Over the last 5 years the Library's total appropriation has increased only 2.6 percent, from \$613.5 million to \$629.2 million, and staffing levels this budget will support has declined by 348 FTE over the same period. The staffing level the Library will be able to support in fiscal 2013 after the sequester is 510 FTE less than our current authorized level.

The budget reductions the Library has sustained over the past several years do not include the effective additional cut the Library has received as a result of increases in operating costs not addressed through cost-of-living and price-level increases. Corresponding reductions in staffing have made it necessary for us to explore other possible ways to sustain the core mission without uniformly degrading all services across the institution.

Despite these efforts, and before facing the additional challenges of sequestration, budget reductions of the past 2 years had a number of unavoidable negative impacts, such as:

- The loss of 24 CRS analysts and attorneys, including a key senior intelligence analyst and senior Asia specialist. CRS no longer has the flexibility to shift resources to develop new analytical capacity nor to extend or expand research capacity in demanding and complex areas such as health care, energy development, military weaponry and financial regulation.
- A 36-percent reduction in CRS expenditures for professional staff development and an 18 percent reduction in research materials such as subscriptions and databases.
- A 25-percent decrease in obligation levels for the purchase of library and law acquisitions and a 20 percent decrease in the number of items purchased with these funds.
- The loss of 22 staff providing curatorial service in multiple divisions.
- A decrease in the Library's production of catalog records by approximately 50,000 in 2012. This affects every library in the United States that relies on our creating these records for providing access to their own collections.
- Delays in processing copyright registrations potentially leading to another backlog of pending claims, and negatively affecting copyright-related commerce.

—A reduction of 50 percent in our budget for converting the extraordinary collections of the Library into digital formats and making them freely available online to the American people. (This is partly the result of mandatory requirements to increase cyber-security.)

And now we are addressing the additional impacts of the sequester. Since such a high percentage of the Library's Federal budget supports staff pay, it is virtually impossible to implement a 5-percent cut in fiscal year 2013 through reductions in the Library's discretionary nonpay resources alone. As a result, we are implementing a combination of additional staffing reductions, the imposition of three furlough days for all staff, and reductions in preservation work, information technology support, training, travel, supplies, equipment, and facilities management. Reductions made necessary by sequestration will require scaling back a wide range of programs, many of which fall under the rubric of core, mission-critical services that will directly affect the Congress and the American people.

Specific impacts of sequestration and the rescission will include the following:

- A reduction in the contract for preservation treatment of non-digital, paper-based collections items through mass deacidification in fiscal year 2013 and fiscal year 2014, which will result in a 40-percent decrease in deacidification capacity for General Collection material, from 250,000 to 150,000 volumes treated per year, and a 20-percent reduction in deacidification of special collection materials, from 1,000,000 to 800,000 sheets treated per year. Treating fewer items will result in more collections remaining in a fragile state and precluding their future use by researchers. This reduction will also jeopardize the Library's goal of preserving 5 million items, and delay the scheduled material deacidified over a 30-year time span.
- Binding of books will be severely reduced; resulting in damage to the collections and the curtailment of interlibrary loan, as well as a significant reduction in business for the Library's commercial binding vendors.
- Basic operational services such as security, cleaning, food, trash removal, and pest control will be cut back, lessening health and safety protections for staff and visitors.
- CRS will be unable to maintain current levels of coverage of public policy issues, response times to congressional requests will lengthen, and "rush" requests will be difficult to meet. CRS will also be unable to answer some requests that require certain data and research materials.
- The U.S. Copyright Office's registration program will develop a backlog of Copyright claims waiting processing and a related decrease in fee income to support ongoing operations. The Copyright staff will have to curtail participation in some international negotiations and other policy efforts important to U.S. trade interests.
- Services for the blind and physically handicapped under 2 U.S.C. §§ 135a, 135a-1, 135b will be reduced as fewer copies are made available, per title, for books contracted for in fiscal 2013. The average number of copies drops from 800 per title to 700 per title. Patrons will be impacted as there will be a decreased availability of the most popular new titles.

As you know, implementing employee furlough days is only a stopgap measure; but unless we implement furloughs in fiscal year 2014 and fiscal year 2015, we will have to decrease further or discontinue other mission-critical services.

While I have listed some of the negative impacts of past and potential future budget cuts, there has been an important strategic bright spot amid the practical difficulties posed by our current budget environment: It has encouraged the entire Library to work better together in pursuit of Library-wide goals. As one example, we have made major strides in improving the Library's Web presence in a unified effort that has brought together existing—not new—resources and expertise from across the Library. Our new beta site, Congress.gov, providing legislative information to the Congress and the American people, is an example of this collaborative work.

The Library has also continued to seek efficiencies in other areas of its operations. For example, the Library's Integrated Library System (ILS) investment in early 2000 continues to be mined for workflow efficiencies to reduce time and staff needed for key operations. ILS was recently employed to facilitate the processing of materials for mass deacidification and commercial binding, streamlining the documentation and inventory controls on materials that leave the building to be processed by the vendor and the system for assuring that all items have been returned. The ILS software had in the current system a batch process ("Pick and Scan") where with a few keystrokes all items are updated to the appropriate status of availability and documentation of preservation action taken. In the past, the process that took on average nine key strokes per item now takes only two key strokes per item. With

some 8,000 to 10,000 items leaving the building each week for one of these two preservation actions, the savings in staff time to document has been substantial. Continued innovations by Library staff and in the technology they use have helped offset budget and staffing reductions and minimize the reduction of preservation work that is being accomplished.

The Library's current principal budget needs include sustaining collection acquisitions, constructing preservation facilities at Ft. Meade, and providing for the critical services of the U.S. Copyright Office, and of CRS expertise for the Congress.

Sustaining acquisitions is the basic prerequisite for fulfilling the Library's mission. The current budget environment has slowed the Library's acquisitions and preservation efforts, creating gaps in the collections that may never be recovered. This will affect the Library's capacity to provide research and analysis for the Congress and its ability to provide the American public with access to many materials that are unattainable anywhere else.

Continuing to implement the Fort Meade master plan through the funding of Module 5 is essential for preserving and making accessible the Library's unparalleled collections. The master plan contemplates the construction of 13 collections storage modules, only four of which have been completed. This project is currently 10 years behind schedule, and Module 5 is an urgent Library need to be funded through the Architect of the Capitol, under Library Buildings and Grounds, as he has requested since 2010.

The U.S. Copyright Office administers the national copyright registration and recordation systems and serves as the principal advisor to the Congress on issues of domestic and international copyright policy, in accordance with title 17 of the U.S. Code. The Office's electronic registration service directly supports both the Nation's copyright commerce and our people's creative innovations. The current budget environment puts this service at risk of significant setbacks in active participation in policy efforts that are important to America's leadership in the information age.

Maintaining CRS' expertise is critical to fulfilling the Library's highest priority: service to the Congress with timely, objective, authoritative, and confidential research and analysis in support of its legislative and oversight responsibilities.

The budget reduction in fiscal year 2012 left CRS at its lowest staffing level in more than three decades. Although CRS has responded by expanding analysts' portfolios to cover expertise gaps, the recent additional reductions increases the difficulty of providing the specialized skills and policy expertise needed to support the growing policy demands placed upon the Congress. More than 10,000 bills have typically been introduced in recent Congresses along with hundreds of hearings. We will give high priority to protecting services that CRS performs for the Congress in this and future budgets.

Madam Chairwoman, the Congress of the United States has been the greatest patron of a library in human history. Each year, the Library is privileged to serve directly all members and committees of Congress—and millions of Americans, often in ways that would otherwise be unavailable to them. We want to continue these services at the level of quality that distinguishes our institution. Through networks of partners, we can participate in new projects that will make new friends—for America abroad, such as our free new World Digital Library in seven languages that has already been adopted by UNESCO and attracted 30 million largely young viewers from around the world. We, as a nation, need what the library is uniquely doing.

We will work hard and creatively with whatever the Congress can provide—but with the fervent hope that history will not record that this one-of-a-kind still-innovative and proactive creation of the American Congress did not unintentionally and almost invisibly reach the point where it began a downhill slide from which it would never quite recover.

Madam Chairwoman, Senator Hoeven, and members of the subcommittee, I thank you again for your support of the Library.

PREPARED STATEMENT OF MARY B. MAZANEC

Madam Chair, Senator Hoeven, and members of the subcommittee: Thank you for the opportunity to present the fiscal year 2014 budget request for the Congressional Research Service (CRS) and to briefly describe to you the support we have provided the Senate and the U.S. Congress this past year. I believe that we are succeeding in the task that the Congress gave us—to provide authoritative and objective information, research and analysis that inform the legislative agenda—even while operating under constrained budgets and limited resources.

SUPPORT FOR THE CONGRESS

Legislative Agenda.—During the past year, the Congress confronted complex economic and social issues that divided the country and generated at times fierce debate. In recent weeks, teams of analysts and attorneys have been supporting Senators and committees during the contentious debates on immigration reform and gun control, which are continuing. Both the majority and the minority have relied on CRS experts to analyze various proposals and offer an objective perspective on these oftentimes difficult congressional deliberations. CRS Reports and seminars have illuminated the myriad issues that frame both debates. The CRS Web site has organized the Service's offerings on these issues in a way that facilitates access to readily available analysis, information, and experts. CRS can be utilized as a trusted, authoritative source for accurate information and analysis on contentious topics such as these.

The Congress has been, and will continue to be, confronted with significant economic and budget issues. During the past year, CRS provided analysis, consultative support and testimony on the many issues flowing from the passage and implementation of the Budget Control Act (BCA), sequestration, the debt ceiling and the budget and appropriations process. CRS provided a comprehensive suite of written products on the potential economic consequences of the "fiscal cliff," sequestration scenarios and the operation of the BCA.

The Supreme Court's decision in June upholding the constitutionality of the Affordable Care Act generated considerable interest. CRS attorneys advised the Congress on the implications of this landmark decision. Attorneys analyzed such specific legal issues as the requirement that health plans and health insurers provide coverage for contraceptive services, the legality of federally facilitated health insurance exchanges offering premium tax credits, the effects of the Court's invalidation of the Medicaid provisions of the act, and, more broadly, the implications of the Court's decision for the jurisprudence of Federalism and Congress' commerce power. I would like to add that CRS research was also timely. A Legal Sidebar posting briefly analyzing the Court's decision was on our Web site within hours of the ruling and CRS attorneys wrote three additional postings in the subsequent week. Policy analysts also continued to advise on the operation of specific provisions of the act, including those pertaining to private insurance, Medicare and Medicaid, and healthcare delivery, and provided information on the development of regulations, new programs and grants, and financing under the law. CRS continues to generate policy and economic analysis as the implementation of the act proceeds and both State and Federal governments execute the act's various provisions or seek adjustments to its operation.

CRS has continued to analyze key issues related to the reauthorization of the farm bill, including farm commodity support, conservation, trade, rural development, nutrition, credit, energy, livestock, and horticulture and organic agriculture. CRS experts explained the intricacies of current farm and food policy and helped identify and analyze issues and options for revamping the Federal farm safety support system. In addition to providing seminars on all the farm bill titles, agriculture analysts assisted with markup and briefed Members and congressional staff throughout the deliberations. Our series of seminars explaining aspects of the farm bill continues into this session of the Congress.

The Congress enacted two major pieces of transportation legislation during the past year, the Federal Aviation Administration Modernization and Reform Act reauthorizing the FAA, and the reauthorization of Federal highway and public transportation programs. Assistance by CRS analysts included helping Members draft amendments and explaining the potential ramifications for individual districts as well as policy implications for the national transportation system.

CRS analysts also assisted Members and committees in understanding the technologies involved in removing shale gas and oil as part of continued efforts to expand the U.S. energy base. The industry and market are adapting to newly found supplies of natural gas and the concerns related to integrating more natural gas into the economy. These new technologies depend on advanced drilling techniques such as hydraulic fracturing. Debate over water contamination, water demand, and gas emissions associated with these technologies led to the introduction of several bills to increase the regulatory oversight of this technology. Others in Congress expressed concern about potential overregulation at the Federal level. Throughout deliberations on the technology, its potential impact and appropriate regulation, CRS analysts collaborated to ensure that the environmental, technical, and economic issues were addressed effectively and objectively. This debate continues into the 113th Congress.

Global challenges occupied much congressional attention this past year and promise to remain prominent on the congressional agenda. As the Congress witnessed

changes in the Arab world in countries ranging from Tunisia to Libya to Egypt and Syria, CRS offered in-depth assessments of ongoing developments and their implications. Besides offering country-specific and regional analyses, CRS examined U.S. policies toward these transitioning states and options for support and assistance. The Congress continues to call on the Service as it reviews the dilemmas related to the conflict in Syria, such as whether and how the United States should support the opposition or intervene. CRS also provided analysis concerning the security and funding of United States diplomatic facilities and personnel abroad in the wake of the deadly raid on the compound in Benghazi, Libya.

CRS defense experts assessed the Defense Department's new strategic guidance intended to reshape the Department's priorities, activities, and budgets in terms of future challenges, geographical priorities, and missions. CRS also analyzed nuclear proliferation challenges and international cyber security threats and responses. Service analysts supported congressional oversight and funding debates surrounding such issues as the future of military operations in Afghanistan. Two assessments by the Service of the Army's drawdown and the history and analysis of the concept of "hollow forces" assisted the Congress in its deliberations on Pentagon budget reductions.

I have just touched on some of the areas on which CRS expertise was brought to bear this past year. Most of these issues will continue to occupy congressional attention in the 113th Congress. CRS is prepared to make its considerable expertise and array of products and services available at all stages of the legislative process. Our legislative planning process identified more than 150 issues that may be on the agenda for the first session of this Congress. We consulted with leadership offices in both the Senate and the House to ensure that we had adequately captured the array of issues that will confront the Congress in the coming year. Our Web site contains menus of products for each issue and the relevant CRS analysts, attorneys and information professionals are identified. Congress has immediate access to Service analysis, information and expertise on the issues likely to be on the legislative agenda. Of course, we are also prepared to quickly mobilize Service expertise in response to unanticipated issues and events that occur.

Legislative Information System.—CRS has collaborated with the Library in developing and launching a beta version of a revamped Legislative Information System (Congress.gov). The new site—which provides essential legislative documentation to both the Senate and the House—contains more comprehensive information and enables easier navigation than the former system. The public version of the site will also provide enhanced public access to legislative information and will replace the former THOMAS system.

CRS Website.—We plan significant enhancements to our web site this coming year. We are improving our search functionality to enable congressional users to more quickly and precisely find what they need, whether it is a relevant report, a CRS program, or a particular analyst to consult. The home page of CRS.gov will enable easier navigation and access to the various products and services CRS has to offer. Staff from both the Senate and the House have participated in testing the new features and offering suggestions for improvements to the site. We recently introduced the Legal Sidebar—noted above in the context of legislative support for the Affordable Act—which presents short, timely legal analyses of current topics of interest to the Congress and we are developing other product formats and web-based content. We also continue to work on improving access to our web site on mobile devices and have worked closely with legislative branch information officials in developing requirements for such access.

Senate Research Center.—One year ago, CRS launched the Senate Research Center in the Russell Building, repurposing the old reference center into an education and outreach facility to better serve our clients and to provide a more convenient venue for CRS seminars and briefings for Senators and staff. We have presented nearly 100 programs with more than 900 attendees during that time. Staff have also found it a good place to meet with CRS experts and to place requests for CRS assistance. We expect to build on this success in the coming year.

Constitution Annotated.—2013 marks the centennial of the publication of the Constitution of the United States of America: Analysis and Interpretation (familarly referred to as CONAN). The volume is prepared by CRS and regularly updated as a Committee Document of the Senate Rules Committee. It is the premier treatise on constitutional law and traces Supreme Court jurisprudence on every article and amendment of the United States Constitution. The Government Printing Office will shortly publish the centennial edition of the publication.

BUDGET CHALLENGES

The foregoing has briefly surveyed the support CRS has provided the Congress over the past year in terms of the issue areas covered and technological advances that enhance our products and services. We remain an organization that provides the Congress what no other organization can—objective, authoritative, confidential and timely information, research and analysis to support the legislative, oversight and representational activities of Members and committees. The breadth and depth of our expertise are unparalleled and the institutional memory of our staff is an invaluable resource for the Congress. We have, however, lost approximately 9 percent of our analyst, attorney and informational professional corps in the last 2 years. This significant reduction in staffing has resulted in a corresponding reduction in the amount of consultative interactions CRS has conducted with the Congress during this time period. The number of personal consultations and the amount of tailored work for clients—the kind of close support that CRS is known for and is most vital in a fast-moving and complex legislative environment—have decreased at a rate similar to the rate of staff attrition. Future budget cuts will only exacerbate this situation and continue to have a measurable effect on the level of service CRS can provide to the Congress.

Analysts and information professionals have expanded the portfolio of subject areas they cover with resultant effects on timeliness and expertise. We have gaps in coverage of critical areas of legislative interest. Without replenishment of our analytical capacity, I fear that we will not have sufficient coverage in the complex subject areas that the Congress is likely to debate and consider in the future.

In addition to the loss of staff, resources that support our research and analysis have been depleted in the face of budget cutbacks. Research materials have been significantly reduced. Travel and training, which provide professional development opportunities for staff, have been reduced. We also have instituted a pared down, low-cost awards system to recognize staff who excel in their work. We continue to involve staff in discussions of how the Service can operate more efficiently and how we can leverage technology to provide the products and services that our clients want and expect.

CONCLUSION

During 2014, CRS will celebrate its centennial. As a unit within the Library of Congress, the largest repository of knowledge in the Nation, the Service has been supporting the work of Congress, contributing to an informed national legislature for almost 100 years. We appreciate the support of the committee in continuing to recognize the vital importance of the authoritative, objective and confidential products and services CRS provides. CRS also looks forward to its second century of service to the Congress and the legislative process.

PREPARED STATEMENT OF MARIA A. PALLANTE

Madam Chair, Senator Hoeven, and members of the subcommittee: I appreciate the opportunity to submit the fiscal year 2014 budget request of the United States Copyright Office. This is an important period for the Copyright Office. As Register, I have recently testified about the need for major updates to the copyright law, so as to ensure the law remains effective and flexible in the 21st century. I further testified that because a 21st century law will also require a 21st century agency, the Copyright Office itself must evolve to meet the needs of the American public.

On April 24, 2013, the Chairman of the House Judiciary Committee announced that he will commence a comprehensive overview of copyright law, including the Copyright Office itself. More generally, it is a very busy time in copyright policy, both domestically and internationally, and the Office works very closely with Senate offices as well as across the greater U.S. Government, on a routine basis. In doing so, it draws upon a small, expert staff that has been increasingly called upon to do more with fewer resources. However, because many American businesses rely upon the services of the Copyright Office, and because copyright transactions form a major portion of the national and international economies, the Office will be unable to keep pace with technology, user demand and, more generally, the state of the digital economy, without sufficient future resources.

PROGRAM SUMMARY

The Copyright Office plays a major role in facilitating both the commercial and noncommercial markets of copyright transactions, by administering the national registration and recordation systems and by providing expert policy advice to the

Congress and to other Federal agencies, including the Office of the U.S. Trade Representative and the Department of Justice. With respect to operations, it has become clear to me, and to many who interact with the Office, that both business and technological improvements are necessary. I have therefore spent much of my 23 months as Register administering a series of special projects that are designed to evaluate and inform the future Copyright Office and the 21st century copyright system.

To this end, the Office has engaged stakeholders of all kinds, from copyright owners to users of copyrighted works, technology experts, consumer groups, legal scholars, and others, both through targeted meetings and through opportunities for the public to submit written comments. In short, stakeholders are extremely supportive of the forward-looking groundwork the Office is doing, but they rightly want a better, stronger, and more technologically nimble Copyright Office as soon as possible. The Office can fund some improvements with the fees it receives for services; including the fees it charges authors and other copyright owners to register their works. However, not all of the services of the Office are for copyright owners. If its databases are to be fully indexed, freely searchable—and most importantly, functional in the digital environment—the Office will continue to require appropriated dollars. The role of the government in collecting, maintaining, and making available copyright data cannot be underestimated. These services fuel any number of major sectors in the national and international economies.

FISCAL YEAR 2014

The Copyright Office, which is already operating leaner than in previous years, needs to maintain existing spending levels to ensure adequate staffing in the short term. The Office has a relatively small workforce in proportion to its duties, but like all agencies it must compete with the private sector for the most highly-skilled members of its workforce.

For fiscal year 2014, the Copyright Office requests a total of \$52.952 million, offset by fee collections of \$28.029 million, and licensing royalty collections of \$5.590 million, applied to the Office's Licensing Division and the Copyright Royalty Judges. Specifically, our requests are as follows:

- A 2.4 percent increase (\$1.071 million) over fiscal year 2013 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 percent increase (\$100,000) over fiscal year 2013 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;
- A 2.2 percent increase (\$32,000) over fiscal year 2013 for Copyright Royalty Judges to support mandatory pay-related and price level increases; and
- \$737,000 to restore the Copyright Office's base funding.¹

COPYRIGHT AND THE ECONOMY

In terms of the larger 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 2011 using data from 2010,² these core copyright sectors—whose primary purpose is to produce and distribute creative works—accounted for more than 6.36 percent of the U.S. domestic gross product, or nearly \$932 billion. The core copyright industries also employed 5.1 million workers (3.93 percent of U.S. workers), and that number doubled to more than 10.6 million people (8.19 percent of the U.S. workforce) when those who support the distribution of copyrighted works were added into the equation. Moreover, these numbers do not

¹The enacted budget for fiscal year 2012 directed the Copyright Office to use reserve funding (collected from fees for services) to offset expenses, effectively reducing our spending ratio of appropriated dollars to fees at the same time that fees and receipts were lower than anticipated. This offset was partially restored in fiscal year 2013. The Office is requesting a restoration of the balance to its base appropriations to ensure sufficient funding for operations in fiscal year 2014, including the ability to cover necessary staffing and critical technology upgrades when fees fluctuate. As outlined in *Priorities and Special Projects of the United States Copyright Office: 2011–2013* (www.copyright.gov/docs/priorities.pdf), the Office is in the midst of a multi-year evaluation of fees, services, technology, and other issues that will inform its future management strategies.

²Stephen E. Siwek, *Copyright Industries in the U.S. Economy: The 2011 Report*, prepared by Economists, Inc. for the International Intellectual Property Alliance (2011), available at http://www.ippa.com/copyright_us_economy.html.

account for the many American businesses that rely on information about fair use, the public domain and other provisions of law, for example, in some information and technology sectors.

CHALLENGES OF THE CURRENT FISCAL ENVIRONMENT

The Office is navigating an increasingly challenging budget environment at the very time it must improve aging technology systems and upgrade business processes to meet the demands of the digital age. From 2010 to 2013, the Office has absorbed a 20.7 percent reduction in its appropriation. The overall effect was a 8.5 percent reduction in total budget authority, which takes into account offsetting collections. In fiscal year 2012, the combination of the reduced appropriation and fees that were lower than expected required the Copyright Office to make significant cutbacks. The Office substantially reduced its information technology budget, indefinitely postponing critical upgrades to the Office's electronic registration service that directly supports copyright commerce and affects both authors and users of copyrighted materials. The Office also reduced its workforce by 44 staff members—more than 10 percent of the entire staff—through Voluntary Early Retirement Authority and Voluntary Separation Incentive Payments programs.

The accumulated results of budget and sequestration cuts have taken a toll. 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 impacts on the Office's ability to meet its current demands, and having already made significant and repeated cuts to nonpersonnel spending leaves precious little flexibility to absorb future cuts.
- The Office is concerned that continued funding reductions will have an adverse impact on the Office's registration program. It is quite possible that shortfalls could create a backlog of copyright claims. However, more to the point, the growth and migration of the registration system is essential in the current digital environment. The system must get much better.
- Further reductions will lead to an adverse impact on the Office's ability to participate in international negotiations and other policy efforts that are important to U.S. trade interests. It has already declined participation at major international meetings.
- Cuts in IT investment and contract support would delay planned releases for the Office's electronic registration system, eCO, including mandatory updates to address security issues. The Help Desk for internal and external stakeholders who use eCO would be further scaled back, increasing wait times and user dissatisfaction. While the Office is unlikely to be able to support all anticipated technical upgrades within its base budget, further decreases to IT contract support will indefinitely postpone the Office's planning for new IT systems deemed critical to the future of Office, including:
 - An online system for filing and processing copyright-related documents submitted for recordation. Records of such documents are essential to stakeholders who need to determine who owns copyrighted 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).
 - An online registry that identifies the designated agents of Internet services for receipt of takedown notices so the services can limit their liability for user-posted content.
- The Office has already implemented significant cuts in training to cover budget gaps in recent years. A dramatic long-term decrease in training funds will severely hamper the Office's ability to develop and retain the highly skilled staff it must have to ensure continued delivery of quality public service.

RESERVE FUND

The Copyright Office budget authority includes the ability to spend or invest the fees it collects from services, e.g. for registration of copyright claims. Title 17 provides that "such fees that are collected shall remain available until expended." 17 U.S.C. § 708(d)(1).

Approximately two-thirds of the budget comes from said fees. 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. Given the unpredictability of fee receipts from one year to the next and the possibility of unplanned expenses occurring

during any given year, it is critical that the Copyright Office maintain sufficient reserve funds to deal with contingencies effectively. The reserve is often under \$5 million; this may seem a relatively small figure but these funds may nonetheless mean being able to patch a technology system or staff an important study for the Congress.

In recent years the Office's request for appropriated dollars has been reduced in proportion to the amount of money it has in the business reserve fund at the end of the year. Appropriated dollars are essential to fund the many activities that serve the general American public and American commerce that cannot reasonably be funded by fees for copyright registration and other services for copyright owners. We therefore respectfully submit that the Copyright Office budget includes sufficient spending authority as to fees collected, and sufficient appropriated dollars, but that a reserve be available to meet shortfalls in protected receipts so that public services do not suffer.

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, the Register and the Copyright Office are now involved in a multi-year effort to update the copyright law and to 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 YEAR 2012

In fiscal year 2012, the Office provided ongoing support to Members of Congress upon request and through formal assignments. The Office prepared a major report on Federal copyright protection for sound recordings fixed before 1972 and published a nuanced analysis and discussion document on issues relating to the mass digitization of books. In addition, the Office completed the fifth triennial rulemaking proceeding pursuant to 17 U.S.C. § 1201 to designate certain classes of works as exempt from the prohibition against circumvention of technological measures that control access to copyrighted works (see www.copyright.gov/1201). The Copyright Office is currently presiding over a formal study of the challenges of resolving small copyright claim disputes and possible alternative adjudication systems. A final report on this study is scheduled to be delivered to the Congress by the end of September 2013. On another congressional matter, the Office is preparing 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.

On the international front, the Register and a senior member of her staff were part of the U.S. delegation to the World Intellectual Property Organization's diplomatic conference that resulted in the signing of the Beijing Treaty on Audiovisual Performances in June 2012. The Office continues to participate on U.S. delegations to WIPO regarding a variety of global issues.

REGISTRATION AND RECORDATION

Registration Program.—In fiscal year 2011, the Copyright Office reduced the backlog of unprocessed registration applications that accrued following the Office's transition to electronic processing in 2007. The Office ended fiscal year 2012 with approximately 195,000 claims on hand, of which approximately half were on hold awaiting further action by the filer. As the backlog of claims on hand diminished, the Office also experienced faster processing with the average processing times for claims filed online falling to 2.5 months, and for claims filed on paper applications to less than 6 months.

Although the improved processing times have held firm thus far for claims that do not require correspondence with the filer, the Office experienced a steady growth of unprocessed claims throughout fiscal year 2012 that has continued through fiscal year 2013. 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 experienced during the previous backlog.

Ultimately, the Register is aware that the United States certificate of copyright registration must be accurate and has taken steps to ensure that the copyright owner, that person's licensees, and courts throughout the world may rely upon it. The registration program will increasingly require attention to ensure that both the registration certificate and the public record are sound. The Register will release a major update to the Compendium of Copyright Office Practices no later than October 2013. The Compendium is the major resource for the examining staff, the public, and the courts when it comes to questions of registration practice and related legal issues.

Document Recordation.—In keeping with the Register's plan in *Priorities and Special Projects of the United States Copyright Office: 2011–2013*, efforts to reengineer the document recordation function commenced in early fiscal year 2012. Throughout 2012, the Office engaged in a series of stakeholder meetings and other forms of outreach, including user surveys, to gather feedback that will serve as the foundation for developing business and technical requirements in fiscal year 2013. The Office's goal is to build an online filing and processing system for document recordation that will provide much enhanced convenience and improved processing time for document filers. Document recordation is of paramount importance to the copyright community and providing electronic and fully searchable functionality is a major goal. To be clear, recordation is the public system by which licensees and assignees of copyrights, for example, rights holders or heirs to a copyrighted work, may assert their ownership and make themselves findable. Unlike registration, recordation permits the updating of ownership information over time and plays a major role in providing a useful chain of title for individual copyrighted works.

LICENSING

The Copyright Office helps administer 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. The licenses also encompass the import, manufacture, and distribution of digital audio recording devices and media. The Office's primary clients with respect to the statutory licenses are the copyright owners and users of copyrighted works that are subject to statutory copyright licenses. For some statutory licenses, the Office is responsible for collecting and investing royalty fees for later distribution to copyright owners, examining accounting documents, and providing information to interested parties; for others, the Office records the license as part of the public record and the royalties are handled by outside parties.

In fiscal year 2012, the Office's Licensing Division collected nearly \$312 million in royalty fees and distributed approximately \$835 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 began a multiyear business process reengineering program designed to decrease processing times for statements of account, implement online filing processes, and improve public access to Office records. The new processes will be implemented and refined throughout fiscal years 2013, 2014, 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 year 2012, the Office managed the combined deposit of more than 636,430 copies of books, motion pictures, and other creative works for the Library's collection, valued at approximately \$30 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.

THE 21ST CENTURY COPYRIGHT OFFICE

For more than 18 months, the Copyright Office has been engaged in a wide variety of activities outlined in the Register's *Priorities and Special Projects of the United States Copyright Office: 2011–2013*. Staff throughout the organization have been heavily involved in various working groups tasked with studying and developing recommendations for addressing an array of policy and administrative challenges. The recommendations developed through those projects will inform the Register's strategic plan that will be announced in October 2013. The Register's Office also launched a major training initiative in 2013—the Copyright Academy program—by which staff of all levels take targeted classes on copyright law and office operations. The Register's Office also continued the highly successful *Copyright Matters* lecture series. Launched in 2011, the series is designed to educate staff on the practical implications of copyright law and provide a free and balanced community forum for discussion. Administration of these programs has zero budget impact, yet they serve to provide staff with an outstanding education in copyright law, policy, and practice.

Substantive progress has been made on many of the projects and policy studies. Highlights include:

- Significant progress on the comprehensive revision of the *Compendium of Copyright Office Practices*. As noted above, publication of the revised version remains on schedule for October 2013.
- Business process reengineering planning for the document recordation function is moving from the information gathering and analysis phase to the development of business and technical requirements that will inform the design of an online filing and processing system.
- The Office continues to move forward on its multiyear effort to digitize the entire inventory of paper copyright records for works registered between 1870 and 1977. At the beginning of fiscal year 2013, more than 22 million cards from the Copyright Card Catalog had been imaged, processed through two-step quality assurance, and moved to long-term managed storage. The Office has also engaged in research on innovative data capture models such as crowdsourcing and advanced character recognition software in planning for building a searchable index for the digitized records.
- The Office has made significant progress in evaluating its current technical processing capabilities and gathering feedback from experts and stakeholders from across the copyright community to develop a strategy to upgrade its existing systems and extend its capabilities, including in the area of business-to-business connectivity.
- The Office is partnering with the Library's Office of Strategic Initiatives to implement a new information architecture for the Office's Web site, www.copyright.gov. The revised Web site, which will launch in late 2013, will feature improved searching and a modernized design.
- The Office has issued two notices of inquiry soliciting comments relating to its study of alternative remedies for small copyright claims. A final report will be delivered to the Congress by September 30, 2013.

As work on the special projects continues in fiscal year 2013, the Office is embarking on a strategic reorganization to better align its business functions and management structure with long-term business needs. Implementation of the reorganization plan will occur later this year.

FEES FOR SERVICES

On October 1, 2011, the Office commenced 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 will deliver the fee study to the Congress in the coming months, with expected implementation later this year.

When a new fee schedule is implemented, the Office historically sustains a decrease in fee receipts for up to 6 months. This anticipated decrease along with unanticipated fluctuations in fee revenue throughout the year, make the Copyright Office's prior year receipts a critical tool for managing a fee based budget. In the short-term, expenses are very difficult to adjust, so the Office occasionally has to rely on

prior year receipts to fund ongoing operations, when fee receipts unexpectedly decline.

CONCLUSION

Madam Chair, I want to thank you for your consideration of our budget request today and for the subcommittee'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.

Senator SHAHEEN. Thank you very much, Dr. Billington.
Ambassador O'Keefe.

OPEN WORLD LEADERSHIP CENTER

STATEMENT OF AMBASSADOR JOHN O'KEEFE, EXECUTIVE DIRECTOR, OPEN WORLD LEADERSHIP CENTER

Ambassador O'KEEFE. Thank you, Chairwoman Shaheen, Senator Hoeven, and Senator Boozman.

Thank you for your support and for giving me time to outline the value of the Open World Leadership Center.

Let me begin with something Dr. Billington, our founding chairman said at our board meeting, "The Open World target is young and emerging. Their influence is not visible, but it is happening. From the periphery in, from below not above, Open World is a model for how you structure an exchange program that can be effective with emerging countries."

WHY FUND THE OPEN WORLD PROGRAM

Why fund the Open World program at the fiscal year 2012 level? The answer to that is that Open World is a resource, an asset, and an investment for both members and their constituents.

As a resource, we directly connect Members of Congress and constituents to rising leaders, giving them a deep appreciation of the United States. Eighty-three percent of our delegates met with members or staff. We have helped create or sustain international partnerships, 54 in this past year alone. Demand from your constituents for our programs is three, and sometimes four, times the supply.

As an asset, our extensive network of hosting organizations and our 20,000 alumni throughout Eurasia allow us to start programs quickly and effectively. These programs are low cost with clear objectives that produce measurable results.

Issues that are critical to Members of Congress inspire our programming, and at the request of members, we will expand to several new countries this year.

Our placement in the legislative branch keeps us above the often necessary disputes that strain executive branch relations with a country. Open World has the ability to function where it is difficult for other programs.

Additionally, Open World boasts an international network of leaders that have been influenced by U.S. models of good governance. As one of our Russian alumni said recently, quote, "The Open World program is a unique, and probably the last, window of opportunity for exchange between the active parts of the Russian and American societies. In the course of my public work, I have come to know hundreds of people who are Open World alumni. Have they all become democrats as a result of their trip? I doubt it. But have they come to believe in supporting democratic initiatives in Russia? I am sure they have."

By creating and sustaining lasting partnerships, we cultivate a sense of shared purpose. It is the extraordinary Americans in your States that create effective programs and provide enthusiastic hosting that harnesses the power of local communities to build these enduring relationships.

Our hosting communities in every state open the eyes of our delegates in ways that no amount of foreign assistance can, at a fraction of the cost. We leverage the power of representative government, of you and the 7,200 host families in 2,200 communities in all 50 States that have been in our program.

So as an investment, we offer extraordinary bang for the buck. We remain at 7 percent overhead and we have just received our seventh consecutive clean audit. Over 80 percent of our funds are spent here in the United States, much of it at the local level.

There are 222 exchange programs in the executive branch scattered among 63 departments and agencies with a total funding of \$2.1 billion. Congress has Open World with funding at .005 percent of those programs. And there is a steady return on the investment.

For example, we brought judges and lawyers on Open World programs in advance of the introduction of jury trials in the Republic of Georgia. We linked them to American judges and lawyers. Among those who came were the defense attorney, the judge overseeing jury selection and media relations, and the advisor to the judge of the first jury trial ever conducted there. Georgia's smooth transition to a jury trial system is due, in no small part, to the practical guidance given by American host judges during the Open World program.

And because of our reputation as an effective, results-driven, legislative branch program, the Council of Judges in Turkey came to us to bring their jurists on Open World, offering to cover more than 60 percent of the costs.

PREPARED STATEMENT

As a final note, the U.S. Ambassador to Russia, Michael McFaul, wrote to me, "As I travel throughout the regions in Russia, I find that in every community I visit, the Open World alumni are the most enthusiastic, the most engaged, and the most committed to working with the United States." As you can see, we fill a critical niche that others cannot duplicate.

So thank you, again, Senators Shaheen, Hoeven, and Boozman for allowing me to testify.

[The statement follows:]

PREPARED STATEMENT OF AMBASSADOR JOHN O'KEEFE

Chairwoman Shaheen, Senator Hoeven, distinguished members of the subcommittee: I appreciate the opportunity to present testimony on the Open World Leadership Center's budget request for fiscal year 2014. The Center conducts the only foreign visitor exchange program for both chambers of the Legislative Branch. Congressional participation in our programs and on our governing board has made Open World a uniquely effective instrument for Members and their constituents in communities all across America. All of us at Open World are deeply grateful for your support.

OVERVIEW

Since its inception in 1999, the Open World Leadership Center has focused on responding to the priorities of Congress and producing an exchange program that es-

establishes lasting relationships between the emerging leaders of Open World countries and engaged Americans committed to sharing American values and practices that lead to stable countries accountable to their citizens. The Center strives to assist Congress in its oversight responsibilities and aids Congress in inter-parliamentary and legislative activities while supporting international projects and partnerships of American citizens throughout the United States.

The Open World program was originally designed to bring emerging Federal and local Russian political leaders to the United States to meet their American counterparts and gain firsthand knowledge of how American civil society works. Program participants experienced American political life and saw democracy in action, from debates in local city councils to the workings of the Congress.

Today, the Center operates in 13 countries and, by the end of 2013, will have brought nearly 20,000 rising leaders to engage with Congress, other governmental officials, and their American counterparts in professional exchanges in more than 2,100 American communities in all 50 States. The countries participating in the Open World program are strategically important to the interests of the United States Government, and many are growing economies where opportunities for foreign investment and trade increase yearly. The expanding Open World leadership network, in which young foreign leaders continue their relationships both with each other and with their American counterparts, gives the Open World program impact far beyond the 10-day program in the United States. With the continued support of Congress, Open World host families will once again open their homes to help sustain this highly successful congressional program.

OPEN WORLD PROGRAM

The Open World Leadership Center is a resource for the Congress, directly connecting Members to rising foreign leaders and to the American constituents who host these Open World delegates. Open World is also an asset for Congress, using its extensive leadership networks abroad and hosting network in the United States to quickly respond to congressional interests in new countries. By creating and supporting lasting partnerships between young political, civic, and community leaders from here and abroad, Open World is an investment in America's future security.

With the power of the more than 2,100 communities throughout America that have participated over the life of the program, the Center provides opportunities to enhance professional relationships and understanding between rising leaders of participating countries and their counterparts in the United States. It is designed to enable emerging young leaders to:

- engage with government, business, volunteer, and community leaders carrying out their daily responsibilities;
- experience how the separation of powers, checks and balances, freedom of the press, and other key elements of America's democratic system make the government more accountable and transparent;
- develop an understanding of the American market-based economy;
- learn how American citizens organize and take initiative to address social and civic needs;
- participate in American family and community activities; and
- establish lasting professional and personal ties with their American hosts and counterparts.

Because Open World provides such high-caliber programs, participants return to their countries with a tangible appreciation of America's democracy and market economy. To that end, Open World refines and focuses on themes central to democracy-building to improve the quality of the program. The impact of the 10-day stay in the United States is multiplied by continued post-visit communication between participants and their American hosts, their fellow Open World alumni, and alumni of other United States Government-sponsored exchange programs.

OPEN WORLD SUCCESSES

Open World sets strategic goals that reflect the interests of Congress and our American hosts and meets these goals:

- Reaching a new generation of leaders.*—Beginning in 2012, and in consultation with the Center's Board of Trustees, Open World began to focus on the younger generation in the post-Soviet countries—a generation that is increasingly linked to the rest of the world through new technologies, and searches for new ideas for economic development and entrepreneurship and ways to overcome the endemic corruption and poor governance in their countries.

Open World set goals to have 30 percent of its delegates in 2012 be under age 30 and to place many of these young leaders together in delegations focused

on legislative issues, innovation, entrepreneurship, and rule of law. The Center assembled an American advisory committee consisting of under-30-year-old professionals with extensive experience in Open World countries to consult on program agendas, alumni engagement, and administer post-program surveys.

For 2012, Open World reached its goal with 30 percent of delegates under age 30. Thirty-four specialized young professional delegations from Russia and Ukraine were hosted in themes such as city administration, anti-corruption, emergency services, and media by their American counterparts in cities throughout the United States.

These young Eurasian leaders now maintain contact with each other and their American counterparts through social media groups set up by Open World.

This innovative program has elicited enthusiastic responses from both hosts and delegates. A host in Syracuse, New York, told us:

“I commend Open World for its new approach of bringing younger visitors, making it possible to introduce them to our country while they are beginning their careers and enthusiastic about their work. Hopefully, other young delegates will be as open-minded and interested. Their infectious enthusiasm really sparked an extra enthusiasm from the professional hosts and on the part of their home-stay hosts.”

—One young professional employed by a civic initiatives NGO who was hosted in Minot, North Dakota, was mostly interested in local community activities in small cities and villages. According to her, in Russia there is community activism in cities, but the inhabitants of small towns and villages tend not to be involved in civic activities. In North Dakota, she familiarized herself with community involvement in resolving social issues in small towns and she observed an emphasis on volunteerism and citizen education and training.

Her American experience was used in a project to encourage volunteerism back home in rural Russia. She wrote a manual on how to develop a community project and a volunteer brochure, and created a directory of organizations needing volunteers, with descriptions of their projects.

Two other Open World delegates hosted in Minot are now involved in a training and exchange program sponsored by the U.S.-Russia Civil Society Partnership Program that promotes civic engagement through local leadership development in rural communities in both Russia and the United States.

—Another young Russian Webmaster for a local radio station, who was hosted in Louisville, Kentucky, was inspired by seeing how American law enforcement, social services and volunteers identify and respond to incidents of domestic violence. He believes that the impact of domestic violence is still dramatically unappreciated in Russia, so he produced radio programs on domestic violence issues and initiated a meeting with the regional Children’s Rights Ombudsmen. His radio station also began hosting a series of the debates among school children on crucial civic topics. “Resolve problems in debates, not in fights” became the motto of the debates.

The Center responds to congressional interests and Member requests to begin exchange programs for leaders in countries new for Open World:

—*Turkey*.—Ahmed Hamsici, the Vice President of the High Council of Judges and Prosecutors of Turkey, and Executive Director O’Keefe signed a Memorandum of Understanding on April 10 in which the High Council will cover the costs of airfare, hotels, and some meals in Washington and Open World will defray other costs for a program that will bring over 100 judges to the United States over the next year. The Turkish portion, based on the historic costs of our programs, will amount to over 60 percent of total costs. The Turkish High Council will provide nominations to the Embassy, which will chose the finalists. Such arrangements also reflect how Open World creates partnerships and identifies cost shares.

—*Mongolia*.—At the same meeting, the Center’s Board also approved an expansion program with Mongolia based on a request from the Co-Chairs of the House Mongolian Caucus. The Center will host two delegations of judges in the fall of 2013.

—*Kosovo*.—The Board approved a request from the Co-Chairs of the House Albanian Issues Caucus to initiate Open World hosting for Kosovo National Assembly Members and staff as part of an effort to promote the integration of the western Balkans with the European Union and NATO.

Open World also responds to congressional requests to host specific delegations from current Open World countries:

—At the request of Senator Lamar Alexander, Open World hosted 25 physicians in support of a new health care partnership between Tennessee and Kirov Re-

gion, Russia, spearheaded by former Open World trustee Senator Bill Frist. Half of the Kirov delegates visited research hospitals in Memphis, while the other half visited medical teaching facilities in Knoxville. The delegates have a wide variety of new practices and plans underway as a result of their Open World experiences. Efforts initiated in individual hospitals include allowing parents to visit ill children, improving a patient referral system, and initiating an electronic medical records system. A medical school administrator is now encouraging medical students to volunteer in understaffed hospitals.

—In March 2012, Montgomery, Alabama, hosted its second Open World delegation of Kazakhstanis involved in youth legislatures, including the national Youth Parliament. This exchange, like one conducted in 2011, resulted from an earlier meeting between Representative Robert Aderholt and a Kazakhstani parliamentarian visiting Washington, D.C., through Open World. The central focus of the visit was participation in the Alabama YMCA Collegiate Legislature sessions. Open World links Members of Congress to rising Eurasian leaders and their American hosts:

—In 2012, there were 173 meetings between Members of Congress or their staff and Open World delegations. Eighty-three percent of 2012 Open World delegations took part in these meetings, many of which were arranged and attended by our active constituent hosts. Last month, Chairwoman Shaheen and Senator Rob Portman met separately on Capitol Hill with Open World delegations of Serbian Members of Parliament before the Serbians left for intensive programs on the role of legislatures in a democracy in Manchester, New Hampshire, and Columbus, Ohio. Senator Portman stated that he “enjoyed the opportunity to discuss the importance of democracy for a strong and free society and the many challenges both of our countries face in an ever changing world.”

Since its inception, Open World has supported hundreds of partnerships and long-term projects between constituents and Open World delegates and was instrumental in the establishment of several others:

—More than 90 States/communities in the United States have developed or furthered partnerships and joint activities with regions/communities in Open World countries, including some 20 court-to-court partnerships. Local chapters of Rotary International, Friendship Force, the U.S.-Ukraine Foundation, and other Open World grantees have partnerships in several Open World countries. In 2012, Open World hosted delegations linked to 54 partnerships with American organizations.

Examples of recent partnership activities through Open World are:

—A dynamic partnership between Maryland and the Leningrad Region of Russia has grown from a judge-to-judge partnership to include legislative and other governmental leaders. Maryland State officials and representatives of the business community have traveled to Leningrad on their own to further these ongoing, constructive ties. The success of this partnership led U.S. District Judge Richard Bennett to reinvigorate the sister-city relationship between Baltimore and the port city of Odessa, Ukraine. A 2011 Open World delegation visit led to high-level reciprocal visit by members of the Maryland judiciary, including Maryland’s First Lady, Judge Katie O’Malley, in May 2012.

For 2013, five delegations will visit Maryland, including one connected to the Russian partnership and two to the Baltimore-Odessa partnership; the other delegations are from Moldova and Tajikistan.

—Since hosting a Ukraine higher education delegation, Umpqua Community College in rural Roseburg, Oregon, has been actively involved in a three-institution partnership agreement with Uzhgorod National University and Kremenchuk National University. Since then, Umpqua has hosted two more delegations from both Ukrainian universities. Two delegations from Umpqua have traveled to Ukraine, one including an administrator, a faculty member, and 11 jazz vocal students in March 2012 and another including a college vice president, a dean, and two faculty members who just returned to Oregon after renewing the partnership agreement. Possible future activities include distance learning, student exchanges, faculty exchanges, a summer institute on peace and justice, an on-line English club for students, and co-teaching of an international business course.

Open World host Peter Bober, Director of the Small Business Development Center and Workforce Training at Umpqua, says that “the Open World Program is a fantastic opportunity for community colleges who are interested in internationalizing their institution while at the same time providing delegates from former Soviet republics the opportunity to experience a uniquely American educational structure. The economic assistance from Open World allows community

colleges the opportunity to bring a wide diversity of international visitors to their local campus and community.”

- The Atlanta, Georgia-Tbilisi, Georgia, sister-city program was dormant until a delegation of leading lawyers from the country of Georgia traveled to Atlanta on Open World. This visit resulted in a flood of privately-generated follow-up activity between Atlanta and Tbilisi, including exchanges of university and law school faculty and students and increased medical exchanges. One Atlanta law firm, whose principal partner is associated with an Open World grantee, has opened offices in Tbilisi. That grantee, the Georgia to Georgia Foundation, has done extensive work with the Atlanta-Tbilisi Sister City Committee to help foster exchange and discourses between the two cities.
- Santa Clara County, California, and Moscow, Russia, have a sister county partnership that was greatly enhanced by the visit of an Open World Russian delegation studying best practices in child welfare and foster care services. Continued contact with one of the Russian delegates resulted in the launch of a mutually beneficial training program to provide Moscow with the tools to transform the Moscow orphanage care system into a foster care system and to provide Santa Clara social services agencies with cultural competency training to enhance their work with Russian children and families in the community. In May 2012, a working group from Santa Clara traveled to Moscow to develop a training curriculum for Moscow social services professionals and to consult with their Russian counterparts on the training for enhancing cultural competency in Santa Clara County. Another Open World delegation hosted through this partnership focused on accountable governance for local government officials, including an introduction to laws on public contracting, public records, and open meetings for local legislative bodies.

The Open World alumnus most involved with the child welfare partnership is overseeing the opening of 32 centers in Moscow to aid foster care youth transition to adulthood. These centers are based on one she saw in Santa Clara County.

There are plans to continue the partnership this fall with the visit of another Russian youth services delegation to Santa Clara County.

Dave Cortese, a member of the County of Santa Clara Board of Supervisors, told Open World that “Santa Clara County has found the collaboration in child protection issues with Moscow, its Sister County region, to be particularly gratifying not only because we have been able to share best practices in child protection between the regions but also because we have been able to establish ongoing partnerships.”

Most importantly, Open World alumni return home and initiate projects that contribute to democratization efforts in their countries:

- Volunteerism.*—Open World has consistently selected young leaders who are active in their communities. The Washington Post recently featured the work being done to organize volunteers by one of our Russian alumni from our 1999 pilot program (In Russia, volunteers step up, 2/2/13). Despite pending legislation to limit volunteer activity and a population generally suspicious of volunteers, Yevgeny Grekov has started a group called Volunteers on Wheels, which uses Facebook to connect house-bound people with needs to drivers that can help deliver goods or services.
- Youth Volunteerism.*—The Moldovan administrator of the “Always Together” NGO that focuses on cultivating democratic values and gender equality among local youth reports that her Open World experience in Manchester, New Hampshire, this past September built her confidence as a leader and inspired her to redouble her efforts to recruit young volunteers. She recently received a grant to implement her project entitled “Inspiring Youth: Learning Community Involvement Through Action.”

She reports that “[t]he idea for this project came during my Open World visit. I was impressed by how actively engaged American youth are, how eager they are to become volunteers and how creative they are to raise funds for various social causes. I wanted to inspire Moldovan youth to be as active and responsible, to collaborate with local public administration and involve entire communities in fund raising activities.” The project aims to instruct local volunteers who will then create and run the “Volunteer Corner” in a local high school, involving many more volunteers in various community development projects.

- Training Other Young Leaders.*—Two Open World alumni from Ukraine, one hosted in Iowa and the other in Utah, joined together to prepare young Ukrainian political leaders and support staff for the 2012 election campaigns by organizing the “Summer Academy of Political Leadership in Crimea” last July. The Academy was supported by the Friedrich Naumann Foundation in Ukraine.

During the event, one of the alumni made a presentation on his Open World experience, focusing on how local American communities are organized and the involvement of citizens through public hearings and council meetings. Two other Open World alumni, one hosted in Kentucky and another in West Virginia, have participated in other seminars with these Open World colleagues.

—*Rule of Law.*—The Open World Leadership Center is proud of its role in introducing Georgian jurists and legal professionals to the American jury system. Georgia began implementing jury trials in 2011, and Open World celebrated this achievement by sponsoring, through our privately-funded alumni program, a roundtable at the Georgian Supreme Court in March 2012. The main speakers were three Open World alumni who were central to the implementation of Georgia's initial jury trials: a lawyer on the defense team for the first such trial, hosted in Atlanta, Georgia; a woman judge hosted in Central Islip, New York, who oversaw jury selection and was responsible for media relations; and the assistant to the presiding judge and a coordinator for juries, hosted in Norfolk, Virginia. Georgia's smooth transition to a jury trial system is due in no small part to the practical guidance given by American host judges, both during Open World exchanges and in independently funded reciprocal visits to Georgia.

PLANS FOR 2013 AND 2014

In addition to the 2013 Open World plans previously described, the Center plans to host parliamentary delegations from Ukraine and Georgia and parliamentary staff delegations from Georgia and Kyrgyzstan.

Open World also continues to host several delegations of regional and local legislators. In February, local lawmakers from Ukraine hosted in Little Rock, Arkansas, reviewed voting procedures at the Pulaski County Election Commission and discussed city infrastructure issues with Little Rock Public Works Department staff. Meetings with State legislators focused on the legislative process and economic development. A session with the newly elected North Little Rock mayor covered topics ranging from municipal bidding procedures to citizen outreach. An aide to Senator Boozman discussed constituent relations and several State issues with the Ukrainians.

A facilitator accompanying the delegation told Open World that "all of the delegates had a positive experience in the United States. Oftentimes they would speak with admiration of the transparency and accountability of the United States government agencies, as well as local community involvement in the decision process."

The Center signed a Memorandum of Understanding with the Supreme Court of Estonia and the Office of the Prosecutor of Estonia to cost-share the expenses associated with the April 2013 travel of a delegation of three judges and one prosecutor from Estonia to Las Vegas, Nevada. They were hosted by U.S. Senior District Judge Lloyd George for a week-long program focusing on court activities related to the adversarial system, including jury-trial process, plea-bargaining, alternative dispute resolution, and the role of private law firms. Judge George took part in the Washington, DC, orientation of his Estonian guests and was honored by the Open World Leadership Center for his extraordinary service to the rule of law program in a ceremony attended by Senate Majority Leader Harry Reid, who recognized the importance of exchange programs in his remarks.

For 2014, Open World will continue the initiatives described above, both in terms of responsiveness to congressional requests and in focusing on the younger generation of leaders in Open World countries. We will strive to find partnerships and other cost-sharing arrangements to maximize our effectiveness.

BUDGET OVERVIEW

Open World offers Congress an extraordinary "bang for the buck," serving as a model of efficiency, cost-effectiveness and value. The Center boasts an overhead rate of 7 percent with 93 percent of its annual expenditures going directly to program costs. The Center investigates every opportunity for savings and diligently manages its fiscal operations with a view to reducing costs while maintaining program quality.

The Center employs best practices to develop the most cost-efficient and effective means to accomplish its mission. The Center has developed internal controls to ensure program quality, including pre- and post-program report follow-up, weekly teleconferencing with its logistical contractor, and regular contact with grantees and local hosts. The Center uses a zero-based budget approach to every contract, every grant budget, as well as its annual operating budget. The Center actively seeks cost-sharing partnerships with other government initiatives whose missions complement ours. The U.S. Agency for International Development, the Department of Energy,

and the embassies in Armenia, Turkmenistan, Ukraine, and Uzbekistan have all joined with the Open World Leadership Center in directly funding a number of delegations.

Open World strongly encourages grantees to cost-share, making it part of the annual competitive proposal process. For example, in 2012, Rotary International hosted 20 Open World delegations (6 participants each) in 19 communities in 15 States through their local Rotary clubs. These local clubs, through volunteers, home stays, and other in-kind contributions contributed an estimated 45 percent of the total local cost of these delegations. The search for cost-sharing partners with common or overlapping goals creates an environment beneficial to all participants and allows Open World grant funds to go further. Indeed, the per-person cost to bring a delegate to the United States has steadily declined over the past few years as Open World increases its cost-sharing efforts, despite rising transportation and other costs.

Open World grantee Supporters of Civil Society in Russia (SCSR), along with partner Moscow School of Political Studies, is another excellent example of a cost-share that helps defray the overall cost of the Open World program. The Moscow School of Political Studies provides the nominations of candidates for the program, many of whom are under the age of 30, to be hosted by SCSR in St. Louis, Missouri, and Chicago, Illinois. SCSR then contributes more than 50 percent of the program costs at the local level.

BUDGET REQUEST

In this lean fiscal environment, the Center is committed to keeping costs down while maintaining program quality. When constructing the budget, however, one must consider the fact that in reducing the number of participants hosted, there comes a tipping point in terms of efficiency. Certain base costs remain whether bringing 500 participants or 2,000. Using economy of scale, it is the Center's experience that bringing 1,200 participants a year is that tipping point. Below that number, the program becomes less cost effective and the per-person cost rises. To that end, our budget request of \$10,061,200 is based on bringing 1,200 participants in 2014.

Open World spends its appropriation in two categories: Direct Program Costs and Administration Costs. Direct Program Costs includes: grants to host delegations in the United States; a contracted logistical coordinator; and the direct program portion of salary and benefits of D.C. and Moscow staff.

Administration Costs includes administrative staff salaries and benefits, an inter-agency agreement with the Library of Congress for infrastructure services, small contracts for professional services, postage, telephone, cell phones, and office supplies and materials. The Center benefits from lower administrative costs due to its physical location in the Library of Congress.

Despite rising base costs of transportation and contracts, the Center has not requested any increase in funding for fiscal year 2014. There are several reasons for this. First and foremost, cost-shares from Open World home hosts throughout America have risen steadily. The Center has also found partners willing to assume some international transportation costs, and it is expected that private donations will help sustain our work. In all, 25 percent of our resources will come from outside our legislative branch appropriation. It is this broad support, both materially and in spirit, that makes this program incredibly strong while allowing us to keep this request modest.

The Center's fiscal year 2014 budget request breaks down as follows:

Item	Amount
Direct Program	\$9,690,200
Logistical Contract	5,720,000
Grants/Other Hosting Costs	3,285,000
Salary/Benefits	685,200
Administration	773,400
Salary/Benefits	408,250
Services of Other Agencies	182,000
Professional Services	146,650
Miscellaneous Office	36,500
Total	¹ 10,463,600

¹ The amount over \$10,061,200 shown here will be covered by donations and other offsets.

SUMMARY

Open World has served the Congress well, earning strong bipartisan and bicameral support. This modest budget request, representing a restoration of the 2012 level, will enable the Open World Leadership Center to continue to make major contributions to an understanding of democracy, civil society, and market economies in regions of vital importance to the Congress and the Nation. This powerful global network continues to make a significant and positive mark on long term developments in strategically important countries. This Subcommittee's interest and support have been essential ingredients in Open World's success.

Senator SHAHEEN. Thank you very much.

LIBRARY OF CONGRESS CORE SERVICES

Dr. Billington, I am going to begin with you. You described a number of very impressive, very important programs, as part of your testimony, that are operated by LOC. But one of the things that struck me is that you said that part of your budget request was critical to maintain the Library's core services.

Can you talk about which of those programs that you outlined you would include as part of the Library's core services?

Dr. BILLINGTON. Core services of the national library, which is the core of what we do, are to acquire, preserve, and make maximally accessible to Congress and the American people a wide-ranging, comprehensive, unequalled collection of the world's knowledge, and the closest thing we have to a mint record of American creativity.

The reduction, the \$86 million reduction since 2010, 13 percent of the base budget, has been distributed through all of our core services, because practically everything impacts everything else. The unique services that the Copyright Office, the National Library Service for the Blind, and the Congressional Research Service provide, all represent core services, and all have been impacted by cuts.

We are, for instance, acquiring about 400,000 fewer collection items. We will be doing significantly less cataloguing. Cataloguing supports the entire library system of the United States, and we are also now providing a new bibliographic framework for most print materials. Access to knowledge throughout the whole library system is very much dependent on Library of Congress research efforts, as well as on the Library's direct delivery of services.

Preservation is extraordinarily important, and here we have a 30-year mass deacidification plan, where we have done a great deal, but we are now administering some very serious cuts to this program. These are significant cuts, fairly evenly distributed. We have lost 24 analysts and lawyers in the Congressional Research Service. Copyright has had significant losses. We had 186 people retire in the buyout; we are now down to 1,338 fewer positions than we had before we even had started our massive digitization project.

So the reductions have been very painful, but evenly distributed because everything relates to core services of the three special services we render, plus the work of the national library itself.

I particularly mention preservation, also the storage at Fort Meade, as absolutely critical because collection materials now are piling up. We are 10 years behind in the agreed upon 30-year program to construct 13 modules. A request for the fifth module is in

the Architect of the Capitol's budget. Module 5 is extremely important to the core requirements to address overflow and make the collections accessible.

So both in terms of personnel lost, in terms of the distributed pain among the various core functions, it is difficult to separate out specific activities because they are so interrelated. Elements of the Library's core work have been added sequentially over time by congressional mandates. They all contribute to the core business of being the world's most comprehensive library, never more needed by America than in this Information Age when so much of our economy, our international competitiveness, and our internal educational system rely on the collections and services we provide. We are also now serving 37 million primary documents of American history and culture online, together with usable, dependable commentary by our curators.

So we are really only asking for funds for core services, and we are distributing the pain fairly equally throughout the whole institution.

Senator SHAHEEN. Thank you, Dr. Billington. My time is up. I very much appreciate your passion for the topic, but given the 5-minute time limit we have, maybe we can ask that we try and limit answers as well.

Senator Hoeven.

Senator HOEVEN. Thank you, Madam Chairwoman.

CONGRESSIONAL RESEARCH SERVICE

Dr. Billington, Congressional Research Services, you have asked for an increase of about \$8 million. The number of requests that you have been able to fulfill in the Congressional Research Service has gone down the last several years.

Is that fewer requests, or are you just physically able to complete fewer requests? So you have had fewer requests in CRS, or are you just able to complete fewer requests due to funding? What is the case?

Dr. BILLINGTON. There isn't any less demand. In fact, during the recent period, there have been points where there has actually been an increased demand.

What has happened has been that CRS, including the new beta Web site, which is Congress.gov, has provided more and more fact sheets and publications that cover a variety of requests.

There has sometimes been a dip, but it is not because of lack of demand. We are taking care of requests more efficiently, particularly with the new Web site, which is really quite revolutionary and quite important for the delivery of information.

Senator HOEVEN. Are you able to keep up with the requests, the number of requests? Are you able to meet the demand within the Congressional Research Service, CRS? Are you able to meet the demand for the requests that you get?

Dr. BILLINGTON. Well, we are trying to. There are two problems. We have lost some key people. For instance, a top Asian analyst, a top intelligence analyst, and we have lost a wide range of other people. When you lose 24 analysts, you lose some rather key assets.

The same thing is happening within the Library itself for support activities. Take the Manuscripts Division. We have 63 million

manuscripts, including the papers of most Presidents between Coolidge and Washington, which include a whole lot of other historical material. We have lost three key curators from the Manuscripts Division who were probably the best in their business. We lost 186 people in the buyout. We targeted the buyout, however, we still lost key staff.

In CRS, in particular, where analysts are taking on additional expertise to cover gaps, the staff is becoming progressively thinner; once we lose them, it is hard to replace them. The loss of 1,338 staff positions does represent some degradation of capacity. So far, we are keeping up with it. We haven't had protests, but the quick responses that are often necessary are likely to be slowed down a little bit. And the ability to cover adequately all of the important issues before the Congress is also at stake.

CRS WORKLOAD DEMANDS AND BUDGET CUTS

Senator HOEVEN. But at this point, you are able to meet the caseload. At this point, you are able to meet the demand. You are fulfilling the requests you get. You are not backlogged.

Dr. BILLINGTON. We are meeting the requests, but the timeframe is getting strung out just a bit. We have not had serious complaints yet, and we are covering the breadth of topics fairly well. It is just that this is lengthening the time of the response. A lot of it, we have been able to compensate for with our new Web site and the focus of our efforts.

But yes, this is going to be an emerging problem and, of course, we will give it certain priority. But the CRS staff are sharing in the furloughs as well; the 3 days of furlough between now and the 7th of September, which is cutting everybody just a little bit.

Senator HOEVEN. Thank you, Dr. Billington. Appreciate it.

Senator SHAHEEN. Senator Boozman.

Senator BOOZMAN. Thank you, Madam Chair.

INCREASING RELIANCE ON CRS

Dr. Billington, I know that all of us, as legislators, understand that the most important thing that we can do as legislators is make informed decisions as we deal with these really very, very important things that come across our desk. The world and our domestic situation is a pretty complicated place these days. I really feel like CRS is an invaluable tool in helping us.

One of my concerns is that we are undergoing the same staff reductions as everybody else in the House and the Senate. One of my concerns is, as we lose staff, that we are going to rely more on the Library of Congress, more on CRS to do the job. Both have alluded to earlier, again, my concern is are we going to be able to do this with continuing cuts to CRS, making sure that we don't have the infrastructure in place to meet the needs of the Congress.

Can you talk, and you have talked at length about it, but the other problem is what is that going to do to your people that have been there a long time, that have other opportunities? What is that going to do to your staff retention, things like that, as we go forward?

Talk a little bit more about if you see continued cuts, the impact of CRS service to Congress as they need more help because of their

own staff cuts. And then also the impact, what it is going to do to your personnel as far as keeping people that have other opportunities because of their experience, how you are going to be able to retain them?

Dr. BILLINGTON. Well, there is no question that this is hard on people. Almost 90 percent of the CRS budget is for people. More than 60 percent for the Library as a whole is for people. People are, in a sense, our first priority.

But the average age at the Library of Congress is 50 years old with 16 years of service; and at the higher levels, which is what CRS analysts generally are. This also applies to the senior curators who are enormous assets to the Nation and to the Congress with their foreign language capacity and other expertise. These experts are aging. So we need a succession plan, which we are working on very hard.

Continuous budget cuts undoubtedly are a problem. We are going to lose more people. And as staffing gets stretched out, individuals will have to cover more and more competencies. We are very fortunate to have such an enormous cadre of very experienced people who are dedicated to their work. But that is definitely going to be a long term, or even a medium and short-term problem, that people will be leaving, taking early retirement. As you know, the CRS staff is a shared resource for the entire Congress.

LOSING GROUND THROUGH BUDGET CUTS

Senator BOOZMAN. Right. Let me ask you one other thing real quickly that some people, I think we have the thought that the budget cuts are kind of like turning off a faucet and then turning it back on. Turning the faucet off and then being able to turn it right back on.

The reality is—and I have had a lot of experience on the public works committee in the Congress—you get in a situation if you don't repair things, then it gets worse and worse. And instead of it costing a minimal amount of money to repair, you get in a situation where the infrastructure is no good, you essentially have to tear it out and it is much, much more costly.

Can you talk a little bit about the impact of not taking care of the things that we have got?

Dr. BILLINGTON. This is really crucial because if you miss a year, you won't make it up the next year, you will have to double the amount expended to catch up.

We acquire between 2 and 2½ million analog items every year. We add 11,000 items every day to the collection. The Library of Congress is the Nation's strategic information reserve in the Information Era. We acquire all kinds of things, and we will, if we miss a year, not necessarily be able subsequently to recover. That begins a slow decline which multiplies, compounds itself as you go along. This is the death sentence of any great institution.

And for us to lose the greatest repository of useful information, mediated by an extraordinary staff, would be incomprehensible to the world, and a disservice to the American people.

AMERICA'S STRATEGIC INFORMATION RESERVE

I could go into all kinds of examples. I am over time here, but let me just say something about this business of being America's strategic information reserve for the long term. There are two parts of the Library that are never mentioned; one of them is the Federal Research Division (FRD), which does contract research work for the executive branch using the Library's collection. The only piece of paper that the 9/11 Commission found that described the scenario of what happened on 9/11, was found through an obscure Arabic publication that FRD located. We, alone, had collected this publication.

The Law Library of Congress was able to restore much of the historic law of Afghanistan because our overseas offices and the Law Library itself had copies of legal materials from Afghanistan, not of everything, but of enough to restore the memory, which was being systematically erased by the Taliban.

Consider the Library's long-term capacity with a multiplicity of unusual languages; who would have thought that Kosovo, Burundi, even Afghanistan would be the places we would need to know more about? We have tripled our exchanges with Iran in recent years.

Unfortunately, we have a culture where everyone likes to talk and nobody likes to read much. But there are immense resources that future generations are going to want to have for the long run. Things like telephone books, railroad schedules. You can tell about environmental evolution by having timetables of railroads that have been developed in Africa. That is how a lot of environmental research is based.

The immensity and variety of these collections is a national treasure, and is becoming more important at the time when the funding pressures generally are looming. We have tried to honor this by our modest request this year. And the loss of personnel is a very significant problem. You asked for our priority, these are our priorities: the people and the materials. It is very simple.

Senator BOOZMAN. Thank you.

MASS DEACIDIFICATION PROGRAM

Senator HOEVEN. Dr. Billington, I want to follow up on the preservation issue that you have raised, because I understand that one of the programs that is at risk is the de-acidification program.

I wonder if you could share with us why the Library believes that program is so important, and what happens if we do not continue to fund that? What happens to the collection that we are trying to preserve?

Dr. BILLINGTON. Preservation is the most neglected problem. We are a throwaway society and 80 percent of all silent films made in this country no longer exist, if you go right down the list. And the reason is because everything in a mass democratic, participatory society is recorded on perishable materials.

We have the biggest mass de-acidification program going. It is roughly on target, but we are having to cut it quite significantly. This is a valuable program, because we can prolong the life of paper-based items—books, manuscripts—at least 300 years.

Senator SHAHEEN. I am going to interrupt because I have a couple of specific questions about the program.

What percentage of the collection is, at this point, targeted for the de-acidification?

Dr. BILLINGTON. We have a 30-year plan for de-acidification. We have done 10 million single sheet manuscripts and we have done 3.5 million bound volumes out of 8 million that were projected to be done over a 30-year period.

Senator SHAHEEN. And can I ask, what is the value of that collection? Has anyone given the collection a value?

Dr. BILLINGTON. It is very hard to assign a value. The first thing I did when I got to the Library was try to get the collection evaluated. It is very difficult to do this, and there are no authoritative figures, but I can get you a rough evaluation if you would like. We will compute it.

Senator SHAHEEN. Well, I am just trying to figure out the cost impact, because I assume if we don't continue this program, then ultimately we lose the collection and we lose the value of those items.

Dr. BILLINGTON. Really, the best estimate we ever had was that 75 million books in libraries across the country are seriously brittle. This was a long time ago, it was just an estimate—but about 75 million bound volumes were becoming untenable; that is, the paper was turning brown. It crumbles. It just disintegrates. This is also true of the physical media on which sound and music, sound and sight, audiovisual materials are stored.

We built with private money, the world's best audiovisual conservation center out in Culpeper, Virginia, which is doing a fantastic job. We have the biggest and most important de-acidification program of paper-based things: books, bound volumes, manuscripts. Everything, you have to realize, is on perishable material. Preserving these collections is the price of having a mass participatory, democratic society, and we are proud of that.

But somebody has to preserve it, and this falls to us because other people don't do it. They don't have the long term mission or perspective.

So we are in danger of losing a great deal of what we have. Almost all analog items, at least anything published since 1850 when paper began to be made with high wood pulp content. If you would like, Madam Chair, we will get you an estimate of this.

Senator SHAHEEN. We can follow up with your office to get some more of the specific questions answered.

[The information follows:]

The Library's plan from the inception of the Mass Deacidification Program has been to treat as many as 8.5 million books and 30 million manuscript sheets over a 30-year period (fiscal 2002–2032). As of the close of fiscal year 2012, the Library is slightly ahead of target, having deacidified more than 3 million books and more than 10 million manuscript sheets. A target of 8.5 million books represents roughly 25 percent of the bound volume collection. A target of 30 million treated manuscript sheets equates to about 45 percent of the overall manuscript collection. The anticipated quantity of work is based on a sample survey of the collections held by the Library in the early 1990s and on assumptions about the use of acidic paper by current publishers.

We are unable to assign a monetary value to these collections. The books are predominantly from the Library's general collections and have relatively modest artifactual value, while the manuscript materials are very unique and of high value.

The Library's accounting for the value of collections, based on Federal Generally Accepted Accounting Principles (GAAP, as defined in Federal Accounting Standards Advisory Board or FASAB standards) is that "the collections are priceless and therefore a financial value cannot be placed on them, and their value is not presented on the balance sheet."

COLLECTIONS FOR SPECIFIC CONSTITUENT GROUPS

Senator SHAHEEN. You talked a little bit in your statement about the importance of the Library's collection for the blind.

Do you also have a collection to help the hearing impaired?

Dr. BILLINGTON. For the hearing impaired, well I don't know exactly whether we do.

We certainly do have a great deal for the visually impaired. We have ways of magnifying materials in the audiovisual center. There is quite a good deal out there that is accessible to all users.

Incidentally, we have a marvelous new head of the National Library Service for the Blind and Physically Handicapped here, who is herself blind. She has really given us a fresh appreciation of the need, even as we are cutting budgets, to develop more Braille because that is the closest thing to reading for the visually impaired community. You can't serve all needs with talking books, which we were the leaders in. You cannot deal with maps. You cannot deal with mathematics. You cannot deal with a lot of things which you can with Braille, which is the closest approximation to reading.

We have a new set of prizes we are going to be giving with private money for learning to read programs. We are a real resource for K through 12 education. We have a massive digitization program and we are training teachers and increasingly, we hope, librarians to be knowledge navigators, who can deal with all of the various forms of knowledge that Congress needs to have access to. The American education system and the economic system need to have knowledge navigators that can get through the tsunami of available information.

We store 37.5 terabytes of digital information that other people produce, and we have 303 partners throughout the country who are trying to archive what is important on the Internet. We have a quarterback role to play that was a congressional mandate.

So we are doing an awful lot of things with an awful lot of good people.

Senator SHAHEEN. Thank you, Dr. Billington. My time is up.

Senator Hoeven.

PARTNERING OPPORTUNITIES

Senator HOEVEN. Dr. Billington, your last comment goes right to my question and that is partnering opportunities; opportunities to partner. Obviously when you are pressed for dollars, then you have got to leverage the dollars that you have.

So, for example, Congressional Research Services, are there opportunities to partner with any other organizations, such as the Government Accounting Office, or the Congressional Budget Office, or somebody else? Are there partnering opportunities to do more, for example, with CRS?

Dr. BILLINGTON. We have only two sources of funding basically. Overwhelmingly, it is the Congress that supports this Library.

For certain innovative projects, for example the World Digital Library, which is in seven languages, private support is available. This project has put something online for every country in the U.N. That is all being done with private philanthropic money.

Partnerships often are dangerous because you are dealing with either commercial or political organizations, or those subject to a particular agenda. Our sole client is the Congress of the United States, and answering all questions with a certain amount of confidentiality must be respected. And we have a knowledge-based democracy that is getting complicated. You need impartial sources that do not get into the advocacy business, but give you the non-partisan, objective facts.

Partnerships are possible if they respect the fact that a non-partisan, objective center for knowledge is essential to the Congress' making of laws and oversight of the Government. Similarly, the Law Library of Congress does a lot of work for the judiciary, because it is the biggest law library in the world, particularly for international law.

These are important functions that cannot be compromised. They are unique in avoiding advocacy, avoiding partisanship, and trying to lay things out objectively. And for that matter, they must be able to mediate all kinds of requests and save all kinds of materials that document the American experience.

So we do want partnerships, but it has to be pure philanthropy. We don't have a commercial stream. We don't have a board of governors. The Congress of the United States, including the Joint Committee on the Library of Congress, which is the oldest joint committee of the Congress itself, is really our governing body and, of course, the appropriations committees' annual appropriation is our governing body.

We can enter into partnerships, but we have to be careful to make sure primarily that we address the needs of our clients, the Congress of the United States first of all, and the American people second of all, and then finally creative people everywhere who look to us, particularly now that our Website is so active.

Everything we do is based on congressional mandates. We are the keepers, in effect, of a national legacy collection that we have created. The Congress has created national registries for recorded sound, for film, for American folk life, all of these things. So it is a unique and absolutely fascinating undertaking that is going to be of increasing value to America. And we are enormously grateful, the American people should be, to Congress for sustaining this.

FURTHER EXPLORATION OF PARTNERSHIPS

But partnerships, yes. We are going to have to explore new ways and we are working on that. But we are not going to have an open door for all potential partners, unlike most other cultures with a commercial stream, because we are mediators of knowledge and information, and we have to do it objectively, and we have to do it as inclusively as humanly possible.

Senator HOEVEN. Well, you are going to find that we are going to continue to be resource pressed, and so, I am trying to find options and offer opportunities where you can try to leverage your re-

sources. And I would suggest looking for some partnering opportunities.

One example, perhaps there are some things that you can do in CRS. There may be some partners that you can bring in that would meet your criteria and might very much want to do it just to be part of the work that you do.

There may be options to do some partnering or leveraging in other aspects of your programs. I don't know if that requires some structural changes or not.

In recordkeeping, for example, maybe you don't have to keep every single record yourself. Maybe there are opportunities either to keep some records in partnership with some other institutions. Maybe there is some duplication where an institution keeps records and artifacts, and you keep records and artifacts, and you are both keeping them, and maybe you can work together and have some kind of partnership agreement where one or the other keeps them. That may be an option.

Also in the recordkeeping area, does electronic record retention offer you some opportunities? I don't know. Those are some of the things, though, that I think you are going to have to explore and bring forward in terms of your budget and what we do, because you yourself just pointed out, and rightly so, that you have reduced \$86 million since 2010. And we know that we are going to be financially constrained in 2014 just as you are in 2013.

So I think that you really are going to have to look for either some structural changes, or some partnering opportunities in order to do the things you do and preserve the level of quality that you have because of the resource challenge, or you are going to just not be able to do some of these things that you want to do. That is my sense.

And so, what I am offering is if all of your great folks come up with some ways to do some of these things, we want to be helpful.

Dr. BILLINGTON. Well we are, in fact, involved in a lot of partnering arrangements. We have, as I say, 303 partners for the National Digital Information Infrastructure and Preservation Program.

For the World Digital Library, which is largely supported by philanthropic gifts, we have partnership relations whereby 78 countries are providing us with digitized material to put on the World Digital Library.

So these are partnership relationships and we have a great deal of those, but I think you are absolutely right. We will explore additional opportunities. The difficulty is that in partner relationships, the partners want to determine the agenda of what we do very often. And we have to be sure that we are being responsible agents of the funds that are basically given to us by the taxpayer directly in the legislative branch.

But I think your suggestions are excellent. We would like to pursue them with you, and thank you for reinforcing the idea.

Meanwhile, we cannot lose the momentum that we have, because once you miss a year on a scientific periodical, it is extremely difficult to make that up. We have an enormous number of people who are concerned about science, and engineering, and so forth, for whom we have enormous resources in all kinds of languages, and

there now are more players in the world who rely on this information. If you miss a year, if you have to severely restrict either your acquisitions, or your preservation, or your access, you are not going to recover because you are doubling what you have to have the following year, and that is just not going to happen in the current funding environment.

So we are trying to make sure that we are responsible to the Congress, which has created and sustained this operation by modest requests and, I think, active partnerships. I appreciate the thought, and we look forward to working with you in getting specific suggestions.

Senator SHAHEEN. Thank you, Senator Hoeven.

Senator BOOZMAN.

Senator BOOZMAN. Thank you, Madam Chair.

CORE MISSION

I agree, we certainly need to look outside the box for ways to stretch our dollars as much as we can.

Our States, Arkansas, North Dakota, New Hampshire, wherever, can do lots of things. But truly the only people that can do the job of the national library are yourselves in doing that core mission. I think in these very difficult economic times, the key is focusing on the core mission, and making sure that we do a good job in that regard. And maybe some of the things where we did mission creep a little bit, which we all have a tendency to do, we can reevaluate.

But again, I understand and fully support the concept that this is something that is unique to you all, and you have a great charge in maintaining the Library.

Ambassador O'Keefe, we appreciate you being here and it is always good when you are testifying with somebody who has other stuff, you don't get asked as much. We do appreciate your hard work and all you do.

The House has been opposed to putting your funding and really wants to mix that with the Department of State in regard to Open World.

Can you tell us how your program is different than the Department of State programs, and what you do that makes you unique compared to the things that they are trying to do?

OPEN WORLD LEADERSHIP CENTER AS A LEGISLATIVE BRANCH AGENCY

Ambassador O'KEEFE. Yes, sir, Senator. I can do that.

I would lay out three points that are really critical and then talk about a fourth element that is more long-term. The first thing that I mentioned in my remarks was that as a legislative branch agency, we have more latitude to function in countries when relations get a little sour between executive branches. It does not matter which administration; these things happen.

The second point is that, unlike the State Department, we work for you. And if there is a request by a member, if there is a need for us to be in a particular country, we take these requests, provided the board approves the resolution.

The third point that is very unique is it's not simply that the folks who come on this program have their eyes opened by seeing how open our legislators and legislatures are, but the fact that they

do home stays, and are impacted by the power of these communities. When these delegates come, they don't want to stay in an American home because they don't speak the language. Often, it is their first time here. It is a scary thing.

And almost universally when they finish the program, and I talk to them, I ask, "Well, what was good?" They say, "You know, the home stay was so great, I got to see the U.S. from the inside out."

Then in the long term, think about that last comment by Ambassador McFaul. He works for the State Department. He has many more millions in assistance and in exchange programs for Russia than we spend there. And why is it that the Open World alumni are the most dedicated, the most open to working with America?

I tell you, it is because they come here, they come to the Hill. They come to your offices. They see your staff. They see you. They stay in these 7,200 communities throughout the United States. This is creating a whole generation of individuals who understand our transparent governance. Are they democrats? Who knows? But they are inclined to support democratic process in their own country.

And that, at the end of the day, is good for us because they have a good impression of the U.S. and a good impression of what happens here.

Senator BOOZMAN. Thank you.

Thank you, Madam Chair.

Senator SHAHEEN. Thank you.

Ambassador O'Keefe, I am going to continue along the line of questioning that Senator Boozman began.

You talked in your opening statement about additional funding to expand the program this year. I noted that your funding has actually been reduced over the past 3 years from \$12 million to \$8 million.

I wonder, as you are looking to expand, first of all, how are you making a determination about where to expand? What countries do you want to get into? And secondly, what is happening to the other countries in which you were working in those programs, are they suffering as a result of expansion into new areas?

OPEN WORLD EXPANSION

Ambassador O'KEEFE. Madam Chairwoman, for the reduction to \$10 million from \$12 million, what we did was, I think as Senator Hoeven suggested, we actively sought interagency collaboration.

We received from USAID \$1 million for Serbia over 2 years, and then additional funds for other countries to supplement our activities. But also, we have gifts, \$500,000 last year and we have about \$200,000 in cost shares. So the way we have strategized is to find additional funds.

But the other thing we have done is renegotiate our logistics contract, so it is reduced by quite a bit. We have also asked embassies, instead of using a logistics contractor, which adds 30 percent to our costs for certain embassies in central Asia and the Caucuses, we have asked them to buy tickets, get the J-1 Visas, and that has saved us a lot of money.

So what we try to do every day is to find ways to be more efficient, but not give up our basic programs. We have reduced our

numbers somewhat in Russia. We are down about 100 in that country. But aside from that, we have maintained the numbers in the other countries.

Senator SHAHEEN. How do you determine what countries you are going to expand into?

Ambassador O'KEEFE. I can give several examples. We had requests from members, for example, the chairs of the Kosovo Caucus and the Mongolian Caucus, to move into those countries. It goes to the Board, the Board considers and approves it, and then we give you notification 90 days before delegates arrive.

The Board is not always convinced, in which case, we don't do it. So a majority of the Board are Members of Congress—you are actually on the Board—and it is a good litmus test. If they are convinced, then I feel it is a good program to go into.

Senator SHAHEEN. And is that decision made in collaboration with any other Government agencies, with any other consideration of what diplomatic or strategic goals we might have around the world?

Ambassador O'KEEFE. Yes, ma'am. I always clear it with the regional bureaus of the State Department, the directors there, and the desk officers. And they also go to the ambassador to make sure that they are comfortable with this.

And so, we do not want to walk into a situation where we disrupt, perhaps, some sensitive things that are going on.

HOW OPEN WORLD DELEGATES ARE CHOSEN

Senator SHAHEEN. And what kind of due diligence is done on the leaders who are chosen for the program?

Ambassador O'KEEFE. We have a nomination process. So we try to go to trusted partners.

Senator SHAHEEN. For example?

Ambassador O'KEEFE. For example, when we bring people from Central Asia, we go to the embassies. They will have AID folks take a look at it. We will go to, let's say, Rosa Otunbayeva, the former President of Kyrgyzstan. I talked to her and have asked her to recommend good, young folks.

We have gone to the parliaments of some of these countries in connection with some of the staff in foreign relations, foreign affairs.

Senator SHAHEEN. Have you had any experience where you discovered that people were not appropriate to be part of the program, and how did you handle that?

Ambassador O'KEEFE. We have had 20,000 and there have been a few. One group clearly came because they wanted to shop and goof off, and on the second day I called them in and I said, "I have a plane ticket for you to go home tomorrow morning. If you are not going to be part of this program, you are not welcome."

I had another group from a country, parliamentarians, who liked to drink, and they went out to Orem, Utah for their program. And they were not behaving very well, and I talked to the host organizer, and I said, "Send them home. You don't have to put up with this." And he said, "No." He said, "Let me work with them." They did and the amazing thing was they established a productive rela-

tionship. Their hosts often went and visited them in their home countries.

So these things happen. They are pretty rare. What you do get sometimes are people who are not as enthusiastic as you would like them to be. But the selection process has been good. You met some Serbian, young Serbian parliamentarians, I believe, a few weeks ago and those are the best.

Dr. Billington and the Board directed me to bring one-third of our people between the ages of 25 and 30, and that was one of those groups.

Senator SHAHEEN. Thank you.

Senator HOEVEN.

Senator HOEVEN. Dr. Billington, you have testified to the importance of preserving our Nation's priceless manuscripts through a process called de-acidification. Did I say that right?

PRIORITY OF MASS DEACIDIFICATION PROGRAM

Should you make some of these reductions, are you going to continue to make that a priority? And do you continue to keep this preservation program moving forward? The de-acidification program to preserve important documents, do you intend to make that a priority and keep it going?

Dr. BILLINGTON. We have a 30-year program. We are doing not too badly, but it is premised on there being some continuity of the funding. We have had to drastically reduce the amount this year. But the program is pretty much dependent upon Federal appropriation.

There is a problem, because there is only one commercial producer whom we have worked with a long time, so we are getting pretty good rates on it, but they may not be able to continue themselves. So there is a need to have the continuity of funding; it is a general problem when you have a long-term project like this.

De-acidification is very important because it not only takes the acid out of basically wood pulp-based paper, which is still widely used, but it puts it in an alkaline base, which not only reduces the risk of the acid, but also increases the longevity of the paper.

It is a unique process, but there is only one company that does it on a massive scale, and they may, at some point, decide that diminished business reduces their enthusiasm or even their viability. So it is rather complicated.

I might ask on this and on the partnership question that my deputy get in a word here because he handles a lot of these arrangements, and he can add a good deal to it, so Mr. Dizard.

Mr. DIZARD. Thank you.

Senator, I will be brief. I will say one of the reasons why mass de-acidification is an area where we had to make some cuts this year is because it is one of our largest contracts. We don't have many contracts, and that is one where we have had to make quick reductions. We have to go to contracts rather than additional furlough days.

But I will say Dr. Billington has talked about the importance of mass de-acidification. We will look this year perhaps at information technology funding to transfer money to mass de-acidification.

Senator HOEVEN. Good. Thank you.

COPYRIGHT FEES

In the Copyright Office, can you do more with fees there to take some of the pressure off your budget?

Mr. DIZARD. Currently, about two-thirds of the Office is funded with fees. In the statute, in the Copyright Act, there is a careful directive to balance between the competing needs of Congress for policy advice, as well as the deposits that are given to the Library of Congress through the Copyright Office.

They are in the process of a study now to look at that; they do periodic reviews of fees. There is a fee study going on right now that will be prepared for submission to Congress at the end of the year.

The fees have increased fairly dramatically over the last 10 years. If you continue to increase fees, registration is a voluntary system, and you risk lessening the public record of copyright ownership. You also risk lessening the submissions for registration that go into the Library's collection. So we have to be careful with just automatically raising the Copyright Office fees.

Senator HOEVEN. Your budget request for 2014 is \$52.85 million: \$33.6 million fees, \$19.2 million from appropriations. Is it still working, or are you having trouble in the Copyright Office? How is that budget working? In other words, I am trying to make sure that you are still able to provide those copyrights.

Mr. DIZARD. Right. Like other parts of the Library, the Copyright Office is strained now because of the appropriation reductions. The fees are not guaranteed. It looks like this year, we might be a little under where we anticipated fees would be. So it is definitely a strain.

It has affected registration processing because we are starting to see a backlog growing again. And we are also having an impact on the policy functions of the Office in terms of assistance to the executive branch in international trade and copyright negotiations. So it is starting to have an impact.

Senator HOEVEN. Well again, I am just trying to understand if there are adjustments we need to make to make sure the Office works well. That is something, obviously, we want to continue.

Mr. DIZARD. Right.

Senator HOEVEN. So are there things we can do? That is the only question that you should be talking to the analysts about.

Mr. DIZARD. Okay.

Senator SHAHEEN. Thank you.

HOW OPEN WORLD MEASURES SUCCESS

Ambassador O'Keefe, I want to continue to talk about some of those 20,000 leaders that you have brought to the United States.

Can you talk about how you analyze the impact of the program in their home country, and on policies? What kind of outcomes do we keep, are we looking for? How do we determine if this is a success or not?

Ambassador O'KEEFE. Yes, ma'am.

First of all, we do try to pick people who are emerging leaders; they have some leadership role, but not a big one. And so, we do track to see if they rise into higher positions, and so, we see who

gets promoted, who ends up as a governor, who gets into the regional Dumas or parliaments. That is one measure.

The second measure is partnerships, and those really have a good effect. So if you have, let's say, a sister court relationship, then you are introducing something very fundamental into a country: rule of law that is not terribly corrupt, and relatively fair and open.

Another area that we look for is how they work in their community. So we do track to see if, let's say, we had someone who had come over here to look at issues of domestic violence. One was a radio personality and a blogger who went to Louisville.

When he got back to his city, he started a radio program about educating his listeners, because as you know, domestic violence, 30 years ago in the United States, was looked at much differently than it is today. And these are the sort of grassroots breakthroughs that we do track.

We get about 100 results a month, and a few of them are pretty humdrum, and some of them are pretty dramatic.

Senator SHAHEEN. And are those measures that you can share with this subcommittee—along with what you have found from the people that you have worked with?

Ambassador O'KEEFE. Yes, ma'am. At the annual board meeting, we have our strategic plan, and we have measures against the goals that we have. And so, I will provide that to you and to the staff.

Senator SHAHEEN. That would be great.

[The information follows:]

OPEN WORLD LEADERSHIP CENTER STRATEGIC PLAN, FISCAL YEARS 2012–2016

INTRODUCTION

As Open World moves further into its second decade, it has built substantial expertise in conducting a program unique in the legislative branch. Because the thousands of participants have given such high marks to its effectiveness and quality, our approach remains one where we will not sacrifice quality for convenience. Also, one profound insight our delegates mention is the accessibility of our elected officials and accountability to the citizens of their jurisdictions. A third powerful element, again consistently praised by our guests, is the impact of home stays. One delegate succinctly described “seeing an America I didn't know existed” and another “seeing America from the inside out.” We are therefore working with a very successful program that needs only marginal changes. Bearing in mind that quality will not be comprised, we will continue our trend of reducing unit cost per appropriated dollar, of adjusting the strategies for nominations to capture the youngest generation of young professionals as a significant portion of finalists, of working with our many host organizers to make our programs relevant, and of fostering partnerships and projects involving alumni and hosts.

Background

Congress launched Open World exchanges for emerging Russian leaders in May 1999, in response to a speech that Librarian of Congress James H. Billington had recently given to senior Members of Congress on the future of Russia. In 2000, Congress created a separate legislative branch entity with a public-private board of trustees to manage the exchange program. The new administering agency, the Open World Leadership Center, opened its doors at the Library of Congress in October 2001. Congress made the other post-Soviet states, as well as Russian cultural leaders, eligible for Open World in 2003, and 1 year later extended program eligibility to any other country designated by the Center's board. In July 2006, the board approved new exchanges for Azerbaijan, Georgia, Kyrgyzstan, Moldova, and Tajikistan, and continued the original exchange with the board's approval, in 2008 Open World initiated programs for Kazakhstan and Turkmenistan, bringing the

number of countries participating in Open World to nine. In 2009, 1,390 participants came to the United States on Open World exchanges.

In 2010, 1,343 participants came to the United States on Open World exchanges with a strong legislative focus. State legislatures were major partners in sponsoring the delegations. The year kicked off with the first-ever hosting of legislators from Azerbaijan and Moldova and ended with a visit by regional legislators from the Russian republic of Chechnya.

In 2011, Open World exchanges focused on giving delegates significant exposure to Federal, State, and local legislators, the structure and functions of legislatures, and the legislative process. 1,234 participants were hosted across the United States. The program expanded its reach to Armenia, with that first group focusing on women's issues.

Strategic Plan

The Open World Strategic for 2012–2016 builds on the excellent work done for the previous plan. In it, we have added goals that will strengthen our work with Members of Congress and their constituents and will continue to promote our legislative identity. Using the principles of the Government Performance and Results Act, our performance measures are both challenging and feasible. Our critique included an effort to ensure that our goals were measurable, and that, given our extremely limited number of staff, actually doable. Our four goals encompass:

- Serving as a model agency;
- Becoming a recognized resource that connects member of Congress and their constituents to political and civic leaders of participating countries;
- Adapting the Open World model to encompass demographic changes and programs for newly selected countries; and
- Diversifying funding.

Mission

To enhance understanding and capabilities for cooperation between the United States and the countries of Eurasia by developing a network of leaders in the region who have gained significant, first-hand exposure to America's democratic, accountable government and its free-market system.

Core Values

- Integrity*.—Striving for consistency of actions, values, methods, measures, principles, expectations, and outcomes.
- Innovation*.—Through teamwork and creativity serving as an incubator of great ideas for emerging leaders of Eurasia.
- Cooperation*.—Communicating openly and clearly with others; working together as a team to achieve common goals.
- Respect*.—Treating others with fairness, tolerance, and tact.
- Excellence*.—Setting an example of how an agency can accomplish its mission in the most cost-efficient and effective way.
- Service*.—Offering meaningful programs and experiences that will benefit our delegates and communities that host them.
- Trust*.—Having full confidence that all will perform their best.

STRATEGIC PLAN FISCAL YEAR 2012–2016

Strategic Goal 1: Quality And Effectiveness

Goal.—Serve as a model agency providing quality, cost effective programming that meets the objectives of the Open World community.

Outcomes:

- Overhead costs to remain at 7 percent.
- Delegates, hosts and facilitators rate programs highly.
- Participants have had the opportunity to share their knowledge with American hosts.
- Nominations process is transparent and produce's delegates with superior professional qualifications.

Objectives:

- Modify the nomination process to improve quality of nominees.
- Improve quality of U.S. programs.
- Enhance the effectiveness of outreach and alumni programs.
- Increase the number of host recognition events.
- Create mechanism in which facilitators and former alumni coordinators are an essential part of quality and effectiveness.

—Regularly review safeguards to ensure vulnerabilities in the implementation of the program.

Performance measures:

- Cost per participant per appropriated funding.
- Number of delegates with successful programs per survey of facilitator reports.
- Number of partnerships sustained or formed.
- Number of projects undertaken.
- Number of outstanding U.S. Supporters of Open World Recognized.
- Number of delegate presentations (as a percentage of total delegates).
- Number of Open World community participants engaged in OW Social Media.
- Amount of media coverage.

Strategic Goal 2: Legislative Identity

Goal.—Serve Members of Congress by becoming a recognized resource that connects them and their constituents to political and civic leaders of participating countries.

Outcomes:

- Members of Congress and their staff meet regularly with Open World delegations.
- Members of Congress provide ideas to Open World on specific programming.
- Members of Congress ask Open World to arrange parliamentary exchanges, particularly to districts/States.
- Constituent organizations, e.g. service organizations and international visitor councils, seek Open World delegations, expertise, and networking resources.
- Constituent organizations provide positive feedback to Members of Congress.

Objectives:

- Systematically inform Members of Congress about Open World's legislative identity.
- Have Chair and members of Open World Board meet with key chairs and ranking members to explain Open World as a resource.
- Regular communication with Members of Congress, their staff, and their constituents to highlight successes and opportunities.
- Partner with organizations that will increase our effectiveness in serving members.
- Ensure that all programming includes a legislative component.

Performance Measurements:

- Meetings between delegates and Members of Congress or their Staff.
- Number of delegates hosted by Members of Congress.
- Number of communications with Members of Congress and their staff.
- Number of legislators and staff sponsored or co-sponsored by Open World.

Strategic Goal 3: Breadth

Goal.—Adapt the Open World model to encompass demographic changes and programs for newly selected countries.

Outcomes:

- At least 30 percent of participants are under 30 years of age.
- Young leaders from additional strategically important regions travel to the United States to experience America's democracy and free-market economy, and to discuss models for solutions to common problems.
- Members of Congress, their staff and constituents interact with young leaders from newly selected countries.
- Young leaders from strategic regions exchange ideas with professional counterparts.
- We form a network of young professionals in the United States interested in hosting counterparts.

Objectives:

- Establish criteria and priorities for adding countries, regions or themes.
- Explore programming options in the Balkans.
- Explore programming options in countries contiguous to current Open World countries.

Performance Measurements:

- Number of countries;
- Number of participants;
- Number of delegates under 30 years old;
- Average age of delegates;
- Percentage of delegates under 30 years old in total number of delegates; and
- Percentage of Open World delegates from countries other than Russia.

Strategic Goal 4: Funding

Goal.—Diversify funding.

Outcome:

—Center has sufficient, reliable funding sources.

Objectives:

—Increase cost shares.

—Foreign entities fund/cost-share programs.

—Raise additional, non-appropriated funds.

Performance Measures:

—Total amount of money contributed in thousands.

—Value of Interagency Transfers.

—Value of Cost-shares.

—Value of cost-share as a percentage of total appropriation.

—Value of private funding.

IMPLEMENTING THE STRATEGIC PLAN

The Open World Leadership Center's Strategic Plan for fiscal years 2012 through 2016 is guided by the above mentioned four goals and their respective objectives. These goals and objectives promote the mission, vision, and values of the center. They will be revisited annually to allow for midcourse adjustments and changes as events progress.

As appropriate, objectives listed under each goal will be incorporated into our grant guidelines, and included in each agenda for delegates on site. The nominations process will take into account the objectives for the profiles of nominees. The center has developed on a set of metrics to be used to gauge the process made on these objectives.

UPDATING THE STRATEGIC PLAN

The Open World Leadership Center Strategic Plan is a dynamic and organic document, subject to review and revision. It will be updated based on the results of three major evaluation processes.

Annual Review

The Executive Director and the Board will review the plan at its annual meeting. The director will report on progress toward each using the performance measures.

Based on that review, the Board will either confirm the out-year objectives (as highlighted in the performance measures), or revise those objective, and where necessary require new measures or modifications.

Midplan

In 2016, the Executive Director will undertake a full and in depth review, including members of the Board of Trustees as active participants in that activity. This review will determine if major revision is necessary.

Major Revision

During the penultimate year of the plan, fiscal year 2015, the center will convene its planning "community" of key stakeholders and center staff to undertake the next major revision/rewrite for the next Strategic Plan period.

Senator SHAHEEN. As I am sure you are aware, one of the criticisms of the Open World program, and you talked about it in your statement, was that this was a duplication of programs that were conducted in other areas of the Federal Government. And that we are spending money, given the tight budget constraints that we are under, and we are duplicating a program and spending money to do that.

I know that one of the issues that has been raised in the past is the potential to get private donations to help fund more of the program, or even my understanding was that there was a suggestion that the program really should stand on its own at some point with total funding from other sources as opposed to an appropriation.

Can you talk about where you are in that exploration? What else might you need in order to be able to fund the program through the private sector?

Ambassador O'KEEFE. Yes, ma'am.

OPEN WORLD OUTSIDE FUNDING

We have very modest donations. It is about \$500,000 a year. We are able to leverage the funds that you appropriate to us, and find cost shares, and interagency transfers, and in-kind contributions. And so, for the \$10 million in 2012, we had about \$3.5 million in transfers and cost shares, and about \$2.4 million of that was in-kind.

What we are seeking this year is an even greater amount of interagency transfers. And what really does help us, as I mentioned before, is being in the legislative branch, being a little bit creative and independent, and also being really flexible. So it helps us attract other agency money to do programs because they know that if they give us money, we are going to deliver a very cost effective program. And as I say to them, I said, "Look, we're doubling your money. You give me a buck, I'll put up a buck, and both of us are going to win."

Senator SHAHEEN. Do you have any statutory constraints on your ability to raise money in the private sector?

Ambassador O'KEEFE. No, ma'am.

Senator SHAHEEN. You could do that now if you chose to.

Ambassador O'KEEFE. Yes, and we do. We do raise money in the private sector. Our biggest issue right now is that for many of the foundations, because we are not a 501(c)(3), they have within their guidelines a requirement to be one. And so, we are shut out of a certain number of possible donors because of that, unfortunately.

Senator SHAHEEN. Thank you.

Senator Hoeven.

LIBRARY'S SOCIAL MEDIA PRESENCE

Senator HOEVEN. Mr. Dizard, talk just a little bit about how the Library is using social media.

Mr. DIZARD. We have had a fairly aggressive social media program. We have blogs in different areas of the Library. We also use Twitter and Facebook. I will just give some examples of our followers, so to speak. We are approaching half a million Twitter followers and probably about 100,000 on Facebook.

We use these social media, in essence, to get people exposed to our services, and our programs, and our collections. Flickr is a good example where we are mainly putting our prints and photograph collections on those. And in both, increasing the use of our collections online, but also bringing people into the Library to use the analog materials.

Senator HOEVEN. Good. It strikes me as that you would have real opportunity. I mean, with your resources and the talents of your people, it just seems to me it is a great way for you to really leverage, and reach out, and show people what you have—

Mr. DIZARD. That's right.

Senator HOEVEN [continuing]. That may be of great value to them.

Mr. DIZARD. That is exactly how we use it.

Senator HOEVEN. Yes. And I think from a long-term perspective, it will help you with funding too because of just the demand for your services in terms of how we approach our colleagues and advocate for the budget for the Library of Congress.

Mr. DIZARD. Right.

Senator HOEVEN. So I just think it is a good opportunity. I am glad to hear you are using it.

Mr. DIZARD. Good.

Senator HOEVEN. Thank you.

OPEN WORLD AND OTHER FUNDING PARTNERS

Ambassador, actually the chairwoman covered the main point that I wanted to make, and you did too, and that is that, again, with budget compression, your ability to partner and find not only other foundations and charitable entities, but it looked to me that USAID was a source of funding in one or more of your endeavors.

Ambassador O'KEEFE. Yes, sir.

Senator HOEVEN. So anything we can do to help you with that because with sequester, now you are about \$8 million, I think. Obviously, the House is putting a very significant amount of pressure on your budget.

Ambassador O'KEEFE. Yes, sir.

Senator HOEVEN. So, you are going to continue to see that type of budget pressure. But I think one of the best cases we can make for you, or help you make, you make the case very well in terms of the quality of your programs and the need for a legislative branch ability to bring people to interface here from other countries, which is different from executive branch programs. So, you make those cases very well in terms of why you are unique and important, but we are going to have to help you find ways to partner and leverage for you to keep your asset base up now. Maybe this will change as we get things back on track.

Ambassador O'KEEFE. Yes, sir.

Senator HOEVEN. So is there anything else that we should be doing to try to help you partner, either with private sector or even other agencies, like Federal agencies, USAID or some of these others? Are there some opportunities we should be trying to garner?

Ambassador O'KEEFE. As you know, Senator, agencies are under these circumstances, very careful about partnering, and for better or for worse, it takes a fair amount of convincing.

The appropriation process is a complicated one. Obviously, if funds would be appropriated from foreign operations to us, that would be wonderful, but I don't know how feasible that is.

But what I would like to do, sir, is to outline a few ideas and provide the chairwoman and you, some thoughts and possibilities.

Senator HOEVEN. I think there are some possibilities there because other agencies are going to find themselves in this same place you are. So they also need to leverage their effort.

Ambassador O'KEEFE. Yes, sir.

Senator HOEVEN. It may create some opportunities, and maybe we can help break down some of those silos.

Ambassador O'KEEFE. Okay. I would love to do that, and I have been making the exact case that you had mentioned that we can help you stretch your dollar.

Senator HOEVEN. Right, and we are on other subcommittees, and on the full appropriations committee, and so we certainly could encourage people to work together.

Ambassador O'KEEFE. Thank you.

Senator HOEVEN. Thank you.

Senator SHAHEEN. Thank you, Senator Hoeven.

MURRAY AMENDMENT

I have only one other area that I would like to explore, Dr. Billington and Mr. Dizard, and that has to do with an amendment that was added to this subcommittee's appropriation last year to try and expand the books for the blind and the physically handicapped to include persons with traumatic brain injuries. And the significance of that was to try and address unmet needs of returning veterans from Iraq and Afghanistan.

I understand that after the bill was reported, the Copyright Office and the Judiciary Committee expressed concern about unintended consequences from adding this provision into the bill.

I wonder if you can provide us with an update on whether there are still negotiations ongoing and what you have heard from the Copyright Office and the Judiciary Committee. And then, if there are any other efforts underway at the Library to address the needs of our returning veterans with traumatic brain injuries?

Mr. DIZARD. We were originally talking to Senator Murray's office about the amendment, and essentially there were two Acts that were linked. Their eligibility was linked to the NLS, National Library Service for the Blind and Physically Handicapped eligibility; Senator Murray wanted to change that eligibility to include reading-disabled individuals.

Our only concern was that this not have an adverse impact on NLS. In short, if it was done simply to increase NLS eligibility and add 10 million more people there, we would be flooded. There was language then put in the report that excluded impacts on NLS. So that was our only involvement in it.

The Copyright aspect dealt with current international negotiations that were dealing with services for the blind and international obligations and treaties, and there was a hesitancy not to come at odds with our international negotiating posture.

From our perspective with veterans, they are in the NLS statute. There is a veteran's preference, and we are increasingly serving veterans through our program who are returning and who meet the NLS eligibility standards.

Senator SHAHEEN. Thank you.

Any further questions, Senator Hoeven?

Senator HOEVEN. No.

Senator SHAHEEN. Then I would like to thank our witnesses very much for being here this morning.

SUBCOMMITTEE RECESS

The subcommittee will stand in recess until May 14 at 9:30 a.m. when we will meet again in this room to take testimony on the fis-

cal year 2014 budget for the Secretary of the Senate, the Senate Sergeant at Arms, and U.S. Capitol Police. Thank you all.

Senator HOEVEN. And I just want to say again, thank you for coming today and, you know, during these times where we have to reduce our spending in Congress, it's tough. And so, I just want you to know, we realize that and appreciate it. And we really appreciate the great job that you do. So thank you so much.

Senator SHAHEEN. Thank you.

[Whereupon, at 10:59 a.m., the subcommittee was recessed, to reconvene subject to the call of the Chair.]