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Senate Hearings

Before the Committee on Appropriations

Legislative Branch Appropriations

Fiscal Year 1982

97*th* CONGRESS, FIRST SESSION

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LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1982

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS UNITED STATES SENATE

NINETY-SEVENTH CONGRESS

FIRST SESSION

Printed for the use of the Committee on Appropriations

U.S. Senate
Joint Items
Architect of the Capitol (Except House Items)
Botanic Garden
Congressional Budget Office
Congressional Research Service
Copyright Royalty Tribunal
General Accounting Office
Government Printing Office
Library of Congress
Office of Technology Assessment
Railroad Accounting Principles Board

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LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1982

MONDAY, MARCH 9, 1981

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

The subcommittee met at 8 a.m., in room S-128, the Capitol, Hon. Mack Mattingly (chairman) presiding.

Present: Senators Mattingly and Bumpers.

U.S. SENATE

OFFICE OF THE SECRETARY OF THE SENATE

STATEMENT OF HON. WILLIAM F. HILDENBRAND, SECRETARY OF THE SENATE

REDUCTIONS IN THE BUDGET

Senator MATTINGLY. I would just like to make an opening statement this morning.

We are here this morning to open hearings on fiscal 1981 and 1982 appropriations for the U.S. Senate. Over the course of the next few days, it is the intention of this subcommittee to review the budgets and spending requests of all agencies and programs that fall under the responsibility of the Subcommittee on Legislative Branch Appropriations of the Senate, with an eye toward making substantial cutbacks.

As chairman of this subcommittee, I have requested from all agencies and individuals involved a breakdown of their budgets, and the areas within those budgets where reductions of 10 percent can be made. I have also requested proposals to effect a 20-percent overall reduction in the Senate's operating budget.

As we are all very aware, the 97th Congress, as well as the Reagan administration, is operating under a popular mandate of historical proportions. I am sure that all of us in this room, and all of those who will appear before this committee to testify during the next few days, support that mandate and the declared intent of President Reagan and the leadership of the Senate to streamline and reduce the size of Government. It is only by cutting Government spending across the board in a fair and equal manner that we in the Congress can hope to bring health back to the American economy. And it is only fair that we in the Congress begin to reduce fat and waste in Government in our own house before demanding the same from the rest of the Federal establishment.

The Senate Rules Committee and Chairman Mathias have already committed to a 10-percent reduction in the operating budgets of the standing committees in the Senate. I applaud Mr. Mathias, and I promise that this subcommittee is committed to reductions of at least 10 percent. In reviewing the budgets that fall under the jurisdiction of the Subcommittee on Legislative Branch, I have found areas where cutbacks of more than 10 percent can and should be made, and I intend to pursue that goal.

LEGISLATIVE BRANCH BUDGET REQUEST

I have also found something else in my lengthy review of the Senate's operating budgets. I am appalled with the way the Federal Government accounting methods work. For example, when we look at the fiscal year 1982 budget for the legislative branch, we see that it totals $1,430,168,000. But the way the system works that total does not tell the whole story. That total is not worth the paper it is written on. Because we all know that every one of the items in this budget will have to have increases in the supplemental bill next spring. The way the system works we don't know what those supplementals will add up to, but we know they will be large. This year, for example, we have supplementals totaling over $120 million.

SUPPLEMENTAL BUDGET REQUEST

So, for me to say that the fiscal year 1982 budget requests for the legislative branch total $1.43 billion is not true. It is time we stopped hiding spending totals in supplementals. I am advised that there have been times in the past years where Congress has passed as many as five supplemental appropriations bills. That practice has to stop. It is no wonder the people of this country don't trust the Federal Government. We are spending their money faster than we can print it. And when we pass an appropriation bill, we know that is not the true amount of spending that is being requested. That kind of misleading accounting should be pointed out and abolished. While we are working on the fiscal year 1982 budget for the entire Federal Government, not just the legislative branch, the budget shops in Washington are sometimes busy preparing their supplemental budgets in an attempt to subvert the budget process by adding more money down the road to appropriations through supplementals.

For the legislative branch, I do not intend to handle supplemental requests as a routine matter. I will carefully examine every request for supplementals in the context of total budget requests, and provide supplemental funding only where an emergency or some urgent requests can be shown to have developed through no fault of the party requesting supplemental funds.

ABSORPTION OF INCREASES

So, I want all witnesses that appear before this subcommittee to understand my position. Let's hold down these supplemental requests in the future. And for so-called pay supplementals, I expect every office that is funded by this subcommittee to do all in their power to absorb

such pay increases without supplemental requests. That can be done by keeping tight controls on spending during the fiscal year, just like any private business in the real world must do. The practice of spending disproportional amounts in the last quarter of the fiscal year so that pay supplementals cannot be absorbed will also have to cease.

GOALS OF THE HEARINGS

In light of the decree of the American people on November 4, that runaway Government spending and waste must end, the stated intent of President Reagan to make substantial cuts in the Federal budget across the board, and the intent of the chairman to aid the President in his efforts to bring health back to the American economy by cutting back the size of Government, I plan to conduct these hearings with three major goals in mind:

First, to hold the 1982 Legislative Branch Appropriations to the fiscal year 1981 levels. Second, to hold the 1982 legislative branch personnel levels to the fiscal 1981 levels. And third, to defer all new spending initiatives and programs until the American economy recovers.

I would like to thank all those who will appear before this Subcommittee on Legislative Branch Appropriations in advance for their sincere and diligent cooperation with the goals of this chairman, as well as the overall goals of the U.S. Senate and President Reagan.

Mr. Hildenbrand, I want to thank you for your statement that I received, and I look forward to working with you on ways to improve the Office of the Secretary of the Senate. As I understand your fiscal year 1982 request, it is essentially the same as the fiscal year 1981. There is only one position increase, and that was approved by the Rules Committee. Is that correct?

Mr. HILDENBRAND. That is correct, Mr. Chairman. It is a $33,000 position.

PREPARED STATEMENT

Senator MATTINGLY. If you would like to either read a statement or you can submit it and we can have it in writing.

Mr. HILDENBRAND. I have the prepared statement of Mr. Kimmitt, former Secretary of the Senate which I submit.

Senator MATTINGLY. The statement will be placed in the record.

[The statement follows:]

Statement of J. Stanley Kimmitt

Mr. Chairman, in accordance with current procedures, I am submitting the fiscal year 1982 budget recommendations for the Office of the Secretary. The total appropriation of $5,438,000 represents an increase of $42,000 over the previous fiscal year. The two items reflected in this increase are for a new position title, Printing Assistant at $33,000, and an increase of $9,000 for the Senate Library to purchase additional documents on microforms. The $5,438,000 requested includes funds for the Disbursing Office and the administrative payroll. (See Figure 1.)

PRINTING CLERK

At the request of the Committee on Rules and Administration, we agreed in 1979 to assume the responsibility for verification of line and page counts of hearing transcripts before payment is made to the commercial reporting firms. The Sergeant at Arms was also authorized by the Committee on Rules and Administration to develop a program to analyze and count the hearing transcripts provided on magnetic tape.

Page Count Verification

The new regulations issued by the Committee on Rules and Administration have enabled the Printing Clerk to greatly increase service and shorten the turnaround time for page count verification. Transcripts without tapes are verified in the Printing Clerk's office and magnetic tapes are verified at the Senate Computer Center. Before this system was initiated, the Government Printing Office was verifying the page count of the transcripts, which often resulted in long delays before the official verification was available to the reporting firms.

In addition, there was no verification or test applied to the magnetic tapes, and this resulted in costly delays in the final printing process. We now have the capability to not only supply accurate and timely page counts, but we have an individual on detail from the Government Printing Office. He is capable of analyzing the printouts of the magnetic tapes and discussing and solving problems with the reporting firms before the tapes are delivered to GPO for printing. During the period January-October 1980, the Printing Clerk verified 1,314 hearing transcripts. Of these, 794 were supplied on magnetic tape and only 93 of the tapes, when tested, were found to be unusable.

OFFICE OF THE SECRETARY

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, OFFICE OF THE SECRETARY			
Fiscal Year 1981 Obligations	$4,660,000		
1982 Increased Pay Cost	449,000		
Total Obligations for Fiscal Year 1981	$5,109,000		
Fiscal Year 1982 Base Program		$5,109,000	
(1) Printing Assistant		33,000 (NTE)	+ 33,000
Financing:			
Less: Unobligated balance, start of period	-0-	-0-	-0-
Appropriation	$5,109,000	$5,142,000	$+ 33,000
EXPENSES, OFFICE OF THE SECRETARY			
Miscellaneous Items:			
Historical Office: Books and Documents	$ 2,000	$ 2,000	$ -0-
Photographic Supplies	5,000	5,000	-0-
Library: On-line Information Services	30,000	30,000	-0-
Microform Publications	13,000	22,000	+ 9,000
Office of Classified National Security Information: Maintenance contract for alarm system	3,000	3,000	-0-
Travel (Public Law 94-59)	10,000	10,000	-0-
Substitute Reporters and Transcribers (Public Law 88-90)	20,000	20,000	-0-
Office of Public Records (Public Law 92-342)	25,000	25,000	-0-
Consultants (not more than two) (Public Law 95-26)	51,000	51,000	-0-
Legal Reference Volumes (Senators' Offices) (Public Law 92-51)	35,000	35,000	-0-
Contractual Legal and Administrative Services	40,000	40,000	-0-
Disbursing Office: Payroll Forms	10,000	10,000	-0-
Total Obligations, Miscellaneous Items	$ 264,000	$ 273,000	$+9,000
Financing:			
Less: Unobligated balance, start of period	-0-	-0-	-0-
Appropriation	$ 264,000	$ 273,000	$+9,000
SUMMARY OF APPROPRIATIONS REQUESTED			
Salaries (salaries, officers, and employees)	$5,109,000	$5,142,000	$+ 33,000
Expenses (miscellaneous items)	264,000	273,000	+ 9,000
Postage	4,900	4,900	-0-
Stationery	18,450	18,450	-0-
Total Obligations	$5,396,350	$5,438,350	$+42,000
Total Financing			
Less: Unobligated balance, start of period	-0-	-0-	-0-
TOTAL APPROPRIATION	$5,396,000*	$5,438,000*	$+42,000

(1) Transfer of function from Government Printing Office
* Items which have been rounded

Figure 1.

As a result of taking on this new responsibility and with the growing sophistication in printing, we have reassigned duties under the Printing Clerk. The request for a new position funded at $33,000 is not for a clerk, but for an individual who is versed in the new technology and understands both the procedures at GPO and the needs of the Senate. The volume of work processed by the Printing Clerk has increased significantly over the last few years. For example: In 1978 the Printing Clerk verified 996 hearing transcripts and no magnetic tapes; in 1979 the number of transcripts increased to 1,212 and included 76 tapes; and in 1980 the number of transcripts increased to 1,314 of which 794 were on tape. Also during these same three years, the following has occurred:

Type of Work	1977-78	1979	1980*
Committee prints	570	220	90
Committee print bills	820	450	230
Committee print reports	760	280	237
Public bills	3,631	1,976	1,214
Reported bills	1,410	399	592
Reports	1,410	399	617
Senate Resolutions	598	262	274
Amendments	4,742	571	2,046
Senate Documents	56	34	31
Senate requisitions	6,309	6,150	5,923

*As of November 1

Records Management System

With the approval of the Committee on Rules and Administration, the Senate Computer Center has formulated a computerized records management system for the Office of the Printing Clerk (SPCRMS). The system consists of two subsystems - the Quota System and the Document Tracking System. The Quota System calculates and keeps track of paper and stationery allowances. The Document Tracking System provides online tracking of printing that is being processed between the Senate and the Government Printing Office. A second function of this system is to pass information to the Legis Publication System. A third function is to provide billing verification of Senate hearing transcripts. This computerized system is targeted to be operational during the 97th Congress.

Printing Cost Reductions

In June 1978, I directed that a survey be conducted to provide in the Marble Room newspapers for which Members felt a need and to eliminate those newspapers not considered necessary. As a result, subscription costs were

reduced by over $25,700 per annum. A similar survey was undertaken in March of this year and resulted in additional savings of $6,300. Total subscription savings to date have been $57,000.

When I assumed this office, there were approximately 15,000 manila envelopes upon which my predecessor's frank had been printed. Rather than having the Senate incur the expense of printing new envelopes with my frank, I asked that a small gummed label frank be printed and affixed to the outmoded envelopes at a savings of $65 per 1,000 envelopes. Savings in this instance were approximately $975.

When a Member does not return to the Senate, and unused stationery exists, it is the policy of the Printing Clerk, at my direction, to gather such stationery for shipment to GPO. There, it is made into pads which are distributed by the Printing Clerk throughout the Senate. Since January 1980, 4,620 pads have been distributed. This accomplished two goals. First, a savings of $693 was realized because it was unnecessary for offices to purchase pads, and second, material which may otherwise have been wasted was reclaimed.

The Secretary's Office is responsible for compiling and distributing certain publications (Report of the Secretary, Nomination and Election of the President and Vice President, Cumulative Index of Committee Hearings, and others). Accordingly, this office has been cognizant of increasing printing costs and has refined the distribution of each publication as it occurs. To date, reduction in reproduction costs of the Secretary's Report is approximately $8,600. Production quantities of all publications of this office have been reduced by more than 10,700. Resultant savings are being compiled for inclusion in a forthcoming study.

It is equally important to reduce the cost of printing publications which this office receives but has no part in publishing. To that end, we have reduced the number of sets of the annual bound edition of the Congressional Record, accounting for a further savings of approximately $2,400.

As current circumstances dictate austere policies, it appears prudent to consider the effects of recent technological innovations within the computer and printing industries upon current printing methods. Every effort will be made to adopt new production methods which will result in cost reductions to the Senate, GPO, and the public.

Accordingly, this office has recommended that a study be undertaken

regarding the feasibility of establishing a computerized data base which would contain the full text of each version of all legislative elements (bills, resolutions, etc.). These items could then be printed upon demand on high-speed printers in the Senate Document Room. It is believed this process could decrease the cost of printing because initial printing by GPO would include only Chamber copies and a nominal amount of Document Room copies. All other copies of legislation would be electronically reproduced within the Document Room upon request, as opposed to the present practice of printing hundreds of copies of all legislation, many of which are never used.

The plan would also release considerable office space in the Capitol now required for document storage and distribution. If the full text of legislation can be stored within a computer and is readily available for reproduction in the Document Room, it is probable that reprint costs would be greatly reduced.

STATIONERY ROOM

After several meetings of the Senate Management Board, and based upon a report from the Committee on Rules and Administration, the Secretary's Office has been asked to take on the responsibility for all Stationery supply items. The purpose is to make all supply items, including the 145 items previously distributed by the Service Department, available from one source - the Stationery Room. Under the agreement reached by the Senate Management Board, this is to be initiated upon occupancy of the Hart Senate Building (probably in the spring of 1983). This agreement also calls for the transfer of certain personnel from the payroll of the Sergeant at Arms to that of the Stationery Room.

Before this can happen, however, certain changes will have to be made to the current computer operating system. There is a need for additional hardware, namely a Video Display Tube and a line printer, for the system to operate at maximum efficiency. If possible, these will be provided by the Senate Computer Center should they find compatible equipment in stock.

We will also need more computer core to support the added hardware and necessary software modifications. The enhancements to our system are necessary to accommodate the restructuring of the inventory stock number, changes to the General Ledger programs, and for the linkup with the Disbursing Office for the direct payment of vouchers.

The Senate Stationery Room completed fiscal year 1980 with gross sales

of $1,690,302, an increase of $228,975 from fiscal year 1979. While this increase is due in part to the rising cost of goods, it is more a reflection of the increased sales volume due to the new self-service store.

Stationery Room Service

During the period from May 5 through June 5, 1980, we placed a questionnaire in each order from the Stationery Room. From those who responded (180), we developed the following:

98.3 percent of those who responded felt they received prompt service.

97 percent of those who responded stated that they received satisfactory telephone service.

89.7 percent of those who responded found the order forms satisfactory. Note that revision of the order guide is under consideration.

97.2 percent of those who responded found the staff courteous and helpful.

98 percent of those who responded found the delivery service adequate.

The final question asked for comments or suggestions regarding the new self-service arrangement. Response to this question was overwhelmingly favorable and ranged from "so far so good" to "it is far superior to (the) old system."

Based upon the above responses, an average of 96 percent of the respondants found the overall service provided by the Stationery Room to be satisfactory.

In an effort to further improve Stationery Room service, two devices have been installed and are currently being tested. These are a telephone answering machine for messages and small orders during those hours when the Stationery Room is closed, and a telecopier which accepts written orders from Senate offices, thereby decreasing the time between placing an order and its delivery. A letter was sent to all offices on October 7, 1980, notifying them of the new policies.

LEGISLATIVE DEPARTMENTS

Each year the supervisors of each of our departments are required to file an annual report. The legislative personnel, some of whom work in the Senate Chamber and others who process the official papers of the Senate, receive recognition only when something goes amiss. In the following paragraphs, I would like to highlight some of positive actions we have taken.

We have cross trained personnel to provide for backup during extended

sessions and unexpected contingencies. For example, the Bill Clerk is fully qualified to serve as a Legislative Clerk. In addition, we have developed a plan for all our personnel should the Senate enter into a filibuster.

Better control over the paperwork at the Desk has been a continuing concern. This year we developed a new form entitled "Miscellaneous Senate Legislative Actions" which notes such matters as cosponsors added, vote changes, star prints, changes in conferees, etc. The form is also used as a routing slip for our staff.

The Calendar of Business was modified by adding a new section to put reported budget waiver resolutions in a special place at the end of the General Orders section. The change was made at the request of the Senate Leadership.

The Legis system is continuing to be more useful as our staff revise the status steps to more accurately reflect the Senate's action. We will be using the system to prepare part of the Morning Business section of the Congressional Record and similar sections of the Senate Journal. Specifically, additional cosponsors, introduction of bills and joint resolutions, and reports of committees are taken from the Legis system. It is also anticipated that all the information related to nominations (messages, reference and report forms, receipts, resolution forms, Congressional Record entries, Executive Calendar and Executive Journal) will be available through Legis and other automated systems during the 97th Congress. We used the computer systems to produce the Executive Journal Index in 1979 and will continue to do so for 1980. We have discussed the development of programs to handle treaties and recommend that this project be pursued in 1981 and 1982.

The implementation of the nominations programs will result in a much faster transfer of printed material and information to the Senate committees.

Members of our legislative staff have participated in meetings regarding the automation of the Congressional Record. It is our understanding that beginning with the 97th Congress, the House portion of the Record will no longer be handled through the hot metal process and that the Senate portion will follow in 1982.

We frequently receive visitors from other countries and arrange for discussions with our legislative personnel as appropriate. Last year we met

with representatives from the Governments of Nigeria, West Germany, Hungary, and Bangladesh.

A major review of the Digest operations began in early 1980 and in May a written report was submitted and an oral presentation made to the Secretary of the Senate. Using the interview process, we compiled a document which covers the history, work flow and a detailed analysis of each aspect of material prepared by the staff. The main purpose of the review was to explore ways to further computerize the office work. What became apparent was the considerable duplication in work caused by piecemeal additions to the office work load. Preparation of the report also provided an opportunity to review forms used in and procedures used by the office for many years. The planned changes should result in a reduction of duplication and an improvement in the Legis system's service to the Digest.

The second project involved preparation of witness lists by Senate committee personnel. Much of the information used in preparation of committee write ups for hearings comes from witness lists. Since no standard format is used by most committees, the Digest staff prepares and distributes to all committee and subcommittee staff a sample list geared specifically for Digest needs. Witness lists prepared in this format should save Digest staff and, more importantly, committee personnel considerable time.

A computer terminal has been installed in the Enrolling Room this year. It is for the Technical Assistant to the Enrolling Clerk to enter the items for the Senate Journal Index, which were previously compiled on cards by a typewriter. Having the terminal in the office also gives the Enrolling Clerk access to most of the legislative information stored in the computer, adding to the efficiency of the Enrolling Clerk's office.

DISBURSING OFFICE

One rarely discusses the financial operations of the Senate unless there is a problem. As the Senate's Disbursing Officer, I am responsible for payroll, personnel (limited activities), employee benefits, auditing, accounting, budgeting, and all the related reporting requirements. Since 1972, the Senate has been using data processing services from the Senate Computer Center to support a number of the functions named above. However, with legislative changes, growth in staff, changes in data processing, and all related factors, we have found that the current system is inadequate.

A team consisting of personnel from the Computer Center, Disbursing Office, and Rules Committee has undertaken an extensive evaluation of the Senate Disbursing Office automated Payroll System, including the procedures associated with the operation and use of the Payroll System. The analysis team also has devoted a great deal of effort into gaining a better understanding of the various functions performed by the other systems within the Disbursing Office and the interaction that exists between these systems.

There are two basic conclusions that have been made as a result of this requirements analysis. The first is that the automated Payroll System can no longer serve the changing needs and requirements of the Senate. The automated Payroll System simply replaced the manual payroll system.

The second conclusion is that the functions and areas of responsibility that surround the Disbursing Office are so vast that a stand-alone Payroll System is not adequate enough to provide all the services required of a financial office.

As a result, it is recommended that the Senate replace the current Payroll System and develop a modern, sophisticated, comprehensive Financial Accounting Management Information System. This would act as the focal point for all operations of the Senate Disbursing Office.

The major areas to be addressed in the development of such a modern facility would include payroll, personnel, benefits, auditing, accounting, budgeting, and reporting. The system should be designed so that once the data is entered into the system, each area of responsibility could extract the data required for their operation. Instead of operating in an environment of mutually exclusive systems within the Disbursing Office, a Financial Accounting Management Information System would be the core from which all services are provided to the Senate.

It is my intention to support and seek your assistance in the development of a comprehensive financial management system to better serve the Senate.

SENATE LIBRARY

The work load in the Senate Library has increased significantly during the last year.

Bill Status

The Bill Status Unit experienced the Library's most striking change in work load. Our terminal operators processed over 79,000 inquiries; this

represents not only a record number of transactions, but also an impressive 70 percent increase over fiscal year 1979.

As the chart below indicates, the second session of a Congress is typically busier than the first; a more accurate comparison of the second session of the 96th Congress, therefore, is with that of the 95th when we recorded over 56,000 calls. On this basis, activity in fiscal year 1980 exceeded that in fiscal year 1978 by 40 percent.

Fiscal Year	Congress/ Session	Number of Inquiries	Percentage of Change From Previous Year
1975*	94, 1st	26,100	--
1976	94, 2nd	32,564	--
1977	95, 1st	38,893	+ 19 percent
1978	95, 2nd	56,358	+ 45 percent
1979	96, 1st	46,635	- 17 percent
1980	96, 2nd	79,072	+ 70 percent

*Terminals were installed in the Library in April 1975.

During fiscal year 1980, our terminal operators transacted an average of 20,000 calls per terminal, 8,000 of which occurred during the last four months of the year. The month of September proved to be record-breaking for the Bill Status Unit with all four terminals totaling 8,861 calls. This tremendous increase contrasts sharply with the trend in fiscal year 1979 when we experienced a 17 percent decline in business compared to fiscal year 1978. We had hoped that the decrease was in part caused by greater use of Legis by Senate staff members in their own offices; it is evident that we were mistaken in this assumption.

Reference Services

The staff responded to 12,644 reference requests, the highest number of transactions ever recorded, a 37 percent increase over last year and a 61 percent increase over the second session of the 95th Congress. New monthly records of over 1,200 requests were recorded in both June and July.

The chart below reflects the steady growth in reference activity over the last five years. The reference staff has responded to the challenge of this growth with increased productivity based on personal skills enhanced by training and on-the-job experience and on improved resources.

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Fiscal Year	Congress/ Session	Number of Inquiries	Percentage of Change From Previous Year
1976*	94, 2nd	2,250	--
1977	95, 1st	6,650	--
1978	95, 2nd	7,845	+ 18 percent
1979	96, 1st	9,206	+ 17 percent
1980	96, 2nd	12,644	+ 37 percent

*Recording of reference statistics began in August 1976.

Collection Development

Book Orders and Purchases: In January 1980, we began a program with Blackwell North America, a major library book supplier, to improve our acquisitions system by using this dealer approval plan. First we developed a profile of subject areas of interest to this Library; with this profile Blackwell is able to notify us automatically whenever they receive books that match our particular needs. If we decide to purchase any of these books, we have only to return an appropriate form. This program results in fewer purchase orders, fewer invoices, more consistent discounts, and improved timeliness of book acquisition in our subject areas.

Book Collection: The Library ordered 907 books in fiscal year 1980. The Technical Services Specialist processed 1,876 new items received, while recataloging 1,823 old titles as part of the long-term project to recatalog the entire book collection (a 15 percent increase in this activity over the previous year). This effort required the preparation and filing of 1,865 new sets of catalog cards, including those for the shelf list.

Microform Collection: In an agreement with Information Handling Services concluded in May 1980, the Library will receive a complete microfiche set of Congressional proceedings, including the Annals of Congress (1789-1824); the Register of Debates (1824-1837); the Congressional Globe (1833-1873); and the Congressional Record (1873-1976). We will receive these files in return for providing IHS with a reserve set of the Congressional Record from 1873 to 1948 (and some other materials) to use for filming. Delivery of these files is expected early in fiscal year 1981.

The additional funds requested for the Senate Library's microform program will allow purchase of part one of a four-part hearings index and the text of the hearings on microfiche. Our space in the Senate Library is limited, yet material must be available to assist researchers in responding to inquiries

from Senators and Senate committees. The approach we have followed during the last decade has been to acquire all the necessary materials on microforms and to remove the books from the Senate Library and store them in our warehouse space. The Library duplicates copies of the microfiche for Senate users or, upon request, produces paper prints from the film. As shown in the table of user service statistics, this program seems to be working well.

Publications Program

Nomination and Election of the President and Vice President: Publication of this quadrennial compilation was made in March 1980.

Hearings Index: Progress on this Index for the 95th Congress improved significantly during fiscal year 1980. Both the subject index and the committee index portions will soon be ready for printing; some problems with the bill index portion have continued but are near resolution. The entire Index is planned for publication by the end of 1980.

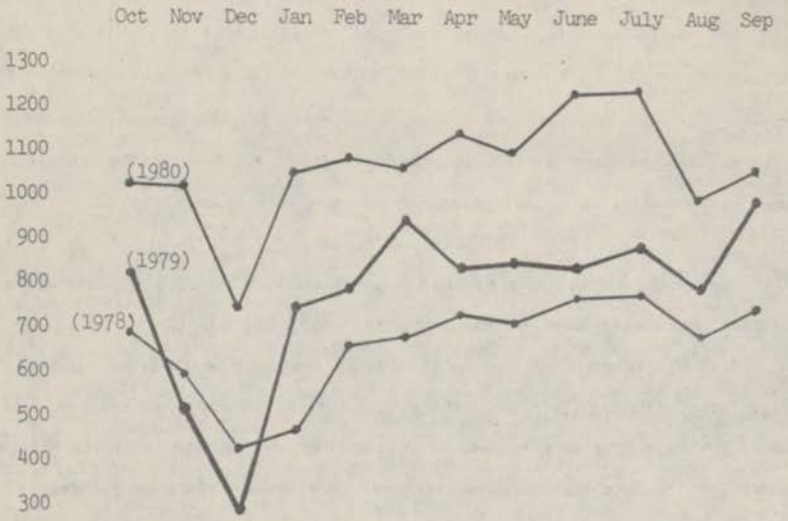
The indexing of hearings published during the 96th Congress is current, but data input on ATMS cannot proceed until programming modifications are made to allow for inclusion of two data elements: a title index and the Superintendent of Documents' classification number. These changes will not be made until the 95th Congress Index has been produced.

During fiscal year 1980, discussions were held among the Rules Committee, the Senate Library, the Printing Clerk, and others concerning creation of a Senate Publications File in Legis to begin with the 97th Congress. The purpose of this data base is to provide both improved control over the production of Senate publications and also more accurate and timely information on their availability and retrievability. Development of the system is expected to permit elimination of the Library's printed Index of Congressional Hearings after publication of the Index for the 96th Congress. The Library began training the Assistant Indexer for eventual transfer to the Printing Clerk's office for the task of inputting cataloging data into the File.

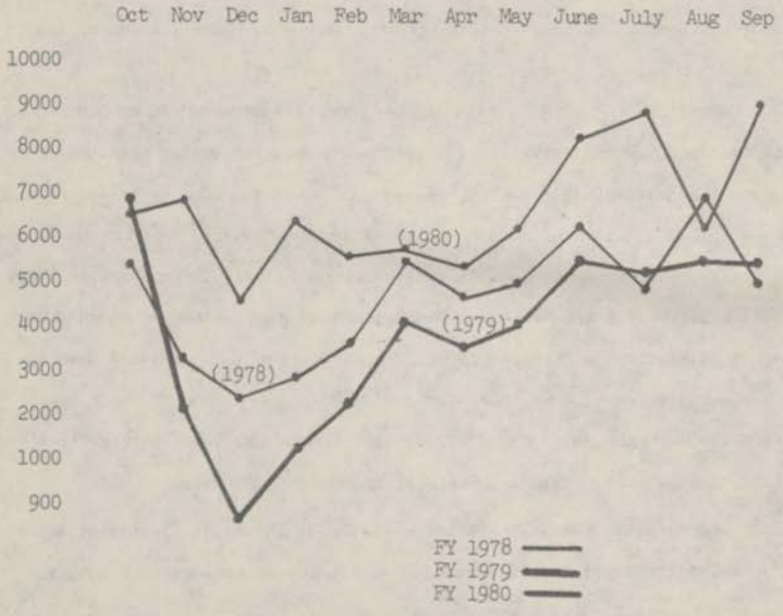
Some progress was made in the revision of three other publications: History of the Senate Seals, Proposed Amendments to the Constitution, and Senate Election, Expulsion and Censure Cases.

Senate Campaign Information was discontinued by the Library; the content of this publication not duplicated in Election Law Guidebook was incorporated

REFERENCE STATISTICS 1978-1980



BILL STATUS STATISTICS 1978-1980



CUMULATIVE USER SERVICES STATISTICS

Reference Requests	Bill Status Requests	Searches on Commercial Data Bases	Reading Room Users	Micrographics Ctr.-Times Used	Items Circulated	Total Transactions
1,018	6,059	46	230	65	224	7,643
1,016	6,952	47	257	46	252	8,569
783	4,693	45	276	50	141	5,948
1,082	6,346	54	429	44	204	8,119
1,081	5,648	57	554	47	252	7,639
1,063	5,902	59	505	43	199	7,671
1,132	5,437	55	425	55	215	7,320
1,002	6,109	84	590	77	214	8,166
1,215	8,189	116	852	55	312	10,739
1,217	8,720	127	625	60	268	11,017
882	6,257	78	360	50	174	7,901
1,042	8,862	105	783	35	241	11,067
12,644	79,072	973	5,897	627	2,696	101,799
+37%	+70%	+103%	+115%	+17%	+59%	+66%

in the 1980 edition of the latter and published by the Rules Committee as Senate Election Law Guidebook, 1980.

Senators' Reading Room

Use of the Senators' Reading Room increased 115 percent to 5,887 visitors.

Disaster Recovery Program

Since June, the Senate Bookbinder has worked with the Librarian and others to develop a plan for systematic response in the event of a fire and/or water disaster to Library materials. The plan was submitted to the Secretary and approved early in October.

Increased Demand

The growth in use of the Library's services is not so much a problem as it is a fact of life and, I would like to think, a tribute to the staff's success in fulfilling its primary mission as an information resource for the Senate.

This success is not without cost and effort. The stress experienced by terminal operators in the Bill Status Unit continues to be a problem, especially with a 70 percent rise in transactions. We have been more successful this year in providing some relief and work variety for the operators by adhering to a schedule of staff rotation. The addition of two full-time Reference Assistants assigned in August has helped to spread the work load of both the Bill Status Unit and of the reference staff, which has also felt the effect of significant increases in demand. I am extremely proud of the entire Library staff for achieving new levels of professionalism and productivity.

To further help with our personnel situation, I am requesting the following title changes in the Senate Library:

Position Number	Title	New Title
003104	Senior Reference Assistant	Chief Reference Librarian
003107	Secretary in the Library	Senior Reference Assistant
003115	Messenger	Secretary in the Library

The new titles and the transfers we propose will more accurately reflect the work performed by these individuals.

RENOVATIONS

Bookbinder

To make more effective use of existing space, our office requested a complete renovation of the Bookbinder's shop located on the fourth floor of

the Capitol. The Bookbinder has responsibility for binding all miscellaneous items as well as Senate and House hearings for the Senate Library. Other duties include overseeing and preparing all material sent for binding from the Library to GPO; stamping and affixing classification numbers to all current and newly acquired Library material; and repair and restoration of rare and valuable books and documents and the fabrication of protective cases for volumes which cannot be rebound or need improved protection.

During the year, the Senate Bookbinder developed a comprehensive plan for improving the quality and uniformity of the binding of all Senate Library materials. The binding standards recommended are also expected to achieve some cost savings.

During the last fiscal year, the Bookbinder completed the following:

Hearings, bound, lettered and tabbed	384
Volumes classified	1,678
Volumes bound and lettered	254
Volumes prepared for binding at GPO	48
Volumes repaired or restored	72
Leather volumes cleaned & oiled	560
Pages mended	348
Miscellaneous lettering	895
Protective cases fabricated	42
I.D. cases lettered	22
Folders made for special presentation	11
Mats cut and artwork matted and framed	117
Prints repaired	17
Documents Mylar Encapsulated	206
Number of volumes with foldouts re-attached	89
Miscellaneous	39
Total	4,782

Micrographics Center

In addition, we moved the Senate Library's Micrographics Center from a hallway on the fourth floor to Room S-418. The Senate Library's collection of microforms numbers over 350,000 microfiche and 3,000 rolls of microfilm. The Center was used 627 times during the year, an increase of 17 percent over the previous year. Relocation of the Center to this room offers important advantages including needed expansion of storage space, more convenient location, and greater security. A second development was authorization to purchase six additional microform storage cabinets, which the Sergeant at Arms ordered in April and installed. The renovation was completed in October 1980.

OFFICE OF PUBLIC RECORDS

The Office of Public Records experiences increased activity during an election year. This involves not only campaign financing but public financial

disclosure, foreign travel, registration of mass mailings, and political fund designees. It is estimated that since January 1, 1980, in excess of 2,000 individuals have contacted the office and an estimated 50,000 copies of reports have been sold. The largest sale of reports occurred on May 19 and totaled 13,172 documents.

Some 2,685 Federal Election Campaign reports were received from January through September 1980, which involved the microfilming of 37,535 individual documents. Of those documents, 260 statements of candidacy and 425 statements of organization were submitted to this office for processing.

As of March 18, 1980, all reports for 1979 were assembled by candidate and by state for the annual cumulative index. This index was established to provide a more efficient method for retrieving records.

Reporting under the Federal Regulation of Lobbying Act increased during the year. Approximately 49,704 registrations, quarterly reports and amendments were received, processed, and made available for public inspection and copying during the period from November 1979 through September 1980. The office worked with staff of the Clerk of the House to develop a new system for compiling the information required to be published in the Congressional Record. The changes reduced the time each office had to devote to this activity.

During 1980, the office prepared a document entitled "Compilation of Reports and Statements to be filed by Senators, Officers, Employees and Other Individuals." It was distributed to all Senators, committees and officers affected.

OFFICE OF CLASSIFIED NATIONAL SECURITY INFORMATION

This office is under the policy direction of the Majority Leader, the Minority Leader and the Chairman of the Committee on Rules and Administration. However, it is under the administrative direction and supervision of the Secretary of the Senate.

The office provides a secure facility for hearings of committees of the Senate at which highly classified information is presented. During fiscal year 1980, there were a total of 137 classified hearings and meetings (80 hearings and 57 meetings) held in this room. The Senate Committee on Appropriations, Armed Services, Energy and Natural Resources, Environment and Public

Works, Foreign Relations, Judiciary and the Select Committees on Ethics and Intelligence utilized it.

The office also provides and operates a central repository for the safeguarding of classified information. For example, the proceedings of the Senate in closed session are retained in the secure vault.

As required, the staff provide support to the Leadership on various classified matters including, but not limited to, NATO, SALT, and military/intelligence matters. The staff also conduct liaison on sensitive classified matters with the Central Intelligence Agency, Department of Defense, Department of Energy, and the National Security Agency.

CURATOR OF ART AND ANTIQUITIES

Exhibits

The office continues to seek new ways of sharing the rich heritage of the Senate through an expanded exhibits program which draws upon the institution's wide-ranging collections and resources. "Manners in the Senate Chamber: Nineteenth Century Women's Views," which continued through the summer of 1980, was a popular subject with the public and Senate staff and provided a novel area of interpretation for most visitors to the Old Senate Chamber. After the close of "Manners ...", a new exhibit, "Bills of Fare," was installed in the Crypt of the Capitol. It traced the history of dining at the Senate from the 1830's to the present, and featured original examples of Senate china and silver, engravings, photographs and menus. In early January 1981, an exhibit commemorating the first Presidential election and inauguration will be opened. This display will include documents from Senate records on deposit at the National Archives.

Two new exhibits, mounted in recent months, were opened in December 1980. The first, entitled "Hail to the Chief!" was a series of views of Presidential inaugurations which appeared in American periodicals during the second half of the nineteenth century. This collection of wood engravings is part of the permanent holdings of the Senate. A second exhibit, "A Pointed Perspective" examined the role of the U. S. Senate as reflected in the drawings of American political cartoonists. Produced with the cooperation of the Senate Historical Office, "Perspective..." included original cartoons as well as reproductions, and covered the period 1834-1978.

Publications

Three publications were issued by the Commission on Art and Antiquities during the past year. These included a 20 page, illustrated booklet, Manners in the Senate Chamber, published in conjunction with the exhibit devoted to nineteenth century women's views of the Senate. New editions of the guides, The Senate Chamber, 1810-1859 and The Supreme Court Chamber, 1810-1860, were also printed.

The Collections

Several appropriate engravings were acquired for the Senate's print collection in the past year. Most of these additions were woodcuts published between 1850-1900, and included exterior and interior views of the Senate and original political cartoons of the period.

The Commission on Art and Antiquities continued to reserve a considerable portion of its annual budget for painting conservation. Also of significant value to the proper maintenance of the Senate's collections was the recent redesign of the office's storage facility. Objects removed for conservation or study are now housed in an area particularly suited to their care and protection.

The staff continued to provide registrarial assistance to leaders and officers of the Senate in processing and exhibiting fine arts loaned by institutions throughout the country. Also, the rehanging of three paintings from the permanent collection provided space for the portrait of Senator Willie P. Mangum by James Reid Lambdin, acquired by the Commission on Art and Antiquities in 1978.

Progress continues in the upgrading and revision of the catalog of collections. Through the addition to the staff of a museum studies graduate during the summer months, a survey of the decorative arts collection has been undertaken. This study will serve as a basis for a catalog of these objects and is now in the first stage of completion.

Other Activities

Through the Executive Secretary of the Commission on Art and Antiquities' membership on the Federal Council on the Arts and the Humanities, this office has continued its participation in a number of new Federal museum programs. In the past year, these have included: review of the Arts and Artifacts Indemnity Program and adoption of revised guidelines; expansion of the Arts

in Education Program; and the establishment of an Energy Conservation Plan for cultural institutions.

The Commission on Art and Antiquities is responsible for the disposition of foreign gifts and decorations received by Senators and Senate employees. In compliance with the provisions of the Foreign Gifts and Decorations Act (5 U.S.C. 7342), all objects received during the past year have been photographed, cataloged, and entered in the Register of Foreign Gifts.

On August 1, 1980, the Senate unanimously agreed to establish a Study Group on the Commemoration of the United States Senate Bicentennary (S. Res. 381). The office has been working closely with the Senate Historical Office to develop proposals which the Study Group will consider in its "comprehensive report incorporating ... specific recommendations for the commemoration of the Senate's bicentennial."

HISTORIAN

Catalog of Former Senators' Papers

The office has completed a survey of the nearly 400 libraries and archives that have custody of 1,400 former Senators' papers. Nearly 70 percent of the resulting data have been computerized. The information gathered includes size and accessibility of collections, availability of oral history transcripts, existence of portraits, and biographical references. The office plans to publish the papers' location and oral history information early in 1981.

Senators' Papers

The office assisted each of the five Senators who announced retirement at the end of the 96th Congress with advice on the disposition of their office files and personal papers. That advice included selection of appropriate repositories and archival processing staff, as well as determining the categories of papers that merit permanent preservation. The Historian organized a seminar for all Senate staff on general considerations for papers' disposition.

For the past three years the office has assisted the Committee on Foreign Relations by selecting and editing for publication its older executive session transcripts.

Statements on the Senate's History

In March 1980, the Majority Leader, Robert C. Byrd, began an extensive series of addresses to the Senate on its organization and history. The Historical Office undertook extensive research in primary and secondary

sources to provide material suitable for this series. Among the unique sources consulted were the secret records of the Democratic and Republican party caucuses extending back to the early years of the twentieth century. The office has proposed to edit for publication these valuable, but no longer sensitive, records for the period through the end of the Second World War.

Records Declassification

Acting on the basis of a detailed review by the Historical Office, the Permanent Subcommittee on Investigations agreed to transfer jurisdiction to the Secretary of the Senate, of the records of a predecessor committee, the Special Senate Committee to Investigate the National Defense Program, 1941-48. Amounting to more than 400 linear feet, the Committee's records contain valuable information on war production mismanagement and corruption.

Access to Senate Records

The office has provided staff assistance in the preparation of S. Res. 474 relating to access to Senate records at the National Archives. Introduced by the Majority Leader, the resolution establishes general procedures for research use of the Senate's non-current official records. Currently, the Senate is the only body in the Government without an access policy for its old records.

Catalog of Unprinted Committee Hearings

During the year, the Historical Office has continued and accelerated its project of cataloging all unprinted hearings of Senate committees for the period roughly between the 80th and 90th Congresses (from the mandating of preparing executive session transcripts by the Legislative Reorganization Act of 1946 to the "Sunshine" reforms of 1970-1971, which significantly reduced the number of closed-door hearings). The project has now moved from legislative hearings to the voluminous nominations hearings housed at the National Archives. When this stage is finished, each committee will be surveyed for unpublished hearings still in its possession. The completed project will eventually be published and distributed to committees and interested researchers.

Photo Historian

The Photo Historian made substantial progress in organizing and cataloging the 30,000-item Arthur Scott Picture Collection. This important collection was supplemented with photographs from Senate staff, from libraries across the nation, and from those taken by the Photo Historian. The Photo Historian

also provided extensive assistance to the offices of the President pro tempore, Sergeant at Arms and the Curator in the design and preparation of exhibits. Much of this time was devoted to providing photographic documentation of Senate functions of potential historical significance.

PUBLICATIONS

It is sometimes difficult to determine all the Senate rules or procedures which relate to an event or to understand the terminology and steps which are part of the legislative process. In an effort to promote better understanding in these areas, the Secretary's Office recently has prepared a publication entitled "Closing of a Senator's Office." This document, for the first time, compiles a number of practices the Senate has followed in the various sets of circumstances involving the closing of a Senator's office. We have distributed the publication as appropriate during 1980, and plan a general distribution in 1981.

Also during 1980, we began work on a legislative glossary. The draft document was circulated within the Secretary's Office to get comments from all staff involved in the legislative process. We have not yet decided on the method of publication. One approach would be to make it an appendix to "Legislative Procedural Flow" which is being revised; the other would be to produce it as a separate item. A review of the costs and time involved in each approach plus comments from prospective users will all be addressed before we make a final decision.

MERIT PROGRAM

During the second year of the merit program, the Merit Promotion Board established in the Secretary's Office reviewed 16 candidates. Awards were made to six individuals, and one individual was awarded the balance of the merit increase orginally given in 1979. As we explained in our October 3, 1980 report to the Chairman, this brings the total number of merit raises to 13, and has significantly reduced the need for adjusting current NTE rates.

TRAVEL

Staff in the Secretary's office used the office travel funds to attend a number of meetings and conferences. Included were Mid-Atlantic Regional Archives Conference; Annual Oral History Colloquium; National Micrographics Association; Organization of American Historians; CRS Advanced Legislative Institute; National Computer Conference; Annual Conference of Special Libraries

Association; American Library Association, etc. Even with the increase in travel costs and the increase in per diem, we are not requesting an increase in our funding for fiscal year 1982.

SEMINARS AND ORIENTATION PROGRAM

Our office, along with the Sergeant at Arms, arranged 22 seminars in fiscal year 1980. The seminars covered such topics as The Legislative Process, Legislative Information Resources, Office Accounting Procedures, Senate Ethics, Budget Analysis System, Effective Listening, Effective Utilization of Summer Interns, Disposition of Senatorial Papers, Effective Writing, Services of Senate Library, Services of the Congressional Placement Office, and Social Security Casework.

These programs were open to all Senate staff and announcements were sent to offices and also carried in Staff magazine. The seminars were usually scheduled for 90 minutes, including a lecture and time for questions and answers. All participants were asked to critique the content and the speakers so our offices could evaluate the effectiveness of the programs.

In addition, we assisted the Library of Congress and the House of Representatives with the five District/State Staff Institutes held in Washington and the one held in Detroit. Approximately 100 Senate staff representing 41 different Senate offices participated in these programs and the reviews were excellent in every case.

We have already established schedules for both our seminars and the institutes for calendar year 1981.

In December 1980, we held the third Orientation Program for Senators-elect. This program was sponsored by the Joint Leadership with the assistance of personnel in my office and the Sergeant at Arms. The sessions covered a variety of subjects including office administration, ethics, financial management, and constituent services. In addition, there was an Office Functions Display which presented for the new Senators the types of equipment and services available for mail management, records management, and legislative information retrieval. We also gave the participants a copy of a Senate Office Guide which should help in understanding the various functions in a Senate office.

All 18 Senators-elect and members of their staff participated. The general impression and comments made to us indicate that the program was well received and highly informative.

Senator MATTINGLY. Mr. Hildenbrand. Continue, please.

Mr. HILDENBRAND. All right, sir, let me read just briefly, and any questions you have I will be more than happy to answer.

Mr. Chairman, I appreciate very much the opening statement that you have made and I join with you in a commitment to reducing my share of the cost of running this Congress.

It has been a number of years since we have had a legislative appropriations bill, and existing on a continuing resolution is difficult since we are using 1980 moneys but looking at 1981 and 1982 figures.

I have attempted in my budget to be as realistic as I can in asking for only those moneys that will be necessary to provide the service which Members and their offices deserve.

I am pleased to appear before your subcommittee today to discuss my budget request for fiscal year 1982.

My predecessor, Stan Kimmitt, on December 15, 1980, forwarded to the Subcommittee on Legislative Branch Appropriations his proposed budget, and I fully support the recommendations which it contains. The total appropriations of $5,438,000 represents an increase of $42,000 over the previous fiscal year. The increase of $42,000 reflects two items. One is a position titled printing assistant at $33,000, and the other is a $9,000 increase for the Senate Library to purchase additional documents on microforms.

PATRONAGE POSITIONS

We have already discussed the printing clerk, and I would just like to make a couple of comments relative to some of the proposals that I would like to request within the budget itself.

Let me first say I feel it is important for the subcommittee to know there are 10 patronage positions assigned to my office. The sum of the salaries is $160,442, and the personnel are located in the document room, of which I have six, and in the Senate Library, of which there are four. I do not have any control over when these positions are filled or at what salary level; however, I have recommended to the Secretaries of the respective parties starting salary rates, all of which are at least 10 percent below the existing NTE rates.

LUMP SUM AUTHORITY

Furthermore, except for the stationery room, the disbursing office and the administrative roll, all positions in the Secretary's Office are limited by law as to the title and maximum rates of pay. The only way I can make adjustments to these positions is to wait for an appropriations bill. The alternative is to play a game of administrative musical chairs, which means we place individuals in positions with titles which do not conform to the duties. Also, if the duties change and I need two clerks instead of one professional staff member, I can't use the funds available for the position and create the two needed positions. Moreover, it is not possible to advance employees who may deserve promotions and pay increases. The current situation does not support good management. Our proposal should significantly reduce the time and effort required by both our office and your committee whenever there

is a need to change a title or adjust a salary rate. The experiment during the last several years with lump sum authority in the stationery room has been effective. The salaries and titles are reflective of the duties performed, and we still have some flexibility for growth.

While I can appreciate the reluctance of the committee to authorize a total lump sum for the Secretary's Office, I do offer the following proposal. The Office would be divided into nine major functional areas using the same funds presently allocated. The moneys which comprised the administrative roll have been distributed where needed to the nine departments. Your committee would still exercise control by approving the total needed to operate the Secretary's Office.

OFFICE OF CLASSIFIED NATIONAL SECURITY INFORMATION

One final item, Mr. Chairman. I offer for your consideration the reestablishment of the Office of Classified National Security Information. This office is under the policy direction of the majority leader, the minority leader and the chairman of the Committee on Rules and Administration. However, it is under the administrative direction and supervision of the Secretary of the Senate.

The Office provides a secure facility for hearings of committees of the Senate at which highly classified information is presented.

The Office also provides and operates a central repository for the safeguarding of classified information. For example, the proceedings of the Senate in closed session are retained in the secure vault.

Since I am not directly involved in the operation of this Office, nor does it relate to any other activities under my jurisdiction, it may better serve the Senate to have it established along the lines of the Office of Senate Legal Counsel.

The Office would have ceased operation December 31, 1980 except for Senate Resolution 570. If the Office is continued in its present form, we will need an administrative provision to authorize its continuance. If the Office is to be re-created, legislation should be introduced to that effect.

SUMMARY

In conclusion, an analysis of my current expenditures for both salaries and miscellaneous items indicates a projected savings of 11.8 percent in salaries and 49.6 percent in miscellaneous items for fiscal year 1981. The savings will be achieved by not raising salaries to the full NTE rates, placing new hires on the payroll at lower than existing NTE rates, whenever possible, and leaving positions vacant as long as we can without affecting the services we provide.

ADMINISTRATIVE PROVISIONS

If you accept our lump sum proposal, the administrative provision for the museum specialist can be ignored and we would not need to create the new position of printing assistant. The funds as reallocated would be used to add the additional staff member. The result would be a direct reduction of our fiscal year 1982 request of $33,000, bringing the total appropriation for the Office to $5,405,000. In addition, if the committee decides to re-create the Office of National Classified Security

Information outside the jurisdiction of the Secretary, our budget would be further reduced by $196,200. All of the administrative provisions I have mentioned are attached to my statement for your review.

As with other Secretaries of the Senate, I am committed to providing the best possible service to the Members of the Senate, while at the same time holding down costs as best I can.

Senator MATTINGLY. Thank you. Submit a copy of the administrative provisions for the record.

Mr. HILDENBRAND. Yes, sir.

[A copy of the administrative provisions follows:]

ADMINISTRATIVE PROVISIONS

STATIONERY ROOM REVOLVING FUND

Section 136. In order to provide additional capital for the revolving fund established by the last paragraph under the heading "Contingent expenses of the Senate" appearing under the heading "Senate" in the chapter XI of the Third Supplemental Appropriation Act, 1957 (2 United States Code 46a–1), the Secretary of the Senate is authorized and directed to transfer $100,000 to such revolving fund from the "Miscellaneous items" in the contingent fund of the Senate.

TRAVEL EXPENSES, OFFICE OF THE SECRETARY

Sec. 137. Effective with respect to fiscal years beginning on or after October 1, 1980, the first sentence of section 101 of the Legislative Branch Appropriations Act, 1976 (2 United States Code 61a–9a), is amended by striking out "$7,500" and inserting in lieu thereof "$10,000".

MUSEUM SPECIALIST, OFFICE OF THE SECRETARY

Sec. 139. Effective on the first day of the first month following the date of enactment of this act, the Secretary of the Senate may appoint and fix the compensation of a museum specialist at not to exceed $22,039 per annum in lieu of a clerk at not to exceed $17,190 per annum.

REPORTERS OF DEBATES AND EXPERT TRANSCRIBERS

Sec. 140. The second proviso contained in the Legislative Branch Appropriation Act, 1966 (2 United States Code 126b), under the heading "Senate", "Salaries, officers and employees", "Office of the Secretary", is amended to read as follows: "The Secretary of the Senate is hereafter authorized to employ, by contract or otherwise, substitute reporters of debates and expert transcribers at daily rates of compensation, or temporary reporters of debates or expert transcribers may be employed under authority of this provision for more than 90 days in any fiscal year; and payments made under authority of this proviso shall be made from the contingent fund of the Senate upon vouchers approved by the Secretary of the Senate".

CLASSIFIED NATIONAL SECURITY INFORMATION

To extend the office in its present form:

Sec. 141. Section 105(a) of the Legislative Branch Appropriation Act, 1979 (2 United States Code 72a note), is amended by deleting "1980", an inserting in lieu thereof "1986".

OR

To remove the office from the Secretary's jurisdiction:

PROPOSED AMENDMENTS TO THE LEGISLATIVE BRANCH APPROPRIATION ACT, 1982

At the appropriate place in the bill insert the following:

76-636 O - 81 - 3

OFFICE OF CLASSIFIED NATIONAL SECURITY INFORMATION

For salaries and expenses of the Office of Classified National Security Information $———.

At the appropriate place in the bill under the heading "Administrative provisions" insert the following:

Sec. —. The second sentence of section 105(a) of the Legislative Branch Appropriation Act, 1979, is amended by striking out ", and shall be under the administrative direction and supervision of the Secretary of the Senate".

SENATE DISBURSING OFFICE, OFFICE OF THE SECRETARY

Sec. 143. Effective for fiscal years beginning on or after October 1, 1980, the allowance for clerical assistance and readjustment of salaries in the Disbursing Office is increased by $30,800.

LUMP SUM AUTHORITY

OFFICE OF THE SECRETARY

For the Office of the Secretary, $———: *Provided*, That, effective October 1, 1981, all statutory positions in the Office of the Secretary (other than the position of the Secretary of the Senate, Assistant Secretary of the Senate, Parliamentarian, Financial Clerk, and Director of the Office of Classified National Security Information) are abolished, and in lieu of the positions hereby abolished the Secretary is authorized to establish such number of positions as he deems appropriate and appoint and fix the compensation of employees to fill the positions so established; except that the annual rate of compensation payable to any employee appointed to fill any positions established by the Secretary shall not, for any period of time, be in excess of $1,000 less than the annual rate of compensation of the Secretary for that period of time.

PAY SUPPLEMENTALS

Senator MATTINGLY. In the fiscal year 1982 budget as opposed to the fiscal year 1981, does the fiscal year 1982 figure now include the estimated pay supplementals?

Mr. HILDENBRAND. The fiscal year 1982 budget?

Senator MATTINGLY. Yes; your budget of $5,438,000.

Mr. HILDENBRAND. Yes; it does.

Senator MATTINGLY. It does include the same as in fiscal year 1981 as estimated?

Mr. HILDENBRAND. It was based on October 1981, which was 9.1 percent.

Senator MATTINGLY. Around $450,000, the pay supplement that was already in the estimate in fiscal year 1982.

Mr. HILDENBRAND. The one coming up, that is the one.

Senator MATTINGLY. But do you have an estimate, though, that is incorporated?

Mr. HILDENBRAND. Yes; that is in the budget.

Senator MATTINGLY. So then if you got a $449,000 approximation for 1982, which is what you have in 1981, your budget then is $5.438 million?

Mr. HILDENBRAND. That is right.

PROJECTED SAVINGS

Senator MATTINGLY. You said you had found a savings of 11.8 percent in salaries and 49.6 percent for miscellaneous items; is that right?

Mr. HILDENBRAND. Yes, sir.

Senator MATTINGLY. What approximate figure does that amount to?

Mr. HILDENBRAND. The salary figure amounts to approximately $604,911, and the miscellaneous items is about $131,000.

Senator MATTINGLY. Could that money be in fact returned to the Government?

Mr. HILDENBRAND. Yes, sir.

Senator MATTINGLY. And what sort of timeframe would we expect that could be returned?

Mr. HILDENBRAND. I would assume I would wait until the end of the fiscal year, which would be September 30 of this year.

Senator MATTINGLY. It would be approximately between $600,000 and $650,000?

Mr. HILDENBRAND. Or $700,000, $730,000.

Senator MATTINGLY. As you know, Mr. Hildenbrand, the Senate is on record for supporting a cut in fiscal year 1981 to a level not to exceed 90 percent of fiscal year 1980 appropriations. I take it your Office, as you said, could handle such a cut, such as you already found, exceeding that magnitude?

Mr. HILDENBRAND. Yes, sir.

ADJUSTMENTS AMONG VARIOUS SENATE ACCOUNTS

Senator MATTINGLY. In making that 10 percent reduction in the next appropriation, it appears to me you should do it in such a way to allow adjustments among various Senate accounts so adjustments could be made in the aggregate, but not reduce every single appropriation by 10 percent. One way to accomplish that would be to give the Secretary of the Senate authority to make adjustments in appropriations after receiving written approval from the subcommittee. How do you view that?

Mr. HILDENBRAND. I think I could join with the subcommittee in such a notification. For example, with a 90-percent limit and working with the Financial Clerk, we could determine on the basis of monthly expenditures when it appeared we might go over that 90 percent or we could take an arbitrary figure, let's say 87 percent and when we reach that point, I could notify the subcommittee that it is the best judgment of the Financial Clerk and myself that, if current expenditures continue, we will breach the 90 percent level. At that point, the subcommittee could instruct me based on that information what action they wished me, as the disbursing officer, to take, specifically whatever the subcommittee might determine the reduction should be. We could do that on the basis of notification to the subcommittee, using whatever percentage—85 percent, 87 percent—the committee wishes.

HOLDING THE 1982 BUDGET TO THE 1981 LEVEL

Senator MATTINGLY. The last thing, in light of President Reagan's stated intent to make substantial cuts in the Federal Government, the intent of myself to aid the President in his efforts to bring health back to the American economy in cutting back on the size of Government, would you answer then yes or no to holding the fiscal year 1982 budget to the fiscal year 1981 levels, to not increasing personnel, and to the deferral of all spending initiatives and programs until the American economy recovers?

Mr. HILDENBRAND. I can say yes so far as I am concerned. I would add a couple of caveats to that. I would like the lump sum authorization which I have requested to give me the flexibility within the departments. And since I am covered mostly by Senate action—that is, they take action and say the Office of the Secretary shall do this or that. For example, the $33,000 printing assistant is not something that we initiated, it was the Rules Committee that said this is what we would like the Secretary's Office to do. If all the decisions were my own, then I do not think that there are any problem at all in terms of holding down spending. But lacking the ability to always control the services I must provide then I would have to come back to the committee and say I told you I could do this, however, because of these circumstances I cannot.

Senator MATTINGLY. I hope you have that latitude. I think we will make sure you have that latitude.

Mr. HILDENBRAND. That would be I think the only problem standing in the way of my being able to do so.

Senator MATTINGLY. I appreciate your being here, your getting up this hour of the morning.

Mr. HILDENBRAND. Mr. Chairman, for you I will do it.

Senator MATTINGLY. Thank you.

Mr. HILDENBRAND. Thank you, sir.

QUESTIONS AND RESPONSES

Senator MATTINGLY. Just for the record, we may have additional questions we will submit in writing, and I would like you for the record to include the justification materials that your predecessor did.

Mr. HILDENBRAND. Yes, sir.

[The following questions were not asked at the hearing but were submitted to the Secretary of the Senate for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTION

Question. Mr. Secretary, can you expand a little more on your request that we authorize lump sum appropriation for your functional areas? What has been the practice in the past? Will you provide us with the appropriate bill language that would give you the requested authority?

Answer. Mr. Chairman, as I stated previously, lump sum authority for my office will provide for better management of personnel and funds authorized for the Secretary's Office. In the past, only the Senate Disbursing Office, which is under my direction, operated with a lump sum. The funds are used to compensate personnel at per annum rates which are commensurate with the duties performed. This approach also permits the assignment and change of position titles at my discretion, without the necessity of having them established or changed by legislation. Previous Secretaries have tried to extend this authority to all postions in the Secretary's Office and in fiscal year 1979, my predecessor offered to demonstrate the validity of this approach in the stationery room. The lump sum authority has worked well in this office and we are now ready to adopt such an approach for the entire Secretary's Office.

The next page contains our proposal for the nine functional areas. The language to establish the Secretary's Office along these lines is contained in the list of administrative provisions included at the end of my testimony.

FISCAL YEAR 1982 BUDGET REQUEST

Department	SOE lump sum budget request	Current staffing level	Proposed range for staffing [1]
Legislative/administrative	$2,376,700	63	62–68
Disbursing Office [2]	866,600	34	34–38
Document room	415,800	19	18–20
Library	410,600	18	18–20
Stationery room [2]	369,000	16	16–18
Office of Public Records	207,800	9	7–9
Office of Classified National Security Information	196,200	5	5
Historian	159,600	5	5–7
Curator	106,600	3	3–4
Total	5,108,900	172	168–189
	[3] (5,109,000)		

[1] The figures represent full-time professional and clerical staff. They do not include the interns who work from 6 to 10 weeks during the summer months.
[2] Departments now under lump sum authority.
[3] Rounded figure reduced by the salary of the proposed printing assistant which can now be funded by the reallocation of SOE.

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

STATEMENT OF HON. HOWARD S. LIEBENGOOD, SERGEANT AT ARMS

ACCOMPANIED BY:

PHIL LARSON, ADMINISTRATIVE ASSISTANT
JAMES M. POWELL, CHIEF, U.S. CAPITOL POLICE

PREPARED STATEMENTS

Senator MATTINGLY. Our second witness this morning is the Sergeant at Arms and Doorkeeper of the Senate, Mr. Howard Liebengood.

Mr. Liebengood, your prepared statement and the statement of Mr. Hoffman, former Sergeant at Arms and Doorkeeper will be inserted in the record at this point.

[The statement follows:]

STATEMENT OF HOWARD S. LIEBENGOOD

Mr. Chairman and members of the Subcommittee, I am pleased to have this opportunity to provide an overview of the current activities and future plans of the Office of the Sergeant at Arms; to discuss efforts to effect economies within my jurisdiction; and, to request funding for fiscal year 1982. I very much appreciate the guidance and assistance provided by this Subcommittee and its staff, and I look forward to your ongoing counsel in the future.

As you know, the responsibilities of the Sergeant at Arms are numerous and varied. While I will briefly discuss each department in the course of this statement, I would now like to direct your attention to the booklet entitled, "Services of the Sergeant at Arms." This is an extensive description of the jurisdiction of my office and I have provided you with a copy for your information.

Mr. Chairman, as the Sergeant at Arms I have committed my resources to two goals. Continuing in the tradition of my predecessor, the Honorable F. Nordy Hoffmann, they are to provide the United States Senate with the best possible services and to provide such services in the most cost-effective manner possible. In this regard, I would like to briefly discuss certain new initiatives recently undertaken to facilitate these objectives.

SENATE STAFF COORDINATION

In the past, I believe that a degree of confusion and competition between the offices of the Sergeant at Arms, the Secretary of the Senate, and the Rules Committee tended to frustrate cohesive management planning. Accordingly, we have instituted a series of weekly meetings with the principals of each office to define roles and resolve problems. I am pleased to report that from my perspective this effort is already paying dividends in the form of more precise policy direction and coordination of effort. Further, at the request of the Majority Leader, a Senate Management Board consisting of the Secretary of the Senate, Sergeant at Arms, Architect of the Capitol, the Staff Director of the Rules Committee, and the Staff Director of this Subcommittee has commenced regular meetings to further

necessary coordination and avoid duplication and waste in our respective administrative efforts.

PROCEDURES MANUAL

Over the years, the Office of the Sergeant at Arms has assumed many additional duties. To accommodate these new responsibilities, many procedures were developed and implemented. Unfortunately, however, these procedures were never delineated in a single, concise document. To remedy this deficiency, my staff is preparing a procedures manual which will document the activity required to complete most functions required of the Sergeant at Arms. Through clearly identifying existing procedures, I believe we can better analyze the efficiency and cost effectiveness of our functions, and am hopeful that the procedures manual will prove to be a most worthwhile management tool.

ACCOUNTING SYSTEM

The accounting system for the Sergeant at Arms appears to be unnecessarily encumbered with duplicative processes and paperwork. Further, it is not sufficiently detailed to adequately accommodate sound budget preparation and support. We are presently conducting an evaluation of this office, and in cooperation with the Secretary of the Senate, his Disbursing Office and the Committee on Rules and Administration, we anticipate the evolution of new procedures in the near term. I expect that this development will result in considerable savings.

PERSONNEL RECORDS AND POLICIES

At present, there is no readily available and periodically updated personnel record summary for management's use within the office of the Senate Sergeant at Arms. Existing personnel records are manually prepared and, while accurate in limited scope, are neither sufficiently detailed nor timely enough to support sound management considerations. Therefore, we are undertaking the conversion of the personnel records of the Sergeant at Arms to an automated system.

I am also concerned that policies governing time, attendance, leave, and other personnel practices are fragmentary in scope

and implementation. Further, there exists no employee evaluation system upon which one can rely to decide matters of salary administration, and with which to adjudge the effectiveness of the merit increaseand longevity supplements to salary designators. The result is a less than adequate management format; and, no doubt, impaired employee morale and productivity. To correct this deficiency, I desire to establish an explicit personnel function within the existing framework of our administrative office, as will be detailed later in this statement.

DOOR ATTENDANTS

The Senate Doormen carry out the Sergeant at Arms' responsibilities on the Floor of the Senate while it is in session; control access to the Floor and to the galleries; and, ensure that the Senate will be able to conduct its business without disruption.

In order to improve this service, I am examining the possibility of a new policy that would require personnel appointed to these positions to have a background in police or security work, in the belief that individuals so trained can best identify potential security threats and best handle disturbances. I realize that this is a significant departure from past policy and would institute such a policy only after a thorough review of all appropriate considerations.

BARBER SHOP

At the request of the Chairman of the Appropriations Committee, we are examining the possibility of eliminating the Barber Shop as currently established and replacing it with a private concern operating on a contract or consignment basis. Our initial review suggests that this approach might save the Senate considerable resources, while ensuring equal if not greater services. We shall keep this Subcommittee well apprised of this ongoing review and conclusions arrived at as a result thereof.

Mr. Chairman, I would now like to turn to a discussion of the 1982 budget request. Since that request was submitted by my predecessor, the Honorable F. Nordy Hoffmann, much has

happened. Notably, that budget submission has at the direction of the Senate, undergone a thorough review in an effort to reduce costs wherever possible. During the past six weeks my Administrative Assistant and my Department heads have undertaken a concentrated budget analysis - the result of which has been to identify reductions of more than $6 million, an amount in excess of 11% less than originally requested for 1982.

I would like to discuss these reductions by department, which I will speak to soon in the course of this statement. However, before I get into a discussion of each department, I want to address three items which will convey new authority upon the Sergeant at Arms and request funding for same. The costs involved are relatively small and can be absorbed within existing budget authority.

CONSULTANTS

In order to professionally assess and examine the range of activity within the Sergeant at Arms jurisdiction, there exists the requirement for the expertise of individuals from other government entities and/or the private sector. The utilization of such resources should be both short term and project oriented. Therefore, I respectfully request an amount not to exceed $50,000 during the fiscal year 1982 with which to fund such consultants.

DIRECTOR OF HUMAN RESOURCES

The fragmented and sporadic status of the personnel function within the Sergeant at Arms Office needs immediate remedial attention. The lack of sophisticated personnel planning and management of a work force in excess of 1,300 reflects an appalling historical anachronism. Therefore, I urgently recommend the creation of a position within the Administrative Office of the the Senate Sergeant at Arms, entitled "Director of Human Resources", funded at a salary level not to exceed $52,500. With such a funding commitment and through a diligent search for and recruitment of a personnel planning professional - a program can be tailored to meet the needs of the 1980's in this area. Mr. Chairman,

I submit that such a need is of paramount import in the immediate future.

SEMINARS AND TRAINING

The Sergeant at Arms Office is responsible for providing seminars to Senators and their staffs on a variety of subjects relating to Senate operations. These seminars are rapidly gaining in popularity and we are witnessing growing requests to provide more such programs on a wider range of topics. In order to accommodate this demand, it may be necessary to solicit the assistance of individuals in the private sector with expertise in certain subject matter. Accordingly, I request authority to expend an amount not to exceed $10,000 for such a purpose.

Mr. Chairman, I would like to now turn to a brief description of each department within the Sergeant at Arms jurisdiction and review funding reductions for FY 1982 identified to date.

ADMINISTRATIVE OFFICE

The Administrative Office provides executive direction to the entire Office of the Sergeant at Arms, including internal administrative support such as budget, accounting, and personnel activities, and the coordination of activities relating to the Senate Chamber. Further, in conjunction with the Secretary of the Senate, this office prepares orientation programs, seminars and training sessions for Members and staff, including workshops in the use of automated resources.

The 1982 budget request for salaries and expenses for the Administrative Office totals $8,368,000. We believe we can reduce this amount by $1,072,000 through the elimination of 12 full-time positions and reductions in a portion of the amount budgeted to fund state offices.

BARBER SHOP

The service provided by the Senate Barber Shop is obvious and necessary. While it is a small operation in terms of cost and personnel, there is an excellent opportunity

for a large percentage of savings in the organization of the Barber Shop.

Our analysis of the Barber Shop in the Capitol Building reveals that, due to the lack of customers, this operation is not cost effective and should not be continued. Accordingly, we recommend closing the Capitol Barber Shop for a savings of $55,000 and three positions.

As I stated previously, we are aggressively pursuing the possibility of a consignment type of arrangement for the remaining barber shop facility in the Russell Building. We will keep this Subcommittee fully apprised of progress in this regard.

CABINET SHOP

The Cabinet Shop performs a number of functions critical to the Senate. It provides carpentry and cabinet services to the Members, and through these services insures the historical continuity of the decor of the Senate.

While it may be possible to effect economies in this area, we have delayed such an examination in favor of concentrating our budget review efforts in areas more likely to yield greater savings. Therefore, we do not recommend any reductions at this time in the Cabinet Shop.

COMPUTER CENTER

The Senate Computer Center provides automatic data processing and management information support to the Members and Officers of the Senate, thereby significantly aiding the daily operation of the Senate. A complete listing of available Computer Center services is contained in the Services of the Sergeant at Arms booklet, provided as a supplement to this testimony.

Obviously, the services being provided by the Computer Center are inherently expensive and the improvement in technology is rapidly expanding. Nonetheless, it is possible to achieve substantial savings in this operation. After careful consultation with the staff of the Computer Center, I am prepared to today recommend a reduction in the 1982 budget submission by the 22 new positions requested and other expenses in the areas of

equipment and services -- for a total savings of $2,352,000. Obviously, a reduction of this magnitude will require a great deal of coordination and close day-to-day monitoring. We will be working closely with this Committee and the Rules Committee in this endeavor. For example, it is important that the Committee on Rules and Administration, which establishes policy and priorities for the Computer Center, does so with an appreciation for the practical limitations herein imposed. To that end, we anticipate appropriate consultation and coordination with and between this Subcommittee, the Rules Committee and the Sergeant at Arms office.

CAPITOL CUSTODIAL SERVICES

The services provided are obvious and the level of performance is outstanding. Given the number of persons who visit the Capitol each day, I continually marvel at the high level of cleanliness maintained by our custodial force. Fearful that this high standard might suffer from substantial funding reductions, we have deferred any recommended reductions for the present. Efforts to identify savings commensurate with the prevention of any deterioration in the appearance of the Capitol shall, nonetheless, continue.

MEDIA GALLERIES

There are presently four media galleries, Press, Periodical Press, Radio and T.V., and Press Photographers, each with a separate staff to direct the activities of the media representatives of their respective gallery in the coverage of Senate proceedings, Committee actions, and the activities of the Members of the United States Senate.

For reasons somewhat obscured but established in historical precedent, it is the responsibility of the Sergeant at Arms to pay the salaries of the staff of the media galleries, while the responsibility for administering such galleries and such staff remains, under the Rules of the Senate, vested in four standing committees composed of representatives of each gallery. Therefore, as presently configured, I find no discernable authority for the Senate Sergeant at Arms to restructure or otherwise tailor the management administration

of these galleries to achieve either economy or operational improvement. Therefore, I regrettably recommend no savings or reduction for FY 1982 in the media galleries.

I have requested that the Committee on Rules and Administration examine the current galleries arrangement and explore organizational alternatives. For example, our budget analysis suggests that consolidation of the galleries might save approximately $165,000 without unduly impairing either the scope or quality of media activity.

Whether such an approach is feasible will require careful study and close consultation with the representatives of the media. I suggest it only as a possible alternative to the present system, which is due from my perspective for a thorough review.

SENATE PARKING DEPARTMENT

The Senate Parking Department coordinates and directs the Senate parking system, issuing permits, and managing the parking lots. The Parking Department is working with the Computer Center in the automation of the large amount of data this Department must handle. Because this effort is in its infancy, and because the Department itself is relatively new, we have currently deferred an extensive budgetary evaluation of its operation. Such an analysis will be undertaken once the results of automation are in better focus. I recommend no reduction for FY 82 at the present time.

SENATE PHOTOGRAPHIC AND RECORDING STUDIO

The Photographic Studio provides photographic services to the Members of the Senate and covers historical events, such as the Inauguration and visits by foreign dignitaries.

The Recording Studio provides a variety of television and video tape services.

Both offices operate from a revolving fund which is supported by payments from the users. Only the staff salaries are paid from appropriated funds.

Because this joint venture is relatively new, I want to withhold an in-depth evaluation at this time. It should be

noted, however, that we are saving considerably due to our ability to buy necessary supplies in large volume and have been able to readily identify one position for elimination within the Recording Studio. Efforts to effect additional savings continue.

Further, we have asked the Rules Committee to evaluate the possibility of investing a portion of the revolving fund in certificates of deposit. If it is permissable, we will receive more than $87,000 in interest each year. This money could then be used to offset salary costs paid from appropriated funds. For the present, I recommend no funding reduction for FY 82 beyond $31,000 for the one position eliminated.

SENATE POST OFFICE

The Senate Post Office has operated for many years without significant evaluation. This, coupled with the fact that it is nearing a $1 million operation, makes it a prime candidate for early detailed review and potential reform.

The Post Office is authorized a total of 79 positions. The majority of the staff works in shifts of 4 to 5 hours each. By consolidating the shifts and assigning 8 hour work days, we can reduce the 1982 budget request by $274,000 and 27 full-time positions. I recommend the implementation of such a reduction. However, this too is a significant departure from past precedent and will require this Subcommittee's thorough consideration. In the past, the Senate Post Office has been largely staffed through patronage appointments. While it is my belief that merit appointments rather than patronage appointments might significantly improve the quality of postal services, I realize that such an issue need not be addressed here and now. However, there is no escaping the reality that the economic considerations supporting this budget reduction recommendation do have an immediate impact upon the scope of patronage and, therefore, should not be assessed in isolation.

SERVICE DEPARTMENT

The Service Department is the "jack of all trades" of all the departments within the Office of the Sergeant at Arms. It is responsible for handling mass mailings, purchasing

and leasing equipment, obtaining supplies, repairing equipment, and providing messenger, labor, and printing service.

The Director has completed a budgetary review and has done an outstanding job of identifying considerable savings. Through his efforts, we have identified $1,058,000 and 14 positions that can be reduced from the 1982 budget and so recommend.

TELECOMMUNICATIONS

The telephone service for the Senate is provided through the Telecommunications Office. This office manages more than 18,000 telephone trunk lines, operates a switchboard, and coordinates the placement and use of literally thousands of pieces of telephone equipment. Our budgetary review suggests that it will be difficult to obtain significant savings in this area at this time. However, we can save $98,000 and 4 positions by revising priorities and restructuring the assignments and propose to do so by FY 82.

CAPITOL POLICE

The Capitol Police provide security and law enforcement for the Capitol and the Capitol grounds. As you know, this operation is jointly funded by the Senate and House of Representatives.

The Capitol Police requested 43 additional positions in FY 81, a request that was never granted due to the continuing resolution. Chief Powell initially proposed revising this request to 40 additional positions for FY 82. It is his informed belief that such additions would save approximately $385,000 through the elimination of regularly scheduled overtime.

In the course of our budget analysis, an exhaustive review was undertaken of each duty post assignment to determine every conceivable manhour of potential savings through the elimination or restructuring of duty assignments. As a result of this effort, 30.01 manyears were identified for immediate elimination. That action has been taken and the consequent savings are already in effect. Further, 17.41 manyears were targeted for elimination by the beginning of FY 82, the delay

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being occasioned by the need to implement alternative and less costly security measures. As soon as these alternatives can be put in place, this savings will likewise be realized.

With the accomplished reduction of the above manyears, totaling 47.42, Chief Powell concurs with me that I can recommend today the addition of only 20 positions for FY 82. The cost of such positions is $397,000. However, coupled with manhours reduction noted above and the overtime savings projected, I believe we can realize a net savings to the taxpayer of $1,025,000. I strongly recommend the addition of these 20 positions.

Mr. Chairman, I have no greater concern and no greater responsibility than that of ensuring the safety and security of the United States Senate. I am proud of the accomplishments of Chief Powell and his Capitol Police. Their effectiveness is drawn sharply into focus when one reviews the map of major crime instances in the Capitol area. I respectfully request that this map be made a part of the record at this point.

Can the Capitol Police retain this level of efficiency with less personnel? Are more personnel and more sophisticated equipment necessary to meet the threats of the 1980's? Mr. Chairman, I am not now prepared to say. I am prepared to rely upon the experienced judgement of Chief Powell, as augmented by the best professional outside counsel that might be obtained. In this regard, I would like to advise the Committee of certain initiatives that have recently been undertaken. First, I have requested the assistance of the FBI and the Secret Service in analyzing the threat potential to the U.S. Senate and the status of preventative measures in place. Further, I have asked Mr. Robert Kupperman, a leading security expert in crisis-management, to thoroughly review the technical and operational means at our disposal for dealing with any serious security contingency. Mr. Chairman, I anticipate results from these initiatives in the near term. I am hopeful that such results will clarify our security needs. I look forward to sharing these results with this Subcommittee and working with you to ensure maximum security absent any iota of excess.

Mr. Chairman, in conclusion I would again express my appreciation to you and the Subcommittee for providing me this opportunity to testify. In the few weeks that I have been the Sergeant at Arms, I have been most impressed with the potential the office holds for more effectively and efficiently managing the business of the United States Senate. The reduction of more than $6 million, which is 11.5% less than the amount originally requested for 1982, is solid evidence of this potential. With the continued cooperation of this Subcommittee, I believe our mutual goals will soon be realized.

STATEMENT OF F. NORDY HOFFMANN

Mr. Chairman, in compliance with the budget and accounting procedures which have been established by your Committee, we are submitting our budget recommendations for fiscal year 1982 which we are requesting to be included in the President's budget.

Our budget proposals are summarized in the series of charts included in this statement which have been prepared for each department under our jurisdiction. The charts show the allocation of our resources by department and function, and we propose to discuss our recommendations in the order in which they appear in the charts. For the purpose of reference, specific recommendations discussed in our statement can be identified from the charts by locating the corresponding number in parentheses appearing in the right hand column of the charts.

Inasmuch as the Congress did not pass a regular Legislative Branch Appropriations Act for fiscal year 1980, nor has a fiscal year 1981 regular bill been passed at the time we are submitting this budget, we are including items which we are requesting to be approved as supplemental appropriations during fiscal year 1981.

ADMINISTRATIVE OFFICE

Salaries:

(1) We are making a supplemental appropriation request to transfer and retitle, at no change in salary, one position of Clerk at NTE $24,243 to Telecommunications Assistant with the Telecommunications Department.

We are requesting funding for four new positions of Garage Attendant totaling $68,542 to accommodate the transfer of four employees from the payroll of the Architect of the Capitol to the Senate Sergeant at Arms which was authorized by P.L. 96-444. This employee transfer is in follow-up of various changes in administrative services directed and authorized by the Committee on Rules and Administration and concurred in by the elected officials of the Senate and the Architect of the Capitol.

We are recommending two positions of Auditor at NTE $17,411 and Auditor at $15,868 to be abolished to comply with the provision in the fiscal year 1980 Supplemental Appropriations Act which authorized the Sergeant at Arms to convert existing positions to accommodate minor reorganizations within our office. These two positions were converted to the newly established Parking Department.

CABINET SHOP

Salaries:

(2) We are requesting as a fiscal year 1981 supplemental item a salary increase for one position of Cabinetmaker from NTE $20,700 to NTE $22,700. This is identical to a request which we submitted last year but which was deferred. This is intended to bring the salary level of the incumbent employee on par with the other cabinetmakers in the shop. The incumbent employee was hired a number of years ago at a lower salary with the understanding that satisfactory performance would lead to a request that his salary be raised. We are requesting that the position of Assistant Cabinetmaker at NTE $19,174 be abolished, also for the purpose of accommodating a position conversion to our new Parking Department which was authorized in the fiscal year 1980 Supplemental Appropriations Act.

CAPITOL POLICE

Salaries:

(3) The Chief of the U.S. Capitol Police has submitted a detailed personnel request which is to be included as a supplemental appropriations item during fiscal year 1981 and which is

intended to offset personnel losses due to the retirement and transfer of Metropolitan Police assigned to the Senate and to adequately man the increased number of posts and duties which have been assigned to the Police by the Senate.

Although the number of new positions being requested is significant, it should be emphasized that this is the first major increase in personnel for the Police in a number of years and that authorization of these new positions will actually save the Senate money by eliminating the need for extensive overtime duty which is the only option presently available to the Police in meeting their assigned duties. We are also including in the Capitol Police budget a request to abolish four positions which have been administratively transferred to our new Parking Department as authorized by the fiscal year 1980 Supplemental Appropriations Act. I am including a copy of Chief Powell's letter of explanation at this point in our statement.

October 23, 1980

Honorable F. Nordy Hoffmann
Sergeant at Arms
United States Senate
Washington, D. C. 20510

Dear Mr. Hoffmann:

The Capitol Police force has an opportunity to make necessary personnel adjustments, which if approved, will result in an overall cost reduction for police services of approximately $267,948. We propose to accomplish this decrease by effectively limiting the present necessity for dependence upon large amounts of daily overtime in the coverage of permanent security assignments and by more economically providing personnel for the coverage of those security assignments formerly the responsibility of twelve members of the Metropolitan Detail, who have recently retired.

In accomplishing our primary responsibility of maintaining security at such levels as may be prescribed by the Legislative Branch, members of the force are assigned to an ever increasing number of permanent posts which have fixed responsibilities, such as, the admission of persons to the various buildings, the protection of Senate artifacts, the screening of visitors to the Senate Galleries, traffic control, etc. In recent years, the force has been assigned an additional manpower requirement by the Senate of approximately 31 manyears in the form of new posts. We have attempted to absorb these requirements without requesting additional personnel, however, it has become apparent that we are not able to do this without expending substantial amounts of overtime. The posts in question and their individual manpower requirements are as follows:

Disbursing Office	1.17	Manyears
Upper Senate Door	1.17	"
Old Senate Chamber	1.63	"
Old Supreme Court Chamber	1.63	"
Office of Classified National Security Information	4.91	"
Magna Carta	4.91	"
Metal Detectors (Gallery Security)	6.02	"
400 N. Capitol Street	9.98	"
TOTAL	31.42	"

In making budget recommendations for Fiscal Year 1981, it was noted that due to retirements in the Metropolitan Police Detail and additional security demands by the Senate in connection with visiting heads of state, various dignitaries, etc., personnel available to meet minimum security levels established by the Senate for the Senate Chamber and Gallery had been severely reduced. Shortages in this area have recently become even greater due to independent action taken by the District of Columbia resulting in the loss of all but seven members of the Metropolitan Detail, including the majority of our plainclothes supervisory personnel.

In order to appropriately provide coverage of the aforementioned 31 manyears of additional assignments and to restore reduced manpower levels within the Senate Security Branch, it has been necessary to implement a system of planned daily overtime. Basically, planned overtime is the practice of routinely scheduling members of the force to work on one or both of their assigned days off in order to provide the personnel necessary for permanent security assignments.

During Fiscal Years 1978, 1979, and 1980, an average of 44.57 manyears of planned overtime was required. Technically speaking, study reveals that at overtime rates we are compensating members of the force for approximately 56.39 manyears while providing coverage for 44.57 manyears. It would appear, therefore, that the options available are (1) to continue to provide personnel for this coverage by drawing upon members of the force on their respective days off, (2) request additional personnel to offset this manpower deficit, or (3) discontinue all or portions of this coverage.

Should the Senate elect to continue this coverage by drawing upon members of the force on their respective days off, it is anticipated that in excess of 44 manyears of planned overtime will be required.

Should the Senate deem it appropriate to continue this coverage and additional personnel are authorized, we would request that the positions so authorized be structured as follows:

1 New Statutory Position of Inspector - To elevate the individual assigned as Commanding Officer of the Patrol Detail to a rank equal to that of the Commanding Officers of the other major elements of the force. The Patrol Detail constitutes our first-line element in dealing with the various demonstrations and assemblages occuring on the Capitol Grounds, has singular responsibility for the safe escort of visiting heads of state, dignitaries and Members of the respective bodies of Congress, and is the nucleus of the deterrent type of police patrol employed on the Capitol Grounds. Approval of this measure would more appropriately compensate this individual for his responsibilities.

1 New Statutory Position of Captain - To replace that position lost with the establishment of the Senate Parking Department. This position would be assumed by the Lieutenant presently assigned

as Assistant Commanding Officer of our Training Division in order that he might be more appropriately compensated for his responsibilities.

1 New Statutory Position of Lieutenant - To restore supervisory levels within the unit responsible for providing security for the Senate Gallery and Chamber. Supervisory losses in this element of the force are due to the retirement of Metropolitan Police Detail personnel.

8 New Statutory Positions of Sergeant - To elevate seven members of the force presently serving as Acting Sergeants and to restore supervisory levels within the unit responsible for providing security for the Senate Gallery and Chamber. The seven members presently serving as Acting Sergeants were placed in their positions due to the need for supervisory personnel in the Closed Circuit Television System, the Intrusion Detection System and in our Training Division. Each of these individuals has been performing the duties of a Sergeant for a minimum of four years, without appropriate compensation.

10 New Statutory Positions of Plainclothes Officer- To restore manpower in the unit responsible for providing security for the Senate Gallery and Chamber to the level directed by the Senate.

22 New Statutory Positions of Private - To offset the manpower deficit created by the establishment of 31.42 manyears of new assignments and to eliminate the need for planned overtime.

The NTE salary rates and cost projection for the new positions as requested are as follows:

1	Inspector	@$36,804	$ 36,804
1	Captain	@ 31,735	31,735
1	Lieutenant	@ 26,446	26,446
8	Sergeants	@ 22,039	176,312
10	Plainclothes Officers	@ 19,394	193,940
22	Privates	@ 18,072	397,584
43	TOTAL POSITIONS		$ 862,821

As provided by law, members of the force when assigned to work additional duty may elect to receive either monetary compensation at a rate of 1½ times their regular rate of pay, or compensatory time off on an hour for hour bases. Present figures reveal that approximately 53% of those members of the force assigned to work planned overtime elect to receive monetary compensation and at prevailing rates of pay, this would represent an expenditure of $572,827. It is not possible to project a dollar amount for compensatory time figures, but at some point in the future, large amounts of accumulated compensatory time will certainly reflect upon the overtime requirements of the force.

The twelve positions requested for the unit that provides security for the Senate Gallery and Chamber are to replace an equal number of positions lost through retirements within the Metropolitan Police Detail to the Capitol Police. The cost for reimbursement to the District of Columbia for these twelve positions, including the 61.4% surcharge, was projected for Fiscal Year 1981 at approximately $557,940.

In summary, the following is a breakdown of the anticipated overall cost reduction associated with this proposal:

12 Abolished MPD Positions	$ 345,688.
61.4% D. C. Surcharge	212,254.
44 Manyears of Planned Overtime	572,827.
	1,130,769.
43 New Positions Requested	862,821.
NET REDUCTION	$ 267,948.

We earnestly request your consideration of this matter, and will most willingly provide any further information you should so desire.

Sincerely,

James M. Powell
Chief of Police

BUDGET ADJUSTMENTS

New Position		Position Abolished		Expense to be Abolished		Explanation
1 Inspector	36,804	2 Lieutenants (MPD)	-65,846			MPD Positions abolished upon retirement of incumbent per the provisions of Public Law 96-152, which does not contain language providing for the replacement of positions lost, although such intent was expressed in both the Senate and House Reports to accompany the law. Item is appropriated as a Joint Item under the heading of "Capitol Police Board."
1 Captain	31,735	3 Det./Sgts. (MPD)	-91,249			
1 Lieutenant	26,446	1 Sergeant (MPD)	-28,993			
8 Sergeants	176,312	1 Desk/Sgt. (MPD)	-26,330			
10 Plainclothes	193,940	2 Detectives (MPD)	-55,156			
22 Privates 1/C	397,584	3 Officers (MPD)	-78,114			
				61.4% DC Surcharge	-212,254	Amount assessed by the District of Columbia, in addition to salary expenses of personnel detailed from the Metropolitan Police Department. Figure represents the surcharge for the 12 MPD positions noted.
				Planned Overtime Expense	-572,827	Overtime expenses associated with covering additional posts as directed by the Senate and for replacement of the MPD positions abolished.
Sub-totals	862,821		-345,688		-785,081	
Totals	862,821			-1,130,769		
Net Expenditure Decrease					-267,948	

COMPUTER CENTER

Salaries:

(4) We are making a supplemental appropriation request in fiscal year 1981 for twenty-two new positions, seventy-nine position increases, five position decreases, and four position title changes only for the Computer Center. These salary requests are almost identical to a request we submitted last year which was reviewed by the Committee on Rules and Administration. Because the Congress did not enact a fiscal year 1980 or fiscal year 1981 regular Appropriations Bill, we have found ourselves in a situation where we are not able to effectively meet the data processing needs of the Senate or to provide the level of services which have been authorized. Therefore, the great preponderance of our salary request for the Senate Computer Center which we are including in our budget at this time is a re-statement of our previous request.

Expenses:

(5) thru (15) Along with the personnel changes, we are requesting an adjustment of a number of our expense allowances within the Computer Center budget which total approximately $2.4 million.

We are including in our statement at this point a memorandum from the Director of the Computer Center which explains and justifies the salary and expense items included in the budget in detail. It should be emphasized that these budget items represent our best estimate of what will be required to sustain previously authorized data processing services within the Senate. Because of the uncertainties of our fiscal year 1980 and fiscal year 1981 budget for the Computer Center, we have been unable to seek or obtain the guidance of the Committee on Rules and Administration on anticipated new computer services in time to include them in this initial budget request being submitted to the President. We expect to work closely with the Committee and its staff in the weeks and months ahead on this matter, and we will present these additional budget items as may be determined appropriate at such time we appear before your Committee.

September 30, 1980

MEMORANDUM

To: Honorable F. Nordy Hoffmann
Sergeant at Arms

From: William E. Poulin, Director
Senate Computer Center

Subject: Fiscal Year 1982 Computer Center Budget Submittal

Enclosed is the initial version of the Computer Center's FY1982 budget submittal. We are submitting it to you for your review and anticipate that we will meet with you to refine the request prior to submission to the Committee on Rules and Administration. The request is basically consistent with the Long Range Planning document presented last spring and currently undergoing final revision. We will resubmit the Long Range Plan to you following completion of our review of the FY82 budget request, and incorporation of your recommendations in the plan. As you know, we have been significantly impacted by the use of a Continuing Resolution to provide funds, rather than an appropriation for what resources we have been authorized to acquire and utilize. We have been able to maintain systems and introduce limited new services with our current staffing levels. We are concerned, however, that failure to appropriate the new positions and reclassifications in FY82 could have a more detrimental effect on the services we provide.

It is evident, from a review of the summarization of the requests, that there are significant increases in the Fiscal Year 1982 budget request over Fiscal Year 1981. Although we are reaping considerable benefits from purchases of our computing equipment and storage facilities, we are paying the price for new terminals, state office expansion, inflation, and increased production of reports using various media. In addition, previously approved requests for personnel additions and changes are being resubmitted as it is our belief that they are still critically needed.

One possible means of reducing our request for appropriation of FY82 expense dollars would be to carryover our approximately $5.5 million in unexpended Computer Center funds from FY79 and FY80. The administrative provisions to do this have been included in previous appropriation bills and there should be a mechanism by which we could utilize these funds. We are also renewing our request for an administrative provision allowing the payment of a night differential, which was approved by you and by the Committee on Rules and Administration last year.

Our major assumption with regards to staffing in FY82 is again to maintain stability within the Computer Center. As pointed out in our FY1981 request, the Computer Center would have reached a level of maturity and stability with the additional FY80 authorized staff, from which further changes and increases would have been limited primarily to policy issues. We are requesting the 18 previously approved staff, plus 4 additions, for 1982, a total of 22 new positions. We are also limiting policy issues to those which we feel are reasonable to be accomplished and practical in terms of their benefits to the Senate in the future.

As for our requested changes in salaries and titles, we are resubmitting those position reclassifications which were approved in FY80, those the GAO reviewed in their study last year, and limited additional changes based on revised staffing allocations made, in conjunction with you and the Rules Committee, as a result of previous failures to have additional authorized staff formally appropriated.

URGENCY of RECLASSIFICATION REQUESTS

It is essential to the future effectiveness of the Senate Computer Center that the many position reclassifications which have previously been scrutinized in detail be appropriated at the earliest possible date, for the following reasons:

- The GAO study confirms that we are not comparable to the Executive Branch or other Legislative branches, and thus have difficulty attracting new hires from government.

- We receive hundreds of resumes in response to our advertisements in local newspapers and in national professional journals, but must ignore many of them because the prospective employee's current salary is higher than we can pay or because the Senate does not offer standard interview and relocation reimbursement. Thus, the Senate, in many instances, cannot obtain the most qualified persons to fill vacancies. In other cases, the Senate has been unable to fill the vacancies at all, resulting in less than the authorized level of support for new development projects and elongation of development schedules.

- There are numerous mid and senior level positions currently occupied by highly qualified staff. If these persons were to resign, we could not obtain the same quality of individual today with the pay levels and benefits we can offer.

- There are inequities in our current staff structure such as group leaders in one area having a significantly lower NTE rate than group leaders in another area, while duties and responsibilities of both are comparable and should be at the higher level. The staff structure analysis and career ladder development program authorized by the Sergeant at Arms beginning in FY79 has not been brought to fruition due to the failure of the Continuing Resolution process to permit these essential staffing changes.

- Job classifications in our Computer Operations Section have evolved over the past years as a result of changed equipment and operating environments; changes are required to make salaries and position titles commensurate with job responsibilities.

- Upgraded job responsibilities and duties implemented over the past several years have been recognized and submitted for appropriate position reclassification, without which we cannot adequately compensate current position incumbents nor could we replace them with equally capable people at the current salary levels.

Requests for additional personnel, to support authorized services and newly identified policy issues, are identified in several functional areas within the Computer Center. These requests include those previously identified in FY80 and FY81. The failure to have these additional positions appropriated has decimated most of our Planning groups and seriously curtailed our ability to perform effective planning as most efforts must be directed toward maintaining our ongoing operations and authorized activities.

Summary of Authorized Projects Backlogged and Requiring Supplemental Resources and New Policy Issues Needing Resources if Approved

- The Legislative Applications Development Section will require staff due to:

  - The need to provide increased support of SCORPIO, our major data retrieval language, both for multiple Senate applications, and for heavier participation in the joint Library-Senate SCORPIO development program.

  - The need to have sufficient staff to program the new Index/Records Management System, as authorized for continuing design and development by the Rules Committee;

- The Member and Committee Support Group is requesting additional personnel because of:

- The inability to support the study of computer graphics, authorized in FY80, in more than a nominal, limited analysis fashion;

- The need to provide program support necessitated by introduction of the 9 digit zip code.

o The Administrative Applications area needs additional personnel to provide:

- A sufficient staffing level to perform the programming dictated by the currently authorized requirements analysis study of the payroll system which will replace the current resource inefficient programs with new ones more flexible in their ability to respond to future changes;

- Design and programming dictated by additional legislated changes to Disbursing Office systems.

- Support for potential implementation of new systems based on policy issues, such as completely reprogramming the voucher system and the Telephone Directory Assistance System, and providing support to Senate offices in maintaining their office expenditures.

o The Text and Publication Processing Section is seeking additional staff as a policy issue since:

- It is expected that by the Spring of 1981, the Rules Committee will have completed its study and made a recommendation as to the direction of Digital Xerography in supporting the publication needs of the Senate. If it is recommended that this service be expanded, then supporting staff and equipment will be necessary.

o Micrographics Systems is requesting additional staff because:

- We are still experiencing volume increases in operations, temporarily relieved somewhat by use of an hourly rated employee, but for which a longer term solution is needed;

- We are facing the policy issue of expanding computer output microforms into state offices.

o In Systems Programming we are requesting an additional person since:

- The introduction of more and more software packages from outside vendors in previous years, supporting the many functions served by the U.S. Senate Computer Center, has placed a stress on the ability of this group to service all the requests that they receive, and the implementation of new software, particularly the telecommunications access method called Virtual Telecommunications Access Method (VTAM), will require an additional Senior Systems Programmer.

o The Operations Section requests:

- A limited number of additional staff to support newly authorized ongoing production services, such as expanded use of the 9700 and introduction of the Optical Character Reader.

o The Data Network group has requested additional positions since:

- The continuing expansion of state offices and the support necessary for existing offices, have taken their toll in terms of the ability of the group to

perform the appropriate level of long range planning and analysis;

- Additional staff are necessary in coordination roles to gather, maintain, and publish relevant statistics on the utilization of the Network. Without these statistics, it will be difficult to perform an analysis of commercial communication services vendors which are highly dependent on volume;

- Potential new pilot areas and projects, such as the transmission of digitized voice signals and/or digitized facsimile transmission, plus the introduction of enhanced tools to support our diagnostic capabilities, will require additional personnel and equipment.

o The Planning, Budget, and Administration Section is requesting additional staff including:

- A Personnel Specialist, as recommended by GAO, to support the development, implementation, and maintenance of an effective personnel administration system including job and position descriptions describing the duties and responsibilities of all persons in the Computer Center;

- An additional Special Projects Officer to support such activities as monitoring and coordinating the Terminal RFP evaluation and other studies as well as the need for ongoing procurements analysis and control.

o The Secretarial and Administrative area requires additional positions in order to:

- Provide two permanent positions for the secretaries who are currently on loan;

- Provide a position to support the increased responsibilities for equipment accountability and reporting as a part of the Equipment Inventory System, the Budget Accounts System, and the soon to be implemented Sergeant at Arms Accounting System, which are essential authorized support for a staff the size of the Computer Center, and the extensive equipment for which this group is responsible.

SUMMARY OF COMPUTER CENTER EXPENSE REQUIREMENTS

There are substantial increases to the expense portion of our budget, both in support of ongoing activities and for additional expenditures based on proposed policy issues. The Expense Footnotes and Schedules provide the detailed breakdown of the requests. In summary, the following identifies where changes are required:

o While we see a significant reduction in the Computers, Controllers, and Peripherals Account in support of our mainframe processors due to previous purchases, there will be increased demands for on-line storage for an online indexing system.

o The Publication Processors account, while supporting authorized programs, either in production or pilot status, has never had funds appropriated. For this reason we are reinstituting the request that was approved by the Rules Committee for funds to support these pilot programs. We are also identifying, as a policy issue, the potential expansion of digital xerographic services late in FY1981 and carried into FY1982.

o Terminals will be increased substantially because we will be phasing in new terminals on a lease basis to replace those we purchased several years ago. In addition, more terminals may be authorized per office to allow access to the on-line Records Management/Indexing System.

- In the Network, state office expansion continues to cause funding requirements to increase, in spite of a significant reduction due to the purchase of the COMTEN processors. Additional policy issues in the Network area have been identified which will need review by the Office of the Sergeant at Arms for determination as to whether they are administratively sound and review by the Committee on Rules and Administration to determine if they serve the anticipated needs of the Senate during FY1982.

- In the Micrographics area we are adjusting our request to reflect actual experience in acquiring microfilm reader/printers. The major policy issue of expansion of Micrographic services to the state offices is pointed out by the request for $100,000 of policy funds.

- Software reflects the acquisition of new packages for support of our operating environment, and is consistent with our request for an additional person to help maintain these products.

- Supplies have been tremendously hit by inflation, with paper costs increasing at a rate in excess of the cost of living, and by the increased use of paper and film products. In the supplies area, we believe we should obtain guidance from the Rules Committee as to whether we should continue to supply terminal print wheels and ribbons (at an annual cost of $60,000) or if this should be handled by the Stationary Store.

- Travel funds are reduced, in spite of increasing travel, due to our ability to combine several site inspections and installations into one trip.

- Training is being increased to help our staff keep up with increasing technology, particularly since we are maintaining a stable staff and not hiring persons with new specialization to support new technologies and software packages as they become available.

- In FY1982 the lease for the facilities at 400 North Capitol expires and should be renewed for an additional 5-year term. It is anticipated, since to this date there have been no increases for taxes and maintenance services, that our lease rate will increase from approximately $240,000 a year to $264,000 per year. The additional funds in the account, which have been maintained since the beginning of the lease, provide for necessary changes and additions to the leased facilities.

- The Timesharing account is being increased to reflect the contractual obligations we will have under the second option year of the contract with On-Line Systems, Incorporated, projecting that we will remain at Tier 2 level with the possible high-level mark of 225 lines concurrently accessing the Correspondence Management System.

- Professional consulting services are being retained and will be used to support functions such as network analysis, systems engineering services and services in support of our educational staff's development of packaged audio visual and slide tape presentations for use in Senate offices.

- Finally, we are introducing a new category called Correspondence Systems equipment and are requesting a policy level of funding of $250,000 to support a pilot introduction of computer systems to satisfy the correspondence needs of the Senate. This is consistent with the GAO recommendation to investigate distributed systems.

In summary, we wish to point out that although we are continuing our management review, we do not anticipate major changes or reductions from what we are presenting to you now. Although there are significant increases in expense dollars being requested, many of the

increases are directly associated with policy issues. For the past two years we have been able to reduce our annual budgets by $1 million each year. We have reached a level at which we can no longer do that and continue to provide the Senate with the services they require at a level of effectiveness which would maintain the credibility of the Senate Computer Center, and of the Office of the Sergeant at Arms. Actual FY1982 expenditures could be reduced but only if purchases are made in FY1981. We also reiterate that the additional staff and reclassifications, not considered in the process of providing a Continuing Resolution, need to be appropriated at the earliest possible time.

We are awaiting your review and comments so that we can finalize our budget request and prepare it for your transmittal to the Committee on Rules and Administration for their review and authorization.

CAPITOL CUSTODIAL SERVICES

Expenses:

(16) We are requesting an increase of $10,000 in the Housekeeping Supplies and Service allowance to cover the increased cost in such materials which is largely attributable to inflation. These items include paper products such as towels and toilet paper, soap and cleaning solutions, etc.

PARKING DEPARTMENT

Salaries:

(17) We are requesting the establishment of seven new positions within the Parking Department which are in reality position conversions authorized by the fiscal year 1980 Supplemental Appropriations Act. These new positions are listed within the charts included at the end of our statement.

SENATE PHOTOGRAPHIC STUDIO

Salaries:

(18) We are requesting funding for fifteen new positions within the Photographic Studio. These positions were authorized in the fiscal year 1980 Supplemental Appropriations Act in response to a request by the Joint Leadership of the Senate to combine the photographic staff and operations within the Senate into a single office. The detailed list of positions is included in the charts which accompany this statement.

SERVICE DEPARTMENT

Salaries:

(19) The Director of the Service Department has included in his budget a request for one new position of Manager of Pre-sorting and Mailing Support at NTE $26,446; four position increases totaling $9,918; and forty-six position title changes only.

The new position is being requested to enable the Service Department to better control the increasing volume of mass mailing material being produced and sent out from the Service Department through the U. S. Mail. We have recently experienced problems when large volume mailings have entered the U. S. Postal system and the dated material did not arrive in a timely fashion to its destination. Thus, this individual would not only monitor and oversee the internal aspects of handling large volume mailings which are produced, addressed, and sorted within the Service Department, but also would monitor such mailings once they leave the Senate. This individual would also bear responsibility for quality control and would maintain liaison between the Service Department and Senate offices.

The details concerning this new position and the additional position requests of the Service Department are included in the memorandum from the Director which we are including in our budget request.

Expenses:

(20) thru (25) The Service Department budget includes a number of adjustments to various allowances primarily in the area of office equipment procured and maintained for the use of the Senators, Committees, and Officials and to support the state offices of Senators. A detailed explanation of the Service Department budget request is contained in the memorandum of the Director which is included at this point in our statement.

76-636 O - 81 - 5

September 9, 1980

TO: The Honorable F. Nordy Hoffmann
Sergeant at Arms

FROM: John C. Hall
Director

SUBJECT: Fiscal Year 1982 Budget Submittal for the Service Department

Enclosed for review and approval is the Senate Service Department's budget projections and requests for the fiscal year 1982 budget. The documentation consists of a "Salaries and Expenses Summary Sheet" and a detailed analysis of each budget category.

Our fiscal 1982 budget differs from previous budgets in that we are requesting a change in the number of categories into which our requests for expenditures are divided and subsequently accounted for throughout the fiscal year. This change will enable us to better account for and track expenditures, and to report in greater detail our quarterly budget justifications.

It will further enable the department to subdivide accountability among these sections which share in requisitioning from the same account, and at the same time, maintain the centralization of each account under the Office of the Director.

We have kept new subdivisions to a minimum in this budget to enable us to experiment with decentralizing portions of the budget, and depending upon whether or not this design is successful, we may wish to further subdivide the fiscal 1983 budget. Prior to the fiscal 1980 budget, the Equipment Section was solely responsible for the "Purchased Equipment" category; the Automatic Typing and Typewriter Repair Section and the Equipment Section were responsible for the "Leased Equipment" category; the Supply Section was solely responsible for the "Supply" category; and all sections were responsible for the "Parts, Repairs, and Maintenance" category.

This set-up began to change with the 1980 budget, in that we made an effort to match requisitions and authorizations with the section's original budget request at the time of submittal. In order for a particular section to have available and to make use of funds that they had not requested at the time of section budget formations, a section supervisor had to write a detailed request for whatever he wished to procure, and he had to provide an explanation of why he had not specifically budgeted for the expenditure.

In our fiscal 1981 budget, if and when approved, we plan to subdivide funds in a formal though less formal manner than we plan to in the fiscal 1982 budget and subsequent fiscal year budgets.

Responsibility and accountability will remain, as it is now, under the Director, but each section supervisor's budget requests and expenditures will be more clearly identified in the budget records, and he or she will be held more accountable for expenditures as matched against original requests.

In the personnel category for 1982, we have kept requests for new positions to a minimum. The most extensive changes are in job classification titles, many of which were submitted in our fiscal 1981 budget, and because of the continuing resolution and the subsequent supplemental appropriations, these title changes were apparently deleted.

Because we plan to rewrite all our job descriptions and to request authorization to conduct a private industry/government comparability wage survey prior to the 1983 budget submittal, we are submitting an extensive list of title changes for incorporation in the 1982

budget. This is our first step in this direction, and it is by no means an all inclusive one. As documentation of our original request in the fiscal year 1981 budget, I am resubmitting the correspondence for your review.

As to the expenses portion of the fiscal 1982 budget requests, we are submitting for review and approval substantial increases over the fiscal 1980 budget requests, but less substantial when compared to those in the fiscal 1981 budget. These increases are in large part due to improvements in technology and resultant higher equipment costs; to the upgrading of equipment to aid Senate office's efficiency; to the rising cost of inflation, ranging now between 10 and 14 percent; to our assumption of the provision of equipment and its maintenance in Senate state offices, and to the growing tendency of Senators to decentralize mail operations from the Washington office to one or more state offices, which will have the effect of doubling and in some cases tripling the amounts of mailing equipment we currently provide to Senate Washington and state offices.

1. Service Department Salaries

1.1 Title Changes Without Salary Increases

See attached memorandums of April 10, 1979, and June 4, 1979, in support of the following changes:

1.1.1 Change the title of the section presently titled Automatic Typing and Typewriter Repair to Word Processing Support and Typewriter Repair.

1.1.2 Change the title of Typewriter Repair Supervisor to Manager of Word-Processing Support and Typewriter Repair.

1.1.3 Change the title of Typewriter Repair Assistant Supervisor to Assistant Manager of Word Processing Support and Typewriter Repair.

1.1.4 Change the titles of (seven) Automatic Typewriter Repairman to Word Processing Technician.

1.1.5 Change the title of (two) Repairman to Typewriter Repairman.

1.1.6 Change the title of the Cheshire Section to Addressing Section.

1.1.7 Change the title of Addressograph Section, Supervisor to Manager of Addressing Operations.

1.1.8 Change the title of Assistant Supervisor, Cheshire Section to Assistant Manager of Addressing Operations.

1.1.9 Change the title of Night Supervisor, Cheshire Section to Manager of Addressing Operations-2nd Shift.

1.1.10 Change the title of Assistant Night Supervisor, Cheshire Section to Assistant Manager of Addressing Operations-2nd Shift.

1.1.11 Change the title of (8) Addressograph Operator to Addressing Machine Operator.

We are also requesting the following additional changes:

1.1.12 Change the title of (one) Repairman to Office Equipment Repairman (Equipment Section).

1.1.13 Change the title of Equipment Supervisor to Manager of Office Equipment (Equipment Section).

1.1.14 Change the title of Assistant Equipment Supervisor to Assistant Manager of Office Equipment.

1.1.15 Change the title of Inserting Machine Operator to Clerk (Equipment Section).

1.1.16 Change the title of (one) Mimeograph Operator to Repair Clerk (Equipment Section).

1.1.17 Change the title of (one) Laborer to Messenger (Equipment Section).

1.1.18 Change the title of (one) Addressograph Operator to Clerk-Receptionist (Printing Section).

1.1.19 Change the title of (one) Inserting Machine Operator to Photostat Operator (Printing Section).

1.1.20 Change the title of Clerk-Stenographer to Dispatch Clerk (Word Processing Support and Typewriter Repair Section).

1.1.21 Change the title of Printing Section Supervisor to Manager of Printing Operations (Printing Section).

1.1.22 Change the title of Assistant Printing Supervisor to Assistant Manager of Printing Operations (Printing Section).

1.1.23 Change the title of Duplicating Section Night Supervisor to Manager of Printing Operations-2nd Shift (Printing Section).

1.1.24 Change the title of Assistant Night Supervisor of Duplicating Section to Assistant Manager of Printing Operations-2nd Shift.

1.1.25 Change the title of Layout Technician to Layout Artist (Printing Section).

1.1.26 Change the title of Clerk to Supply Clerk (Administrative Office).

1.1.27 Change the title of Mimeograph Operator to Messenger (Administrative Office).

1.1.28 Change the title of Folding Section to Bindery Section.

1.1.29 Change the title of Folding Section Supervisor to Manager of Bindery Operations (Folding Section).

1.1.30 Change the title of Folding Section Assistant Supervisor to Assistant Manager of Bindery Operations.

1.1.31 Change the title of Night Folding Section Supervisor to Manager of Bindery Operations-2nd Shift.

1.1.32 Change the title of Assistant Night Folding Section Supervisor to Assistant Manager of Bindery Operations-2nd Shift.

1.1.33 Change the title of Warehouse Supervisor to Manager of Warehouse and Wrapping Operations (Warehouse Section).

1.1.34 Change the title of Assistant Warehouse Supervisor to Assistant Manager of Warehouse and Wrapping Operations.

1.1.35 Change the title of Addressograph Operator to Mailing and Wrapping Clerk (Warehouse Section).

1.2 Position Upgrades with Title Changes

In our Fiscal 1981 budget request, we requested several position upgrades with title changes which were deleted before the budget was submitted to the Appropriations Committee. We felt then as we feel now that these position changes were and are justified. Accordingly, we are re-submitting them for reconsideration.

1.2.1 Change the title of one Addressograph Operator to Addressing Operator and Repairman (Addressing Section). The individual under consideration for this position has shown a mechanical aptitude, and with increased training could assume total maintenance of the equipment in this section. Similar positions in the Printing and Folding Sections have been

created and given additional compensation, and we feel it should be done likewise in this instance. Such a change as we are recommending could result in the Senate Service Department being able to cancel maintenance contracts on five Cheshire addressing machines at an approximate savings of $50,000. We are, therefore, requesting that this salary be increased from $16,529 (includes 1.091%) to $17,631 for an increase of $1,102.

1.2.2 Change the title of one Secretary to Secretary/Receptionist (Administrative Office). This individual is one of the two individuals who performs essentially the same duties and responsibilities.

Both individuals type the responses to requests from the Senate's Washington and state offices, maintain quarterly inventory reports of automatic typing equipment, type requisition orders, and perform other secretarial duties as assigned.

This individual has also taken over the duties of the Time and Attendance Clerk, enabling us to use this position as a Receiving Clerk and as an operator for the Telecommunications Program for the Deaf.

The inequity exists in that, though the responsibilities are nearly identical, the rates of pay are not. I am, therefore, requesting that this salary be increased from $16,529 (includes 1.091%) to $18,292 for an increase of $1,763.

1.2.3 Change the title of Technical Clerk to Word Processing Systems Analyst. This individual assists the Supervisor in evaluating automatic typing equipment (word processing equipment). During the Supervisor's absence or when necessary, he assists in the duties of the Correspondence Management Assessment Team (CMAT). He also prepares requisitions for parts, supplies, maintenance, and rental of word processing equipment, as well as reports on the evaluation and state-of-the-art of word processing equipment.

The term word-processing has grown to encompass all typewriting equipment, including paper display, screen display, electronic typewriters, distributed logic systems, and stand-alone Typing Systems. With the growth in packaging software programs, designed by hardware vendors to answer individual needs; the development of machine tutors, whereby operators are machine and vendor trained; and with the move away from computer dependence, this so called word processing equipment continues to remain and move still further into the domain of the Service Department's Automatic Typing Section (Word Processing Support Section).

Aside from the Automatic Typing and Typewriter Repair Section's responsibilities for equipment repair and the provision of back up training on word processing equipment currently authorized, they are in need of an individual who would devote full-time to analyzing on a continuous and ongoing basis, all the word processing equipment currently available on the market.

I am, therefore, requesting that this salary be increased from $17,190 (includes 1.091%) to $21,598 for an increase of $4,408.

1.2.4 Change title of Time and Attendance Clerk to Office Manager (Administrative Office). This individual was employed to act as an additional Receiving Clerk to lend support and to aid in processing the additional number of work order requests of 28,674 up from 26,618 in the same period of 1979.

In addition to this responsibility, the individual has initiated additional record-keeping and quality control which has resulted in greater efficiency to and minimal complaints from users of our service. Moreover, the in-

dividual has assumed the responsibilities for the Telecommunications for the Deaf Program, which was formerly operated by two employees.

Add to this the need for supervision of two Receiving Clerks, one Supply Clerk, and one Messenger, and we believe this justifies the creation of a position to formally fulfill the above needs.

We are, therefore, requesting that this title be changed as noted above, and that the salary be increased from its current rate of $15,868 (includes 1.091%) to $18,513 for an increase of $2,645.

1.3 New Position

Manager of Presorting and Mailing Support

I am requesting that this position be created as a specialist in managing the Senate Service Department's Mail Operations. Not only the internal operations of addressing, presorting, and mailing, but also in monitoring this mail once it leaves the Senate's mail platform.

This individual must be knowledgeable on all aspects of presorting and the accompanying rates, on mass-mail regulations and procedures, on postal service billings to the Senate, and on speed and delivery of mail to state and local postal facilities. This individual would also act as liaison between Senate offices and the Washington, D.C. Post Office, between the Service Department and the Post Office, and between the Service Department and the Computer Center.

As you know, we have received numerous complaints over the past year from Senate offices who are dissatisfied with the Post Office's speed and the condition of their mailings to the states. These complaints have resulted in numerous correspondence between the Service Department, the affected office, and both the Washington, D.C. Postal Service and the local and state Postal Services.

While I believe some improvement has resulted through our efforts, an individual specifically employed for this task could result in the provision of a more efficient service.

With the various methods in existence for handling the Senate's mass mailings, all which require the filing of various rate forms and subsequent accounting for appropriation purposes, an individual to handle this would insure that the Senate was only paying for the amount of service provided.

The Manager of Presorting and Mailing Support would also be responsible for quality control and for maintaining liaison between Senate offices and the Service Department to insure that errors are caught and brought to the attention of the affected office.

I am requesting that this individual be compensated at $26,446 which would place this individual in line with other managers in the department. With the Senate Service Department being in the position of potentially saving $5,000,000 in postal costs, I believe it is more important than ever that this area be professionally managed. This individual would report to the Director.

2. Service Department Expenses

The Fiscal Year 1981 Expenses request of $4,960,000 which has not been authorized is, nevertheless, being used as a base for the FY 1982 budget request. This amount includes expenses for the current categories of (1) Parts, Repairs, and Maintenance; (2) Purchased Equipment; (3) Leased Equip-

ment; (4) Purchased Supplies; (5) Training; and (6) Travel. As explained in my cover memorandum, I am requesting that these six categories be broken down as follows:

2.1 Change Parts, Repairs, and Maintenance, to individual categories of Parts, Repairs, and Maintenance. By so doing, we will be able to specifically assign each request and expenditure of funds to its appropriate place in the accounting system. The requested FY 1981 budget amount is $918,000, which is the amount we are using as a base for our fiscal 1982 budget request.

2.1.1 Parts

We are requesting $180,000 for Service Department Parts.

2.1.1.1 The Folding Section requires $8,000 for parts for equipment in-house maintenance by the Senior Folding Machine Operator who maintains 8 Baumfolders, 5 collators, 2 sealing machines, and 3 inserters.

2.1.1.2 The Printing Section requires $22,000 for parts used by the Senior Pressman who maintains 5 web-fed printing presses, 6 A.B. Dick offset presses, 1 A.M. printing press, and various other pieces of printing and reproduction equipment.

2.1.1.3 The Cheshire Section requires $25,000 for parts needed in performing routine and in-house maintenance on five Cheshire mailing machines and several pieces of miscellaneous addressograph equipment.

2.1.1.4 The Automatic Typing and Typewriter Repair Section (Word-Processing Support and Typewriter Repair Section) requires $125,000 for an inventory of parts for Memory typewriters and QYX's at $45,000; for MT/ST's, Remingtons, Ty-Data's, etc. at $10,000; System VI's, Xerox's, and Wangs at $50,000; and for selectric typewriters at $20,000.

By fiscal year 1982, this section will be responsible for approximately 5,000 machines (includes typewriters) in the Senate's Washington complex and state offices. The figure includes approximately 700 various automatic word processors. As technology has advanced from a basic mechanical unit to a more sophisticated electronic machine, the cost of parts, repairs, and maintenance has burgeoned. An example of this increase shows that the Senate's older MT/ST's most expensive part was $90.00 compared to the average cost of several thousand dollars for an electronic part on a System Six.

2.2. Repairs

2.2.1 The Printing Section requires $5,000 for repairs which are beyond the mechanical sophistication of the in-house mechanic or his tools, and which are not covered under a maintenance contract for economical reasons.

2.2.2 The Folding Section requires $4,500 for repairs which are beyond the mechanical sophistication of the in-house mechanic or his tools, and which are not covered under a maintenance contract for economical reasons.

2.2.3 The Cheshire Section requires $5,000 for repairs which are beyond the mechanical sophistication of the in-house mechanic or his tools, and which are not covered under a maintenance contract for economical reasons.

2.2.4 The Equipment Section requires $70,000 for repairs to equipment in the Washington, D.C. and state offices. These repairs cover equipment not covered under maintenance contracts for economical reasons and in respect to Washington office equipment are beyond the sophistication of the in-house mechanic or his tools. The amount for Equipment Section repair further breaks down to $40,000 for Washington offices, $20,000 for state offices, and

$10,000 for shipping and receiving equipment between GSA, state offices, and Washington, D.C. in respect of those items not covered under a Government or Commercial Bill of Lading.

2.3 Maintenance

2.3.1 The Printing Section requires $5,000 in maintenance funds to cover those pieces of equipment which are not on a per-call basis or not maintainable in-house.

2.3.2 The Folding Section requires $22,000 in maintenance funds to cover those pieces of equipment which are not on a per-call basis or not maintainable in-house.

2.3.3 The Automatic Typing Repair Section (Word-Processing Support and Typewriter Repair Section) requires $215,000 for maintenance. As noted under the parts section, this Section will be responsible for approximately 5,000 typewriters and word processors by 1982. Maintenance contract costs have risen from a previous average for a word processor of $500.00 yearly to over $2,000 yearly for some of the more advanced equipment.

2.3.4 The Equipment Section requires $775,000 in maintenance funds for:

(1)	A.B. Dick Copiers	$ 7,752
(2)	Burroughs Telecopiers	7,524
(3)	IBM Dication Machines and IBM Copiers	28,044
(4)	Monroe Calculators	513
(5)	N.C.R. Equipment	627
(6)	Norfin Collators	1,710
(7)	S.C.M. Copiers	616
(8)	Eastman Kodak Copiers	10,260
(9)	One-Way Voice Paging System	5,985
(10)	Xerox Copier and Xerox Telecopiers	324,900
(11)	State Office Copier maintenance	256,500
(12)	Signature Machines	19,400
(13)	State Office Telecopiers	91,200

2.3.5 The Cheshire Section requires $32,000 in maintenance funds to cover five Cheshire mailing machines which were changed from a per-call and in-house basis to a maintenance contract basis in fiscal 1980.

2.4 Purchased Equipment

The requested FY 1981 budget amount is $2,332,000 which is the amount we are using as a base for our fiscal 1982 budget request.

2.4.1 The Printing Section requires $245,000 in purchase funds for the procurement and replacement of two small-volume printing presses and other printing equipment as needed and justified by volume expansion, depreciation, or cost savings. This amount includes the exercise of lease to purchase options on all printing equipment currently being leased.

2.4.2 The Folding Section requires $73,000 in purchase funds for the procurement and replacement of various small volume folders, inserters, collators, staplers, and paper-drill presses as needed and justified by volume expansion, depreciation, or cost savings. A major expense will be one replacement folding machine at an approximate cost of $25,000.

2.4.3 The Cheshire Section requires $33,000 in purchase funds for the procurement and replacement of a Cheshire addressing machine which will have become fully depreciated by fiscal 1982

2.4.4 The Equipment Section requires $1,816,600 for equipment in the Washington ($1,229,800) and State ($586,800) offices.

2.4.4.1 Desk and Portable Calculators at $41,000 (Sharp, Hewlett-Packard, Texas Instruments, and others--if and when approved).

2.4.4.2 Desk and Portable Dictation Equipment at $165,000 (IBM, Lanier, Norelco, Sony, and others--if and when approved).

2.4.4.3 Mailing Equipment for Washington and State Offices to support Correspondence Management Systems and Word-Processing Systems at $225,000 (Pitney-Bowes folders, sealers, and inserters--and others if and when approved). This amount is up $150,000 from 1981 projections due to the growth in the number of state offices requesting mailing equipment in their state offices to support CMS letter production.

2.4.4.4 Miscellaneous Equipment at $85,000 (Date/Time recorders, A.B. Dick and Gestetner mimeographs, and Staplex staplers).

2.4.4.5 Signature Machines at $210,000 (Model 60's and Model 200's). This amount is up $110,000 from 1981 projections due to the discontinuance of manually fed machines and the growth in CMS state offices.

2.4.4.6 Tape Recorders at $30,000.

2.4.4.7 Telephone Answering Devices at $30,000 (Ford Code-A-Phones).

2.4.4.8 Typewriters at $757,000 (IBM Selectrics, Remington Rands, Royals, and others if and when approved) as well as $273,600 for the exercise of leased to purchase options on memory and QYX typewriters if and when approved by the Committee on Rules and Administration.

The decrease in the Purchased Equipment Account from the base of $2,332,000 in fiscal 1981 to the amount of $2,167,600 in fiscal 1982 is due to our policy of rental over purchase as required in large part by the Committee on Rules and Administration; however, any growth in purchase equipment funds within section requests is due in large part to the growth in number and sophistication of state offices, the resumption by the Sergeant at Arms' organization of the provision of state office equipment, the fact that many pieces of state office equipment are nearing the completion of their seven year life cycles, and, lastly, to the fact that inflation is ranging on average 10-14% in this category.

2.5 Leased Office Equipment

The requested FY 1981 budget amount is $1,253,000 which is the amount we are using as a base for our fiscal 1982 budget request.

2.5.1 The Printing Section requires $195,000 for the rental of two of the following three pieces of equipment: a 9400 Xerox high-volume copier, a Xerox 9500 high-volume copier, and an A.M. System 5 Printing Press. We are currently evaluating these pieces of equipment for the purpose of maintaining two of the three to handle the high-volume reproduction of relatively short run jobs (Example: 100 pages for 50 copies).

A portion of this $195,000 is also needed to lease the composing equipment which is used to typeset newsletters, press releases, forms, booklets, etc.

2.5.2 The Equipment Section requires a total of $925,958 for equipment lease in the Washington and state offices: for rental of NCR encoders at $10,000; radio pagers at $5,000; Washington, D.C. telecopiers at $102,600; miscellaneous rentals at $5,000; State Office copier and telecopier leases at $266,760.

This amount is further broken down into various rental copiers: $2,850 for A.B. Dick copiers; $2,850 for Royal copiers; $25,308 for Savin copiers; $2,850 for Saxon copiers; $2,850 for Sharp copiers; $499,890 for Xerox copiers.

2.6 Leased Word Processing Equipment

The Automatic Typing and Typewriter Repair Section (Word-Processing Support and Typewriter Repair) requires $765,120 for the lease of word-processing equipment and electronic typewriters. A continuing increase in this category is expected for two reasons: one, the policy of the Committee on Rules and Administration to authorize additional Word-Processing equipment and configurations; and two, the policy of the Committee on Rules and Administration which requires that all Word-Processing equipment be leased.

The above amount covers the lease of 20 Word-Processing Systems (IBM System 6, Wang-20, and Xerox 800); 60 Mag-card Selectric Typewriters; 50 QYX Typewriters (level 4 and 5); and 20 Memory Typewriters.

Rental cost for FY 1982 represents equipment rental that is currently authorized and expected by the Committee on Rules and Administration. Monthly rental charges are based on a 10% increase in cost from the FY 1980 contracts. This rental budget does not take into consideration or make allowances for any future policy decisions relating to Word-Processing equipment as a result of the recently published GAO report or the upcoming general election where new Senators may select a Word-Processing System as opposed to the Correspondence Management System.

2.7 Purchased Supplies

The requested FY 1981 budget amount for supplies is $444,000 which is the amount we are using as a base for our FY 1982 budget projection. We are not anticipating any substantial increase in this account because each year a surplus has existed at the end of the fiscal year. This surplus is the result of certain office charge-backs for word processing supplies, excess copies, and photo-composition charges, and this amount should be adequate to cover any inflationary increases.

2.7.1 The Printing Section requires $135,000 for paper, ink, layout sheets, camera developers, negatives, photopaper, cleaning fluids, rags, and plates.

2.7.2 The Folding Section requires $38,000 for the purchase of supplies through the General Services Administration and other independent suppliers. Supplies for this section include tape, string, twine, and other small wrapping items at a cost of $5,500; boxes, wrapping paper, insulation material, wire for the collators, and staples at a cost of $18,700; and other equipment supplies such as oil, grease, rags, and cleaning materials at a cost of $3,000, and other miscellaneous supplies at a cost of $10,800 which are used for the provision of service to Senate offices.

2.7.3 The Office Section requires $1,000 for petty cash to purchase small items which answer an immediate need: such as to pay for United Parcel Services for deliveries, and other miscellaneous items as needed and approved by the Sergeant at Arms.

2.7.4 The Office Supply Section requires $280,000 for the following categories: Word-Processing supplies at $20,000; various General Services Administration supplies at $50,000; folders and guides at $150,000; cassettes, batteries, and dictation supplies at $50,000; and stencils, ink, and fluids at $10,000.

2.7.5 The Automatic Typing and Typewriter Repair Section (Word-Processing Support and Typewriter Repair) requires $41,000 for such items as ribbons, ink, discs, and add-on items for equipment.

The total for the five sections which draw on the Supply Budget Account is $495,000; the discrepancy between this figure and amount requested is due to an amount returned from excess copy costs, Automatic Typing supply charges, and photocomposition charges reimbursed from the Stationery Allowances.

2.8 Training

The requested FY 1981 budget amount is $14,000 which is the amount we are using as a base for our fiscal 1982 budget request. We are requesting an increase in this category for the following reasons.

2.8.1 The Printing Section, Folding, and Cheshire (Addressing) Section requires $2,500 for either training programs or seminar attendance to enable these sections to keep pace with technological advances in the industry.

2.8.2 The Equipment Section and Automatic Typing Section require $14,500 for training programs and seminar attendance to enable these sections to keep pace with technological advances in their respective industries and to assume the maintenance, which requires additional training, of equipment for which the Senate is currently spending hundreds of thousands of dollars on each year. When the inventory on a particular item of equipment increases to a certain point, it is in most cases where sophisticated testing equipment is not required cost-effective to provide in-house maintenance.

2.9 Travel

The requested FY 1981 budget amount is $2,000 which is the amount we are using as a base for our fiscal 1982 budget request. We are requesting an increase of $2,000 to a new base of $4,000 in this category to support the training and seminar attendance requested in section 2.7.

Part of this amount is needed for transportation for the purpose of evaluating equipment which is not available for in-house testing or is not available for inspection locally.

TELECOMMUNICATIONS

Salaries:

(26) We are requesting one position of Telecommunciations Assistant to be established within this department which as referred to earlier in our statement is completely offset by the abolishment of the position of Clerk at an identical NTE salary rate within our Administrative Office. This position transfer involves no additional appropriation of funds but will more clearly identify the duties of the incumbent employee.

Expenses:

(27) We are including a request within our budget of an increase of $1,080,000 in our WATS service allownace to cover a

substantial rate increase which has been requested by the telephone company and which may become effective in fiscal year 1981. It may be necessary for us to seek an increase in the WATS service allowance as a supplemental item in fiscal year 1981 if it is determined that our existing resources cannot accommodate the rate increase which may be approved in the current year. A copy of the letter explaining the rate increase submitted by the C & P Telephone Company is included in our statement at this point.

September 15, 1980

Honorable F. Nordy Hoffmann
Sergeant at Arms
United States Senate
Washington, D. C. 20510

Attention: Mr. Richard L. Lester, Jr.
Director, Telecommunications Department

Dear Mr. Hoffmann:

The American Telephone and Telegraph Company filed with the Federal Communications Commission on September 15, 1980 revisions in the tariffs applicable to Interstate Wide Area Telecommunications Service (WATS). These revisions are filed in response to the FCC Final Decision and Order which required that a WATS tariff be filed with detailed cost information.

Both 800 Service and Outward WATS rates have been restructured so that rates for each service are more directly related to their costs. The revised tariffs, which are filed to become effective December 15, 1980, will result in decreased charges for many 800 Service and Outward WATS customers. However, some customers, depending on their location and type of service, who average more than 70 to 120 hours of use per line a month, will experience increases in the rates for their service.

The revised rate schedules have been designed so there will be virtually no overall effect on Bell System interstate earnings.

- Separate rate schedules for 800 Service and WATS.
- Combines Full Business Day and Measured Time Service into a single class of service for both 800 Service and WATS.
- This new class of service has no minimum monthly usage charge. Entry level usage is zero and charges are a function of the amount of use generated on each line.
- The rate schedules for both services are tapered to reflect usage sensitivity. They provide decreasing prices per unit of use as the average usage per line increases. Billing will be based on the average usage of the lines in each service group (i.e., total group usage divided by the number of lines in the group).
- Establishes a multi-element schedule for nonrecurring charges (installation, moves, conversions, establishment of signal power, and record changes).
- The unbundling of charges for the access lines and terminal equipment will apply. The standard telephone set will no longer be provided. WATS access lines will terminate on a standard telephone jack.

- Introduce regulations and charges for access line extension stations located in the same or different buildings.

- Changes regulations for payment of charges to billing in arrears for 800 Service and Outward WATS usage.

- There are now five service areas (bands) for the contiguous United States. Puerto Rico and the U. S. Virgin Islands are included in Band 5. A sixth service area is still available that covers Alaska and Hawaii. As in the past, each higher numbered band includes service to the lower numbered territories.

We think these changes will continue to make WATS a viable solution for your communication requirements, and will continue to provide economies relative to long distance toll rates that have applied in the past.

As soon as possible I will discuss with you the actual impact of the revised WATS rates upon the Senate WATS bill.

Sincerely,

James F. Holland
District Manager

SERGEANT AT ARMS TRAVEL AUTHORITY

For fiscal year 1982 we are requesting that the travel authority for the Office of the Sergeant at Arms be set at the rate of NTE $167,000 which includes an apportionment of $13,000 for the Administrative Office; $150,000 for the Computer Center; and $4,000 for the Service Department.

SEPARATE APPROPRIATION ITEMS

Although not included within the Sergeant at Arms' allocation of the Senate contingent fund known as "Miscellaneous Items," we are responsible for the oversight of additional resources which are included in different appropriations and for which we wish to make specific recommendations at this time.

(1) We are requesting an increase in the Stationery Allowance of $5,000 to cover the increased anticipated needs for stationery-related items used by the Office of the Sergeant at Arms in support of services which we provide to the Members of the Senate.

(2) In anticipation of the postage rate increase which we understand will be forthcoming in the next year, we are requesting our postage allowance to be increased from $350 to $400.

(3) For the appropriation Automobiles and Maintenance we are recommending an increase of $5,000 to cover the anticipated cost of procurement, operation, and maintenance of the Senate vehicles which are under our jurisdiction.

SHIFT DIFFERENTIAL

We are resubmitting as a fiscal year 1981 supplemental budget item our request for authorization to pay night shift differential compensation to employees of our Computer Center, Service Department, and Capitol Custodial Services. This proposal would authorize the Sergeant at Arms to pay night differential compensation to those employees who regular shift of work falls between certain hours in the evening. The cost of this differential compensation would be paid from any available moneys within the appropriation under the heading "Salaries, Officers, and Employees," and would require no additional appropriation of funds.

ADMINISTRATIVE PROVISION

Sec. . (a) The appropriations under the heading ''Salaries, Officers and Employees'' in any Act making appropriations for the Senate shall be available for the payment of additional annual compensation (hereinafter referred to as ''night differential compensation''), as authorized by the Sergeant at Arms and Doorkeeper of the Senate pursuant to this section, to not more than 30 employees in the Senate Computer Center, not more than 50 employees in the Senate Service Department, and not more than 20 other employees under the jurisdiction of the Sergeant at Arms and Doorkeeper.

(b) An employee shall be eligible to receive night differential compensation only if 75 percent or more of his regularly scheduled hours of work is between 6 p.m. and 6 a.m.

(c) (1) The amount of night differential compensation which may be paid to an employee (as authorized by the Sergeant at Arms and Doorkeeper) shall not exceed an amount equal to ten percent of the regular annual rate of

compensation of such employee (excluding longevity compensation and merit compensation, if any) rounded to the next highest multiple contained in section 1 (a) of the applicable Order of the President pro tempore of the Senate issued under authority of section 4 of the Federal Pay Comparability Act of 1978.

(2) The amount of night differential compensation which may be paid to an employee, when added to his regular annual compensation and his longevity compensation and merit compensation, if any, shall not exceed the maximum annual compensation which may be paid to Senate employees generally as prescribed by law or Orders of the President pro tempore issued under authority of section 4 of the Federal Pay Comparability Act of 1978.

(d) This section shall take effect on the first day of the first month which begins after the date of the enactment of this Act.

GUIDE SERVICE

Mr. Chairman, although the salaries and expenses of the United States Capitol Guide Service are not included in our regular appropriations for the Office of the Sergeant at Arms, nevertheless the salaries and expenses of the guides are paid by the Senate as a separate appropriation, and therefore we are submitting our recommendation for the Guide Service for fiscal year 1982 which does not include any changes from the current fiscal year except to accommodate such increases necessary due to longevity compensation and related agency contribution expenses.

October 22, 1980

Honorable F. Nordy Hoffmann
Sergeant at Arms
United States Senate
Washington, D. C.

Dear Mr. Hoffmann:

Enclosed is the estimated budget of the Capitol Guide Service for Fiscal Year 1982, in the amount of $734,000. This budget is based on current NTE rates with no compensation increases and includes the annual pay comparability increase effective October 1, 1980.

The majority of the increase is that mandated by longevity compensation and associated agency contributions in the amount of $9,301. There is also an increase of $3,699 in expenses. The net result is an increase of $13,000 over the Fiscal Year 1981 budget estimate.

Should you have any questions concerning this budget, please don't hesitate to contact me.

Sincerely,

Thomas L. Nottingham

Thomas L. Nottingham
Chief Guide

CAPITOL GUIDE SERVICE

APPROPRIATION FOR FISCAL YEAR 1982

FISCAL 1982 ESTIMATE: $734,000.

	1981	1982	Change
Compensation	$646,875.*	$652,104.	+$5,229.
Agency Contributions	66,949.	71,021	+ 4,072
Expenses-Uniforms, etc.	7,176.	10,875	+ 3,699
	$721,000.	$734,000.	$13,000.

* Includes pay comparability increase effective October 1, 1980.

CAPITOL GUIDE SERVICE

	NTE Rate* Fiscal Year 1982	Total* Fiscal Year 1982
Chief Guide	$ 31,515.	$ 31,515.
Assistant Chief Guide	26,887.	26,887.
Deputy Chief Guide	26,887.	26,887.
Guide (Training Instructor)	23,581.	23,581.
Guide (Guide Supervisor)	17,631.	17,631.
Guide (Senior) -- 3	22,920.	68,760.
Guide (Supervisor-Relief) -- 1	16,970.	16,970.
Guide (Advanced) -- 6	16,309.	97,854.
Guide -- 13	15,427.	200,551.
		$510,636.
Guide (Temporary - for not more than 6 months) -- 10 positions	14,105.	70,525.
Guide (Temporary - for not more than 120 days) -- 2 positions	14,105.	9,404.
		$590,565.
Longevity Compensation -- 28 positions		61,539.
		$652,104.
Agency Contributions:		
Retirement - 7.5% x $572,175.	42,914.	
Life Insurance 643 x $3.36 per year	2,161.	
Health Insurance - 28 x $926.64 per year	25,946	71,021
Compensation and Agency Contributions		$723,125.
Expenses		10,875
		$734,000.

*Includes pay comparability increase effective October 1, 1980

CAPITOL GUIDE SERVICE

APPROPRIATION ESTIMATE FISCAL YEAR 1982

Position	No.	1981 Total NTE	No.	1982 Total NTE	Change
Chief Guide	1	$ 31,515.	1	$ 31,515.	-0-
Assistant Chief Guide	1	26,887.	1	26,887.	-0-
Deputy Chief Guide	1	26,887.	1	26,887.	-0-
Guide (Training Instructor)	1	23,581.	1	23,581.	-0-
Guide Supervisor	1	17,631.	1	17,631.	-0-
Guide (Senior)	3	68,760.	3	68,760.	-0-
Guide (Supervisor-Relief)	1	16,970.	1	16,970.	-0-
Guide (Advanced)	6	97,854.	6	97,854.	-0-
Guide	13	200,551.	13	200,551.	-0-
	28	$510,636.	28	510,636.	-0-
Guide (Temporary - 6 mos.)	10	70,525.	10	70,525.	-0-
Guide (Temporary - 4 mos.)	2	9,404.	2	9,404.	-0-
	40	$590,565.	40	$590,565.	-0-
Longevity Compensation		56,310.		61,539.	+$5,229.
		646,875.		652,104.	+ 5,229.
Agency Contribution		66,949.		71,021	+ 4,072
		713,824.		723,125.	+ 9,301
Expenses-Uniforms, etc.		7,176.		10,875	+ 3,699
		$721,000.*		734,000.	+13,000.

* Includes pay comparability increase effective October 1, 1980

Mr. Chairman, we appreciate the opportunity to submit our budget recommendations for consideration and inclusion in the President's budget.

We welcome the opportunity to provide any additional information you may request concerning any or all of these items.

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, OFFICE OF SERGEANT AT ARMS & DOORKEEPER			
FY 1981 Authorized Positions	$22,142,433.		
Add: October 1 cost of living increase	2,014,608.		
Add: Anticipated supplemental:			
93 new positions	2,166,184.		
84 position increases	231,389.		
5 position decreases	- 8,154.		
8 positions to be abolished	- 167,936.		
Total FY 1981 obligations	$26,378,524.	$26,378,524.	
Requested position changes:			
None		-0-	-0-
Total FY 1982 requested		$26,378,524.	-0-
EXPENSES, OFFICE OF SERGEANT AT ARMS & DOORKEEPER			
Administrative Office	$ 6,097,000.	$ 6,097,000.	-0-
Cabinet Shop	32,000.	32,000.	-0-
Computer Center	7,806,000.	10,219,000.	+$2,413,000.
Custodial Services	80,000.	90,000.	+ 10,000.
Service Department	4,960,000.	5,833,000.	+ 873,000.
Telecommunications	4,210,000.	5,290,000.	+ 1,080,000.
Total Obligations - Expenses	$23,185,000.	$27,561,000.	+$4,376,000.
SUMMARY			
Salaries	$26,378,524.	$26,378,524.	-0-
Expenses	23,185,000.	27,561,000.	+$4,376,000.
Automobiles & Maintenance	70,000.	75,000.	+ 5,000.
Folding Docs 117,000.			
Add: Cost of living increase 11,000.	128,000.	128,000.	-0-
Postage	350.	350.	-0-
Stationery	12,500.	12,500.	-0-
Seminar Allowance	2,000.	2,000.	-0-
Total	$49,776,374.	$54,157,374.	+$4,381,000.

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, ADMINISTRATIVE OFFICE			
FY 1981 Authorized Positions	$2,071,142.		
Add: October 1 cost of living increase	188,573.		
Add: Anticipated supplemental:			
1 position to be transferred	- 24,243.		
4 new positions*	68,542.		
2 positions to be abolished**	- 33,279.		
Total FY 1981 obligations	$2,270,735.	$2,270,735.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1982 requested		$2,270,735.	-0-
EXPENSES, ADMINISTRATIVE OFFICE			
State Offices			
GSA Office Rental	$3,200,000.	$3,200,000.	-0-
GSA Alterations	55,000.	55,000.	-0-
GSA Furniture, Furnishings, & Equipment	850,000.	850,000.	-0-
Commerical Offices	1,800,000.	1,800,000.	-0-
Telegraph Services			
Committee & Official Telegrams	15,000.	15,000.	
SAA Travel Authority (PL 94-303)	13,000.	13,000.	-0-
Furniture	125,000.	125,000.	-0-
Contingencies	39,000.	39,000.	-0-
Total	$6,097,000.	$6,097,000.	-0-
SUMMARY			
Salaries	$2,270,735.	$2,270,735.	-0-
Expenses	6,097,000.	6,097,000.	-0-
Total	$8,367,735.	$8,367,735.	-0-

(1)

* To fund positions authorized by S.2936 which transferred four garage attendants from the Architect of the Capitol to the Sergeant at Arms.

** To fund position conversions authorized by the FY 80 Supplemental Appropriations Act, PL 96-304.

SENATE BARBER SHOP

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, BARBER SHOP			
FY 1981 Authorized Positions	$155,540.		
Add: October 1 cost of living increase	14,155.		
Total FY 81 obligations	$169,695.	$169,695.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1981		$169,695.	-0-
EXPENSES, BARBER SHOP			
Equipment	-0-	-0-	-0-
SUMMARY:			
Salaries	$169,695.	$169,695.	-0-
Expenses	-0-	-0-	-0-
Total	$169,695.	$169,695.	-0-

CABINET SHOP

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, CABINET SHOP			
FY 1981 Authorized Positions	$195,536.		
Add: October 1 cost of living increase	17,794.		
Add: Anticipated supplemental:			
1 position increase	+ 1,764.		
1 position to be abolished	- 19,174.		(2)
Total FY 1981 obligations	$195,920.	$195,920.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1982 requested		$195,920.	-0-
EXPENSES, CABINET SHOP			
Equipment and Supplies	$ 32,000.	$ 32,000.	-0-
SUMMARY			
Salaries	$195,920.	$195,920.	-0-
Expenses	32,000.	32,000.	-0-
Total	$227,920.	$227,920.	-0-

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, U.S. CAPITOL POLICE			
FY 1981 Authorized Positions	$ 9,154,438.		
Add: October 1 cost of living increase	833,054.		
Add: Anticipated Supplemental:			
4 Positions to be abolished	- 91,240.		
1 new statutory position of Inspector	36,804.		
1 new statutory position of Captain	31,735.		
1 new statutory position of Lieutenant	26,446.		
8 new statutory positions of Sergeant	176,312.		
10 new statutory positions of Plainclothes Officer	193,940.		
22 new statutory positions of Private	397,584.		
Total FY 1981 Obligation	$10,759,073.	$10,759,073.	
Requested position changes:			
NONE		$ -0-	$ -0-
Total Fiscal Year 1982 Requested		$10,759,073.	$ -0-

EXPENSES, U.S. CAPITOL POLICE

Capitol Police General Expenses and Capitol Police Board Items are "JOINT ITEMS" and are paid through the Committee on House Administration. They are not charged to the Senate Sergeant at Arms.

SUMMARY

Salaries	$10,759,073.	$10,759,073.	$ -0-
Expenses	-0-	-0-	
Total	$10,759,073.	$10,759,073.	$ -0-

COMPUTER CENTER

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE	
SALARIES, COMPUTER CENTER				
FY 1981 Authorized Positions	$ 4,858,908.			
Add: October 1 cost of living increase	441,670.			
Add: Anticipated supplemental:				
22 new positions	620,603.			
79 position increases	219,707.			
5 position decreases	- 8,154.			(4)
4 title changes only	-0-			
Total FY 1981 obligations	$ 6,132,734.	$ 6,132,734.		
Requested position changes:				
None		-0-		
Total Fiscal Year 1982 requested		$6,132,734.		
EXPENSES, COMPUTER CENTER				
Computers, Controls & Peripherals	$ 942,000.	$ 825,000.	-$ 117,000.	(5)
Publication Processors	-0-	720,000.	+ 720,000.	(6)
Terminals	896,000.	1,824,000.	+ 928,000.	(7)
Network	1,808,000.	2,082,000.	+ 272,000.	(8)
Micrographic Services	450,000.	335,000.	- 115,000.	(9)
Software (OP Systems, etc.)	252,000.	325,000.	+ 73,000.	(10)
Supplies	522,000.	839,000.	+ 317,000.	(11)
Travel and Conference (PL94-303)	170,000.	150,000.	- 20,000.	(12)
Training	25,000.	30,000.	+ 5,000.	(13)
Computer Center Lease & Alterations	266,000.	290,000.	+ 24,000.	(14)
Computer Time Sharing	2,425,000.	2,749,000.	+ 324,000.	(15)
Professional Services	50,000.	50,000.	-0-	
Total	$ 7,806,000.	$10,219,000.	+$2,413,000.	
SUMMARY				
Salaries	$ 6,132,734.	$ 6,132,734.	-0-	
Expenses	7,806,000.	10,219,000.	+$2,413,000.	
Total	$13,938,734.	$16,351,734.	+$2,413,000.	

CAPITOL CUSTODIAL SERVICES

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, CUSTODIAL SERVICES			
FY 1981 Authorized Positions	$819,918.		
Add: October 1 cost of living increase	74,613.		
Total FY 81 obligations	$894,531.	$894,531.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1982 requested		$894,531.	-0-
EXPENSES, CUSTODIAL SERVICES			
Housekeeping supplies and service	$ 70,000.	$ 80,000.	+$10,000. (16)
Maintenance equipment	10,000.	10,000.	-0-
Total	$ 80,000	$ 90,000.	+$10,000.
SUMMARY			
Salaries	$894,531.	$894,531.	-0-
Expenses	80,000.	90,000.	+$10,000.
Total	$974,531.	$984,531.	+$10,000.

DAILY PRESS GALLERY

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, DAILY PRESS GALLERY:			
FY 1981 Authorized Positions	$174,124.		
Add: October 1 cost of living increase	15,846.		
Total FY 81 obligations	$189,970.	$189,970.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1982 requested		$189,970.	-0-
EXPENSES, DAILY PRESS GALLERY:			
Regular expenses included in Sergeant at Arms' budget	-0-	-0-	-0-
SUMMARY:			
Salaries	$189,970.	$189,970.	-0-
Expenses	-0-	-0-	-0-
Total	$189,970.	$189,970.	-0-

PERIODICAL PRESS GALLERY

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, PERIODICAL PRESS GALLERY:			
FY 1981 Authorized Positions	$ 63,630.		
Add: October 1 cost of living increase	5,791.		
Total FY 81 obligations	$ 69,421.	$ 69,421.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1982 requested		$ 69,421.	-0-
EXPENSES, PERIODICAL PRESS GALLERY:			
Regular expenses included in Sergeant at Arms' budget	-0-	-0-	-0-
SUMMARY:			
Salaries	$ 69,421.	$ 69,421.	-0-
Expenses	-0-	-0-	-0-
Total	$ 69,421.	$ 69,421.	-0-

PRESS PHOTOGRAPHERS' GALLERY

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, PRESS PHOTOGRAPHERS' GALLERY:			
FY 1981 Authorized Positions	$ 63,630.		
Add: October 1 cost of living increase	5,791.		
Total FY 81 obligations	$ 69,421.	$ 69,421.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1982 requested		$ 69,421.	-0-
EXPENSES, PRESS PHOTOGRAPHERS' GALLERY:			
Regular expenses included in Sergeant at Arms' budget	-0-	-0-	-0-
SUMMARY:			
Salaries	$ 69,421.	$ 69,421.	-0-
Expenses	-0-	-0-	-0-
Total	$ 69,421.	$ 69,421.	-0-

RADIO TELEVISION GALLERY

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, RADIO TELEVISION GALLERY:			
FY 1981 Authorized Positions	$152,106.		
Add: October 1 cost of living increase	13,842.		
Total FY 81 obligations	$165,948.	$165,948.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1982 requested		$165,948.	-0-
EXPENSES, RADIO TELEVISION GALLERY:			
Regular expenses included in Sergeant at Arms' budget	-0-	-0-	-0-
SUMMARY:			
Salaries	$165,948.	$165,948.	-0-
Expenses	-0-	-0-	-0-
Total	$165,948.	$165,948.	-0-

SENATE PARKING DEPARTMENT

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, SENATE PARKING			
FY 1981 Authorized Positions	$143,016.		
Add: October 1 cost of living increase	13,015.		
Add: Anticipated supplemental:			
7 new positions *	+163,086.		
Total FY 1981 obligations	$319,117.	$319,117.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1982 requested		$319,117.	-0-
EXPENSES, SENATE PARKING			
Regular expenses included in Sergeant at Arms' budget	-0-	-0-	-0-
SUMMARY			
Salaries	$319,117.	$319,117.	-0-
Expenses	-0-	-0-	-0-
Total	$319,117.	$319,117.	-0-

* To fund position conversions authorized in FY 1980 Supplemental Appropriations Act PL 96-304

SENATE PHOTOGRAPHIC STUDIO

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, SENATE PHOTOGRAPHIC STUDIO			
FY 1981 Authorized Positions	-0-		
Add: Anticipated supplemental:			
15 new positions*	$400,443.		
Total FY 81 obligations	$400,443.	$400,443.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1982 requested		$400,443.	-0-
EXPENSES, SENATE PHOTOGRAPHIC STUDIO			
Expenses budget separately and paid from the Senate Recording and Photographic Studios revolving fund pursuant to Public Law 624 (1957), as amended.			
SUMMARY			
Salaries	$400,443.	$400,443.	-0-
Expenses	-0-	-0-	-0-
Total	$400,443.	$400,443.	-0-

* To fund new positions authorized by the Fiscal Year 1980 Supplemental Appropriations Act, Public Law 96-304.

SENATE POST OFFICE

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, POST OFFICE			
FY 1981 Authorized Positions	$ 916,878.		
Add: October 1 cost of living increase	83,468.		
Total FY 1981 obligations	$1,000,346.	$1,000,346.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1982 requested		$1,000,346.	-0-
EXPENSES, POST OFFICE			
Regular expenses included in Sergeant at Arms' budget	-0-	-0-	-0-
SUMMARY			
Salaries	$1,000,346.	$1,000,346.	-0-
Expenses	-0-	-0-	-0-
Total	$1,000,346.	$1,000,346.	-0-

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SENATE RECORDING STUDIO

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE
SALARIES, SENATE RECORDING STUDIO			
FY 1981 Authorized Positions	$476,887.		
Add: October 1 cost of living increase	43,397.		
Total FY 81 obligations	$520,284.	$520,284.	
Requested position changes:			
None		-0-	-0-
Total Fiscal Year 1982 requested		$520,284.	-0-
EXPENSES, SENATE RECORDING STUDIO			
Expenses budgeted separately and paid from the Senate Recording and Photographic Studios revolving fund pursuant to Public Law 624 (1957), as amended.			
SUMMARY			
Salaries	$520,284.	$520,284.	-0-
Expenses	-0-	-0-	-0-
Total	$520,284.	$520,284.	-0-

SERVICE DEPARTMENT

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE	
SALARIES, SERVICE DEPARTMENT				
FY 1981 Authorized Positions	$2,535,504.			
Add: October 1 cost of living increase	230,731.			
Add: Anticipated supplemental:				
1 new position	26,446.			
4 position increases	9,918.			(19)
46 position title changes only	-0-			
Total FY 1981 obligations	$2,802,599.	$2,802,599.		
Requested position changes:				
None		-0-	-0-	
Total Fiscal Year 1982 requested		$2,802,599.	-0-	
EXPENSES, SERVICE DEPARTMENT				
Parts, Repairs, and Maintenance	$ 918,000.			
Change to: Parts		$ 180,000.		
Repairs		85,000.		
Maintenance		1,049,000.	+$396,000.	(20)
Purchased Equipment	2,332,000.	2,168,000.	- 164,000.	(21)
Leased Equipment	1,253,000.			
Change to: Leased Office Equipment		1,121,000.		
Leased Word Processing Equipment		765,000.	+ 633,000.	(22)
Purchased Supplies	441,000.	444,000.	+ 3,000.	(23)
Training	14,000.	17,000	+ 3,000.	(24)
Travel	2,000.	4,000.	+ 2,000.	(25)
Total	$4,960,000.	$5,833,000.	+$873,000.	
SUMMARY				
Salaries	$2,802,599.	$2,802,599.	-0-	
Expenses	4,960,000.	5,833,000.	+$873,000.	
Total	$7,762,599.	$8,635,599.	+$873,000.	

TELECOMMUNICATIONS

	FISCAL YEAR 1981	FISCAL YEAR 1982	INCREASE/DECREASE	
SALARIES, TELECOMMUNICATIONS:				
FY 1981 Authorized Positions	$ 361,176.			
Add: October 1 cost of living increase	32,868.			
Add: Anticipated supplemental: One position transferred from Administrative Office	24,243.			
Total FY 81 obligations	$ 418,287.	$ 418,287.	-0-	(26)
Requested position changes:				
None		-0-	-0-	
Total Fiscal Year 1982 requested		$ 418,287.	-0-	
EXPENSES, TELECOMMUNICATIONS:				
Telephone Service	$2,245,000.	$2,245,000.	-0-	
WATS Service	1,930,000.	3,010,000.	+ $1,080,000.	(27)
Mobile Phones	21,000.	21,000.	-0-	
Officials' Long Distance	14,000.	14,000.	-0-	
Total	$4,210,000.	$5,290,000.	+ $1,080,000.	
SUMMARY:				
Salaries	$ 418,287.	$ 418,287.	-0-	
Expenses	4,210,000.	5,290,000.	+ $1,080,000.	
Total	$4,628,287.	$5,708,287.	+ $1,080,000.	

NEW STATUTORY POSITIONS

Dept. to which Position is Assigned	No. of Positions	Title	Proposed NTE Salary Rate	Total Salary for Position
Admin. Office	2	Garage Attendant	$ 18,072	$ 36,144
" "	1	" "	16,750	16,750
" "	1	" "	15,648	15,648
Capitol Police	1	Inspector	36,804	36,804
" "	1	Captain	31,735	31,735
" "	1	Lieutenant	26,446	26,446
" "	8	Sergeant	22,039	176,312
" "	10	Plainclothes Officer	19,394	193,940
" "	22	Private	18,072	397,584
Computer Center	3	Sr. Programmer/Analyst	32,617	97,851
" "	1	Sr. Computer Specialist	38,347	38,347
" "	2	Sr. Application Analyst	39,669	79,338
" "	1	Sr. COM Operator	18,292	18,292
" "	2	Lead Operator	20,716	41,432
" "	1	Special Processing Supervisor	28,209	28,209
" "	1	Equipment Coordinator	22,920	22,920
" "	1	Network Technician	23,581	23,581
" "	1	Network Technician	28,650	28,650
" "	1	Personnel Management Analyst	35,482	35,482
" "	1	Special Projects Officer	39,669	39,669
" "	2	Secretary	16,529	33,058
" "	1	Reports Specialist	18,733	18,733
" "	1	Sr. Systems Programmer	38,347	38,347
" "	2	Programmer/Analyst	26,887	53,774
" "	1	Network Coordinator	22,920	22,920
Parking Dept.	1	Director, Senate Parking	37,906	37,906
" "	1	Spec. Projects Assistant	19,394	19,394
" "	1	Supervisor, Admin. Operations Section	26,446	26,446
" "	1	Supervisor, Field Operations Section	24,243	24,243
" "	1	Receptionist/Secretary	15,868	15,868
" "	1	Permits Clerk	19,394	19,394
" "	1	Enforcement Liaison Clerk	19,835	19,835

Dept. to which Position is Assigned	No. of Positions	Title	Proposed NTE Salary Rate	Total Salary for Position
Photog. Studio	1	Director, Photog. Studio	$ 43,636	$ 43,636
" "	1	Appointment Secretary	14,325	14,325
" "	1	Photographer	28,430	28,430
" "	1	Chief Black & White Tech.	27,328	27,328
" "	1	Laboratory Technician	21,378	21,378
" "	1	Photographer	37,025	37,025
" "	1	Senior Photographer	40,551	40,551
" "	1	Photographer	33,278	33,278
" "	1	Photographer/Lab. Tech.	24,022	24,022
" "	1	Administrative Manager	30,634	30,634
" "	1	Secretary/Bookkeeper	13,223	13,223
" "	1	Photographer	25,565	25,565
" "	1	Chief Color Technician	27,328	27,328
" "	1	Laboratory Technician	17,411	17,411
" "	1	Laboratory Technician	16,309	16,309
Service Dept.	1	Manager, Presort. and Mailing Support	26,446	26,446
Telecommunication	1	Clerk	24,243	24,243
Totals	93			$2,166,184

POSITION SALARY INCREASE (WITH OR WITHOUT TITLE CHANGE)

No. of Positions	Dept. to which Position is Assigned	Present Title	Proposed Title	Present NTE	Proposed NTE	Total Increase
1	Cabinet Shop	Cabinetmaker	Cabinetmaker	$20,936	$22,700	$ 1,764
1	Computer Ctr.	Office Systems Specialist	Applications Analyst	18,513	35,482	16,969
1	" "	Operations Clerk	Programmer Analyst	16,309	23,361	7,052
2	" "	Computer Specialist	Sr. Applic. Analyst	35,482	39,669	8,374
1	" "	Junior Operator	Text Proc. Specialist	18,072	23,802	5,730
1	" "	Text Proc. Specialist	Text Proc. Specialist	18,072	21,598	3,526
1	" "	Asst. Micrograph. Super.	Super., Micrographics Operations	22,920	27,107	4,187
1	" "	Film Processor	Asst. Micro. Super.	17,190	20,496	3,306
1	" "	Asst. Film Processor	Darkroom Technician	16,309	18,513	2,204
1	" "	Cameraman	Sr. Quality Control Specialist	15,868	17,851	1,983
1	" "	Cameraman	Sr. COM Operator	15,868	17,851	1,983
2	" "	Cameraman	Sr. Camera Operator	15,868	16,970	2,204
1	" "	Cameraman	Duplication Technician	15,868	16,309	441
1	" "	Jr. Systems Programmer	Systems Programmer	28,650	32,617	3,967
1	" "	Sr. Systems Programmer	Sr. Systems Programmer	35,482	39,669	4,187
2	" "	Sr. Systems Programmer	Sr. Systems Programmer	38,347	39,669	2,644
1	" "	Asst. Operations Mgr.	Asst. Operations Mgr.	32,617	35,482	2,865
1	" "	Production Mgr.	Production Mgr.	30,854	32,617	1,763
3	" "	Computer Shift Super.	Computer Shift Super.	22,259	24,904	7,935
1	" "	Tape Librarian	Data Resource Analyst	18,072	20,716	2,644
1	" "	Asst. Tape Librarian	Tape Librarian	16,309	17,190	881
1	" "	Jr. Operator	Sr. Job Controller	18,072	28,209	10,137
1	" "	Jr. Operator	Job Controller	18,072	20,716	2,644
1	" "	Asst. Tape Librarian	Lead Operator	16,309	20,716	4,407
1	" "	Hardware Manager	Hardware Manager	30,854	32,617	1,763
6	" "	Lead Operator	Lead Operator	19,835	20,716	5,286
5	" "	Operations Clerk	Operations Clerk	16,309	17.190	4,405
1	" "	Receptionist	Technical User Liaison	16,309	17,190	881
2	" "	Data Conversion Operator	Jr. Operations Clerk	13,885	14,546	1,322
1	" "	Technical User Liaison	Technical User Liaison	20,276	20,716	440
1	" "	Network Equipment Super.	Network Equipment Super.	32,617	36,364	3,747
1	" "	Comm. Soft. Prog. Analyst	Comm. Software Specialist	32,617	35,482	2,865
1	" "	Network Technician	Comm. Systems Specialist	28,650	36,364	7,714

No. of Positions	Dept. to which Position is Assigned	Present Title	Proposed Title	Present NTE	Proposed NTE	Total Increase
2	Computer Ctr.	Jr. Network Technician	Comp. Term. Technician	$18,733	$20,716	$ 3,966
3	" "	Comp. Term. Installer	Comp. Term. Technician	15,868	17,631	5,289
1	" "	Standards Specialist	Sr. Applicat. Analyst	35,482	38,347	2,865
1	" "	Tech. Train. Specialist	Training and Career	32,617	35,482	2,865
1	" "	Training Specialist	Reports Specialist	20,496	23,361	2,865
1	" "	Office Systems Super.	Asst. Mgr., Admin. Spt.	32,617	35,482	2,865
1	" "	Office Systems Spec.	Off. Systems Spec.	18,513	20,496	1,983
1	" "	Training Specialist	Sr. Training Spec.	20,496	28,209	7,713
1	" "	Office Systems Training Supervisor	Asst. Mgr., Education. Development	32,617	35,482	2,865
1	" "	Receptionist	Secretary	14,986	18,733	3,747
1	" "	Secretary	Asst. Off. Mgr.	17,631	24,022	6,391
1	" "	Secretary	Secretary	18,292	18,733	441
1	" "	Secretary	Secretary	17,411	18,733	1,322
1	" "	Asst. Tape Librarian	Secretary	16,309	16,529	220
1	" "	Secretary	Secretary	17,190	18,733	1,543
2	" "	Secretary	Secretary	17,190	17,411	442
1	" "	Secretary/Typist	Secretary	16,088	17,411	1,323
1	" "	Secretary/Receptionist	Secretary	14,986	16,529	1,543
1	" "	Asst. Direct., Comp. Ctr.	Depty. Direct., Comp. Ctr.	44,518	49,807	5,289
1	" "	Mgr., Education. Services	Mgr., Education. Services	42,314	46,060	3,746
1	" "	Mgr., Legis. App. Develop.	Mgr., Legis. App. Develop.	42,314	46,060	3,746
1	" "	Mgr., Admin. App. Develop.	Mgr., Admin. App. Develop.	42,314	46,060	3,746
1	" "	Mgr., Data Network	Mgr., Data Network	42,314	46,060	3,746
1	" "	Mgr., Computer Oper.	Mgr., Computer Oper.	42,314	46,060	3,746
1	" "	Mgr., Planning, Budget Administration	Mgr., Planning, Budget Administration	42,314	46,060	3,746
1	" "	Mgr., Systems Programming	Mgr., Systems Programming	42,314	46,060	3,746
1	" "	Mgr., Text Proc. App. Dev.	Mgr., Text Proc. App. Dev.	42,314	46,060	3,746
1	" "	Mgr., Member & Comm. Supp.	Mgr., Member & Comm. Supp.	42,314	46,060	3,746
1	Service Dept.	Addressograph Operator	Address. Operator and Repairman	16,529	17,631	1,102
1	" "	Secretary	Secretary/Receptionist	16,529	18,292	1,763
1	" "	Technical Clerk	Word Process. Systems Analyst	17,190	21,598	4,408
1	" "	Time & Attend. Clerk	Office Manager (Admin.)	15,868	18,513	2,645
84		TOTALS				$231,389

STATUTORY POSITION SALARY DECREASES

No. of Positions	Department	Old Position Title	New Position Title	Old NTE	New NTE	Total Decrease
1	Computer Center	Comp. Resource & Perform. Analyst	Data Resource Analyst	$28,209	$25,565	$ 2,644
1	" "	Operations Scheduler	(no change)	28,209	25,565	2,644
1	" "	Junior Operator	(no change)	18,072	17,190	882
1	" "	Secretary	(no change)	26,006	24,243	1,763
1	" "	Secretary/Receptionist	Secretary	16,750	16,529	221
5		TOTALS				$ 8,154

STATUTORY POSITIONS TO BE ABOLISHED

No. of Positions	Dept. from which Positions is being Abolished	Position Title	NTE Salary Rate	Total Decrease	Position being Transferred to:
1	Admin. Office	Auditor	$ 15,868	$ 15,868	Parking Dept.
1	Admin. Office	Auditor	17,411	17,411	Parking Dept.
1	Admin. Office	Clerk	24,243	24,243	Telecomm.
1	Cabinet Shop	Assistant Cabinetmaker	19,174	19,174	Parking Dept.
1	Capitol Police	Captain	31,735	31,735	Parking Dept.
1	Capitol Police	Sergeant	22,039	22,039	Parking Dept.
1	Capitol Police	Private	18,072	18,072	Parking Dept.
1	Capitol Police	Technician	19,394	19,394	Parking Dept.
8		TOTAL		$167,936	

POSITION TITLE CHANGES AT NO CHANGE IN SALARY

No. of Positions	Department	Present Title	Recommended Title	NTE Salary Rate (no change)
1	Comp.Ctr.	Cameraman	Camera Operator	$ 15,868
1	" "	Data Base Systems Programmer	Systems Programmer	32,617
1	" "	Communications Software Specialist	Assistant Manager, Data Network	39,669
1	" "	Training Specialist	Office Systems Specialist	22,479
1	Service	Typewriter Repair Super.	Manager, Word Processing Support and Typewriter Repair	28,650
1	"	Typewriter Repair Asst. Supervisor	Asst. Mgr. Word Processing Support and Typewriter Repair	24,022
7	"	Auto. Type. Repairman	Word Processing Technician	21,598
2	"	Repairman	Typewriter Repairman	19,835
1	"	Address. Sect. Supervisor	Manager of Addressing Operations	26,226
1	"	Asst. Super., Cheshire Sect.	Asst. Mgr. of Addressing Operations	21,157
1	"	Night Super., Cheshire Sect.	Manager of Addressing Operations, 2nd shift	19,394
1	"	Asst. Night Super., Cheshire Section	Asst. Mgr., Addressing Operations, 2nd shift	18,072
8	"	Addressograph Operator	Addressing Machine Operator	16,529
1	"	Layout Technician	Layout Artist	17,190
1	"	Repairman	Office Equipment Repairman	19,835
1	"	Equipment Supervisor	Manager of Office Equipment	28,650
1	"	Asst. Equipment Super.	Asst. Mgr. of Office Equipment	22,920
1	"	Inserting Machine Operator	Clerk	15,868
1	"	Mimeograph Operator	Clerk	14,105
1	"	Laborer	Messenger	12,783
1	"	Addressograph Operator	Clerk-Receptionist	16,529
1	"	Inserting Machine Operator	Photostat Operator	15,868
1	"	Clerk-Stenographer	Dispatch Clerk	15,427
1	"	Printing Sect. Supervisor	Manager of Printing Operations	26,226
1	"	Asst. Printing Supervisor	Asst. Mgr. of Printing Operations	22,920
1	"	Duplicating Sect. Night Supervisor	Mgr. of Printing Operations, 2nd shift	22,920
1	"	Asst. Night Super. of Duplicating Section	Asst. Mgr. of Printing Operations, 2nd shift	22,259

POSITION TITLE CHANGES AT NO CHANGE IN SALARY (cont'd)

No. of Positions	Department	Present Title	Recommended Title	NTE Salary Rate (No Change)
1	Service	Clerk	Supply Clerk	$ 15,868
1	"	Mimeograph Operator	Messenger	14,105
1	"	Folding Sect. Supervisor	Manager of Bindery Operations	26,226
1	"	Folding Sect. Asst. Super.	Asst. Mgr. of Bindery Operations	21,157
1	"	Night Folding Sect. Super	Mgr. of Bindery Operations, 2nd shift	19,394
1	"	Asst. Night Folding Sect. Supervisor	Asst. Mgr. of Bindery Operations, 2nd shift	18,292
1	"	Warehouse Supervisor	Manager of Warehouse and Wrapping Operations	23,802
1	"	Asst. Warehouse Super.	Asst. Mgr. of Warehouse and Wrapping Operations	16,309
1	"	Addressograph Operator	Mailing and Wrapping Clerk	16,529

DEPT.	1981 AUTHORIZED POSITIONS	OCT 1 INCREASE	ANTICIPATED SUPPLEMENTAL NEW POSITIONS	ANTICIPATED SUPPLEMENTAL POSITION INCREASE	ANTICIPATED SUPPLEMENTAL POSITION DECREASE	ANTICIPATED SUPPLEMENTAL POSITIONS ABOLISHED	1981 ANTICIPATED OBLIGATION	NEW POSITIONS	POSITION INCREASE	POSITION DECREASE	POSITIONS ABOLISHED	FISCAL 1982
Admin. Office	2,071.142.	188,573.	(4) 68,542.			(3) (57,522.)	2,270,735.					2,270,735.
Barber Shop	155,540.	14,155.					169,695.					169,695.
Cabinet Shop	195,536.	17,794.		(1) 1,764.		(1) (19,174.)	195,920.					195,920.
Cust. Svcs.	819,918.	74,613.					894,531.					894,531.
Cap. Police	9,154,438.	833,054.	(43) 862,821.			(4) (91,240.)	10,759,073.					10,759,073.
Comp. Ctr.	4,858,908.	441,670.	(22) 620,603.	(79) 219,707.	(5) (8,154.)		6,132,734.					6,132,734.
Park. Dept.	143,016.	13,015.	(7) 163,086.				319,117.					319,117.
Photo Studio	-0-		(15) 400,443.				400,443.					400,443.
Post Off.	916,878.	86,468.					1,000,346.					1,000,346.
Daily Press Gallery	174,124.	15,846.					189,970.					189,970.
Per. Press Gallery	63,630.	5,791.					69,421.					69,421.
Pr. Photo. Gallery	63,630.	5,791.					69,421.					69,421.
Radio-TV Gallery	152,106.	13,842.					165,948.					165,948.
Record. Studio	476,887.	43,397.					520,284.					520,284.
Serv. Dept.	2,535,504.	203,731	(1) 26,446.	(4) 9,918.			2,802,599.					2,802,599.
Tele. Dept.	361,176.	32,868.	(1) 24,243.				418,287.					418,287.
Totals	22,142,433.	2,014,608.	2,166,184.	231,389.	(8,154.)	(167,936.)	26,378,524.					26,378,524.

INTRODUCTION OF ASSOCIATES

Senator MATTINGLY. Mr. Liebengood, would you please introduce your colleagues and proceed with your summary.

Mr. LIEBENGOOD. Thank you. Mr. Chairman, I would like to introduce Phil Larsen, who is my Administrative Assistant and Budget Officer.

I am pleased, Mr. Chairman, to have the opportunity to testify before the subcommittee this morning. I would like to thank the subcommittee for their assistance to date.

SERVICES OF THE SERGEANT AT ARMS

With regard to the opening statement which you have mentioned, we also have supplied the committee with a booklet entitled "The Services of the Senate Sergeant At Arms." That booklet provides an overview of the jurisdiction of my office and is submitted for the committee's information. It is too long to make a part of the record.

Senator MATTINGLY. The booklet entitled, "The Services of the Senate Sergeant at Arms will be accepted and placed in the subcommittee files. Proceed, Mr. Liebengood.

INITIATIVES AND IMPACT OF THE 1982 BUDGET REDUCTIONS

Mr. LIEBENGOOD. Mr. Chairman, I would like to review in summary fashion some of the initiatives referenced in my statement and discuss briefly the impact of the 1982 budget reductions I am making today. There are eight initiatives presently underway in our Office that I would like to bring to your attention.

SENATE MANAGEMENT BOARD

First, I would like to reference the effort to effect better Senate staff coordination through the work of the Senate Management Board, consisting of the Senate Sergeant at Arms, the Secretary of the Senate, the staff director of the Rules Committee and the staff director of this subcommittee. We believe at regular meetings of the board we can avoid duplication and waste in the management of the Senate I am very hopeful this effort will produce fruits in the area of savings for fiscal year 1981, not to mention fiscal year 1982.

PROCEDURES MANUAL

Further, we are developing a procedures manual to clearly identify existing procedures so we might better analyze the efficiency and effectiveness of each of the functions of the Office of the Sergeant at Arms.

ACCOUNTING SYSTEM

We are also reviewing the Sergeant at Arms accounting system, which our preliminary review suggests is not sufficiently accommodating budget preparation and management. This ongoing evaluation will result in considerable, although not yet discernible, savings.

PERSONNEL MANAGEMENT

Further, we are establishing effective personnel records and personnel management policies. I believe it is imperative that explicit personnel functions be established within our Office, and to that end we are currently examining the automation of our records system and are requesting today a Director of Human Resources position within our administrative office.

DOOR ATTENDANTS

We are further exploring a security training requirement for door attendants, a requirement that I believe speaks for itself.

BARBER SHOP

We are restructuring the Senate barber shop. We would like to close the Capitol barber shop immediately and use only the Russell Building barber shop until our study of moving to consignment arranagements of barbering services is completed.

CONSULTANT AUTHORITY

Seven, we are seeking to establish a consultant's capability. I believe this long-needed authority should be sought and should be granted, and with that, today we are requesting the funding to support such a function.

MEDIA GALLERIES

We are also reviewing the media gallery arrangements, which I believe I fully covered in my opening statement.

Mr. Chairman, these initiatives have been commenced and will result in better service to the Senate and substantial savings.

In conjunction with the diligent and concentrated budget analysis undertaken over the past weeks by my administrative assistant and department heads, I am prepared today to announce the fiscal year 1982 budget will be reduced by $6,230,000, an amount 11.5 percent lower than originally requested. This recommendation has the following impact:

IMPACT OF REDUCTIONS

My administrative office will function absent 12 full-time positions previously requested for a savings of over $1 million. We will have one barber shop instead of two, a savings of $55,000. The computer center will forego 22 previously requested new positions and certain expenditures for a total savings of $2,352,000, without diminishing current capabilities. The Senate Post Office will consolidate shift assignments and function with 27 less full-time employees for a savings of $274,000. The service will not be impaired, although the impact of such a change on the patrongae system could be pronounced. The service department will eliminate 12 full-time positions for a savings of $1,058,000. The telecommunications department, through restructuring of assignments, will be reduced by four positions, a savings of $96,000.

CAPITOL POLICE

The Capitol Police will add 20 rather than 43 positions requested, at a cost of $397,000. However, together with a reduction in over 47 man-years of duty assignments which we have effected, the addition of these 20 officers affects a projected overtime savings to the taxpayer of $1,025,000. Consequently, we believe that addition is both cost efficient and sound from security requirements.

POTENTIAL FOR IMPROVEMENT

Mr. Chairman, the administration of the Sergeant at Arms' Office has become sophisticated. I have attempted to assemble a management team to be responsive to the challenge. However, our work has only just begun. I believe that the potential for significant improvement is manifested in the recommendations I make today. Please know our efforts continue, and we look forward to working with the subcommittee in realizing our mutual goals in the near term.

That concludes my summary remarks.

BUDGET REQUEST

Senator MATTINGLY. Thank you for your statement, Mr. Liebengood. We appreciate the cooperative attitude of you and the Secretary of the Senate in helping us on the appropriations of the legislative branch.

Your total budget is roughly $25,865,000, correct?

Mr. LIEBENGOOD. For salaries, correct. Our total projected budget for fiscal year 1982 was nearly $54 million.

Senator MATTINGLY. Right, that includes the contingency fund, and your total savings then that you are projecting to cut back is how much?

Mr. LIEBENGOOD. $6,230,000.

Senator MATTINGLY. Then the estimated budget for fiscal year 1982?

Mr. LIEBENGOOD. Will be $47,931,000.

Senator MATTINGLY. Does that figure include the estimated pay incrementals, the supplementals?

Mr. LIEBENGOOD. Yes, Mr. Chairman, it does.

Senator MATTINGLY. For fiscal year 1982?

Mr. LIEBENGOOD. Yes, it does. We believe we will be able to absorb most, if not all of that.

Senator MATTINGLY. And moneys are available for that?

Mr. LIEBENGOOD. We believe so.

CAPITOL POLICE

Senator MATTINGLY. How many police does the Capitol Police force now employ?

Mr. LIEBENGOOD. We are presently authorized 519 positions.

Senator MATTINGLY. And you are requesting an additional 20?

Mr. LIEBENGOOD. An additional 20, that is correct.

Senator MATTINGLY. In connection with that question is why? And I have read your statement referring to overtime, which I assume that last year a lot of the overtime was due to the people that you had to hire from the District of Columbia Police force because of the disturbances, probably examples would be the Iranian situation.

Mr. LIEBENGOOD. Yes, sir.

Senator MATTINGLY. Which may or may not happen in fiscal year 1982.

THREAT POTENTIAL TO THE CAPITOL AND SENATE

Mr. LIEBENGOOD. Mr. Chairman, I would like to speak to that. The Capitol Police force functions in a preventive rather than a reactive mode. The force is designed by its very nature to provide a security umbrella to the Capitol, and Members of the Senate. It is very difficult sometimes—it is like proving a negative—to show how your presence at a particular place or a particular time can prevent an action from taking place because the action never takes place. I am inclined at this juncture in my tenure as Sergeant at Arms to rely upon the experienced judgment of Chief Powell in determining what level of employment the Capitol Police force needs to insure our security. I intend to go beyond that experienced judgment, however. I have asked for assistance from the Federal Bureau of Investigation and Secret Service in assessing the threat potential to the Capitol and Senate. I have asked an expert—I guess the Nation's most renowned expert—in crisis management to consult with us and help us determine whether or not the means presently at our disposal can meet the crisis management aspects we have. I believe once I get the results of those three studies I will be in a better position for an independent analysis. As for now, I have great respect for Chief Powell and his experience. I believe the results of his careful work and his attention to our security is reflected in the major crime map that I attached as part of my statement. It may be that when we complete our analysis we can further reduce the police force. It may be we will need to increase. I am not now prepared to say, and I am not prepared to roll the dice on that issue until I know more.

Senator MATTINGLY. Who is doing the studies?

Mr. LIEBENGOOD. The Federal Bureau of Investigation has been requested to do one study, the Secret Service another, and Mr. Robert Kupperman to do the study on crisis management. All have been formally requested to proceed immediately. All have informally agreed to be of assistance. As I indicated, Mr. Chairman, in my statement, I will be happy to keep you advised and I am looking forward to sharing with you and the subcommittee the information that we receive as a result of that study.

CAPITOL POLICE AUTHORIZED, VACANCIES, AND DUTY ASSISGNMENTS

Senator MATTINGLY. Are all 519 positions authorized now and filled by the police?

Mr. LIEBENGOOD. No; approximately five vacancies exist.

Senator MATTINGLY. Do you know how many policemen are involved in sitting at various desks around the Senate side of the Capitol directing people?

Mr. LIEBENGOOD. Mr. Chairman, we have individuals stationed at desks. What I would like to do, Mr. Chairman, is provide you with a complete breakdown of each duty assignment of all Capitol Police. In the course of the past 10 days, we have carefully reviewed every duty assignment that the Capitol Police undertake. There will be some in-

dividuals assigned at those desks. However, those individuals are not there to direct the public; they are there to provide what we think is a critical security function. They are at critical access points to the Capitol and office buildings; and should we have a serious security incident, because of our communications arrangements, they are strategically and tactically stationed to seal off an access. So we feel from a preventive security aspect those positions are important. As an adjunct to that function, they do, of course, direct the public. They do make sure that Members have access to the subway to expedite their access to the floor for votes and so on. That is not their primary function; it is an adjunct to their function.

DUTY ASSIGNMENTS ELIMINATED

In addition to the material I have submitted on each duty assignment, I have submitted a breakdown on 30 man-years of duty assignments we have eliminated as of today—actually, we eliminated them approximately 10 days ago—and also identified 18 other man-years we can eliminate by fiscal year 1982. The delay is the need to find alternative security measures. I will submit those to you for your review as well. I believe it reflects a diligent effort on the part of the police to make sure there is no excess in their duty assignments. I believe the subcommittee will agree with that when they have had a chance to review that material. I would make one request. In the interest of security, while I urge the committee to look at it, I would ask it not be made part of the public record.

Senator MATTINGLY. Senator Bumpers.

Senator BUMPERS. Good morning, Mr. Chairman.

Senator MATTINGLY. He just finished a statement.

Senator BUMPERS. Why don't you go ahead.

POLICE STAFFING LEVELS

Senator MATTINGLY. It is possible, though, that we could keep the same number of policemen that we currently have authorized, including the five that are currently not filled, correct?

Mr. LIEBENGOOD. It is possible, but not desirable, in my opinion. Once we conclude the analysis of the studies that we received, I would be pleased to review with the subcommittee an alteration in the numbers submitted today. As of now, I would like to retain those numbers. They correct an inequity in the present salary structure of the police department, and we need the supervisory personnel. We have had to effect, for want of a better term, battlefield promotions to insure that individuals are performing the supervisory functions. I would like to have those people compensated commensurate with the positions of responsibility they have performed now for almost 4 years. In doing so, we will fill up an additional 20 positions at the private level, at a savings of over $1 million to the taxpayer. I think that is cost efficient. I think it is in keeping with the security requirements that the Chief of Police tells me we need, and I would very much urge the subcommittee to adopt that recommendation; however, with this caveat, that we will continue to assess the duty assignments to insure there is no excess, and once we have the results of this security overview we are doing, make whatever additions or deletions that that study would suggest.

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Senator MATTINGLY. It would seem to me it would be appropriate then to wait until your study is finished before you request additional positions, and then possibly at that time come forward with a supplemental request.

Mr. LIEBENGOOD. You understand, Mr. Chairman, that this request is not for fiscal year 1981, but fiscal year 1982, and it is a reduction by 23 positions of the amount originally requested for fiscal year 1982.

Senator MATTINGLY. And it is conceivable you can wait until fiscal year 1982, sometime during that period, to also request a supplemental.

Mr. LIEBENGOOD. Absolutely, and that is what we are doing, requesting these for fiscal year 1982.

Senator MATTINGLY. I mean later on in the fiscal year 1982 period.

Mr. LIEBENGOOD. I understand.

Senator MATTINGLY. You may not need more.

Mr. LIEBENGOOD. And we may need more.

Senator MATTINGLY. I hope you don't.

Mr. LIEBENGOOD. I submit information on past reductions and assignments.

Senator MATTINGLY. The information will be placed in the record.

[The information follows:]

POST REDUCTIONS

The following manpower requirements have been eliminated since January 1, 1980:

Back Doors to Immigration and Senate Courts Annexes from 11 PM to 7 AM Daily	3.52 Manyears
Traffic Post at New Jersey Avenue and C Street, N. W.	.68 "
Traffic Post at Hart Building Construction Site	1.36 "
Traffic Posts at First and C Streets	1.02 "
Sergeant at Arms Office	.51 "
Reduction in number of Building Patrols RSOB	5.73 "
Reduction in number of Building Patrols DSOB	17.19 "
TOTAL REDUCTION	30.01 Manyears

Reductions are presently slated in the following areas:

Elimination of coverage of the Russell and Dirksen Building Ends of the Senate Subway from Noon Saturday until 7 AM Monday	1.30 Manyears
Reduction of coverage of Room S-407 (Capitol) during periods when the office is closed	4.68 "
Elimination of coverage of Rear Doors to the Immigration, Senate Courts, Capitol Hill and 128 C Street Annexes, when alarmed	11.43 "
TOTAL REDUCTION	17.41

PERMANENT POST ASSIGNMENTS
SENATE SIDE

(3/3/81)

	REQUIREMENT IN MANYEARS
RUSSELL SENATE OFFICE BUILDING	
Rotunda Door	3.04
Delaware Avenue Door	3.17
Delaware Avenue & C Street Door	5.73
North Wing Door	3.11
South Wing Door	3.11
First & C Streets Door	3.17
First Street & Constitution Avenue Door	3.62
Subway	5.73
Building Patrol (1st Floor)	5.73
Building Patrol (2nd Floor)	5.73
Building Patrol (3rd & 4th Floors)	5.73
East Legislative Garage	3.24
West Legislative Garage	5.73
Loading Dock	1.91
DIRKSEN SENATE OFFICE BUILDING	
Northeast Door	4.98
Northwest Door	7.94
Southwest Door	3.17
Subway	4.67
Room G-308	5.73
Building Patrol (1st & 2nd Floors)	5.73
Building Patrol (3rd & 4th Floors)	5.73
Building Patrol (5th & 6th Floors)	5.73
Garage #1	5.73
Garage #2	3.82
Garage #3	1.36
Cafeterias	.77
SENATE OFFICE BUILDING ANNEXES	
Immigration Annex Front Door	5.73
Immigration Annex Back Door	3.82
Immigration Annex Building Patrol	5.73
Senate Courts Annex Front Door	5.73
Senate Courts Annex Back Door	3.82
Senate Courts Building Patrol	5.73
Capitol Hill Annex Front Door	5.73
Capitol Hill Annex Back Door	1.36
Capitol Hill Annex Building Patrol	5.73
400 North Capitol Annex Front Door	5.73
400 North Capitol Annex Back Door	2.66
400 North Capitol Annex Building Patrol	3.55
128 C Annex Front Door	5.73
128 C Annex Back Door	2.43
128 C Annex Building Patrol	1.64
TRAFFIC AND PARKING	
Lot 11	5.73
Lot 12	5.73
Lot 13	5.73
Lot 14	5.73
Lot 15	2.73
Lot 16	6.24
Lot 18	3.82
Lot 19	3.38
Lot 20	.68
Lot 21	.68

Lot 22	
C Street - First Street to Delaware Avenue	.68
D Street - First Street to Delaware Avenue	2.02
D Street - Delaware Avenue to Louisiana Avenue	.51
Delaware Avenue - Constitution Avenue to C Street	.51
Delaware Avenue - C Street to D Street	2.02
Delaware Avenue - D Street to Circle	.51
Louisiana Avenue	.51
New Jersey Avenue	2.73
First Street	.51
Constitution Avenue	.51
C Street Tunnel	.85
	.68
Delaware and Constitution Avenues	1.88
First Street and Constitution Avenue	1.88
North Capitol and D Streets	1.36

ADMINISTRATIVE AND SUPERVISORY

Inspector	1.00
Captain	1.00
Lieutenants	4.00
Sergeants	20.00
Technicians	3.00
Station Clerks	15.56

TOTAL SENATE OFFICE BUILDINGS DETAIL 281.40

CAPITOL BUILDING - SENATE WING

Lower Senate Door	5.73
Upper Senate Door	1.36
North Door	1.77
Old Senate Chamber	1.91
Old Supreme Court Chamber	2.63
Building Patrol (Basement & First Floors)	5.73
Building Patrol (Second & Third Floors)	5.73
Disbursing Office	1.46
Room S-407	5.73
Room S-208	1.71
Subway	5.73
Senate Lobby	1.85
Senate Gallery	5.33
Metal Detectors	10.92
Reception Room	1.36
Ohio Clock	1.36
East Stairs	1.36
West Stairs	1.36
East Chamber Door	1.36
Rotunda Door	2.39
Lower West Terrace Door	1.88
Rotunda	5.73

TRAFFIC AND PARKING

Plaza Crosswalk	5.73
Senate Plaza	2.73
Senate Steps	3.82
Northeast Drive	1.19
Northwest Drive	1.02
Maryland Avenue Drive	1.02
Upper West Terrace (50%)	3.55
East Capitol Drive	1.36
East Front Patrol	3.82
West Front Patrol	3.82

ADMINISTRATIVE AND SUPERVISORY		
Lieutenants	4.00	
Sergeants	7.00	
Technicians	2.00	
Station Clerks (50%)	7.78	
TOTAL CAPITOL BUILDING DETAIL		123.23
SENATE GROUNDS - PATROL		
Scout Cars (50%)	12.13	
Motor Patrols (50%)	9.10	
Bus Control (50%)	1.91	
Patrol Area S-3	3.26	
Patrol Area S-4	3.26	
Patrol Area S-4A	3.26	
Patrol Area S-5	3.26	
Patrol Area S-5A	3.26	
Patrol Area S-6	3.26	
Botanic Gardens (50%)	.84	
Canine Patrols	6.00	
Senate Plaza Annex Security	4.90	
ADMINISTRATIVE AND SUPERVISORY		
Captain	1.00	
Lieutenant	1.00	
Sergeants	5.00	
Station Clerks (50%)	3.82	
TOTAL PATROL DETAIL		55.26
INVESTIGATIONS		
Captains	2.00	
Lieutenants	1.00	
Sergeants	8.00	
Detectives	9.00	
Plainclothes Officers	10.00	
Privates	11.00	
TOTAL INVESTIGATIONS		41.00
ADMINISTRATIVE AND TECHNICAL SUPPORT STAFF		
Deputy Chief	1.00	
Inspector	1.00	
Captains	2.00	
Lieutenants	4.00	
Sergeants	10.00	
Technicians	10.00	
Privates	43.00	
TOTAL ADMINISTRATIVE AND TECHNICAL SUPPORT STAFF		71.00
GRAND TOTAL REQUIREMENT - SENATE SIDE		581.89

MERIT COMPENSATION

Senator MATTINGLY. Senator Bumpers.

Senator BUMPERS. I have a series of questions I have been presented with. Let me go to the ones that are relevant.

You are requesting $182,197 in fiscal year 1982 for merit increases to be provided by the Merit Compensation Board. I understand that the Board is permitted to give merit increases to a maximum of 27 personnel and that the increases cannot exceed 10 percent of an employee's base salary. Is that correct?

Mr. LIEBENGOOD. That is correct.

Senator BUMPERS. Well, if you were to give a full 10 percent to 27 individuals who were each making the maximum salary allowable under existing law, the increases wouldn't total $282,000. Why are you asking for that much?

Mr. LIEBENGOOD. Senator Bumpers, that request was made by my predecessor. We are presently reviewing the entire merit increase system and longevity commitments as well. I have asked in my statement that we establish a Director of Human Resources position. We have a huge budget. We have a huge contingent of working people. We have never had a sophisticated personnel management system either in recordkeeping or in policymaking or in the day-to-day management of our office. I believe the office has become so large and sophisticated that we need to have such a function. One of the tasks that a Director of Human Resources would undertake would be a review of the merit increase system—is it necessary? Is it evenhandedly applied? I am not prepared to say that we will continue that system at this time for fiscal year 1982, Senator Bumpers, but I can assure you that we have underway a thorough review and it will undergo a more thorough review once we have a personnel planning professional in place.

Senator BUMPERS. When can we expect an answer to that question? If we can make reductions there, we might as well do it. When can we have an answer?

Mr. LIEBENGOOD. Before the week is over.

Senator BUMPERS. Well, that is fine.

AUTOMOBILES

I have a question or two on the size of cars. I understand you plan to spend over $30,000 in 1982 for 13 leased vehicles and $10,000 for the purchase of vehicles. I am just wondering if you have given any consideration to where you lease or own full-size cars, to converting to subcompacts or at least middle-size cars? I drive a Horizon and I don't want anybody driving anything bigger than that.

[Laughter.]

Mr. LIEBENGOOD. Senator Bumpers, we have not considered that.

Senator BUMPERS. Couldn't we save quite a bit of money? When I go home, I rent subcompacts.

Mr. LIEBENGOOD. I don't know what percentage of savings given my proposed $54 million, now $47 million, budget by doing that. Every little bit helps. Let me assure you, sir, I will review that. We have not reviewed it. In the 6 to 8 weeks we have been in office, we have con-

centrated our budget analysis on areas that we believe can effect the largest savings. As I indicated in my statement, this is an ongoing effort, and my administrative assistant and principal budget officer will be doing basically nothing other than looking for ways to save, and we will certainly add that to that list.

Senator BUMPERS. How many people in the Sergeant at Arms Office get a car to take home and bring to work as part of their compensation?

Mr. LIEBENGOOD. Two, the Sergeant at Arms and the Deputy Sergeant at Arms.

Senator BUMPERS. How are the rest of these cars used?

Mr. LIEBENGOOD. We have a car for the Secretary of the Senate. We have a car for the Vice President, the President pro tem, the majority leader, the minority leader, the majority and minority whips, the Attending Physician, the secretary of the majority and the secretary of the minority, and the financial clerk. We have a reserved vehicle in the Sergeant at Arm's Office for Members of the Senate and other dignitaries. We have three mail cars for riding pages. We have one truck which we use to carry furniture.

AUTOMOBILE FOR THE VICE PRESIDENT

Senator BUMPERS. Do you furnish that big limousine for the Vice President?

Mr. LIEBENGOOD. It is not a limousine. It is a Mercury Marquis.

Senator BUMPERS. Is that his official car?

Mr. LIEBENGOOD. It is his official car here. I believe he has a car downtown as well.

Senator BUMPERS. Do you keep a car up here just for him?

Mr. LIEBENGOOD. Yes.

Senator BUMPERS. Why?

Mr. LIEBENGOOD. We always have.

Senator BUMPERS. He can't use more than one car.

Mr. LIEBENGOOD. I don't know.

Senator BUMPERS. Where is the car kept?

Mr. LIEBENGOOD. It is kept in the Senate garage, and it is utilized.

Senator BUMPERS. By whom?

Mr. LIEBENGOOD. When not utilized by him, I believe it is used by his administrative assistant here.

Senator BUMPERS. Well, when he comes up here does he come up in the car he keeps down at the White House.

Mr. LIEBENGOOD. Yes.

Senator BUMPERS. What possible use could he have for that second car? Even the President has only one.

Mr. LIEBENGOOD. I am speculating now because I haven't discussed it with him or his staff, but I would speculate it would be used by his administrative assistant to go from his office here to his office at the Executive Office Building.

Senator BUMPERS. Who is his administrative assistant?

Mr. LIEBENGOOD. Bob Thompson. And he also has a legislative assistant who might use it.

CAPITOL POLICE

Senator BUMPERS. Did you discuss the Capitol Police before I got here?

Mr. LIEBENGOOD. We have, sir.

Senator BUMPERS. How many people are in the Capitol Police force?

Mr. LIEBENGOOD. Five hundred and nineteen.

Senator BUMPERS. How many in total, counting those serving on the House side?

Mr. LIEBENGOOD. One thousand one hundred and sixty-three, I am advised.

Senator BUMPERS. How does that compare with 1 year ago?

Mr. LIEBENGOOD. I don't have that information. The Chief of Police, who is in attendance, may have that.

Senator BUMPERS. Chief, can you answer that question?

Chief POWELL. Yes; it is about 25 less. The Metropolitan Police officers retired last year; they were not replaced. And then four positions were switched over on the Senate side. So we lost a total of about 25.

POLICE PROMOTIONS

Senator BUMPERS. The Chief sent you a letter saying he planned to move seven members serving as acting sergeants to staff sergeant positions.

Mr. LIEBENGOOD. That is correct.

Senator BUMPERS. How many officers are now noncommissioned officers serving in acting positions?

Mr. LIEBENGOOD. I am aware of only the seven, but there may be more.

Senator BUMPERS. Chief, can you answer that?

Chief POWELL. Yes, sir. There are seven on the Senate rolls. We have I believe one on the House rolls, and we have two acting captains again on the House rolls.

Senator BUMPERS. Why do you make them acting? Why do you put somebody in a so-called acting position rather than hiring them for the position?

Chief POWELL. We didn't have the money to pay them for that position. We needed that position in a supervisory capacity.

Senator BUMPERS. You pay them out of your operations and maintenance account?

Chief POWELL. No, sir; they just aren't paid. They are paid as a private. In other words, they receive the same pay.

Senator BUMPERS. You mean you can't pay them for that particular position?

Chief POWELL. No, sir.

Senator BUMPERS. They get the status but not the money.

Chief POWELL. That is what it amounts to.

RATIO OF SUPERVISORS TO LINE PERSONNEL

Senator BUMPERS. Howard, if you can answer this fine. What is the ratio of supervisory personnel to line personnel in the Capitol Police force?

Mr. LIEBENGOOD. I defer to the Chief.

Chief POWELL. About 9 to 1.

Senator BUMPERS. How does that compare with the Metropolitan Police?

Chief POWELL. It is about the same, a little bit lower. Our supervisory ratio is not quite on the par with the Metropolitan Police. They have a higher percentage of supervisory.

AREA OF JURISDICTION

Senator BUMPERS. I have always wondered—and this is a good time to ask—how much of this area are the Capitol Police supposedly responsible for? Are they responsible for all the office buildings?

Chief POWELL. Yes, sir.

Senator BUMPERS. And the Capitol?

Chief POWELL. Yes, sir; and the entire enclosure, about 200 acres, the area from approximately Union Station, Old Union Station, south to about D Street, and we go from Third Street west. We have 20 buildings or parts thereof, including the Capitol and office buildings.

Senator BUMPERS. How do you determine how many police are going to be standing at each elevator? Usually there are two or three standing by the Capitol elevators. How do you determine how many people you need there?

Chief POWELL. It varies from time to time. On some occasions we may have some indication of some groups who have pledged themselves to disrupt the Congress, the Senate, and on those days we would have more people stationed. On the other hand, we may have information that some mentally disturbed patient is headed for the Capitol to do whatever, and we may have additional police officers to prevent, intercept such persons if we can.

Mr. LIEBENGOOD. Senator Bumpers, I might add prior to your arriving we submitted a breakdown by building and by duty assignment of the work station of every police officer. We have reviewed this with the Chief and his staff on an assignment-by-assignment basis over the last 10 days. We have reduced 30 man-years of assignments immediately. We have targeted 17 plus additional man-years for reduction by fiscal year 1982. We asked the Chief to justify each duty that remains, and he has done so to our satisfaction.

Senator BUMPERS. I want to say this to Howard and to you, Chief. All of the Members of the Senate are good friends and have made friends with the Capitol Police. They are all very courteous. But I would be less than honest if I didn't say I think there are too many of them. For example, there are three police out there directing cars into the Senate garage in the Dirksen Building. They are all good fellows. I know them all and like them all. But it does seem like a waste of manpower. I am not suggesting you don't need them, but I am suggesting you don't need three people to direct traffic at the garage. When you see things like that all of the time and yet we are trying to save money, it occurs to me that this is a good place to start looking.

Mr. LIEBENGOOD. Senator Bumpers, be assured we have started looking there. We have reduced 48 man-years in approximately 1 week, and the search continues.

CORRESPONDENCE MANAGEMENT

Senator BUMPERS. Mr. Chairman, I have a few more questions dealing with the General Accounting Office report which was critical of the centralized computer management system.

Howard, are you familiar with this General Accounting Office report?

Mr. LIEBENGOOD. Yes; I have seen the report.

Senator BUMPERS. Would it be fair to ask about this, because I do have a couple questions I will submit in regard to the General Accounting Office report?

Mr. LIEBENGOOD. That is fine.

REVISED BUDGET SUMMARY

Senator MATTINGLY. One last question before we let you go. Your proposed budget for fiscal year 1982 you say is $47.931 million.

Mr. LIEBENGOOD. Yes, sir.

Senator MATTINGLY. And that is a little more than $6 million less than fiscal year 1981, including the same areas?

Mr. LIEBENGOOD. That is correct.

Senator MATTINGLY. And that includes pay supplementals; is that correct?

Mr. LIEBENGOOD. That is correct.

Senator MATTINGLY. Does that include any temporary employees and their funding for that?

Mr. LIEBENGOOD. Yes; it does.

Senator MATTINGLY. I would like for the record for you to submit how many temporary employees. Is there any carryover funds involved in that?

Mr. LIEBENGOOD. From 1980?

Senator MATTINGLY. Yes.

Mr. LIEBENGOOD. No.

Senator MATTINGLY. Will there be any in 1981?

Mr. LARSON. I don't believe so.

Senator MATTINGLY. As I repeat, in light of President Reagan's stated intent to make substantial cuts in the Federal budget and the intent of this chairman and this committee to aid the President in his efforts to bring health back to the American economy by cutting back the size of the Government, would you answer yes or no to holding your 1982 budget to the fiscal year 1981 level, to not increasing personnel, and to deferral of all spending initiatives and programs until the economy recovers?

Mr. LIEBENGOOD. I am pleased to answer yes.

QUESTIONS SUBMITTED FOR RESPONSES

Senator MATTINGLY. Thank you. I submit some questions for responses.

[The following questions were not asked at the hearing but were submitted to the Department for response subsequent to the hearing:]

Additional Committee Questions

BEAUTY SALON

QUESTION: Do you have jurisdiction over the Senate Beauty Salon? Isn't that a private operation? How much rent and utilities are paid by the Senate Beauty Salon for their space in the Dirksen Building?

ANSWER: I understand I have limited jurisdiction over the Senate Beauty Salon. That jurisdiction consists of recommending to the Rules Committee changes in the administration of the salon such as hours of duty and price changes.

The Senate Beauty Salon is operated by a private concern on a consignment basis. It does not pay rent or utilities.

QUESTION: If the Senate Beauty Salon isn't paying any rent, do you have any control over the prices they charge for their services, so that they are kept below what would normally be charged by a private beauty salon?

ANSWER: As I stated earlier, I have the authority to recommend prices to the Rules Committee.

It is my understanding that the last price increase was in August, 1980, and that was the first increase since 1974. Based on the 1980 survey of commercial operations in the Capitol area, it appears the prices currently charged are below the commercial average.

POST OFFICE

QUESTION: You are requesting 79 positions and $1,062,496 for the Senate Post Office. How are these positions filled--are they patronage positions?

ANSWER: My predecessor did request this level of funding and staffing for the Senate Post Office. My revised request, however, reduces these levels to $728,000 and 52 positions.

It is correct that most of these positions were appointed under the patronage system. As stated in my opening statement, I believe that system does not allow for the best quality of service that could be possible. Accordingly, I propose to reorganize the Post Office, utilize full-time staff, and make appointments on the basis of merit.

COMPUTER CENTER

QUESTION: I understand the Computer Center only works a four day week during non-legislative periods?

ANSWER: I understand the policy in the past has been to work "short hours" during non-legislative periods. However, instead of reducing the hours per day to 6 hours, five days per week, the Center has worked their people 4 eight hour days and given them 8 hours off. This was done on a rotational basis so the Center's activities were covered at all times with no reduction in service.

I have instructed the Center to eliminate this practice until further notice. In the meantime, we will be addressing this issue

on an office-wide basis as a part of our personnel management improvement program.

STATE OFFICES

QUESTION: Mr. Liebengood, each Senator has offices in his home state. Does that come under your jurisdiction?

ANSWER: It is my responsibility to pay the rent and supply necessary equipment for Senators' state offices.

QUESTION: How much money is provided to each Senator for such offices? How is the amount computed?

ANSWER: There is no maximum limitation in terms of dollars due to the varying cost of office space at different locations throughout the country. For example, office space in New York City would be more expensive than similar space in North Platte, Nebraska.

The amount of space is allocated according to a formula based on population and square footage. Further, there is a $22,550 minimum for office space not in excess of 4,800 square feet which is increased by $500 for each authorized increase of 200 square feet of space. The aggregate square feet of office space for each Senator is as follows:

Less than 2,000,000 population	4,800 square feet
2,000,000 to 3,000,000	5,000
3,000,000 to 4,000,000	5,200
4,000,000 to 5,000,000	5,400
5,000,000 to 7,000,000	5,800
7,000,000 to 9,000,000	6,200
9,000,000 to 10,000,000	6,400
10,000,000 to 11,000,000	6,600
11,000,000 to 12,000,000	6,800
12,000,000 to 13,000,000	7,000
13,000,000 to 15,000,000	7,400
15,000,000 to 17,000,000	7,800
17,000,000 or more	8,000

QUESTION: Is there any limit on the number of such offices each Senator may have in his state?

ANSWER: There is no limit on the number of offices a Senator may have so long as he or she does not exceed the aggregate square footage allowance.

QUESTION: Wht is the largest number of such offices that any one Senator now has?

ANSWER: The largest number of state offices by any Senator is seven. The average number of state offices per Senator is three.

Questions asked by Senator Bumpers

MERIT COMPENSATION

QUESTION: You are requesting $182,197 in fiscal year 1982 for merit increases provided by the Merit Compensation Board. I understand

that the Board is permitted to give merit increases to a maximum of 27 personnel and that the increases cannot exceed 10 percent of an employee's base salary. It this correct?

ANSWER: I understand from the Chief Financial Clerk that the amount you mentioned was requested by him for fiscal year 1982. Further, I understand this amount is requested to provide merit increases for both my office (not to exceed 18) and the Secretary of the Senate (not to exceed 9).

QUESTION: If you were given a full 10 percent to 27 individuals who were each making the maximum salary allowable under existing law you could not utilize the full amount you are requesting. Why can't we make a significant reduction in this request?

ANSWER: I understand from the Chief Financial Clerk that this request can be reduced. Further, I understand my office only used $16,000 in fiscal year 1980. I do not anticipate using more than that amount in 1981.

As stated in my testimony, I have requested the authority to appoint a Director of Human Resources. This individual will be responsible for developing and implementing definite personnel policies and procedures covering numerous areas including merit increases. We will keep the committee advised of our progress in this regard and look forward to our continued cooperation in our efforts to improve the management and operation of the Senate.

QUESTION: Can you tell the Committee what the ratio of supervisory personnel is to line personnel in the Capitol Police force assuming those serving in an acting capacity in the position of Sergeant and above are included in the definition of supervisory personnel.

ANSWER: The overall ratio of non-supervisory to supervisory personnel on the Senate roll is 5.81:1, however, the more significant ratio of non-supervisory personnel to Sergeants is approximately 8.3:1. I have checked with the Metropolitan Police Department and have learned that their overall non-supervisory to supervisory ratio is 4.44:1 and their ratio of non-supervisory personnel to Sergeants is 6.77:1.

QUESTION: How does this ratio compare to the ratio recommended by the International Chiefs of Police?

ANSWER: A spokesman for the IACP has informed us that a ratio of 1 Sergeant to 8 non-supervisory personnel would normally be adequate, provided the supervisor and the officers were well trained and proficient in their responsibilities. The spokesman further stated that there is a possibility that ratios for the Capitol Police force could be lower, however, he declined to confirm this due to an absence of a complete study.

QUESTION: You are requesting a total of $26,378,000 for the Office of the Sergeant at Arms fiscal year 1982. This total includes $10,759,404 for 562 members of the Capitol Police force. I understand that there are more employees on the force than the entire State Highway Patrol for the State of Florida and the police force for the Capitol is larger than the police force of Atlanta, Buffalo or San Diego. Why can't we make a substantial reduction in the size of this force?

ANSWER: Any comparison involving the United States Capitol Police force is by and large irrelevant unless prefaced with an acknowledgement of the unique nature of their responsibility in protecting the United States Congress and the United States Capitol Buildings and Grounds. People throughout the world look upon the Capitol more than any other edifice as the symbol of the United States Government. As such the Capitol is the focal point of not only visitors to the city, but also those desiring to influence public policy by whatever means, including force and violence.

Not only is the Capitol the focal point of public demonstrations, unlike the White House, Supreme Court and other Government buildings, the Capitol is the peoples building and allows virtually unlimited access by any citizen or visitor. Security and accessibility are essentially opposing concepts, and the greater accommodation of one must be at the expense of the other. If we are going to allow freedom of access to the Capitol, our challenge of providing security is measurably increased and made more difficult.

To our knowledge, no other national government permits unescorted access to their legislative body. In England, persons seeking access to the halls of Parliament are met upon entering by a special escort who remains in attendance at all times. The Irish Parliament permits each member to receive no more than two visitors at any time and requires such member to personally greet visitors at the building entrance and remain in their company until they exit.

Although violent crime is unacceptable in any area of our society, the absolute importance for prevention of violent criminal acts within the confines of the Legislative Complex cannot be over emphasized. The foremost responsibility of the Capitol Police is to insure that the Congress is able to perform its Constitutional responsibilities in an atmosphere free from duress and without threats and harrassment or intimidation.

During calendar year 1980, there were 225 crimes committed against persons within a six block radius of the Capitol Grounds while only 15 such crimes occurred within the confines of the Grounds. In considering any reduction of the Capitol Police force, we must also weigh whether or not an increase in this statistic is acceptable under any circumstances. We feel that we must be able to assure Members of the Congress, their employees and constituents that they are free to move about the Capitol Complex at any time of day or night without undue fear of violent acts.

COMPUTER CENTER

QUESTION: The operational costs of your Computer Center seem to be growing by leaps and bounds. Your predecessor planned to increase positions from 202 to 227 in the months ahead and proposed an increase in non-salary items of 30 percent over your current budget to a total of $10,219,000.

On July 17, 1980 the General Accounting Office issued a report which was critical of the centralized Correspondence Management System which is used by 75 Senate offices and indicated that the Senate could save over $1,000,000 per year for the next 5 years if

it were to replace the Correspondence Management System with a distributed-logic system. The report went on to recommend that the Senate defer its consideration of purchasing the Correspondence Management System until it had time to explore the distributed-logic system alternative.

Can you tell us what steps you are taking to carry out the recommendations made by the GAO report, including the evaluation of alternative commercial data communications network structures to determine potential benefits and costs?

ANSWER: The GAO report you mentioned was prepared prior to my election as Sergeant at Arms. I have reviewed the report and have asked my staff to analyze it further. We are also reviewing a analysis of the report that was prepared by the Computer Center.

I do not expect we will be able to complete our analysis anytime in the near future. I do expect to be able to provide this committee with a complete report prior to our budget hearings next year. As we complete our review, I hope I can count on the continued support and assistance of this committee.

QUESTION: Can you tell the Committee how much of your Fiscal Year 1982 budget is tied to the continuing acquisition of the Correspondence Management Systems?

ANSWER: Presented below are the items in the Senate Computer Center's FY82 budget which will go toward support of the Senate's Correspondence Management System:

Item	Amount
Staff	$ 280,000
Supplies (letterhead paper)	198,000
Timesharing Services	2,724,000
Xerox 9700 (prorated at 44%)	84,000
State Office Data Communications (80% allocation)	1,040,000
Terminals	479,000
Total	$4,805,000

QUESTION: Have you done a study of the cost of allowing greater decentralization by approving a wider range of standalone equipment as compared to the benefits of such a course?

ANSWER: A full study such as you are suggesting has had, of necessity, to await follow-up information from the GAO to the Committee on Rules and Administration concerning the basis for the distributed system cost estimates used in the GAO report. I will, of course, be happy to participate in such a further study if the Rules Committee requests such assistance.

OFFICE OF THE SENATE LEGAL COUNSEL

STATEMENT OF MICHAEL DAVIDSON, SENATE LEGAL COUNSEL

ACCOMPANIED BY ELIZABETH CULBRETH, DEPUTY SENATE LEGAL COUNSEL

PREPARED STATEMENT

Senator MATTINGLY. Our next witness is Mr. Michael Davidson, the Senate Legal Counsel. I would like for you to summarize your statement and we will enter it totally in the record and we can get on with the questions. Your prepared statement will be inserted in the record at this point.

[The statement follows:]

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STATEMENT OF MICHAEL DAVIDSON

Thank you, Mr. Chairman. First, I would like to introduce Miss Elizabeth Culbreth, the Deputy Senate Legal Counsel, who is with me today. We appreciate the opportunity to discuss the budget for the Office of Senate Legal Counsel for fiscal 1982. Together with this statement we are submitting a memorandum which describes in greater detail the authority and responsibility of our office, our present and proposed staffing, and our budget proposal for fiscal 1982.

The Office of Senate Legal Counsel is a new office established by statute to defend the powers and privileges of the Senate and its members when they are challenged in litigation. The Counsel and Deputy Counsel are appointed by the President pro tempore of the Senate on the recommendation of the Majority and Minority Leaders. The Office is accountable to the Joint Leadership Group which is comprised of Senators Baker and Byrd, as Majority and Minority Leaders; Senator Thurmond, as President pro tempore and Chairman of the Committee on the Judiciary; Senator Biden as Ranking Minority on Judiciary; and Senators Mathias and Ford, as Chairman and Ranking Minority on the Committee on Rules and Administration.

The Office was budgeted for $350,000 in its first full year of operation, fiscal 1980. Last year, with the approval of the Leadership, we requested a budget of $500,000, but as legislative branch requests were not acted on, the Office has been funded under the continuing resolution at a rate of $350,000. The President's budget proposes $550,000 for the Office for fiscal 1982; our proposal reduces that to $495,000 for fiscal 1982. It is also important that the Committee include in the supplemental appropriation bill the amount necessary to cover cost-of-living increases for the present fiscal year.

It was my determination when this Office was organized in 1979 that we should begin small and not grow unless experience demonstrated that additional help is necessary to do a proper job for the Senate. It is now clear that the volume and complexity of the work and the magnitude of the issues require that we have a third assistant counsel. The cases on which we are now working involve basic questions: whether the principle of separation of powers makes it unconstitutional for the Congress to provide for legislative review and disapproval of regulations; whether the franking statute is unconstitutional; and the powers of Senate investigating committees to obtain evidence. The decisions in these cases will have an effect on the powers of the Congress beyond the particular situations involved, and for a long time to come. They require us to pay special attention to the research and preparation of these cases to be sure that the Senate is well represented.

Beyond the major constitutional cases we have, the Office is called upon for advice on issues relating to committee rules and investigatory powers, personnel matters, and the potential liability of Members and employees in various situations. We would like to strengthen our ability to provide prompt and accurate advice.

We are also requesting that funds be made available to enable the Office to fulfill the statutory responsibility of the Senate Counsel to compile and maintain legal research files from court proceedings which have involved Congress, a House of Congress, an office or agency of Congress, or any committee, subcommittee, Member, officer or employee of Congress. This is a useful project which will enable my office, as well as Members and committees, to have access to precedent and prior experience in cases involving the Congress. We would like to turn promptly to this statutory obligation, but need the resources to do so.

Even with the proposed increase the Office will remain small. We may also be expected, and it is my commitment to be frugal with the amount available to us. In fiscal 1980, for example, the Office expended $304,305 of the $350,000 which was available, an actual savings of $45,695. We can program expenditures within our office to reserve at least $20,000 to $30,000 to meet most contingent expenses, and return this money if significant emergencies do not arise.

Finally, we have been considering how the Office should prepare to deal with especially costly litigation which cannot be foreseen in the ordinary budget process. There may be an answer to that contingency in 2 U.S.C. § 64-2 which authorizes the Secretary of the Senate to transfer between appropriation accounts pursuant to a resolution of the Senate reported by the Committee on Appropriations. We request that you consider language in the Committee report which recognizes the availability of a procedure for the Office to finance costly and unforeseen litigation which is assigned to it by the Senate.

I ask that the full statement and memorandum be included in the record of these hearings. Thank you for the opportunity to appear before you.

OFFICE OF SENATE LEGAL COUNSEL BUDGET MEMORANDUM

FISCAL YEAR 1982

The President's Budget for Fiscal Year 1982 lists $550,000 for the Office of Senate Legal Counsel. The request which follows reduces that amount to $495,000, which is less than the amount requested for Fiscal Year 1981. The additional appropriation requested above the amount made available by the present continuing

resolution is to enable the Office to fulfill its statutory duties and those assigned to it by the Senate.

1. Authority and Responsibility

The Office of Senate Legal Counsel was created 2 U. S. C. §§ 288 et seq. (Supp. III 1979), to represent the Senate, its members, committees, officers and employees in litigation, and to perform various advisory and consultative functions. The Office represents Senate parties who are defendants in civil litigation relating to official and representative responsibilities, and Senate parties in civil and criminal litigation when Senate documents or Senate parties are subpoenaed. It represents Senate committees in civil actions to enforce their subpoenas, and in other proceedings to obtain evidence. It represents the Senate when the Senate intervenes or appears as amicus curiae in litigation to defend the constitutional powers of the Congress.

To illustrate, the Office has defended a member in a defamation action, the Sergeant at Arms in a discrimination case, and the Secretary of the Senate when a taxpayer sought to require the Secretary to dock the pay of absent members. The Office is representing the Permanent Subcommittee on Investigations in the first action under a new statute which authorizes civil enforcement of Senate subpoenas. It also is representing the Senate in an action in which the Department of Justice has attacked the constitutionality of a legislative veto, and in another case in which the Department has defaulted on its obligation to defend Acts of Congress. The Office represents the Senate's interests in the massive action by Common Cause to invalidate the franking statute.

The Office has been assigned additional responsibilities by the Senate. The Senate directed the Senate Legal Counsel and Deputy Senate Legal Counsel to assist

the special Judiciary Committee subcommittee investigating the matter of Billy Carter and Libya; the efforts of the Office were devoted exclusively to the investigation for more than two months. The Senate has also directed the Office to represent the Senate's interest in Congress-wide bodies, and the Office has joined with counsel for the House of Representatives in representing the Congressional Research Service in a successful motion to quash a subpoena from the Federal Trade Commission.

The Office has advised the officers and committees of the Senate on a wide range of personnel and investigatory matters. It has distributed to all standing, select, and special committees a manual on Senate committee rules and procedures. This was done pursuant to the statutory responsibility of the Office to advise, consult, and cooperate with committees and subcommittees in promulgating and revising their rules and procedures for the use of congressional investigative powers.

2. Present Staffing and Budget

The Office is headed by a Counsel and Deputy Counsel. At present there are two Assistant Counsel, a legal assistant (paralegal), and two law students, one of whom is part time. Two people support the Office administratively, doing all financial, secretarial, and other clerical work, although we have occasionally hired an additional clerical person for temporary work.

The Office, with the approval of the Joint Leadership Group, requested $500,000 for fiscal 1981 in order to hire a third Assistant Counsel, a librarian-archivist, and a third secretary. In the absence of a legislative branch appropriation act for fiscal 1981, the Office is budgeted to remain within the $350,000 made available in fiscal 1980.

3. Proposed Staffing

It is now clear that the volume, difficulty, and importance to the Senate of the issues presented to the Office are such that a third lawyer is essential if the Office is to provide prompt service of high quality. The strengthening of the Office may permit savings elsewhere in the Senate, as one function of the Office is to develop expertise, particularly in investigatory matters, of use to all committees and their subcommittees. With a third assistant counsel an additional secretary will be necessary.

A librarian-archivist also should be hired to enable the Office to fulfill its responsibility under section 708(b) of the Ethics Act, 2 U. S. C. § 288g(b). That section requires the Counsel to compile, maintain, and make available to the public legal research files of materials from court proceedings which have involved Congress, a House of Congress, an office or agency of Congress, or any committee, subcommittee, member, officer or employee of Congress. This is a historical project involving 19th century as well as 20th century research. But it has important contemporary utility as well, since the compilation and indexing of these materials will enhance the Office's ability to utilize precedent in congressional cases. In addition, it will provide a ready reference for committees concerned with matters of litigation potential.

From discussions with experts at the Library of Congress (from whom we have sought advice and with whom we would cooperate in this undertaking), we estimate it would take two years to collect and organize existing records. After that, the need for the librarian/archivist position should be reevaluated. It is obvious, however, that the responsibilities imposed by section 708(b) of

the Ethics Act cannot be performed with the present staff and require the employment of a trained librarian/archivist.

Budget Proposal: Fiscal Year 1982

Salaries:

Current Positions:		
Counsel		$ 55,387*
Deputy Counsel		52,750*
Assistant Counsel	$ 43,000	
Assistant Counsel	36,500	
Administrative Assistant	28,750	
Staff Assistant	22,500	
Legal Assistant	16,000	
Interns (Research Assistants)	16,000	$162,750**
Proposed Additional Positions:		
Assistant Counsel	$ 40,000	
Librarian/Archivist	30,000	
Legal Secretary	20,000	$ 90,000
Agency Contributions for Retirement, Life Insurance, and Health Insurance		$ 36,000
Reserve for Adjustment in Salaries (not including Cost of Living increases)		$ 15,000
		$411,887

*/ The salaries of the Counsel and Deputy Counsel are fixed by the statute creating the office.

**/ The salary of Assistant Senate Legal Counsels may not exceed a rate equal to Level V of the Executive Schedule. The Counsel is authorized by the statute to fix the compensation for Assistant Counsel and other personnel within the limits of available funds, and the statutory limit for Assistant Counsel.

Other Expenses:

Outside Counsel and Consultants	$ 15,000	
Office Law Library	10,000	
Telephone	3,000	
Stationery and Postage	3,600	
Litigation and Record Collection expense (travel, copies, transcripts, etc.)	50,000	
Miscellaneous	2,000	83,600
		$495,487
Total Request: (rounded)		$495,500

AUTHORITY AND RESPONSIBILITY

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

First, I would like to introduce Miss Elizabeth Culbreth, Deputy Senate Legal Counsel, who is with me today. We appreciate the opportunity to discuss the budget for 1982. Together with this statement, starting on page 5, there is a memorandum which more fully covers the details of our Office.

The Office of Senate Legal Counsel is a new office, established by statute to defend the powers and privileges of the Senate and its Members when they are challenged in litigation. The Counsel and Deputy Counsel are appointed by the President pro tempore of the Senate on the recommendation of the majority and minority leaders. The Office is accountable to the Joint Leadership Group which is comprised of Senators Baker and Byrd, as majority and minority leaders; Senator Thurmond, who has two capacities, as President pro tempore and chairman of the Committee on the Judiciary; Senator Biden as ranking minority on Judiciary; and Senators Mathias and Ford, as chairman and ranking minority on the Committee on Rules and Administration.

1980 APPROPRIATION AND 1981 BUDGET REQUEST

The Office was budgeted for $350,000 in its first full year of operation, fiscal year 1980. Last year, with the approval of the leadership, we requested a budget of $500,000, but as legislative branch requests were not acted on, the Office was funded under the continuing resolution at a rate of $350,000. The President's budget proposes $550,000 for the Office; our proposal reduces that to $495,000.

ASSISTANT COUNSELS

It was my determination when this Office was organized in 1979 that we should begin small and not grow unless experience demonstrated that additional help is necessary to do a proper job for the Senate. It is now clear to us that the volume and complexity of the work and the magnitude of the issues require that we have a third assistant counsel. We now have two assistant counsels. The cases on which we are now working involve basic questions: Whether the principle of separation of powers makes it unconstitutional for the Congress to provide for legislative review and disapproval of regulations; whether the franking statute is unconstitutional; and the powers of Senate investigating committees to obtain evidence.

MAJOR OPEN LITIGATION

I have, not for inclusion in the printed record but for your information—this could be revised for the other purpose—prepared a list of major open litigation matters, if the committee would like to peruse that.

The decisions in these cases will have an effect on the powers of the Congress beyond the particular situations involved, and for a long time to come. They require us to pay special attention to the research and preparation of these cases to be sure that the Senate is well represented.

ADVICE TO COMMITTEES

Beyond the major constitutional cases we have, another function is providing advice to committees. We advise the committees of the Senate on their rules and investigatory powers, personnel matters, and we advise Members and employees on potential liability in various situations. We would like to strengthen our ability to do that promptly and accurately.

LEGAL RESEARCH FILES FROM COURT PROCEEDINGS

We are also requesting that funds be made available to enable the Office to fulfill the statutory responsibility of the Senate Counsel to compile and maintain legal research files from court proceedings which have involved Congress. This is a useful project which will enable my Office, as well as Members and committees, to have access to precedent and prior experience in cases involving the Congress. We would like to turn promptly to this statutory obligation, but need the resources to do so.

CONTINGENT AND UNFORESEEN EXPENSES

Even with the proposed increase the Office will remain small, and it is my commitment to be frugal with the amount available to us. In fiscal year 1980, for example, the Office expended $304,305 of the $350,000 which was available, an actual savings of $45,695. We can program expenditures within our Office to reserve at least $20,000 to $30,000 to meet most contingent expenses. I would not plan a year which anticipated a savings of less than $20,000 to $30,000 at the end of the year. We need that in the event there is litigation at the end of the fiscal year which imposes an unexpected demand on our resources. We were able in fiscal year 1980 to fund the beginning of the Billy Carter investigation, which was an unforeseen responsibility required of our Office, until the Senate was able to provide for other funds. The ability to meet unforeseen obligations should be a regular part of our planning.

Finally, we have been considering how the Office should be prepared to deal with especially costly litigation which cannot be foreseen. We simply do not know what the cases will be. There may be an answer to that contingency in title 2 of the United States Code, section 64–2, which authorizes the Secretary of the Senate to transfer between appropriation accounts pursuant to a resolution of the Senate reported by the Appropriations Committee. We request that you consider language in the committee report which recognizes the availability of a procedure for the Office to finance costly and unforeseen litigation.

Thank you very much for the opportunity to appear before you.

LAWYERS IN THE LIBRARY OF CONGRESS

Senator MATTINGLY. Thank you very much, Mr. Davidson. Let me just ask you a couple questions.

Does the Library of Congress have an extensive staff of constitutional lawyers and access to research materials?

Mr. DAVIDSON. The Congressional Research Service certainly does, and we do call on the Congressional Research Service for background assistance. It is of a different kind than lawyers ultimately require to ad-

vise clients. The Library is, of course, quite dispassionate and scholarly in its advice, but it becomes another matter to deal with the facts of an individual Member's situation and then advise and represent.

The particular historical project that is called for by the statute is something that the Library has not undertaken. We have consulted with the head of the library division and others at the Library of Congress on that. They agree it will be useful for both Houses to compile a basic set of research materials on litigation that has concerned the Congress. We have been in consultation with the Library and there would be no duplication.

BUDGET REQUEST

Senator MATTINGLY. Your fiscal year 1982 budget request is roughly a 25-percent increase. I assume that the statement you made is your justification for increasing the budget.

Mr. DAVIDSON. Yes; this is not an office that has swollen over time, in which examination might be made to find where the Office has grown beyond its initial function. I was advised when I first came here in 1979 that I should hire more people than I hired initially because it is easier to hire at the beginning than subsequently. I rejected that advice. I thought that I should begin with a small staff of competent people and determine over time what the litigation needs of the Senate required and whether additional people should be hired. We have now come to that conclusion. It was reinforced at 9 o'clock last night when six of the seven staff people left the Office after having worked all weekend. We want to provide the best for the Senate. The cases are difficult and involve considerable work, and they involve important issues that will determine what Senate powers and congressional powers are for a long time to come. I think we need one more lawyer to help us do this, and we need to develop a basic set of research materials so the job can be done as well as possible.

MAJOR LITIGATION MATTERS

Senator MATTINGLY. How many cases are you representing Members in today?

Mr. DAVIDSON. We have 11 major litigation matters which are presently open. One of these has not yet involved the Senate formally in litigation, but we are watching it very closely. We attempt, where possible, not to bring the Senate into litigation. The Senate is not a litigating body, it is a legislating body. Litigation is an unwanted event, but it is often forced on us. We have had some particular problems in the last several years when the Department of Justice has refused to defend acts of Congress. In that case the only place the Senate can turn for defense of its powers is its own counsel.

CASES INVOLVING DEFENSE OF MEMBERS OF THE SENATE

Senator MATTINGLY. Senator Bumpers.

Senator BUMPERS. Mr. Davidson, would you be authorized under present authority to defend Senator Proxmire in the case the Michigan professor brought against him?

Mr. DAVIDSON. Well, in fact we were authorized to become involved in that case after the decision of the Supreme Court and we worked with Senator Proxmire toward the settlement of that case. We only become involved in cases at the direction of the Senate. There is a special cateogry of cases involving defense of Members where the leadership itself can direct us. We do not enter cases on our own volition or on the basis of a personal request of a Member. I think that is a factor in considering the budget of the Office. This is an office that works on assignments from the Senate.

COURT CASES

Senator BUMPERS. How much did you expend last year in court costs?

Mr. DAVIDSON. Very little. In fact, I think that is the largest amount of money we have been able to return. A good deal of our litigation expenses are lawyer time and brief preparation and has not been depositions and those kinds of costs. However, it is all unpredictable. Any one lawsuit involving a Member or committee that requires extensive discovery could involve 50,000 to 100,000 dollars' worth of expenses.

I could tell you of a situation. The Department of Justice, prior to the creation of the Office, was asked to defend Senator McClellan—now Senator McClellan's estate—concerning an investigation of the Permanent Subcommittee on Investigations.

Senator BUMPERS. Did that have to do with the West Virginia couple that sued?

Mr. DAVIDSON. Kentucky. We have been informed that the Department of Justice is now finding it difficult to bear the costs of that litigation, such as taking depositions in Kentucky and elsewhere. It is possible that they may turn to this Office now that it has been created for some funding or participation in that case, for which we would have to go to the Senate for permission. What we would like to avoid is turning to the Senate case-by-case, asking the Senate to put a dollar amount on any litigation which concerned the prerogatives of the Senate or its Members. There ought to be sufficient reserve in the Office budget and other budgetary procedures which would allow us to defend a case and thereby to communicate to any adversary that the resources will be made available.

I have for the information of the committee brought three specimens of the kind of work the Office has done, if I could leave them with the committee. We were not created as an investigating committee, but when the Senate wished to have a nonpartisan office to conduct the Billy Carter matter, it turned to our office. Our resources for 60 consecutive days were turned to that investigation, and in that time this report was prepared.

MANUAL ON SENATE COMMITTEE RULES AND PROCEDURES

We have also prepared a manual on Senate committee rules and procedures, having discovered that there was never a scholarly piece on that subject. We tried in the manual to bring together constitutional and statutory rules relating to the Senate committees.

SUBPENAS

The final document is the brief in a case that will be argued at the end of the month here in the D.C. circuit. Up to the creation of our office and a statute that was enacted in conjunction with the creation of our office, the Senate had only two methods of enforcing its subpenas. There was the historical method of calling on the Sergeant at Arms to actually go out and arrest a contemptuous witness and bring the witness before the bar of the Senate. Now the Sergeant at Arms' Office is a major administrative office and simply doesn't function in that way as a bailiff. The Senate and the House, in the mid-19th century, turned to the Department of Justice to prosecute the contempt of Congress as a criminal offense. But the historical lesson is that the primary sanction is an unwieldly method of obtaining evidence for Congress. Grand jury proceedings are slow. It is often years before there is a disposition of criminal cases. The Congress created for the Senate a civil procedure by which we can go to the District court and obtain a civil order ordering a recalcitrant witness to testify. The witness is in civil contempt of court if he refuses. We are now litigating the first case. We were successful in the District court and the case is on an expedited appeal to the court of appeals. I think the result there will have great bearing on the ability of Senate committees to obtain evidence.

HOUSE COUNSELS

Senator BUMPERS. Does the House have a counsel of their own?

Mr. DAVIDSON. No; it doesn't. I hope to be able to provide the figures to the committee. If you compared Senate expenses with House expenses, I believe you would find them to be less. The House has a General Counsel to the Clerk, who does some of the work we do.

Senator BUMPERS. Does the House hire downtown counsel?

Mr. DAVIDSON. They go to private counsel in a number of cases and pay the rates for private counsel.

Senator BUMPERS. Haven't we retained a downtown firm in the *Common Cause* case?

Mr. DAVIDSON. No, we haven't. Prior to the creation of this Office, the Senate had retained private counsel but the *Common Cause* case is now the responsibility of our office. That is why we were here until 9 o'clock last night. I would estimate, but I would reserve the right to come back if you wish and give you figures that can be made available by the House. My estimate is that House expenses for litigation exceed the amount we are requesting.

Senator BUMPERS. You say you are appointed by the minority and majority leaders and the Senate President pro tempore. Is your job secure?

Mr. DAVIDSON. It has been, and I am very appreciative to Senator Baker for his decision. I was appointed during the last Congress. My appointment was made effective by Senate resolution, and I do have a term of office.

TERM OF THE SENATE COUNSEL

Senator BUMPERS. What is your term?

Mr. DAVIDSON. The full term of a Senate Counsel is two Congresses, or 4 years.

What Senator Baker has done, and Senator Byrd did before, was to decide this would be a nonpartisan office for the whole Senate. They have done it in that way and have been quite supportive.

REPOSITORY OF THE SENATE IN LITIGATION

Senator BUMPERS. One final question, Mr. Chairman, and it has to do with the need for an archivist. I have some problem with that. I don't know how strong the legislative mandate is that you compile all this information, but doesn't the Secretary of the Senate have a historian on his payroll?

Mr. DAVIDSON. Yes; he does. He is not an attorney and it is a different project. His work is different. We can seek to examine other ways of accomplishing this task. The mandate is "shall." It says, "The Counsel shall compile and maintain" these files. The reason that was put in—and this was all before I arrived at the Senate—is the perception of a number of major committees—the Watergate Committee and the House Assassinations Committee had the same experience—that Senate committees always started from the beginning when they launched major investigations. There is no central repository of the memory of the Senate in litigation. It is not like a major firm or the Department of Justice which has compiled files over time. People are re-creating history and rediscovering precedent all the time. It is a project that should not go on interminably; it should be accomplished within a finite period of time, although it is a major task and may take 2 years to do. Then it should be maintained by the ordinary resources of the Office.

STAFF REPRESENTING A MEMBER IN LITIGATION

A staff employee called the other day and said he was representing a Member in litigation. He reported that he was called by the Department of Justice and told he might be committing an offense under the statute which prohibits Government employees from pursuing claims against the United States. Now it so happened that we had in our files correspondence with the Department of Justice dating back some 6 years ago in which that issue was raised, and we were able to solve that problem in half an hour. We don't have those files for lots of issues.

LIABILITY OF WITNESS BEFORE CONGRESSIONAL COMMITTEES

I got a call the other day about a witness scheduled to appear before a committee next week, who would expose some waste in a contract with the Government, and was concerned about a defamation action by the contractor. This led the staff to consider the potential liability of witnesses before congressional committees. I think we were able to provide an answer, but I would feel better if we had fully developed historical files as required by the statute.

LEGAL ADVICE

Senator MATTINGLY. Can they go to some other source other than you?

Mr. DAVIDSON. Well, it was the committee that came to us. The committee could turn, and has turned, to the Library of Congress. We are under statutory mandate, and we do work very closely with them. But finally, as for legal advice, people are turning to this office because it would be this office that would represent the committee. If the committee, for example, sought to appear in an action against the committee witness to protect the witness, then the Office of Senate Counsel would be involved.

TRANSFERRING HISTORIAN RESPONSIBILITY TO THE SECRETARY OF THE SENATE

Senator BUMPERS. Mr. Chairman, you and I might talk later about the possibility of removing that mandate or trying to assign that responsibility to a historian in the Secretary's Office. He has a historian, an associate historian, a photo historian, a research assistant to the historian, and a secretary to the historian. There are five people on this staff. It occurs to me this work may not be of such legal consequence that it would take a legal scholar to do it.

Senator MATTINGLY. In order to move along, I think Senator Bumpers has an excellent point.

Senator BUMPERS. That concludes my questions.

BUDGET REQUEST

Senator MATTINGLY. Senator Bumpers, I think that needs to be in the record and you need to respond. There are other questions we have that will be put in the record.

So I would leave you with the last comment that, in light of President Reagan's stated intent to make substantial cuts in the Federal budget and the intent of the chairman and this committee to aid the President in his efforts to bring health back to the American economy by cutting the size of the Government, would you answer yes or no to holding your 1982 budget to the fiscal year 1981 level, to not increasing personnel, and deferral of all spending initiatives and programs until the American economy recovers?

Mr. DAVIDSON. Senator, unfortunately I must be the first witness who says that given the responsibilities which the Senate has asked of our office, we do require the relatively modest increases which we have asked for. But I think you are absolutely right, if there is another way of fulfilling certain obligations, we will search to see whether those are possible.

QUESTIONS AND RESPONSES

Senator MATTINGLY. Thank you. I submit some questions for responses.

[The following questions were not asked at the hearing but were submitted to the Department for response subsequent to the hearing:]

Questions Submitted by Senator Mattingly

Q. Mr. Davidson, why don't you give us a summary of the major cases your office has been involved with in this fiscal year, and the status of any pending cases.

A. CASES - FISCAL YEAR 1981 (As of March 30, 1981)

Legislative Veto

1. Chadha v. Immigration and Naturalization Service

No. 77-1702
United States Court of Appeals
for the Ninth Circuit

The petitioner is challenging the constitutionality of Section 244(c)(2) of the Immigration and Naturalization Act, 8 U.S.C. §1254(c)(2), which provides that either House of Congress may disapprove the Attorney General's determination to suspend the deportation of an alien. In 1977 the Senate directed the Secretary of the Senate to appear as amicus curiae on behalf of the Senate to defend the constitutionality of the legislative veto provision of the Immigration and Naturalization Act. S. Res. 338, 95th Cong., 1st Sess. (1977). The Senate retained private counsel who briefed and argued the case for the Senate in 1978. In August 1979, the Senate reassigned the case to the Senate Legal Counsel. S. Res. 226, 96th Cong., 1st Sess.

On December 22, 1980, the United States Court of Appeals for the Ninth Circuit held that the legislative veto provision in the Immigration and Naturalization Act is unconstitutional. 634 F.2d 408. The Senate then directed the Senate Legal Counsel to intervene in the name of the Senate. S. Res. 40, 97th Cong., 1st Sess. (1981). The Senate's motion to intervene and a companion motion by the Speaker of the House of Representatives were granted on March 10, 1981.

The Department of Justice, although it prevailed in the Ninth Circuit, has filed a notice of appeal to the Supreme Court. Justice Rehnquist has extended the time for docketing the appeal until May 1, 1981.

2. Consumer Energy Council of America, et al. v. FERC

No. 80-2184
United States Court of Appeals for the
District of Columbia

The petitioners are challenging the constitutionality of section 202(c) of the Natural Gas Policy Act of 1978, 15 U.S.C. §3342(c). The challenged provision authorizes either House of Congress to disapprove incremental pricing regulations issued by the Federal Energy Regulatory Commission (FERC) under the 1978 Natural Gas Policy Act. In May 1980, the House of Representatives disapproved FERC regulations submitted to Congress, and this litigation followed.

In January 1981, the Department of Justice notified the Senate and the House that it would oppose the constitutionality of the statute, and the Department has filed an amicus brief in support of the petitioners. The petitioners have moved for expedited argument and suggested that the Court fix the time for the Senate and House to file briefs. Senate Counsel has joined with counsel for the Speaker in informing the Court that the two Houses have not yet decided whether to participate in the litigation. The matter is presently under study.

76-635 O - 81 - 10

3. League of Women Voters, et al. v. FCC

No. 80-5333
United States Court of Appeals
for the Ninth Circuit

The plaintiffs, League of Women Voters, Pacifica Foundation, and Representative Waxman of California, challenge the constitutionality of a provision of the Public Broadcasting Act of 1967 which prohibits noncommercial educational broadcast stations from editorializing or supporting or opposing candidates for political office. 47 U.S.C. § 399(a). The Department of Justice notified the Senate and the House that it would not defend the statute. The Senate then directed the Senate Legal Counsel to appear in support of the statute. S. Res. 328, 96th Cong., 1st Sess. (1980).

In March 1980, the United States District Court for the Central District of California granted the Senate's motion to dismiss on the ground that the Court lacked jurisdiction because (1) the Department of Justice had failed to present an adversary defense to the complaint and (2) the action was not ripe. 489 F. Supp. 517 (C.D.Cal. 1980). The plaintiffs have appealed to the Ninth Circuit, which will hear argument on April 10, 1981.

Cases Relating to Senate Investigations

4. United States Senate Permanent Subcommittee on Investigations v. Cammisano

No. 80-2382
United States Court of Appeals
for the District of Columbia

This is the first action by a Senate committee under 28 U.S.C. § 1364, enacted in 1978 in conjunction with the creation of the Office of Senate Legal Counsel. This statute authorizes civil actions to enforce Senate subpoenas. This case arose after the Office of Senate Legal Counsel had obtained, on behalf of the Permanent Subcommittee on Investigations, an immunity order from the District Court for William Cammisano, who was being called as a witness by the Subcommittee to testify about organized crime in Kansas City, Missouri. The witness refused to testify after having been granted immunity. The Senate directed the Senate Legal Counsel to bring a civil action to enforce the Subcommittee's subpoena. S. Res. 502, 96th Cong., 2d Sess. (1980). The District Court ordered the witness to testify. When he refused to do so, the Court held him in civil contempt. The witness appealed to the D.C. Circuit which heard argument on March 27, 1981. The witness is challenging the constitutionality of the provision of 28 U.S.C. § 1364 which authorizes a Senate committee to certify its interest in the testimony of a witness beyond the Congress in which the witness refuses to testify.

5. In re Grand Jury Impanelled October 2, 1978 (Vesco)

Misc. No. 81-0059
United States District Court
for the District of Columbia

A Judiciary Subcommittee requested documents from the Department of Justice relating to the Subcommittee's investigation of Robert Vesco. The Department of Justice asserted that Rule 6(e) of the Federal Rules of Criminal Procedure, which provides for grand jury secrecy, prevented it from complying with the Subcommittee's request. The Department sought a ruling from the District Court, and the Senate

authorized the Senate Legal Counsel to appear as amicus curiae in the name of the Subcommittee in support of the release of the documents. S. Res. 533, 96th Cong., 2d Sess. (1980). On March 9, 1981, the District Court issued a memorandum and order sustaining the Subcommittee's request with respect to most of the documents.

6. Senate Permanent Subcommittee on Investigations (Four Immunity Applications)

Misc. No. 81-0042
Misc. No. 81-0043
Misc. No. 81-0044
Misc. No. 81-0045
United States District Court
for the District of Columbia

Upon the vote of two-thirds of its members, a committee of the Senate may direct the Senate Legal Counsel to apply to the United States District Court for an immunity order. When the order is communicated to a witness, the witness may not refuse to testify on the basis of his constitutional privilege against self-incrimination. At the request of the Permanent Subcommittee on Investigations, this office obtained four immunity orders for the Subcommittee.

Franking Litigation

7. Common Cause, et al. v. Bolger, et al.

C.A. No. 1887-73
United States District Court
for the District of Columbia

This is an action filed in 1973 by Common Cause to invalidate the congressional franking statute on the theory that it deprives challengers to incumbent members of Congress of First Amendment rights. Neither the Senate nor any member of the Senate is a party in the action, but the Senate is interested in the case and substantial discovery has been taken of Senate employees over the years. Before the creation of the Office of Senate Legal Counsel, the Senate retained private counsel to represent those employees. In August 1979, the Senate directed Senate Legal Counsel to represent the Senate, its committees, members, officers, and employees in discovery. S. Res. 226, 96th Cong., 1st Sess. (1979). Later, the Senate directed the Senate Legal Counsel to appear as amicus curiae in the name of the Senate in defense of the franking statute and the Senate's franking rules. S. Res. 476, 96th Cong., 2d Sess. (1980). On March 13, 1981, the Office submitted to the Department of Justice, for transmission to the Court, a 538-page report on requests for admission which plaintiffs served on the defendants. The Court has ordered that cross motions for summary judgment shall be filed in May, and the Office will be preparing an amicus brief in support of the franking law.

Defense of Senators, Officers, and Employees

8. Murray, et al. v. Morton, et al.

C.A. No. 80-1475
United States District Court
for the District of Columbia

This is an action to invalidate the payment of the salaries and expenses of the Senate and House chaplains on the ground that these payments violate the First Amendment. With the permission of the Joint Leadership Group, Senate Legal Counsel appeared as "of counsel" with the Department of Justice in a joint filing on behalf of the

executive branch and Senate defendants. In a memorandum and order entered January 12, 1981, the District Court dismissed the action. On March 13, 1981, the plaintiffs filed a notice of appeal to the D.C. Circuit.

9. Hammitt v. Guthrie, et al.

No. C 80-0458SW
United States District Court
for the Northern District of
California

This was an action by a taxpayer against the Sergeant at Arms of the House and the Secretary of the Senate to compel them to enforce an 1856 statute, now codified at 2 U.S.C. § 39, which provides for pay deductions for absent members. The Senate directed Senate Legal Counsel to defend the Secretary of the Senate. S. Res. 446, 96th Cong., 2d Sess. (1980). On December 16, 1980, the District Court granted the joint motion of Senate and House counsel to dismiss on the ground that the plaintiff lacked standing and that the suit presented a nonjusticiable political question. The plaintiff did not appeal.

10. McSurely, et al. v. McAdams, et al.

C.A. No. 516-69
United States District Court
for the District of Columbia

This is an action for damages against the estate of Senator McClellan, a former Senate staff member, the estate of another former Senate staff member, and a non-Senate defendant for alleged violations of the plaintiffs' constitutional rights arising out of a Senate subcommittee investigation in the late 1960s. The Justice Department undertook representation of the Senate defendants before the Office of Senate Legal Counsel was established. The Deputy Senate Legal Counsel has been directed to represent the subcommittee with respect to the plaintiffs' requests for discovery. S. Res. 226, 96th Cong., 1st Sess. (1979).

11. Maryland Tax Cases

The Office of Senate Legal Counsel is representing one former Senator, and is authorized to represent other Senators, in proceedings in the Maryland Tax Court which may concern the constitutionality of an act of Congress. The act in question prohibits states, particularly Maryland and Virginia, from taxing the incomes of members who live there for the purpose of attending sessions of Congress. The Maryland Tax Court case is in abeyance pending final disposition of the Department of Justice's effort, so far successful, to uphold the validity of the statute in a federal court proceeding.

12. SEC v. Wheeling-Pittsburgh Steel Corporation, et al.

No. 80-1375
United States Court of Appeals
for the Third Circuit

The corporation's defense in this SEC subpoena enforcement proceeding is that a Senator improperly influenced the SEC to begin an investigation. The Office of Senate Legal Counsel represented the Senator's aide with respect to discovery, and will continue to do so if further discovery is sought.

Representing the Senate's Interests in Congress-Wide Bodies

13. FTC Subpoena to Congressional Research Service

The Senate directed the Senate Legal Counsel to represent the Congressional Research Service after the FTC issued a subpoena for CRS communications to the Senate and House. S. Res. 396, 96th Cong., 2d Sess. (1980). The Office of Senate Legal Counsel moved successfully to quash an FTC subpoena to the CRS. The matter remains closely monitored to see that the decision to quash is not changed in further administrative or judicial proceedings.

Q. What additional issues do you see on the horizon for your office this year and possible issues for FY '82.

A. Cases concerning the constitutionality of legislative review and disapproval statutes will be an important part of the work of the Office of Senate Legal Counsel for the remainder of this year and into Fiscal Year 1982. In addition to Chadha v. Immigration and Naturalization Service and Consumer Energy Council v. Federal Energy Regulatory Commission, we are following closely the case of Kramer v. Bell. Senators Goldwater, Armstrong, and Domenici have joined Representative Kramer as plaintiffs in challenging the refusal of the Secretary of Education to honor a concurrent resolution disapproving certain Department of Education regulations. There are also two statutes passed in the 96th Congress which authorize judicial tests of specific legislative veto provisions. Federal Trade Commission Improvement Act of 1980, P.L. 96-252, § 21(f), 94 Stat. 395; Federal Insecticide, Fungicide, and Rodenticide Act Amendments, P.L. 96-539, § 4(e), 94 Stat. 3196.

We anticipate considerable additional work on legislative vetoes and continuing work assisting committees with investigatory matters, but it is difficult to predict with assurance the work which the Senate will ask the Office to undertake. For example, we could not have foreseen the assignment of the Billy Carter matter to the Office of Senate Legal Counsel, although we must stand ready to assume such assignments. In addition, the Office is responsive to lawsuits brought against members, officers, and employees, or subpoenas issued to them. These are matters which by their nature cannot be predicted.

Q. We provide a specific appropriation for the Office of Senate Legal Counsel, but I understand your basic legislation states that you should be funded from the Senate Contingent Fund. Can you draw on that fund over and above the amount we appropriate?

A. The Ethics in Government Act of 1978, Pub. L. 95-521, § 716, 92 Stat. 1885, 2 U.S.C. § 288m, provides that "the expenses of the Office shall be paid from the contingent fund of the Senate." The expenses of the Office have nonetheless been shown and considered outside the contingent fund as a separate item in the Legislative Branch Appropriation. We have discussed with the Financial Clerk whether the Senate could authorize expenditures from the contingent fund in the event that unforeseen litigation expenses exceed the amount appropriated for the Office. The Financial Clerk recommends that 2 U.S.C. § 64-2 be utilized. That provision authorizes the Secretary of the Senate to make transfers between appropriations that are approved by a resolution of the Senate reported by the Committee on Appropriations. Under this authority the transfer could be from the contingent fund to the Office of Senate Legal Counsel.

Q. Provide us with the necessary language that would enable you to draw on the Contingent Fund, but only to meet unforeseen circumstances and then only after receiving approval from the Subcommittee.

A. The alternative, discussed in the response to the preceding question, would not require additional statutory language beyond 2 U.S.C. § 64-2. The Committee might wish to consider language in its report which states the Committee's view that 2 U.S.C. § 64-2 establishes authority to transfer funds to the Office of Senate Legal Counsel in the event that Legal Counsel's funds are insufficient to meet unforeseen expenses. The procedure under 2 U.S.C. § 64-2 requires a report from the Committee on Appropriations to the Senate and a resolution by the Senate.

Q. Do you anticipate any future growth in your budget, or do you think you will continue to be able to perform your functions with the relatively small staff that you now have?

A. I believe that the staff of the Office of Senate Legal Counsel should remain small, consistent with the need to respond fully and promptly to directives of the Senate to represent the Senate and its committees, members, officers and employees. Since the organization of the Office in 1979, we have operated with only two assistant counsel. It is now clear that a third assistant counsel is essential to enable the Office to fulfill its obligations. The completion of the historical project, required by section 708(b) of the Ethics in Government Act, should enable the Office to meet its responsibilities with a staff of three assistant counsel by providing them with quick access to files of prior court proceedings involving the Congress.

Q. I understand the House spends substantially more for its legal needs than we appropriate for your office. Is that correct?

A. Information about House expenditures has been requested from the Clerk of the House and will be supplied to the Subcommittee when received.

Question Submitted by Senator Bumpers

Q. In a budget memorandum made available to the staff on March 2nd it was indicated that the expenses of the Office of the Legal Counsel had been paid from the Contingent Fund of the Senate, yet I note that $93,557 is budgeted for such expenses in 1982 under the Office of Senate Legal Counsel account. Can you tell the Committee why you are recommending a change in the way these expenses are handled?

A. Although the Ethics in Government Act had anticipated that expenses of the Office of Senate Legal Counsel would be paid from the Contingent Fund, the Office had been funded in Fiscal Year 1980 and is being funded in Fiscal Year 1981 by continuing resolutions based on proposed appropriations for those years. The Office's budget proposal for Fiscal Year 1982 represents a continuation of the policies for Fiscal Years 1980 and 1981, and proposes that there be an appropriation for both salaries and expenses.

JOINT ITEMS

JOINT ECONOMIC COMMITTEE

STATEMENTS OF:

HON. HENRY S. REUSS, U.S. REPRESENTATIVE FROM WISCONSIN, CHAIRMAN

HON. ROGER W. JEPSEN, U.S. SENATOR FROM IOWA, VICE CHAIRMAN

ACCOMPANIED BY:

JAMES GALBRAITH, STAFF DIRECTOR

BRUCE BARTLETT, SENATE MAJORITY STAFF DIRECTOR

PREPARED STATEMENTS

Senator MATTINGLY. I notice we have Senator Jepsen and Chairman Reuss here. I would appreciate it if you would come forward for the Joint Economic Committee.

Good morning, this is the first time I have been on the other side.

Senator BUMPERS. Roger, have you been waiting all morning to deliver this four-paragraph dissertation?

Senator JEPSEN. Yes, sir.

Representative REUSS. Mr. Chairman, we have a full statement which, pursuant to the rules, I would like to submit, and I understand Senator Jepsen has also prepared a statement. Perhaps I could summarize briefly and then turn to the vice chairman.

Senator MATTINGLY. You may summarize and we will place your entire statement in the record.

[The statement follows:]

STATEMENT OF HENRY S. REUSS

Mr. Chairman, I am pleased to appear before you this morning to discuss the budgetary requirements of the Joint Economic Committee for fiscal year 1982.

On January 29, 1981, the Joint Economic Committee provided your Committee with copies of a detailed statement and justification letter dated December 12, 1980. Therefore, I will make only brief comments today.

We are requesting the amount of $2,250,000 for fiscal year 1982, an increase of $100,000, or less than the total amount we spent in fiscal year 1980, and less than a 5 percent increase over what we requested for FY '81. We feel that this is a reasonable and extremely frugal increase considering the continuing inflation afflicting the economy.

Although staffing adjustments are being made to accommodate the present Majority in the Senate, the Committee has not requested an increase in staff, and I would like to stress that this is the fifth consecutive year that the Committee has held firm on its staffing level. Despite the lack of any increase in staff, I am confident that we can continue during this Congress the same high caliber of work produced in the last Congress under the able leadership of Lloyd Bentsen.

The actions we have taken to accommodate the present Majority in the Senate, however, have stripped our budget of its normal operating leeway, and we are now functioning just within our authorized budget ceiling. This has happened because, in adjusting to reflect the equal divison of the Committee Membership between Republicans and Democrats, relatively less senior Democratic and administrative appointees have generally been replaced by Republican appointees at a professional level. The result is that any further cutback in our 1981 budget would cause significant hardship to the Committee, which would have to

be borne equally on both sides of the aisle. I cannot stress too strongly the case for granting this Committee substantially all of our frugal but necessary FY 1981 budget. An additional 8 percent reduction in FY 1981 would force cutbacks in staff and in Committee operations. Likewise, a significant reduction of our 1982 budget request would force staff reductions.

The Joint Economic Committee, along with the President's Council of Economic Advisers, was established by the Employment Act of 1946. The Committee is to the Congress what the Council is to the President -- a body which advises on a broad spectrum of economic issues. The Committee's primary statutory requirement is to make an annual report to the Congress on the President's economic program. We have held hearings on the President's January 1981 Economic Report and filed our report with the Congress on March 2.

Additionally, the Budget Act requires the Joint Economic Committee to submit annual reports to the Budget Committee prior to March 15 of each year, setting forth our views on the economic outlook and providing recommendations as to appropriate economic policy.

The Committee maintains a continuing review of the economy, of the President's economic program and its periodic changes, and reports from time to time thereon to the Congress. The Committee also serves as an adviser to legislative committees of the House and Senate with regard to legislation having significant economic effects. The Committee reviews and analyzes both short-term and medium-term economic goals and holds hearings to receive and consider testimony from Members of Congress, the Federal departments, and the public, and from State and local officials.

The Committee does not have any legislative responsibility but acts in a complementary role to the legislative committees. We stand ready to respond to requests for information and advice

dealing with a wide variety of economic policy issues arising from legislative proposals.

In the 97th Congress, the Joint Economic Committee faces a greater challenge than ever before. It will be our responsibility to review and comment on the President's program -- possibly the most far-reaching agenda for change presented to Congress in 40 years. It will be our responsibility to help develop ways to raise our national rate of investment, stem inflation, reduce structural unemployment, and cope with the gathering difficulties of our international financial and trade systems. None of these problems are easy, but none can be dismissed or neglected.

We intend to pursue our mandate vigorously. Already in 1981, we have held 15 days of hearings and we have heard from 36 witnesses, including many Cabinet members. As the year progresses, we expect to hold intensive sets of hearings on a comprehensive strategy for investment and on international trade and financial problems, among others.

I believe that the Joint Economic Committee has an important contribution to make. Even more important, I believe that the Congress needs a still small voice like the Joint Economic Committee -- now more than ever.

The Committee's charts, which were prepared for attachment to its justification letter of December 12, 1980, have been revised to reflect the staffing adjustments made following the elections in November and the new Majority rule in the Senate. Full-time payroll totals have not been altered; however, categories within the salary breakdown have been amended to reflect the higher concentration of professional as compared with sub or nonprofessional permanent personnel. These revised charts are attached to this statement and should be referred to in lieu of the charts originally presented to your Subcommittee.

I will be happy to attempt to answer any questions you may have regarding the Joint Economic Committee, its operations, and its budgetary requests.

Thank you.

JOINT ECONOMIC COMMITTEE EXPENDITURES: ACTUAL FISCAL YEAR 1980 and ESTIMATED FISCAL YEAR 1981 and FISCAL YEAR 1982

	1980 Actual	1981 Estimate	1982 Estimate
Appropriation or Estimate			
Joint Economic Committee	$1,982,000	$2,150,000 1/	$2,250,000
Special Study on Econ.Change	767,000	0	0
Totals	$2,749,000	$2,150,000	$2,250,000
1/ Does not include FY '81 c.o.l.			
Personnel services:			
Salary levels:			
$49,488 to $52,310	4	4	6
$40,001 to $49,487	10	13	19
$30,001 to $40,000	9	9	7
$20,001 to $30,000	4	9	9
$10,001 to $20,000	19	11	5
Totals	46	46	46
Full-time payroll	$1,395,323	$1,635,252	$1,745,910
Agency contributions	93,016	163,525	174,950
Reimbursable detail, WAE, contracts, consultants, Temp.	122,825	150,000	150,000
Total salaries	$1,611,164	$1,948,777	$2,070,500
Expenses for hearings	41,741	65,000	75,000
Miscellaneous:			
Staff travel	20,196	27,500	30,000
Telephone & telegraph	13,151	20,000	22,500
Subscriptions/books/charts	7,009	12,500	15,000
Stationery	12,058	20,000	22,500
Equipment	2,017	7,500	7,500
Petty cash	2,352	5,723	7,000
JEC totals	$1,709,688	$2,107,000 1/	$2,250,000
Special Study on Economic Change	565,689	0 2/	0 3/
Totals	$2,275,377	$2,107,000	$2,250,000
2% to be withheld from appropriation and expenditure per H.R.7593, 7/21/80		43,000	
JEC FY 1981 budget request		$2,150,000 1/	

1/ Does not include 10/1/80 c.o.l. of $100,000
2/ There was no request for FY '81. Any FY '81 expenditure will be funded with authority carried over from Leg.Br.Appropriations Acts of 1979 and 1980.
3/ Special Study on Economic Change will terminate as of December 31, 1980.

Revised Feb 10, 1981

JOINT ECONOMIC COMMITTEE
Expenditures: Actual FY 1980 and Estimates FY 1981 and FY 1982

	Fiscal 1980 Actual		Fiscal 1981 Estimated		Fiscal 1982 Estimated	
	Number	Total Salary	Number	Total Salary	Number	Total Salary
Executive Director	1	$ 52,128	1	$ 52,310	1	$ 52,310
Executive Director				6,184		
Asst Dir-General Counsel	1	52,128	1	52,310	1	52,310
Assistant Director	1	52,128	1	52,310	1	52,310
Assistant Director			1	52,135	1	52,310
Deputy Director			1	37,674	1	50,232
Senior Economist	1	48,992	1	49,487	1	50,232
Economists	6	347,310	20	756,697	20	866,908
Research Economist	1	41,627				
Economist Counsel	1	14,115				
Majority Counsel	1	22,077				
Prof. Staff Members	3	79,488	4*	93,030	1	44,000
Research Assistants	4	79,295	4*	34,986	1	26,500
Minority Counsel	1	48,528				
Minority Economists	4	149,697				
Minority Secretaries	2	32,724				
Asst Dir-Administration	1	29,968	1	43,857	1	49,487
Administrative Asst		10,342				
Director, Pub.Affairs			1	46,088	1	49,487
Publications Clerk-Off Mgr	1	18,072				
Press Secretary	1	29,194	1	48,294	1	45,000
Financial Clerk	1	40,323	1	32,488	1	35,000
Staff Assistant	1	18,719	1	22,920	1	25,000
Staff Asst-Energy	1	20,234				
Executive Secretary	1	25,908	1	29,532	1	30,000
Secretaries	8	136,575	9	180,268	9	209,000
Receptionist	1	14,645	1	16,529	1	20,000
Clerk	1	7,519	1	13,387	1	18,500
Asst Clerk	2	23,657	1	14,766	1	17,324
Total full-time payroll	46	$1,395,323	46	$1,635,252	46	$1,745,910
Agency Contributions		93,016		163,525		174,590
Reimb.Detail, WAE, contracts,temporaries		122,825		150,000		150,000
Total salaries		$1,611,164		$1,948,777		$2,070,500
Expenses for hearings		41,741		65,000		75,000
Miscellaneous expenses		56,783		93,223		104,500
JEC totals		$1,709,688		$2,107,000		$2,250,000
2% to be withheld from approp. and expend. per H.R. 7593, 7/21/80				43,000		
JEC FY 1981 budget request				$2,150,000		

* Total number of employees in these two categories is being reduced to one each. Overlapping has occurred due to change of Administration and realignment of personnel.

Revised February 10, 1981

JOINT ECONOMIC COMMITTEE
Fiscal Year 1982 Budget

	Number	Total Salary for period of budget (gross)
Executive Director	1	$52,310
AsstDir/General Counsel	1	52,310
Asst Director	1	52,310
Asst Director	1	52,310
Deputy Director	1	50,232
Senior Economist	1	50,232
Economists	20	49,487
do		49,487
do		49,487
do		49,487
do		49,487
do		49,487
do		49,487
do		49,487
do		49,487
do		46,000
do		46,000
do		41,000
do		39,000
do		39,000
do		39,000
do		37,924
do		37,101
do		35,000
do		35,000
do		26,500
Research Assistant	1	26,500
Professional Staff Member	1	44,000
Asst Dir-Administration	1	49,487
Director,Public Affairs	1	49,487
Press Secretary	1	45,000
Financial Clerk	1	35,000
Staff Assistant	1	25,000
Executive Secretary	1	30,000
Secretaries	9	28,000
do		28,000
do		25,000
do		22,500
do		22,500
do		22,500
do		22,500
do		20,500
do		17,500
Receptionist	1	20,000
Clerk	1	18,500
Asst Clerk	1	17,324
		$1,745,910

Revised February 10, 1981

STATEMENT OF SENATOR ROGER W. JEPSEN

MR. CHAIRMAN, IT IS A PLEASURE TO APPEAR BEFORE YOU THIS MORNING TO DISCUSS THE JOINT ECONOMIC COMMITTEE'S BUDGET FOR FISCAL YEAR 1982.

AS YOU KNOW, THE JEC IS AN UNUSUAL COMMITTEE: IT IS EVENLY DIVIDED BETWEEN MEMBERS OF THE HOUSE AND MEMBERS OF THE SENATE AND, AS A RESULT OF THE RECENT ELECTIONS, IS EQUALLY SPLIT BETWEEN REPUBLICANS AND DEMOCRATS AS WELL.

THIS SITUATION CREATES UNIQUE PROBLEMS WITH REGARD TO STAFFING AND ORGANIZATION. CHAIRMAN REUSS IS TO BE COMMENDED FOR HIS COURTEOUS AND HELPFUL EFFORTS TO ACCOMMODATE THE NEW POLITICAL SITUATION. THE PROFESSIONAL STAFF AND THE SUBCOMMITTEES ARE NOW EVENLY SPLIT BETWEEN REPUBLICANS AND DEMOCRATS AND WE HAVE A GOOD WORKING RELATIONSHIP.

MR. CHAIRMAN, I BELIEVE THAT THE JOINT ECONOMIC COMMITTEE SERVES AN IMPORTANT ROLE IN THE DEVELOPMENT OF LEGISLATIVE SOLUTIONS TO OUR NATION'S SERIOUS ECONOMIC PROBLEMS. THE COMMITTEE'S BUDGET REQUEST IS VERY REASONABLE AND IF APPROVED WILL ENABLE THE COMMITTEE TO CONTINUE ITS IMPORTANT WORK.

THANK YOU.

INTRODUCTION OF ASSOCIATES

Representative REUSS. I have with me Mr. James Galbraith, who is our staff director, and with Senator Jepsen is Bruce Bartlett, who is the Senate majority staff director.

BUDGET REQUESTS

We are asking this year for $2.25 million, which is less than what we received in fiscal year 1980, and represents only a 5-percent increase over the fiscal year 1981 request.

NECESSITY FOR STAFFING ADJUSTMENTS

As you know, Chairman Mattingly, we on the Joint Economic Committee were confronted by a pleasant, but unusual situation. Our membership now consists of 10 Republicans and 10 Democrats. Our rules didn't quite cover this situation, but in order to deal fairly with this unusual situation, we set up separate professional staffs. That meant that what had been, when the Democrats controlled both Houses, a committee staff, had to be cut down considerably so as to accommodate two staffs for the same price that one cost before. And we did just that, with some heroic use of attrition, some severance and with great attention across the board to economy. It was particularly difficult because on the Democratic side of what had been the committee staff, we had a number of rather recently retained people who were being paid rather modest salaries. They, in the order of things, were among those who left. But the Republicans, quite understandably, wanted more senior people, and hence the salaries paid these different people were more than were paid the predecessors.

Despite all that, we have stuck within the 1981 budget, with just a 5-percent increase, which is reflected in our worksheets.

ANNUAL REPORT

This subcommittee is thoroughly familiar with the work of the Joint Economic Committee. We got out our annual report a week or so ago. We are now continuing our hearings into all phases of the problems of inflation and unemployment facing the economy.

STAFFING LEVEL HELD FIRM

So, in conclusion, we think our request is reasonable and we ask that the subcommittee take account of the fact that for 5 years now we have held firm on our staffing level; we have not increased it.

Senator Jepsen, I know this budget was worked out very closely with you and your associates.

REMARKS OF VICE CHAIRMAN JEPSEN

Senator JEPSEN. Yes; Mr. Chairman, thank you.

As you know, the chairman and I have worked very closely together on all of these things, and I want to point out Chairman Reuss has been most courteous and helpful in efforts to accommodate this unique situation. In looking at the rules we found they didn't totally accommodate this situation because it has never happened. As my chairman

here on my right emphasizes, it is an unusual situation. The fact that professional staff of the committee is now evenly split, if it weren't carefully handled, could have been a tremendous problem, just on the basis of fairness. Whereas the increase of 5 percent, I would hasten to point out, that 5 percent primarily would accommodate any minor cost-of-living increase we might have gotten.

So I think it is fair, and I want to thank my chairman for really going the extra mile in getting all this stuff put together very smoothly.

Senator MATTINGLY. This might be a slight disadvantage of asking questions of the committee I belong to, but I will ask some questions for the record, but one question I would like to ask you now is is that fiscal year 1980 expenditures for the Joint Economic Committee were I think $2,275,377 total, which included $565,000 plus for a special study of the economic change. In fiscal years 1981 and 1982 the budgets were $2.1 and $2.2 million respectively. In neither year, however, was there an expenditure of $560,000 some odd for the special study as in fiscal year 1980, yet both fiscal years 1981 and 1982 estimated more expenditures than in fiscal year 1980, the year the study was appropriated and conducted. Can you please try to explain that?

SPECIAL STUDY ON ECONOMIC CHANGES

Representative REUSS. Yes; I think the special study did what it was supposed to do: It stirred up the dust mightily and revealed an agenda and workload which poor Senator Jepsen and I have to carry on, and we are going to do it with a conservative budget outlay despite party duality of the committee and despite inflation, a budget that is, if anything, smaller than back in 1980. I don't think there is another committee on the Hill that is able to stay within its 1980 appropriation.

Senator MATTINGLY. I would just look at the budget. It shows all the miscellaneous expenses continue to go up and also as the budget which I am sure includes salary increases has continued to go up. It is my slight observation of the budget it just appears they took the $565,000 and dissipated it into different areas over the extra few years. I am sure some of it was due to the salary increases. I was wondering if it might be wise to go back and look at areas where we might be able to cut back in those areas.

Representative REUSS. I think it is wise, Mr. Chairman, and on a continuing basis Senator Jepsen and I intend to do that. This budget is the result of such a retrospective inquiry, and we believe we have been frugal. One example of that is that which I mentioned before. Many of the very excellent, very junior economists on the staff are not now with us and were paid quite low salaries and were not getting measurable increases. Thus, when the Republicans got what they were eminently entitled to, namely, senior new people, they got them.

Senator JEPSEN. May I point out there is quite a marked history in the Joint Economic Committee at least in recent years of spending considerably less than was appropriated, which I suspect not too many departments did. In 1980 actuals, we spent $2,275,000. The same was so in 1979 for the 1979 budget. We were appropriated $2,353,000; although you don't have charts to show that, we spent considerably less. The Joint Economic Committee with the Senator Bentsens and

Congressman Reusses and so on have been prophets in practicing what they have been preaching. We actually have been spending less than appropriated. So it is kind of a Catch-22 good point you made.

Senator MATTINGLY. Thank you, Senator Bumpers.

1981 APPROPRIATIONS AND 1982 BUDGET REQUEST

Senator BUMPERS. What is your request for 1982?

Representative REUSS. $2.25 million.

Senator BUMPERS. What is your appropriation for 1981?

Representative REUSS. $100,000 less.

Senator BUMPERS. You are requesting about a 5-percent increase?

Representative REUSS. Yes.

Senator BUMPERS. I don't have any further questions, Mr. Chairman.

Senator MATTINGLY. Good to see you. Thank you.

Representative REUSS. Thank you, Mr. Chairman.

QUESTIONS AND RESPONSES

Senator MATTINGLY. I submit some questions for responses.

[The following questions were not asked at the hearing but were submitted to the Department for response subsequent to the hearing:]

76-636 O - 81 - 11

Additional Committee Questions

* Mr. Chairman, your testimony mentions a Special Study on Economic Change, which has recently been completed after three and a half years of intensive study. Can you tell us more about this Special Study?

The Special Study on Economic Change project grew out of discussions with the majority and minority Members of the Joint Economic Committee and with the leadership in the House and Senate in early 1977. Under the leadership of JEC Chairman Richard Bolling, a prospectus was prepared which called for a 3-1/2 year study. The prospectus identified the nature of major changes occurring in the United States and in the world that the Committee felt needed analysis and policy alternatives for consideration. On the basis of the description, House Congressional Resolution 248 was introduced in the House and passed overwhelmingly and then was approved by the Senate by unanimous consent on July 18, 1977.

The underlying thesis of the study was that economic, social, political, international, and technical conditions had changed, and are still changing. That suggested that conventional wisdom and established economic tools might not be equal to meeting the challenge of making sound policies in the economic sphere.

A small staff was assembled to determine the specific areas of study. The 10 areas decided upon were:

1. Human Resources and Demographics.
2. Energy and Materials.
3. Research and Innovation.
4. Stagflation.
5. Government Relations.
6. Federal Finance.
7. State and Local Government Finance.
8. Social Security and Pensions.
9. The International Economy.
10. Productivity.

Area directors were selected for each of the sections of the study. These directors, working with other Special Study staffers, with the Joint Economic Committee staff and with the Congressional Research Service, developed an array of potential specific papers, other studies and hearings to illuminate the basic changes in the economy, the dilemmas, and the policy alternatives in specific areas.

To delineate those 10 areas more specifically, those involved in the project developed a detailed outline of each. This was done in consultation with experts and resource people who met with staff to suggest priorities and to recommend qualified people to undertake the individual, technical papers.

The undertakings of the Special Study were broad, although not exhaustive. Approximately 100 technical papers needed for policy analysis resulted and were subjected to extensive peer review before preparation for publication, most of them by late 1979.

The final step was to integrate the results of all these studies so that the Committee did not end up with just an interesting collection of essays and reports. Rather, the objective was to provide a comprehensive overview of the issues and their interactions and make them available for policymakers.

Individuals and teams were assigned the tasks of writing and reviewing the individual overviews for the 10 subject areas. In consultation with Rep. Bolling, under whose chairmanship the SSEC had begun, Chairman Senator Lloyd Bentsen appointed a four-Member Committee review panel composed of two Democrats and two Republicans -- Bentsen, Bolling, Ranking Senate Minority Member Jacob Javits, and Ranking House Minority Member Rep. Clarence J. Brown.

The overviews of individual areas often were subjected to third, fourth and fifth drafts by the Review Committee. During review meetings on the overviews, staff representatives of the Member Review Committee were present. Often Review Committee members attended Area Directors meetings, which were held quarterly in 1978 and 1979.

By Spring 1980, the first of the SSEC reports -- approved by the Member Review Committee -- was published and all have now been published or are at the printers and awaiting available dates for final printing.

Finally, a 99-page Committee Report encompassing summaries of the findings in each of the 10 areas was released on December 10, 1980, in conjunction with the Congressional Economic Conference attended by approximately 175 Chief Executive Officers and presidents of businesses, representatives of labor, consumer and minority groups, as well as a number of transition team members, representatives of the new Administration, and Members of Congress.

* How much did the study cost in total?

Total appropriations for the SSEC were $2,220,000. Total expended was $1,793,419, leaving $426,581 not expended for return to the Treasury.

* How many copies of the study have been published? Who received the study? Were the recipients charged anything for their copies?

Approximately 1,500 copies per area of the "technical paper" volumes were printed by GPO. Approximately 3,500 copies per area in booklet form were printed of the Member Review Committee-approved overview studies. Three of these prints -- Regulations, Social Security & Pensions, and Human Resources & Demographics -- were consumed and had to be reprinted because of heavy demand. Recipients of the studies included Members of Congress, the Executive Branch, State and local Governments, media agencies, higher education facilities, libraries, and representatives of the private sector. Orders for copies for use at conferences and related events have been heavy. Recipients were not charged for copies.

* Your testimony also mentions that this Special Study has already proven useful to the Administration in developing a range of economic policy options. Can you cite any specific areas of the study that have been used by the Administration? Is there anyone in the Administration that we can check with to get their judgment on the usefulness of your Special Study?

Examples of the usefulness and influence of the SSEC reports have been numerous. Many members of the Reagan transition team requested copies of reports. In the area of productivity and research & innovation, a transition team chairman, Robert F. Dee, Chairman and CEO of SmithKline, stated that the SSEC had provided much of the input for policy consideration. Murray Weidenbaum, Chairman of the President's Council of Economic Advisers, Edwin Dale, Special Assistant for Public Affairs to the Director of OMB, and Jacques Gorlin, Special Assistant to the Undersecretary of State for Economic Affairs, are among those who could judge the usefulness of the Special Study. In addition, Dr. Charles Bradford, assistant director of the JEC and a member of the Reagan transition team, would be a useful contact regarding this subject.

* Mr. Chairman, in reviewing your justification on your budget for FY '82, it appears that the Committee intends to make several changes in the makeup and pay levels of the staff. Can you provide for the record a more detailed explanation of why these changes have been made?

Changes in the breakdown of positions and pay levels of the staff are entirely due to the adjustments necessary to accommodate the new Republican majority in the Senate. In order to provide an equitable division of the staff between the Democrats and Republicans, it was necessary to increase the Republican professional staff from 5 members to 13 members. This was done by replacing several sub-professional positions (research assistants) and an administrative position with appointees at a professional level with markedly higher salaries. There has also been created the position of Deputy Director to provide the Republican professional staff members with a top level chief of staff.

These changes are just barely possible to accomplish with our 1981 budget, and will leave little leeway in our 1982 budget. We therefore strongly recommend that our full request for salaries be granted.

* You are requesting slight increases in expenses for hearings, staff travel, telephone and telegraph, stationery, and petty cash. Yet, last year, you received substantial increases in each of these areas. We plan to do our best to hold Senate committee budgets to FY'81 levels, if not below. I would like to ask you and your staff director to take another look at your FY'82 budget and see if you can't come up with possible reductions below your requested amounts. Will you do that? Thank you.

We have carefully reviewed our fiscal year 1982 budget request and we feel that we will be able to hold our expenditures to the FY'81 level in all areas except full-time payroll and agency contributions. Any decrease in the full-time payroll item in FY'82 would necessitate a reduction in personnel.

(See Attachment No.1)

Attachment No. 1

BUDGET ITEM	FY'80 ACTUAL	FY'81 REQUEST	FY'82 REQUEST	FY'82 POSSIBLE CUTBACKS
Full-time Payroll	$ 1,395,323	$ 1,635,252	$ 1,745,910	$ 1,745,910
Agency Contributions	$ 93,016	$ 163,525	$ 174,591	$ 139,670*
Reimbursable detail, WAE, Contracts, Consultants, Temp.	$ 122,825	$ 150,000	$ 150,000	$ 150,000
Hearings	$ 41,741	$ 65,000	$ 75,000	$ 65,000
Staff Travel	$ 20,196	$ 27,500	$ 30,000	$ 27,500
Telephone & Telegraph	$ 13,151	$ 20,000	$ 22,500	$ 20,000
Subscriptions/books/charts	$ 7,009	$ 12,500	$ 15,000	$ 15,000
Stationery	$ 12,058	$ 20,000	$ 22,500	$ 20,000
Equipment	$ 2,017	$ 7,500	$ 7,500	$ 7,500
Petty Cash	$ 2,352	$ 5,723	$ 7,000	$ 5,720
TOTAL	$ 1,709,688	$ 2,107,000	$ 2,250,000	$ 2,193,800

* Agency Contributions - figure is based upon 8% and not the recommended 10% used by the Senate Disbursing Office when computing the percentage of a staff member's gross annual salary for health, life insurance and retirement benefits. (Not all staff members avail themselves of the benefits, therefore, we must be prepared to meet the cost should more staff members choose to participate.)

OFFICE OF THE SENATE FINANCIAL CLERK

STATEMENT OF STUART BALDERSON, SENATE FINANCIAL CLERK

ACCOMPANIED BY:

TIMOTHY S. WINEMAN, ASSISTANT SENATE FINANCIAL CLERK
FREDERICK R. SCHNEIDER, SUPERVISOR, ACCOUNTING SECTION

INTRODUCTION OF ASSOCIATES

Senator MATTINGLY. Our next witness will be the Financial Clerk, Mr. Stuart Balderson.

Mr. Balderson, do you have a statement? If you would like, you can give a brief summary and submit your statement for the record.

Mr. BALDERSON. Thank you, sir.

I would like to introduce my colleagues. On my right is Assistant Financial Clerk, Tim Wineman; on my left is Fred Schneider, supervisor of the accounting section.

I will proceed with reading my statement, Mr. Chairman.

1981 SUPPLEMENTAL BUDGET REQUEST

Mr. Chairman, before proceeding with the Senate items for fiscal year 1982, the supplemental appropriations bill for fiscal year 1981 includes items requiring additional funds for fiscal year 1981, as follows: one, increased pay costs for the October 1, 1980 pay comparability; two, increased agency contributions relating to increased pay costs; three, increase longevity compensation; four, increased clerk hire for Senators from the States of Florida, Oklahoma, South Carolina, and Washington; and five, increase for new positions and adjustments for the Office of the Sergeant at Arms and Doorkeeper.

Since these items affect the budget estimate for fiscal year 1982, may I consider the supplemental amounts included in the bill as being enacted for the purpose of my presentation to your committee?

Senator MATTINGLY. Yes; continue, Mr. Balderson.

1981 APPROPRIATION AND 1982 BUDGET REQUEST

Mr. BALDERSON. Mr. Chairman, the budget estimate for fiscal year 1982, as submitted in the budget of the U.S. Government and as presented today is an overall increase in the budget estimate for fiscal year 1981 by $524,000. As you are aware, there has not been a legislative branch appropriation bill for fiscal year 1981 enacted into law, and we are operating at the current rate of operations for fiscal year 1980. Estimates have been submitted for items not previously authorized for expenses, new positions, change in compensation and allowances, including Senate joint items, in accordance with requests and proposals submitted by functions of the Senate for consideration by your committee.

Other changes in the estimates are reflected in the following categories: one, decrease in salaries, officers and employees for "Committee employees" under the provisions of Public Law 96–304, section 112 to transfer these employees to inquiries and investigations; two, increased health benefits costs, effective January 1, 1981; three, increase to fully fund the combined allowance for administrative, clerical and legislative assistance for population increases; four, increased funding for the Office of the Secretary for the creation of a new position; five, increased funding for the automobile and maintenance for the increased cost of gasoline and oil; six, increase in inquiries and investigations for "Committee employees" transferred from salaries, officers and employees under the provisions of Public Law 96–304, section 112; seven, increase in miscellaneous items for housekeeping supplies, WATS service, repair and maintenance of equipment, leased equipment, supplies, travel and training, and computer equipment and supplies; eight, increase for postage stamps due to the proposed increase in postal rates; nine, projected increases in salaries for positions for the Joint Committee on Printing; and ten, increase for Capitol Guide Service for increased expenses.

The total budget estimate for regular Senate items is $228,708,000 and for Senate joint items $3,906,000, for an aggregate total of $232,614,000. This results in a net increase of $524,000 over the total budget estimate for fiscal year 1981 of $232,090,000.

The appropriation requests for inquiries and investigations, in the amount of $45,805,000, are based on those allocations authorized by Senate resolutions, plus an additional amount to reflect not only the normal October 1 pay comparability, but also the salaries for "Committee employees" that were transferred from salaries, officers and employees.

Mr. Chairman, I am encouraged with the prospects of your committee enacting a legislative branch appropriations bill for fiscal year 1982, and I look forward to assisting you and your staff in the future.

The budget estimate, therefore, is submitted for the consideration of your committee.

Senator MATTINGLY. Thank you. We will have some questions for the record I will give to you later.

First, in reviewing the budget just reviewed, it appears the fiscal year 1981 appropriations of the Senate excluding joint items is just over $214 million; is that correct?

Mr. BALDERSON. Yes, sir; excluding increased pay costs.

Senator MATTINGLY. Does that figure include the pay and program supplementals?

Mr. BALDERSON. Yes; it does.

1980 APPROPRIATION

Senator MATTINGLY. Is that the same that was appropriated in fiscal year 1980?

Mr. BALDERSON. Yes; it is.

Senator MATTINGLY. I would like to include along in the next continuing resolution mandating that the Senate not spend more than 90 percent of the fiscal year 1980 spending, excluding pay costs. As the man

who has the responsibility for issuing the checks of the Senate, do you feel such a reduction could be possible without the Senate having to stop paying its bills?

Mr. BALDERSON. I believe it could be accomplished, Mr. Chairman, if we are allowed to operate on fiscal year 1980 appropriations rather than fiscal year 1980 expenses.

APPROPRIATION IN THE AGGREGATE

Senator MATTINGLY. In drafting an amendment, it would appear to me to make it apply to the Senate in the aggregate rather than by cutting every area by 10 percent. Would you agree with that?

Mr. BALDERSON. Yes.

Senator MATTINGLY. Obviously there are some areas that can't absorb the 10 percent, especially late in the fiscal year.

Mr. BALDERSON. Yes; now, 5 months into the fiscal year 1981, it could provide difficulties, yes, sir.

REPROGRAMING FUNDS

Senator MATTINGLY. In the Senate report accompanying such an amendment, we could give the Secretary of the Senate the authority to reprogram funds among the various appropriation accounts so that total reduction in 10 percent could be accomplished.

Mr. BALDERSON. Yes; that is possible.

Senator MATTINGLY. We would ask him to write the committee stating where he was taking it from and where he was putting it, and then give him authority. Does that sound reasonable to you?

Mr. BALDERSON. Yes; it does.

SALARIES OF SENATORS AND VICE PRESIDENT

Senator MATTINGLY. There is a request in fiscal year 1982 for $7,984,000 to cover the salaries of Senators and the Vice President. Those salaries, of course, are fixed by law. But here again you put in that amount to pay if the pay cap was lifted. Do you know how much the appropriation could be reduced if the pay cap was lifted?

Mr. BALDERSON. Yes; I would be happy to provide the figure on that.

DEPUTY PRESIDENT PRO TEMPORE

Senator MATTINGLY. Why is there an amount for the Deputy President pro tempore of the Senate?

Mr. BALDERSON. The position is there by law, Mr. Chairman. Currently it is not being filled. This position was created in 1977, I believe. The law provides any former President or Vice President of the United States who becomes a sitting Member of the Senate would automatically be the Deputy President pro tempore of the Senate. Currently we do not have someone filling that position, but the potential is there.

Senator MATTINGLY. Don't you feel it would be a good idea maybe to delete that portion of the expenditure?

Mr. BALDERSON. We would delete it based on the assumption we will not have that position filled.

Senator MATTINGLY. We could always make a supplemental appropriation.

Mr. BALDERSON. Yes.

Senator MATTINGLY. Could you supply the committee with the appropriate language to delete the position?

Mr. BALDERSON. Delete the law?

Senator MATTINGLY. The expenditure.

Mr. BALDERSON. Yes, sir.

CARRYOVER FUNDS

Senator MATTINGLY. In reference to the funds in fiscal years 1978, 1979, and 1980 which were not spent but still remain available for expenditure due to appropriations remaining available—I guess you call those carryover funds—I understand that in fiscal year 1977 the Senate appropriations were made to remain available until they were expended; is that correct?

Mr. BALDERSON. Yes.

Senator MATTINGLY. I guess we don't need to go into why they were funded that way. Could you tell us the amount of appropriations that still have not been spent?

Mr. BALDERSON. For the merged fiscal years of 1977, 1978, and 1979, currently, or as of January 31, 1981, there is currently $46,413,175.

Senator MATTINGLY. What is the estimate for fiscal year 1980?

Mr. BALDERSON. A balance as of fiscal year 1980?

Senator MATTINGLY. Yes; is there any estimate?

Mr. BALDERSON. Yes; again as of January 31, 1981, we have $30,710,000, unexpended.

Senator MATTINGLY. That would be the balance as of January 31, 1981.

Mr. BALDERSON. The balance of fiscal year 1980. We are still spending that balance.

WITHDRAWAL OF APPROPRIATIONS

Senator MATTINGLY. What would happen if we just rescinded those funds, could we do it without causing you problems in meeting the bills that would come up?

Mr. BALDERSON. We do not have any problem with rescinding the funds for fiscal years 1977, 1978, and 1979.

Senator MATTINGLY. Approximately $46 million?

Mr. BALDERSON. Yes, sir.

Senator MATTINGLY. Could you please provide us with appropriate bill language to withdraw those previous appropriations for fiscal years 1977, 1978, and 1979, and when you do this I would understand that you feel we should leave a portion of the fiscal year 1980 appropriation carryover funds on the book; isn't that right?

Mr. BALDERSON. Yes; I would recommend that the merged fiscal years be rescinded September 1981. Under normal operating procedures, we would return the fiscal year 1980 balance in September 1982. This would allow the Senate to pay its bills for obligations we are not aware of at this moment.

Senator MATTINGLY. In other words, September 30 of this year, in 1981, the $46,413,175 can be returned, correct?

Mr. BALDERSON. That is correct.

Senator MATTINGLY. And some portion of the fiscal year 1980, the year we are currently in, could any of that be returned?

Mr. BALDERSON. I would recommend keeping that available through September 1982.

Senator MATTINGLY. The Federal Treasury is going to be happy to get $46 million back.

HOLDING 1982 APPROPRIATION TO 1981 LEVEL

I will say, as I have said all through today, that, in light of President Reagan's stated intent to make substantial cuts in the Federal budget and the intent of this chairman to aid the President in his efforts to bring health back to the American economy by cutting back the size of Government, would you answer, then, yes or no to holding your 1982 budget to the fiscal year 1981 level, not increasing personnel, and to deferral of all new spending initiatives and programs until the economy recovers?

Mr. BALDERSON. Yes; I think that is feasible.

Senator MATTINGLY. Thank you.

INCLUSION OF SUPPLEMENTALS IN 1982 BUDGET REQUEST

The one last question I would like to ask not only for yourself and for all those other people that have come before us today is to make sure that everybody is clear that the pay cost supplemental estimates be included in their fiscal year 1982 budget requests. In other words, supplementals that could come in October 1 of this year, that we estimate those in the appropriations measures; and that I have stated for each one, but I want it to be clarified so there will be no mistake about this.

JUSTIFICATIONS

The justifications will be inserted in the record at this point.

[The justifications follow:]

UNITED STATES SENATE

Fiscal Year 1982

Appropriation	Budgeted Fiscal Year 1981	Proposed Pay Increase Supplemental	Proposed Program Supplemental	Combined Total Fiscal Year 1981	Estimate Fiscal Year 1982	Increase (+) or Decrease (-)
Compensation and Mileage of the Vice President and Senators	$ 7,310,000			$ 7,310,000	$ 7,984,000	$+ 674,000
Expense Allowances of the Vice President, President Pro Tempore, Majority and Minority Leaders and Majority and Minority Whips	45,000			45,000	45,000	-0-
TOTAL	$ 7,355,000			$ 7,355,000	$ 8,029,000	$+ 674,000
Salaries, Officers and Employees						
Office of the Vice President	$ 866,000	$ 79,000		$ 945,000	$ 945,000	$ -0-
Office of the President Pro Tempore	129,000	11,000		140,000	140,000	-0-
Offices of the Majority and Minority Leaders	577,000	52,000		629,000	629,000	-0-
Assistants to the Majority and Minority Leaders for Floor Operations	117,000			117,000	128,000	+ 11,000
Offices of the Majority and Minority Whips	270,000	24,000		294,000	294,000	-0-
Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority	146,000	13,000		159,000	159,000	-0-
Office of the Chaplain	59,000	5,000		64,000	64,000	-0-
Office of the Secretary	4,660,000	449,000		5,109,000	5,142,000	+ 33,000
Committee Employees	13,059,000			13,059,000	-0- *	-13,059,000
Conference Committees	846,000	77,000		923,000	923,000	-0-
Administrative, Clerical, and Legislative Assistance to Senators	78,447,000	7,246,000	$ 243,000	85,936,000	86,016,000	+ 80,000
Office of the Sergeant at Arms and Doorkeeper	23,275,000	2,054,000	1,049,000	26,378,000	26,378,000	-0-
Offices of the Secretaries for the Majority and Minority	464,000	32,000		496,000	507,000	+ 11,000
Agency Contributions, Longevity Compensation, and Merit Compensation	13,033,000	1,698,000		14,731,000	14,731,000	-0-
TOTAL - Salaries, Officers and Employees	$135,948,000	$11,740,000	$1,292,000	$148,980,000	$136,056,000	$-12,924,000
Office of the Legislative Counsel of the Senate	$ 961,000	$ 80,000		$ 1,041,000	$ 1,134,000	$+ 93,000
Office of the Senate Legal Counsel	$ 500,000	$ 40,000		$ 540,000	$ 550,000	$+ 10,000

*Merged with Inquiries and Investigations, Section 112, Chapter X, P.L. 96-304

Appropriation	Budgeted Fiscal Year 1981	Proposed Pay Increase Supplemental	Proposed Program Supplemental	Combined Total Fiscal Year 1981	Estimate Fiscal Year 1982	Increase (+) or Decrease (-)
Contingent Expenses of the Senate						
Senate Policy Committees	$ 1,562,000	$ 131,000		$ 1,693,000	$ 1,693,000	$ -0-
Automobiles and Maintenance	70,000			70,000	75,000	+ 5,000
Inquiries and Investigations	36,000,000	1,627,000		37,627,000	45,805,000	+ 8,178,000
Folding Documents	117,000	11,000		128,000	128,000	-0-
Miscellaneous Items	30,776,000			30,776,000	35,189,000	+ 4,413,000
Postage Stamps	7,000			7,000	9,000	+ 2,000
Stationery (Revolving Fund)	40,000			40,000	40,000	-0-
TOTAL - Contingent Expenses	$ 68,572,000	$ 1,769,000		$ 70,341,000	$ 82,939,000	$+12,598,000
TOTAL - Senate - Regular Items	$213,336,000	$13,629,000	$1,292,000	$228,257,000	$228,708,000	$+ 451,000
Joint Items						
Contingent Expenses of the Senate						
Joint Economic Committee	$ 2,150,000	$ 100,000		$ 2,250,000	$ 2,250,000	$ -0-
Joint Committee on Printing	794,000	58,000		852,000	922,000	+ 70,000
TOTAL - Contingent Expenses, Senate	$ 2,944,000	$ 158,000		$ 3,102,000	$ 3,172,000	$+ 70,000
Capitol Guide Service	664,000	67,000		731,000	734,000	+ 3,000
TOTAL - Joint Items	$ 3,608,000	$ 225,000		$ 3,833,000	$ 3,906,000	$+ 73,000
GRAND TOTAL - Regular, Joint, and Other Items - Senate	$216,944,000	$13,854,000	$1,292,000	$232,090,000	$232,614,000	$+ 524,000

COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS

This appropriation includes funds for the salaries of the Vice President and Senators, agency contributions for retirement, life and health insurance, and the statutory mileage allowance for the President of the Senate and Senators for traveling to and returning from each regular session of the Congress.

The mileage allowance for Senators is authorized by the Act of July 28, 1866 (2 U.S.C. 43) payable "*** at the rate of 20 cents per mile, to be estimated by the nearest route usually traveled in going to and returning from each regular session."

The mileage allowance for the President of the Senate is authorized by the Act of July 8, 1935 (2 U.S.C. 43a) and is payable "*** at the same rate and in the same manner as now allowed by law to Senators,***."

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Compensation and Mileage of the Vice President and Senators

FISCAL YEAR: 1982

COMPENSATION		$7,228,900.00
Vice President	$ 92,500*	
President Pro Tempore of the Senate	80,100*	
Deputy President Pro Tempore of the Senate	80,100*	
Majority and Minority Leaders of the Senate, at $80,100* each	160,200	
United States Senators, at $71,000*each (96)	6,816,000	
	$7,228,900	
*rates that would be in effect on October 1, 1981, when salary limitations in effect during Fiscal Year 1981 have expired.		
AGENCY CONTRIBUTIONS:		
Retirement 8% x $7,228,900.00	$578,312.00	
Life Insurance 101 x 242.04	24,446.04	
Health Insurance 101 x 926.64	93,590.64	696,348.68
Total compensation and contributions		$7,925,248.68
STATUTORY MILEAGE (240,820 miles at 20¢ per mile = $48,164.00 and a reserve of $10,587.32)		58,751.32
Total		$7,984,000.00

ESTIMATE FOR FISCAL YEAR 1982		$7,984,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$7,310,000	
Anticipated Supplemental for Increased Pay Costs		
		$7,310,000
Increase		$ 674,000**

**Fiscal Year 1982 Increase:
Expiration of limitations on maximum salary rates during Fiscal Year 1981.

EXPENSE ALLOWANCES OF THE VICE PRESIDENT, PRESIDENT PRO TEMPORE, MAJORITY AND MINORITY LEADERS AND MAJORITY AND MINORITY WHIPS

This appropriation includes funds for the expense allowances of the Vice President, the President Pro Tempore, the Majority and Minority Leaders, and the Majority and Minority Whips.

The expense allowance of the Vice President was first appropriated for by Public Law 81-71 effective January 20, 1949.

The expense allowance of the Majority and Minority Leaders was first appropriated for by Public Law 84-242 effective July 1, 1955.

The expense allowance of the Majority and Minority Whips was first appropriated for by the Supplemental Appropriations Act, 1977 (Public Law 95-26), effective April 1, 1977.

The expense allowance of the President Pro Tempore was first appropriated for by the Second Supplemental Appropriations Act, 1978 (Public Law 95-355), effective October 1, 1977.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Expense Allowances of the Vice President, President Pro Tempore, Majority & Minority Leaders & Majority & Minority Whips

FISCAL YEAR: 1982

EXPENSE ALLOWANCES		$45,000
Vice President	$10,000	
President Pro Tempore of the Senate	10,000	
Majority Leader of the Senate	10,000	
Minority Leader of the Senate	10,000	
Majority Whip of the Senate	2,500	
Minority Whip of the Senate	2,500	
	$45,000	
ESTIMATE		$45,000

ESTIMATE FOR FISCAL YEAR 1982		$45,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$45,000	
Anticipated Supplemental for Increased Pay Costs		
		45,000
		$ -0-

SALARIES, OFFICERS AND EMPLOYEES

This appropriation includes funds for salaries of staff for thirteen (13) functions of the Senate, and agency contributions, longevity compensation, and merit compensation, as authorized by law.

Of the thirteen functions, eight are funded with lump sum allowances, three are funded exclusively with statutory positions, and two are funded with a combination of statutory positions and lump sum allowances, as follows:

LUMP SUM ALLOWANCE

Vice President
President Pro Tempore
Majority and Minority Leaders
Majority and Minority Whips
Secretaries to the Conference of the Majority and Minority
Conference Committees
Administrative, Clerical, and Legislative Assistance to Senators
Secretaries for the Majority and Minority

STATUTORY POSITIONS ONLY

Majority and Minority Leaders (Floor Operations)
Chaplain
Sergeant at Arms and Doorkeeper

STATUTORY POSITIONS AND LUMP SUM ALLOWANCES

Secretary of the Senate

OFFICE OF THE VICE PRESIDENT

This appropriation item includes funds for the salaries of the administrative and clerical staff for the Office of the Vice President.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Office of the Vice President (Salaries, Officers and Employees)

FISCAL YEAR: 1982

COMPENSATION	$944,117
ESTIMATE	$945,000

ESTIMATE FOR FISCAL YEAR 1982		$945,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$866,000	
Anticipated Supplemental for Increased Pay Costs	79,000*	
		945,000
		$ -0-

*Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980

OFFICE OF THE PRESIDENT PRO TEMPORE

This appropriation item includes funds for salaries for staff of the Office of the President Pro Tempore.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Office of the President Pro Tempore (Salaries, Officers and Employees)

FISCAL YEAR: 1982

COMPENSATION	$139,723
ESTIMATE	$140,000

ESTIMATE FOR FISCAL YEAR 1982		$140,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$129,000	
Anticipated Supplemental for Increased Pay Costs	11,000*	
		140,000
		$ -0-

*Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980

OFFICES OF THE MAJORITY AND MINORITY LEADERS

This appropriation item includes funds for the salaries of the administrative and clerical staff of the Offices of the Majority and Minority Leaders. The offices were created and funded by Public Law 91-145, effective November 1, 1969.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Offices of the Majority and Minority Leaders (Salaries, Officers and Employees)

FISCAL YEAR: 1982

COMPENSATION	$628,971
ESTIMATE	$629,000

ESTIMATE FOR FISCAL YEAR 1982		$629,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$577,000	
Anticipated Supplemental for Increased Pay Costs	52,000*	
		629,000
		$ -0-

*Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980

FLOOR ASSISTANTS TO THE MAJORITY AND MINORITY LEADERS

This appropriation item includes funds for the two statutory positions of Assistant to the Majority Leader for Floor Operations and Assistant to the Minority Leader for Floor Operations. These positions were created by the Supplemental Appropriation Act, 1977 (Public Law 95-26), effective April 1, 1977 and are under the jurisdiction of and subject to the control of the Majority and Minority Leaders, respectively.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Assistant to the Majority and Minority Leaders for Floor Operations (Salaries, Officers and Employees)

FISCAL YEAR: 1982

COMPENSATION.....	$127,400
Assistant to the Majority Leader for Floor Operations at not to exceed.....$ 63,700*	
Assistant to the Minority Leader for Floor Operations at not to exceed..... 63,700*	
$127,400	
*Limited to $54,332 during Fiscal Year 1981	
ESTIMATE.....	$128,000

ESTIMATE FOR FISCAL YEAR 1982.....		$128,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.....	$117,000	
Anticipated Supplemental for Increased Pay Costs.....		
		117,000
Increase		$ 11,000*

*Fiscal Year 1982 Increase:
Expiration of limitations imposed on top-level salary rates during Fiscal Year 1981.

OFFICES OF THE MAJORITY AND MINORITY WHIPS

This appropriation item includes funds for the salaries of the administrative and clerical staff of the Offices of the Majority and Minority Whips. The offices were created and funded by Public Law 84-242, effective July 1, 1955.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Offices of the Majority and Minority Whips (Salaries, Officers and Employees)

FISCAL YEAR: 1982

COMPENSATION	$293,549
ESTIMATE	$294,000

ESTIMATE FOR FISCAL YEAR 1982		$294,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$270,000	
Anticipated Supplemental for Increased Pay Costs	24,000*	
		294,000
		$ -0-

*Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980

OFFICES OF THE SECRETARIES OF THE CONFERENCE OF THE MAJORITY
AND THE CONFERENCE OF THE MINORITY

This appropriation item contains funds for salaries of staff of the Secretary of the Conference of the Majority and the Secretary of the Conference of the Minority. The offices were created by Section 6 of Senate Resolution 17, agreed to January 10, 1977. Effective October 1, 1979 the two statutory positions which were provided for each office in Public Law 95-26 were abolished by Section 102 of Public Law 96-38, and an allowance established for hiring of staff.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority (Salaries, Officers and Employees)

FISCAL YEAR: 1982

COMPENSATION		$158,236
Office of the Secretary of the Conference of the Majority	$ 79,118	
Office of the Secretary of the Conference of the Minority	79,118	
	$158,236	
ESTIMATE		$159,000

ESTIMATE FOR FISCAL YEAR 1982		$159,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$146,000	
Anticipated Supplemental for Increased Pay Costs	13,000*	
		159,000
		$ -0-

*Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980

OFFICE OF THE CHAPLAIN

This appropriation item contains funds for the salary of the Chaplain of the Senate and a Secretary to the Chaplain.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Office of the Chaplain (Salaries, Officers and Employees)

FISCAL YEAR: 1982

COMPENSATION		$63,471
Chaplain of the Senate	$40,110 (fixed)	
Secretary to the Chaplain at not to exceed	23,361	
	$63,471	
ESTIMATE		$64,000

ESTIMATE FOR FISCAL YEAR 1982		$64,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$59,000	
Anticipated Supplemental for Increased Pay Costs	5,000*	
		64,000
		$ -0-

*Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980

OFFICE OF THE SECRETARY

This appropriation contains funds for 120 statutory positions, lump-sum allowances for the employment and adjustment of salaries of personnel in the Disbursing Office and in the Stationery Room, and an Administrative Fund for the employment of personnel as authorized by Section 244 of the Legislative Reorganization Act of 1946, as amended (2 U.S.C. 74b).

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Office of the Secretary (Salaries, Officers and Employees)

FISCAL YEAR: 1982 DATE:

COMPENSATION		$ 5,141,247
120 Statutory Positions (including Financial Clerk)	$3,762,537	
Administrative Fund Authorization	221,925	
Disbursing Office Authorization (excluding Financial Clerk)	802,852	
Stationery Room Authorization	353,933	
	$5,141,247	
Estimate		$ 5,142,000

Estimate for Fiscal Year 1982		$ 5,142,000
Less: Amount Available for F.Y. 1981	$ 4,660,000	
Supplemental Appropriation	449,000 *	
		5,109,000
Increase/Decrease		$ 33,000 **

* Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980 — 449,000

** Fiscal Year 1982 Increase:
1 Additional Position transferred from Government Printing Office — 32,800

RECAPITULATION

OFFICE: SECRETARY OF THE SENATE

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Administrative Office	9	9	9	$ 402,117
Office of the Parliamentarian	5	5	5	221,055
Legislative Office	12	12	12	442,312
Office of the Printing Clerk	4	4	5	144,536
Daily Digest	4	4	4	135,536
Clerical and Messenger Staff	8	8	8	144,131
Disbursing Office (including Financial Clerk)	34	34	33	866,552
Document Room	19	19	19	403,750
Library	18	18	18	390,525
Stationery Room	17	17	17	353,933
Reporters of Debates	17	17	17	769,806
Public Records Office	9	9	9	202,757
Curator of Art and Antiquities	3	3	3	101,598
Historical Office	5	5	5	144,573
Office of Classified National Security Information	5	5	5	196,141
Administrative Fund	3	3	3	221,925
TOT	172	172	172	$ 5,141,247

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (ADMINISTRATIVE OFFICE)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Secretary of the Senate	1	1	1	$ 64,700*
Assistant Secretary of the Senate	1	1	1	63,700**
Special Deputy to Federal Election Commission	1	1	1	61,487***
Administrative Director	1	1	1	47,162
Administrative Assistant	1	1	1	43,195
Technical Advisor	1	1	1	39,449
Secretary	1	1	1	31,736
Secretary	2	2	2	25,344 each
TOTAL - ADMINISTRATIVE OFFICE	9	9	9	$402,117
*Fixed Statutory Rate, limited to $55,387 during Fiscal Year 1981				
**Limited to $54,332 during Fiscal Year 1981				
***Limited to $52,687 during Fiscal Year 1981				

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (OFFICE OF THE PARLIAMENTARIAN)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Parliamentarian of the Senate	1	1	1	$ 63,700*
Assistant Parliamentarian	1	1	1	54,876**
2nd Assistant Parliamentarian	1	1	1	40,110
3rd Assistant Parliamentarian	1	1	1	37,025
Secretary to Parliamentarian	1	1	1	25,344
TOTAL - OFFICE OF THE PARLIAMENTARIAN	5	5	5	$221,055
* Limited to $54,332 during Fiscal Year 1981				
**Limited to $50,112 during Fiscal Year 1981				

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (LEGISLATIVE OFFICE)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Legislative Clerk	1	1	1	$ 54,214*
Assistant Legislative Clerk	1	1	1	42,314
2nd Assistant Legislative Clerk	1	1	1	33,939
Journal Clerk	1	1	1	54,214**
Assistant Journal Clerk	1	1	1	42,314
2nd Assistant Journal Clerk	1	1	1	33,939
Executive Clerk	1	1	1	31,736
Assistant Executive Clerk	1	1	1	22,479
Enrolling Clerk	1	1	1	40,110
Bill Clerk	1	1	1	40,110
Assistant Bill Clerk	1	1	1	31,736
Terminal Operator	1	1	1	15,207
TOTAL - LEGISLATIVE OFFICE	12	12	12	$442,312
* Limited to $50,112 during Fiscal Year 1981				
**Limited to $50,112 during Fiscal Year 1981				

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (OFFICE OF THE PRINTING CLERK)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Printing Clerk	1	1	1	$ 40,110
Assistant Printing Clerk	1	1	1	35,923
Clerk (Office of Printing Clerk)	1	1	1	19,835
Delivery Clerk (Office of Printing Clerk)	1	1	1	15,868
Printing Assistant	0	0	1	32,800
TOTAL - OFFICE OF THE PRINTING CLERK	4	4	5	$144,536

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (DAILY DIGEST)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Editor, Digest	1	1	1	$ 50,468*
Assistant Editor, Digest	1	1	1	37,906
Assistant, Digest	1	1	1	26,446
Clerk, Digest	1	1	1	20,716
TOTAL - DAILY DIGEST	4	4	4	$135,536
* Limited to $50,112 during Fiscal Year 1981				

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (CLERICAL AND MESSENGER STAFF)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Special Assistant	1	1	1	$ 22,479
Deputy Special Assistant	1	1	1	20,716
Clerk	5	5	5	17,190 each
Clerk	1	1	1	14,986
TOTAL - CLERICAL & MESSENGER STAFF	8	8	8	$144,131

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (DISBURSING OFFICE)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Financial Clerk	1	1	1	$ 63,700 *
Assistant Financial Clerk	1	1	1	41,432
Senior Staff Assistant	2	2	2	40,110 each
Staff Assistant	1	1	1	23,141
Staff Assistant	1	1	1	22,700
Secretary	1	1	1	14,546
Clerk-Typist	1	1	1	12,342
Supervisor, Payroll Section	1	1	1	26,667
Payroll Assistant	1	1	1	19,835
Payroll Assistant	1	1	1	21,598
Payroll Assistant	1	1	1	22,259
Payroll Assistant	1	1	1	14,766
Junior Payroll Assistant	1	1	1	14,105
Supervisor, Audit Section	1	1	1	30,634
Auditor	1	1	1	17,411
Junior Auditor	1	1	1	23,141
Junior Auditor	0	0	1	13,223
Junior Auditor	1	1	1	13,885
Junior Auditor	1	1	1	22,920
Terminal Operator	1	1	1	12,783
Superivsor, Accounting Section	1	1	1	30,634
Accountant	1	1	1	22,259
Junior Accountant	1	1	1	14,105
Junior Accountant	1	1	1	14,546
Supervisor, Benefits Section	1	1	1	30,634

*Limited to $54,332 during Fiscal Year 1981

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (DISBURSING OFFICE - CONTINUED)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Benefits Assistant	1	1	1	$ 13,223
Benefits Assistant	1	1	1	16,750
Benefits Assistant	1	1	1	13,223
Benefits Assistant	1	1	1	18,953
Files Assistant/Courier	1	1	1	20,716
Driver-Messenger in Disbursing Office	1	1	1	18,733
Messenger	1	1	1	17,631
Legislation and Budget Assistant	1	1	0	------
Clerk-Typist	1	1	0	------
TOTALS	33	33	32	$679,015
BALANCE AVAILABLE FOR ADJUSTMENTS & APPOINTMENTS				123,837
TOTAL ALLOWANCE				$802,852

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (DOCUMENT ROOM)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Superintendent, Document Room	1	1	1	$ 42,314
Assistant Superintendent, Document Room	1	1	1	35,041
1st Assistant, Document Room	1	1	1	26,226
2nd Assistant, Document Room	1	1	1	25,344
Chief Documents Specialist	1	1	1	36,364
Documents Specialist	1	1	1	21,157
Senior Assistant, Document Room	6	6	6	18,072 each
Assistant, Document Room	4	4	4	15,427 each
Custodian	1	1	1	18,072
Messenger	2	2	2	14,546 each
TOTAL - DOCUMENT ROOM	19	19	19	$403,750

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (LIBRARY)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Librarian	1	1	1	$ 42,314
Assistant Librarian	1	1	1	30,854
Chief Indexer	1	1	1	29,091
Clerk, Legislative Information	1	1	1	26,446
Technical Services Specialist	1	1	1	25,124
Senior Reference Assistant	1	1	1	22,479
Senior Reference Assistant	1	1	1	21,598
Secretary in the Library	1	1	1	20,716
Assistant Indexer	1	1	1	18,072
Chief, Bill Status Unit	1	1	1	18,072
Reference Assistant	4	4	4	18,072 each
Chief Messenger, Library	1	1	1	17,190
Messenger, Library	1	1	1	16,309
Messenger	2	2	2	14,986 each
TOTAL - LIBRARY	18	18	18	$390,525

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (OFFICE OF CLASSIFIED NATIONAL SECURITY INFORMATION)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Director	1	1	1	$ 62,148 *
Professional Staff Member	1	1	1	49,366
Classified Documents Specialist	1	1	1	33,939
Secretary	2	2	2	25,344 each
OFFICE OF CLASSIFIED TOTAL - NATIONAL SECURITY INFORMATION	5	5	5	$196,141

* Limited to $53,254 during Fiscal Year 1981

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (STATIONERY ROOM)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Keeper of Stationery	1	1	1	$ 42,314
Assistant Keeper of Stationery	1	1	1	35,482
Chief Clerk, Stationery Room	1	1	1	25,124
Bookkeeper, Stationery Room	1	1	1	22,259
Assistant Bookkeeper, Stationery Room	1	1	1	19,394
Senior Counter Clerk	1	1	1	19,394
Counter Clerk	2	2	2	18,072 each
Counter Clerk	1	1	1	16,309
Counter Clerk	1	1	1	13,885
Counter Clerk	1	1	1	13,003
Secretary, Stationery Room	1	1	1	18,513
Warehouse Supervisor	1	1	1	17,851
Assistant Warehouse Supervisor	1	1	1	16,529
Warehouseman	3	3	3	14,986 each
TOTAL SALARIES	17	17	17	$ 341,159
UNUSED BALANCE				12,774
TOTAL ALLOWANCE				$ 353,933

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (OFFICE OF THE REPORTERS OF DEBATES)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Chief Reporter of Debates	1	1	1	$ 61,487 *
Reporter of Debates	7	7	7	59,504 each**
Assistant Reporter of Debates	1	1	1	40,771
Staff Assistant	1	1	1	34,160
Special Assistant	1	1	1	31,736
Expert Transcriber	6	6	6	30,854 each
TOTAL - OFFICE OF THE REPORTERS OF DEBATES	17	17	17	$769,806

* Limited to $52,687 during Fiscal Year 1981

**Limited to $50,799 each during Fiscal Year 1981

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (PUBLIC RECORDS OFFICE)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Superintendent, Public Records Office	1	1	1	$ 42,314
Assistant Superintendent, Public Records Office	1	1	1	30,854
Lobby Registrar, Public Records Office	1	1	1	22,479
Chief Technical Assistant, Public Records Office	1	1	1	18,072
Technical Assistant, Public Records Office	4	4	4	18,072 each
Clerk, Public Records Office	1	1	1	16,750
TOTAL - PUBLIC RECORDS OFFICE	9	9	9	$202,757

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (OFFICE OF THE CURATOR OF ART & ANTIQUITIES)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Curator of Art and Antiquities	1	1	1	$ 50,468 *
Registrar	1	1	1	29,091
Museum Specialist	1	1	1	22,039
TOTAL - OFFICE OF THE CURATOR OF ART AND ANTIQUITIES	3	3	3	$101,598
*Limited to $50,112 during Fiscal Year 1981				

OFFICE: OFFICE OF THE SECRETARY OF THE SENATE (HISTORICAL OFFICE)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Historian	1	1	1	$ 44,518
Associate Historian	1	1	1	32,837
Photo Historian	1	1	1	31,956
Research Assistant to Historian	1	1	1	18,072
Secretary to Historian	1	1	1	17,190
TOTAL - HISTORICAL OFFICE	5	5	5	$144,573

COMMITTEE EMPLOYEES

This appropriation contains funds for the professional and clerical staffs of all standing committees of the Senate, including the Select Committee on Small Business and the Special Committee on Aging, as authorized by the Legislative Reorganization Act of 1946, as amended, and Senate Resolutions. Appropriation discontinued per Public Law 96-304, unexpended balances merged with funds appropriated under the heading "Inquiries and Investigations" as of March 1, 1981.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Committee Employees (Salaries, Officers and Employees)

FISCAL YEAR: 1982

COMPENSATION.....	$ -0-
The appropriation for "Committee Employees" was discontinued as of February 28, 1981, per P. L. 96-304	
ESTIMATE.....	$ -0-

ESTIMATE FOR FISCAL YEAR 1982.....		$ -0-
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.....	$13,059,000	
Anticipated Supplemental for Increased Pay Costs.....	-0-	
		$ -0-*

*Unexpended balance on February 28, 1981 to be transferred to and merged with the funds appropriated under the heading "Inquiries and Investigations".

CONFERENCE COMMITTEES

This appropriation item contains funds for the salaries of the professional, administrative and clerical staffs of the Conference of the Majority and the Conference of the Minority.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Conference Committees (Salaries, Officers and Employees)

FISCAL YEAR: 1982

COMPENSATION		$922,960
Conference of the Majority	$461,480	
Conference of the Minority	461,480	
	$922,960	
Total Compensation		$922,960
ESTIMATE		$923,000

ESTIMATE FOR FISCAL YEAR 1982		$923,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$846,000	
Anticipated Supplemental for Increased Pay Costs	77,000*	
		923,000
		$ -0-

*Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980

ADMINISTRATIVE, CLERICAL, AND LEGISLATIVE ASSISTANCE TO SENATORS

This appropriation contains funds for the salaries of the administrative, clerical, and legislative staffs of Senators. The allowance is based on the population of states beginning with states with a population of less than two million to states with a population of 21 million or more for administrative and clerical assistance, and a further allowance for legislative assistance, as authorized by the Legislative Branch Appropriation Act, 1978 (Public Law 95-94).

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Administrative, Clerical and Legislative Assistance to Senators (Salaries, Officers and Employees)

FISCAL YEAR: 1982 DATE:

COMPENSATION			$ 86,015,801
Administrative and Clerical Assistance Allowance (See attached schedule of authorized allowances)	$69,657,512		
Legislative Assistance to Senators (at $183,801 per Senator)	$18,380,100		
Less: reductions for Chairmen and Ranking Minority Members of Committees (33)	2,021,811	16,358,289	
Total Compensation			86,015,801
Estimate			$ 86,016,000

Estimate for Fiscal Year 1982 budgeted		$ 86,016,000
Less: Amount ~~Available~~ for F.Y. 1981:		
Estimate Submitted to O.M.B.	$ 78,447,000	
Supplemental Appropriation (Anticipated)	7,489,000 *	
		85,936,000
Increase/~~Decrease~~		$ 80,000 **

*Anticipated Supplemental:

Pay Comparability Increase, Oct. 1, 1980	$7,148,000	
Understatement of 1981 Estimate below total compensation. Population category increases for State of Louisiana not received until after initial estimate submitted to O.M.B.	98,000	
Population category increases for States of Florida, Washington, Oklahoma and South Carolina received from Bureau of Census, letter dated Jan. 5, 1981, prorated from Jan. 1	242,642	$7,488,642

** Fiscal Year 1982 increase to fully fund population increases $80,000

SCHEDULE OF AUTHORIZED ALLOWANCES FOR ADMINISTRATIVE AND CLERICAL ASSISTANCE TO SENATORS

POPULATION CATEGORY	ALLOWANCE*	NO. OF SENATORS IN EACH POPULATION CATEGORY	FISCAL YEAR 1982 TOTAL COST
Less than 2 million	$ 592,608	34	$20,148,672
2 million but less than 3 million	609,797	14	8,537,158
3 million but less than 4 million	651,229	10	6,512,290
4 million but less than 5 million	704,562	14	9,863,868
5 million but less than 7 million	748,197	10	7,481,970
7 million but less than 8 million	794,037	2	1,588,074
8 million but less than 9 million	818,279	0	---
9 million but less than 10 million	843,843	4	3,375,372
10 million but less than 11 million	882,190	2	1,764,380
11 million but less than 12 million	932,437	4	3,729,748
12 million but less than 13 million	970,783	0	---
13 million but less than 15 million	1,019,708	2	2,039,416
15 million but less than 17 million	1,068,633	0	---
17 million but less than 19 million	1,117,558	2	2,235,116
19 million but less than 21 million	1,154,141	0	---
21 million or more	1,190,724	2	2,381,448
TOTAL		100	$69,657,512

*Based on allowance categories, effective October 1, 1980

FEB 18 1981

Mr. Stuart F. Balderson
Financial Clerk
Dispersing Office
United States Senate
Washington, D.C. 20510

Dear Mr. Balderson:

The Bureau of the Census has just released final 1980 census counts for states. A review of these counts against the population size categories specified in 2 U.S.C. 61-1(d) (1) (A) as amended, indicates that the State of Florida has moved into the category "9 million but less than 10 million," the State of Washington into the category "4 million but less than 5 million," and the States of Oklahoma and South Carolina into the category of "3 million but less than 4 million." Copies of our letters to the eight Senators are enclosed.

I am enclosing a table showing states by population rank size according to the counts.

Sincerely,

Daniel B. Levine

DANIEL B. LEVINE
Acting Director
Bureau of the Census

Enclosures

January 5, 1981

RANK OF STATES ACCORDING TO FINAL POPULATION COUNTS FROM THE 1980 CENSUS

Rank	State	Population	Rank	State	Population
1	California	23,668,562	27	Iowa	2,913,387
2	New York	17,557,288	28	Colorado	2,888,834
3	Texas	14,228,383	29	Arizona	2,717,866
4	Pennsylvania	11,866,728	30	Oregon	2,632,663
5	Illinois	11,418,461	31	Mississippi	2,520,638
6	Ohio	10,797,419	32	Kansas	2,363,208
7	Florida	9,739,992	33	Arkansas	2,285,513
8	Michigan	9,258,344	34	West Virginia	1,949,644
9	New Jersey	7,364,158	35	Nebraska	1,570,006
10	North Carolina	5,874,429	36	Utah	1,461,037
11	Massachusetts	5,737,037	37	New Mexico	1,299,968
12	Indiana	5,490,179	38	Maine	1,124,660
13	Georgia	5,464,265	39	Hawaii	965,000
14	Virginia	5,346,279	40	Rhode Island	947,154
15	Missouri	4,917,444	41	Idaho	943,935
16	Wisconsin	4,705,335	42	New Hampshire	920,610
17	Tennessee	4,590,750	43	Nevada	799,184
18	Maryland	4,216,446	44	Montana	786,690
19	Louisiana	4,203,972	45	South Dakota	690,178
20	Washington	4,130,163	46	North Dakota	652,695
21	Minnesota	4,077,148	47	District of Columbia	637,651
22	Alabama	3,890,061	48	Delaware	595,225
23	Kentucky	3,661,433	49	Vermont	511,456
24	South Carolina	3,119,208	50	Wyoming	470,816
25	Connecticut	3,107,576	51	Alaska	400,481
26	Oklahoma	3,025,266			

Source: Apportionment counts.

These figures are subject to change pending the outcome of the various lawsuits dealing with the census.

STATES BY POPULATION CATEGORY

These categories are based on the latest Provisional 1980 Population Estimates for States, as provided by the United States Department of Commerce, Bureau of the Census.

States with population of less than 2 million

Alaska
Delaware
Hawaii
Idaho
Maine
Montana
Nebraska
Nevada
New Hampshire
New Mexico
North Dakota
Rhode Island
South Dakota
Utah
Vermont
West Virginia
Wyoming

States with population of 2 but less than 3 million

Arizona
Arkansas
Colorado
Iowa
Kansas
Mississippi
Oregon

States with population of 3 but less than 4 million

Alabama
Connecticut
Kentucky
Oklahoma
South Carolina

States with population of 4 but less than 5 million

Louisiana
Maryland
Minnesota
Missouri
Tennessee
Wisconsin
Washington

States with population of 5 but less than 7 million

Georgia
Indiana
Massachusetts
North Carolina
Virginia

States with population of 7 but less than 8 million

New Jersey

States with population of 8 but less than 9 million

None

States with population of 9 but less than 10 million

Michigan
Florida

States with population of 10 but less than 11 million

Ohio

States with population of 11 but less than 12 million

Illinois
Pennsylvania

States with population of 12 but less than 13 million

None

States with population of 13 but less than 15 million

Texas

States with population of 15 but less than 17 million

None

States with population of 17 but less than 19 million

New York

States with population of 19 but less than 21 million

None

States with population of 21 million or more

California

OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

This appropriation contains funds for the salaries of 1,347 statutory positions under the Office of the Sergeant at Arms and Doorkeeper. The Sergeant at Arms is also authorized to use not to exceed $45,000 of unobligated funds in this appropriation each fiscal year for the employment of Special Deputies.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Office of the Sergeant at Arms and Doorkeeper (Salaries, Officers and Employees)

FISCAL YEAR: 1982

COMPENSATION..(FROM ATTACHED STATUTORY POSITION LISTINGS).....	$ 26,436,210
ESTIMATE.....	$ 26,378,000

ESTIMATE FOR FISCAL YEAR 1982.....	$26,378,000	
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.....	$23,275,000	
Anticipated Supplemental	3,103,000 *	
	26,378,000	
	- 0 -	

* Fiscal Year 1981 Supplemental Increase:

Pay Comparability Increase, Oct. 1, 1980	$2,054,457	
New Positions and Adjustments	1,048,543	
		$3,103,000

RECAPITULATION

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Administrative Office	48	45	45	$ 941,634
Senate Pages	32	32	32	290,332
Drivers-Messengers	8	12	12	230,750
Senate Chamber	48	48	48	783,257
Press Gallery	6	6	6	189,972
Radio-TV Press Gallery	5	5	5	165,950
Periodical Press Gallery	2	2	2	69,421
Press Photographers Gallery	2	2	2	69,421
Senate Recording and Photographic Studios	27	31	31	888,156
Cabinet Shop	9	8	8	195,924
Telecommunications Department	23	24	24	418,303
Capitol Custodial Services	68	68	68	894,578
Barber Shop	9	9	9	169,698
Service Department-Administrative	16	19	19	423,804
Service Department-Cheshire Section	21	23	23	375,542
Service Department-Equipment Section	35	33	33	607,612
Service Department-Duplicating Section	38	37	37	688,936
Service Department-Folding and Inserting Section	40	38	38	577,865
Service Department-Warehouse	7	7	7	111,738
Senate Post Office	79	79	79	1,062,496
Capitol Police	523	562	562	10,759,404
Computer Center	202	227	227	6,202,291
Senate Parking Department	30	30	30	319,126
TOTAL	1,278	1,347	1,347	$26,436,210

STATUTORY POSITIONS

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (ADMINISTRATIVE OFFICE)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Sergeant at Arms and Doorkeeper	1	1	1	$ 64,700*
Deputy Sergeant at Arms and Doorkeeper	1	1	1	63,700**
Administrative Assistant to the Sergeant at Arms and Doorkeeper	1	1	1	61,487#
Executive Assistant to the Sergeant at Arms and Doorkeeper	1	1	1	58,181##
Special Assistant to the Sergeant at Arms and Doorkeeper	1	1	1	42,314
Secretary to the Sergeant at Arms	1	1	1	21,378
Secretary for Personnel Administration	1	1	1	27,328
Assistant Chief Clerk	1	1	1	23,802
Chief Clerk	1	1	1	34,600
Clerk	1	1	1	17,190
Clerk	1	1	1	22,479
Clerk	3	3	3	14,546
Clerk	1	0	0	(24,243)
Clerk	1	1	1	15,868
Clerk	1	1	1	15,427
Clerk	1	1	1	12,783
Secretary to the Administrative Assistant	1	1	1	20,496
Auditor	2	1	1	17,411
Auditor	1	1	1	19,394
Auditor	1	1	1	18,513
Auditor	2	1	1	15,868
Special Officer	1	1	1	18,072
Chief Messenger	1	1	1	17,631
Special Employee	13	13	13	8,816 each
Executive Secretary to the Sergeant at Arms	1	1	1	34,600
Secretary to the Special Assistant	1	1	1	16,088

* Fixed Statutory Rate (also see further footnote)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Purchasing Clerk	1	1	1	$ 18,513
Secretary to the Deputy Sergeant at Arms	1	1	1	29,091
Secretary/Receptionist	1	1	1	18,953
Supervisor of Door Attendants	1	1	1	23,581
Assistant Supervisor of Door Attendants	1	1	1	21,157
Messenger	1	1	1	12,783
TOTAL - ADMINISTRATIVE OFFICE	48	45	45	941,634
* Limited to $55,387 during Fiscal Year 1981				
**Limited to $54,332 during Fiscal Year 1981				
# Limited to $52,687 during Fiscal Year 1981				
##Limited to $49,987 during Fiscal Year 1981				

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SENATE PAGES)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Special Employee	2	2	2	$ 8,816 each
Page	30	30	30	9,090 each
TOTAL - SENATE PAGES	32	32	32	$ 290,232

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (DRIVERS-MESSENGERS)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Driver-Messenger, Vice President	1	1	1	$ 20,276
Driver-Messenger, President Pro Tempore	1	1	1	20,276
Driver-Messenger, Deputy President Pro Tempore	1	1	1	20,276
Driver-Messenger, Majority Leader	1	1	1	20,276
Driver-Messenger, Minority Leader	1	1	1	20,276
Driver-Messenger, Attending Physician	1	1	1	20,276
Driver-Messenger	1	1	1	20,276
Garage Foreman	1	1	1	20,276
Garage Attendant	0	2	2	18,072 each
Garage Attendant	0	1	1	16,750
Garage Attendant	0	1	1	15,648
TOTAL - DRIVERS-MESSENGERS	8	12	12	$ 230,750

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SENATE CHAMBER)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Floor Assistant	1	1	1	$ 23,802
Messenger at Card Door	1	1	1	23,802
Messenger at Card Door	1	1	1	21,598
Messenger at Card Door	2	2	2	17,190 each
Press Liaison	1	1	1	20,276
Assistant at the Press Door	1	1	1	15,427
Floor Assistant	2	2	2	22,259 each
Senior Door Attendant	2	2	2	18,513 each
Door Attendant	25	25	25	15,427 each
Door Attendant	6	6	6	14,546 each
Door Attendant	1	1	1	13,223
Door Attendant	1	1	1	12,783
Chief Door Attendant for the Minority	1	1	1	17,190
Door Attendant for the Minority	3	3	3	15,427 each
TOTAL - SENATE CHAMBER	48	48	48	$783,257

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (PRESS GALLERY)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Superintendent of Press Gallery	1	1	1	$ 46,060
1st Assistant Superintendent of Press Gallery	1	1	1	41,212
2nd Assistant Superintendent of Press Gallery	1	1	1	31,956
3rd Assistant Superintendent of Press Gallery	1	1	1	28,209
4th Assistant Superintendent of Press Gallery	1	1	1	22,259
Secretary, Press Gallery	1	1	1	20,276
TOTAL - PRESS GALLERY	6	6	6	$189,972

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (RADIO-TV PRESS GALLERY)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Superintendent of Radio Press Gallery	1	1	1	$ 46,060
1st Assistant Superintendent in Radio Press Gallery	1	1	1	41,212
2nd Assistant Superintendent in Radio Press Gallery	1	1	1	31,956
3rd Assistant Superintendent in Radio Press Gallery	1	1	1	28,209
Secretary	1	1	1	18,513
TOTAL - RADIO-TV PRESS GALLERY	5	5	5	$165,950

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (PERIODICAL PRESS GALLERY)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Superintendent, Periodical Press Gallery	1	1	1	$ 41,212
Assistant Superintendent, Periodical Press Gallery	1	1	1	28,209
TOTAL - PERIODICAL PRESS GALLERY	2	2	2	$ 69,421

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (PRESS PHOTOGRAPHERS GALLERY)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Superintendent, Press Photographers Gallery	1	1	1	$41,212
Assistant Superintendent, Press Photographers Gallery	1	1	1	28,209
TOTAL - PRESS PHOTOGRAPHERS GALLERY	2	2	2	$69,421

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SENATE RECORDING AND PHOTOGRAPHIC STUDIOS)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Director, Recording Studio	1	1	1	$ 51,349*
Chief, Video Engineer	1	1	1	37,465
Chief Film and Video Cameraman	1	1	1	35,923
Film and Video Cameraman	1	1	1	31,515
Video Engineer	1	1	1	33,939
Chief Audio Engineer	1	1	1	35,262
Laboratory Supervisor	1	1	1	31,515
Video Technician	1	1	1	27,548
Audio Engineer	1	1	1	22,039
Film and Laboratory Technician	1	1	1	22,920
Secretary	1	1	1	17,190
Appointment Secretary	1	1	1	19,835
Audio Engineer	1	1	1	26,006
Film and Laboratory Technician	1	1	1	28,650
Audio Engineer	1	1	1	20,276
Assistant Director, Recording Studio	1	1	1	46,281
TOTAL - RECORDING STUDIO	16	16	16	$487,713

* Limited to $50,112 during Fiscal Year 1981

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SENATE RECORDING AND PHOTGRAPHIC STUDIOS)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Director, Photographic Studio	1	1	1	$ 43,636
Appointment Secretary	1	1	1	14,325
Photographer	1	1	1	28,430
Chief Black & White Technician	1	1	1	27,328
Laboratory Technician	1	1	1	21,378
Photographer	1	1	1	37,025
Senior Photographer	1	1	1	40,551
Photographer	1	1	1	33,278
Photographer/Laboratory Technician	1	1	1	24,022
Administrative Manager	1	1	1	30,634
Secretary/Bookeeper	1	1	1	13,223
Photographer	0	1	1	25,565
Chief Color Technician	0	1	1	27,328
Laboratory Technician	0	1	1	17,411
Laboratory Technician	0	1	1	16,309
TOTAL - SENATE PHOTOGRAPHIC STUDIO	11	15	15	$400,443
TOTAL - SENATE RECORDING AND PHOTOGRAPHIC STUDIOS	27	31	31	$888,156

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (CABINET SHOP)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Chief Cabinetmaker	1	1	1	$ 33,939
Assistant Chief Cabinetmaker	1	1	1	29,311
Cabinetmaker	2	3	3	22,700 each
Cabinetmaker	1	0	0	(20,937)
Assistant Cabinetmaker	2	1	1	19,174
Finisher	1	1	1	22,700
Upholsterer	1	1	1	22,700
TOTAL - CABINET SHOP	9	8	8	$195,924

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (TELECOMMUNICATIONS DEPARTMENT)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Telecommunications Director	1	1	1	$ 41,873
Assistant Telecommunications Director	1	1	1	30,854
Chief Telephone Operator	1	1	1	22,479
Assistant Chief Telephone Operator	2	2	2	18,513 each
Clerk	0	1	1	24,243
Telephone Operator	18	18	18	14,546 each
TOTAL - TELECOMMUNICATIONS DEPARTMENT	23	24	24	$418,303

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (CAPITOL CUSTODIAL SERVICES)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Chief Janitor	1	1	1	$ 27,107
Assistant Chief Janitor	1	1	1	19,394
Chief Housekeeper	1	1	1	16,750
Night Foreman	1	1	1	14,546
Skilled Laborer	1	1	1	17,631
Skilled Laborer	1	1	1	15,868
Skilled Laborer	1	1	1	15,427
Attendant	2	2	2	13,664 each
Laborer	1	1	1	15,868
Laborer	2	2	2	14,546 each
Laborer	10	10	10	14,105 each
Laborer	36	36	36	12,783 each
Laborer	4	4	4	12,342 each
Laborer	1	1	1	11,901
Laborer	5	5	5	6,612 each
TOTAL - CAPITOL CUSTODIAL SERVICES	68	68	68	$894,578

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (BARBER SHOP)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Chief Barber	1	1	1	$ 23,141
Assistant Chief Barber	1	1	1	20,937
Barber	5	5	5	19,394 each
Barber Shop Attendant	2	2	2	14,325 each
TOTAL - BARBER SHOP	9	9	9	$169,698

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SERVICE DEPARTMENT - ADMINISTRATIVE OFFICE)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Director, Service Department	1	1	1	$ 50,688 *
Deputy Director, Service Department	1	1	1	39,228
Assistant Director, Service Department	1	1	1	35,262
Night Superintendent	1	1	1	29,311
Assistant Night Superintendent	1	1	1	28,650
Secretary to the Director, Service Department	1	1	1	20,276
Manager, Presorting and Mailing Support	0	1	1	26,446
Truck Driver	1	1	1	19,835
Assistant Truck Driver	1	1	1	16,750
Clerk	1	1	1	15,868
Time and Attendance Clerk	1	0	0	(15,868)
Receiving Clerk	3	3	3	14,105 each
Mimeograph Operator	1	1	1	14,105
Secretary-Receptionist	1	2	2	18,292 each
Secretary	1	0	0	(16,529)
Office Manager (Administrative)	0	1	1	18,513
Supply Clerk	0	1	1	15,868
Messenger	0	1	1	14,105
SERVICE DEPARTMENT - TOTAL - ADMINISTRATIVE OFFICE	16	19	19	$ 423,804
* Limited to $50,112 during Fiscal Year 1981				

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SERVICE DEPARTMENT - CHESHIRE SECTION)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Supervisor, Addressograph Section	1	0	0	$ (26,226)
Assistant Supervisor, Cheshire Section	1	0	0	(21,157)
Night Supervisor, Cheshire Section	1	0	0	(19,394)
Assistant Night Supervisor, Cheshire Section	1	0	0	(18,072)
Manager of Addressing Operations	0	1	1	26,226
Assistant Manager of Addressing Operations	0	1	1	21,157
Manager of Addressing Operations, 2nd Shift	0	1	1	19,394
Assistant Manager of Addressing Operations, 2nd Shift	0	1	1	18,072
Addressograph Operator	8	0	0	(16,529)
Addressing Machine Operator	0	8	8	16,529 each
Mimeograph Operator	1	0	0	(14,105)
Assistant Mail Operator	6	6	6	14,105 each
Laborer, Service Department	2	1	1	12,783
Addressograph Operator and Repairman	0	1	1	17,631
Clerk	0	1	1	14,105
Messenger	0	1	1	12,783
Clerk-Receptionist	0	1	1	16,529
SERVICE DEPARTMENT - CHESHIRE SECTION TOTAL -	21	23	23	$ 375,542

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SERVICE DEPARTMENT - EQUIPMENT SECTION)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Equipment Supervisor	1	0	0	$ (28,650)
Manager of Office Equipment	0	1	1	28,650
Manager, Word Processing Support and Typewriter Repair	0	1	1	28,650
Assistant Equipment Supervisor	1	0	0	(22,920)
Assistant Manager, Word Processing Support and Typewriter Repair	0	1	1	24,022
Assistant Manager of Office Equipment	0	1	1	22,920
Supervisor, Typewriter Repair Section	1	0	0	(28,650)
Assistant Supervisor, Typewriter Repair Section	1	0	0	(24,022)
Dispatch Clerk	0	1	1	15,427
Clerk	2	2	2	15,868 each
Automatic Typewriter Repairman	7	0	0	(21,598)
Word Processing Systems Analyst	0	1	1	21,598
Repairman	3	0	0	(19,835)
Office Equipment Repairman	0	1	1	19,835
Mailing Equipment Repairman	1	1	1	20,276
Laborer, Service Department	2	2	2	12,783 each
Messenger	4	4	4	12,783 each
Word Processing Technician	0	7	7	21,598 each
Typewriter Repairman	0	2	2	19,835 each
Inserting Machine Operator	2	0	0	(15,868)
Mimeograph Operator	1	0	0	(14,105)
Photostat Operator	0	1	1	15,868
Clerk-Stenographer	1	0	0	(15,427)
Inventory Clerk	1	1	1	18,292
Assistant Inventory Clerk	1	1	1	14,546
Technical Clerk	1	1	1	16,529
Chief Messenger	1	1	1	$ 14,105
Technical Clerk	1	0	0	(17,190)
Requisition and Receiving Clerk	1	1	1	15,868
Maintenance and Rental Clerk	1	1	1	15,868
State Office Repair Clerk	1	1	1	15,868
SERVICE DEPARTMENT - TOTAL - EQUIPMENT SECTION	35	33	33	$ 607,612

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SERVICE DEPARTMENT - DUPLICATING SECTION)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	19 80	19 81	19 82	
Supervisor, Printing Section	1	0	0	$ (26,226)
Assistant Supervisor, Duplicating Section	1	0	0	(22,920)
Night Supervisor, Duplicating Section	1	0	0	(22,920)
Assistant Night Supervisor, Duplicating Section	1	0	0	(22,259)
Manager of Printing Operations	0	1	1	26,226
Assistant Manager of Printing Operations	0	1	1	22,920
Manager of Printing Operations, 2nd Shift	0	1	1	22,920
Assistant Manager of Printing Operations, 2nd Shift	0	1	1	22,259
Composer	1	1	1	20,276
Composer Technician	2	2	2	17,190 each
Senior Press Operator	3	3	3	21,598 each
Addressograph Operator	1	0	0	(16,529)
Cameraman	1	1	1	20,276
Printing Press Operator	11	11	11	20,276 each
Photostat Operator	1	1	1	17,190
Laborer, Service Department	1	1	1	12,783
Clerk in Service Department	1	1	1	14,986
Messenger	1	1	1	12,783
Inserting Machine Operator	2	2	2	15,868 each
Clerk	1	1	1	14,546
Photostat Operator	5	5	5	14,766 each
Senior Pressman/Repairman	1	1	1	22,039
Layout Technician	1	0	0	(17,190)
Layout Artist	0	1	1	17,190
Power Cutter Operator	1	1	1	14,766
SERVICE DEPARTMENT - DUPLICATING DEPARTMENT TOTAL -	38	37	37	$ 688,936

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SERVICE DEPARTMENT - FOLDING AND INSERTING SECTION)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Supervisor, Folding Section	1	0	0	$ (26,226)
Assistant Supervisor, Folding Section	1	0	0	(21,157)
Night Supervisor, Folding Section	1	0	0	(19,394)
Assistant Night Supervisor, Folding Section	1	0	0	(18,292)
Manager of Bindery Operations	0	1	1	26,226
Assistant Manager of Bindery Operations	0	1	1	21,157
Manager of Bindery Operations, 2nd Shift	0	1	1	19,394
Assistant Manager of Bindery Operations, 2nd Shift	0	1	1	18,292
Inserting Machine Operator	6	6	6	15,868 each
Folding Machine Operator	8	8	8	16,529 each
Laborer, Service Department	12	12	12	12,783 each
Messenger	5	5	5	12,783 each
Senior Folding Machine Operator	2	2	2	16,970 each
Addressograph Operator	1	0	0	(16,529)
Mimeograph Operator	1	0	0	(14,105)
Warehouseman	1	1	1	14,105
TOTAL - SERVICE DEPARTMENT-FOLDING AND INSERTING SECTION	40	38	38	$ 577,865

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SERVICE DEPARTMENT - WAREHOUSE)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Supervisor, Warehouse	1	0	0	$ (23,802)
Assistant Supervisor, Warehouse	1	0	0	(16,309)
Manager of Warehouse and Wrapping Operations	0	1	1	23,802
Assistant Manager of Warehouse and Wrapping Operations	0	1	1	16,309
Addressograph Operator	1	0	0	(16,529)
Mailing and Wrapping Clerk	0	1	1	16,529
Warehouseman	3	3	3	14,105 each
Messenger	1	1	1	12,783
TOTAL - SERVICE DEPARTMENT - WAREHOUSE	7	7	7	$ 111,738

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SENATE POST OFFICE)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Postmaster	1	1	1	$ 49,366
Assistant Postmaster	1	1	1	38,788
Chief Clerk, Post Office	1	1	1	21,598
Superintendent of Mails	1	1	1	24,683
Registry Clerk	1	1	1	15,868
Shift Supervisor	1	1	1	15,427
Shift Supervisor	2	2	2	14,105 each
Mail Specialist	4	4	4	18,292 each
Mail Carrier	8	6	6	15,427 each *
Mail Carrier	14	13	13	12,562 each **
Mail Carrier	45	48	48	11,240 each
TOTALS - SENATE POST OFFICE	79	79	79	$1,062,496

* Occupied position before Oct. 1, 1976, continued with no break in service - rate applicable to incumbants only.

** Appointed for tour of duty beginning before 6:00 a.m.

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (CAPITOL POLICE)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Deputy Chief, Police Force	1	1	1	$ 44,738
Inspector, Police Force	2	3	3	36,804 each
Captain, Police Force	7	7	7	31,735 each
Lieutenant, Police Force	12	13	13	26,446 each
Special Office, Police Force	2	2	2	26,446 each
Sergeant, Police Force	48	55	55	22,039 each
Detective, Police Force	10	10	10	20,716 each
Technician, Police Force	16	15	15	19,394 each
Plainclothesman, Police Force	8	8	8	19,394 each
Plainclothes Officer, Police Force	2	12	12	19,394 each
K-9 Officer, Police Force	6	6	6	19,394 each
Private, Police Force *	409	430	430	18,072 each
TOTAL - CAPITOL POLICE	523	562	562	$10,759,404
* All positions of Private funded at				
salary level of Private First Class				
(Private $16,750, Private First				
Class $18,072)				

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (COMPUTER CENTER)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Applications Analyst	2	3	3	$ 35,482 each
Assistant Director, Computer Center	1	0	0	(44,518)
Assistant Film Processor	1	0	0	(16,309)
Assistant Manager, Administrative Support	0	1	1	35,482
Assistant Manager, Data Network	0	1	1	39,669
Assistant Manager, Educational Development	0	1	1	35,482
Assistant Micrographics Supervisor	1	0	0	(22,920)
Assistant Micrographics Supervisor	0	1	1	20,496
Assistant Manager, Word Processing Support and Typewriter Repair	0	1	1	24,022
Assistant Office Manager	0	1	1	24,022
Assistant Operations Manager	1	0	0	(32,617)
Assistant Operations Manager	0	1	1	35,482
Assistant Tape Librarian	2	0	0	(16,309)
Cameraman	6	0	0	(15,868)
Camera Operator	1	2	2	15,868 each
Communications Software Programmer Analyst	1	0	0	(32,617)
Communications Software Specialist	1	0	0	(39,669)
Communications Software Specialist	1	1	1	38,347
Communications Software Specialist	0	1	1	35,482
Communications Systems Specialist	1	2	2	36,364 each
Computer Output Microfilm Operator	1	1	1	16,309
Computer Resource and Performance Analyst	2	1	1	28,209
Computer Shift Supervisor	0	3	3	24,904 each
Computer Shift Supervisor	3	0	0	(22,259)
Computer Specialist	4	2	2	35,482 each
Computer Terminal Installer	3	0	0	(15,868)

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (COMPUTER CENTER) (CONTINUED)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Computer Terminal Technician	0	2	2	$ 20,716 each
Computer Terminal Technician	0	3	3	17,631 each
Darkroom Technician	0	1	1	18,513
Data Base Systems Programmer	1	0	0	(32,617)
Data Conversion Operator	2	0	0	(13,885)
Data Resource Analyst	0	1	1	25,565
Data Resource Analyst	0	1	1	20,716
Data Resources Manager	1	1	1	30,854
Deputy Director, Computer Center	0	1	1	49,807
Director, Computer Center	1	1	1	50,688*
Documentation Specialist	1	1	1	27,107
Duplication Technician	0	1	1	16,309
Equipment Coordinator	0	1	1	22,920
Film Processor	1	0	0	(17,190)
Hardware Manager	1	0	0	(30,854)
Hardware Manager	0	1	1	32,617
Job Controller	6	7	7	20,716 each
Junior Network Technician	2	0	0	(18,733)
Junior Operator	4	0	0	(18,072)
Junior Operator	0	1	1	17,190
Junior Operations Clerk	1	3	3	14,546 each
Junior Systems Programmer	1	0	0	(28,650)
Keypunch Operator	1	1	1	15,207
Lead Operator	6	0	0	(19,835)
Lead Operator	0	9	9	20,716 each
Manager, Administrative Applications Development	1	0	0	(42,314)

* Limited to $50,112 during Fiscal Year 1981

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (COMPUTER CENTER) (CONTINUED)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Manager, Administrative Applications Development	0	1	1	$ 46,060
Manager, Computer Operations	1	0	0	(42,314)
Manager, Computer Operations	0	1	1	46,060
Manager, Data Network	1	0	0	(42,314)
Manager, Data Network	0	1	1	46,060
Manager, Educational Services	1	0	0	(42,314)
Manager, Educational Services	0	1	1	46,060
Manager, Legislative Applications Development	1	0	0	(42,314)
Manager, Legislative Applications Development	0	1	1	46,060
Manager, Member and Committee Support	1	0	0	(42,314)
Manager, Member and Committee Support	0	1	1	46,060
Manager, Micrographics Systems	1	1	1	39,669
Manager, Office Administration	1	1	1	34,380
Manager, Planning, Budget and Administration	1	0	0	(42,314)
Manager, Planning, Budget and Administration	0	1	1	46,060
Manager, Systems Programming	1	0	0	(42,314)
Manager, Systems Programming	0	1	1	46,060
Manager, Text Processing Applications Development	1	0	0	(42,314)
Manager, Text Processing Applications Development	0	1	1	46,060
Manager, Word Processing Support adn Typewriter Repair	0	1	1	28,650
Messenger	2	2	2	12,783 each
Network Coordinator	0	1	1	22,920
Network Equipment Supervisor	0	1	1	36,364
Network Equipment Supervisor	1	0	0	(32,617)
Network Technical Control Supervisor	1	1	1	39,669
Network Technician	3	3	3	28,650 each

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (COMPUTER CENTER) (CONTINUED)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Network Technician	2	3	3	$ 23,581 each
Office Systems Specialist	8	9	9	22,479 each
Office Systems Specialist	9	10	10	20,496 each
Office Systems Specialist	2	0	0	(18,513)
Office Systems Supervisor	1	0	0	(32,617)
Office Systems Training Supervisor	1	0	0	(32,617)
Operations Clerk	6	0	0	(16,309)
Operations Clerk	0	5	5	17,190 each
Operations Scheduler	1	0	0	(28,209)
Operations Scheduler	0	1	1	25,565
Personnel Management Analyst	0	1	1	35,482
Production Manager	1	0	0	(30,854)
Production Manager	0	1	1	32,617
Programmer Analyst	7	9	9	26,887 each
Programmer Analyst	4	5	5	23,361 each
Receptionist	1	0	0	(16,309)
Receptionist	1	0	0	(14,986)
Quality Control Specialist	1	1	1	16,750
Reports Specialist	0	1	1	23,361
Reports Specialist	0	1	1	18,733
Secretary	1	0	0	(26,006)
Secretary	0	5	5	16,529 each
Secretary	1	1	1	19,394
Secretary	0	4	4	18,733 each
Secretary	1	0	0	(18,292)
Secretary	1	0	0	$ (17,631)

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (COMPUTER CENTER) (CONTINUED)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Secretary	1	3	3	$ 17,411 each
Secretary	3	0	0	(17,190)
Secretary	0	1	1	24,243
Secretary/Receptionist	1	0	0	(14,986)
Secretary/Receptionist	1	0	0	(16,750)
Secretary/Typist	1	0	0	(16,088)
Senior Applications Analyst	0	4	4	39,669 each
Senior Applications Analyst	2	3	3	38,347 each
Senior Camera Operator	0	2	2	16,970 each
Senior Computer Specialist	1	1	1	39,669
Senior Computer Specialist	5	6	6	38,347 each
Senior Computer Output Microfilm Operator	0	1	1	18,292
Senior Computer Output Microfilm Operator	0	1	1	17,851
Senior Job Controller	3	4	4	28,209 each
Senior Network Technician	3	3	3	32,617 each
Senior Office Systems Specialist	7	7	7	28,209 each
Senior Programmer Analyst	10	13	13	32,617 each
Senior Programmer Analyst	13	13	13	29,972 each
Senior Quality Control Specialist	0	1	1	17,851
Senior Systems Programmer	2	1	1	38,347
Senior Systems Programmer	0	3	3	39,669 each
Senior Systems Programmer	3	2	2	35,482 each
Senior Training Specialist	1	2	2	28,209 each
Special Processing Supervisor	0	1	1	28,209
Special Projects Officer	1	2	2	39,669 each
Standards Specialist	1	0	0	(35,482)

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (COMPUTER CENTER) (CONTINUED)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Supervisor, Micrographics Operations	0	1	1	27,107
Systems Programmer	1	3	3	32,617 each
Tape Librarian	1	0	0	(18,072)
Tape Librarian	0	1	1	17,190
Technical Training Specialist	1	0	0	(32,617)
Technical User Liaison	1	0	0	(20,276)
Technical User Liaison	0	1	1	20,716
Technical User Liaison	0	1	1	17,190
Text Processing Specialist	1	2	2	23,802 each
Text Processing Specialist	2	3	3	21,598 each
Text Processing Specialist	1	0	0	(18,072)
Training and Career Development Coordinator	0	1	1	35,482
Training Specialist	3	2	2	22,479 each
Training Specialist	4	2	2	20,496 each
TOTAL - COMPUTER CENTER	202	227	227	$ 6,202,291

OFFICE: OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER (SENATE PARKING DEPARTMENT)

POSITIONS	NUMBER OF POSITIONS			NTE POSITION RATE
	1980	1981	1982	
Director, Senate Parking	1	1	1	$ 37,906
Supervisor, Administrative Operations Section	1	1	1	26,446
Supervisor, Field Operations Section	1	1	1	24,243
Office Manager	1	1	1	19,394
Enforcement Liaison Clerk	1	1	1	19,835
Special Projects Assistant	1	1	1	19,394
Permits Clerk	1	1	1	19,394
Receptionist-Secretary	1	1	1	15,868
Parking Attendant Supervisor	2	2	2	13,223 each
Parking Attendant	20	20	20	5,510 each
TOTALS - SENATE PARKING DEPARTMENT	30	30	30	$ 319,126

OFFICES OF THE SECRETARIES FOR THE MAJORITY AND THE MINORITY

This appropriation item contains funds for the salaries of personnel under the jurisdiction of the Secretary for the Majority and the Secretary for the Minority. The appropriation includes the compensation of the respective Secretaries.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Offices of the Secretaries for the Majority and Minority (Salaries, Officers and Employees)

FISCAL YEAR: 1982

COMPENSATION		$506,136
Secretary for the Majority/Minority...$ 64,200*(fixed)		
Employees	188,868	
	$253,068	
	x 2	
	$506,136	
*Limited to $54,860 during Fiscal Year 1981		
Total Compensation...		$506,136
ESTIMATE		$507,000

ESTIMATE FOR FISCAL YEAR 1982		$507,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$464,000	
Anticipated Supplemental for Increased Pay Costs	32,000**	
		$496,000
Increase		$ 11,000***

**Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980 $32,000

***Fiscal Year 1982 Increase:
Lifting of Maximum Salary Limitations
October 1, 1981 $10,800

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AGENCY CONTRIBUTIONS, LONGEVITY COMPENSATION, AND MERIT COMPENSATION

This appropriation item contains funds for agency contributions for Civil Service Retirement, Federal Employees' Group Life Insurance, and Federal Employees' Health Benefits, which encompasses all positions under the appropriation "Salaries, Officers and Employees", and longevity and merit compensation relating to those statutory positions to which these items apply in the offices of the Secretary of the Senate and the Sergeant at Arms and Doorkeeper.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Agency Contributions, Longevity Compensation and Merit Compensation (Salaries, Officers and Employees)

FISCAL YEAR: 1982

Allocation of Agency Contributions, Longevity and Merit Compensation:		$14,730,371
Civil Service Retirement	$ 6,481,631	
Life Insurance	450,579	
Health Insurance	3,900,018	
Longevity Compensation	3,715,946	
Merit Compensation	182,197	
	$14,730,371	
Estimate		$14,731,000

Estimate for Fiscal Year 1982		$14,731,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$13,033,000	
Anticipated Supplemental [redacted]	1,698,000*	$14,731,000
		$ -0-

*Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980:

Agency Contributions	$575,210		
Longevity Compensation	309,946		
Merit Compensation	15,197	$900,353	
Increased Health Insurance Contributions due to that cost increase January 1, 1981		797,018	$1,697,391

OFFICE OF THE LEGISLATIVE COUNSEL OF THE SENATE

This appropriation includes funds for salaries, agency contributions, and expenses for the Office of the Legislative Counsel of the Senate.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Office of the Legislative Counsel of the Senate

FISCAL YEAR: 1982

COMPENSATION		$ 1,017,945
Legislative Counsel	$64,700*	
5 Senior Counsels @ $63,700 ** each	318,500	
Other Staff	634,745	
* Limited to $55,387 during F.Y. 1981		
** Limited to $54,332 during F.Y. 1981		
AGENCY CONTRIBUTIONS FOR CIVIL SERVICE RETIREMENT, LIFE INSURANCE AND HEALTH INSURANCE 10 % of $1,017,945		101,795
Total Compensation and Contributions		$ 1,119,740
EXPENSES		13,756
TOTAL		$ 1,133,496
ESTIMATE		$ 1,134,000

ESTIMATE FOR FISCAL YEAR 1982		$1,134,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$961,000	
Anticipated Supplemental for Increased Pay Costs	80,000 ***	
		1,041,000
Increase		$ 93,000 ****

*** Anticipated Supplemental:
Pay Comparability Increase, Oct. 1, 1980 — $79,108

**** Fiscal Year 1982 Increase:

Additional positions and anticipated salary adjustments	$90,710	
Increase in expenses	2,290	
		$93,000

OFFICE OF SENATE LEGAL COUNSEL

This appropriation includes funds for salaries, agency contributions, and expenses for the Office of Senate Legal Counsel.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Office of Senate Legal Counsel

FISCAL YEAR: 1982

COMPENSATION		$414,948
AGENCY CONTRIBUTIONS:		
For Civil Service Retirement, Life Insurance and Health Insurance	$414,948	
	x 10%	$ 41,495
Total Compensation and Contributions		456,443
Expenses		93,557
Total		550,000
ESTIMATE		$550,000

ESTIMATE FOR FISCAL YEAR 1982		$550,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$500,000	
Anticipated Supplemental for Increased Pay Costs	40,000*	
		540,000
Increase		10,000**

*Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980, including agency contributions $40,000

**Fiscal Year 1981 Increase:
Anticipated increase in expenses $10,000

CONTINGENT EXPENSES OF THE SENATE

SENATE POLICY COMMITTEES

This appropriation includes funds for salaries, agency contributions, and expenses for the Majority Policy Committee and the Minority Policy Committee.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Senate Policy Committees (Contingent Expenses of the Senate)

FISCAL YEAR: 1982

COMPENSATION		$1,514,026
Majority Policy Committee	$ 757,013	
Minority Policy Committee	757,013	
	$1,514,026	
AGENCY CONTRIBUTIONS:		
For Civil Service Retirement, Life Insurance and Health Insurance	$1,514,026	
	x 10%	$ 151,403
Total Compensation and Contributions		1,665,429
Expenses ($13,785.50 each Committee)		27,571
Total		1,693,000
ESTIMATE		$1,693,000

ESTIMATE FOR FISCAL YEAR 1982	$1,693,000	
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$1,562,000	
Anticipated Supplemental for Increased Pay Costs	131,000*	
	1,693,000	
	-0-	

*Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980

AUTOMOBILES AND MAINTENANCE

This appropriation includes funds to provide for the purchase, lease, and maintenance of twenty-one vehicles for official use of officers, and offices of the Senate. Thirteen vehicles are leased and eight are owned outright by the Senate. Drivers are provided for six of the vehicles and those statutory positions are appropriated for in funds under the jurisdiction of the Sergeant at Arms and Doorkeeper.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Automobiles and Maintenance (Contingent Expenses of the Senate)

FISCAL YEAR: 1982

[illegible]		$ 74,600
Leased Vehicles	$30,600	
Purchased Vehicles	10,000	
Maintenance, (Gasoline, Oil, Lubrication, Tires and Repairs)	34,000	
	$74,600	
(SEE ATTACHED ALLOCATION OF LEASED AND PURCHASED VEHICLES)		
ESTIMATE		$ 75,000

ESTIMATE FOR FISCAL YEAR 1982		$75,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$70,000	
Anticipated Supplemental for Increased Pay Costs		
		$70,000
Increase		$ 5,000 *

* Increased cost of leased vehicles, and increased costs of gasoline, oil and maintenance.

AUTOMOBILES AND MAINTENANCE

FISCAL YEAR 1982

Allocation of Leased Vehicles:	Anticipated Lease Cost Per Annum
Vice President - Mercury	$ 2,100
President Pro Tempore of the Senate - Lincoln	2,650
Majority Leader of the Senate - Lincoln	2,650
Minority Leader of the Senate - Lincoln	2,650
Majority Whip of the Senate - Ford LTD	2,100
Minority Whip of the Senate - Lincoln	2,650
Secretary of the Senate - Lincoln	2,650
Sergeant at Arms and Doorkeeper - Lincoln	2,650
Deputy Sergeant at Arms and Doorkeeper - Mercury	2,100
Office of the Attending Physician - Mercury	2,100
Office of the Secretary for the Majority - Mercury	2,100
Office of the Secretary for the Minority - Mercury	2,100
Office of the Financial Clerk - Mercury	2,100
	$30,600

Allocation of Senate Owned Vehicles:	Cost for Trading
Secretary of the Senate - Chevrolet (Impala)	
Sergeant at Arms - 1) Cadillac	
2) Chevrolet Pickup	$10,000
3) Chevrolet Blazer	
Mail Cars - 1) Chevrolet Nova Hatchback	
2) Chevrolet Nova Hatchback	
3) Chevrolet Nova Hatchback	
4) Chevrolet Van Truck	

INQUIRIES AND INVESTIGATIONS

This appropriation includes funds for the expenses of Inquiries and Investigations authorized by Senate Resolutions for standing committees, special committees and select committees. The appropriation also includes funding for the Select Committee on Ethics, under authority of Senate Resolution 338, agreed to July 24, 1964, while there is no dollar limit in the authorization, the justification shows $900,000 for budget purposes only.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Inquiries and Investigations (Contingent Expenses of the Senate)

FISCAL YEAR: 1982

SALARIES AND EXPENSES OF COMMITTEES TO BE AUTHORIZED BY SENATE RESOLUTIONS		$ 44,904,526
Senate Resolution Authorizations, Mar. 1, 1980 thru Feb. 28, 1981	$ 31,073,412	
Committee on Appropriations, Investigations	912,162	
Committee on Appropriations, Standing Committee, formerly paid from appropriation "Salaries, Officers and Employees", including agency contributions	3,120,260	
Other Standing Committees, formerly paid from appropriations "Salaries, Officers and Employees", including agency contributions	9,408,692	
Expenses	390,000	
	$ 44,904,526	
SELECT COMMITTEE ON ETHICS		900,000
Total Compensation and Expenses...		$ 45,804,526
ESTIMATE.....		$ 45,805,000

ESTIMATE FOR FISCAL YEAR 1982.....$ 45,805,000

Less: Amount Budgeted for F.Y. 1981:

Estimate Submitted to O.M.B....$36,000,000

Anticipated Supplemental..... 1,627,000 *

37,627,000

Increase $ 8,178,000 **

* Anticipated Supplemental:
Pay Comparability Increase, Oct. 1, 1980, including agency contributions $1,626,636

** Fiscal Year 1982 Increase:
Transfer of Funding of Standing Committees from appropriation "Salaries, Officers and Employees", per Sec. 112, Chapt. X, P.L. 96-304 $8,178,364

SENATE RESOLUTION FUNDING AUTHORIZATIONS

Committee	Senate Resolution	Funding Authorizations March 1, 1980 to February 29, 1981
Agriculture, Nutrition, and Forestry	S. Res. 335	$ 813,000
Armed Services	S. Res. 368	976,000
Banking, Housing, and Urban Affairs	S. Res. 355	1,193,000
Budget	S. Res. 358	2,432,900
Commerce, Science, and Transporation	S. Res. 336	2,652,800
Energy and Natural Resources	S. Res. 346	1,583,700
Environment and Public Works	S. Res. 352	1,828,000
Finance	S. Res. 337	1,049,600
Foreign Relations	S. Res. 351	1,782,300
Governmental Affairs	S. Res. 361	4,610,800
Judiciary	S. Res. 350, 513	5,168,700
Labor and Human Resources	S. Res. 341	2,940,000
Rules and Administration	S. Res. 347	715,900
Veterans' Affairs	S. Res. 345	269,000
Select Committee on Small Business	S. Res. 359	333,812
Special Committee on Aging	S. Res. 353	342,600
Select Committee on Intelligence	S. Res. 354	1,856,000
Select Committee on Indian Affairs	S. Res. 357	525,300
		$31,073,412

FOLDING DOCUMENTS

This appropriation includes funds for the employment of personnel at an hourly rate of pay by the Sergeant at Arms and Doorkeeper. Personnel appointed under this authority are assigned to the Service Department and other departments as needed.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Folding Documents (Contingent Expenses of the Senate)

FISCAL YEAR: 1982

COMPENSATION	$127,161
ESTIMATE	128,000

ESTIMATE FOR FISCAL YEAR 1982		$128,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$117,000	
Anticipated Supplemental for Increased Pay Costs	11,000*	
		128,000
		-0-

*Anticipated Supplemental:
Pay Comparability Increase, October 1, 1980

MISCELLANEOUS ITEMS

This appropriation includes funds for the general expenses of the Senate and is usually referred to as the housekeeping appropriation for the Senate. The major items included are the Senatorial Official Office Expense Account, telephone and telegraph service, mechanical equipment and repair, General Service Administration space reimbursement for Senatorial offices located in Federal buildings in the home states, and computer equipment.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Miscellaneous Items (Contingent Expenses of the Senate)

FISCAL YEAR: 1982

(SEE MISCELLANEOUS ITEMS APPORTIONMENT SCHEDULE).....	$35,188,168
ESTIMATE.....	$35,189,000

ESTIMATE FOR FISCAL YEAR 1982.....		$35,189,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.....	$30,776,000	
Anticipated Supplemental for Increased Pay Costs.....		
		30,776,000
Increase		$ 4,413,000 *

* Fiscal Year 1982 Increase:
See apportionment schedule

MISCELLANEOUS ITEMS APPORTIONMENT SCHEDULE

ITEM	BUDGET ESTIMATE FISCAL YEAR 1981	BUDGET ESTIMATE FISCAL YEAR 1982	DIFFERENCE
Resolution and Reorganization Reserve	$ 252,702	$ 275,698	$+ 22,996
Miscellaneous Items (Reserve for Contingencies)	512,080	524,000	+ 11,920
Employees Compensation Fund Reimbursement	65,656	66,850	+ 1,194
Civil Service Retirement Fund - Reemployed Annuitants	500,000	500,000	-0-
Commission on Art and Antiquities (S. Res. 382, 90th Congress)	17,500	17,500	-0-
Committee on Rules and Administration - Calendars (S. Res. 520, 96th Congress)	52,000	55,120	+ 3,120
Senators' Official Office Expense Accounts (P. L. 92-607)	5,490,000	5,490,000	-0-
Reception of Foreign Dignitaries	25,000	25,000	-0-
Foreign Travel - Members and Employees	400,000	400,000	-0-
	$ 7,314,938	$ 7,354,168	$+ 39,230
OFFICE OF THE SECRETARY OF THE SENATE:			
Historical Office: Books and Documents	$ 2,000	$ 2,000	$ -0-
Photographic Supplies	5,000	5,000	-0-
Library: On-line Information Services	30,000	30,000	-0-
Microfilm Publications	13,000	22,000	+ 9,000

MISCELLANEOUS ITEMS APPORTIONMENT SCHEDULE

ITEM	BUDGET ESTIMATE FISCAL YEAR 1981	BUDGET ESTIMATE FISCAL YEAR 1982	DIFFERENCE
Office of Classified National Security Information:			
Maintenance Contract for Alarm System	$ 3,000	$ 3,000	$ -0-
Travel (Public Law 94-59)	10,000	10,000	-0-
Substitute Reporters and Transcribers (Public Law 89-90)	20,000	20,000	-0-
Office of Public Records (Public Law 92-342)	25,000	25,000	-0-
Consultants (not more than two) (Public Law 95-26)	51,000	51,000	-0-
Legal Reference Volumes (Senators' Offices) (Public Law 92-51)	35,000	35,000	-0-
Contractual Legal and Administrative Services	60,000	60,000	-0-
Disbursing Office: Payroll Forms	10,000	10,000	-0-
TOTALS - SECRETARY OF THE SENATE	$ 264,000	$ 273,000	$+ 9,000
OFFICE OF THE SERGEANT AT ARMS AND DOORKEEPER:			
Administrative Office:			
State Offices - GSA Office Rental	3,200,000	3,200,000	-0-
GSA Alterations	55,000	55,000	-0-
GSA Furniture and Furnishings	850,000	850,000	-0-
Commercial Offices	1,800,000	1,800,000	-0-
Telegraph Services - Committees and Official Telegrams	15,000	15,000	-0-
Travel (Public Law 94-303)	13,000	13,000	-0-
Furniture	125,000	125,000	-0-
Contingencies	39,000	39,000	-0-
	$ 6,097,000	$ 6,097,000	$ -0-
Cabinet Shop:			
Equipment and Supplies	$ 32,000	$ 32,000	$ -0-

MISCELLANEOUS ITEMS APPORTIONMENT SCHEDULE

ITEM	BUDGET ESTIMATE FISCAL YEAR 1981	BUDGET ESTIMATE FISCAL YEAR 1982	DIFFERENCE
Custodial Services:			
Maintenance Equipment	$ 10,000	$ 10,000	$ -0-
Housekeeping Supplies	70,000	80,000	+ 10,000
	$ 80,000	$ 90,000	$+ 10,000
Telecommunications Department:			
Telephone Service	$ 2,245,000	$ 2,245,000	$ -0-
WATS Service	1,930,000	3,010,000	+1,080,000
Mobile Phones	21,000	21,000	-0-
Official Long Distance	14,000	14,000	-0-
	$ 4,210,000	$ 5,290,000	$+1,080,000
Service Department:			
Parts, Repairs and Maintenance	$ 918,000	$ 1,314,000	$+ 396,000
Equipment - Purchased	2,332,000	2,168,000	- 164,000
Equipment - Leased	1,253,000	1,886,000	+ 633,000
Supplies	441,000	444,000	+ 3,000
Travel (Public Law 94-303)	2,000	4,000	+ 2,000
Training	14,000	17,000	+ 3,000
	$ 4,960,000	$ 5,833,000	$+ 873,000
Computer Center:			
Computers, Controllers and Peripheral Devices	$ 942,000	$ 825,000	$- 117,000
Publication Processors	-0-	720,000	+ 720,000
Terminals	896,000	1,824,000	+ 928,000
Network	1,808,000	2,082,000	+ 274,000
Software (Operating Systems, Utilities, etc.)	252,000	325,000	+ 73,000
Supplies	522,000	839,000	+ 317,000
Travel (Public Law 94-303)	170,000	150,000	- 20,000
Training	25,000	30,000	+ 5,000
Computer Center Space - Lease and Alterations	266,000	290,000	+ 24,000
Professional Services	66,000	50,000	- 16,000
Micrographics Services	450,000	335,000	- 115,000
Computer Time Sharing	2,425,000	2,749,000	+ 324,000
	$ 7,822,000	$10,219,000	$+2,397,000
TOTALS - SERGEANT AT ARMS AND DOORKEEPER	$23,201,000	$27,561,000	$+4,360,000
TOTALS	$30,779,938	$35,188,168	$+4,408,230

POSTAGE STAMPS

This appropriation includes funds for (1) first class, air mail, and special delivery postage for the Secretary for the Majority, the Secretary for the Minority, and the Chaplain, and (2) funds for air mail and special delivery postage for the Office of the Secretary, Office of the Sergeant at Arms and Doorkeeper and the President of the Senate.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Postage Stamps (Contingent Expenses of the Senate)

FISCAL YEAR: 1982

Postage:			$ 9,000
Secretary for the Majority	$300		
Secretary for the Minority	300	$600	
Chaplain		300	
Air Mail adn Special Delivery:			
President of the Senate		1,600	
Secretary of the Senate		6,000	
Sergeant at Arms and Doorkeeper		500	
		$9,000	
	Estimate		$ 9,000

Estimate for Fiscal Year 1982		$9,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.....:.....$7,000		
Supplemental Appropriation.....		7,000
	Increase	$2,000 *

* Anticipated increase in postal rates.

STATIONERY (REVOLVING FUND)

This appropriation includes funds for stationery and office supplies for the President of the Senate, Conference Committees of the Senate, Office of the Secretary of the Senate, Office of the Sergeant at Arms and Doorkeeper, Office of the Chaplain, and the Senate Chamber.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Stationery, Revolving Fund (Contingent Expenses of the Senate)

FISCAL YEAR: 1982

President of the Senate	$ 4,500	$ 40,000
Conference of the Majority and Conference of the Minority ($300 each Conference Committee)	600	
Secretary of the Senate	18,450	
Sergeant at Arms and Doorkeeper	12,500	
Chaplain	250	
Senate Chamber	3,000	
Miscellaneous Undistributed Allocation	700	
Estimate		$ 40,000

Estimate for Fiscal Year 1982.....$40,000

Less Amount Budgeted for F.Y. 1981:

Estimate Submitted to O.M.B.....$40,000

Supplemental Appropriation..... _____ 40,000

-0-

JOINT ECONOMIC COMMITTEE

This appropriation includes funds for salaries, agency contributions, and expenses for the Joint Economic Committee, which is funded as a contingent expense of the Senate.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Joint Economic Committee (Contingent Fund - Joint Items)

FISCAL YEAR: 1982

COMPENSATION		$1,732,864
AGENCY CONTRIBUTIONS:		
For Civil Service Retirement, Life Insurance and Health Insurance	$1,732,864 x 10%	173,287
Total Compensation and Contributions		$1,906,151
EXPENSES		343,849
Total		$2,250,000
ESTIMATE		$2,250,000

ESTIMATE FOR FISCAL YEAR 1982		$2,250,000
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$2,150,000	
Anticipated Supplemental for Increased Pay Costs	100,000*	
	$2,250,000	
	$ -0- **	

*Anticipated Supplemental:		
Pay Comparability Increase, October 1, 1980	$155,000	
**Partly offset by decrease in expenses	- 55,000	$100,000

September 10, 1980

Mr. Stuart F. Balderson
Financial Clerk
United States Senate
Washington, D. C.

Dear Mr. Balderson:

In response to your recent request, we are submitting the fiscal year 1982 budget request for the Joint Economic Committee:

For salaries and expenses for the Joint Economic Committee for fiscal year 1982, $2,250,000.

The Committee does not anticipate requesting any staff beyond its presently authorized 46 for fiscal 1982.

The Committee's Special Study on Economic Change will complete its work by December 31, 1980; therefore no request for additional funds is necessary for this function.

Sincerely,

John M. Albertine

John M. Albertine
Executive Director

JOINT COMMITTEE ON PRINTING

This appropriation includes funds for salaries, agency contributions, and expenses for the Joint Committee on Printing, which is funded as a contingent expense of the Senate.

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Joint Committee on Printing (Contingent Fund - Joint Items)

FISCAL YEAR: 1982

COMPENSATION	$768,541.
AGENCY CONTRIBUTIONS	76,854.
Total Compensation and Contributions	845,395.
Reserve for prospective staff changes, salary adjustments and related agency contributions	20,400.
Expenses	56,000.
TOTAL	$921,795.
ESTIMATE	$922,000.

ESTIMATE FOR FISCAL YEAR 1982		$922,000.
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B.	$794,000.	
Anticipated Supplemental for Increased Pay Costs	58,000. *	
		852,000.
Increase		$ 70,000. **

* Anticipated Supplemental: Pay comparability increase, Oct. 1, 1980	$58,000.
** Proposed position increases, including agency contributions	70,000.

December 19, 1980

Mr. Stuart F. Balderson
Financial Clerk
Disbursing Office
U.S. Senate
Washington, D. C.

Dear Mr. Balderson:

I am forwarding herewith a copy of my letter and enclosure to the Chairmen of the Subcommittee on Legislative Branch Appropriations, Committee on Appropriations, U.S. House of Representatives, regarding the appropriation request for FY-1982 for the Joint Committee on Printing. I know you will need these for your information.

Sincerely,

Augustus F. Hawkins
Acting Chairman

December 19, 1980

Chairman
Subcommittee on Legislative Branch Appropriations
U.S. House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

The Joint Committee on Printing encloses its budget estimate of $816,000 covering our operations and oversight activities for fiscal year 1982 and respectfully requests that an appropriation in that amount be authorized.

A supplementary appropriation of $49,000 for fiscal year 1981 is also requested to provide for the cost-of-living pay increase which became effective October 1, 1980.

JURISDICTION, AUTHORITY AND RESPONSIBILITIES

The Joint Committee's jurisdiction, authority and responsibilities emanate from title 44, United States Code. Section 103 thereof empowers the JCP to "use any measures it considers necessary to remedy neglect, delay, duplication, or waste in the public printing and binding and the distribution of government publications." Other sections of the law identify specific actions or assignments which are subject to regulation by the JCP or must be approved by the JCP. The responsibilities of the JCP include:

(1) Establishment of policy and the formulation of regulations for the printing, binding, and distribution of federal publications, documents and other printed matter. This is done, in part, through the JCP publication titled "Government Printing & Binding Regulations".

(2) Establishment of standards and specifications for paper procured and/or used by federal departments and agencies. The Joint Committee is also designated by law as the arbiter who shall make the final decision for the United States in settling differences of opinion between the Government Printing Office (GPO) and a contractor for paper respecting the quality of paper.

(3) Oversight of the Government Printing Office's policies and operations. Additionally, under title 44 U.S.C. 305 (the Kiess Act) the JCP serves as the final board of appeal in GPO labor/management negotiations pertaining to wage related matters.

(4) Authorizations to federal departments and agencies, as warranted, for the establishment and operation, transfer, or disestablishment, of plants for the production and/or reproduction of government publications and documents.

(5) Oversight of the operation of almost 300 printing plants and numerous additional facilities producing or reproducing printed material, which are owned or operated wholly or in part by the Federal Government or at the Federal Government's expense. These plants and facilities are required to submit certain reports to the JCP which are used to evaluate (a) the production and reproduction operations of each plant and facility and their compliance with applicable statutes and regulations, and (b) federal agency requests for authorization to purchase or lease equipment for such operations.

(6) Oversight of the Federal Printing Procurement Program which the JCP initiated over 12 years ago to improve service, effect cost savings, and reduce unnecessary government competition with private industry. Through this program a substantial percentage of the Federal Government's printing and reproduction requirements are purchased by the GPO for federal agencies from commercial sources via competitive bids. In fiscal year 1980, about 70.2 percent or $475 million in federal printing requirements were procured from the private sector.

(7) Oversight of the public's right of access to government publications by monitoring such Superintendent of Documents' programs as the depository library program, sales, by-law and reimburseable distribution, and cataloging and indexing programs.

(8) Compilation, publication, and distribution of certain Congressional publications and supplements including: The Congressional Directory, The Congressional Pictorial Directory, The Capitol Magazine, and the Biographical Directory of the American Congress.

(9) Promotion of cooperation between the Senate and House of Representatives publishing activities in such areas as automated production of Congressional publications and automated indexing.

(10) Formulation of recommendations to Congress for the updating and revising of title 44 of the United States Code.

JCP's PRIMARY OBJECTIVES

The Joint Committee's primary objectives are: 1) to assure improved and cost-effective printing, binding and distribution services for the Congress and the entire Federal Government, 2) to eliminate duplication and waste in the Government's printing and dissemination programs, and 3) to improve the public's access to government publications and documents.

CONGRESSIONAL RECORD COST AND SUBSCRIPTION PRICE

The Joint Committee strongly supports the desire of the Appropriations Committees to make the Congressional Record a self-sustaining sales item.

At the House Legislative Branch Subcommittee hearing in February 1980, the Joint Committee was asked to further increase the subscription price of the Congressional Record. The annual subscription price had been increased from $45 to $75 at the beginning of the 96th Congress. The Joint Committee recently voted and announced another increase in the annual subscription price to $135 (a $60 increase) effective with the beginning of the 97th Congress. The announcement of the increase was accompanied by a statement that the price will continue to increase at regular intervals until the price is self-sustaining.

SAVINGS AND COST AVOIDANCES ON CONGRESSIONAL PRINTING

The JCP, continuing its vigorous support of the Appropriations Committees' desire to control Congressional printing expenditures, monitors those printing activities closely to prevent unnecessary printing duplication and costs. For example, we take every opportunity to urge Members to review all material submitted for printing and to avoid, wherever possible, unnecessary insertions in the Congressional Record which involve the duplication of reports, hearings, bills, statements on bills, additional statements, or extensions of remarks. By requesting Chairmen to review all committee printing to ensure that requisitions for printing are initiated only by an individual designated to act on behalf of the full committee, we hope to avoid or reduce the duplication of such previously printed material.

We are pleased to report that actions taken by the JCP on requests for printing equipment from legislative agencies resulted in substantial savings or cost avoidances of approximately $243,000 for fiscal year 1980. Future benefits due

to those actions are estimated to be approximately $1,582,000 in fiscal year 1981, and $1,220,000 in fiscal year 1982 and annually thereafter.

Additionally, the JCP expects Congressional savings of over $1,500,000 per year to begin during the 98th Congress as the results of the JCP's approval of a new format for the Congressional Record and our authorization to the Public Printer to modernize and automate the binding and mailing equipment used in the production of the Congressional Record and the Federal Register.

SAVINGS AND COST AVOIDANCES ON PRINTING OPERATIONS AT EXECUTIVE BRANCH AGENCIES

The JCP's intensive evaluations and inspections of printing facilities and related operations of such agencies during 1980 resulted in substantial savings or cost avoidances totaling $865,000 for fiscal year 1980. Future benefits expected to continue from our 1980 oversight activities are estimated to be $2,643,000 for fiscal year 1981, and $2,775,000 for fiscal year 1982 and annually thereafter.

As mandated under the provisions of title 44 United States Code, the JCP will continue its intense efforts to control unnecessary acquisitions by Federal departments and agencies of equipment and systems used in printing, binding and distribution operations.

BACKGROUND ON BUDGET REQUEST FOR FY-1982

The JCP's initial budget estimate to the Senate Financial Clerk on September 11, 1980 requested authorization for 20 staff positions and $855,000. This figure did not include the cost-of-living pay increase of 9.1% which became effective on October 1, 1980 amounting to approximately $49,000.

However, when the cost-of-living increase went into effect, the Senate Finance Office added to the JCP's budget estimate and advised us that the figure submitted to the President would be $921,795 instead of $855,000.

COMPARISONS BETWEEN BUDGET REQUEST FOR FY-1982 AND DATA FOR APPROPRIATIONS/EXPENDITURES FOR FY-1981 and FY-1980

The $816,000 the JCP is now requesting for FY-1982 is only $7,000 or nine-tenths of one percent (0.9%) more than the $809,000 appropriation authorized for FY-1981 and only $22,200 or two and eight-tenths percent (2.8%) more than the $793,800 which is the expenditure ceiling for FY-1981.

It should also be noted that the $816,000 requested for FY-1982 is only seven and four-tenths percent (7.4%) higher than the $760,000 which the JCP was limited to expend for FY-1980, although an $864,000 appropriation authorization existed for FY-1980.

The Joint Committee appreciates the cooperation and support the Appropriations Committees have given us in the past and anticipates continuing our mutually beneficial and supportive relationship in FY-82. In past appearances, the Chairman of the Joint Committee on Printing has been pleased to report savings and cost avoidances both to Legislative Branch appropriations and to Executive Branch appropriations far exceeding its own modest requests. Your support of this request for appropriation authorizations will enable us to effect additional savings for FY-1982 and in the future.

Respectfully submitted

Augustus F. Hawkins
Acting Chairman

JOINT COMMITTEE ON PRINTING

BUDGET ESTIMATE FOR FY-1982

	FY-1980 Actual		FY-1981 Estimate		1 '982 Es..mate	
Appropriation, or Estimate	$864,000 (1)		$760,000 (5)		$816,000	
Supplemental Appropriation, or Estimate			49,000 (6)			
TOTAL	$864,000 (1)		$809,000 (7)		$816,000	
POSITIONS	No.	Amount	No.	Amount	No.	Amount
Staff Director (2)	1	$ 21,796 (3)	1	$ 52,310	1	$ 52,310
General Counsel	1	48,716	1	52,310	1	52,310
Deputy Staff Director	1	44,945	1	49,487	1	49,487
Assistant Staff Director, Minority	1	41,814	1	45,620	1	45,620
Director of Publications	1	43,430	1	48,044	1	48,044
Professional Staff Member	1	41,107	1	45,480	1	45,480
Professional Staff Member	1	27,254 (3)	1	44,518	1	44,518
Professional Staff Member	1	38,077	1	42,314	1	42,314
Professional Staff Member	1	31,647	1	35,702	1	35,702
Editorial Assistant	1	40,804	1	44,518	1	44,518
Inspector of Paper & Materials	1	39,592	1	43,195	1	43,195
Technical Assistant	1	36,764	1	40,110	1	40,110
Special Assistant, Minority	1	27,730	1	34,821	1	34,821
Executive Secretary	1	27,270	1	29,752	1	29,752
Special Assistant	1	25,789	1	28,871	1	28,871
Secretary-Staff Assistant	1	25,654	1	27,989	1	27,989
Secretary-Staff Assistant	1	23,634	1	25,785	1	25,785
Full time staff payroll	17	$586,023 (4)	17	$690,826	17	$690,826
Agency contributions		51,312		69,174		69,174
TOTAL		$637,335 (4)		$760,000 (7)		$760,000
Reserve for prospective staff changes, salary adjustments and related agency contributions		-------		3,000		15,000
TOTAL		$637,335		$763,000		$775,000
Travel, office supplies, stationery, telephones, telegraph		24,262		23,000		25,000
Temporary personnel, contract employees, payments for agency personnel and training programs		11,794		18,000		12,000
Hearing expenses (reporters fees, witness fees, etc.)		3,536		5,000		4,000
SUBTOTAL		$676,927 (4)		$809,000 (7)		$816,000
Less 2% withheld from obligation (5)		-------		-15,200		-------
TOTAL		$676,927 (4)		$793,800 (7)		$816,000

(1) Appropriations requested was $864,000. House Report No. 96-245 (June 7, 1979) recommended a reduction to $719,000. In Congressional Record for Oct. 12, 1979 (page H-9080) the Chairman, House Subcommittee on Legislative Branch Appropriations, stated that the $145,000 difference should be applied only to increased pay costs (COLA) thus obviating the need for a supplemental pay increase appropriation (of approximately $41,000) covering FY-1980. Public Law 96-86 on October 12, 1979 (H.J. Resolution 412) made Continuing Appropriations for FY-1980.

(2) The Staff Director retired on Feb. 29, 1980. The Chairman designated the General Counsel to temporarily assume the additional responsibilities of Staff Director, effective March 1, 1980.

(3) As a result of two retirements, full-time staff salaries were not expended for the Staff Director position from March 1 through the end of the fiscal year and for one professional staff member position from January 1 through May 4.

(4) Includes cost-of-living salary adjustment of 6.87% effective Oct. 1, 1979 (estimated at $41,000).

(5) House Report No. 96-1098 (June 17, 1980) recommended a $760,000 appropriation for FY-1981. H.R. 7593 passed by the House on July 21, 1980, is referenced in P.L. 96-369 of Oct. 1, 1980 which made Continuing Appropriations for FY-1981; Section 309 of H.R. 7593 provides that 2 per centum (of $760,000, amounting to $15,200) shall be withheld from obligation and expenditure.

(6) This represents the October 1, 1980 Cost-of-Living increase and related Agency Contributions.

(7) This figure includes $49,000 representing the October 1, 1980 Cost-of-Living increase and related Contributions for which a Supplemental Appropriation of $49,000 is needed for FY-1981.

October 23, 1980

Honorable Edmund L. Henshaw, Jr.
Clerk, U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Henshaw:

In reply to your letter of October 10,1980, requesting budget estimates from the Attending Physician's Office for FY82, and the ensuing years, the following is submitted:

Allowances	38,400.00
Medical Supplies, Equipment, and Contingent Expenses	180,000.00
*Reimbursable Costs to the Department of the Navy:	
Military Personnel	332,574.00
Civilian Salary/Transportation Costs	34,580.00
Total	585,554.00

* Reimbursable costs to the Department of the Navy are based on current Composite Standard Military Rates used for recovering costs from private parties and other governmental agencies.

The increase over FY81 is due to increase personnel reimbursable costs to the Department of the Navy, although there are no increase in numbers of personnel.

No significant program changes are contemplated for the four ensuing years.

If I can be of any further assistance, please let me know.

Yours sincerely,

Freeman H. Cary, M.D.

OCT 9 1980

MEMORANDUM FOR MR. BOB MORAN, OFFICE OF THE ATTENDING PHYSICIAN

Subj: Cost of Personnel and Services

Ref: (a) Conversation between Mr. Moran and Mr. Robenhymer on 6 October 1980

Encl (1) Cost Data

Enclosure (1) is forwarded in response to the request made during reference (a).

V. W. KLEIN
RADM., U.S. Navy
Deputy Director
Office of Budgets and Reports

Military Personnel Assigned to
the Attending Physicians Office

Rank	FY 1982
1 Rear Admiral (08)	$62,975.00
1 Commander (05)	44,526.00
1 Lieutenant Commander (04)	38,425.00
1 Lieutenant (03)	33,422.00
4 Chief Petty Officers (E-7)	86,088.00
2 First Class Petty Officers (E-6)	36,614.00
2 Second Class Petty Officers (E-5)	30,524.00
Total	$332,574.00

Costs are based on current Composite Standard Military Rates used for recovering costs from private parties and other governmental agencies.

Civilian Personnel and Transportation
Cost Information

Civilian Salary/Transportation Costs	$34,580.00

CAPITOL GUIDE SERVICE

This appropriation includes funds for salaries, agency contributions, longevity compensation, and expenses of the Capitol Guide Service

JUSTIFICATION WORKSHEET

APPROPRIATION TITLE: Capitol Guide Service (Contingent Fund - Joint Items)

FISCAL YEAR: 1982

COMPENSATION		$ 652,104
AGENCY CONTRIBUTIONS FOR CIVIL SERVICE RETIREMENT, LIFE INSURANCE AND HEALTH INSURANCE		71,021
Total Compensation and Contributions		$ 723,125
EXPENSES		10,875
TOTAL		$ 734,000
ESTIMATE		$ 734,000

ESTIMATE FOR FISCAL YEAR 1982	$734,000	
Less: Amount Budgeted for F.Y. 1981:		
Estimate Submitted to O.M.B. $664,000		
Anticipated Supplemental for Increased Pay Costs 67,000 *		
	$731,000	
Increase	$ 3,000 **	

* Anticipated Supplemental:		
Pay Comparability Increase, Oct. 1, 1980	$56,917	
Increased Longevity Compensation	9,301	
		$66,218
** Fiscal Year 1982 Increase:		
Increase in Expenses		$ 3,782

QUESTIONS AND RESPONSES

Senator MATTINGLY. I submit questions to which I would like responses.

[The following questions were not asked at the hearing but were submitted to the Department for response subsequent to the hearing:]

ADDITIONAL COMMITTEE QUESTIONS

TEN PERCENT REDUCTION IN FISCAL YEAR 1981

Question. Mr. Balderson, in reviewing the budget justification prepared by your office for the Senate, it appears that the total fiscal year 1981 appropriations for the Senate, excluding joint items, is just over $214 million, is that correct?

Answer. That would be correct based on receiving all of the fiscal year 1980 appropriations under the continuing resolutions, and not based on current rate. This figure of $214 million does not include increased pay costs for fiscal year 1981.

Question. Is that the same amount that was appropriated for fiscal year 1980?

Answer. Yes.

Question. As you know, a provision of Public Law 96-508 would require the Senate to reduce its fiscal year 1981 budget, excluding pay costs, by 10 percent below fiscal year 1980 appropriations levels. Since fiscal year 1980 appropriations totalled $214 million, that would mean a reduction of $21.4 million, leaving a limit on fiscal year 1981 appropriations, except for mandatory pay costs, of $192.6 million. Is that a correct assessment of what such a reduction would require?

Answer. That is correct.

Question. How much of the $214 million appropriated for fiscal year 1980 has been obligated?

Answer. Our accounting records are not maintained by obligation, our records are kept by expenditure, therefore, I would not be able to provide that information.

Question. Will more bills be coming in for fiscal year 1980 that will have to be paid?

Answer. My office is still paying expenditures for fiscal year 1980 and would expect to for at least the blance of this fiscal year and possibly into fiscal year 1982.

Question. How much?

Answer. Since records are not maintained by obligation we are not aware of an obligation until a voucher is submitted to my office for payment.

Question. If only $190 million was spent, than a cut of 10 percent below fiscal year 1980 would mean that fiscal year 1981 spending should be limited to only $171 million with the pay cost of $13 million also appropriated—is that correct?

Answer. That is correct if the 10 percent cut were to be based on spending rather than on the amounts appropriated.

Question. I want to include language in the next continuing resolution for fiscal year 1981, mandating that the Senate cannot spend more than 90 percent of fiscal year 1980 spending, excluding pay costs. As the man who has the responsibility of issuing the checks for the Senate, do you feel such a reduction can be accomplished without causing the Senate to have to stop paying its bills?

Answer. A cut based on fiscal year 1980 spending would cause hardships on the Senate as expenditures for the Senate has increased each year. Enforcing a 10-percent cut based on fiscal year 1980 spending almost 6 months into fiscal year 1981, could cause problems for nearly every office in the Senate, not having been instructed to expend only for fiscal year 1981 90 percent of the total amount expended for fiscal year 1980.

Question. In drafting such an amendment, it appears to me it would be best to make it apply to the Senate in the aggregate, rather than cutting every Senate account by a flat 10 percent—do you agree?

Answer. Yes; I would agree that if such a cut were to be implemented it would best be made in the aggregate.

Question. There may be some functions of the Senate which can absorb more than a 10-percent cut and other areas which cannot come up with 10 percent this late in the fiscal year, is that not the case?

Answer. Yes; some functions could absorb more than 10 percent where others could not.

Question. In the Senate report accompanying such an amendment, we could give the Secretary of the Senate the authority to reprogram funds among the various appropriations accounts so that a total reduction of 10 percent would be accomplished. We would ask that he write to the committee stating where he was taking money from and where he was putting it, and we would then give him a written approval before such transfers took place. Does that sound feasible?

Answer. Yes; this type of amendment seems feasible.

Question. Recently, the Senate adopted resolutions setting the funding levels for the committee budgets of the Senate. Can you tell us what the total of those resolutions were?

Answer. The totals of the resolutions agreed to total $41,698,899.

Question. Can you include a list in our records of each resolution and the amount approved for each committee?

Answer. A listing of the resolution numbers and amounts has been included.

Committee resolutions for the period March 1, 1981 through February 28, 1982

Senate resolution number and committee	*Resolution amount March 31, 1981—February 28, 1982*
45—Aging (Special)	$901,946
43—Agriculture, Nutrition, and Forestry	1,322,000
55—Appropriations	3,791,203
60—Armed Services	1,554,400
75—Banking, Housing, and Urban Affairs	1,583,411
50—Budget	2,693,632
52—Commerce, Science, and Transportation	3,171,746
56—Energy and Natural Resources	2,029,259
49—Environment and Public Works	2,166,000
25—Finance	2,063,200
39—Foreign Relations	2,333,100
57—Governmental Affairs	4,672,526
51—Indian Affairs (Select)	567,324
54—Intelligence (Select)	1,648,000
53—Judiciary	4,272,722
62—Labor and Human Resources	4,004,000
35—Rules and Administration	1,273,800
34—Small Business (Select)	902,000
61—Veterans' Affairs	748,630
Total	41,698,899

Question. Of the reduction made for committee budgets, how much does that reduce the appropriation request for fiscal year 1981 and fiscal year 1982 for committees?

Answer. For fiscal year 1981, the total budget request including the cost-of-living increase is $37,627,000. An additional sum has been made available for "Committee employees" under the authority of Public Law 96-304. These funds are to be made available by transfer from salaries, officers and employees to expenses of inquiries and investigations. The following is an analysis of the amounts authorized to be expended and the amount of the budget request and transfer for fiscal year 1981.

Amounts authorized to be expended

Committee resolutions: March 1, 1980–February 28, 1981; $31,178,472 divided by five-twelfths	$12,991,030.00
Committee resolutions: March 1, 1981–February 28, 1982; $41,698,899 divided by seven-twelfths	24,324,358.00
Standing committees:	
96th Congress, 2d session, $390,000 divided by four-twelfths	130,000.00
97th Congress, 17 committees multiplied by $10,000	170,000.00
Committee on Appropriations	836,078.00
Select Committee on Ethics	900,000.00
Total amounts authorized to be expended	39,351,466.00

Budget request and transfer

Fiscal year 1981 budget request	$37,627,000.00
Add: Transfer of Appropriations for "Committee employees" from salaries, officers and employees, Public Law 96–304, computed as follows:	
Seventy-two percent of fiscal year 1980: $12,825,000, $9,234,000	
Less expenditures through February 28, 1981, ($4,584,175.57)	4,649,824.43
Total budget request and transfer	42,276,824.43
Difference in budget request and expenditure authorizations	2,925,358.43

For fiscal year 1982, we would not provide a figure until the Senate passes the resolutions for the committees for the period March 1, 1982 through February 28, 1983, since seven-twelfths of the funds apply to fiscal year 1982, and then prepare an analysis as we have done for fiscal year 1981.

NOTE: Computations have not been based on current rate of operations. Also, if the transfer under the authority of Public Law 96–304 were not taken into account the spending authorizations would exceed the budget request.

Question. As I understand it, committees operate on a March 1, 1981 to February 28, 1982 fiscal year, so the savings in fiscal year 1981 would equal seven-twelfths of the total reduction, is that not correct?

Answer. That would appear to be correct.

Question. We have already heard from the Secretary of the Senate, the Sergeant at Arms, and the Senate Legal Counsel about ways they have found to reduce their budgets. What other areas of the Senate budget that are paid directly by the Disbursing Office might have savings that could be used to ease the pain of the 10 percent reduction?

Answer. That would be very difficult for us to determine, since we only make disbursements from funds appropriated as we are instructed to do by the various offices and functions of the Senate. The Senate's budget is comprised, to a large degree, of individual budgets submitted by these various offices and functions of the Senate into an overall budget for the Senate.

Question. The largest item in the Senate's budget is the Senators' "clerk-hire" appropriations. That totals $85,936,000 for both fiscal years 1981 and 1982. In light of the large changeover in the Senate, one would think that the fiscal year 1981 clerk-hire amount might not all be needed. New Senators probably have not fully staffed up yet and the salaries they are paying might not be as large as their predecessors. Is that correct?

Answer. That is correct, however, we have no idea what each Seantor may do in the future as to how many additional staff will be apointed and at what salaries. Also, each Senator may increase salaries for his/her staff at any time up to the maximum amount allowed, therefore, utilizing most, if not all, of their "clerk-hire" funds.

Question. In reviewing the salaries of the various officers and employees of the Senate, it appears that some of the top salaries are higher than they should be. Are those salaries based on present levels of pay or are they based on what those salaries would be if the pay cap was lifted?

Answer. These salaries are budgeted as if the pay cap was lifted.

Question. As I understand your response, that means that both the fiscal year 1981 and fiscal year 1982 appropriations requested for all people employed by the Senate whose salaries are presently limited by the pay cap, is included in the budget at the higher levels that would be required if the pay cap was lifted. Is that correct?

Answer. Yes; that is correct.

Question. Can you provide for the record the total amount that we could reduce the 1981 and 1982 budgets if the pay cap remains in effect? Can you give us some idea as to the level of savings that would generate?

Answer. Yes.

Fiscal year 1981:	
Budgeted	$14,959,118
Actual	14,290,484
Savings	668,634
Fiscal year 1982:	
Budgeted	14,690,435
Actual	13,281,280
Savings	1,409,155

These figures exclude compensation and mileage of the Vice President and Senators.

STATUS OF APPROPRIATIONS MADE IN FISCAL YEARS 1977, 1978, 1979, AND 1980 WHICH WERE NOT SPENT BUT STILL REMAIN AVAILABLE FOR EXPENDITURE DUE TO APPROPRIATIONS BEING MADE TO REMAIN AVAILABLE UNTIL EXPENDED

Question. Mr. Balderson, I understand that in fiscal year 1977, the Senate appropriations were made to remain available until expended. Is that correct?

Answer. Yes: Mr. Chairman, I would also like to point out that fiscal years 1978, 1979, 1980, and 1981 also remain available until expended.

Question. We do not need to go into why those appropriations were funded in that way, but can you tell us the total amount of such appropriations that have still not been spent?

Answer. Mr. Chairman, as of January 31, 1981 for fiscal years 1977, 1978, and 1979, the balance is $46,413,175.30 and for fiscal year 1980, $30,710,888.50.

Question. What would hapen if we just rescinded those funds? Could we do that without causing you any problems in meeting bills that may come due?

Answer. Yes; Mr. Chairman, I feel we could rescind these funds without causing any adverse problems.

Question. Please provide us with the appropriate bill language to withdraw those previous appropriations for fiscal years 1977, 1978, and 1979.

Answer. Language has been provided to the committee.

Question. As I understand it, you feel we should leave the fiscal year 1980 appropriation carryover funds on the books, is that correct? Why?

Answer. By keeping the fiscal year 1980 carryover funds, we would be able to pay for expenditures, if any, which would have been chargeable to the funds being rescinded, and charge these expenditures to the fiscal year 1980 carryover funds, which remain available until expended.

COMPENSATION AND MILEAGE OF THE VICE PRESIDENT AND SENATORS

Question. Mr. Balderson, we have a request of $7,984,000 to cover the salaries of Senators and the Vice President. Those salaries, of course, are fixed by law. But here again, you have included in that request the amount that would be necessary if the pay cap was lifted. You will tell us how much that appropriation can be reduced if the pay cap isn't lifted, right?

Answer. Yes: Mr. Chairman.

Fiscal year 1981:	
Budgeted	$6,618,300
Actual	6,177,025
Difference	441,275
Fiscal year 1982:	
Budgeted	$7,228,900
Actual	6,177,025
Difference	1,051,875

Question. I did notice one salary listed there for $80,100 for "Deputy President pro tempore of the Senate." Do we have such a position?

Answer. Not at the present time.

Question. If not, why is that amount requested?

Answer. This position has been budgeted for since there is a possibility of the position being filled by a Senator who has been a former President or Vice President of the United States. We could possibly have more than one Deputy President pro tempore at one time. The amount budgeted is in lieu of one Senator resulting in a difference in the amount budgeted for a Senator and the amount budgeted for a Deputy President pro tempore of $9,100.

Question. I also see there an item for statutory mileage for Senators in the amount of $58,751.32. Why is that mandatory and how is it computed?

Answer. 2 United States Code 43, provides for Senators to be paid 20 cents per mile for traveling to and from each session of Congress. The Vice President also receives 20 cents per mile for traveling to and from each session of Congress.

Office of the Vice President

Question. We next see the request for the Office of the Vice President. That request is for $945,000. That's the same as fiscal year 1981 if we include the pay cost supplemental, is that correct?

Answer. Yes.

Question. Is there any restriction on the number of people the Vice President can employ or does he have authority to employ any number of people as long as he doesn't spend more than $945,000?

Answer. That is correct.

Office of the President pro Tempore

Question. For the Office of the President pro tempore, the request is for $140,000. Here again, that's the same as fiscal year 1981. He also can employ whatever number of people he needs, so long as he doesn't spend more than $140,000 is that correct?

Answer. Yes.

Office of the Majority and Minority Leaders

Question. For the Offices of the Majority and Minority Leaders, the request is for $629,000. Is that amount divided equally between the two leaders?

Answer. Yes.

Question. Is that by tradition?

Answer. Yes.

Question. Can the majority and minority leaders employ any number of staff within their respective allowances?

Answer. Yes.

Floor Assistants to the Majority and Minority Leaders

Question. Next, we have the request of $127,400 to pay the salaries of a floor assistant for the majority and minority leaders. That amount will not be quite so high if the pay cap is kept in place, is that correct?

Answer. That is correct, Mr. Chairman, however, the budget request is for $128,000.

Offices of the Majority and Minority Whips

Question. For the Offices of the Majority and Minority Whips, the request is for $294,000. This amount covers the salaries and expenses of those offices and is the same as last year, except for the increase due to the increased pay costs of 9.1 percent. Is that correct?

Answer. That is correct.

Offices of the Secretaries of the Conference of the Majority and the Conference of the Minority

Question. For the Offices of the Secretaries of the Conferences to the Majority and Minority, the request is for $159,000. Is that equally divided?

Answer. This amount is equally divided between the majority and the minority.

Question. How was it determined to set the levels of appropriations at the levels we see in the budget for this office?

Answer. This amount requested is based on the amount budgeted for fiscal year 1981 and increased by the 9.1 percent cost-of-living increase for fiscal year 1981.

Administrative, Clerical, and Legislative Assistance to Senators

Question. For administrative, clerical, and legislative assistance to Senators, the request is for $86,016,000. That's essentially the same as the fiscal year 1981 if we include the mandatory 9.1 percent pay increase in fiscal year 1981. How is this staff allowance computed for each Senator?

Answer. The allowance for administrative, clerical, and legislative assistance to Senators is based on the population of each Senator's State. Included in the budget estimate is a copy of the most recent listing of the population and amounts authorized for the allowances based on these population categories.

Question. Do some Senators turn back part of their staff allowance money each year?

Answer. Yes; Mr. Chairman, there are unused funds in this category.

Question. What is the magnitude of such turnbacks?

Answer. For the fiscal year 1980, the amount of unexpended funds totalled $4,201,193.45.

Question. Do you think that for fiscal year 1981, this account may require less than was appropriated due to the large turnover in Senators?

Answer. It could possibly require less.

Question. Can you tell us how large the savings may be?

Answer. We are unable to determine a figure since each Senator controls his or her own spending from the funds provided each Senator. We would be able to determine only the amount unexpended at the end of each fiscal year.

Question. Can you provide us with a table showing the number of employees on the Senate payroll for the first 4 months of fiscal year 1981 vs. the same periods for fiscal year 1980 and the total amount of salaries paid for each of those periods?

Answer. Yes.

	Fiscal year 1980		Fiscal year 1981	
	Gross salaries	Number of employees	Gross salaries	Number of employees
October	$5,810,071.06	3,746	$6,094,033.70	3,649
November	5,819,367.60	3,767	6,264,037.82	3,726
December	5,854,591.15	3,695	6,462,407.66	3,652
January	5,825,007.62	3,786	5,866,603.98	3,528
Totals	23,309,037.43	3,743 (Average)	24,687,083.16	3,638 (Average)

Question. Apparently there is some confusion among Senators regarding so-called Senate Resolution 60 employees. That resolution provided for certain Senators to have a staff person assigned to committees on which they serve, if they weren't chairman of the committee. Is that the way it works?

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Answer. The provision of law that currently relates to Legislative Assistance (Senate Resolution 60 employees) are contained in section 111, Public Law 95–94. Before discussing this provision, it would be helpful to outline the origin of the Legislative Assistance.

Legislative Assistance evolved in 1975 as Senate Resolution 60.

Senate Resolution 4, agreed to February 4, 1977, repealed Senate Resolution 60. Many of the provisions of Senate Resolution 60 remained the same, except that instead of each Senator receiving a given amount for each committee, each Senator would automatically receive 3 times that amount, regardless of the number of committees of which he was a member.

Public Law 95–26 provided that a Senator who was a member of more than three committees may select one of those committees to not be taken into account for any reduction factors.

Public Law 95–94, section 111, the final version of Legislative Assistance, repeated all the factors that had previously been applied to the Legislative Assistance Allowance, and more significantly, for the first time, combined the Legislative Assistance Allowance and the Administrative and Clerical Assistance Allowance into the current Administrative, Clerical, and Legislative Assistance Allowance, thus giving a Senator greater latitude in the full utilization of his total allowance.

Before I refer to the merger of these two accounts, I would like to detail the circumstances that would necessitate a reduction to the Legislative Assistance Allowance (as outlined in Public Law 95–94).

In the case of a Senator who is the chairman or ranking minority member of a full committee, the Legislative Assistance Allowance is automatically reduced by one-third of the total by reason of his holding that position. In addition, if a Senator is authorized by the chairman of a committee to recommend or approve any individuals for appointment to the committee staff who will assist that Senator "solely and directly" in his duties as member of the committee, then the Senator's Legislative Assistance Allowance is subject to reduction.

The reduction is equal to the total annual rates of compensation of all employees on the staff committee and/or subcommittee whose appointments the Senator has approved or recommended, and such individuals are employed for the purpose of assisting such Senator solely and directly in his duties as a member of that committee or subcommittee. In no case will the reduction, for any one committee, exceed one-third of the total Legislative Assistance Allowance.

I should mention again that Public Law 95–94 also provides that a Senator who is a member of more than three committees may select one of those committees to not be taken into account for any reduction factors.

As stated earlier, one of the more significant items included in Public Law 95–94, was the consolidation of the two allowance accounts. Reference is made to the Appropriations Committee report, 95–338, that states the recommendation of the chairman and ranking minority member of the Rules Committee to the Committee on Appropriations to merge these two accounts.

The allowance account would then be based on the fact that one portion of the allowance is variable in size as to the State's population and is for funding activities relating to constituent representation. The other portion should be equal for all Senators in their capacity as national legislators, providing each with equal legislative assistance.

Offices of the Secretaries of the Majority and Minority

Question. For the Offices of the Secretaries for the Majority and Minority, the request is for $507,000. That is equally divided between the majority and the minority, is that correct?

Answer. That is correct.

Question. Here again, they can employ whatever numbers of staff they need, so long as they don't exceed $253,068 apiece, is that correct?

Answer. That is correct.

Longevity Compensation and Merit Compensation

Question. We have a request of $3,715,946 to pay for longevity compensation and a request of $182,197 for merit compensation. How do those programs work?

Answer. Section 106, Public Law 87-730, created the original longevity compensation program for employees located in the offices under the jurisdiction of the Secretary of the Senate, the Sergeant at Arms and Doorkeeper, and the Secretary for the Majority and Minority. Section 110, Public Law 95-391, revised the original longevity compensation program to authorize smaller longevity increases, however, to make the increases at more frequent intervals.

The basic premise of the longevity compensation program is to reward those employees for long years of service to the Senate who are limited to their not to exceed rate and would not otherwise be eligible for any increase in compensation. While some employees are generally hired at the not to exceed rate for their position (for example, police, mail carriers, telephone operators), other employees are hired at less than the not to exceed rate to allow for promotion or advancement within their position. The same longevity compensation program applied to members of the Capitol Police and the telephone exchange employed by the House of Representatives. As of March 31, 1981 there were 1,431 employees eligible for longevity compensation in the Senate.

The current longevity compensation program extends over a 25-year period, in which an eligible employee must complete 1 year of creditable service before he is entitled to a longevity step increase.

For the first 5 years of creditable service, increases will be made once a year. For the remaining 20 years, increases will be made once every 2 years.

The current longevity compensation rate, as defined by the order of the President pro tempore dated October 1, 1980, is $441 per annum.

Merit Compensation Program

Section 109 of the Legislative Branch Appropriation Act, 1979 (Public Law 95-391) authorized the merit compensation program for employees located in the offices under the jurisdiction of the Secretary of the Senate and the Sergeant at Arms and Doorkeeper.

The merit compensation program was designed to award additional compensation to those employees who had demonstrated outstanding and exceptional performance in carrying out their work assignments and who have occupied their current position for not less than 2 years and are currently being compensated at a position gross salary rate equal to the position not-to-exceed rate.

The number of merit compensation increases during any fiscal year is limited to 8 employees for the Secretary of the Senate and 18 employees for the Sergeant at Arms. As of March 31, 1981, there were 29 employees receiving merit compensation.

The amount of the merit compensation increase awarded to any eligible employee may not exceed 10 percent of their current position not-to-exceed rate, however, it is not necessary to award the full 10 percent at one time, partial increases are permitted as well.

A merit compensation increase for any employee will remain in effect as long as it is not revoked or changed by the Secretary of the Senate or the Sergeant at Arms. These officials have sole discretionary administrative authority to reduce the merit compensation of an employee by the total amount or by a partial amount at any time.

Senate Policy Committees

Question. For the Senator Policy Committees, the request is for $1,514,026. That amount is equally divided between the majority and minority. Has that traditionally been the case? How do you arrive at the amount requested?

Answer. The amount each committee receives is usually provided for in the appropriations bill. I would also like to point out that the amount requested for fiscal year 1982 is $1,693,000.

Question. Do these committees ever turn back funds at the end of the year? If so how much?

Answer. Yes; for the fiscal year ending September 30, 1980, the unexpended balance for the Policy Committees is $195,191.74 as of January 31, 1981.

MISCELLANEOUS ITEMS

Question. For miscellaneous items for the Senate, the request is for $35,189,000. That's an increase of $4,413,000 over the fiscal year 1981 appropriation. This account covers such things as senatorial official office expenses, telephone and telegraph services for the Senate, mechanical equipment and repair, computer equipment, and rent to GSA for senatorial offices located in Federal buildings.

For Senators' office expense accounts, the request is for $5,490,000—the same as fiscal year 1981. How is this amount computed for each Senator and what items does it cover?

Answer. By Public Law 95–94, approved August 5, 1977, the total amount of expenses authorized to be paid to on behalf of a Senator under this section shall not exceed for calendar year 1977 or any calendar year thereafter an amount equal to one-half of the sum of the amounts authorized to be paid under this section on the day before the date of the enactment of the Legislative Branch Appropriation Act, 1978, to or on behalf of both the Senators from the State which he represents, increased by an amount equal to 10 percent thereof and rounded to the next higher multiple of $1,000. It covers the following items: official telegrams and long distance telephone calls and related services; stationery and other office supplies procured through the Senate stationery room; costs incurred in the mailing or delivery of matters relating to official business; office expense incurred in his State (other than equipment and furniture); telephone service charges officially incurred outside Washington, D.C.; charges for subscriptions to magazines, periodicals, or clipping or similar services; travel expenses incurred by the Senator and employees in his office (subject to the provisions of subsection (e)); and other official expenses as the Senator determines are necessary.

Question. We have an item called resolution and reorganization reserve for which $252,702 is requested. That's up $22,996 over fiscal year 1981. What is this reserve and why the increase?

Answer. The resolution and reorganization reserve is intended to cover such items as the Senate may determine to be paid from the contingent fund by Senate resolution, for which these items were not anticipated nor included in the budget submitted for approval.

This item is also used to cover the resolution payroll—this is the payroll to pay employees of a deceased Senator for 60 days to close the Senator's office. Some items to be paid from "Miscellaneous items", which were not included in the budget, are expenses for the inaugural ceremonies for 1981, to total not more than $463,000. Severance pay and lump sum leave for the months of February and March 1981 expenditures, have exceeded $1,088,000. Additional sums will be paid for these items in the upcoming months. The increase requested is to cover anticipated additional expenditures for fiscal year 1981.

OFFICE OF THE SECRETARY—SALARIES OF OFFICERS AND EMPLOYEES—DISBURSING OFFICE

Question. Mr. Balderson, you are requesting $802,852 for the Senate Disbursing Office in fiscal year 1982. If we appropriated this amount you would have a balance of $123,837 available for adjustments and appointments. This is approximately 15 percent of your overall appropriation. Why shouldn't we be able to make a reduction in this balance?

Answer. A reduction in this balance would severely hinder the advancement of personnel in the Disbursing Office, as their duties, responsibilities and tenure increase. New employees of the Disbursing Office are compensated at a low entry level salary which allows for periodic increases to achieve a level of experience necessary to adequately serve the Members and officers of the Senate and their respective offices. In addition the funds are needed to bring the staffing level in line with the continual increase of requirements placed on this office.

SUBCOMMITTEE RECESS

Senator MATTINGLY. Thank you very much. I guess that will be all until tomorrow morning at 8 o'clock.

[Whereupon, at 9:45 a.m., Monday, March 9, the subcommittee was recessed, to reconvene at the call of the Chair.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1982

TUESDAY, MARCH 10, 1981

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

The subcommittee met at 8 a.m., in room S-128, the Capitol, Hon. Mack Mattingly (chairman) presiding.

Present: Senators Mattingly and Bumpers.

ARCHITECT OF THE CAPITOL

(INCLUDING BOTANIC GARDEN)

STATEMENT OF GEORGE M. WHITE, ARCHITECT OF THE CAPITOL

ACCOMPANIED BY:

EMANUELE CRUPI, BUDGET OFFICER
WILLIAM F. RAINES, JR., ADMINISTRATIVE ASSISTANT
J. RAYMOND CARROLL, DIRECTOR OF ENGINEERING
J. LEWEY CARAWAY, SUPERINTENDENT, SENATE OFFICE BUILDINGS
HENRY C. KILBY, JR., ASSISTANT BUDGET OFFICER

SUBCOMMITTEE PROCEDURE

Senator MATTINGLY. Good morning. I would like to welcome you to the second day of hearings on the fiscal year 1982 appropriations for the legislative branch.

Beginning yesterday, and over the course of the next 2 days, it is my intent to review the budgets, the spending requests of all agencies and programs that fall under the responsibility of this subcommittee, with an eye toward making substantial cutbacks. As the witnesses today know, I have requested from all agencies and individuals involved a breakdown of the budgets and areas in these where reductions of 10 and 20 percent can be made. These are austere times we are living in, and we want to reflect that fact.

1981 APPROPRIATION AND 1982 BUDGET REQUEST

Our first witness this morning is George White, the Architect of the Capitol. I have noticed with interest the budget figures for your office. The fiscal year 1982 total is $106,887,000. This is an increase of $24,825,000 over the fiscal year 1981 appropriation of $82,062,000. We will be looking closely at these figures in order to determine the most likely place for cuts.

WEST FRONT OF THE CAPITOL

As chairman of the subcommittee, I am aware of the concerns of the West Front of the Capitol. I have received Senator Hollings' letter outlining the situation, and I have discussed the situation with Vice President Bush. After conferring with them and other interested Senators, and with a letter I sent to them, it has been agreed this matter will be deferred until fiscal year 1983.

PREPARED STATEMENT

Mr. White, why don't you go ahead and introduce your associates and proceed with your summary. Your full statement will be included in the record.

[The statement follows:]

STATEMENT OF GEORGE M. WHITE

Mr. Chairman, before proceeding with my general comments concerning the pending budget request for fiscal year 1982, I thought it might be useful to the committee, if you agree, to briefly review the duties of the office of the Architect.

Generally, the physical jurisdiction of the Architect encompasses approximately 265 acres of Capitol Grounds and includes not only the Capitol Building but the five House and Senate Office Buildings and seven House and Senate Annexes, the House and Senate garages, the Supreme Court Building, the three Library of Congress Buildings, the Capitol Power Plant and the Botanic Garden.

The office itself is divided into four basic functional areas. First, there is a design function wherein with our small in-house staff we do the architectural and engineering design for minor alterations and modifications that may be required by the Congress during the course of the year. For major projects, we contract with outside engineers and architects, or other similar professionals.

The second area is that of construction management. We are responsible for and manage the construction of any new buildings. We do our own inspecting as well, since we come under no other governmental jurisdiction. In addition, we perform work on some alterations with in-house forces where that appears to be the most cost-effective method.

The third area is one for which I use the term property management. We have over 20,000 people that work on the Hill every day and, in effect, we are the property managers for the buildings that these people occupy. That is a major effort which includes janitorial services as well as general building maintenance and operation and maintenance of the extensive mechanical systems and equipment in the various buildings.

The fourth area is one that I term general. It includes such things as operation of the Capitol Power Plant which is a very specialized function. It includes care of the Capitol Grounds, the

operation of the Senate restaurants and the Botanic Garden. Also, by law, the Architect is, and has been since 1920, a member of the District of Columbia Zoning Commission which requires a good deal of time and effort in land use matters in the District. By law also, the Architect is a member of the Board of Directors of the Pennsylvania Avenue Development Corporation, a member of the Capitol Police Board and a member of the Advisory Council on Historic Preservation.

The scope of the Architect's activities is thus quite broad and has expanded significantly over the years, particularly recently with the new construction and the addition of various buildings to the Capitol Complex. Mr. Chairman, that's an oversimplified outline of the duties of our office, and I'll be pleased to respond to any questions, or proceed directly to the justifications.

In presenting our appropriations request for fiscal year 1982, I thought it would be desirable, if you agree, to present a brief summary of the various requests, following which I would be pleased to respond in detail to questions regarding any of the specific items that you wish to pursue.

The justifications have been prepared, Mr. Chairman, to include all items pertaining to the "Architect of the Capitol", including the Botanic Garden, House items, Senate items, and joint items.

The total appropriation request for fiscal year 1982 is $106,887,000, which includes funding for 2,005 positions. This represents a net increase of $36,417,000 and 19 positions over the fiscal year 1981 total of $70,470,000 and 1,986 positions. Stated differently, gross increases requested are $39,181,400, and 23 positions which have been reduced by nonrecurring fiscal year 1981 program deductions amounting to $2,764,400 and the abolition of 4 positions. If the item "House Office Buildings" is excluded, the $39,181,400 increase for 1982 reduces to $35,911,700, of which $7,465,000 is for Senate Office Buildings and Senate Garage, and the 23 additional positions remain unchanged.

The $39,181,400 increases fall into five categories, namely,

Mandatory Items, which total $1,126,200, or 3% of the increase; This category includes annualization of Civilian Pay Act and Wage-rate pay increases effected in October 1980, related benefits for existing and additional positions requested and within-grade salary advancements authorized by law.

New Positions, which total $450,200, or 1% of the increase; Twenty-three additional positions, consisting of 17 for "Salaries, Architect of the Capitol", 2 for the "Capitol Buildings" and 4 for the "Capitol Grounds" are requested for fiscal year 1982. They are being requested to handle increased workload demands, implement new, expanded, and improved programs, and, in general, apply more extensive efforts to respond to and improve overall services to the Congress.

Annual Recurring Maintenance, which totals $3,259,900, or 8% of the increase; The three significant increases contained in this category, representing 74% of the total in

this category, are $1,725,000 for purchase of electrical energy from the Potomac Electric Power Company, $420,000 for the purchase of low sulphur coal through the Federal Supply Service, General Services Administration, and $266,000 to commence a much needed exterior pointing and caulking program. The balance of $848,900, of which approximately $360,000 represents inflationary increases, is required to finance normal maintenance responsibilities, such as painting; repairs and improvements to electrical, electronic, air conditioning and other mechanical systems; procurement of supplies and materials and equipment; and control of insects and pests.

Cyclical Maintenance, which totals $4,978,000 or 13% of the increase; As indicated in the past, I define this category as long term maintenance items that arise only once in ten or twenty years, such as roof repairs, sidewalk replacement and so forth. The four largest items, in monetary terms, requested under this category are replacement of sections of the air conditioning systems, Dirksen Building ($2,000,000), roof and deck repairs, replacements and required related work at the Rayburn Building, Capitol Power Plant and the Botanic Garden ($900,700), resurfacing the Capitol Plaza and other various paved areas of the Capitol Grounds ($435,000), and continued funding for both the replacement of expansion joints in steam lines and the replacement of underground steam lines serving the Capitol Complex of Buildings from the South Capitol Street main line ($600,000). The remainder of $1,042,300 is spread over such programs as replacement of Minton tile ($220,000); repair and/or replacement of exterior approach steps, Cannon Building, and interior limestone stair treads, Longworth Building ($313,000); replacement of Capitol Grounds equipment ($102,500); eight other miscellaneous items totaling $406,800 for property and equipment maintenance and preservation and other periodic needs.

Continuing and Initiating Other Programs, which total $29,367,100, or 75% of the increase; Included in this category are four substantial items amounting to $26,537,000, or 90% of the total under this heading, of which $2,037,000 is needed to finance the replacement of the broad walkway approaches and steps on the West side of the Capitol Grounds and other related work, which was requested in 1980 and appropriated, but subsequently rescinded by Public Law 96-304; $1,500,000 to provide funding to complete permanent alterations of House Annex #2; $5,000,000 to commence renovations in the Russell and Dirksen Buildings to accommodate required changes prior to and simultaneously with occupancy of the Hart Building in early 1983; and $18,000,000 for a major program of renovation and restoration of the Jefferson and Adams Buildings of the Library of Congress - for necessary fire protection improvements in the book stacks in both buildings, construction management services and A/E contract management, and the remaining architectural/engineering fees needed to complete detailed drawings, bid specifications, and final cost estimates. The construction portions of this request are intended to be the first phase of the program. The balance of $2,830,100 in this category will finance such programs as the installation of bronze handrails in the House Chamber Gallery, $208,000; additional X-ray inspection and intrusion detection equipment as part of the Capitol Complex Security System, $872,100; 12 office intrusion alarm and a graphics display system, $180,000; additional air conditioning for the 5th floor of the Cannon Building,

$400,000; design and installation of an electrical generator at the Capitol Power Plant, $990,000; and $180,000 for four other items.

Although that summarizes the general items, Mr. Chairman, I should like also to describe briefly the current status of four major projects. Complete detail with respect to each project is presented in the Budget Justifications and appears on pages 1.17 through 1.30.

First is the Library of Congress James Madison Memorial Building: This project has proceeded on the basis of four construction phases and is currently substantially complete with the exception of minor punchlist items. Early beneficial occupancy of the building commenced in April 1979 and was concluded in September 1980. Substantial occupancy of the entire building by Library personnel will have occurred by the end of this year.

Second is the Modifications and Enlargement of the Capitol Power Plant: This project is being constructed in five phases. Work under Phase I is complete with the exception of training of personnel and final performance testing of four large centrifugal refrigeration machines and acoustical treatment of the cooling tower. Phase II - site preparation - is completed. Phase III - construction of the new refrigeration and operations buildings and tunnel - is now substantially complete. Phase IV - procurement and installation of mechanical and electrical equipment - is now substantially complete. Phase V - all remaining miscellaneous items - is tentatively projected to be completed by March 1982. Final project completion date is projected to be June 1982.

Third is the Master Plan for Future Development of the Capitol Grounds and Related Areas: The plan is being accomplished in three Phases. Phase I and II reports were completed and distributed in August 1976 and August 1977, respectively. Phase II contained a series of options, and in recognition of the comments received therein, a design symposium was conducted (Phase III-A) to resolve many of the design alternatives that had been proposed prior to commencing Phase III. These have been studied and weighed in preparation for the Phase III -- or final -- report, which is scheduled for issuance within the next few months.

Fourth is the Construction of an Extension to the Dirksen Office Building: This project (designated as the Philip A. Hart Senate Office Building project) is presently being constructed in five phases. Phase I, construction of temporary vehicular and service access and Phase II for excavations and foundations, are completed. Phase III for exterior stone work is substantially complete. Phase IV for construction of the superstructure is in progress and targeted for completion in mid 1982. Phase V, interior and related work, has been separated into two parts, i.e., V-A to accomplish the partial installation, or "roughing-in", of all electrical and mechanical work and equipment and V-B to complete the interior work. The contract for Phase V-A was awarded in December of 1978 and is scheduled for completion in mid 1982. Phase V-B has subsequently been subdivided into a contract for the remaining interior and electrical work and several smaller contracts for specific items. The main V-B contract was awarded in June of 1980 and is scheduled for completion in early 1983 and, at that time, occupancy of the building will commence.

In addition, there is also presented on pages 1.31 and 1.32 of the justifications, a statement with respect to the West Central Front of the Capitol.

PROGRAM SUPPLEMENTALS

As a final matter, Mr. Chairman, I have requested two program supplementals in the 1982 Budget for fiscal year 1981. They are: Acquisition of Property as an Addition to the Capitol Grounds, $11,500,000, and Capitol Power Plant, $2,600,000. The latter amount represents a $300,000 replenishment of funds reprogrammed during fiscal year 1980 and the remainder of $2,300,000 is an additional amount projected for fiscal year 1981 directly related to the purchase of electrical energy from the Potomac Electric Power Company. If approved, the $2,300,000 will remain in the 1982 base. Accordingly, the present 1982 electrical energy increase requested only reflects the need above this base.

Both of these projects have been included in the 1982 Budget, as transmitted, and will be justified and submitted separately as Fiscal Year 1981 Supplementals.

Mr. Chairman, that concludes my brief summary and I shall be pleased to respond to questions that you and the Committee may have.

INTRODUCTION OF ASSOCIATES

Mr. WHITE. Thank you, Mr. Chairman.

On my right is Emanuele Crupi, our Budget Officer. Behind me is Ray Carroll, our Director of Engineering; Henry Kilby, Mr. Crupi's assistant; Bill Raines, my administrative assistant; and Lewey Caraway, who is the Building Superintendent of the Senate Office Buildings.

Mr. Chairman, before proceeding with my general comments concerning the budget, I thought it might be useful to the committee, if you agree, to briefly review the duties of the Office of the Architect.

DUTIES OF THE ARCHITECT

Generally, the physical jurisdiction of the Architect encompasses approximately 265 acres of Capitol Grounds, and includes not only the Capitol Building but the five House and Senate Office Buildings and seven House and Senate Annexes, the House and Senate garages, the Supreme Court Building, and three Library of Congress Buildings, the Capitol Power Plant and the Botanic Garden.

DESIGN FUNCTION

The office itself we have divided into four basic functional areas. First, there is the design function. We have a small in-house design capacity with architects and engineers who are concerned with modifications to these existing buildings as those needs arise. We do that with our in-house staff. There is always some modification taking place. We have approximately 10 million square feet of building under roof and, as you are aware, there is a constant need for modification as the needs change on the part of the people who occupy the buildings. When there is a major new project, such as the Hart Senate Office Building, of course, we engage outside architectural and engineering firms who become the associate architects and engineers, since by law the Architect of the Capitol is the architect. That describes our design function.

CONSTRUCTION MANAGEMENT FUNCTION

We have a construction management function whereby we perform a great deal of the construction work with our own in-house staff. That happens in two ways. To some degree, we use our maintenance people where possible, where it won't overwhelm them with work and therefore not diminish the amount of maintenance taking place. Where we have other kinds of projects that are beyond the capacity of maintenance people to handle, we hire tradesmen from the union halls, just as contractors would—plumbers, electricians, sheet metal workers, whatever—and with our own supervision we put those people to work the same as a general contractor would do. We perform a great deal of work that way, and we think that it saves the Government a lot of money, largely because we are working in occupied buildings and therefore are not involved with the charges that a contractor would make, and would probably be entitled to make, where he has to shift from one thing to another because of the needs of and changes in the occupancy of the buildings.

Of course, new major construction is all performed under contract, by public bidding, and we manage that as well. The Hart Building, being done in phases, has at the moment three separate general contractors at work on the site, and this circumstance requires a lot of coordination and management in order to have the job progress and at the same time minimize the disputes among the contractors.

We have a third area which we term property management. We have 20,000 to 24,000 people that work every day on the Hill. We are the property managers for that purpose and do everything from care and maintenance of the existing buildings to domestic care of the buildings. We clean them on a daily basis, and perform such tasks as placing the paper towels in the towel dispensers; in other words, everything that has to do with property management in answering the needs of the "tenants" that we have in these buildings.

GENERAL DUTIES

The fourth area I term general because it doesn't fit into any of the other ones. One of those is the operation of the Capitol Power Plant, which is a rather specialized activity. We generate all the steam and chilled water for the buildings on the Hill. We have 3½ miles of tunnels through which distribution pipes extend to the various buildings. We, as I mentioned earlier, operate the U.S. Botanic Garden. It not only has a conservatory at the base of the Hill, but also a nursery which at the moment is located on the other side of the Anacostia River near South Capitol St., where we grow all the shrubs used on the Capitol Grounds, and where we have greenhouses in which plants are grown for the conservatory, which is really a plant museum. Some of the plants there are descendants of the Wilkes Expedition in 1840, when the United States sent a sailing ship around the world to collect exotic plants to bring back for the display and interest of the people. The Botanic Garden is the result of that. We are still operating it.

We take care of the Capitol Grounds, as I mentioned. We are not involved, as you know, with the National Park Service. We have our own

gardeners and tree surgeons and a landscape architect and so on for the 265 acres of the Capitol Grounds.

In addition, the Architect is a member of the D.C. Zoning Commission, by law; a member of the board of directors of the Pennsylvania Avenue Development Corporation, a member of the Advisory Council on Historic Preservation, the Capitol Police Board, and several other entities.

I indicate that to present the scope of the activities of the office and to indicate also that we are basically a service organization. We are here to provide the services and needs for the Senate and the House, the Supreme Court, by law, as well as the Library of Congress, which is part of the Senate and House needs as well.

That is a brief statement of the scope of the office. I thought it might be useful to mention.

As you suggest, we will place the statement in the record and I will merely highlight it and be in a position to answer any questions that you may have.

1981 APPROPRIATION AND 1982 BUDGET REQUEST

The justifications include all items pertaining to the Architect of the Capitol, including the Botanic Garden, House items, Senate items, and joint items.

The total appropriation request, as you mentioned, is for $106,887,000, which includes funding for 2,005 positions. This represents a net increase of $36,417,000 and 19 positions over the fiscal 1981 total of $70,470,000 and 1,986 positions. Stated differently, gross increases requested are $39,181,400 and 23 positions which have been reduced by nonrecurring fiscal year 1981 program deductions amounting to $2,764,400 and the abolition of four positions. If the item House Office Buildings is excluded, the $39,181,400 increase for 1981 reduces to $35,911,700, of which $7,465,000 is for Senate Office Buildings and Senate garage, and the 23 additional positions remain unchanged.

The $39,181,400 increases fall into five categories. One is mandatory items, which are wage-rate increases, mandated by law, and that totals 3 percent of the increase. We have new positions requested, which are 1 percent of the increase.

MAINTENANCE

I might say, Mr. Chairman, that as we build a new building, we don't merely complete it and give it to someone else. We have to maintain it. As a result of that, we may need some new positions from time to time. It is not a matter of our expanding our operation except to provide for the care and maintenance of the building that has been added to the total.

Annual recurring maintenance is 8 percent of the increase of the $39 million. Cyclical maintenance is a term that I use to describe those kinds of things like roof repair and sidewalk repair that occur once every 15 or 20 years and that become large items as a result. We don't take that into account, as private enterprise does, in an accounting system and set aside reserves for replacement or a depreciation account for items of that nature. Perhaps it should be done that way. We haven't,

and I don't think the Government generally does. So it appears to be a large expenditure all at once when, in fact, the roof, for example, is deteriorating each year. I term those cyclical items because they are maintenance even though they appear to be a major project.

CONTINUING AND INITIATING PROGRAMS

The continuing and initiating other programs, which means basic programs of somewhat of a capital improvement nature, are 75 percent of the increase. Some of these could even be termed cyclical maintenance, but when they get to be a major item where nothing has been done for 40 or 50 years, we term them a program rather than maintenance.

That is a brief summary of the percentage division of the request. I won't go into the details. That is done in the justification—unless you prefer me to do that.

In addition, I would like to report on the current status of four major projects.

JAMES MADISON MEMORIAL BUILDING

First is the Library of Congress James Madison Memorial Building. The building is now, for all intents and purposes, complete. There are still some minor items which the contractor is completing and adjusting, but the building is now approximately 60 percent occupied and will be fully occupied, it is my understanding, before the end of the year. The Library people I am sure can report in greater detail on that, since we turn it over to them and their process of moving in is related to other activities of the Library.

CAPITOL POWER PLANT

The modifications and enlargement of the Capitol Power Plant is progressing on its present schedule. We are in operation with the modification equipment, which was a modification to add cooling capacity. The heating capacity that we have is adequate for the foreseeable future, but the cooling capacity was deficient before the modification. It now is adequate for the foreseeable future. We added four 6,000-ton electric compressors. That is tons of cooling capacity. There were 24,000 tons of cooling capacity added. We previously had 15,000 tons. So we now have 39,000 tons of cooling capacity. The bulk of that was added in order to provide capacity to cool the James Madison Memorial Library Building, and it will also be adequate for the Hart Senate Office Building. That project is complete as far as its early phases are concerned. The miscellaneous items remain in phase five, which is the last phase, and it is tentatively projected to be complete by March 1982.

I might say in that regard, while we are not asking for any funds, we have had to modify some of the line item allocations for some of the air pollution equipment in order to provide for meeting air pollution standards which changed during the course of the construction and for which equipment had to be purchased that was beyond the amount that we had anticipated. There are some other items that we are not going to do or which we are considering as a result of that circumstance and

which we think will not disturb the operation of the plant or its needs in any way. If we should need more funds, we would have to have an increase in authorization in any event. This is merely a reporting of shifting of funds to do one part of the work instead of the other because of the need that has arisen.

MASTER PLAN FOR FUTURE DEVELOPMENT

The third project is the master plan for the future development of the Capitol Grounds and related areas. That is now about to go to the printer and will be available and issued some time within the next several months. It is a plan that has been in process for several years for which funds were appropriated by this committee and its counterpart on the House side.

PHILIP A. HART SENATE OFFICE BUILDING

Fourth is the construction of what is technically called an extension to the Dirksen Senate Office Building, to be named the Hart Senate Office Building upon its completion. We have termed it the Hart Building because it is easier to apply that term as a title. It is being built in phases. Phase IV, which is the superstructure, is approximately 92 or 93 percent complete and should be completed by midsummer. Phase V–A, which is the roughing in of the plumbing, electrical, and mechanical work, is reasonably well complete also. Phase V–B, which is the finish work on the interior, has begun. It is about 12 or 14 percent complete. The building will be ready, and is on schedule, to be occupied 2 years from now. So after the next election, the moves that are made when offices shift on the Senate side will be made into that building in January 1983. Fifty Senators will be accommodated in the new building. I have something to say a little later about the ramifications of that circumstance.

There is a report on the West Central Front of the Capitol, but, as you know, it now appears unnecessary since a judgment has already been made by the Commission, as you announced.

ACQUISITION OF PROPERTY AND CAPITOL POWER PLANT SUPPLEMENTALS

We have some program supplementals, Mr. Chairman, involving two items, the first of which is an acquisition of property as an addition to the Capitol Grounds for $11.5 million. That is on the House side. There were several pieces of land that were authorized to be purchased at the end of the last Congress. Also included is a $2.6 million item for the Capitol Power Plant. The latter amount represents a $300,000 replenishment of funds reprogramed during fiscal year 1980, and the remainder of $2.3 million is an additional amount necessary for the purchase of electrical energy from the Potomac Electric Power Co. We used to generate electrical energy at the Capitol Power Plant, and we still call it a powerplant, but we buy electricity now from the Potomac Electric Power Co.

Those are the two program supplementals. I have several additional items, at some other time during the hearing when it seems appropriate.

That completes the brief statement, Mr. Chairman.

1981 BUDGET REQUEST

Senator MATTINGLY. Thank you very much. You have given a very complete statement, and the information you have provided to this committee has been very complete also.

Mr. WHITE. Thank you very much.

Senator MATTINGLY. The total budget for fiscal year 1981, then, is what amount, including any program supplementals, pay supplementals, or any type of contingency funds you may have?

Mr. WHITE. That amounts to $82,062,000 for the 1981 total appropriations.

Senator MATTINGLY. What part of this budget is under exclusive control of the House of Representatives?

Mr. WHITE. Let me take just a moment to determine that, Mr. Chairman. $29,170,000, including the supplemental for $11.5 million. It is $17,670,000 without that $11.5 million supplemental for the acquisition of property.

Senator MATTINGLY. And that leaves a total of roughly $53,892,000 subject to this committee's review.

Mr. WHITE. Yes, that is correct.

Senator MATTINGLY. With a range of fiscal year 1981, isn't that correct?

Mr. WHITE. That is correct.

Senator MATTINGLY. In reading the material supplied as part of this hearing, that was very complete, I understand that you found ways to save $4 million for fiscal year 1981. So am I correct in understanding you might be able to use savings for the total pay supplemental budgeted for 1981?

Mr. WHITE. Well, at some effect on the operation, of course, and we think it would be a difficult thing to do, particularly as each month passes by. Since we are 6 months into the flight, as it were, at this point, and as each succeeding month comes along we have fewer months and less money in which to save a percentage of the full year's appropriation.

SUMMARY OF BUDGET REDUCTIONS

Senator MATTINGLY. What my intent is, then, that we will take this summary that you have and make it part of the record for your recommendations concerning budget cuts for fiscal year 1981, and we will communicate with your office in the near future about which cuts would be implemented.

[The summary follows:]

ARCHITECT OF THE CAPITOL
SUMMARY OF 10% and 20% BUDGET REDUCTIONS FOR
SENATE AND JOINT ITEMS ONLY

	Fiscal Year 1981			Fiscal Year 1982		
	Estimate	Reduction	Percent	Estimate	Reduction	Percent
Salaries	$ 3,437,000	$ 160,000	4.6	$ 3,964,000	$ 100,000	2.5
Contingent Expenses	210,000	.....	.....	210,000	.....	.....
Capitol Buildings	7,708,000	452,000	5.9	9,971,000	1,305,200	13.1
Capitol Grounds	2,283,000	111,000	4.9	4,927,000	1,378,500	28.0
Senate Office Buildings	12,043,000	824,000	6.8	19,849,000	1,795,000	9.0
Senate Garage	211,000	107,000	50.7	99,000	10,000	10.1
Capitol Power Plant	19,873,000	1,630,000	8.2	22,888,000	1,900,000	8.3
Library Buildings and Grounds	5,440,000	986,500	18.1	22,718,000	2,130,000	9.4
Botanic Garden	1,680,000	75,000	4.5	2,311,000	75,000	3.2
Total	$52,885,000	$,4,345,500	8.2	$86,937,000	$8,693,700	10.0
Further Reductions	.....	943,000 1/	1.8	.....	.....	.....
10%	5,288,500	5,288,500	10.0	8,693,700	.....	.....
20%	10,577,000	10,577,000 2/	20.0	17,387,400	17,387,400	20.0

1/ Approximately 94 employees at an average annual salary of $20,000 would have to be laid off for six months to effect this savings.

2/ An explanation of the 20% reduction appears on page 17.

BUDGET REDUCTION ALTERNATIVES WORKSHEET
10% REDUCTION

Appropriation: Salaries

1981 appropriation (Including Proposed Pay Increase Supplemental of $216,000)..... $3,437,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$349,700	$100,000 (28.6%)	$249,700	Scheduled overtime will have to be restricted for the last 6 months of the year. This will reduce the effectiveness of administrative and technical operations and reduce employee paychecks.
Pay Supplemental.....	216,000	60,000 (27.8%)	156,000	This will require holding most vacancies open, and other efforts to achieve this reduction. Any vacancy in a key administrative office cannot go unfilled or the efficiency of our management efforts will be reduced.
Total.....		$160,000 (4.6%)		This reduction is equivalent to reducing 5 man years from this appropriation.

Appropriation: Capitol Buildings

1981 appropriation (Including Proposed Pay Increase Supplemental of $382,000)..... $7,708,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Basic Classified.....	$3,880,200	$ 25,000(.006%)	$3,855,200	This reduction can be accomplished because of savings due to turnover.
Overtime.....	731,800	175,000(23.9%)	556,800	This reduction can be absorbed by reducing overtime. The Capitol Building is the most visited of the Legislative group of buildings, and it is essential to have staff available for emergencies during the hours the building is open to the public and when late sessions occur. This overtime restriction will also reduce the amount of work that is accomplished over weekends, which will delay some special project requests. In addition, this reduction would affect operations on the House side of the Capitol. Employee paychecks will be reduced. This reduction has the affect of reducing 5 man years from this appropriation.
Pay Supplemental.....	382,000	25,000 (6.5%)	357,000	This can be absorbed by keeping vacancies open for the balance of the year.

Appropriation: Capitol Buildings

1981 appropriation (Including Proposed Pay Increase Supplemental of $382,000)..... $7,708,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Patronage (Elevator Operators).....	$267,200	$130,000 (48.7%)	$137,200	The 24 patronage positions for elevator operators on the Senate side of the Capitol could be abolished, saving $130,000 for the balance of the year (6 months). A reduction in force would have to be initiated April 1, 1981. Annual savings would be $267,200. This proposal should be cleared with the Senate Leadership.
Office Intrusion Alarm Systems (1981 No Year)....	107,000	47,000 (43.9%)	60,000	This would allow purchase and installation of approximately 12 systems. The purchase and installation of central equipment would be deferred.
Maintenance of Security System, Capitol Complex...	588,600	50,000 (8.5%)	538,600	Minor reduction in maintenance of electronic systems.
Total.....		$452,000 (5.9%)		

Appropriation: Capitol Grounds

1981 appropriation (Including Proposed Pay Increase Supplemental of $136,000)..... $2,283,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$224,500	$ 65,000 (29%)	$159,500	Scheduled overtime would be reduced. Limited cleaning, sweeping, grass cutting, or storm cleanup would take place on weekends. Trash pickup would be curtailed. Employee pay would be reduced.
Snow Removal.....	15,000	10,000 (66.7%)	5,000	Limited snow removal would be accomplished if it snows this winter.
Pay Supplemental.....	136,000	36,000 (26.5%)	100,000	Vacancies will not be filled to absorb this amount. The grounds maintenance force will be reduced, meaning less effective cleaning and less gardening work.
Total.....		$111,000 (4.9%)		

Appropriation: Senate Office Buildings

1981 appropriation (Including Proposed Pay Increase Supplemental of $610,000)..... $12,043,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Patronage (Elevator Operators).....	$178,200	$110,000 (62%)	$ 68,200	Reduction of 16 elevator operators which are patronage positions. These elevators are all automatic elevators. A reduction in force would have to be initiated April 1, 1981. This proposal should be cleared with the Senate Leadership.
Equipment.....	405,500	324,000 (80%)	140,500	No chairs, desks, file cabinets, rugs, etc. will be purchased for the rest of the year. Senators and staff will have to be accommodated with existing inventory. When the inventory of certain items is depleted, no replacements could be made until FY 1982.
Pay Supplemental.....	610,000	150,000 (25%)	460,000	No vacancies can be filled for the rest of the year. There would be no summer hiring program.

Appropriation: Senate Office Buildings

1981 appropriation (Including Proposed Pay Increase Supplemental of $610,000)..... $12,043,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$974,400	$240,000 (24.6%)	$734,400	A reduction in scheduled overtime would allow only skeleton crews to work on weekends. Only emergency needs could be responded to, but the level of response could be adversely affected depending on the extent of the emergency. A reduced level of project work (painting, carpentry, carpeting) would take place. Special weekend functions given by Senators would be adversely affected because of the lack of Architect of the Capitol support staff. Employee paychecks would be reduced. Maintenance scheduled for weekends would be severely limited and would have to be rescheduled during regular office hours.
Total.....		$824,000 (6.8%) 1/		

1/ To reduce Senate Office Buildings by 10% ($1,204,300), the balance of $380,300 would have to be accomplished by a reduction in force. This would amount to approximately 20 positions, or 4% of the total work force on an annual basis or 40 positions, or 8% of the total work force for 6 months in fiscal year 1981.

Appropriation: Senate Office Buildings

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Senate Restaurants Personnel Compensation, Benefits, Laundry, Supplies and Materials, and Equipment.....	$1,000,000			Funds are provided in the Senate Office Buildings for administrative support of the Senate Restaurants. Options for recouping any budget reductions that could be considered by the Senate are increases in food prices and special function surcharges, the sale of additional specialty items, and minimum charges during peak meal periods. Scheduled coordination with the Senate would help reduce the amount of overtime required to keep restaurant facilities open while the Senate is in session. At this time, specific reductions cannot be proposed. However, if some or all of these options are exercised, then significant cuts can be achieved. Any such proposals would have to be reviewed and approved by the Senate Rules Committee.

Appropriation: Senate Office Buildings

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Office Cleaning				By reducing the frequency or changing the hours that offices are cleaned, or by reducing the type of service offered, some reductions could be made in the cost of custodial care of the Senate Office Buildings and Annexes. For example, elimination of weekend cleaning during recess periods would be an option. Cleaning could be rescheduled to daytime hours to eliminate the night differential pay. Vacuuming could be scheduled for twice a week rather than every night. These service reductions would reduce the length of time necessary to clean a suite, and reductions in the char and labor forces could be made through attrition as a result.

Appropriation: Senate Office Buildings

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Custom Cabinet Work				Elimination of custom cabinet work, such as bookcases, desk organizers and tables would reduce the need for supplies in this area and would allow these personnel to perform maintenance and repair work on existing stock. Guidelines could be proposed to govern the amount or frequency of custom work that Senators or Committees could request. Savings would be realized over a period of time, but would be difficult to estimate beforehand.
Special Projects				Special projects such as office painting, partition installation, and addition or removal of utilities could be limited. Guidelines could be promulgated to restrict the number or frequency of special projects allowed. Examples of such guidelines could be reducing carpet replacement to once every six years, reducing painting of suites to once every four years, or eliminating custom curtains for windows and bookcases. Savings would be realized over a period of time, but would be difficult to estimate beforehand.

Appropriation: Senate Garage

1981 appropriation (Including Proposed Pay Increase Supplemental of $5,000)..... $211,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Pay Supplemental.....	$ 5,000	$ 5,000 (100%)	.....	No effect.
Personnel Compensation and Related Benefits, 4 employees.....	92,000	92,000 (100%)	.....	Amount related to transfer of 4 employees. No effect.
Overtime.....	17,300	10,000 (58%)	$7,300	This would eliminate most weekend hours for garage employees. No services would be provided. Employees would have their pay reduced.
Total.....		$107,000 (50.7%)		

Appropriation: Capitol Power Plant

1981 appropriation (Including Proposed Pay Increase Supplemental of $175,000 and Program Supplemental of $2,600,000)..... $19,873,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$ 77,250	$ 60,000 (78%)	$ 17,250	Overtime crews are needed when equipment at the plant requires emergency attention, or when normal operating crews are short because of illness. The reduction may affect operations if a serious emergency occurs.
Fuel Oil.....	1,338,200	500,000 (37%)	838,200	Although oil purchases have increased over last year because coal meeting specifications has been difficult to obtain, this reduction should be feasible. If coal continues to be hard to get, the balance of the reduction can be absorbed in the coal allotment.
Replacement of Controls on Oil Fired Boilers.....	70,000	70,000 (100%)	.....	Design considerations indicate that this project could be deferred.

Appropriation: Capitol Power Plant

1981 appropriation (Including Proposed Pay Increase Supplemental of $175,000 and Program Supplemental of $2,600,000)..... $19,873,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Electrical Energy Supplemental.....	$2,300,000	$1,000,000	$1,300,000	$625,000 of this amount is included in the supplemental to cover an anticipated PEPCO rate increase. The rate increase has not yet been effected. If the rates are approved, some of this funding will not be available for reduction. In addition, projections based on consumption to date indicate additional savings because of decreased usage.
Total.....		$1,630,000 (8.2%)		

Appropriation: Library Buildings and Grounds

1981 appropriation (Including Proposed Pay Increase Supplemental of $257,000)..... $5,440,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Basic Classified.....	$2,664,000	$200,000 (7.5%)	$2,464,000	This would require holding vacancies open for the rest of the year.
Overtime.....	540,300	100,000 (18.5%)	440,300	Some of this overtime is applied to the vacancies; the balance would require scheduling maintenance work normally performed on weekends during the week which could disrupt Library of Congress operations. It would also reduce the pay of employees.
Pay Supplemental.....	257,000	50,000 (19.5%)	207,000	This would require absorbing $50,000 through vacancies and turnover.
Supplies and Materials.....	374,000	200,000 (53.5%)	174,000	Some inventory items will be depleted and will have to be replenished in FY 1982. Requests for services will have to be denied if inventory is depleted.

Appropriation: Library Buildings and Grounds

1981 appropriation (Including Proposed Pay Increase Supplemental of $257,000)..... $5,440,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Equipment, Annual.....	$ 38,300	$35,000 (91.4%)	$ 3,300	No equipment would be purchased for the balance of the year. This would have to be restored in FY 1982.
Equipment, Movable Partitions.....	26,500	26,500 (100%)	.....	No movable partitions would be installed after existing inventory was used. This could inconvenience office layouts and moves into the James Madison Memorial Building.
Annual Care of Grounds.....	12,000	10,000 (83.3%)	2,000	No supplies for the Library grounds will be purchased for the remainder of the year.
Restoration of the Jefferson and Adams Buildings.....	936,500	365,000 (39%)	571,500	A portion of the A/E work will have to be deferred until FY 1983. Partition removal will take place with in-house forces.
Total.....		$986,500 (18.1%)		

Appropriation: Botanic Garden

1981 appropriation (Including Proposed Pay Increase Supplemental of $92,000) $1,680,000

Item	Appropriation Requested 1981	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$192,100	$75,000 (39%)	$117,100	Restriction on scheduled overtime would reduce the amount of weekend work which is equivalent to 2 1/2 man years. Flower propagation, watering, and greenhouse maintenance would be reduced. Weekend staff would be reduced at the Conservatory, which would decrease the level of service to the public. This would also limit the availability of the Conservatory for special evening receptions, delivery of decorative palms to office buildings, and delivery of flower arrangements. Employee paychecks would be reduced.
Total.....		$75,000 (4.5%)		

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BUDGET REDUCTION ALTERNATIVES WORKSHEET
20% REDUCTION
Fiscal Year 1981

In order to effect a 20% budget reduction, in addition to the items proposed for the 10% reduction, the equivalent of approximately 625 personnel (excluding House Office Building staff), or nearly 52% of that total staff, would have to be laid off for 6 months. Clearly this reduction is not feasible.

BUDGET REDUCTION CONSENSUS

Senator MATTINGLY. What I would like to do is make sure each person on this committee has this so there can be some consensus on what should be done, if that is satisfactory with you.

Mr. WHITE. Yes, it is. We will do whatever we are directed to do. I think there are some places that we can save some money without major effects on the operation.

Senator MATTINGLY. Thank you.

PURCHASE OF HOUSE PARKING LOT

Regarding the proposed purchase of the House parking lot, how much of the fiscal year 1981 supplemental request is allocated to the purchase of the parking lot by the House of Representatives?

Mr. WHITE. That is the $11.5 million. There are several pieces of land associated with that.

Senator MATTINGLY. Has a decision been made on whether or not that purchase will be made this fiscal year, fiscal year 1981?

Mr. WHITE. No; that decision has not been made. We have made the same presentation, of course, to the House Legislative Appropriations Subcommittee, and that decision has not been forthcoming yet.

Senator MATTINGLY. If it is not this fiscal year, would you request such a purchase be deferred until fiscal year 1983 and remove this from the fiscal year 1981 budget?

Mr. WHITE. I think it would move into the 1982 budget instead of 1983. And it would require legislation because the authorization will expire as of September of this year, 1981, so the authorization would have to be modified as well.

Senator MATTINGLY. And you don't expect it to be purchased, or do you?

Mr. WHITE. I don't know. My understanding is there is reluctance, of course, to spend the funds in this year. There are some ramifications to that with regard to the appraisal values of the property, and it may be that the $11.5 million will change by waiting a year. But that is a judgment that has not yet been made.

JEFFERSON AND ADAMS BUILDINGS

Senator MATTINGLY. Turning to the fiscal year 1982 budget, there is $18 million contained in your proposed increase for a program of renovation, restoration of the Jefferson and Adams Buildings of the Library of Congress. Could that program be deferred until a later time?

Mr. WHITE. I guess the simple answer to that is, like any program, it can be deferred. On the other hand, it would be, I think, too bad to have to do that in total. I think a portion of those funds could be reduced and still continue with the program. The program is interrelated with the Library's needs as well as the needs for the restoration of the building itself, which, as you may know—or perhaps you haven't had an opportunity to visit it yet—but we have removed some of the old partitions and dropped ceilings that have been installed over the years in order to use the building when it was over occupied, I might say. It would be a major modification to the Library's plans and

programs, which I am sure they can respond to. As a matter of fact, the Deputy Librarian of Congress, Mr. Bill Welch, is sitting here, and I am sure would be happy to answer some of the questions from the Library's standpoint.

From our standpoint, there is another major factor that needs to be considered. That is, the bulk of funds we are requesting are to be used for modernizing the fire safety and life safety of the buildings; while that can be deferred, it extends the danger of a major fire in that building which contains national treasures of a priceless nature, and I think it would be prudent to begin the program. That isn't to say, as I mentioned earlier, that it couldn't be deferred. I think it might be better perhaps to find some other ways in which to cut the budget, even cutting some of this item down for the next year but still to continue the program, particularly for the needs of mechanical and electrical modification for fire and life safety in the buildings.

RUSSELL AND DIRKSEN BUILDING RENOVATIONS

Senator MATTINGLY. I noted also a $5 million budget to renovate the Russell and Dirksen Office Buildings, a part of which is to be used to connect the Dirksen and Hart Buildings.

Mr. WHITE. That is correct.

HART BUILDING

Senator MATTINGLY. Under the current timetable, you said the Hart Building will be ready for occupancy January 1983?

Mr. WHITE. That is correct.

Senator MATTINGLY. Off the record.

[Discussion off the record.]

Senator MATTINGLY. But it will be ready in January 1983?

Mr. WHITE. That is correct.

Mr. Chairman, it will be ready for occupancy by Senators in Senators' offices. As you may be aware, major portions of the interior of the building will not be finished because the funding was restricted. So there will be unfinished areas, but the Senators' offices and public areas will be finished.

Senator MATTINGLY. Is there any portion of this $5 million expenditure that could be deferred on this building so when it is nearer completion there could be supplemental appropriation?

Mr. WHITE. Some portion of it could be deferred. Being very pragmatic about it, Mr. Chairman, some of it should not be deferred because it will be very costly to perform the work without coordinating present work that is taking place in the building.

ESTABLISHING PRIORITIES

Senator MATTINGLY. Two and a half million dollars is for the renovation and $2.5 million for the cafeteria.

Mr. WHITE. Yes; we could defer parts of each of those if we had to.

Senator MATTINGLY. What is the most essential of the two?

Mr. WHITE. Well, I would say the most essential of the two from the standpoint of construction is the finishing work and work in the other

buildings because the requirement is one of playing, as we have described it, musical spaces. We have to finish some areas in order to move other activities in, and there is a whole sequence of such events involved. The decision to move the disbursing office and document rooms over to the office buildings requires a sequence of prior moves, the first one of which is finishing up some of the basement spaces in the Hart Building. The reason they were not part of the project is, again, because of the deferral of funds in the appropriations that were made for the construction of the building itself. From my standpoint, I think that would be the most important, with the cafeteria being done 1 year later, for example.

Senator MATTINGLY. And then there is a portion, though, of the Hart Building that could also be deferred?

Mr. WHITE. That is correct.

CHANGING OFFICES

Senator MATTINGLY. Also on the light side, I want you to give me the road map of how the House moves in 1 day and we don't.

Mr. WHITE. The House really moves in more than a day, but I can tell you one of the reasons is that we don't move any furniture on the House side. The other reason is that the House members are asked to move irrespective of whether the suite is ready for them. We may paint it after the Member is in occupancy. We are a little more accommodating on the Senate side.

Senator MATTINGLY. I appreciate that.

AIR-CONDITIONING RENOVATIONS

Now regarding the $2 million expenditure for replacement of the air-conditioning system in the Russell and Dirksen Buildings, can this also be deferred without causing undue discomfort?

Mr. WHITE. It could. In that regard, this is probably a useful time to say that we have just asked for a budget amendment that is interconnected with that question, if I may digress for a moment, although it is not really a digression in the sense of the need.

RUSSELL AND DIRKSEN BUILDING RENOVATIONS

When 50 Senators are moved into the Hart Building, it was determined 2 years ago that some examination should be made of the space in the Russell and Dirksen Buildings with regard to any modifications that might be useful in order to have an office layout which did not consist of 12 or 14 rooms down one side of a corridor. Funds were appropriated and we have been in the midst of making studies and architectural determinations as to what to do with those two buildings, that is the Russell and Dirksen Buildings. Last week I presented this information for the first time to the Senate Committee on Rules and Administration. The staffs had been briefed earlier. The Rules Committee was not ready to make a judgment about what to do in those two buildings. On the other hand, they intend to make a judgment sometime within the next month or so. Therefore, I am bringing this information to you without authority, but with direction. The need for

leadtime in the preparation of drawings is really the issue I want to discuss at the moment. If it should be decided that construction of some nature or modifications in some form should be accomplished in either or both of those two buildings, it ought to be done in 1983 after the move is made into the new building by 50 Senators and before the other 50 offices are spread through the buildings. It would then make it difficult to perform construction. We need a reasonable amount of space in which to operate in order to perform the construction in an economic way.

WORKING DRAWINGS AND SPECIFICATIONS

In order for us to have credible cost information available a year from now, if that judgment is made in some form, we would need to prepare working drawings and specifications of an architectural and engineering nature. At the moment the studies that have been made are preliminary. While they are very useful for judgment as to policy, they are not very useful in terms of specific cost estimates, although we have cost estimates developed with them.

Senator MATTINGLY. What would it cost for the drawings?

Mr. WHITE. We are asking for $2 million to prepare drawings and specifications. It may not take that much, depending upon how much guidance we get from the Rules Committee as to how far the construction will go. But we are asking for that much money.

AIR-CONDITIONING MODIFICATIONS

Interconnected with that is this $2 million that you mentioned with regard to dèferring the air-conditioning modifications and inprovements. That could be done and would be done later as a part of the modifications to the buildings. If the decision were made by the Rules Committee or the Senate not to modify those buildings, we could then go back and simply do this air-conditioning modification. I think the equipment will last for another year. That is really a thumbnail sketch of the whole picture.

Senator MATTINGLY. Is it a lot of architectural work between now and when you start?

ENERGY MANAGEMENT

Mr. WHITE. These would be working drawings and specifications, and they are largely for the mechanical and electrical systems in these old buildings. We maintain it and it is safe and it is operating, but it is inefficient in terms of energy use and in terms of comfort control. We are moving in the direction of energy management for the whole Hill, as you may know from some of the other justifications, and this would be a part of that beneficial result also.

Senator MATTINGLY. It may be best to let all the Senators get into all their rooms and spread out and find out what is going on.

Let me go on regarding the purchase of electric energy. How much will be purchased in fiscal year 1981 approximately?

ELECTRIC ENERGY

Mr. WHITE. The dollar value of the electric power purchased in 1981 was $13,575,000, which was for almost 237 million kilowatt-hours of electrical energy.

Senator MATTINGLY. And I notice that you made a comment we have a reduction this year.

Mr. WHITE. We think that we have covered ourselves for more than we need, because the usage seems to be not as great as it was. Of course, we don't have control over the rates charged. The only thing we can hope to accomplish is a reduction in usage, and that is primarily determined by individuals. In the public areas we have good control. In the other areas we simply have to ask people to adjust the cooling in the summertime, which is the basic cost. Lighting, of course, is a cost as well, but is a minor cost in terms of the total amount expended. The bulk of the energy use is for electricity involved in air-conditioning.

Senator MATTINGLY. Do you remember what it is for fiscal year 1982?

Mr. WHITE. Fiscal year 1982, yes, we are projecting $15.3 million, an increase of $1,725,000. Fifteen million dollars for electric energy only. There are other energy requests—coal and oil as well for heating.

REPLACEMENT OF WALKWAYS

Senator MATTINGLY. The next request regarding the replacement of the walkways on the Capitol Grounds, do you think that $2 million can be deferred until a later fiscal year?

Mr. WHITE. It has been deferred for several years. It probably could continue to be deferred. There is a portion of it that could be deferred without any question at all. The walks themselves ought not to be deferred. It is kind of an indignity to the Capitol to have those walks patched with bituminous patching and to have stairs out of line. For the millions of visitors that come up here, I think it is unfortunate to have to see the walks of their Capitol looking in such bad condition. I would hope that we could do that after deferral for several years now, but it could be deferred in terms of its physical condition. It won't get much worse.

Senator MATTINGLY. Next year they won't see any difference. It should be the same for the Federal budget.

UNDERGROUND STEAM SYSTEM

Regarding the underground steam system serving the Capitol, the South Capitol St. lines, have there been any records showing problems that would justify the major expenditure now?

Mr. WHITE. If you are talking about the steam line coming in from South Capitol St., I think we are on shaky ground; we are sort of walking on eggs, hoping that nothing happens to the existing steam lines. We really think that needs to be repaired, and I think it would be a grave error to defer that and take the risk of a major problem.

SUMMARY OF BUDGET REDUCTIONS

Senator MATTINGLY. I am also going to take this fiscal year 1982 budget that you sent me and the reductions on it and make it part of the record. At the same time I will distribute that to the rest of the members of the committee so we can have input on what they think, and then to look at proposed cuts for 1982.

[The summary follows:]

ARCHITECT OF THE CAPITOL
SUMMARY OF 10% and 20% BUDGET REDUCTION FOR
SENATE AND JOINT ITEMS ONLY
FISCAL YEAR 1982

	Estimate	10% Reduction	Additional 10% Reduction	Total Reduction	Percent
Salaries	$ 3,964,000	$ 100,000	$	$ 100,000	2.5
Contingent Expenses	210,000	.....	.....	.....	.....
Capitol Buildings	9,971,000	1,305,200	340,000	1,645,200	16.5
Capitol Grounds	4,927,000	1,378,500	1,158,500	2,537,000	51.5
Senate Office Buildings	19,849,000	1,795,000	3,663,200	5,458,200	27.5
Senate Garage	99,000	10,000	.....	10,000	10.1
Capitol Power Plant	22,888,000	1,900,000	1,421,500	3,321,500	14.5
Library Buildings and Grounds	22,718,000	2,130,000	2,100,000	4,230,000	18.6
Botanic Garden	2,311,000	75,000	.....	75,000	3.2
Total	$86,937,000	$8,693,700	$8,683,200	$17,376,900	20.0

BUDGET REDUCTION ALTERNATIVES WORKSHEET
10% REDUCTION

Appropriation: Salaries

1982 appropriation request..... $3,964,000

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$350,200	$100,000 (28.6%)	$250,200	Scheduled overtime will be reduced 29 percent. This will reduce the effectiveness of administrative and technical operations and reduce employee paychecks.
Total.....		$100,000 (2.5%)		

Appropriation: Capitol Buildings

1982 appropriation request..... $9,971,000

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$772,700	$ 175,000 (22.6%)	$597,700	Scheduled overtime will be cut 23 percent, reducing the ability to perform maintenance and project work over weekends. The building crew will be reduced on weekends. Employee paychecks will be cut.
Patronage (24 Elevator Operators, Senate Side)...	267,200	267,200 (100%)	.....	No effect if these positions were abolished in FY 1981.
Improvement in Illumination and Modernization of Wiring.....	30,000	30,000 (100%)	.....	This program can be deferred.
New Bronze Handrails, House Gallery.....	208,000	208,000 (100%)	.....	Although this is a desired safety feature, this program could be deferred temporarily.
Installation of Additional Equipment, Security System - X-ray Units.....	720,000	480,000 (66.7%)	240,000	6 X-ray units would not be purchased and installed.

Appropriation: Capitol Buildings

1982 appropriation request..... $9,971,000

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Purchase of Electrical Testing Equipment.....	$ 25,000	$ 25,000 (100%)	.....	This could be deferred.
Installation of Office Intrusion Alarm and Graphics Display Systems.....	180,000	120,000 (66.7%)	60,000	This would allow purchase and installation of approximately 10 OIAS units. Purchase and installation of graphics display system would be deferred until FY 1983.
Total.....		$1,305,200 (13.1%)		

Appropriation: Capitol Grounds

1982 appropriation request..... $4,927,000

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$ 240,200	$ 65,000 (27%)	$ 175,200	Weekend cleaning crews would be cut back. Emergency grounds cleanup after storms could be adversely affected. Employee paychecks would be reduced.
Capitol Plaza Resurfacing...	235,000	235,000 (100%)	.....	This could be deferred.
Resurfacing Bituminous Concrete Paving, Various Areas.....	200,000	200,000 (100%)	.....	This could be deferred.
Replacement of Broad Walkways.....	2,037,000	878,500 (43%)	1,158,500	Portions of this project could be deferred.
Total.....		$1,378,500 (28%)		

Appropriation: Senate Office Buildings

1982 appropriation request..... $19,849,000

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requestec Adjusted	Effect of Reduction
Overtime.....	$1,014,200	$ 240,000 (23.6%)	$774,200	Scheduled overtime would be cut 24 percent. This will reduce the amount of maintenance and project work that can take place during evening and weekend hours. Building crews will be reduced on weekends. Employee paychecks will be reduced.
Patronage (16 Elevator Operators).....	178,200	178,200 (100%)	.....	No effect if these jobs were cut in FY 1981.
Replace Sections of Air Conditioning Systems.....	2,000,000	1,276,800 (63.6%)	723,200	Portions of this project could be deferred until FY 1983.
Equipment.....	414,500	100,000 (24%)	314,500	Some furniture would have to be repaired and reused rather than purchasing new inventory.
Total.....		$1,795,000 (9.0%)		

Appropriation: Senate Garage

1982 appropriation request..... $99,000

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$17,700	$10,000 (56.5%)	$7,700	This would reduce weekend services in the Senate garage, and would cut employee paychecks.

Appropriation: Capitol Power Plant

1982 appropriation request..... $22,888,000

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$ 77,250	$ 60,000 (77.7%)	$ 17,250	Overtime crews are needed to operate plant equipment. This reduction might not allow for emergency overtime needs in case of equipment failure.
Purchase of Electrical Energy.....	15,300,000	1,500,000 (9.8%)	13,800,000	Energy usage guidelines will have to be instituted to reduce this account. Some occupant discomfort may be expected.
Replace Expansion Joints in Steam Lines.....	300,000	300,000 (100%)	.....	This could be deferred.
Clean and Repair East and West Chimneys.....	40,000	40,000 (100%)	.....	This could be deferred.
Total.....		$1,900,000 (8.3%)		

Appropriation: Library Buildings and Grounds

1982 appropriation request..... $22,718,000

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$ 574,600	$ 100,000 (17.4%)	$ 474,600	Scheduled overtime would be reduced. Maintenance and project work would be reduced on weekends. Employee paychecks would be cut.
Restoration of the Jefferson and Adams Buildings.....	18,000,000	2,000,000 (11.1%)	16,000,000	This amount could be deferred until FY 1983.
Fourth Floor Snack Bar.....	30,000	30,000 (100%)	.....	This could be deferred.
Total.....		$2,130,000 (9.4%)		

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Appropriation: Botanic Garden

1982 appropriation request..... $2,311,000

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Overtime.....	$200,700	$75,000 (37.4%)	$125,700	Scheduled overtime would be cut, reducing weekend and evening services at the Botanic Garden. Employee paychecks would be cut.
Total.....		$75,000 (3.2%)		

BUDGET REDUCTION ALTERNATIVES WORKSHEET
20% REDUCTION

Appropriation: Capitol Buildings

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Installation of Additional Equipment, Intrusion Detection System.....	$152,100	$152,100 (100%)	.....	Defer until FY 1983.
1982 Selected Annual Recurring Inflationary Increases Requested.....	187,900	187,900 (100%)	.....	Some inventory items will be deferred and will have to be replenished in FY 1983. Requests for services may have to be denied if inventory is depleted.
Total.....		$340,000		

Appropriation: Capitol Grounds

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Replacement of Broad Walkways.....	$2,037,000	$1,158,500 (57%)	.....	If this project is delayed until FY 1983, this reduction would have to be made at the 20% level, since $878,500 was suggested as a reduction at the 10% level.
Total.....		$1,158,500		

Appropriation: Senate Office Buildings

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Renovations in Russell and Dirksen Buildings.....	$5,000,000	$2,500,000 (50%)	$2,500,000	Part of this project could be deferred until FY 1983, but deferral may hinder prompt moves into the Hart Building.
Replace Sections of Air Conditioning Systems.....	2,000,000	723,200 (36%)	.....	Defer project until FY 1983; $1,276,800 deferred at 10% level and this reduction would delete all funding for this project.
1982 Selected Annual Recurring Inflationary Increases Requested.....	98,000	98,000 (100%)	.....	Some inventory items will be depleted and will have to be replenished in FY 1983. Requests for services many have to be denied if inventory is depleted.
1982 Amendment Request.....	342,000	342,000 (100%)	.....	These items would be deferred until FY 1983.
Total.....		$3,663,200		

Appropriation: Capitol Power Plant

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Replacement of Roof.....	$ 131,500	$ 131,500 (100%)	.....	This could be deferred.
Replacement of Underground Steam Lines Serving U.S. Capitol Building from South Capitol Street Main Line.....	300,000	300,000 (100%)	.....	This could be deferred.
Electrical Generator for Peak Shaving.....	990,000	990,000 (100%)	.....	Loss of $236,100 present value savings annually hereafter until installed.
Total.....		$1,421,500		

Appropriation: Library Buildings and Grounds

Item	Appropriation Requested 1982	Proposed Reduction	Appropriation Requested Adjusted	Effect of Reduction
Restoration of Jefferson and Adams Buildings.....	$18,000,000	$2,000,000 (11%)	$14,000,000	This reduction would be added to the 10% reduction level for a total reduction of $4,000,000. Some escalation would occur for the $4,000,000 reduction in work.
Miscellaneous Improvements..	100,000	100,000 (100%)	.....	No effect in FY 1982.
Total.....		$2,100,000		

CARRYOVER FUNDS

Senator MATTINGLY. Briefly, let me ask you do you have any so-called carryover funds from previous fiscal years at your disposal?

Mr. WHITE. Yes, we do.

Senator MATTINGLY. Can you tell me how much and what years?

Mr. WHITE. The bulk of the carryover funds that are available are for major construction projects. I can list those balances as of September 30, 1980, for you. We have for the Hart Building, for example, $20,071,000 in carryover funds, and that, of course, is for the completion of the construction of the building. Most of those are already obligated but not expended. The Capitol Power Plant expansion project has $142,000 of carryover funds. That $142,000 is expansion of the Capitol Power Plant, and modifications and enlargement is $4,581,000. Both of those items are for the Capitol Power Plant. The James Madison Memorial Building has $2,842,000. Those four items that I have just given total $27,636,000. Those are for major construction projects which are ongoing and are necessary for that purpose.

We have $1.6 million of funds in the program for modifications for the physically handicapped in these existing buildings. That has been progressing slowly, but deliberately, as we modify the existing buildings for use by the handicapped.

That totals, together with the items I just gave, $29,236,000, which is 89 percent of our total funds, which amount to $32,719,000. The remainder of $3,483,000 is spread among the various items, and we could possibly return a small portion of that.

Senator MATTINGLY. You said it is 89 percent of $32 million.

Mr. WHITE. Thirty-two million dollars is the total funds we have, including the $29,236,000, plus $3,483,000. In other words, 89 percent of it is in areas that are committed, in effect.

Senator MATTINGLY. We need a detailed list of the 11 percent.

Mr. WHITE. I will be glad to furnish that, and in addition to the listed items, we can say what the ramifications are of any change that might be made to those funds.

[The listing follows:]

ARCHITECT OF THE CAPITOL
Detailed Listing and Status of
"No Year" Projects for
Senate and Joint Items Only
Excluding Major Construction Projects

Appropriation/Project Title	Unobligated Balance as of 2/28/81 of 9/30/80 "No Year" Carry-over Funds 1/	Status
Contingent Expenses	$ 159,205	Continuing program
Capitol Buildings:		
Improvement of Illumination and Modernization of Electrical Wiring in the Capitol Building	$ 156	Completed
Capitol Complex, Security System	202,833	In progress
Senate Data Communications Cable System	41,057	In progress
Replacement and Repairs to Roofing and Guttering, House and Senate Sides of Capitol	112,248	In progress

Appropriation/Project Title	Unobligated Balance as of 2/28/81 of 9/30/80 "No Year" Carry-over Funds 1/		Status
Capitol Buildings: (continued)			
Replace Roof over Attic Plenum, Senate Side of Capitol.....	$ 52,631		In progress
Miscellaneous Improvements.....	91,878		Continuing program
Total, Capitol Buildings.....		$ 500,803	
Capitol Grounds:			
Conversion of Square 764 to Green Park Area (Old Providence Hospital Site).....		91,515	Continuing maintenance
Senate Office Buildings:			
Furniture and Furnishings for Immigration and Naturalization Building.....	7,130		Completed
Pilot Program, Office Furniture and Furnishings.....	6,829		In progress

Appropriation/Project Title	Unobligated Balance as of 2/28/81 of 9/30/80 "No Year" Carry-over Funds 1/	Status
Senate Office Buildings: (continued)		
Furniture and Furnishings for Senate Courts and Hill Apartments Buildings.....	8,497	Completed
Renovation of Dirksen Senate Office Building Cafeteria Kitchen, etc.....	692,000	In progress
Replace Deteriorated Windows, Russell Senate Office Building....	221,135	In progress
Emergency Repairs - Immigration Building (Reprogramming authorized).....	-114,886	
	106,249	
Modernize Elevators, Nos. 10, 12, 14 and 15, Russell Senate Office Building.....	24,678	Completed

Appropriation/Project Title	Unobligated Balance as of 2/28/81 of 9/30/80 "No Year" Carry-over Funds 1/	Status
Senate Office Buildings: (continued)		
Replace Speech Reinforcement System in Hearing Rooms.....	$ 31,016	Completed
Fire Protection Improvements, 5 Annex Buildings.....	11,200	In progress
Senate Data Communications Cable System.....	43,608	In progress
Waterproofing Repairs, Passageway and Tunnel, Russell Senate Office Building...	77,483	In progress
Repairs to Roofs, Balustrades, etc., Russell and Dirksen Buildings.....	62,588	In progress

Appropriation/Project Title	Unobligated Balance as of 2/28/81 of 9/30/80 "No Year" Carry-over Funds 1/	Status
Senate Office Buildings: (continued)		
Program for Energy Conservation, Dirksen Building	$ 50,751	In progress
Birdproofing, Russell Building	30,988	In progress
New Senate Bake Shop, Dirksen Building	30,184	In progress
Uninterrupted Power Supply System, Senate Computer Center, 400 North Capitol Street	100,000	In progress
Miscellaneous Improvements	63,474	Continuing program
Total, Senate Office Buildings	$ 1,346,675	

Appropriation/Project Title	Unobligated Balance as of 2/28/81 of 9/30/80 "No Year" Carry-over Funds 1/		Status
Capitol Power Plant:			
Modify 3 Centrifugal Refrigeration Machines	$ 24,000		Not required at this time
Replace Expansion Joints in Steam Lines	167,946		In progress
Replacement of Underground Steam Lines Serving Capitol Building from South Capitol Street Main Line	190,499		In progress
Install Steam Meters, Capitol Complex	77,051		In progress
Total, Capitol Power Plant		$ 459,496	
Library Buildings and Grounds, Structural and Mechanical Care:			
Install Electronic Card Readers, Security Control of Library Collection	78,000		Not required at this time

Appropriation/Project Title	Unobligated Balance as of 2/28/81 of 9/30/80 "No Year" Carry-over Funds 1/	Status
Library Buildings and Grounds, Structural and Mechanical Care: (continued)		
Fire Protection Improvements, Jefferson and Adams Buildings....	$248,707	In progress
Program for Energy Conservation....	69,300	In progress
Rebuild 8 Air Conditioning Units, Jefferson Building.....	282	Completed
Total, Library Buildings and Grounds.....	$ 396,289	
Unobligated balances of "No Year" 2/28/81.....	$2,953,983 2/	

1/ Does not include FY 1981 Appropriations.

2/ The unobligated balance of $3,483,000 testified to during the fiscal year 1982 hearings has been adjusted by those obligations incurred during the subsequent five month period, October 1, 1980 to February 28, 1981.

TARGETING OF FUNDS

Senator MATTINGLY. And I guess the logical question then would be are you on target with those funds?

Mr. WHITE. Yes.

Senator MATTINGLY. Is it a sufficient amount or more than enough?

Mr. WHITE. Well, there are places where there is more than enough.

Senator MATTINGLY. I didn't ask that question.

Mr. WHITE. It is a fair question. Each year, Mr. Chairman, we turn back funds to the Treasury that we don't use. We guard these funds and spend them as carefully as we can within the limits of human capacity to be prudent about it, and each year we turn back funds to the Treasury, not the noyear funds but the annual funds that we don't spend, and we have no reason to keep them if we don't need them.

PERSONNEL COSTS

Senator MATTINGLY. Do you have any existing vacancies in your allotted job slots right now?

Mr. WHITE. Yes, we do. We have at the moment 65 vacancies in the legislative branch.

Senator MATTINGLY. Does that include any temporary employees?

Mr. WHITE. No; these are all permanent vacancies, that is, vacancies on the permanent list.

Senator MATTINGLY. What percent of the salaries for your current employees can be attributed to overtime payment?

Mr. WHITE. Approximately 15 percent.

Senator MATTINGLY. With appropriate program cuts and spending deferrals, the Architect's Office projected it can absorb any mandatory pay increase in the current fiscal year 1982 budget figure, beginning the current October.

Mr. WHITE. Yes, we think we could. The actual percentage of it, we would need to determine. We absorb some of that every year, some percentage of it. Probably with some adjustments to other items we could absorb more.

HOLDING 1982 BUDGET TO 1981 LEVEL

Senator MATTINGLY. In light of President Reagan's stated intent to make substantial cuts in the Federal budget and the intent of the chairman of this committee to aid the President to help bring health back to the American economy by cutting back the size of Government, would you then agree yes or no to holding your 1982 budget to the fiscal 1981 level, to not increasing personnel, and to deferral of all new spending initiatives and programs until the economy has recovered?

Mr. WHITE. Well, Mr. Chairman, I have to answer that by saying that I just work here, and as I mentioned, we are a service organization, we have no programs of our own. We provide whatever the needs of the Congress are, and it is our role to provide the Congress with the technical and professional information for that judgment to be made.

Having said that, I should add that I think it would not be possible to do that and meet the needs of the Congress for programs and projects that are already underway. For example, if this were 2 years from now when the Hart Building becomes available, we are going to

need people to staff that building. Now one could say, well, let's not staff it. That is a judgment the Senate could make. It has certain ramifications on the maintenance and care of property. I think those are some of the judgments that need to be made by the committee and the Congress.

POLICEMEN AND ELEVATOR OPERATORS

Senator MATTINGLY. I appreciate your testimony. It was very good. As far as the case of employees of the Hart Building, you may have less policemen and elevator operators.

Mr. WHITE. There are some places where that is possible. The elevator operators are one. That is a judgment that needs to be made by others. But we have automatic elevators that don't need operators, and we would modify some of the choices that are being made at the moment. There are ways to accomplish a good deal of this.

Senator MATTINGLY. I appreciate the outstanding job you have done in presenting your proposed fiscal year 1981 and 1982 budget. Thank you.

Mr. WHITE. Thank you.

I mentioned earlier I had two or three things I think ought to be mentioned for the record, if I may do that now.

ELECTRONICS ENGINEERS

One of them is that we have a request in the justifications for seven permanent employees for electronic systems, and a pending request for some temporary employees. I would like to enter that letter in the record at this point.

[The letter follows:]

LETTER FROM GEORGE M. WHITE

FEBRUARY 27, 1981.

Hon. MACK MATTINGLY,
Chairman, Subcommittee on Legislative Branch Appropriations,
Committee on Appropriations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In anticipation of your consideration of the fiscal year 1982 budget, I directed my staff to undertake an in-depth review of current and planned activities in behalf of several major electronic systems that have been approved by Congress and are under the jurisdiction of this office. My primary reasons for requesting this internal examination were, first, to assess the present status of our installation and ongoing maintenance efforts and, second, to determine whether any further steps were necessary to assure timely completion of projects now under way and effective functioning of systems already in operation. My purpose here is to share with you the results of this review and request your approval of funds which are essential to the prompt and successful attainment of our goals in this area.

As you know, this office is responsible for the installation and maintenance of an assortment of multipurpose electronic systems that are in various stages of development. For ease of presentation, we group these systems into five major categories: (1) a security system for the Capitol complex authorized by H. Con. Res. 550; (2) a cable distribution system that will provide for two-way transmission of data, television, and related electronic signals on the House side, and one-way transmission on the Senate side, and in the Library of Congress; (3) office intrusion alarm systems to detect attempts at unauthorized entry or access to areas containing sensitive and classified documents, controlled substances, cash or other valuables, or serving as Members' offices and committee rooms; (4) energy management and conservation systems that will eventually be implemented throughout the Capitol complex; and (5) specifically-designed electronic control systems for the James Madison Memorial Building (JMMB) of the

Library of Congress (for example, book conveyor system, fire and life safety, security, and HVAC). Installation activities for office intrusion alarms and energy management and conservation systems are expected to continue for several more years because final decisions involving engineering designs and locations for these systems have not yet been made.

The remaining systems are nearly in full operation at the present time, although final installation, testing, and acceptance of as yet unfinished segments will be continuing during the balance of this year and throughout fiscal 1982. By October 1982, therefore, we expect to have completed the installation of all remaining work currently authorized, including: the security system for the Capitol Power Plant; the final cabling of all House Office Buildings and Annexes, Senate Office Buildings and Capitol Buildings; the construction and installation of the permanent headend equipment and facilities for the cable distribution system; and the operation of the JMMB controls systems.

The proposed implementation schedule is realistic and will permit Congress to receive the full benefits of these systems at the earliest practical opportunity. Moreover, our projections indicate that this schedule can be met provided the necessary resources are made available to us for the remainder of fiscal year 1981 and for fiscal year 1982. Based on our latest cost estimate to complete these systems, I anticipate that we will need an additional $422,300 over the amounts currently available in these project accounts. Of this total, $182,300 is needed in fiscal 1981 to provide for temporary labor and purchase all the remaining supplies, materials, and equipment required for the cable distribution system. I have proposed that these funds be made available from House Office Buildings appropriations since they are required for cable installations as part of the House system.

The remaining $240,000 will be needed in fiscal 1982 to provide funding for temporary employees who will be installing these electronic systems in buildings throughout the Capitol complex. My recommendation for securing additional installation funds in fiscal year 1982 requires your approval but does not go beyond the resources proposed in the budget now before you.

During fiscal year 1982, an estimated 10 man-years of temporary personnel will be required to conclude the installation of presently approved electronic systems. These "systems" crossover most appropriation lines; therefore, $240,000 is requested in the "Capitol Buildings" appropriation to provide a central reserve for temporary manpower which will be assigned throughout the Capitol complex in accordance with our schedule for completing final installation activities.

To finance this request it is recommended that the proposal contained in the fiscal year 1982 "Capitol Buildings" appropriation for "Installation of additional equipment, Capitol complex security system," X-ray inspection system be reduced by $240,000 and made available to finance the temporary employment request. The X-ray inspection system will accordingly be reduced to $480,000 which will provide funding for six X-ray units rather than the nine originally proposed.

We have come a long way during the last several years in bringing these electronic systems to the point where the uses and benefits intended by Congress can soon be realized. Your approval of the actions I am recommending will permit us to complete expeditiously all remaining installations, thereby making it possible to begin full operation of the security and cable distribution systems, as currently authorized, by the start of fiscal year 1983.

A similar letter has been submitted to the chairman of the House Subcommittee on Legislative Branch Appropriations, requesting that subcommittee's approval of the funding actions required to complete installation activities.

I shall, of course, be pleased to provide any additional information and/or discuss this matter in detail should you deem that desirable.

Cordially,

GEORGE M. WHITE, FAIA,
Architect of the Capitol.

ELECTRONIC SYSTEMS GROWTH

Mr. WHITE. There may be ways of modifying whether those are permanent or temporary. But we have electronic systems that are growing very rapidly all over the Hill. We have a closed circuit television system which is on a cable that has 35 channels on it, and on that cable are

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also other kinds of data and information in addition to television. It is thought of as television because that is the most obvious manifestation of it. That cable runs all over the Hill to all of these buildings.

In addition to that we have an energy management system. We have, in the Madison Building, a $2.5 million book conveyor system that is electronically controlled, computerized, and requires maintenance. We have a fire and life safety system in that building that is the finest that can be designed under present-day technology. It also requires maintenance.

So we have two things going on. We have maintenance of these systems as they are completed, and in addition to that we have installation of them which is continuing. For another year, I need the request that is in here, $240,000, for temporary employees to finish the installation. In addition to that, the seven employees that are requested here for maintenance are a necessity if we are going to maintain this system. The cable system has amplifiers in it every so many feet. There are thousands of those in constant need of maintenance. Electronic equipment requires that kind of attention.

I mention that to indicate there are some dire needs which will affect the service the Congress needs in order to conduct its business.

Senator MATTINGLY. We want you to separate the dire from the undire, and if you can make that into written testimony and give it to us so I can have that distributed to the other members, we would appreciate it.

Mr. WHITE. I will be glad to do that, and we can separate the dire from the "undire."

Senator MATTINGLY. I know.

JOHN MARSHALL STATUE

Mr. WHITE. One other thing I wanted to report on—and this is merely a report—and that is that approximately 25 or so years ago, the Congress passed an authorization bill and a direction to the Architect of the Capitol to move the John Marshall statue to the Supreme Court. The John Marshall statue is in the center of the West Front lower terrace. We removed it from its pedestal for the inauguration because it was in the way. It is in very bad condition. The bronze was apparently a thin casting. We need to restore it, and we think it needs to be placed inside at this time. Funds were never appropriated, although the authorization exists. We think we can somehow absorb the cost of that and move it to the Supreme Court. I have mentioned this on the House side and I wanted to mention it on the Senate side so it was in the public record.

I think with that, those are all the items.

Senator MATTINGLY. Thank you.

[The following questions were not asked at the hearing but were submitted to the Architect of the Capitol for response subsequent to the hearing:]

Questions Submitted by Senator Mattingly

FY 1981 SUPPLEMENTALS

Question: Mr. White, we have asked other witnesses to find ways to cut back on their requests for '81 supplemental funds. I see on page 1.2 of your justifications that you have 1,986 authorized positions for FY '81. How many positions are currently filled? Can you think of ways that you could cover your pay supplemental without having an additional $2,783,000?

Answer: Of our total permanent authorized staff of 1,986 positions, 1,921 are currently filled. Of the 65 vacant positions 41 are assigned to the appropriations for the "House Office Buildings" and the "Library Buildings and Grounds, Structural and Mechanical Care". A substantial number of the 41 vacant positions under these two appropriations were approved to provide required staffing for the James Madison Memorial Building and House Annex #2. These vacant positions are being filled and will continue to be filled and phased in as the two buildings are being occupied. The pay supplemental request of $2,783,000 could be partially absorbed by making use of funding withheld from obligation in fiscal years 1979 and 1981. Appropriations language would be required to authorize transferring available funds between appropriations to cover the pay supplemental costs.

Question: Regarding your request for an additional $2.3 million to cover FY '81 increases in electrical rates, I notice on the last page of your justifications, p. 13.4, it says you anticipate an 8% increase for the last 6 months of the fiscal year. Is that an 8% increase in rates, or in usage of electricity?

Answer: The 8% increase is our estimate as to what might occur to the rate structure during the last 6 months of FY '81.

Question: Page 13.2 shows your request of $11.5 million to purchase certain property on the House side. Tell us more about this request.

a. What is the present status of this property?
b. Why do you need to purchase it?
c. What is it presently used for?
d. What will it be used for if it is purchased?
e. If purchased, is this $11.5 million the total cost, or will it involve more funds in later years?

Answer:

a. Public Law 96-432, approved October 10, 1980 (94 Stat. 1851) authorizes the acquisition on behalf of the United States of certain vacant land located in squares 582, 640 and 693 for inclusion in the United States Capitol Grounds.

Lot 49 in square 582, containing 46,236.72 square feet, more or less, is located at Second and D Streets, S.W. Lot 70 in square 640, which contains approximately 132,108.76 square feet, is situated at Canal Street and Delaware Avenue, S.W. Both of these properties are unimproved and belong, at the present time, to the District of Columbia Redevelopment Land Agency (RLA), which has indicated a desire to dispose of them at an early date, as well as a willingness to withhold them from the market, despite considerable interest in their acquisition by private developers, pending a decision by the Congress.

The third parcel in square 693 consists of 18 undeveloped lots totalling about 62,544 square feet and is bounded by Ivy, Canal and E Streets, and New Jersey Avenue, S.E. The present owner, the Oliver T. Carr Company, is actively proceeding with preparations to build a substantial four-story office building on the site.

b. The acquisition of these properties is recommended in the soon-to-be-issued Master Plan for Future Development of the United States Capitol Grounds for the protection of the immediate environs of

the Capitol from encroachment by commercial structures and activities. This is clearly a vital consideration because, if not acquired now, these properties will undoubtedly be developed for unsuitable and incompatible commercial uses at an early date.

c. Portions of both RLA properties (squares 582 and 640) are now, and have for some years, been leased to the Committee on House Administration for staff parking (400 spaces in square 640 and 85 in square 582). Commercial parking interests are also operating parking lots in these parcels for use by the general public (200 spaces in square 640 and 50 in square 582).

The property which is sought to be acquired in square 693 is, likewise, presently devoted to parking uses with two commercial operators providing approximately 110 parking spaces to the general public.

d. There is presently no plan to develop these properties. Therefore, for the near term, they would, if acquired, most likely continue to be devoted to parking. In the long term, development of these parcels in accordance with the Master Plan will depend upon the future needs and desires of the Congress.

e. If funds are made available now, the $11.5 million authorized for the acquisition of these properties will be all that is required for that purpose. In later years some funding will be required to simply maintain these parcels at an acceptable level as part of the United States Capitol Grounds. If the Congress elects to develop all or any part of these sites, funding appropriate to the intended purpose will be required.

CURRENT PROJECTS

Question: Mr. White, pages 1.17 through 1.32 provide information relative to construction projects underway. The first one is the James Madison Memorial Building. As I understand it, all except $2,842,416 of the $130,675,000 appropriated for this project has been obligated -- is that correct? Will the balance be needed to complete the building? Will any new appropriations be necessary for the Madison Building?

Answer: The unobligated balance as of September 30, 1980, was $2,842,416. It appears that there may be insufficient funds remaining available to complete construction and settle outstanding contract claims. At present, an estimated need of additional authorization and appropriations cannot be accurately made, but a range between $1.5 million to $3.5 million appears likely.

Question: Page 1.19 sets forth the work being done to modify and enlarge the Capitol Power Plant. Since 1973, $30,600,000 has been appropriated for this project. Of that amount $4,581,303 remains unobligated. Will that amount be required to complete the project? Will any further appropriations be necessary?

Answer: The current unobligated balance is sufficient to perform work through fiscal year 1981. It appears, however, that the current level of funding may be insufficient to complete work that has become necessary as a result of Clean Air Regulations that became effective subsequent to earlier appropriations. Until final design considerations are completed and cost estimates are made, accurate projections cannot be made.

Question: Page 1.24 talks about the appropriations made for the Hart Building. The total appropriations equals $137,730,400. What remains to be done on the Hart Building? When will it be ready for occupancy? Will any further appropriations be necessary for the Hart Building?

Answer: The total appropriations for the Hart Building do not provide for the items that were reduced from the originally

programmed scope of work. Work that remains to be completed that is currently under contract or is scheduled to be under contract, and for which funding is available, is detailed below and will enable the building to be used by 50 Senators. Occupancy is scheduled for early 1983.

Phase IV, Superstructure
Phase V-A, Interior, Mechanical and Electrical Rough-in
Phase V-B, Finish Work on the Interior
Phase V-B2, Remaining Elevator and Escalator Work
Phase V-B3, Carpet Procurement and Installation
Phase V-B4, Demountable Partition Procurement and Installation
Phase V-B5, Service Fittings Procurement and Installation
Phase V-B6, Interior Stone

If the items that were deducted from the scope of work are to be accomplished at a later date, then further appropriations will be necessary. A listing of the items deducted from the project and the estimated cost of the deductives is as follows:

Items Deducted by P.L. 96-69:	
1. Paneling in Senators' Offices	$ 2,229,500
2. Dimming System in Senators' Offices	335,600
3. 9th Floor Dining Facility	1,412,100
4. Automatic Materials Distribution System	2,910,400
5. Vertical Blinds	157,800
6. Energy Management System	2,025,500
7. Security Stations	321,500
8. Reduced Carpet Quality	1,443,900
9. Auxiliary Office Space	1,318,400
10. Work in Existing Basement	2,391,600
11. Police Facility	484,500
12. Work in Existing Ground Floor	735,000
13. Central Wing First Floor Offices	104,900
14. Demountable Partitions 50% Reduction	613,600
15. Physical Fitness Facility (including athletic equipment)	905,800
16. Central Hearing Room	1,255,700
17. Atrium/Galleria Reduction: Skylight Coffers	1,045,400
18. Atrium/Galleria Reduction: Monumental Stairs	3,528,400
19. Artwork	400,000
Subtotal of Deductives	23,619,600
20. Furniture and Furnishings (also omitted by P.L. 96-69, but not included in original construction program)	13,200,000
Total	$36,819,600

Question: Page 1.28 tells us that $350,000 was appropriated in FY '76 to develop a Master Plan for Future Development of the Capitol Grounds and Related Areas. Another $100,000 was added in FY '78. Page 1.30 says this Plan will be completed and ready for printing in early 1981. Is the Plan ready? What will be done with the Plan? Can you give us some idea as to what new projects the Plan will recommend and at what cost?

Answer: The Master Plan was authorized and funded by Public Law 94-59, approved July 25, 1975 (89 Stat. 269), and was augmented by Public Law 95-355, approved September 8, 1978. The Phase I Report was completed and transmitted to the Leadership of both Houses of Congress and the Legislative Branch Subcommittees of both Committees on

Appropriations on August 19, 1976. The Phase II Report was completed and similarly transmitted in August 1977.

Since that time, the details of the plan have been presented to all interested parties in approximately 90 public meetings and Congressional committee hearings and comments thus received have been carefully considered and incorporated into the Plan where feasible. The Phase III Report, the Master Plan itself, is expected to be transmitted to the GPO for printing in April and published in June 1981. At that time the Plan will be transmitted to Congress as required by law for whatever legislative action the Congress may deem appropriate. Presumably, such action could include referral to the appropriate Committees of both Houses for public hearings and report with recommendation for approval or amendment only as a long range plan, not for specific projects.

The Plan will not recommend any new projects for either authorization or funding. Indeed, it provides a thorough analysis of the possible consequences of Congressional growth, if any, over the next 50 to 75 years, and the options available to Congress for accommodating, managing and limiting any such growth if it occurs in that period of time. It states the limits of future growth that should be accommodated on Capitol Hill and analyzes the effects of growth on the historic landmarks of the Congress and its neighborhood and District of Columbia plans, on transportation and parking, and suggests an architectural and landscape plan for future building sites if and when they are needed.

This orderly analysis is intended to provide an invaluable tool to Congress in its consideration of future authorizing and appropriation legislation, should it determine a need for any additional buildings.

Question: West Front - Page 1.31 gives a history of the West Front controversy. I understand you now have two independent studies -- one which shows that reconstructing the West Front would cost $51,000,000. The other shows that extension would cost $59,000,000. Senator Hollings feels that reconstruction could be done for substantially less than $51,000,000. What is your response?

a. Will the West Front cave in if we don't do either one this year?

b. Why can't we get GAO to look at your figures vs. those of Senator Hollings and give us their opinion of whose estimate is better?

Answer: The cost of reconstruction is based upon an extensive, detailed and penetrating analysis of the most appropriate means of performing the required work. The analysis was made, as previously indicated, by the firm of Ammann and Whitney together with additional engineering advisors of the highest quality and national repute. The entire report has recently been presented to this Subcommittee for review and examination. A primary reason for the direction by the Subcommittee and the Congress to the Architect to expend funds for the preparation of the analysis and detailed working drawings for both basic proposals was to finally settle the question of cost, which has in the past been an area of some ambiguity because of the former lack of such detailed information. In the judgment of the many professionals that have been involved in the preparation of both the reconstruction and the extension drawings and supporting documentation, the costs are now accurate and, having been prepared on the same bases, for example, escalation percentages, etc., and are thus directly and analytically comparable.

a. The computer determined loads associated with the West Front structural problems are above the safe-loading amounts. However, the wall is still standing, presumably because of the factors of safety that are an integral part of the computation process. There is, therefore, no accurate way to determine when those factors of safety

will be exceeded through continued aging and deterioration of the mortar and other components. We have removed some of the stored documents from portions of the attic in order to unload the wall as much as possible. Based upon an extrapolation of the recent past history, it appears reasonable to anticipate that the wall will remain standing for another year; however, under the circumstances, the prudent course of action is to effect repairs as soon as is feasible.

b. It would be a reasonable proposal to have the GAO examine the cost estimates; the estimates are, however, reasonably self explanatory and, in my judgment, are susceptible of committee staff analysis with relative ease.

FISCAL YEAR 1982 LANGUAGE

Question: Mr. White, pages 1.5 through 1.14 of your justifications include eleven proposed language revisions in your appropriations. Explain what those are all about.

Answer: The proposed language revisions are technical in nature and are made in response to a request from the House Appropriations Legislative Branch Subcommittee. The intent is to eliminate unnecessary wording and to make the language brief and uniform. The revisions preserve all current authority under which the Office of the Architect of the Capitol operates.

SALARIES

Question: Mr. White, your office presently has 1,612 wage-board employees. That's approximately 81% of your total staff. What do these people do?

Answer: Our wage-board employees are engaged in recognized trades and crafts such as carpentry or plumbing and in skilled and unskilled manual labor occupations.

Question: If a freeze was placed on your staff, and you were not allowed to fill any slots that became vacant in FY '82, historically about how many people leave in a given fiscal year?

Answer: Historically, our turnover rate for the past two years has been approximately 3%. If this trend were to be applied to the current fiscal year, it would mean that approximately 60 positions will be vacated during the year. The same would be true for fiscal year 1982.

Question: Page 2.1 of the justifications sets forth the salary requests for your immediate office -- you ask for 118 positions and $3,964,000. That's $527,000 and 17 positions higher than FY '81. Provide for the record a listing of all position titles under this account and the salary of each position please.

Title of Position	Salary
Architect of the Capitol	$ 55,387
Assistant Architect of the Capitol	52,750
Executive Assistant	50,112
General Counsel	50,112
Director of Engineering	50,112
Budget Officer	50,112
Deputy, General Counsel	50,112
Superintendent of Construction	50,112
Accounting Officer	49,002
Assistant Budget Officer	49,002
Staff Assistant	47,517
Architectural Engineer	46,032
Architectural Engineer	44,118
Senior Personnel Management Specialist	41,660
Safety Manager	40,395

Title of Position	Salary
General Engineer	$ 40,395
Head, Contract Branch	40,395
Assistant to the Director of Engineering	39,133
Sanitarian	38,456
Computer Specialist	38,456
Computer Specialist	37,388
Head, Art & Reference Division	37,388
Curator	36,320
Assistant Personnel Officer	35,252
Head, Electronics Engineering Division	35,252
Head, General Engineering Department	35,252
Head, Air Conditioning Engineer	35,252
Head, Elevator Engineer	33,116
Budget Analyst	33,116
Staff Assistant	33,116
Position Classification Specialist	32,339
Administrative Assistant	32,339
Head, Procurement Division	32,048
Assistant Head Procurement Division	30,543
Architectural Draftsman	30,543
Assistant Head, Elevator Engineer	29,645
Assistant Head, Contract Branch	29,645
Electronics Engineering Technician	29,645
Assistant to the Head Electronics Engineering Division	28,747
Architectural Engineer	27,849
Fire Protection Engineer	27,849
Safety Technician	27,849
Photographer (Still)	26,986
Position Classification Specialist	26,236
Secretary (Stenographer)	25,241
Engineering Technician	24,736
Electrical Engineering Technician	23,986
Engineering Technician	23,887
Personnel Management Specialist	23,236
Inventory Control Specialist	23,236
Architectural Draftsman	23,195
Secretary	22,925
Secretary	22,925
Photographer (Still)	22,305
Engineering Technician	21,065
Head, Flag Office	21,065
Assistant Head, Purchasing Branch	21,065
Secretary	20,445
Head, Record Management Division	20,445
Safety Inspector	20,445
Payroll Supervisor	20,445
Office Services Manager	20,445
Budget Technician	19,825
Personnel Management Specialist	19,205
Procurement Assistant	19,205
Secretary	19,205
Administrative Technician	19,205
Fiscal Accounting Clerk	18,229
Supervisory Computer Operator	17,948
Accounting Clerk	16,864
Payroll Clerk	16,864
Assistant Payroll Supervisor	15,699

Title of Position	Salary
Computer Operator	$ 15,699
Purchasing Clerk	15,040
Fiscal Accounting Clerk	15,040
Purchasing Clerk	13,902
Personnel Clerk	13,902
Assistant Head, Flag Office	13,672
Fiscal Accounting Clerk	13,672
Personnel Clerk	12,675
Clerk - Flag Office	12,675
Payroll Clerk	12,266
Clerk-Typist	11,328
Keypunch Operator	11,328
Electronics Mechanic Foreman	29,869
Electronics Technician Foreman	26,666
Electronics Technician Foreman	26,666
Electronics Technician Foreman	26,666
Refrigeration & Air Conditioning Mechanic General Foreman	26,333
Electronics Technician	23,837
Electronics Technician	22,942
Electronics Technician	22,069
Electronics Technician	22,069
Electronics Technician	22,069
Electronics Technician	22,069
Electronics Technician	22,069
Electronics Technician	22,069
Electronics Technician	22,069
Electronics Technician	22,069
Messenger-Driver	17,867
Messenger-Driver	16,619
Total existing positions (101)	2,825,642
NEW POSITIONS REQUESTED FY 1982 (17)	
Senior Computer Programmer (Applications)	32,100
Construction Project Supervisor - Estimator	27,000
Supervisory Stone Mason	27,000
Air Conditioning Engineer	27,000
Auditor (Internal)	27,000
Computer Programmer	22,500
Archives Technician	13,650
Archives Technician	13,650
Clerk-Typist	10,950
Clerk-Typist	10,950
Electronics Technician	21,200
Electronics Technician	21,200
Electronics Technician	21,200
Electronics Technician	21,200
Electronics Technician	21,200
Electronics Technician	21,200
Electronics Technician	21,200
Total positions (118)	$3,185,842

Question: Page 2.8 talks about the need for a new position entitled: "Construction Project Supervisor-Estimator, GS-12." Why is this position necessary? It points out on page 2.8 that in FY '79 a

total of 80 projects were considered. Who performed the supervision over those projects? Has past supervision proved inadequate?

Answer: The need for this position is described on page 2.8 of the fiscal year 1982 budget justifications. Past project supervision has been provided by temporary personnel. Whereas this supervision has been considered to be adequate, it is felt necessary to provide a permanent position for this work to ensure continuing quality supervision.

Question: Page 2.9 shows a request for another new position entitled "Supervisory Stone Mason, GS-12." What will be his role?

a. P. 2.10 says this proposal contemplates hiring 10-15 skilled stone masons or engaging a comparable number under contract to carry out the proposed program. What are the specifics of this proposal? How much is included in your FY '82 budget for it? How many years will it take?

b. Why do we need to establish this new program this year?

Answer: a. This position will be the principal operating manager of the proposed preventive maintenance program for exterior stonework. This program is an effort to provide repair, reconstruction and preservation efforts on exterior masonry and stone on a regular basis to prevent the need for more costly emergency major repairs. A total of $281,000 is requested in five appropriations in the Legislative Branch, and $35,000 is requested for the Supreme Court in the Judicial Branch appropriation. The program will be ongoing, and it is anticipated that once the immediate needs are provided for, which will take several years, then the amount of preventive maintenance required to be accomplished each year will diminish somewhat.

b. This program should be established to avoid the need to request a major program for repairs. The exterior masonry and stone experience an accelerated rate of deterioration the longer they are neglected. It is important to begin corrective work before drastic and costly emergency measures must be taken to repair defective masonry and stonework.

Question: Page 2.14 asks for two additional GS-4 clerk-typists for the Flag Office. What does the Flag Office do? Are these flags provided free-of-charge? to whom?

a. What is the total amount requested in your budget for the Flag Office?

Answer: The Flag Office administers the program of flying flags over the Capitol as a service to Members who wish to present them to constituents, civic organizations and the like. The flag program activities involve receiving flags furnished by Members of the House and Senate, arranging to have them flown, preparing flag certificates to certify that the flag was flown over the Capitol, the date flown, and the occasion for which it is being presented, and making contact with the Members' offices when flags are ready to be picked up. The program has grown sharply in the last five years; the average number of flag orders now approaches 50,000 each year, up 62% over the previous five-year period. A record was set last year, in fact, when approximately 70,000 flags were flown at the request of Members.

Individual constituents and groups requesting a flag are instructed to notify the office of a Representative or a Senator who will in turn forward the request to this office along with a flag purchased from the House Office Supply Service or the Senate Stationery Room. Current prices for a new flag purchased from the Senate Stationery Room range from $6.35 for a 3' x 5' cotton flag to $14.00 for a 5' x 8' cotton flag. For the most part, flags are paid for by constituents; the Architect's Office does not furnish flags.

The request in the budget for the Flag Office consists of a total of 5 positions, three currently authorized at a cost of $54,600 and two

additional positions requested in the fiscal 1982 budget at a cost of $22,000.

CONTINGENT EXPENSES

Question: You seek $210,000 for Contingent Expenses. What does that fund cover?

Answer: The "Contingent Expenses" appropriation provides funding for unforeseen expenses in connection with the activities under the care of the Architect. In addition, the Architect is authorized to make surveys and studies and provide for the rental of warehouse space and related expenses from this appropriation.

Question: On p. 4.4, it states that coming into FY '81, this fund had "no-year" appropriations of $181,867. In light of that carryover, why do we need to add another $210,000 to the fund?

Answer: The Contingent Expenses appropriation is, as you know, for the purpose of funding unforeseen expenses. The unusual number of alterations that have been requested in recent months have necessitated the use of the entire carryover balance in this account. In addition, a substantial amount of the funds appropriated to date for fiscal year 1981 have also been required. As of February 28, 1981, only $131,000 remained in this account, including fiscal year 1981 appropriations to date of $151,200.

CAPITOL BUILDINGS

Question: You have 26 mechanics in the general shops. What are the general shops and what do these 26 mechanics do? What is the average salary of such a mechanic? How do you determine the productivity of these mechanics? Do they work overtime? What amount of overtime is requested for FY '82?

Answer: The general shops include the shops for painting, electrical, masonry, plumbing, machine, woodcrafting and sheetmetal work. The mechanics are skilled workers in these various trades who fabricate, maintain, repair and replace facilities under the jurisdiction of each shop. The average salary for fiscal year 1982 is estimated at $23,412. The nature of each task and the skills of assigned employees significantly influence productivity levels. Productivity is not measured in terms of strict output standards but work in process is monitored closely by foremen and other supervisory personnel to assure that it is performed in a workmanlike manner and in reasonable time. Although overtime amounts are not requested for each unit, approximately $90,000 is requested in the fiscal year 1982 budget for overtime costs associated with the general shops.

Question: You have another 24 mechanics in the heating, ventilating, and air conditioning departments. What is the average salary of each of these mechanics?

Answer: In fiscal year 1982, the average salary is estimated at $22,956.

Question: You want 10 maintenance mechanics and 46 operators for elevators in the Capitol Building. Why so many maintenance mechanics? What's an average salary for one of these mechanics?

Answer: Elevator maintenance mechanics included in the Capitol Buildings appropriation are divided into two units. The first is comprised of the six mechanics in the elevator shop which is responsible for maintaining and repairing elevator facilities in the Capitol Building (including 25 elevators, 2 dumbwaiters, 2 lifts and 4 escalators). The other unit is an elevator inspection and test crew comprised of four mechanics having responsibility throughout the Capitol Complex. This unit performs special testing, inspecting and recabling of elevator units in all buildings, a total of 185 units,

and provides regular maintenance of elevators at the Capitol Power Plant, automatic doors in the Senate Garage, and the Taft Memorial Carillon bell motors and console. The average salary of the ten mechanics is estimated at $24,430 in fiscal 1982.

Question: You have 5 mechanics for the street lighting system -- is that number really necessary? What do the 58 general laborers under this account do?

Answer: The street lighting group is necessary to maintain all of the street lighting standards, fixtures and wiring systems located on the Capitol Grounds. In addition, they assist in providing for all electrical activities and events that occur on the Capitol Grounds. Those fixtures located along the streets are maintained by the public utility (PEPCO). The 58 general laborers located in the Capitol Buildings appropriation clean office suites and conference rooms (primarily on the House Side of the Capitol) which involves such tasks as dusting, vacuuming, and emptying trash. In addition, they scrub, seal and wax floors; move furniture; and provide manual assistance to tradesmen in the Capitol Building. Also included are such tasks as dusting works of art, statues and other exhibits; erecting scaffolds for painters; cleaning marble and chandeliers; washing all windows; and carrying lumber and other items as needed.

Question: In this account, you also seek a $272,000 increase for renting, servicing, and programming data processing equipment. Can't that increase be done away with?

Answer: The request of $272,000 represents the total amount (not the increase) for renting and servicing data processing equipment as well as all our office equipment, such as typewriters, copiers, microfilm readers, photography equipment, etc. Of this total, the increase for data processing needs amounts to approximately $72,000. The bulk of this request is required to continue to support existing computer applications (e.g., accounting, payroll, project numbering system, etc.) as well as to make it possible to introduce automated systems in other critically-needed areas (e.g., project scheduling, inventory control, labor distribution, personnel management, and procurement administration). The increase requested is based on projected inflationary increases, and on extending our current rental and maintenance agreement into FY 1982 and providing 10 additional terminals, a more efficient disk drive system, and enhanced programming software packages.

Question: On p. 5.12, I see $50,000 requested for Exterior Pointing and Caulking. This is a new program isn't it? How much in total throughout your budget is requested for this program?

Answer: A total of $281,000 is requested for fiscal year 1982 in the Legislative Branch for this new program.

Question: Page 4.14 talks about $220,000 for replacement of worn Minton Tile. Tell us more about why this is needed. It will cost a total of $1.5 million if we approve it, is that correct?

Answer: The replacement of worn Minton tile involves replacing selected areas of worn and broken tiles in the Capitol. In heavily traveled areas the tiles are badly cupped and some have had the decorative design worn off. The total cost is estimated to be $1.5 million which will increase if initiation of the program is delayed, and may, indeed be impossible to accomplish because of the lack of availability of the tile. It has taken approximately eight years to have the only known manufacturer revive the special process for the manufacture of these tiles.

Question: On page 5.17, you ask for $82,800 to improve two escalators on the House side of the Capitol. Is that work necessary and cost-effective?

Answer: The existing escalators are in need of major renovation to maintain safe and continuous operation. The two similar but smaller units on the Senate side of the Capitol Building were completely rebuilt during FY '80. The two larger units on the House side should also be rebuilt at this time. In the meantime, we are using parts made available by the renovation on the Senate side to maintain those on the House side. Otherwise, replacement parts are not readily available for this equipment.

Question: What about the request on p. 5.18 for $208,000 for installing bronze handrails in the Gallery of the House Chamber. What kind of handrails are there now?

Answer: Existing permanent railings in the House Chamber Gallery are bronze. Some temporary wood rails have been installed for safety.

Question: $872,100 is requested for installation of additional equipment in the Security System. Page 5.18 says the Rules Committee approved this program. Have they approved this particular equipment?

Answer: The Rules Committee does not normally review the specifics of the equipment required. The Committee has approved the location of units requested.

CAPITOL GROUNDS

Question: You also want $25,000 to replace a shuttle van. Page 6.9 explains this shuttle service. Tell us more about it. How old is the present van? How many miles does it have? Can't it be overhauled for less than $25,000?

Answer: The van currently used for the shuttle service was purchased in 1977 and has been driven approximately 37,000 miles. It must be emphasized that the actual wear and tear on the vehicle is considerably greater than the mileage figures alone might suggest. That is because the shuttle service by its very nature undergoes a constant pattern of stop and go driving due to the relatively short distance not only between scheduled stops, but over the entire route as well (only 1 1/2 miles per trip); frequency of trips (41 per day); heavy pedestrian and vehicular traffic; and increasing numbers of riders. As a result of usage characteristics such as these, the vehicle is operated nonstop for 10 hours each day, is driven in low gear over much of the route, and must carry heavy loads -- a combination of factors which takes a heavy toll on the engine and transmission, brakes, air conditioning system, seating and carpeting, and other vital operating components. The wear and tear caused by the shuttle service have made it necessary to install two new transmissions, within the past year alone, four sets of brakes, two batteries during the past year (especially during the summer), new carpeting and other replacement items. In addition, the motor will have to be replaced if the van is continued in service next fiscal year.

The replacement vehicle requested in fiscal year 1982 is a commercial shuttle van comparable to those used at airports as well as for similar stop and go passenger transportation needs of hotels, businesses, etc. It is a heavy-duty vehicle designed to withstand the effects of frequent stops, low driving speeds, and heavy loads.

In addition to improved serviceability anticipated with the proposed van, it will also provide greater capacity to accommodate more riders than the current vehicle. This is particularly critical in view of the steady and substantial ridership increases since the program's inception. Last year (1980), the shuttle service carried over 50,000 riders, averaging 204 riders each day and surpassing by nearly 60 percent the average daily ridership levels during the first year the service was in operation. Of perhaps greater importance is

the need for additional seating capacity during peak ridership periods which occur at the lunch hour, during changes in shifts, and when the weather is inclement. The present van is frequently unable to accommodate peak loads, thereby contributing to overcrowding in the van and inconvenience to riders, especially those who must wait for the next scheduled trip. The proposed van has room for three additional passengers and is designed with a conventional "stand up" passenger door permitting safer and less cumbersome access to the vehicle than is possible with the existing van.

Experience over the years has shown that the shuttle program is addressing an important transportation need of Congressional employees as evidenced by a consistent pattern of increasing ridership levels. The existing van is simply not capable of providing acceptable service: it is costly to maintain and repair; it was not designed to meet the requirements of the current program; and, from a rider's point of view, it is difficult to board and at times uncomfortable. The van should be replaced with a heavy-duty vehicle that can better withstand the wear and tear, and can better provide for the safety and comfort of passengers.

Question: You want $200,000 to resurface 14,580 square yards of bituminous concrete at places shown on p. 6.11. Can this work wait a few more years?

Answer: If this work is delayed, the conditions will get worse. More holes, cracks and unevenness of pavement will develop, increasing the maintenance costs for these streets. In addition, due to the escalation for materials and labor, the cost will increase if the project is delayed.

Question: Also on p. 6.11, $235,000 is requested to resurface the Capitol Plaza. What would be done and why must it be done this year?

Answer: The entire plaza including the drives under the Senate and House steps would be replaced. Presently water is seeping to the base course through cracks in the pavement and causing the base to deteriorate. If this work is not done in fiscal year 1982, and delayed for another year, the repair work would have to include the replacement of the base course. The repair and replacement cost will more than double if delayed any longer because of the additional need to replace the base course.

Question: Page 6.16 says you have 20 employees in this account for trimming, cultivating, weeding, planting, grass cutting, etc. Has that number remained constant over the past several years?

Answer: Over the past several fiscal years the number of employees engaged in trimming, cultivating, weeding, planting, grass cutting, etc. has remained constant at 20.

SENATE OFFICE BUILDINGS

Question: On p. 7.7, we have another $76,000 for the new exterior pointing and caulking program, is that correct?

Answer: Yes. The $76,000 requested for Senate Office Buildings for exterior pointing and caulking will provide preventive maintenance for the exterior masonry and stone for the Senate buildings for fiscal year 1982, and is part of the total preventive maintenance program.

Question: Page 7.12 gives us a breakdown of the 511 employees under the Senate Office Buildings account. It says you have 3 shifts daily. Could you decrease this number of shifts by scheduling more work during hours when the Senate isn't in session?

Answer: Coverage during all three shifts is necessary to respond effectively to the needs of Members and staff as well as provide for the domestic, structural and mechanical care of the various buildings. Although experience has demonstrated the need for personnel on three

shifts, the number of employees on duty each shift is based on the nature of the services performed and the level of service requests received. For example, approximately 90% of the requests for service calls are received between the hours of 7:30 a.m. and 6:00 p.m. To insure that these calls are promptly and properly met, we have scheduled the bulk of our skilled staff to be available during these prime hours.

In addition to the coverage during the prime hours, we maintain a skeleton crew on the 4:00 p.m. to midnight shift which consists of 4 employees in the Elevator Shop, 5 employees in the Air Conditioning Shop, 2 employees in the Plumbing Shop, 4 employees in the Electric Shop, and 3 employees in the Front Office.

The midnight to 8:00 a.m. shift consists of 6 employees in the Air Conditioning Shop, 2 employees in the Plumbing Shop, and 2 employees in the Front Office.

The mechanics on the late shifts serve a dual purpose. In addition to performing their daily assignments, they are also available in the event of an emergency. Their areas of responsibility are the Russell and Dirksen Buildings, and the six annex buildings, with around-the-clock coverage, seven days a week.

In addition to the 10 mechanics on duty during the third shift, we also have the bulk of our custodial force on duty at that time. This task is performed by approximately 200 employees and is scheduled at that time to avoid disrupting offices.

Question: How much overtime is built into this account for FY '82?

Answer: The amount of overtime budgeted for Senate Office Buildings for fiscal year 1982 is $1,014,200.

Question: You have 78 mechanics in general shops. What do these people do - what is the average salary?

Answer: Mechanics in the general shops perform a variety of fabrication, installation and repair tasks related to the maintenance, care and preservation of the Senate Office Buildings and Annexes. The mechanics are organized by trade into shops for woodcrafting, sheet-metal, painting, pipefitting, upholstery, etc. The average salary is approximately $21,700 in fiscal 1982.

Question: Why do you need 152 custodial workers and 11 custodial inspectors for the two Senate Office Buildings?

Answer: The 152 custodial workers and 11 custodial inspectors not only provide for domestic care of the two Senate Office Buildings, but are also responsible for domestic care of the former Plaza Hotel, the former Immigration Building, the former Capitol Hill Hotel, and the apartment building formerly known as the "Senate Courts" and "Hill" apartments, and 400 North Capitol Street. The two largest areas to be cleaned are, of course, the Dirksen and Russell Office Buildings. The Russell Office Building contains approximately 425 offices and committee rooms along with other miscellaneous areas to be cleaned. The Dirksen Office Building contains approximately 500 offices and committee rooms, together with other miscellaneous areas to be cleaned. The 11 Custodial Inspectors provide supervision over the 152 custodial workers in assuring that the areas assigned to each of the custodial workers is properly cleaned and the trash is removed.

Question: I see you have 23 Senate Restaurant Employees. Do these people's salaries get covered by the taxpayers or do the restaurants break even? What about management salaries for Dining Rooms and Restaurants - are they paid for by the taxpayers? Who has jurisdiction over this matter? How can we get it changed so that restaurant prices cover all costs?

Answer: Salaries for the 23 Senate Restaurant management employees on the Senate Office Buildings payroll are paid from funds

appropriated for that purpose in accordance with the provisions of Public Law 92-51 (July 9, 1971). Salaries, wages and benefits for all other restaurant personnel are paid from operating revenues of the Senate Restaurants; prices are set at the level where estimated sales will cover the cost of food and food service personnel. A significant price adjustment -- on the order of 25% to 30% -- would be required in the event the Architect is directed to establish Restaurant prices at a level to cover those costs that are currently paid from appropriated funds. The Act of July 6, 1961, as amended, transferred to the Architect of the Capitol responsibility for the day-to-day operations of the Senate Restaurants subject to approval of the Senate Committee on Rules and Administration as to matters of general policy.

CAPITOL POWER PLANT

Question: For the Capitol Power Plant, the request for FY '82 is for $22,888,000 and 104 positions. That's up $1,065,000 above FY '81 if we include the 81 supplemental. Most of the increase is for the purchase and installation of an alternate electric power source using generators designed to operate for a minimum amount of time during peak demand periods. Explain in more detail what this will accomplish. (As I understand it, these generators would result in annual savings of $236,100, so they would pay for themselves in four years, is that correct?)

Answer: The purpose of the electrical generator is to supplement public utility power during periods of peak demand, primarily, during the summer cooling season, so as to lower the cost of purchased electricity. The generator will also serve the very necessary function of providing an emergency source of power in case PEPCO experiences a power failure at the electric utility source. The estimate of annual savings is approximately $236,100, which will pay for the installation in four years.

BOTANIC GARDEN

Question: For the Botanic Garden, your request is for $2,311,000 and 57 positions for FY '82. That's an increase of $631,000 over FY '81. What does the Botanic Garden do?

Answer: The purpose of the United States Botanic Garden is to collect, cultivate, and grow the various plant productions of this and other countries for exhibition and display to the public and for study material for students, scientists, and garden clubs.

The Botanic Garden contains a large variety of palms, cycads, ferns, cacti, orchids, and other miscellaneous tropical and sub-tropical plants, many of which are rare species. There are also special displays during most of the months of the year. The entire collection of the Garden includes over 10,000 species and varieties of plant growth. The collection attracts many visitors annually, including botanists, horticulturists, students, and garden club members.

The Garden, though not operated as a scientific institution, offers educational facilities in that it makes available for study to students, botanists, and floriculturists many rare and interesting botanical specimens. Every year botanical specimens are received from all over the world with requests for identification, and one of the services rendered by the Garden to the public is the identification of such specimens and the furnishing of information relating to the proper methods of growing them. It is visited by several million citizens each year.

Question: The major increase for FY '82 is for $548,200 for roof

replacement and exterior renovation of the Conservatory Building. This work would be done over a two-year period. How old is the roof? What is the normal life of such a roof? Can we delay this roof replacement until a later year? Is the present roof leaking?

Answer: The Conservatory roof is over 35 years old. The normal life of a roof like that is approximately 20 years. Whereas the roof replacement could be delayed, the roof is leaking. Accelerated deterioration of the masonry will take place until the roof is replaced, which will increase the cost of repairing the stone and brick at the Conservatory.

LIBRARY BUILDINGS AND GROUNDS

Question: Page 11.11 also indicates that of the $18,000,000 requested for FY '82, $977,000 would be Architect and Engineering work; $1,124,500 would be for CMD services, and $15,898,500 would be for actual construction. What are CMD services?

Answer: CMD services are for our construction management division. This group provides inspection and construction management services, including review of estimates and drawings, construction work progress and also makes recommendations on improving the construction process as work takes place. In this instance, since the construction work is to be done "in-house", the construction management division would, in effect, perform the work of a general contractor in supervising, scheduling and controlling the construction process as well as controlling costs. The division is composed primarily of temporary positions, for which CMD funding is requested.

Question: Why should we appropriate the $18 million before the detailed drawings are completed?

Answer: The funding approved in the fiscal year 1981 budget will provide for detailed drawings enabling construction to begin in fiscal year 1982. Delay in appropriating construction funds will escalate the cost.

Question: For Library Buildings and Grounds, the FY '82 request is for $22,718,000 and 133 positions. That's an increase of $18,251,500 over the FY '81 appropriations of $4,466,500. The major increase is $18,000,000 for restoration of the Jefferson and Adams Library of Congress Buildings. Page 11.11 of the justifications indicated that you requested $7 million for FY '81 for this project. Of that amount, $936,500 was appropriated in order to have you develop reliable estimates of the costs of the entire project. What is the status of the project? What will be the total cost? Over how many years will the work be done?

Answer: The first portion of the design program has been completed. Cost estimates, preliminary design drawings and construction recommendations have been furnished to the Architect for review. The total estimated construction cost is $53,453,200, of which $1,186,500 has already been appropriated. A cost breakdown follows for the five year construction program.

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Summary of Obligations
Library of Congress Restoration
Associate Architect Estimates

	Total	Appropriation FY 1980/1981	FY 1982	FY 1983	FY 1984	FY 1985	FY 1986
Jefferson Building							
A/E Fees.....	$ 1,460,000	$ 740,000	$ 720,000	$	$	$	$ .....
CMD.....	2,735,600	14,900	889,500	642,800	561,900	435,000	191,500
Construction.....	33,311,500	148,600	10,883,400	7,891,100	6,657,600	5,326,000	2,404,800
Subtotal....	37,507,100	903,500	12,492,900	8,533,900	7,219,500	5,761,000	2,596,300
Adams Building							
A/E Fees.....	540,000	283,000	257,000	.....	.....	.....	.....
CMD.....	1,100,500	.....	384,600	350,100	353,000	6,400	6,400
Construction.....	14,305,600	.....	4,769,700	4,515,200	4,422,600	299,100	299,000
Subtotal....	15,946,100	283,000	5,411,300	4,865,300	4,775,600	305,500	305,400
Total							
A/E Fees.....	2,000,000	1,023,000	977,000	.....	.....	.....	.....
CMD.....	3,836,100	14,900	1,274,100	992,900	914,900	441,400	197,900
Construction.....	47,617,100	148,600	15,653,100	12,406,300	11,080,200	5,625,100	2,703,800
Total.....	$53,453,200	$1,186,500	$17,904,200	$13,399,200	$11,995,100	$6,066,500	$2,901,700
Furniture and Furnishings....	3,500,000 1/						
Grand Total...	$56,953,200						

1/ This amount will be included in the Library of Congress budgets for fiscal years 1983-86.

Questions Submitted by Senator Bumpers

ARCHITECT OF THE CAPITOL -- TOTAL BUDGET

Question: As you indicate on page 1.3 of your justifications you are requesting $106,887,000 for all items under the jurisdiction of the Architect of the Capitol including the Botanic Garden. This is a net increase of $36,424,000 over your current budget -- an increase of 51.6 percent.

Could you tell the Committee what items you would drop out of this budget if we were to provide only half the increase requested, an increase of only 26 percent?

Answer: If a decision was made to reduce the fiscal year 1982 increase to approximately half of that initially requested, then I would apply the reductions as outlined in the response to the request for a proposed 10% and 20% reduction, as recently submitted to the Committee.

UNOBLIGATED BALANCES LAPSING

Question: You plan to spend $83,500 in fiscal year 1982 for within-grade salary advancements and other changes for "GS" employees. On the other hand you have turned back substantially larger amounts than this to the Treasury in fiscal years 1979 and 1980 -- $184,000 in 1979 and $174,000 in 1980. Can't we anticipate a lapse of a similar amount in fiscal year 1982 and wouldn't this be enough to pay for your within-grade salary increases?

Answer: The $83,500 request for within-grade salary advancements represents the amount required for this category of increase for all "GS" employees in each "Appropriation" under the Architect of the Capitol. The lapsed funds identified refer only to the "Salaries" appropriation.

Yes, we could have absorbed the $83,500 so indicated. In fact we absorbed over twice that amount by not requesting any funding for premium pay objects.

JAMES MADISON MEMORIAL BUILDING -- LIBRARY OF CONGRESS

Question: You indicate on page 1.18 of your justifications that an unobligated balance of $2,842,416 remains from the $130,675,000 appropriated for the construction of the James Madison Memorial Building of the Library of Congress. You also state that you requested "an increase in the authorized limit of cost for the project" in fiscal year 1980 and were told by the Committee on Public Works and Transportation to bring the issue up at a later date. Do you anticipate that any further funds will be needed to finish off the Madison Building and, if so, how much money will be required?

Answer: There are presently 41 claims outstanding against the Madison project, which, at this time, represent an unknown liability to the Government. The estimated amount for settlement of these claims will increase the overall cost of the project. It appears that there may be insufficient funds remaining available to cover the settlement of claims. At present, an estimated need of additional authorization and appropriations cannot be accurately made, but it appears likely that it would range between $1.5 million to $3.5 million.

HART BUILDING

Question: As we all know the Congress has appropriated $137,730,400 for the construction of the new Hart Senate Office Building. On page 1.26 of your justifications you indicate that you have allocated $2,394,452 for contingencies. This is only 1.7 percent

of the total budget for the building. Do you believe that this amount will be adequate to meet all contingencies or do you anticipate the need for further funds?

Answer: The amount of $2,394,452 is for unallotted contingencies. Each contract amount has funding for contingencies built into the total. I believe that with the present managerial construction controls and in general the orderly progression of the work, there is sufficient funding to complete the building as it is currently intended.

Question: (If further funds are needed) How much more do you think the Congress will have to appropriate to complete the Hart Building?

Answer: Further appropriations for the Hart Building will be required if work beyond that currently funded is deemed appropriate. An estimate for that work would depend on the amount of additional construction approved. A listing of those items not included in present construction plans and their related costs have been furnished in response to a question asked by Chairman Mattingly. The total present day costs of the 20 items is $36,819,600.

Question: You state on page 1.27 of your justifications that the estimated completion date is mid-1982. How firm is this date?

Answer: The mid-1982 completion date is for Phase V-A, which is on schedule. The building is scheduled for occupancy in early 1983.

MASTER PLAN FOR THE FUTURE DEVELOPMENT OF THE CAPITOL GROUNDS AND RELATED AREAS

Question: In discussing the master plan for future development of the Capitol Grounds and Related Areas in your justifications you state that the report describing the plan will be completed and ready for printing in early 1981. When can the Congress expect to receive printed copies of the report?

Answer: The Master Plan is scheduled to be printed by GPO in June, 1981. Following its printing it will be distributed to the Congress.

EXTENSION OF THE WEST FRONT OF THE CAPITOL

Question: On page 1.32 of your justifications you cite two studies having to do with the West Central Front of the Capitol. One study looked at the cost of restoration and the second examined the cost of extension. You state that the estimated cost of restoration is $51,000,000 and that extension, which will yield an additional 147,000 square feet of space, would cost $59,000,000. Since these studies were performed in 1979 the costs of both alternatives would undoubtedly be higher at this point. Can you give the Committee some idea of what those comparative costs would be in fiscal year 1982 dollars?

Answer: If construction were to begin in June of 1982, the two cost estimates increase to $61,500,000 and $71,000,000 respectively.

Question: On the basis of these 1979 estimates it would appear that we could gain 147,000 square feet of space for an additional $8,000,000, a cost of $54.42 per square foot. This seems to be a real bargain. Can you tell the Committee why the cost of extension is only about 15 percent greater than the cost of restoration?

Answer: The primary reason is that the so-called restoration process is basically a reconstruction process which is extensive and costly. For example, a great many of the stones and portions of stones, some intricately carved, will have to be replaced within the wall; this determination was made by our consultants after a close inspection of all exterior areas of the wall.

In addition, because restoration work is inherently a discovery process as work proceeds, many unknowns exist; therefore, a 35% contingency has been included in the cost computations, as compared with a 10% contingency for the extension costs where the work is basically new construction and thus the scope can be more accurately defined in advance.

Question: Please provide information for the record regarding the firms that did restoration and extension studies and tell us how those firms were selected.

Answer: The intention and result of the selection process was to provide the best technical and professional advice, counsel and design capacity that could be engaged and thus to enable the Congress to be assured of the quality, veracity and integrity of the results. In my report of November 25, 1977, to the Commission on the West Central Front of the U.S. Capitol, I outlined the program which I had developed for the timely preparation of drawings and specifications for the restoration proposals and for extension of the West Central Front, and reported on the progress to date. I advised the Commission of the process that was followed in the selection of the firms for the restoration and extension programs.

The restoration design work was done by the firm of Ammann and Whitney. That firm was selected from a group of the most prominent engineering firms in the country with expertise in stone structures. Among other firms considered were URS/Blume and Associates, San Francisco, California; Simpson Gumpertz and Heger, Cambridge, Massachusetts; and Haley and Aldrich, Cambridge, Massachusetts.

Because the other firms each had valuable expertise as well, it was deemed desirable to have the benefit of all on this important project. Therefore, principals of the other firms were engaged as a Technical Advisory Panel to review design approaches for the plans and alternatives for restoration of the West Central Front. In addition, Dr. Nathan Newmark, Professor at the University of Illinois and a world-renowned expert on structures of this nature, was engaged as part of the Technical Advisory Panel. The other principals that participated were Dr. Harl P. Aldrich, Jr., Dr. John A. Blume and Dr. Frank J. Heger. Information concerning these individuals follows.

Dr. John A. Blume, is a recognized authority in the restoration of old buildings, particularly those of stone construction. Dr. Blume's firm, of San Francisco, California, is engaged in the restoration of the California State Capitol.

Dr. Frank J. Heger, has had extensive experience with buildings which have experienced structural failures. Dr. Heger is with the firm of Simpson Gumpertz & Heger, Inc., of Cambridge, Massachusetts.

Dr. Harl P. Aldrich, Jr., is of the firm of Haley & Aldrich of Cambridge, Massachusetts. Dr. Aldrich has been selected because of his expertise in soil mechanics and foundation engineering.

Dr. Nathan M. Newmark, was Professor of Civil Engineering and former Head of the Department of Engineering, University of Illinois. Dr. Newmark, now deceased, was a world renowned structural engineer.

The design work for the extension was done by the Associate firm of Poor, Swanke, Hayden. Connell and Robert, together with their consulting firms, namely, Mueser, Rutledge, Wentworth and Johnston, Foundation Engineers; Severud, Perrone, Sturm, Bandel, Structural Engineers; Robert and Co., Mechanical and Electrical Engineers; Charles H. Tompkins Co., Construction Management; and Keystone Consultants, Cost Engineering. These are the same design professionals who performed the work on the East Front extension to the Capitol in the 1950's and early 1960's and who had prepared the preliminary drawings for the extension of the West Front in 1965. Because of their

knowledge, experience and expertise in general and about the Capitol in particular, it was deemed most prudent and in the best interest of the Government, to continue to use their capacities and experience, much of which had been gained through those prior Government contracts, in completing the design of the West Front extension.

SALARIES - OFFICE OF THE ARCHITECT,
ADDITIONAL POSITIONS

Question: You are requesting a total of $3,964,000 in fiscal year 1982 for the salaries of the Office of the Architect. This total includes $360,200 for 17 new positions. In a number of places in your justification narrative you indicate that the work that will be performed by these employees has been handled through the payment of overtime to current employees and through the hiring of temporary staff. For example on page 2.6 of your justifications, in discussing the need for 2 computer programmers, you state that existing limitations have resulted in the need for considerable amounts of overtime and the hiring of temporary staff. On page 2.9 you state that the lack of a construction project supervisor has made it necessary to assign project estimating and supervision functions to temporary staff. Can you give the Committee some idea of the savings you will achieve in overtime costs and the cost of temporary staff if we fund these requested permanent positions? I would also like to know, for the record, where these savings would occur.

Answer: Cost savings attributed to the approval of the 17 permanent positions are conservatively estimated at $125,000, which represents the salary equivalent of at least 7 of the requested positions. Reductions in the cost of temporary labor and overtime will be achieved in the "Salaries" appropriation (approximately $50,000) as well as in several project accounts which would otherwise incur charges of approximately $75,000.

Salary costs for the remaining 10 positions would not be offset by savings in overtime and temporary labor charges. These positions are justified on the basis of program needs that are not being adequately addressed at the present time, including maintenance of high priority electronic systems (e.g., the security surveillance and cable distribution programs), internal audit responsibilities, computer programming needs, and efforts to reduce energy consumption for heating and air conditioning.

FLAG OFFICE STAFF

Question: On page 2.14 of your justifications you indicate that two clerk typists are needed to provide clerical support for the Flag Office. However on page 2.18 you state that an additional $100,000 is required for temporary employment for a number of functions including "processing large numbers of Flag orders around National Holidays". If we provide funds for two new clerk typists why won't this be sufficient to handle your Flag Office operations?

Answer: If funds for two new clerk-typists are provided, the program will be sufficiently staffed to handle the regular flow of flag orders. At certain times of the year, however, we receive a large number of flag requests, resulting in increased backlogs and longer processing time to return flags and certificates to Members.

We would use the funds for temporary employees only on those occasions where we find that the increased turnaround time would result in unacceptable delays in returning flags to Members' offices.

INCREASES IN TEMPORARY EMPLOYMENT

Question: In view of the fact that your justifications indicate you plan to hire a number of permanent personnel to do the work formerly performed by temporary employees, why can't we hold your costs of temporary employment level in fiscal year 1982 rather than giving you the $100,000 increase you are requesting?

Answer: The request for funds for temporary employment is recommended partly to respond to peak service demands and partly to address problems that have arisen in allocating temporary Central Office labor costs to major construction projects when such projects have a significant impact on our administrative functions. In either case, there is no question about the work being temporary in duration; the need for the workers will fluctuate with seasonal forces or with the volume of construction activity under way. Hence this request for temporary employment funds does not address itself to the need for permanent positions to provide services for on-going programs that are not directly affected by changes in the scope of our construction or unforeseen in-house alteration activities, and consequently decisions on permanent position requests do not offset the requirements for temporary employees. Even if the requested positions are authorized, we will continue to have a need to augment our central staff from time to time to meet peak demands. The funds for temporary assistance will be used only when circumstances require additional help in the form of temporary employees. Any funds not utilized would, of course, return to the Treasury.

CONTINGENT EXPENSES

Question: You are requesting $210,000 for Contingent Expenses. You indicate on page 4.3 of your justifications that these funds have been available on a "No Year" basis since fiscal year 1979. In fact, as of September 30, 1980, $181,867 remained available for obligation. This combined with the $210,000 you received in 1981 provides a total of over $400,000 for contingent expenses. In view of this large carryover why can't we substantially reduce or eliminate further appropriations for contingent expenses in fiscal year 1982?

Answer: The Contingent Expenses appropriation is, as you know, for the purpose of funding unforeseen expenses. The unusual number of alterations that have been requested in recent months have necessitated the use of the entire carryover balance in this account. In addition, a substantial amount of the funds appropriated to date for fiscal year 1981 have also been required. As of February 28, only $131,000 remained in this account, including fiscal year 1981 appropriations to date of $151,200.

Question: You indicate on page 4.3 of your justifications that for the past 24 years major expenditures from the contingent expense account have been approved "in most cases" by the Chairman of the Senate Committee on Appropriations when these expenditures affect the Senate. What are the exceptions to this rule:

Answer: At the fiscal year 1980 House and Senate hearings before the Subcommittees on Legislative Branch Appropriations a change in policy with respect to obtaining approvals for expenditure of funds from this appropriation was announced. The Architect advised that he would continue to seek the approval of the Speaker of the House or the Chairman of the Senate Appropriations Committee, but only for major expenditures.

Exceptions that occurred in fiscal year 1980 for Senate items include: (1) Repair 8" sewer line, West side, Dirksen Senate Office Building; (2) Modifications and improvements of two escalators, Senate

side, Capitol Building (approval provided by Chairman of Subcommittee on Legislative Branch Appropriations at hearings on February 19, 1980); and Fire Protection Improvements, Senate and House Chambers.

CAPITOL BUILDINGS -- X-RAY INSPECTION SYSTEM

Question: You are requesting $9,971,000 for the upkeep and improvement of Capitol Buildings in fiscal year 1982, including $720,000 for the acquisition and installation of nine X-ray inspection units. According to the narrative on page 5.19 of your justifications this request is made "in anticipation of the need for additional sites to provide inspection capability in areas not presently covered". If we have been able to get along without these X-ray inspection units thus far, why is it necessary at this point, when we are confronted by strong pressures to hold down Federal spending, to install additional X-ray inspection units?

Answer: It is not critical that the additional x-ray units be provided at this time. They would be of assistance to the Capitol Police but are not considered absolutely necessary. It has been proposed in a separate letter to use $240,000 of the $720,000 request to fund temporary positions for the installation of electronics systems.

CAPITOL BUILDINGS -- NEW SERVICE OFFICERS

Question: You are requesting $37,200 under the Capitol Buildings account for two new Service Officers to assist the Capitol Engineers in the performance of their duties. You indicate on page 5.6 of your justifications that at the present time you require one of the engineers "to remain on duty on an overtime basis to handle late evening responsibilities". Apparently these new Service Officers would make this overtime duty unnecessary.

Can you tell the Committee what off-setting overtime savings you anticipate if you are given the funds to hire these two new Service Officers?

Answer: Overtime expenses alone are estimated at $4,500-5,000 per year for periods when Congress is in session late in the evening. These costs would be avoided by the approval of the service officer positions. In addition to overtime cost savings, other advantages would result from approval of this request. Congressional leadership offices located in the Capitol, as well as the offices of elected officials of the Senate and House, which are frequently open for business late into the evening hours would have a direct contact point with an individual knowledgeable in the operation of the Supervising Engineer's office who could respond to requests for services from the leadership's offices on a more timely basis. A duty officer would be available at night to handle emergency maintenance or service needs, and to assist staff members who wish to gain admission to areas of the building that are locked or are otherwise inaccessible. During the regular working hours, a service officer will also be on duty to provide prompt response to requests for assistance and other service needs. This will allow the Supervising Engineer and his Assistant more time for planning, directing, and supervising the many maintenance, alteration, and repair projects that are continuously underway in the Capitol. A considerable amount of their time is currently devoted to answering telephone requests that could be handled by a service officer. It should be noted that both the Senate and House Office Buildings have service officer positions authorized for these needs not only during the regular work day, but on a 24-hour a day basis. If approved, this request for the Capitol Building would provide two-

shift coverage, thereby providing more timely service and reducing overtime costs.

CAPITOL BUILDINGS -- ELEVATOR MAINTENANCE AND REPAIRS

Question: On page 5.7 of your justifications you indicate that you need $30,100 in fiscal year 1982 for elevator maintenance and repair in the Capitol. This is an increase of 47 percent over your current elevator maintenance and repair budget. Why is an increase of this magnitude necessary?

Answer: Expenditures for this purpose during FY 80 exceeded our estimate largely due to the excessive quantity of spare parts required to continue the escalators in service. Until the two escalators on the House side can be renovated, we do not expect these maintenance costs to decrease.

CAPITOL BUILDINGS -- MAINTENANCE AND RENTAL OF OFFICE AND COMPUTER EQUIPMENT

Question: You are requesting $272,000 under your Capitol Buildings account for the Maintenance and Rental of Office and Computer Equipment in fiscal year 1982. This is an increase of $81,000 or 42 percent above your current budget. Can you tell the Committee why such a sharp increase is required for this activity?

Answer: Approximately $72,000 of the increase is attributed to the cost of renting and maintaining our UNIVAC computer system. This request is required to continue to support existing computer applications (e.g., accounting, payroll, project numbering system, etc.) as well as to make it possible to introduce automated systems in other critical program areas such as project scheduling, inventory control, labor distribution, personnel management, and procurement administration.

We are committed to the goal of developing more sophisticated management techniques that not only can help reduce future staffing needs but also provide considerably greater controls on day-to-day operations. To achieve these goals, we must develop the necessary tools and provide the necessary support facilities to strengthen our management capability. Toward this end, we upgraded our data processing facilities in fiscal year 1980 and have embarked on a program to develop new management systems in several critical areas.

The request for computer equipment is based on extending our current rental and maintenance agreement into FY 1982 while providing 10 additional terminals, a more efficient disk drive system, and enhanced programming software packages. According to published industry statistics, our request for computer rental and maintenance needs falls one-third below the government-wide average. Our request was not formulated to bring us closer to the average, however. Instead, it reflects our commitment to greater reliance on data processing for long-term productivity gains.

The remaining $9,000 of the increase in this account is for rental and maintenance of office equipment such as copiers, typewriters, microfilm readers, and photographic equipment. The budget increase is based on projected inflation in rental and for maintenance agreements for office equipment currently under lease or in our equipment inventory; no additional equipment needs are reflected in the request.

Question: On page 5.9 of your justifications you indicate that your office and computer equipment is serviced through an annual contractual maintenance agreement rather than the hiring of permanent staffing to keep costs at a minimum. In view of the sharp increase in maintenance expenses anticipated in fiscal year 1982, have you

reconsidered the possibility of hiring permanent staff for this purpose?

Answer: The largest single item in this account is the rental and maintenance of computer equipment budgeted at $238,500 in fiscal year 1982. Of this total, less than $4,000 is for maintenance of equipment owned by the office; the balance is for both rental and maintenance of leased equipment. For equipment provided under a rental agreement, vendors require that the equipment be serviced only by their own technicians.

Our experience with office equipment has been that maintenance contracts are the most cost-effective way to keep heavily used equipment in good working order. Given the diversity of equipment (such as copiers, typewriters, microfilm equipment, photographic equipment, etc.) on one hand, and the relatively small number of any given item of equipment on the other, it is highly improbable that we could maintain the equipment we own as efficiently as under a maintenance service agreement. It should be noted, however, that due to greater economies of scale, the Office of the Sergeant at Arms of the Senate has developed a maintenance capability which includes certain models of typewriters, for example. Several years ago the Sergeant at Arms agreed to maintain certain models of our typewriters, and, hence, our contracts with outside firms cover only those pieces of equipment that cannot be serviced by Sergeant at Arms personnel.

CAPITOL BUILDINGS -- MAINTENANCE OF ELECTRONIC SYSTEMS

Question: You are requesting a 24 percent increase to a total of $857,700 for the maintenance of electronic systems in the Capitol complex in 1982. On page 5.11 of your justifications you indicate that you have merged three inventory accounts under this one appropriation to provide for better control, lesser inventory levels, and lower prices from bulk purchases. In view of the efficiencies that this merger should produce, why is it necessary to ask for a 24 percent increase in this activity for fiscal year 1982?

Answer: The 24 percent increase is mainly due to five areas of increased costs in this maintenance account, as follows:

	FY 1981	FY 1982
Intrusion Detection.....	$ 32,800	$ 84,000
CATV System.....	64,800 (1)	111,500
Energy Management.....	9,900	15,000
Controls Systems.....	127,500 (2)	200,000
Miscellaneous Expenses...	67,100	100,000

(1) The $64,800 in FY 81 was included in House Office Buildings and is being transferred to this account in Capitol Buildings.

(2) In FY 81, $37,000 of this amount was included for maintenance in Library of Congress buildings. This activity is being transferred to this account in Capitol Buildings for FY 82.

The amount requested for maintenance of the closed-circuit television system for FY 82 is $45,000 less than FY 81 due to improved equipment and maintenance procedures.

CAPITOL BUILDINGS -- REPLACEMENT OF MINTON TILE, SENATE WING

Question: You are requesting $220,000 in fiscal year 1982 for the initiation of a program to replace Minton floor tiles in the Senate Wing of the Capitol. The total cost of this replacement program will be $1,500,000. Can you tell the Committee how many tiles will be replaced in fiscal year 1982 and over the life of the program if these funds are provided?

Answer: 3,718 tiles have been identified for replacement in the first phase of this program. The total number of tiles to be replaced is between 20,000-22,000.

Question: On page 5.14 of your justifications you indicate that the process by which the existing tiles were made has been revived by the successor to the original Minton Company. If we don't start this replacement project now will we be foreclosed from initiating the program in future years or will the process mentioned in your justifications continue to be available?

Answer: Unless the program is begun in the next year, it is very unlikely that the manufacturing process will be available in the future due to the manufacturer's unwillingness to maintain the process without adequate orders.

CAPITOL BUILDINGS -- PRESERVATION OF HISTORIC DRAWINGS

Question: On page 5.15 of your justifications you indicate that a two year program for the Preservation of Historic Drawings was initiated back in 1977 with an appropriation of $35,000. The program was expected to cost a total of $72,000. Now it has been concluded that to preserve all items will require an additional $50,000 for 1982 and that a further amount will be needed in fiscal year 1983 to conclude the program. Can you tell the Committee why a program initially estimated to take two years has been stretched out to six years and also indicate how much it will cost in 1983 to wrap up the program?

Answer: The conservation program of the historic drawings in the Collection of the Architect of the Capitol is the first and largest in scale of any architectural collection in the United States. The program is one that requires specific skills of highly trained conservators. Two of the conservators who formerly worked on this project are no longer in the employ of the Library, but efforts are being made to hire replacements for those vacant positions.

These vacancies have caused some delay in the conservation program. However, the major reason the program has been delayed is because, in scheduling treatments on specific drawings, which are some of the prized works of art in the Capitol collection, the Library found that more time was required for each drawing because of complex treatments. The physical size of some of the drawings is also a problem. Techniques carried out easily on small documents become more difficult and time consuming, often requiring two people to manipulate large sheets of paper and/or materials (trays, support grids, plexiglass tray covers) due to both size and weight involved. This means, therefore, that two people are performing a task which would ordinarily be expected to be done by one person.

There will also be some delay this year while laboratory facilities for the project are moved from the John Adams Building to the James Madison Building. It also takes time to train professional personnel in the needed specialized techniques.

The Library has informed us that salary costs will increase slightly in fiscal year 1983 for the program.

1983 is still the target date for completion of the project.

CAPITOL BUILDINGS -- GRAPHICS DISPLAY SYSTEM

Question: You are requesting $120,000 in fiscal year 1982 to initiate a computer controlled graphics display system to assist police operators to more quickly and efficiently respond to the office alarm system. The narrative on page 5.22 of your justifications indicates that the present system has an adverse impact on the response time of the police. Have there been any significant mishaps because

of slow response time attributable to the lack of a graphics display system?

Answer: There have not been any recorded mishaps, to my knowledge, but this request is to assist the police operators in the future in responding rapidly to an expanding and more complex system. By this means, we hope to prevent delays and mistakes in receiving intrusion alarms and in transmitting correct information to the responding officers.

CAPITOL BUILDINGS -- MISCELLANEOUS IMPROVEMENTS

Question: You are requesting $125,000 for Miscellaneous Improvements to the Capitol Buildings in fiscal year 1982. Can you give the Committee any idea of how these funds might be spent?

Answer: Since these accounts, "Miscellaneous Improvements", were established in several of the appropriations under the jurisdiction of the Architect of the Capitol they have been used solely for the purposes of funding unscheduled or emergency needs such as renovations and remodeling that come about unexpectedly which arise on an annual basis. Therefore, it is impossible to identify how the funds will be spent in fiscal year 1982; but it will be for unscheduled and emergency needs that cannot be delayed until some future date. Some past examples have been: alterations to S-231; install new handrails old Senate Chamber; renovate room ST-46 for computer use; and install temporary handrails, House Gallery. All work was performed in the Capitol Building.

CAPITOL BUILDINGS -- LAST QUARTER OBLIGATIONS

Question: The table on page 5.26 of your justifications indicates that fourth quarter obligations for supplies and materials as well as equipment under the Capitol Buildings account were in excess of 40 percent in fiscal year 1980. Can you tell the Committee why so much of your budget was obligated for fourth quarter purchases in these two areas?

Answer: Three major factors account for the higher rate of expenditures for supplies, materials and equipment during the fourth quarter. First, construction-related activities normally reach a peak during the summer months because of favorable weather conditions for outside work and Congressional recess periods which often permit interior work to be performed with the least amount of disruption to ongoing office activities. Purchases required for such projects will, therefore, increase expenditures during this period.

The regular stock reordering cycle is a second factor contributing to fourth quarter purchasing requirements. Many commodities used for building maintenance purposes are purchased only a few times a year. Considerable amounts of such supplies and materials are procured during the summer months because of greater maintenance workloads attributable to heavier tourist activity and the fact that many non-routine maintenance tasks are performed during the summer season. For example, one-third of the total amount obligated for supplies and materials during the fourth quarter was for cleaning supplies, many of which are purchased only once or twice each year. Large purchases were also made to restock light bulbs and tubes, hardware items and electrical supplies.

A third important consideration in the fourth quarter spending pattern is the basic management practice of the office to schedule certain major purchases for later in the fiscal year so that funds will be available if needed to respond to any urgent but unanticipated requirements of the Congress. Consequently, we wait to purchase

replacement and new equipment items, such as office equipment, until we are reasonably certain that other contingencies will not arise. In the fourth quarter of fiscal 1980, for example, we replaced a 12-year old offset duplicating machine ($9,100) and a non-functional color photography processor ($8,000), and spent about $36,000 for necessary pieces of new equipment, such as a chisel mortiser machine, a blueprint machine, Qyx typewriters for the central office, and file cabinets for drawings, microfilm storage, etc.

CAPITOL GROUNDS -- POSITION INCREASES

Question: You are requesting $52,800 for four laborers under your Capitol Grounds account to perform functions that are currently being provided by temporary employees. Can you give us some idea of the savings you anticipate from not having to employ temporary laborers to perform this work should you receive the funds to add four permanent workers to your staff?

Answer: Temporary laborers have been funded in the past from savings in the Capitol Grounds budget. In anticipation of having these positions approved, we have already reduced our increases in the fiscal year 1982 budget request. There would therefore be no new savings anticipated.

CAPITOL GROUNDS -- RESURFACING THE CAPITOL PLAZA

Question: You are requesting $235,000 in fiscal year 1982 to resurface the Capitol Plaza. On page 6.11 of your justifications you indicate that "large cracks and holes have developed throughout the plaza creating a condition that can no longer be remedied through temporary patching and repairs". If you receive these funds, what savings will you achieve through eliminating the need for temporary patching and repairs?

Answer: The patching and repair work which is done on the Capitol Plaza is accomplished mostly by our own forces and is paid from "Repairs to Streets, Sidewalks, Curbing and Other Areas".

Monies not used on repairs of Capitol Plaza paving would be used elsewhere on the Grounds to make repairs as needed. Primary savings would occur as a result of avoidance of continuing deterioration, additional costly repairs and increased final costs.

SENATE OFFICE BUILDINGS -- ELEVATOR REPAIRS AND IMPROVEMENTS

Question: You are requesting a two-thirds increase in your appropriation for elevator repairs and improvements under your Senate Office Buildings account in fiscal 1982. This very substantial increase has apparently been necessitated because you underestimated these costs in the past. For example you originally planned to spend $19,300 on elevator repairs and improvements in 1980 and ended up spending $29,503. Can you tell the Committee why you so badly under estimated the cost of these repairs and improvements?

Answer: We had for several years known that the allotment for Elevator Repairs and Improvements was not sufficient to meet projected obligations. It was our approach to provide adequate funds in incremental stages and to use savings from other areas if possible. This allotment not only accounts for costs to maintain elevators but also includes escalators and the subway system.

Question: Please tell the Committee where you were able to find the $10,200 you needed in fiscal year 1980 to augment your elevator repairs and improvements program.

Answer: The over expenditure in fiscal year 1980 was not specifically financed from any other allotment but rather was absorbed by the unobligated balance of the total Senate Office Buildings appropriation.

SENATE OFFICE BUILDINGS -- LAUNDRY COSTS

Question: You are requesting a total of $186,000 for laundry expenses under the Senate Office Buildings account in fiscal year 1982, an increase of $40,000 or 27 percent over your current budget. Can you tell us why you anticipate an increase of this magnitude in your laundry requirements for fiscal year 1982?

Answer: The $40,000 increase in this account is requested for the requirements of the Senate Office Buildings ($12,000) and the Senate Restaurants ($28,000), which represent increases of 43 percent and 24 percent, respectively. Past and projected inflationary price rises account for the entire requested increase in the Senate Office Buildings allotment and a significant portion of the increase requested in this account by the Senate Restaurants. Inflation increases are considerable in these accounts because recent price adjustments were not adequately represented in past budget requests. In fiscal 1980, for example, expenses exceeded the budget allotment by 15 percent in the Senate Office Buildings portion of the account and by 11 percent in the Senate Restaurants.

Additional inflationary pressures anticipated in fiscal years 1981 and 1982 could exacerbate last year's budgetary shortfall, making the actual increase in fiscal year 1982 lower than it appears in relation to fiscal year 1981 budgeted amounts. In comparison with FY 1980 price levels, we have already experienced substantial increases this year in the unit price of certain laundry items (e.g., extra-large tablecloths up 33 percent, napkins up 23 percent, and towel rentals up 8 percent). Against this backdrop, the fiscal year 1982 request is intended to reflect, in realistic terms, the impact of inflation on purchases funded from these accounts.

A second reason for the increase requested in the Senate Restaurants laundry account is the projected increase in the number of days the Senate is expected to be in session compared with the estimates used to develop the fiscal year 1981 request. These projections of in-session days are consistent with past patterns which show an increase in the fiscal year following the start of a new Congress. The Senate was in session a total of 195 days during fiscal year 1980, for example, compared with 126 in-session days during fiscal year 1979 -- an increase of 69 days or 55 percent. An increase in the number of in-session days translates into a greater demand for the services of the Senate Restaurants and a correspondingly greater use of tablecloths, napkins and related items that require laundry services.

SENATE GARAGE -- TERMINAL LEAVE FOR GARAGE ATTENDANTS

Question: You are requesting a total of $99,000 for the Senate Garage in fiscal year 1982. On page 8.2 of your justifications you indicate that you anticipate a reduction of $21,000 in expenses because in 1981 you had to provide this amount for terminal leave payments due to the transfer of four employees not required in subsequent years. It is made clear on page 8.3 of your justifications that these attendants were transferred to the jurisdiction of the Sergeant at Arms and Doorkeeper of the Senate. If these employees were simply transferred to another jurisdiction, why is it necessary to pay $21,000 in terminal leave this year?

Answer: The legislation which provided for the transfer of certain Senate Garage employees to the Office of the Sergeant at Arms authorized the Architect of the Capitol to make a lump sum payment to compensate each transferred employee for any unused annual leave accumulations. Authorization of terminal leave was necessary because the employees in question were transferring from the formal leave system established by statute, and which is applicable to employees of the Architect of the Capitol, to the informal leave system adopted as a matter of policy for employees of the Sergeant at Arms. Since annual leave accrued under a formal leave system may not be transferred to an informal leave system, the employees were compensated for unused annual leave accruals that would otherwise have lapsed in the absence of such authority.

SENATE GARAGE -- SUPPLIES AND MATERIALS

Question: On page 8.5 of your justifications you have set forth a table showing obligations by quarter for the Senate Garage account in fiscal year 1980. This table indicates that 77 percent of your supplies and materials obligations took place in the last quarter of fiscal year 1980. Can you explain why this occurred?

Answer: Approximately $6,500 (80%) of the total fourth quarter expense in this account can be attributed to the purchase of items needed for regular maintenance activities that are procured only a few times each year to restock depleted inventories. Included among the fourth quarter obligations were funds for electrical supplies, janitorial supplies, and cleaning compound.

CAPITOL POWER PLANT -- GENERAL ANNUAL REPAIRS AND ALTERATIONS

Question: You are requesting $217,000 for general annual repairs and alterations to the Capitol Power Plant in fiscal year 1982, an increase of $19,800 over your current appropriation for this program. On page 10.7 of your budget justifications you indicate that actual obligations for repairs and alterations exceeded the budgeted amount in fiscal year 1980 by about $24,000. Apparently this overrun was absorbed from savings under other allotments. Can you give the Committee some idea of where these savings occurred?

Answer: Yes. The two primary areas where unobligated balances remained at the conclusion of the fiscal year were Personnel Compensation and Fuel Oil.

CAPITOL POWER PLANT -- CYCLICAL MAINTENANCE

Question: You are requesting $300,000 for replacement of expansion joints in steam lines and $131,500 for replacement of the roof in the original section of the power plant building in fiscal year 1982. These amounts were requested and denied last year. Can you tell the Committee what further deterioration has occurred over the past few months as a result of this denial and what problems we can expect to occur in the months ahead if we once again deny the funds?

Answer: The roof repair work at the Capitol Power Plant can probably be delayed one more year. However, eventually this work must be done to prevent further damage.

The work on the expansion joints and supports in the steam tunnel piping system and the construction of the new steam line to the West side of the Capitol Building should be continued since the existing steam line buried under the East Plaza from South Capitol Street is in an advanced stage of deterioration and may fail completely at any time.

CAPITOL POWER PLANT -- ELECTRICAL GENERATOR FOR PEAK SHAVING

Question: You are requesting $990,000 in fiscal year 1982 for the installation of an alternate electric power source at the Capitol Power Plant to reduce peak demand. You indicate on page 10.13 of your justifications that this project will require at least two years. Why shouldn't the Committee give you design money now and wait to provide you the amount needed to award the actual installation contract until we have a firm estimate of the cost of the project as a result of the engineering design?

Answer: The funds could be provided in two separate appropriations. If that is the decision, I suggest that $500,000 be provided for FY 82 and the remainder will be requested for FY 83. The purchase of most of the major equipment could be accomplished in FY 82, even before the final detailed design is completed, and thereby save inflation costs for one year and insure as early an installation as possible to reduce the peak electrical demand charges.

Question: How much would it cost to simply do the A/E work?

Answer: It would cost approximately $75,000 to perform the engineering design work.

LIBRARY BUILDINGS AND GROUNDS,
STRUCTURAL AND MECHANICAL CARE

Question: You are requesting a total of $22,718,000 in fiscal year 1982 for Library Buildings and Grounds, an increase of $18,251,500 over your current appropriation. The bulk of this increase, a total of $18,000,000, is for the restoration of the Jefferson and Adams Library of Congress Buildings. Can you give the Committee some idea how much it would cost to simply take care of the safety problems associated with these buildings, leaving the restoration of the highly decorated surfaces, etc., to a later year?

Answer: The total estimated cost of work necessary to correct safety problems in the two buildings is approximately $15 million. This amount is for construction, construction management and also includes necessary A/E fees. It must be noted that whereas providing these necessary improvements is highly desirable and beneficial to the Library, providing them without also providing the necessary space renovations delays the efficient and effective use of the Library's resources, and may increase later costs because of having to modify architectural work in order to provide the necessary mechanical and electrical work associated with improved safety conditions.

Question: If we decided simply to provide the money for architectural/engineering fees can you tell us how much we should provide for the services of the Construction Management Division in fiscal year 1982?

Answer: If only A/E fees are provided in fiscal year 1982, an additional $100,000 should be provided for the review of drawings and specifications and related in-house design work performed by the Construction Management Division.

LIBRARY BUILDINGS AND GROUNDS -- FISCAL YEAR 1980
SPENDING BY QUARTER

Question: On page 11.15 of your justifications you indicate that fourth quarter spending for "other services" and for "equipment" under the Library Buildings and Grounds account exceeded 57 percent in fiscal year 1980. Can you tell the Committee the reason for this high last quarter spending rate?

Answer: During the last quarter of fiscal 1980, a $250,000

contract was obligated to provide architectural design studies and cost estimates for the renovation of the Jefferson and Adams buildings of the Library of Congress. This item was included in the budget and was obligated late in the fiscal year as a result of the considerable effort required to select an architect and negotiate the agreement. It occurred by chance in the fourth quarter. With this item excluded from the fourth quarter totals, the remaining purchases fall in line with the pattern of the first three quarters.

Fourth quarter equipment costs were higher than the previous three quarters because of the need to purchase partitions ($7,450) and equipment for handling and moving heavy boxes and other supplies ($10,900). Remaining fourth quarter equipment costs were in line with prior quarterly experience.

BOTANIC GARDEN -- ROOF REPLACEMENT AND EXTERIOR RENOVATION OF CONSERVATORY BUILDING

Question: You are requesting a total of $2,311,000 for the Botanic Garden in fiscal year 1982. Most of the increase in this account, a total $548,200, is for roof replacement and exterior renovation of the Conservatory Building. Has your office given any thought to segmenting the job by replacing the roof in fiscal year 1982 and postponing exterior renovation until some future date?

Answer: This option has been considered. However, some of the exterior renovation work must be accomplished at the same time the roof is replaced, specifically the parapet surrounding the roof. The flashing between the parapet wall and the roof leaks and must be replaced as the roof is replaced, or else water will drain off the roof and back through the parapet flashing. The parapet would be repointed at the same time.

Question: How much would it cost to simply replace the roof in fiscal year 1982?

Answer: The roof replacement and necessary parapet work would cost $299,000.

LIMITATION ON TRAVEL EXPENSES

Question: Once again this year you are asking for a $20,000 limitation on travel expenses. Can you tell us in as much detail as possible how those funds were spent in fiscal year 1980 for the record?

Answer: The information follows.

76-636 O - 81 - 23

OFFICE OF THE ARCHITECT OF THE CAPITOL

TRAVEL

(FROM OCTOBER 1, 1979 THRU SEPTEMBER 30, 1980)

APPROPRIATION	LIMITATION	EXPENDED
CAPITOL BUILDINGS, 1980	$	$ 7,517.52
CAPITOL GROUNDS, 1980		532.00
MASTER PLAN FOR FUTURE DEVELOPMENT OF THE CAPITOL GROUNDS AND RELATED AREAS, NO YEAR		295.25
CONSTRUCTION OF AN EXTENSION TO THE NEW SENATE OFFICE BUILDING, NO YEAR		1,019.93
HOUSE OFFICE BUILDINGS, 1980		16.65
MODIFICATIONS AND ENLARGEMENT, CAPITOL POWER PLANT, NO YEAR		18.00
STRUCTURAL AND MECHANICAL CARE, LIBRARY BUILDINGS AND GROUNDS, 1980		15.75
LIBRARY OF CONGRESS, JAMES MADISON MEMORIAL BUILDING, LIBRARY BUILDINGS AND GROUNDS, NO YEAR		547.52
	$ 20,000.00	$ 9,962.62

APPROPRIATION: CAPITOL BUILDINGS, 1980 (0100105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1980 - FOR THE PERIOD: OCTOBER 1, 1979 THRU SEPTEMBER 30, 1980

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
John H. Berlin	Chief Engineer	Lafayette, Ind.	Attend Purdue University Industrial Fuel Seminar	10/2/79 - 10/5/79	$ 428.50
Robert H. Wissmann	Accounting Officer	Washington, D.C.	Meeting - Treasury	10/16/79	1.00
Robert Nash	Head, Data Processing	Washington, D.C.	Meeting - Treasury	10/16/79	1.00
Joan Parker	Payroll Supervisor	Washington, D.C.	Meeting - Treasury	10/16/79	1.00
Elliott Carroll	Executive Assistant	Philadelphia, Pa.	Attend University of Pennsylvania International Seminar on Urban Design	10/17/79 - 10/20/79	380.05
David L. Parise	Engineering Aide	Lanham, Md.	Attend TACO/JERROLD Seminar on MATV & TV Distribution System	10/23/79 - 10/25/79	42.60
William H. Phillips	Electrician	Lanham, Md.	Attend TACO/JERROLD Seminar on MATV & TV Distribution System	10/23/79 - 10/25/79	181.48
Joseph L. Adams	Electronics Technician	Norfolk, Va.	Attend Seminar on Energy Monitoring & Control Systems	11/5/79 - 11/8/79	226.25
Donald Parry	Asst. to the Director of Engineering	Norfolk, Va.	Attend Seminar on Energy Monitoring & Control Systems	11/5/79 - 11/8/79	226.25
Richard M. Brandon	Head, Security Engineering	Norfolk, Va.	Attend Seminar on Energy Monitoring & Control Systems	11/5/79 - 11/8/79	323.21
Gary P. Lukas	Mechanical Engineer	Norfolk, Va.	Attend Seminar on Energy Monitoring & Control Systems	11/5/79 - 11/8/79	226.25

APPROPRIATION: CAPITOL BUILDINGS, 1980 (0100105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1980 - FOR THE PERIOD: OCTOBER 1, 1979 THRU SEPTEMBER 30, 1980

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Ralph E. McDonald	Head Electrical Engineer	Washington, D.C.	Various trips to Potomac Electric Power Company to attend meetings	12/7/79	$ 7.00
Robert Nash	Head, Data Processing	Washington, D.C.	Demonstration at I.B.M. Corp.	1/18/80	1.00
Richard Matullo	Assistant to the Accounting Officer	Washington, D.C.	Demonstration at I.B.M. Corp.	1/18/80	1.00
Tony Lopez	Computer Specialist	Washington, D.C.	Demonstration at I.B.M. Corp.	1/18/80	1.00
Donald R. Bailey	Computer Specialist	Philadelphia, Pa.	Attend seminar on the basic systems support	2/10/80 - 2/15/80	928.50
Ronald B. Schenk	Assistant Head, Security Engineering	Hatboro, Pa.	Attend engineering design meeting at Jerrold Corp.	2/19/80 - 2/20/80	135.93
Harry L. Burnett, Jr.	Photographer, Still	Rochester, N.Y.	Attend seminar on Preservation and Restoration of Photographic Images	3/2/80 - 3/5/80	516.98
Ken Johnston	Electrician Power Mechanic Worker	Indianapolis, Ind.	Attend seminar on 149 Engine Overhaul Class	3/16/80 - 3/22/80	528.08
Ben C. Wimberly	General Counsel	Harpers Ferry, W. Va.	Attend Advanced Legislative Institute Seminar	3/13/80	50.00
Larry Stoffel	Assistant Chief Engineer	New Carrollton, Md.	Attend Boiler Efficiency Improvement Seminar	3/20/80 - 3/21/80	244.97
Ralph McDonald	Head Electrical Engineer	Laurel, Md.	Attend disposal of PCB Seminar	4/15/80	5.00
George Molnar	Electrical Designer	Laurel, Md.	Attend disposal of PCB Seminar	4/15/80	19.80

APPROPRIATION: CAPITOL BUILDINGS, 1980 (0100105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1980 - FOR THE PERIOD: OCTOBER 1, 1979 THRU SEPTEMBER 30, 1980

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Ken Lauziere	Fire Protection Technician	Gaithersburg, Md.	Attend Engineering Applications of Fire Technology Seminar	4/16/80 - 4/18/80	$ 127.17
Mary C. Long	Head, Records Management	Washington, D.C.	Attend exposition for new micro-film equipment seminar	4/21/80	2.90
Larry Stoffel	Assistant Chief Engineer	Lexington, Ky.	Attend Annual Kentucky Industrial Coal Seminar	4/29/80 - 5/1/80	369.30
Walter E. Montgomery	Air-Conditioning Equipment Technician	Annapolis Junction, Md.	Attend Industrial Pump Seminar	5/20/80	25.00
James Colbert	Pipe Fitter Plumber General Foreman	Annapolis Junction, Md.	Attend Industrial Pump Seminar	5/20/80	32.60
Owen Bradshaw	Air-Conditioning Equipment Technician	Annapolis Junction, Md.	Attend Industrial Pump Seminar	5/20/80	40.00
Joseph L. Adams	Electronic Technician	Bethesda, Md.	Attend Data Acquisition and Signal Conditioning Seminar	5/21/80	5.20
Eugene Wallis	Electronic Technician Foreman	Bethesda, Md.	Attend Data Acquisition and Signal Conditioning Seminar	5/21/80	14.00
Clay Kinney	Safety Engineer	Washington, D.C.	Attend 1st Annual Eastern Regional Safety Congress and Exposition Seminar	5/29/80 - 5/30/80	57.00
Elliott Carroll	Executive Assistant	Nantucket, Mass.	Attend Preservation Workshop Seminar	8/2/80 - 8/7/80	424.20
Robert A. Nash	Head, Data Processing	Minneapolis, Minn.	Review and test AOC Payroll System, Data Base Design etc., for Univac 1100/60 System	8/4/80 - 8/7/80	485.00

APPROPRIATION: CAPITOL BUILDINGS, 1980 (0100105)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1980 - FOR THE PERIOD: OCTOBER 1, 1979 THRU SEPTEMBER 30, 1980

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Donald Bailey	Computer Specialist	Minneapolis, Minn.	Review and test AOC Payroll System, Data Base Design etc., for Univac 1100/60 System	8/4/80 - 8/7/80	$ 485.00
Robert Wissmann	Accounting Officer	Minneapolis, Minn.	Review and test AOC Payroll System, Data Base Design etc., for Univac 1100/60 System	8/4/80 - 8/7/80	523.50
George M. White	Architect of the Capitol	White Plains, N.Y.	Attend Advisory Council on Historic Preservation Seminar	8/5/80 - 8/7/80	102.25
Joan Parker	Payroll Supervisor	Minneapolis, Minn.	Review and test AOC Payroll System, Data Base Design etc., for Univac 1100/60 System	8/6/80	325.75
Ellen R. Nagle	Air-conditioning Engineer	Gaithersburg, Md.	Attend Controls for Energy Conservation Seminar	9/9/80	19.60
Ray McLain	Assistant Personnel Officer	Washington, D.C.	Attend training at the Office of Personnel Management	9/15/80 - 9/19/80	2.20

APPROPRIATION: CAPITOL GROUNDS, 1980 (0100108)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1980 - FOR THE PERIOD: OCTOBER 1, 1979 THRU SEPTEMBER 30, 1980

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Paul Pincus	Landscape Architect	Orlando, Fla.	Inspect Disney World grounds maintenance procedures	4/23/80 - 4/26/80	$ 204.26
Paul Pincus	Landscape Architect	Manchester Center, Vt.	Inspect evergreen trees for 1980 Capitol Christmas Tree	7/9/80 - 7/11/80	327.74

APPROPRIATION: MASTER PLAN FOR FUTURE DEVELOPMENT OF THE CAPITOL GROUNDS AND RELATED AREAS (01X0119)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1980 - FOR THE PERIOD: OCTOBER 1, 1979 THRU SEPTEMBER 30, 1980

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Elliott Carroll	Executive Assistant	Philadelphia, Pa.	Consult with staff of Wallace, McHarg, Roberts & Todd	3/4/80	$ 57.50
George M. White	Architect of the Capitol	Philadelphia, Pa.	Consult with staff of Wallace, McHarg, Roberts & Todd	3/4/80	31.00
George Toop	Staff Assistant	Philadelphia, Pa.	Consult with staff of Wallace, McHarg, Roberts & Todd	3/4/80	31.00
Elliott Carroll	Executive Assistant	Philadelphia, Pa.	Consult with staff of Mitchell/Giurgola	6/27/80	78.75
George M. White	Architect of the Capitol	Philadelphia, Pa.	Consult with staff of Mitchell/Giurgola	6/27/80	33.00
George Toop	Staff Assistant	Philadelphia, Pa.	Consult with staff of Mitchell/Giurgola	6/27/80	33.00
Elliott Carroll	Executive Assistant	Boston, Mass.	Consult with architectural staff	9/9/80	29.25
George M. White	Architect of the Capitol	Boston, Mass.	Consult with architectural staff	9/9/80	1.75

APPROPRIATION: CONSTRUCTION OF AN EXTENSION TO THE NEW SENATE OFFICE BUILDING (01X0122)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1980 - FOR THE PERIOD: OCTOBER 1, 1979 THRU SEPTEMBER 30, 1980

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
William F. Raines, Jr.	Administrative Assistant	Houston, Tx.	Confer with Thomsen, Scarano & Whitcomb	11/27/79 - 11/29/79	$ 493.75
Emanuele Crupi	Budget Officer	Houston, Tx.	Confer with Thomsen, Scarano & Whitcomb	11/27/79 - 11/29/79	509.71
Barry West	Assistant Chief Clerk	Washington, D.C.	Deliver papers & materials to Warnecke, Associate Architects	12/11/79	1.00
Barry West	Assistant Chief Clerk	Washington, D.C.	Deliver papers and materials to Warnecke, Associate Architects	2/11/80	2.00
Barry West	Assistant Chief Clerk	Washington, D.C.	Deliver papers and materials to Warnecke, Associate Architects	2/25/80	2.00
Robert E. Flore	Contract Coordinator	Gaithersburg, Md.	Review sealant samples to be used in the Everett McKinley Dirksen Office Building	4/8/80	11.47

APPROPRIATION: HOUSE OFFICE BUILDINGS, 1980 (0100127)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1980 - FOR THE PERIOD: OCTOBER 1, 1979 THRU SEPTEMBER 30, 1980

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Gerald E. Ketchem, Sr.	Safety Technician	Gaithersburg, Md.	Transport asbestos samples for testing at the National Bureau of Standards	3/14/80	$ 16.65

APPROPRIATION: MODIFICATIONS AND ENLARGEMENT, CAPITOL POWER PLANT (01X0136)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1980 - FOR THE PERIOD: OCTOBER 1 1979 THRU SEPTEMBER 30, 1980

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Barry West	Assistant Chief Clerk	Washington, D.C.	Deliver papers & materials to Hennessy & Hansen, Associate Architects	10/3/79, 10/12/79 & 11/6/79	$ 5.00
Barry West	Assistant Chief Clerk	Washington, D.C.	Deliver papers & materials to Hennessy & Hansen, Associate Architects	1/15/80	1.00
Barry West	Assistant Chief Clerk	Washington, D.C.	Deliver papers & materials to Hennessy & Hansen, Associate Architects	3/10/80	1.00
Barry West	Assistant Chief Clerk	Washington, D.C.	Deliver papers & materials to Hennessy & Hansen, Associate Architects	3/25/80	1.00
William Lucas	Labor	New Windsor, Md.	Pick up limestone for the Guard House at the Capitol Power Plant	9/9/80	10.00

APPROPRIATION: STRUCTURAL AND MECHANICAL CARE, LIBRARY BUILDINGS AND GROUNDS, 1980(0100155)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1980 - FOR THE PERIOD: OCTOBER 1, 1979 THRU SEPTEMBER 30, 1980

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Mario E. Campioli	Assistant Architect of the Capitol	Jenkintown, Pa.	Examine Rosenwald Room prior to relocation in the Library of Congress	1/16/80	$ 15.75

APPROPRIATION: LIBRARY OF CONGRESS, JAMES MADISON MEMORIAL BUILDING, LIBRARY BUILDINGS & GROUNDS (01X0158)

ARCHITECT OF THE CAPITOL - TRAVEL SUMMARY - FISCAL YEAR 1980 - FOR THE PERIOD: OCTOBER 1, 1979 THRU SEPTEMBER 30, 1980

TRAVELER	TITLE	DESTINATION	PURPOSE OF TRIP	DATES	AMOUNT
Elliott Carroll	Executive Assistant	Pittsburgh, Pa.	Observe & evaluate alternative signage production system for potential use in the James Madison Memorial Building	9/24/79	$ 141.65
Paul Pincus	Landscape Architect	Fort Lauderdale, Fla.	Inspect Ficus Trees prior to delivery	10/9/79 - 10/10/79	107.37
Paul Pincus	Landscape Architect	Columbia, S.C.	Inspect replacement tree Magnolia grandiflora for the James Madison Memorial Building	4/23/80 - 4/26/80	298.50

CONGRESSIONAL BUDGET OFFICE

STATEMENT OF DR. ALICE M. RIVLIN, DIRECTOR, CONGRESSIONAL BUDGET OFFICE

ACCOMPANIED BY:

RAYMOND C. SCHEPPACH, DEPUTY DIRECTOR
ALFRED B. FITT, GENERAL COUNSEL
STANLEY L. GREIGG, DIRECTOR, OFFICE OF INTERGOVERNMENTAL RELATIONS
JAMES L. BLUM, ASSISTANT DIRECTOR, BUDGET ANALYSIS DIVISION
ROBERT D. HARRIS, DEPUTY ASSISTANT DIRECTOR, BUDGET ANALYSIS DIVISION
CHARLES S. BARDEN, JR., BUDGET ANALYST

1981 SUPPLEMENTAL AND 1982 BUDGET REQUESTS

Senator MATTINGLY. Next the subcommittee will take the testimony of Dr. Alice Rivlin, Director, the Congressional Budget Office.

For the fiscal year 1981 supplemental the Congressional Budget Office is requesting $465,000 to cover their increased pay costs. For fiscal year 1982 the budget request is for $14,298,000 and 218 positions. That is an increase of $1,695,000 over the total fiscal year 1981 appropriation.

PREPARED STATEMENT

Dr. Rivlin, why don't you just summarize your statement and we will place the full statement in the record.

[The statement follows:]

STATEMENT OF ALICE M. RIVLIN

Mr. Chairman and Members of the Subcommittee, I am pleased to present the fiscal year 1982 appropriation request for the Congressional Budget Office (CBO). CBO is a nonpartisan organization that provides the Congress with budget-related information and analyses of alternative fiscal, budgetary, and programmatic policies. CBO does not make recommendations on matters of policy; rather, we analyze options, their cost to the federal government, and their impact on the national economy and the budget.

Budget Request

For fiscal year 1982, I am presenting a budget request that has no increase in the level of authorized staff and reflects only the increased costs of maintaining current levels of services to the Congress. The request for fiscal year 1982 is for 218 positions and $14,298,000.

This marks the fifth consecutive year that the CBO has not requested additional positions. Since fiscal year 1977, the only staff increase—10 positions in 1979--came at the request of the Senate and House Budget and Appropriations Committees, not at the request of CBO. These 10 positions were added to give CBO greater capacity to analyze inflationary trends in the economy and the inflationary impact of major legislative proposals, as requested in the First and Second Concurrent Resolutions on the Budget for Fiscal Year 1981.

As Table 1 shows, CBO's funding has remained relatively stable, rising at an average of less than the rate of inflation. Even with the supplemental to cover the costs of the October 1980 pay increase, CBO's budget in fiscal year 1981 increased at considerably less than the anticipated inflation rate of about 10 percent. To live within this budget, we have deferred and cancelled needed data development, and we have introduced a number of cost-saving approaches in our computer

Analysis of CBO Budget History
(in thousands of $)

Object Class	Description	(1) FY 76 Actual	(2) FY 77 Actual	(3) FY 78 Actual	(4) FY 79 Actual	(5) FY 80 Actual	(6) FY 81 Request	(7) FY 81 Approp.	(8) FY 81 Suppl. Request	(9) FY 81 Estimate	(10) FY 82 Request
	Authorized positions	193	208	208	218	218	218	218		218	218
11.1	Permanent positions	3,263	4,875	5,051	5,593	6,169	6,721	6,286	439	6,725	6,996
11.3	Positions other than permanent	93	158	105	135	120	155	120		120	147
12.0	Personnel benefits	219	310	305	347	359	423	378	26	404	419
21.0	Travel	42	65	64	59	50	69	54		54	64
22.0	Transportation of things	0	0	1	1	1	1	0		0	0
23.0	Communication, utilities, and other rent	191	346	401	461	553	544	581		581	639
24	Printing	290	316	349	279	248	316	280		280	306
25	Other services	1,633	2,688	3,488	3,389	4,669	5,170	4,320		4,320	5,595
26.0	Supplies	76	95	115	98	94	95	88		88	96
31.0	Equipment	120	78	56	57	36	50	31		31	36
	TOTAL	5,927 a/	8,931	9,935	10,419 (approp. 12,386)	12,299	13,544	12,138 b/	465	12,603	14,298

a/ Covers nine months, January 1, 1976 to September 30, 1976. Funding of $2,174,480 for start-up, February 24, 1975 thru December 31, 1975 provided by the Senate Contingency Fund.

b/ $12,386 less 2% reduction.

Since FY 1977 CBO has not requested any increase in staff ceiling--the ten positions authorized for CBO in FY 1979 came as a result of House and Senate action asking CBO to undertake inflationary impact statements.

operations. Our funding request for fiscal year 1982 is off a base already severely strained by the increased costs of maintaining current services in an inflationary economy. Over the two-year period from 1980 to 1982, our appropriation will rise at less than three-quarters of the anticipated rate of inflation.

I am on record to this Committee that CBO would not seek increases in either staff or real funding unless we were given additional responsibilities. This budget request upholds that pledge. The fiscal year 1982 appropriations would simply continue CBO's current services to the Congress.

In the next section of this statement, I will briefly review for the Committee the principal services CBO provided to the Congress over the past year. I will then explain the major items of change in our fiscal year 1982 request.

Current CBO Services to the Congress

CBO's responsibilities under the Congressional Budget Act of 1974 include estimating the five-year costs to the federal government of proposed legislation, tracking Congressional budget action on appropriation and revenue bills against the targets or ceilings in the concurrent budget resolutions (scorekeeping), preparing periodic forecasts of economic trends and alternative fiscal policies, and analyzing programmatic issues that affect the federal budget.

Cost Estimates. CBO prepares cost estimates for virtually every bill reported in the House or Senate that would have a budget impact. We also provide the Appropriations Committees with outlay estimates for all appropriations bills.

CBO's bill cost estimates have become an integral part of the legislative process. Committees are referring to them increasingly at every stage of bill drafting, and they are having an impact on the final

outcome of legislation. Moreover, the Congress has expressed its desire to expand CBO's cost estimating effort. As directed in the first and second budget resolutions for fiscal year 1981, we will be preparing for the Congress an estimate of the inflationary effects, wherever measurable, of legislation reported by committees but not yet enacted. Also, in the 96th Congress, bills were introduced in both the House and Senate that would give CBO the added responsibility of preparing estimates of the cost to state and local governments of federal legislation. We expect these bills to be reintroduced in this Congress.

During the second session of the 96th Congress, CBO prepared approximately 860 bill cost estimates for House and Senate authorizing committees, making a total of about 1,700 for both sessions. Based on past experience, we expect to prepare about the same number of bill cost estimates during the 97th Congress.

Budget Projections. CBO's budget projections capability has enabled the Congress to move more and more in the direction of multiyear budgeting. Both Budget Committees are now including three-year targets in the budget resolutions. This has generated a need to maintain current projections on a year-round basis. CBO therefore now provides the Budget Committees with continually updated information, as well as issuing its legislatively mandated Five-Year Projections report.

Scorekeeping. CBO's scorekeeping system tracks Congressional action on revenue and appropriation bills against the targets or ceilings in the concurrent resolutions on the budget. As such, it serves as the early warning system that alerts the Congress to any breach of these resolutions. During fiscal year 1980, we issued various budget scorekeeping reports and tabulations for use by the Congress, particularly the Appropriations and Budget Committees. These included:

- Seven (7) comprehensive scorekeeping reports published by CBO;

- Information for weekly scorekeeping reports issued by the Senate Budget Committee;

- Weekly packages of specially designed computer runs, furnished to the House Budget Committee when the House was in session;

- Daily reports, together with weekly scorekeeping tabulations, when the Congress was in session, for the Budget Committees' use in advising the parliamentarians on current budgetary levels;

- Numerous computer tabulations (some regular and others specifically requested) for the use of the Appropriations Committees in preparing their March 15 reports, and for the Budget Committees during their consideration of the budget resolutions;

- Special computer support to the House Budget Committee during the mark up of the budget resolutions; and

- An automated report, which is updated weekly, on the legislative status of selected entitlement and other bills that would directly affect budgetary requirements.

Economic Forecasts. Each fiscal year, CBO publishes two reports that examine the state of the national economy, present CBO's economic forecast, and analyze alternative fiscal policies. To prepare these reports, we use a variety of information sources, including the major commercially available econometric models (Data Resources, Inc.; Wharton Associates; Chase Econometrics; Merrill Lynch; and, new this year, Evans Economics). CBO does not maintain its own macroeconomic model of the economy. To ensure objectivity in this difficult area of economic forecasting, we rely on the advice of a distinguished panel of advisors drawn from all parts of the country and representing a wide spectrum of economic views. Among its current members are chairmen of the Council

of Economic Advisors in four previous administrations. (Table 2 lists the current panel.)

CBO issues its economic reports to coincide with Congressional consideration of the concurrent resolutions on the budget. The two reports issued in 1980 focused particularly on the problems of inflation and productivity.

Program Analysis. Over the years, CBO has responded to requests from almost every committee of both houses of the Congress for in-depth analytical reports on key legislative issues. In many cases, these studies have provided the Congress with the crucial budget-related information it needed to make informed decisions on complex questions. These reports are undertaken at the request of the chairman or ranking minority member of a full committee of jurisdiction or the chairman of a subcommittee of jurisdiction. Reflecting the priorities established in the Congressional Budget Act of 1974, the Budget Committees request CBO's services most frequently. Table 3 shows the number of reports requested by House and Senate committees since CBO began operations.

In fiscal year 1980, CBO completed about 60 formal reports, both published and unpublished, as well as numerous informal analyses presented to the Congress in the form of memoranda, technical notes, responses to specific questions, and the like. The subject areas of those reports reflect the major budgetary issues before the Congress. Let me cite just a few examples of important CBO studies completed in fiscal year 1980.

Our analysis of the windfall profits tax, prepared for the Senate Budget Committee in November 1979, provided the only analysis available to the Congress that showed in detail the trade-offs between production of domestic oil and the level and structure of the excise tax levied. The report was frequently cited during the debate over these trade-offs.

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TABLE 2. CBO PANEL OF ECONOMIC ADVISERS, JUNE 1980

Mr. Paul W. McCracken (Chairman)
Edmund Ezra Day University Professor
of Business Administration
University of Michigan

Professor Barbara Bergmann
Department of Economics
University of Maryland

Dr. Barry P. Bosworth
Senior Fellow
The Brookings Institution

Dr. Dewey J. Daane
Frank K. Houston Professor of Banking
Vanderbilt University

Dr. Martin Feldstein
President
National Bureau of Economic Research

Dr. William J. Fellner
Resident Scholar
American Enterprise Institute
for Public Policy Research

Mr. Alan Greenspan
President
Townsend-Greenspan and Company

Mr. Douglas Greenwald
Chief Economist (retired)
McGraw-Hill Publications

Dr. Walter W. Heller
Regents' Professor of Economics
University of Minnesota

Mr. Walter E. Hoadley
Executive Vice President,
Chief Economist
Bank of America

Dr. F. Thomas Juster
Program Director
Institute for Social Research
University of Michigan

Professor Lawrence R. Klein
Benjamin Franklin Professor of Economics
University of Pennsylvania

Mr. Leif H. Olsen
Senior Vice President and
Economist
First National City Bank

Mr. Rudolph Oswald
Director, Research Department,
AFL-CIO

Mr. Joseph A. Pechman
Director, Economic Studies
The Brookings Institution

Dr. Rudolph G. Penner
Resident Scholar
American Enterprise Institute
of Public Policy Research

Mr. George L. Perry
Senior Fellow
The Brookings Institution

Professor Paul Samuelson
Department of Economics
Massachusetts Institute
of Technology

Professor Robert Solow
Massachusetts Institute
of Technology

Professor Herbert Stein
Department of Economics
University of Virginia

Professor James Tobin
Sterling Professor of Economics
Yale University

Mr. Michael G. Wellman
Manager, Research Department
S.S. Kresge Corporation

Mr. Charles J. Zwick
President
South East Banking Corporation
Miami, Florida

TABLE 3. NUMBER OF CBO REPORTS REQUESTED BY HOUSE AND SENATE COMMITTEES, 1975-1980

Committee	Number of Reports
House of Representatives	
Agriculture Committee	4
Appropriations Committee	14
Armed Services Committee	10
Banking, Finance and Urban Affairs Committee	11
Budget Committee	76
Education and Labor Committee	7
Interior and Insular Affairs Committee	2
International Relations Committee	1
Interstate and Foreign Commerce Committee	7
Post Office and Civil Service Committee	3
Public Works and Transportation Committee	3
Veterans Affairs Committee	1
Ways and Means Committee	17
Ad Hoc Energy Committee	1
Total	157
Senate	
Agriculture and Forestry Committee	1
Appropriations Committee	7
Armed Services Committee	8
Banking, Housing and Urban Affairs Committee	6
Budget Committee	123
Commerce Committee	1
Finance Committee	5
Foreign Relations Committee	3
Government Operations Committee	1
Interior and Insular Affairs Committee	1
Judiciary Committee	3
Labor and Public Welfare Committee	1
Agriculture, Nutrition and Forestry Committee	1
Commerce, Science and Transportation Committee	2
Energy and Natural Resources Committee	13
Environment and Public Works Committee	3
Governmental Affairs Committee	4
Labor and Human Resources Committee	5
Total	188
Joint Economic Committee	5

CBO's evaluation of the Strategic Petroleum Reserve, issued in June 1980 at the request of the House Committee on Interstate and Foreign Commerce, provided the first evidence of the effectiveness of the reserve. The analysis has been the basis of several legislative initiatives to mandate completion of the reserve and to change the financing mechanism used for it.

CBO's analysis of the Department of Transportation's regulations implementing Section 504, transportation for the handicapped, prepared for the House Public Works and Transportation Committee, was the basis for the House compromise on this issue. Our work was the central source for comparative estimates of the costs and savings for modes of transportation for the handicapped other than those mandated by Section 504 regulations. These three reports were prepared by our Natural Resources and Commerce Division.

In 1980, CBO's National Defense and International Affairs Division prepared a number of important studies on defense issues. For example, our study on Costs of Manning the Active Duty Military was published at the request of the House and Senate Budget Committees during the debate over military compensation last spring. Several of the options raised in that study were incorporated in the Defense Authorization bill reported by the Senate Armed Services Committee. One of the funding options analyzed in the CBO study on the Trident II missile program was adopted by the Senate Armed Services Committee.

Responding to requests from both the House and Senate Agriculture Committees, as well as the Senate Appropriations Committee, our Human Resources and Community Development Division has done extensive analyses of the Food Stamp Program. These studies have been central to Congressional consideration of alternative benefit and income-eligibility standards. CBO's study of federal student assistance, also prepared by the Human Resources Division, examined the impact of federal assis-

tance on enhancing equality of educational opportunity and analyzed various ways in which the federal student assistance effort could be altered to achieve varied objectives. This analysis, requested by the House Education and Labor Committee and the Senate Budget Committee, was used extensively in drafting a reauthorization bill. A related study on the profits earned by states from tax-exempt student loan bonds was prepared by our Tax Analysis Division for the House Ways and Means Committee.

Other key issues analyzed by CBO during fiscal year 1980 included international balance of payments, foreign aid, corporations in farming, the shape of the general purpose Navy, the world oil market, youth employment, tax subsidies for medical care, and indexing the individual income tax for inflation.

CBO's analytical effort is closely intertwined with our budget cost-estimating work. Virtually every in-depth study provides cost estimates of the legislative proposals under consideration, as well as of alternative options. Preparing accurate cost estimates, on the other hand, requires the knowledge and data acquired in the in-depth analytical work. An example of this meshing of CBO's analytical and cost-estimating efforts is our report on Reducing the Federal Budget, produced last February at the request of the House Budget Committee. That report described various strategies for cutting the budget and offered 56 specific examples of possible cuts in spending and 19 examples of tax expenditure reductions. It was widely used by both houses during Congressional consideration of the 1981 budget. That document was made possible only through the joint efforts of program and cost analysts.

Based upon our current committee requests, we expect to complete approximately the same number of reports in fiscal year 1981 as in 1980. Currently, for example, we have studies underway on industrial

development bonds, productivity, inflation, the Social Security trust funds, farm program legislation, oil supply disruptions, the Comprehensive Employment and Training Act (CETA), health care expenditures, health care cost containment, Medicaid reform, civil service retirement, U.S. ground forces, tanker force modernization, and NATO's maritime posture. We are also preparing an overview of defense budget issues and a new study on strategies for reducing the federal budget.

The Committee has a list of CBO reports (TAB J). Part I of the list shows the projects currently underway. Part II lists the studies completed since October 1979. The list gives the CBO division responsible for the report, its title, a summary of its contents, the requesting Congressional committee or statutory authority, the completion date, and its published or unpublished status.

We assume that our level of activity in fiscal year 1982 will be similar to that in previous fiscal years. CBO's program areas have remained remarkably stable in terms of staffing and funding since the inception of the office. Through the years they have accounted for about one-third of CBO's staff positions and about one-quarter of our funding.

Credit Budgeting. In 1980, at the request of the House Budget Committee, CBO prepared a report on Federal Credit Activities, which analyzed the implications of including in the budget process a system for controlling federal credit--in the form of both direct loans and loan guarantees. The report also examined on a function-by-function basis the Administration's credit program estimates for fiscal years 1980 and 1981. This was a significant undertaking in view of the lack of data about credit programs and the general unawareness of the extent of federal credit. We then assisted the two Budget Committees in preparing aggregate targets for federal credit programs for inclusion in the first and second concurrent resolutions on the budget for 1981.

In April, at the request of the House Budget Committee and the House Banking, Finance and Urban Affairs Committee, CBO conducted a two-day conference on the economics of federal credit activity. This conference opened a dialogue between economists interested in federal credit and those who operate the credit programs.

Testimony. CBO is requested to testify before numerous Congressional committees on major legislative proposals. In fiscal year 1980, I testified on 29 occasions before eight Senate committees and six House committees. In addition, other members of the CBO staff testified on 13 occasions.

Subjects of this testimony included the Social Security trust funds, balancing the budget, the synthetic fuel industry, youth employment, health tax expenditures, automobile fuel economy, federal credit programs, and state and local government cost impact statements.

Major Items of Change in Fiscal Year 1982 Request

CBO's fiscal year 1982 request represents a 13.4 percent increase over our 1981 appropriation. Seventy-five percent of the total increase, or $1,275,000, is in the category of Other Services. This includes an increase of $344,000 for "Systems, Data, and Model Development" and $919,000 for computer timesharing services and related support.

Systems, Data, and Model Development. In fiscal year 1980 we actually spent $1,084,000 in this category, but in order to meet the very stringent Congressional mandate on reduced spending in fiscal year 1981, we have cut this area back to $436,000. For fiscal year 1982, I believe that our request of $780,000 is conservative in view of the type of work that these funds support. Our Defense Resources Model, for instance, will need updating, as will our cost estimate models for a number of programs such as agriculture price supports. We will need to

develop data bases in connection with the Survey of Income and Program Participation, the 1980 Consumer Expansion Survey, and the Department of Treasury Tax Return Data.

This increase also reflects the substantial costs connected with updating and expanding current data bases to include 1980 census data. Current census data are essential to analyzing costs associated with a wide array of federal programs.

We will also need to work on models connected with various Medicare proposals, student assistance programs, and retirement programs. We will likely have to revise models connected with military recruiting, readiness funds for Air Force tactical aircraft, and readiness funds for Naval tactical aircraft. Continuing research and analyses will also be required in the areas of tax policy and long-run incentive effects, strategies for reducing inflation, and stabilization effects of alternative budget policies.

ADP Timesharing Services. Computer support services are an integral part of CBO's analytical capability. The Budget and Appropriations Committees continue to rely heavily on our information processing services. We have no computer of our own; instead, we use--and of course pay for--both commercial computer services and government facilities.

Current applications that support Congressional decision-making processes and CBO's analytic capabilities include scorekeeping, five-year budget projections, outlay tracking and estimating, tax and revenue estimating, legislative classification, and econometric services.

We are continually examining our data processing needs to ensure that we are using ADP services in a cost-effective manner while being responsible to the Congress. There is no escaping, however, that the costs of computer services are rising. Our fiscal years 1980 and 1981

appropriations, for example, reflected an increase of approximately $1 million over the fiscal year 1979 level in House Information Services (HIS) charges to CBO. Our fiscal year 1982 request allows for a continuation of the procedure whereby we reimburse HIS according to a rate schedule that reflects services actually used.

The costs of commercially available econometric models are also increasing. We have worked with other Congressional support agencies during the past five years to reduce the overall costs of these services to the Congress. It now appears that we have achieved all of the cost savings possible through these efforts. Consequently, we expect the cost of these services to increase about 10 percent in fiscal year 1982.

As Congressional committees rely more and more on CBO for basic budget data and analyses, we expand and update our ADP capability. We are currently developing, for example, at the request of both Budget Committees, a credit budget tracking system. We are improving our capability to provide committees with five-year forecasts of the federal budget. We are developing new means of measuring the relative revenue feedbacks, or reflows, from different types of tax cuts. This project includes a study of the channels of revenue feedback. It analyzes the role of inflation in generating additional revenues in the presence of expansive fiscal policy, and specifies summary measures for comparing the relative net budget effects of different types of tax cuts. The costs associated with these various systems are reflected in our fiscal year 1982 request.

Conclusion

Mr. Chairman, as I stated in my opening remarks, this fiscal year 1982 budget request provides for a continuation of basic, legislatively mandated services to the Congress.

Although our statutory responsibilities have not changed since the Congressional Budget Act was passed in 1974, Congressional committees have come more and more to rely on our basic budget data services and our analytical capability. Despite the increasing demand for CBO's services, however, over the last five years our authorized staffing level has risen only once--in 1979, at the request of the Budget and Appropriation Committees--and our funding level has risen at less than the rate of inflation. We are currently working at full capacity, and therefore we believe that the levels of both funding and staff in this budget request are the minimum required to maintain our present services to the Congress.

Mr. Chairman, through the years, a number of very favorable comments have been made about CBO by Members of Congress. I would like to share with Members of this Committee a sampling of such comments that give some indication of the work our agency does for the Congress. I am including that sampling as part of this statement.

I would be pleased to respond to any questions you or Members of the Committee may have.

INTRODUCTION OF ASSOCIATES

Senator MATTINGLY. Please introduce your colleagues for the record.

Dr. RIVLIN. Certainly, Mr. Chairman. Let me introduce my colleagues first. Raymond Scheppach, who is the Deputy Director of the Congressional Budget Office; Alfred Fitt, our General Counsel; Stanley Greigg, our Director of Intergovernmental Relations; James Blum, who runs our Budget Analysis Division; Bob Harris, the Deputy Director of that division, who is our computer person; and Charles Barden, who is our Budget Analyst.

I have a very abbreviated version of this statement which I will go through rather quickly in the hopes of getting to questions.

BUDGET REQUEST

I am pleased to present the fiscal year 1982 appropriation request for the Congressional Budget Office. The Congressional Budget Office is a nonpartisan organization that provides the Congress with budget-related information and analyses of alternative fiscal, budgetary, and programmatic policies. We do not make recommendations on matters of policy; rather, we analyze options, their cost to the Federal Government, and their impact on the national economy and the budget.

For fiscal year 1982, I am presenting a budget request that has no increase in the level of authorized staff and reflects only the increased costs of maintaining current levels of services to the Congress. The request for fiscal year 1982 is for 218 positions—our present level—and $14,298,000.

Mr. Chairman, this marks the fifth consecutive year that the Congressional Budget Office has not requested additional positions. Since fiscal year 1977, the only staff increase—10 positions in 1979—came at the request of the Senate and House Budget and Appropriations Committees, not at the request of the Congressional Budget Office. These 10 positions were added to give the Congressional Budget Office greater capacity to analyze inflationary trends in the economy and the inflationary impact of major legislative proposals.

The funding of the Congressional Budget Office has remainded remarkably stable over the years, as is shown in table 1 in my prepared statement. Our budget has risen at an average of less than the rate of inflation. Even with the supplemental to cover the costs of the October 1980 pay increase, the Congressional Budget Office's budget in fiscal year 1981 increased at considerably less than the anticipated inflation rate of about 10 percent. To live within this budget, we have deferred and cancelled needed data development, and we have introduced a number of cost-saving approaches in our computer operations. Our funding request for fiscal year 1982 is off a base already severely strained by the increased costs of maintaining current services in an inflationary economy. Over the 2-year period from 1980 to 1982, our appropriation will rise at less than three-quarters of the anticipated rate of inflation.

I am on record to this committee that the Congressional Budget Office would not seek increases in either staff or real funding unless we were given additional responsibilities. This budget request upholds that pledge. The fiscal year 1982 appropriation would simply continue the Congressional Budget Office's current services to the Congress. Let me note this is an extremely difficult thing to do this year. We are, as you know, under tremendous pressure to produce additional analyses in this year of budget cutting and extra budgets.

Changes in this request from the fiscal year 1981 base have been described both in the statement previously submitted to this committee and in my letter of March 2, 1981, to you, Mr. Chairman. I would be happy to respond to any questions you may have about these submissions, but I will not address them in these brief remarks this morning.

CURRENT CONGRESSIONAL BUDGET OFFICE SERVICES TO THE CONGRESS

Let me run briefly through what services we perform for the Congress.

The Congressional Budget Office's responsibilities under the Congressional Budget Act of 1974 include estimating the 5-year costs to the Federal Government of proposed legislation, tracking congressional budget action on appropriation and revenue bills against the targets or ceilings in the concurrent budget resolutions—scorekeeping—preparing periodic forecasts of economic trends and alternative fiscal policies, and analyzing programmatic issues that affect the Federal budget.

The Congressional Budget Office prepares cost estimates for virtually every bill reported in the House or Senate that would have a budget impact. We also provide the Committees on Appropriations with outlay estimates for all appropriations bills.

During the second session of the 95th Congress, the Congressional Budget Office prepared approximately 860 bill cost estimates for House and Senate authorizing committees, making a total of about 1,700 for both sessions. Based on past experience, we expect to prepare about the same number of bill cost estimates during the 97th Congress.

BUDGET PROJECTIONS AND SCOREKEEPING

Our budget projections capability has enabled the Congress to move more and more in the direction of multiyear budgeting. Both Budget Committees are now including 3-year targets in the budget resolutions. This has generated a need to maintain current projections on a year-round basis. CBO therefore now provides the Budget Committees with continually updated information, as well as issuing its legislatively mandated 5-year projections report.

The Congressional Budget Office's scorekeeping system tracks congressional action on revenue and appropriations bills against the targets or ceilings in the concurrent resolutions on the budget. As such, it serves as the early warning system that alerts the Congress to any breach of these resolutions. During fiscal year 1980, we issued seven comprehensive scorekeeping reports, as well as several different daily and weekly tabulations for use by the Congress, particularly the Appropriations and Budget Committees.

ECONOMIC REPORTS

On economic forecasts, a very difficult subject, each fiscal year the Congressional Budget Office publishes two reports that examine the state of the national economy, present the Congressional Budget Office's economic forecast, and analyze alternative fiscal policies. To prepare these reports, we use a variety of information sources, including the major commercially available econometric models such as Data Resources, Inc., Wharton Associates, Chase Econometrics, Merrill Lynch, and, new this year, Evans Economics. The Congressional Budget Office does not maintain its own macroeconomic model of the economy. To insure objectivity in this difficult area of economic forecasting, we rely on the advice of a distinguished panel of advisors drawn from all parts of the country and representing a wide spectrum of economic views. Among its current members are chairmen of the Council of Economic Advisors in four previous administrations.

ANALYTICAL REPORTS

On analytical reports, over the years, the Congressional Budget Office has responded to requests from almost every committee of both Houses of the Congress for in-depth analytical reports on key legislative issues. In many cases, these studies have provided the Congress with the crucial budget-related information it needed to make informed decisions on complex questions.

In fiscal year 1980, the Congressional Budget Office completed about 60 formal reports, both published and unpublished, as well as numerous informal analyses presented to the Congress in the form of memoranda, technical notes, responses to specific questions, and the like. The subject areas of those reports reflect the major budgetary issues before the Congress.

Based upon our current committee requests, we expect to complete approximately the same number of reports in fiscal year 1981 as in 1980. Since the beginning of the fiscal year, we have already completed over a dozen major reports on subjects such as productivity, the defense budget, the social security trust funds, former President Carter's budgetary proposals, and strategies for reducing the Federal budget. Currently, we have studies underway on industrial development bonds, inflation, industrial policy, farm program legislation, oil supply disruptions, health care expenditures, medicaid reform, civil service retirement, the credit budget, Army modernization, tanker force modernization, and NATO's maritime posture.

Mr. Chairman, as I stated in my opening remarks, this fiscal year 1982 budget request provides for a continuation of basic, legislatively mandated services to the Congress.

BUDGET DATA SERVICES AND ANALYTICAL CAPABILITY

Although our statutory responsibilities have not changed since the Congressional Budget Act was passed in 1974, congressional committees have come more and more to rely on our basic budget data services and our analytical capability. In addition, the intense interest in budgetary matters this year is creating tremendously increased demand on the Congressional Budget Office from both Houses of Congress. Despite this increasing demand for the Congressional Budget Office's services, however, over the last 5 years our authorized staffing level has risen only once—in 1979, at the request of the Budget and Appropriations Committees—and our funding level has risen at less than the rate of inflation. We believe that the levels of both funding and staff in this budget request are the minimum required to maintain our present services to the Congress.

Thank you.

CAPABILITY FOR WIDE RANGE OF ANALYSIS

Senator MATTINGLY. I gather from the information you have just given us the Congressional Budget Office is capable of conducting a wide range of analysis on a variety of subjects and issues that come before the Congress.

Dr. RIVLIN. That is right, Mr. Chairman. We have budget analysis capability in all the major areas of concern for Congress.

Senator MATTINGLY. Have you done any significant analysis in the energy field?

Dr. RIVLIN. Yes, we have.

Senator MATTINGLY. Did you do extensive analysis for former President Carter's energy proposals to the Congress?

Dr. RIVLIN. Yes; we did that, including the windfall profits.

ECONOMISTS WITH EXPERTISE IN BUDGETARY MATTERS AND ECONOMIC ANALYSIS

Senator MATTINGLY. Do you feel the Congressional Budget Office is generally well equipped to provide this kind of analysis that is sometimes highly technical?

Dr. RIVLIN. Yes; I think we are. I think we have assembled an excellent staff to do that.

Senator MATTINGLY. Do you think the Congressional Budget Office does a more credible job than other agencies in providing information to the Congress?

Dr. RIVLIN. It depends on the topic. We are economists with particular expertise in budgetary matters and economic analysis. Sometimes these overlap with, say, technical analysis. Energy is perhaps a good example. We are probably the agency best equipped to do economic analysis of energy. If the Congress wanted a more scientific discussion of an energy-related matter, they might well turn to the OTA.

Senator MATTINGLY. But you could do research in highly technical areas, right?

Dr. RIVLIN. We certainly do.

ANALYSES

Senator MATTINGLY. Such as, just a few examples I would like to go over, you did the natural gas pricing proposals.

Dr. RIVLIN. Yes.

Senator MATTINGLY. And you could probably do analysis of the impacts of projected natural gas.

Dr. RIVLIN. Yes; that is an area in which we have worked.

Senator MATTINGLY. Before you said you did former President Carter's energy proposals. That is comparative analysis, which I assume you could do an analysis of the proposed energy plan they had, correct?

Dr. RIVLIN. Yes.

Senator MATTINGLY. CBO also did an analysis of the U.S. raw material policies, problems and possible solutions, which I think would probably be comparable to going maybe to research and technical analysis of fulfilling a natural materials type clearinghouse. And you have done things in health.

Dr. RIVLIN. Yes; we have done quite a lot of work on hospital cost containment and other aspects of health.

Senator MATTINGLY. So then you are capable of doing selected topics in health statistics. Do you have the technical capabilities to provide a statistical readout of all the Federal health programs?

Dr. RIVLIN. Yes; I would think so. It would depend exactly what that meant.

Senator MATTINGLY. Well, would it also be within your capacity at the Congressional Budget Office to do comparative analysis of the impact of different health care-type programs?

Dr. RIVLIN. Yes.

Senator MATTINGLY. In another analysis that you did on urban transportation, energy, where you did the potential of different modes of transportation, you also could probably do an analysis of comparing the energy and economy in mass transit.

Dr. RIVLIN. Yes; that is an area in which we have done quite a lot of work.

Senator MATTINGLY. Was it possible to do those studies totally in-house?

Dr. RIVLIN. We have operated mostly in-house—in part, because we are often forced to operate on very short deadlines, which makes it difficult to go outside. Occasionally we contract for expertise available outside.

Senator MATTINGLY. But generally it is in-house?

Dr. RIVLIN. Generally, our mode is in-house.

Senator MATTINGLY. Senator Bumpers.

STAFFING INCREASES

Senator BUMPERS. Dr. Rivlin, I have a question or two regarding your staffing. You have stated that you received 10 additional positions in 1979. Apparently that is about the only increase you have had since your office was set up.

Dr. RIVLIN. That is right.

Senator BUMPERS. I was just curious about how much the Office of Management and Budget staffing increased, if at all, during that same period of time. Do you have any idea?

Dr. RIVLIN. The Office of Management and Budget has a substantially larger staff than we have. They have about 660 people. I don't have the figures on their increases over that period, but I can easily find them.

Senator BUMPERS. I suppose I can get those figures as easily as you can.

Dr. RIVLIN. I will be glad to supply them for the record.

Senator MATTINGLY. The comparison of positions will be inserted in the record.

[The comparison follows:]

COMPARISON OF CBO/OMB PERMANENT POSITIONS, FISCAL YEARS 1976–82

	Congressional Budget Office	Office of Management and Budget
Fiscal year:		
1976 actual	193	701
1977 actual	208	709
1978 actual	208	[1] 581
1979 actual	[2] 218	596
1980 actual	218	616
1981 estimate	218	633
1982 estimate	218	632

[1] Reorganization Plan No. 1 of 1977 transferred from the Office of Management and Budget: (1) all functions vested in the President by the Federal Advisory Committee Act, as amended, to the General Services Administration; (2) certain statistical policy functions to the U.S. Department of Commerce; (3) certain executive development and other personnel fuctions to the U.S. Civil Service Commission; and (4) certain administrative functions to the Office of Administration, Executive Office of the President.

[2] Since fiscal year 1977 CBO has not requested any increase in staff ceilings—the 10 positions authorized for CBO in fiscal year 1979 came as a result of House and Senate action asking CBO to undertake inflationary impact analyses.

ANALYSIS OF THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT (CETA) PROGRAM

Senator BUMPERS. As you know, one of the programs that the President seems to be intent on eliminating is the CETA program. You said on page 12 of your prepared statement, which you didn't deliver in full this morning, that you had a study underway to get some idea of the effectiveness of that program. Will that study be available to us before we have to act on the President's recommendation?

Dr. RIVLIN. Let me check on the status of that.

Mr. GREIGG. That is currently scheduled to be completed in July.

Senator BUMPERS. What I am concerned about is whether some of these studies you have underway may become obsolete before you finish them.

Dr. RIVLIN. They might, Senator, although if there were any imminent danger of that we would work with the committee to reshape the study.

Senator BUMPERS. I am particularly interested in CETA. You can hear everything but meat frying when it comes to CETA, and I have heard so many different stories—some favorable, some unfavorable—that I don't know what to believe. One Senator tells us that only 19 percent of the people in the CETA program have been placed in gainful employment. I go to the vo tech schools in Arkansas—I guess they receive section 2(d) set-aside funds primarily—and they tell me they are placing anywhere from 70 to 90 percent of their students. If that is true, that is a high percentage. I am curious as to what the real information is.

Dr. RIVLIN. Unfortunately, I think the real picture is mixed. CETA programs have been more successful in some places than in others. The level of information is also uneven, which is one of the reasons that the program has been difficult to study. But we will endeavor to get you as much firm information as we can.

[The information follows:]

MAY 15 1981

Honorable Dale Bumpers
United States Senate
Washington, DC 20510

Dear Senator:

At hearings of the Subcommittee on the Legislative Branch of the Committee on Appropriations on March 10, 1981, you requested information on the effects on participants' earnings of programs funded under the Comprehensive Employment and Training Act (CETA). We expect to complete an analysis of these programs this summer and will send you our preliminary results as soon as they become available. A summary of the preliminary results of other analyses of CETA programs, and of the effects of pre-CETA training programs, is attached.

In addition, the CBO has almost completed a paper that examines other aspects of the CETA public service employment (PSE) programs. It analyzes who is eligible for these programs, who actually participates in them, and what effect the Administration's proposal to eliminate them would have on federal tax revenues and on federal spending for other programs. I will send you a copy of the final paper as soon as it is completed.

I hope that this information is useful. Please let me know if you have any further questions.

With best wishes,

Sincerely,

/s/ ALICE M. RIVLIN

Alice M. Rivlin
Director

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EFFECTIVENESS OF EMPLOYMENT AND TRAINING PROGRAMS

Research on the effects of programs funded under the Comprehensive Employment and Training Act (CETA) has not yet been completed. Moreover, the extensive research on the effectiveness of the federally-funded employment and training programs that preceded the CETA programs contains a wide range of estimates of their impacts on participants' future earnings.

The CBO and the National Commission for Employment Policy (NCEP) are jointly analyzing the effects of CETA programs on the subsequent earnings of participants. Several other groups, working independently and using different statistical methods, are also conducting related projects. All groups are using data from the Continuous Longitudinal Manpower Survey (CLMS), prepared by WESTAT, INC. and the U.S. Bureau of the Census, under the sponsorship of the U.S. Department of Labor. The CLMS, a large-scale follow-up survey of CETA participants matched to a comparison group, became available in July 1980. Although these data are the best available, many important problems in using them to estimate the impact of CETA programs on the earnings of participants have not yet been solved. Staff of the CBO and the NCEP have worked extensively toward the solution of a number of them. We expect to obtain preliminary results in early summer.

Meanwhile, preliminary analyses prepared by WESTAT in January 1980 are the best published indication of what researchers will find using more sophisticated techniques to examine the CLMS. These results are qualified carefully by their authors in recognition of the remaining methodological problems.

WESTAT finds that the effects of CETA programs on the future earnings of participants beyond what would be expected according to data for the comparison group vary considerably:

- o On-the-job training has the largest effect, increasing participants' annual earnings by $850;
- o Classroom training increases participants' annual earnings by $350;
- o Public service employment increases participants' earnings by $350 to $750; and
- o Work experience appears to have no effect.

WESTAT also finds that program impacts vary by type of participant. Women experience larger gains in earnings than do men. And gains in earnings appear to be greater for participants who had lower earnings before they entered the program. These results may change substantially as some of the existing methodological problems are resolved, however.

Some additional information might be gleaned from analyses of employment and training programs that preceded those funded under CETA. Research generally indicates that these programs increased participants' post-program earnings beyond what they would have been otherwise. Unfortunately, the magnitude and duration of these estimated earnings gains vary enormously according to the type of research methods used. The attached table, based on an excellent published summary of studies of pre-CETA programs, illustrates the broad range of results that have been obtained.[1] In general, it appears that pre-CETA employment and training programs, in particular the Manpower Development and Training Program (MDTA), may have increased participants' earnings by several hundred dollars a year. These earnings gains occurred both for men and for women, although the most sophisticated research to date indicates somewhat greater gains for women.

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1. Steven M. Director, "Underadjustment Bias in the Evaluation of Manpower Training," Evaluation Quarterly, vol. 3 (May 1979), pp. 190-218.

TABLE 1. SUMMARY OF EVALUATIONS OF MANPOWER AND TRAINING PROGRAMS[a]

Author	Program	Findings
1. Somers (1965)	MDTA	Training had significant effect on employment and earnings.
2. Main (1968)	MDTA	Training had positive effect on employment and family income.
3. Solie (1968)	ARA in Tennessee	"Retraining programs do improve the employment experience of unemployed workers."
4. Borus (1967)	MDTA in Connecticut	"Trainees of all ages had substantial gains in earnings."
5. Gibbard and Somers (1968)	ARA in W. Virginia	"The average monthly earnings of male trainees in specific age-education categories substantially exceeded those of nontrainees."
6. Sewell (1971)	MDTA	"Substantial increases in the earnings of the project's clients and also in their productivity as measured in their hourly earnings."
7. Hardin and Borus (1972)	MDTA	"In classes for 60-200 hours, training raised annual earnings by an average of $976 per person, while training in 201-600 hour classes left annual earnings virtually unchanged. Surprisingly enough, training in classes longer than 600 hours caused annual earnings after the class to decline by $121 to $136 per trainee."

TABLE 1. Continued

Author	Program	Findings
8. Farber (1971)	MDTA, Institutional	Changes in Average Earnings Male: White / Black; Female: White / Black 1964: $ 252 / $ 8 / $ 16 / $ 164 1968: $ 756 / $ 372 / $ 368 / $ 364
9. Fine (1972)	WIN	"The overall effect of WIN services in our sample was to reduce employment and earnings outcomes."
10. Somers and Warlick (1975)	MDTA	"Contrary to expectation, the coefficient of the manpower enrollment variable is negative and statistically significant at the 1% level."
11. Ashenfelter (1976)	MDTA (1964 cohort)	"Training does appear to have increased the earnings of all trainee groups."
12. Kiefer (1976)	MDTA, JOBS, NYC, JC	"Strong positive earnings effects are found for females in MDTA and JOBS. Effects for males in all programs and females in Job Corps or NYC are not estimated precisely enough to draw firm conclusions about the programs."
13. Williams (1968)	ARA in Tennessee	"Trainees tend to have better wages. . . and fewer weeks of unemployment than other groups."
14. Cain and Stromsdorfer (1968)	ARA in W. Virginia	"The earnings advantage gained by the trainee. . . appeared to be substantial."

TABLE 1. Continued

Author	Program	Findings
15. Prescott and Cooley (1972)	MDTA	Estimated Impact of MDTA Training on Earnings of 1968 Enrollees: On-the-Job Male Trainees: On 1969 Earnings $796; On 1970 Earnings $788 Institutional Male Trainees: On 1969 Earnings 652; On 1970 Earnings 488 All Female Trainees: On 1969 Earnings 576; On 1970 Earnings 564
16. Cooley, McGuire and Prescott (1976)	MDTA	Three Year Average Post-training Effect: Young Men $491 Prime Age Men 373 Young Women 133 Prime Age Women 429
17. Pacific Consultants (1976)	WIN	"The WIN program did produce greater gains for its participants than were attained by comparable nonparticipants."

SOURCE: Steven M. Director, "Underadjustment Bias in the Evaluation of Manpower Training," Evaluation Quarterly, May 1979.

a. Analyses of the following programs are summarized: Manpower Development and Training Act (MDTA), Area Redevelopment Act (ARA), Work Incentive Program (WIN), Job Opportunities in the Business Sector (JOBS), Job Corps (JC), and Neighborhood Youth Corps (NYC).

Senator BUMPERS. I hope you speed that study up. I hate for us to have to act up here in a vacuum, and I hope that is not what we will be doing. Who else might be doing studies in this area?

Dr. RIVLIN. The Labor Department has done a good deal of analysis of its own. I think the Urban Institute has also done some analysis.

Senator BUMPERS. Maybe all these figures are right. You hear, for example, that in our States, cities and counties a lot of CETA employees are doing rather mundane chores but are not getting training and can't expect to go out and find gainful employment. On the other hand, section 2(d) schools seem to be doing a good job of training people. I spoke to two young people at a vo tech school who told me how happy they were to be there and said that if we cut CETA they would be out—and they were sensible youngsters. I hope you will expedite that study.

STATE AND LOCAL FISCAL NOTES

Your preparation of estimates of the cost to State and local governments of Federal legislation is going to assume more importance as we get into the block grant area. Do you prepare those estimates on request by a committee?

Dr. RIVLIN. We do not now have a regular responsibility to prepare the costs to State and local governments although several bills have been introduced to request us to do that. They have, I think, quite strong support, and I would suspect that support would become stronger.

Senator BUMPERS. That is going to be a massive undertaking.

Dr. RIVLIN. It is a massive undertaking. In testifying on those bills which would require us to do that, I have pointed out to the Congress that it is not an easy thing to do, that the Congressional Budget Office would need additional staff to undertake the task.

Senator BUMPERS. How much more staff would it require?

Dr. RIVLIN. We estimate that, depending upon the thrust of the legislation, it would take us probably an additional 6 to 12 people.

Senator BUMPERS. I am not at all sure you shouldn't request the positions then. You know, I used to be a Governor, and I am sure the National Governors' Conference is doing some work on this subject, but I don't trust their figures.

Dr. RIVLIN. They are very eager to have us do it.

Senator BUMPERS. For example, nobody around here can tell you what the impact of this medicaid cap is going to be, how much burden the cap is going to put on States. We need to know that. I don't know anybody that has come up with good solid information on the President's proposals to cut categorical grants. A lot of people don't think they are going to be affected by these cuts. And while I support the thrust of what the President is trying to do, I also think we ought to alert the American people to the fact that it "ain't" going to be easy, and that what we are talking about is going to affect everybody. For example, what effect do these cuts have on a rancher in a town of 2,000? First of all, you are going to take 25 percent of his educational money. That means he is either going to have to pay more at the local level in taxes or give his child 25 percent less education. Then his Aunt Minnie may get kicked out of the nursing home or he may have to make up the deficit to keep her there.

So the range of these cuts is broad, and they are going to cut deeply in ways people don't realize. I think this is important for your office to be thinking about.

Dr. RIVLIN. I think so, and we are working on the answers to many of those questions for the Budget Committees. But so far as an individual new bill coming along, we don't yet have a statutory responsibility to do the State and local cost estimates.

CONGRESSIONAL TESTIMONY AND REQUESTS

Senator BUMPERS. How many times have you testified so far this year, Alice?

Dr. RIVLIN. So far this calendar year?

Senator BUMPERS. You remind me of the Secretary of Defense and the Secretary of State. They are up here testifying all the time. You wonder how they get anything else done.

Dr. RIVLIN. When Congress is in session, I average two or three times a week. I am testifying twice today. The chairman starts early here, so it works out.

Senator BUMPERS. The chairman and I are going to have to have a talk about that.

[Laughter.]

Senator BUMPERS. It takes me 1 hour to get to work. This morning it took me 22 minutes. But he is new. He has a little educational process to go through. We have to train him.

In March you wrote a letter to the chairman and you indicated that because of budget constraints you have had to cut back on the number of congressional requests you respond to. What percentage of congressional requests were you able to respond to in 1980?

Dr. RIVLIN. I don't know the exact figure. We cannot respond to everything.

Senator BUMPERS. Do you respond to committee requests?

Dr. RIVLIN. Yes; we do. We do not respond to requests from individual members—if we did, we would be swamped. If we have the information—that is, if it is a request for work we have already done—we can respond to that. But on a request that takes new information, we respond only to the chairman or ranking minority member of full committees of jurisdiction or to the chairman of a subcommittee of jurisdiction. Often we receive a joint request.

Senator BUMPERS. Incidentally, could you supply for the record what percentage of requests you were able to answer last year?

Dr. RIVLIN. We could make an estimate of it, and I could supply some discussion.

Senator BUMPERS. What do you tell members when you can't get to their requests?

Dr. RIVLIN. We have to tell them that we are too busy. And sometimes we have some angry Senators.

Senator Mattingly. The priority of committees to which the Congressional Budget Office should provide information will be printed and inserted in the record.

[The information follows:]

The Congressional Budget Act of 1974 establishes the following priority of congressional committees to which CBO should provide economic and budget-related information: first, the Budget Committees; second, the Committees on Appropriations, Ways and Means, and Finance; third, all other committees. CBO's established policy is to respond only to requests from the chairman or ranking minority member of a full committee of jurisdiction or the chairman of a subcommittee of jurisdiction.

Consistent with our mission, we try to be as responsive as possible to all committee requests. There is, however, a limit to our resources, and we are not able to answer all requests. We would estimate that we were able to respond to between 85 and 90 percent of the requests we received from committees last year.

In keeping with our established policy, however, we do not undertake new studies requested by individual members. When an individual member requests a CBO analysis, we provide information we have currently available. In the case of requests for new or indepth information that we do not already have, we inform the requester that we cannot respond to his or her request.

INTERN PROGRAMS

Senator BUMPERS. What is your internship program costing?

Dr. RIVLIN. We have two kinds of interns. We have about 25 interns in the summer. We also have what we call semester interns, a smaller number who come at other times of the year. We found both programs very successful.

Senator BUMPERS. Do they work full time?

Dr. RIVLIN. Yes; and we work them very hard. It is not internship in terms of running a Xerox machine. We get very well qualified students, both undergraduates and graduates, and we give them substantial assignments.

Senator BUMPERS. Do they get college credit for working in your office under any arrangements?

Dr. RIVLIN. We don't have an arrangement on a particular credit, although many universities encourage their students to apply for our program.

Senator BUMPERS. I think it would be a choice plum for a student to come to the Congressional Budget Office for a semester.

Dr. RIVLIN. Mr. Barden has the figures you requested.

Mr. BARDEN. For the summer intern program, we are operating at the same level of funding in 1981 as in 1980—$45,000. For the year-round intern program, which is really an 8-month program, the 1981 level is $69,000.

Senator BUMPERS. The total is about $114,000. Would you strongly recommend the maintenance of that program?

Dr. RIVLIN. Yes; I do.

Senator BUMPERS. How much do you pay your interns?

Dr. RIVLIN. It depends on their educational level; we pay more to graduate students. We pay basically the same rates as the executive branch.

I do strongly recommend the programs. However, as I indicated in my letter to the chairman responding to his question about what we would cut, if we did have to cut, the intern program would unfortunately have to go. We couldn't put interns ahead of experienced regular staff in providing services to the Congress, even though the interns do contribute to that work.

PRINTING COSTS

Senator BUMPERS. You cut back on this year's printing costs, didn't you, by $36,000? What have you requested this year for your printing activities? I am referring to the table on page 3 of your prepared testimony. You requested less for printing in 1982 than your initial request in 1981. You requested $316,000 last year and you got $280,000, or $36,000 less than your initial request.

Dr. RIVLIN. That is correct.

Senator BUMPERS. And this year you are requesting $306,000.

Dr. RIVLIN. That is about a 9-percent increase over our 1981 budget, which is roughly what we think the inflationary increases will be in that area. We have had to economize on printing. We have had to economize on everything. One reason we have been able to hold down the printing budget is that there has been an increasing interest in the Congress in quick-response items rather than in formal reports. Consequently, our printing costs have not risen quite as rapidly as we thought they would.

Senator BUMPERS. Paper costs have.

Dr. RIVLIN. Paper costs have.

Senator BUMPERS. They leave a big spruce tree on my lawn every Sunday morning. I think how we are wasting our resources to accommodate that activity.

Dr. RIVLIN. We have had very good cooperation from the Government Printing Office in getting things done expeditiously.

INTERAGENCY AGREEMENTS

Senator BUMPERS. Dr. Rivlin, one of the questions here that I think is one of the more significant ones, has to do with the amount you have requested for interagency agreements you have asked for, $1,804,000, which is a 36-percent increase, $479,000 over your current budget. Can you tell us why you are requesting such a sharp increase in this account?

Dr. RIVLIN. Yes; that is for computer costs. Basically, we have two costs: we pay people and we rent computers. We use both commercial computing services and the Hill computing services, principally the House Information Services. With our growing workload and the increasing cost of computer services, that is the largest increase item in our budget. We are billed by the House Information Services for the full cost of what they do for us, which is as it should be. That figure you cited is an estimate of what the increased costs will be in 1982.

Bob Harris, who is most familiar with these things, may want to say a word about it.

Senator BUMPERS. Before you do—well, go ahead.

Mr. HARRIS. In early 1976, the Director adopted a policy that we would pay for our computer services.

Senator BUMPERS. That you would pay for those services?

Mr. HARRIS. We would. That basically gave her the management discretion to get our processing done at the places we thought would give us the best return for our investment, and at the same time would eliminate the possibility of other agencies coming before this committee

or other committees trying to justify increases in their own budget because of services to the Congressional Budget Office. We have adopted that policy and it has worked quite well. We are estimating that 38 percent of our computing in 1982 will be done on Federal facilities. We believe that we get a lot more computing power at such facilities than through commercial time sharing.

Senator BUMPERS. You are requesting a 36-percent increase for computer requirements this year.

Mr. HARRIS. About $258,000 represents cost increases. Some relate back to the spruce tree in your yard. Because of the paper cost increases, beginning in January 1981, we are now paying roughly $1.04 for every thousand lines we print on the computer. That compares to just 76 cents last fall. We estimate that our printing cost for last weekend alone was somewhere between $6,000 and $8,000. That was analyzing budget tapes we got from the Office of Management and Budget.

Dr. RIVLIN. That incidentally is quick turnaround work for the Senate Budget Committee.

Mr. HARRIS. In mid-January, for example, just one weekend was roughly $4,800.

The other aspect is workload increase. As our justification material indicates, our work is done in response to either legislative mandate or committee request. The Director earlier indicated in her statement the requests tend to increase.

COMPUTER COST SAVINGS

Senator BUMPERS. You set out an example in a special attachment on your computer requirements indicating the House Committee on Administration saved $303,000.

Dr. RIVLIN. That is correct.

Senator BUMPERS. If you could give us some additional illustrations it would help to justify your request.

Mr. HARRIS. To elaborate on that particular increase, Senator, we feel that, by having one single authoritative source for budgetary information, we have eliminated a great deal of duplication that might have occurred among various committees in trying to manage data basis and computer staff. There was a slight tendency to do this in the early era of the Budget Act. But in the example to which you referred, the House Appropriations Committee maintained a capability on a time-sharing service. They approached us about 3 or 4 years ago and asked if we would consider taking over the maintenance responsibility and merging that system with the data base we have. Our cost went up slightly, but not nearly as much as the decrease that occurred on the House side for time-sharing computer services.

HILL-WIDE COMPUTER CONTRACTS

There are other examples. We have negotiated what we call Hill-wide contracts to insure that all Hill users are treated as one entity and therefore do not have to pay user fees repeatedly.

As you look at the Congressional Budget Office computer budget, in essence you are looking at the computer costs of, at a minimum, the

two Budget Committees, and to some degree that of the Appropriations Committees' processes.

Senator BUMPERS. That is all of my questions, Mr. Chairman.

Senator MATTINGLY. Thank you.

LIST OF PROGRAMS ANALYSES

I would like to have if possible for you to give me a current list of the program analyses that you are currently conducting. Nothing formal, if you have it handy. I would like to have it by tomorrow.

Dr. RIVLIN. Yes; that is easy to do, Mr. Chairman.

Senator MATTINGLY. I don't want to have a computer runoff.

USE OF CONSULTANTS

In doing studies involving the engineering, economic, and scientific analysis, do you know of an approximate percentage of how much of your office relies on outside consultants? Do you have 5 percent, 10 percent?

Dr. RIVLIN. Less than that. Our consultant budget is relatively small. A large part of it is for the advisory economic group that I mentioned. We pay only a modest consulting fee.

Senator BUMPERS. Are you talking about Chase Econometrics? Do you pay for their service?

Dr. RIVLIN. We pay for that. But that doesn't come under the individual consultant line item in our budget; it comes under automated data processing contracts.

Senator MATTINGLY. Automated data processing contracts?

Dr. RIVLIN. Yes; automated data processing contracts in our budget refers essentially to the costs of automated data processing time-sharing services.

CONSULTANTS

Do you want to say a word about consultants?

Senator MATTINGLY. Just whether it is 5 percent, 3 percent.

Mr. BARDEN. We use very few. We are talking about $4,000 or $6,000 a year for individual consultants. We use firms under contract to develop data bases and enhance data bases.

Senator MATTINGLY. Is that in economic program analysis or budget analysis?

Mr. BARDEN. I don't think you can make that distinction. Those services can be for any of our divisions—budget analysis, fiscal analysis, tax analysis, or program analysis.

RELIANCE ON OTHER AGENCIES

Senator MATTINGLY. Last question. What is your reliance on other congressional agencies in conducting studies dealing with technical subjects?

Dr. RIVLIN. We have established a formal mechanism for trying to avoid duplication. Sometimes we rely on other agencies. It depends on the subject matter. In matters involving technical expertise, for instance, we have a couple of times worked jointly with the Office of Technology Assessment. But often we just keep each other informed. We do use the

work, both published and unpublished, of Federal agencies a great deal. Take the General Accounting Office, for example. They have a much larger staff than we have, and we rely heavily on a lot of their audit reports, evaluation reports.

Senator MATTINGLY. How many people do you have on board?

Dr. RIVLIN. At the moment, we have 214. That fluctuates.

Senator MATTINGLY. Do you have any temporary employees now?

Dr. RIVLIN. Yes; we have some temporary employees.

Senator MATTINGLY. Do you all have any carryover or surplus funds from previous fiscal years?

Dr. RIVLIN. No; we do not.

Senator MATTINGLY. Do you have any access to any contingency funds or accounts outside your estimated budget figures?

Dr. RIVLIN. No.

HOLDING THE BUDGET TO 1981 LEVELS

Senator MATTINGLY. I will conclude and say in light of President Reagan's stated intent to make substantial cuts in the Federal Government, the intent of this chairman to aid the President to bring health back to the American economy by cutting back the size of Government, would you agree yes or no to holding your 1982 budget to the fiscal year 1981 level, to not increasing personnel and to deferral or all new spending initiatives and programs until the economy recovers?

Dr. RIVLIN. On personnel, yes; unless the Congress asks us to do something new, it is our intention to hold to the 1981 level. On the budget, we don't believe we could do that without reducing our service to the Congress because our costs are increasing. Like the Capitol Architect, I just work here, and unless the Congress wants a real reduction in the services from the Congressional Budget Office, which doesn't seem likely in the year in which budget is the focus, we do need some increase over 1981.

Senator MATTINGLY. No further questions. Thank you very much.

SUBCOMMITTEE RECESS

Dr. RIVLIN. Thank you, Mr. Chairman. Thank you, Senator.

Senator MATTINGLY. We will recess until 8 a.m.

[Whereupon, at 9:40 a.m., Tuesday, March 10, the subcommittee was recessed, to reconvene at the call of the Chair.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1982

WEDNESDAY, MARCH 11, 1981

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

The subcommittee met at 8 a.m., in room S-126, the Capitol, Hon. Mack Mattingly (chairman) presiding.

Present: Senators Mattingly and Hatfield.

LIBRARY OF CONGRESS

STATEMENT OF DR. DANIEL J. BOORSTIN, THE LIBRARIAN OF CONGRESS

ACCOMPANIED BY:

WILLIAM J. WELSH, THE DEPUTY LIBRARIAN OF CONGRESS
DONALD C. CURRAN, THE ASSOCIATE LIBRARIAN OF CONGRESS
F. E. CROXTON, DIRECTOR, AUTOMATED SYSTEMS OFFICE
DAVID L. LADD, REGISTER OF COPYRIGHTS
GILBERT GUDE, DIRECTOR, CONGRESSIONAL RESEARCH SERVICE
SUSAN C. FINSEN, EXECUTIVE OFFICER, CONGRESSIONAL RESEARCH SERVICE
FRANK KURT CYLKE, DIRECTOR, NATIONAL LIBRARY SERVICE FOR THE BLIND AND PHYSICALLY HANDICAPPED
JOHN O. HEMPERLEY, BUDGET OFFICER

BUDGET REDUCTIONS

Senator MATTINGLY. The subcommittee will come to order.

Good morning. I would like to welcome you to the third day of hearings on the fiscal years 1981 and 1982 appropriations for the Senate and joint items of the legislative branch.

As chairman of this committee, I have requested from all agencies and individuals a breakdown of their budgets and the areas within those budgets where reductions of 10 percent can be made. I have also requested proposals to effect a 20-percent overall reduction in the Senate operating budgets. I strongly believe, particularly on this day after the administration is asking for even greater cuts in a variety of programs serving the public, that the Members of Congress and support agencies that serve it make a similar type sacrifice.

Our first witness this morning is the Librarian of Congress, Dr. Daniel J. Boorstin. Good morning.

Dr. BOORSTIN. Good morning, sir.

1981 SUPPLEMENTAL AND 1982 BUDGET REQUESTS

Senator MATTINGLY. We are going to review the fiscal year 1981 supplemental request of $9,789,000 which has been requested to cover the increased pay cost for the Library of Congress, as well as the fiscal year 1982 budget of $197,611,000 and 4,856 positions, job positions. This represents an increase of $7,369,000 over the fiscal year 1981 appropriations level for the Library.

PREPARED STATEMENT

Dr. Boorstin, I would like for you to introduce your staff and proceed with your statement. Perhaps it would be best to highlight your full statement and we can place it in the record.

[The statement follows:]

STATEMENT OF DANIEL J. BOORSTIN

Mr. Chairman and Members of the Subcommittee: In preparing for these hearings on the Library of Congress' 1982 budget requests, I have been struck by the need to place our national library in perspective. As you know, all great civilizations have established great libraries -- mostly collected by and for the aristocratic classes. But our United States, through the peoples' representatives, has created a national library for the Congress and for all the people. The Library of Congress is much more than a national collection of books, manuscripts, motion pictures, prints and photographs, maps, music, and other items. It is the center of research on public policy for the Congress. It is the nation's -- even the world's -- greatest single resource of the knowledge and information which makes progress possible and which advances a more effective, more economical relation among our private and our public institutions.

Through an unparalleled staff of research scholars, linguists, subject and cataloging experts, the Library of Congress has become the center for information from the world's greatest collection to every library in this country. We have accomplished this through an elaborate network of private and public bibliographic utilities. The Library of Congress is the agent for carrying out through copyright the constitutional mandate "to promote science and the useful arts" by encouraging and protecting the artistic and literary works of our creative citizens. We have developed a copyright system both nationally and internationally that will provide the greatest encouragement and the greatest protection for the property rights of American authors, composers, performers, and artists.

The Library of Congress is the center for distributing reading materials to our blind and physically handicapped citizens through a model cooperative program with State and local governments. The Library of Congress is the center for distributing scholarly information in science and the humanities, and on the laws of all other nations drawing from all languages. The Library of Congress is, in a word, the citadel of knowledge for free people everywhere, and an exemplar of the faith in freedom and in the free interchange of knowledge which has made American civilization.

In sum, the Library of Congress in its 180-year history, has become a scholarly resource unique in the history of the world. Its collections have been enriched through purchase, copyright deposits, exchange, and generous gifts from public-spirited private citizens. Knowledge, unlike other resources, is non-depletable and increases only by diffusion. Knowledge is the commodity of the Library of Congress.

This Library must continue to grow if it is to keep pace with the increase

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of knowledge and the progress of technology and American enterprises. Industrial growth depends on knowledge. To allow knowledge to remain static, is to retreat from the future.

1982 Request

The request before you today for a total of $197,611,000, together with the requested level of $11,500,000 from dedicated receipts, is, we believe, justifiable.

This represents an increase of $10,978,000 or 5.5 percent over the amount actually expected to be available to the Library in 1981 after application of the 2 percent set-aside mandated by the House-passed Legislative Appropriation Bill for 1981. Most of this increase, $6,351,158, is for inflationary costs and other mandatory changes in the budget level. The balance of $4,626,842 represents those limited growing workload increases which are essential for efficient service. They are requested only because they represent mandatory changes, are essential to providing adequate public service, or offer opportunities to preserve the collections in order to avoid higher costs in the future.

We are operating today within tight financial and staffing margins. Budget cuts over the last three fiscal years have resulted in significant, continuing base reductions. The cumulative annual effect has been a cut in staff of 139 positions and a reduction in funding of $16.0 million. Increases allowed during this period have only partially compensated for inflation and other mandatory costs.

Because of the reduced appropriation, a supplemental is urgently needed for the increased pay costs effective October 1, 1980. Any new pay raise which may go into effect on October 1, 1981, will require full appropriation in fiscal 1982.

Research Services

The Congress has provided a great new facility in the Madison Building but we can realize a return on that investment only if we can provide the staff to make effective use of it. Funds for the full year equivalent of 25 additional deck attendants are needed to provide timely services throughout the reading rooms. Thirty-two indefinite positions are needed for three years to produce an inventory of the collectons, locating lost and misshelved volumes, and avoiding the risk of duplicative purchases and redundant services. These two efforts will combine to make more efficient use of the resources of the Library and, with the move to the Madison Building, this is the opportune time to do this.

We are requesting eight permanent positions to serve users of the Performing Arts Reading Room in the Madison Building and to open the wealth of

audiovisual materials, including the music and motion picture collections, to Congress, other government agencies, researchers, and the public.

Four new positions are requested to provide minimum service to the Law Library collections in the Madison Building.

Preservation

We are repeating last year's request for urgent preservation measures, failing which, unique motion picture resources will be lost to the Congress and the nation for all time. Additional staff, supplies, and equipment are needed to increase the hours of operation at the film conversion laboratory at the Wright-Patterson Air Force Base. These collections become less and less stable and more apt to self-destruct with every passing year. Therefore the speedy conversion of motion picture collections now on highly combustible nitrate film to safety base film is urgent. At the present funded conversion rate, to preserve the films is particularly slow. Unless we speed the process, we will lose a portion of the collections before the entire stock is transferred to safety film. The request for 18 indefinite jobs, and $801,700 in supplies, services, and equipment would allow completion of the conversion process in seven years.

Purchase of Automated Cataloging Records

The Library of Congress has been producing automated cataloging information for use within the Library and for other libraries since 1968. Beginning January 1, 1981, our conventional card catalogs have been frozen and future cataloging records will be available to the public in machine readable form. It is our intention to eliminate the necessity of manual filing in the public catalogs of all but Chinese, Japanese, and Korean materials. Because of the exorbitant expense, the decision was made not to key in pre-1968 records. Now an unusual opportunity has been offered us. A private publisher in cooperation with the Library of Congress is in the process of producing a title book catalog of the Library of Congress shelflist of the entire cataloged collections for sale to the public. By paying this firm to augment the pre-1968 records, they can simultaneously make it available to us in machine readable form at a small fraction of what it would cost us to input into our system.

Administration

Within recent years Congress has enacted numerous laws related to unionization of Federal employees, equal opportunity, and merit employment. The Library of Congress cannot properly meet the requirements of these laws and the ever-increasing burden of employee litigation without six additional positions in the Personnel and Labor Relations Office and two paralegal positions in the Office of General Counsel. We are requesting $50,000 to allow for contracting for

investigative services for equal employment opportunity complaints in order to reduce the backlog and the time lag in the handling of cases.

Other

To avoid accepting the non-essential materials and to avoid the costs for cataloging, service, and storage, we request two positions for the Collections Development Office.

Because of the necessity to meet safety requirements in the Madison Building to protect employees, the public, and our collections, we need a minimum of 13 additional Special Police positions.

I would note that we are requesting these funds for all Library functions and activities except certain costs of the buildings we occupy which are covered in the budget of the Architect of the Capitol. I wish to give my strong endorsement to the Architect's estimates for these purposes in 1982, particularly as regards funding for renovation of the Jefferson Building and the Adams Building.

In conclusion, the request before you is our collective judgment of the minimum needed to maintain the Library of Congress as a vigorous, efficient, and productive institution. More than ever the American people need the resources of knowledge and of this great Library. Only through preserving the treasures of our civilization, by making available the traditional wisdom of the American people, and by diffusing the most current increases in knowledge can we find solutions to the myriad problems that face our nation today.

INTRODUCTION OF ASSOCIATES

Dr. BOORSTIN. Thank you, Mr. Chairman. I would like to introduce the Deputy Librarian of Congress, Mr. William Welsh, on my left; on my right, the Associate Librarian of Congress, Mr. Donald Curran; further on my right, Mr. Gilbert Gude, Director of the Congressional Research Service. There are other members of my staff who I may call on if the occasion arises.

I would like to read a brief statement.

I might mention that at the House appropriations hearings, we showed a short video tape about the Library of Congress. We would be glad to make it available to you at any time either in your office or make it available to other members of the committee, should you wish to do so.

Senator MATTINGLY. Thank you.

NATIONAL LIBRARY FOR THE CONGRESS AND PEOPLE

Dr. BOORSTIN. Mr. Chairman and members of the subcommittee, I would like first to place our national library in perspective. Very briefly, as you know, all great civilizations have established great libraries—mostly collected by and for the aristocratic classes. But our United States, through the people's representatives, has created a national library for the Congress and for all the people. The Library of Congress

is much more than a national collection of books, manuscripts, motion pictures, prints and photographs, maps, music, and other items. It is the center of research on public policy for the Congress. It is the Nation's—even the world's—greatest single resource of the knowledge and information which makes progress possible and which advances a more effective, more economical relation among our private and our public institutions.

LIBRARY AS CENTER FOR INFORMATION

Through an unparalleled staff of research scholars, linguists, subject and cataloging experts, the Library of Congress has become the center for information from the world's greatest collection to every library in this country. We have accomplished this through an elaborate network of private and public bibliographic utilities. The Library of Congress is the agent for carrying out through copyright the constitutional mandate "to promote science and the useful arts"—something, by the way, which we are more in need of than ever before—by encouraging and protecting the artistic and literary works of our creative citizens. We have developed a copyright system both nationally and internationally that will provide the greatest encouragement and the greatest protection for the property rights of American authors, composers, performers, and artists.

The Library of Congress is the center for distributing reading materials to our blind and physically handicapped citizens through a model cooperative program with State and local governments. The Library of Congress is the center for distributing scholarly information in science and the humanities, and on the laws of all other nations drawing from all languages. The Library of Congress is, in a word, the citadel of knowledge for free people everywhere, and an exemplar of the faith in freedom and in the free interchange of knowledge which has made our American civilization.

In sum, the Library of Congress in its 180-year history has become a scholarly resource unique in the history of the world. Its collections have been enriched through purchase, copyright deposits, exchange, and generous gifts from public-spirited private citizens. Knowledge, unlike other resources, is nondepletable and increases only by diffusion. The commodity of the Library of Congress is knowledge. If knowledge is to flourish, the Library of Congress must flourish.

BUDGET REQUESTS

The request before you today, Mr. Chairman, for a total of $197,611,000, together with the requested level of $11,500,000 from dedicated receipts, is, we believe, justifiable.

This represents an increase of $10,978,000 or 5.5 percent over the amount actually expected to be available to the Library in 1981 after application of the 2-percent set-aside mandated by the House-passed legislative appropriation bill for 1981. Most of this increase—$6,351,158—is for inflationary costs and other mandatory changes in the budget level. The balance of $4,626,842 represents those limited, growing workload increases which are essential for efficient service.

We are operating today within tight financial and staffing margins. Repeated budget cuts over the last 3 fiscal years have forced us to reduce acquisitions that may never be repaired. The cumulative annual effect has been a cut in staff of 139 positions and a reduction in funding of $16 million. Increases allowed during this period have only partially compensated for inflation and other mandatory costs.

SUPPLEMENTAL BUDGET REQUESTS

Because of the reduced appropriations, a supplemental is urgently needed for the increased pay costs effective October 1, 1980. Any new pay raise which may go into effect on October 1, 1981, will require full appropriation in fiscal 1982.

RENOVATION OF BUILDINGS

I would note, Mr. Chairman, that we are requesting these funds for all Library functions and activities except certain costs of the buildings we occupy which are covered in the budget of the Architect of the Capitol, whose hearing I believe you had yesterday. I wish to give my strong endorsement to the Architect's estimates for these purposes in 1982, particularly as regards funding for renovation of the Jefferson Building and the Adams Building.

LIBRARY AS A NATIONAL RESOURCE

In conclusion, Mr. Chairman, the request before you is our collective judgment of the minimum needed to maintain the Library of Congress as a vigorous, effective, and productive institution. More than ever the American people need the resources of knowledge and of this great Library. To keep our economy growing, our knowledge source must grow. They must be sufficiently diffused, and that is our business. Only by preserving the treasures of our civilization, by making available the traditional wisdom of the American people, and by diffusing the most current increases in knowledge can we find solutions to the myriad problems that face our Nation today.

My colleagues and I are here to answer any specific questions you may have.

IMPACT OF 10- AND 20-PERCENT REDUCTIONS

Senator MATTINGLY. Thank you very much.

Dr. Boorstin, one of the first actions I took as chairman of the Legislative Branch Subcommittee was to ask each witness to provide an analysis of the actions that could be taken to accommodate both a 10-percent and 20-percent reduction in the fiscal years 1981 and 1982 budgets—every agency of the subcommittee's jurisdiction. I have your response to that request here, and I will include it as part of the record at this point.

[The information follows:]

LETTER FROM DANIEL J. BOORSTIN

February 17, 1981

Dear Senator Mattingly:

I am glad to have the opportunity to respond to your letter of January 21. The Congress is the principal constituency of the Library of Congress, though not the only one. Nevertheless, we look to the Congress to be most sensitive to the Library's needs and most fully informed about its services. I have tried in the pages that follow to explain the Library's current financial situation and the severe impact that any reduction of its budget would entail. No doubt there are Government agencies that warrant reduction. I am convinced that the Library is not one of these. We look to the Congress, whose interests we serve, to guard the Library against self-defeating and arbitrary reductions suggested elsewhere. I am confident that the information which you have sought will enable you and your colleagues to speak authoritatively to the needs of the Library. These assessments relate to Title II appropriations to the Library of Congress. The Congressional Research Service has filed a separate statement at your request.

During the months subsequent to our budget submission, we at the Library of Congress have looked hard and long at our budget needs for 1981 and 1982. The careful examination has confirmed the need for minimum increases despite the current financial crisis facing our nation.

Knowledge, unlike other resources, is non-depletable and increases only by diffusion. The Library must keep pace with the increase of knowledge and the progress of technology.

All great civilizations have established great libraries -- mostly collected by and for the aristocratic classes. But our United States, through the peoples' representatives, has created a national library for the Congress and for all the people. The Library of Congress is much more than a national collection of books, manuscripts, motion pictures, prints and photographs, maps, music, and other items. It is the center of research on public policy for the Congress. It is the nation's -- even the world's greatest single resource of the knowledge and information which makes progress possible and which advances a more effective, more economical relation among our private and our public institutions. Through an unparalleled staff of research scholars, linguists, subject and cataloging experts, the Library of Congress has become the center for information for every library in this country through an elaborate network of private and public utilities.

Our request in 1982 for $165,323,000, excluding the Congressional Research Service, represents an increase of $8,730,900 or 5.2 percent over the amount expected to be available to the Library in 1981 after application of the 2 percent set-aside mandated by the House-passed Legislative Appropriation Bill for 1981. Most of this increase, $4,669,058, is for inflationary costs and other mandatory changes in the budget level. The balance of $4,061,842 represents those limited growing workload increases which we consider essential for efficient service. The growing workload increases are requested only because they represent mandatory changes, are essential to providing adequate public service, or offer opportunities to preserve the collections in order to avoid higher costs in the future. The Salaries and Expenses, Library of Congress, account also provides administrative support services to the Congressional Research Service, including automated systems support, and all units of the Library support the Congressional Research Service in its service to Congress.

We are operating today within tight financial and staffing margins. Budget cuts over the last three fiscal years have resulted in significant, continuing base reductions. There has been a cut of 120 positions and a reduction in funding of $12.9 million over the last three years. A continuing base reduction of $4,820,000 was made in fiscal 1979, followed by a 1980 base cut of $2,600,000. In 1981 there have been both a loss of 120 positions (about three percent of our staff) at a cost of $2,409,484, and an added general two percent cut of $3,035,900. These reductions mean that the Library's Title II activities have already been reduced by eight percent. This is best illustrated by a look at our available funding over the last three fiscal years: 1979, $145,135,300; 1980, $152,874,000; 1981, $148,761,100 ($156,592,100 including full pay raise). The appropriations have not even allowed us to cover all increased pay costs and other inflationary costs.

We have made a concerted effort to improve productivity. We have tried to increase service throughout the Library without increased resources. Automation has enabled the existing staff of the Handbook of Latin American Studies to accomplish a workload increase of 50 percent. Through a cooperative program with 15 research libraries, the Library of Congress has received cataloging information for over 25 percent of new journals and magazines received.

As a result of the House Subcommittee's direction to evaluate cost savings using contract cleaning in the Madison Building, we have entered into such a contract at substantial savings with no adverse effects on Library operations. Also we are proud of the efforts of the National Library Service for the Blind and Physically Handicapped to reduce the cost of machines and talking books and to manage more effectively the inventories of books and machines. We have adopted a more aggressive program of requiring deposit of copyright materials reducing the number of copyrighted publications which must be purchased.

Reductions in the purchase of books for the collections have been effected by more narrow selection criteria, but there has been significant loss. Any further reduction in the book purchase program will still further impair the quality of the service and the collections at the very time when the nation desperately needs all its knowledge and information resources to increase productivity in all sectors. Without additional resources, our services to the nation, despite our best efforts, will deteriorate -- along with a diminution of our knowledge resources and a loss of effective service to Congress. I believe that the Library has exhausted its flexibility to deal with large unfunded needs or further base reductions.

1981 Supplemental Request

Because appropriations have been reduced by $12.9 million annually, a supplemental appropriation is urgently needed for the increased pay costs effective October 1, 1980. We are into the fifth month of fiscal 1981 and any major reduction in the supplemental request would necessitate a reduction of the work week for our over 3,700 employees who are paid by direct appropriation as the only feasible approach to avoid deficit spending. We would not have funds to pay severance pay to employees reduced in force. We would have to require employees to work a four-day week at a reduction in pay or furlough our employees for a period at the end of the fiscal year and close down the Library of Congress which would be a national disgrace and an obstacle to our national development.

As we told the Chairman of the House Subcommittee on Legislative Appropriations, we are assessing our current financial situation to determine if any funds are available to absorb certain costs. The two percent set-aside in the fiscal 1981 appropriation amounts to about $3.0 million in Title II. This amount could offset a portion of the 1981 supplemental. We would, however, need the full amount of the pay raise in fiscal 1982 if we are not severely to curtail the Library's resources and services. The payroll of the Library of Congress amounts to approximately 62 percent of our direct appropriation and consequently there are no large sums of program money to be captured even if we curtailed service to the blind and physically handicapped as well as reduced automated systems support to the Congress and other Library operations.

As a result of your letter we have assessed all our activities and functions on the basis of a 10 percent reduction in 1982 estimates. What follows is our best judgment as to what would be the impact of a 10 percent reduction.

1982 Request - 10 Percent Reduction

Should the Library of Congress be faced with a 10 percent reduction of its 1982 estimates, we estimate that a minimum reduction in force of 200 employees would be necessary. It could be a larger reduction in force because Library of Congress employees have certain reduction-in-force rights. Employees have certain "bumping rights." They are also covered by severance pay and grade and pay retention laws. The latter allows you to retain your salary for two years should you be reduced in grade after exercising your bumping rights because of a reduction in force. The exact extent of our reduced costs would not be known until all concerned employees had exercised their statutory and regulatory options. However, we do know that the average salary cost would be higher, because of staff members retaining their old salaries in lower grade positions.

It would also be necessary to reduce the hours of service in the general and special reading rooms by 30 percent. This would cause us to reduce the number of reference librarians throughout the Research Services Department and the Law

Library, to reduce the number of Special Police to protect readers and the collections, and to reduce the level of housekeeping. It would be necessary to curtail essential bibliographic services, to abolish the Children's Literature Center (more than ever needed in an age of television), and to curtail the purchase of library materials, and subsequently, the processing and servicing of these materials, all of which would have a damaging effect on all the nation's libraries, and reduce services to Congress and the public. These reductions will permanently deteriorate the quality of the collections. Within the Processing Services Department, a number of bibliographic services traditionally provided to other libraries, to help them economize their own scarce resources, would have to cease. We would be compelled to reduce drastically our cataloging output, and decrease the inputting of bibliographic records into machine readable form -- thus depriving libraries throughout the country. This would set libraries back at least 20 years to the time when cataloging and bibliographic services were wastefully duplicated throughout the nation. It would be necessary to cancel the donation program of the Exchange and Gift Division which aids other Federal agencies and educational institutions in every community in the nation.

Productivity improvements within the Library would slow and in some cases stop as a result of the need to keep static our automated systems support. The severe delay in adding terminals and disc storage would make it impossible to provide the capabilities of the present system to more staff and patrons and to add new data files which would otherwise increase the speed with which information could be obtained.

The reduction of our in-house printing capability would make it impossible to meet deadlines for services to other libraries and the Congressional Research Service and other Library services.

In the Copyright Office, a 10 percent decrease in the 1982 estimates confronts us with another difficult problem. The public and not the Copyright Office regulates the flow of workload to the Copyright Office. Long backlogs will grow and the public will not receive timely certificates of registration. If the Copyright Office is to continue to fulfill its obligations under the law, it must be funded at the level of the 1982 requests.

The 1982 request for the National Library Service for the Blind and Physically Handicapped does not provide for any new staff but would allow for the projected procurement of 103,000 reading machines for the blind and physically handicapped. Since 1979, the Service has had a $4.5 million reduction in appropriations and a reduction of three positions and has absorbed much of the cost of living increases. As a result, all object classifications have been reduced to the lowest possible level. No further reduction in staff can be sustained without a decline in service and a deprivation of the opportunity to read for thousands of present and future blind and physically handicapped persons. This would be a result of the reduction in the machine budget which would limit the number to only 69,600 units.

1982 Budget - 20 Percent Reduction

A 10 percent reduction in our 1982 estimates would, as the above outlines, have a staggering impact on our public and technical services. A 20 percent reduction in the estimates would be crippling. Over 500 persons would be reduced in force and numerous national services would be abolished or drastically reduced. In addition to the consequences of a 10 percent reduction, it would be necessary to abolish several public service units such as the National Referral Center, the Cataloging Distribution Service, and to curtail our reference service in the Research Services and Law Library. The professional staff in the Library would have the sad duty of informing the Congress and the nation that we could no longer keep open a national library commensurate with the nation's growth in knowledge. In effect we would have to announce that the nation's store of knowledge cannot be preserved or made available to Congress and the world of learning. Not only the level of literacy and knowledge would decline but the resources available for our national defense would quickly and dangerously decline.

Impact on the processing of materials for the collections would create arrearages throughout the Library, and leave our collections as out of date and unavailable as are those of backward countries elsewhere in the world. All public tours would have to be terminated, the Planning and Development Office would be terminated, and many bibliographies abolished. There would be a further decrease in the procurement of talking books for the blind and physically handicapped. We could service a new reader only on the death or withdrawal of a present reader. Many of our essential cataloging services for libraries throughout the country would be discontinued. Every library in the nation would suffer.

The only way to reduce positions and at the same time protect the nation's collections then would be to close most entrances to the Library buildings. Patrols of the Library buildings would be terminated. In effect we would cease to be a widely usable public facility, and the benefits of nearly two centuries' investment would be lost. A major reduction in housecleaning services would be necessary. No new automated programs would be developed in support of users, the addition of terminals and disc storage would be essentially ended, the growth in transaction demand would be slowed down. Future costs would be increased by drastically reducing current purchases of essential equipment.

A 20 percent reduction in the Copyright Office estimates would increase processing time for routine copyright claims to more than three months; non-routine claims would take even more months to process. Public services such as filing in the public copyright catalog and the information and reference function would be further delayed.

I wish that we at the Library of Congress could offer extensive reductions that would be more helpful in assisting the Congress to make its serious budgetary decisions in the next months. But the Library of Congress has already suffered severe cuts in the last three years. Our corps of highly trained and devoted specialists, built up over the decades are essential to carry out the mission of the Library of Congress. A further reduction in force would disperse that resource which would take decades to gather again.

Through appropriation and legislation, Congress has extended the services of its library to all Americans in a series of national programs. Beginning in 1901, the Library of Congress extended its cataloging service to help us all perform our services to the public economically and to cut down on waste. Today libraries throughout the nation rely upon the Library of Congress' cataloging. There is no other economic way for them to be provided. Research in automating bibliographic records done at the Library of Congress has saved libraries at least $230 million annually over the last 15 years. Networks for on-line bibliographic access to this cataloging information have developed. Major cooperative bibliographic efforts at the Library of Congress have put the total resources of the nation's 30,000 libraries at the disposal of scholars throughout our country. The national reading program for the blind and physically handicapped is a model for cooperative efforts between the Federal government, the States, municipal localities, private enterprise,,and individual citizens who serve as volunteers. Because of the resources available at the Library of Congress, wasteful collecting by Federal agencies has been avoided. All Federal agencies including the defense establishment rely upon our collections.

Congress, even during difficult times, has taken great pride in Congress' own library. Throughout our 180-year history, the Library of Congress has received generous support. Ours is a national resource, a treasury of civilization and enlightenment unique in the history of the world. Our collections are unparalleled by those of any other library. To diminish our ability to collect and service these collections will put our nation's scientists, scholars, and industries in a backwater.

Disintegration of our services will burden scholars, libraries, colleges and universities, and our research and development institutions with additional expenses at a time when they can least afford it.

Years ago, one of my most distinguished predecessors, Archibald MacLeish, remarked that without the collections and services of the Library of Congress, the Government itself could not function. Allowing for a certain poetic license, I believe that statement is equally true today. The Library welcomes and embraces its responsibilities as the essential reservoir of knowledge, information, and professional skills from which the Congress, the Federal Government, and the American people are free to draw. In a time when ever greater efficiency and cost-effectiveness are demanded of all agencies of Government, the supportive role of the Library of Congress can be expected to be greater, not less. The information

provided above, therefore, estimates the severe impact upon the Library of any kind of arbitrary percentage reduction of its budget. It does not attempt to reckon the impact upon the rest of Government because that impact would be literally incalculable.

I would hope we would have an opportunity to meet and discuss the Library of Congress' budget prior to hearings. Please let me know when this would be possible.

Sincerely,

Daniel J. Boorstin
The Librarian of Congress

The Honorable
Mack Mattingly
Chairman
Subcommittee on Legislative Branch
Committee on Appropriations
United States Senate
Washington, D. C. 20510

COOPERATION IN MAKING REDUCTIONS

Senator MATTINGLY. Frankly, I was somewhat disappointed in your response. You seem to agree Federal spending should be reduced in some Federal agencies, but not in the Library of Congress. I am not asking more of the Library of Congress than any other agency, I am simply looking for cooperation and use of your expertise and of you and your associates to make budget cutbacks. With that type of cooperative spirit in mind, I do have some questions I would like to ask.

STAFF VACANCIES

Out of the currently authorized 4,799 employees, how many vacancies are there currently in the Library of Congress?

Mr. WELSH. Thirty-five, Mr. Chairman.

Senator MATTINGLY. How long has the average vacancy existed?

Mr. WELSH. The average vacancy exists from 60 to 90 days.

Senator MATTINGLY. What is the normal rate of attrition?

Mr. WELSH. It is about 16 percent. The first quarter it is 4 percent, and we extrapolate, which is slightly below the average last year of 17 percent.

Senator MATTINGLY. Have you instituted some labor-saving methods in the past few years to hold down additional employment costs?

LABOR-SAVING METHODS INTRODUCED

Dr. BOORSTIN. Yes; Mr. Chairman, we have made every effort at the suggestion of the House committee and on our own initiative by use of automation. We have also introduced contract cleaning, for example, in the Madison Building which we hope will reduce costs and still produce an effective result. Throughout the Library we have asked every one of the chiefs of the divisions to come up with ways to increase efficiency. One notable example is the Division of the Blind and Physically Handicapped which has found ways to reduce the costs per reader. Mr. Cylke could speak to that in detail.

In the Congressional Research Service we have prepared preprinted responses to inquires from Congress seeking information from our collections. We have simplified procedures for renewing study desks and shelves and charging books. We have used a new three-part call slip to maintain a record copy, and we have introduced a system of shelf markers.

We have also, Mr. Chairman, made a plan for the Library of Congress which we hope will reduce the overall cost for delivering books by rearranging the collections so they will be more closely located to the readers who want to use that particular class of books and in that way reduce the need for messenger service.

RESPONSE TO PROPOSED REDUCTIONS

Mr. Chairman, if I may respond to your opening comment. I am sorry if you were disappointed in our response. I would like you to know we do want to cooperate. As a historian, I would have to say I am well aware of the importance of the measures you are trying to undertake to improve our economy and to reduce inflation in Government. But I do feel it is my obligation as Librarian of Congress to call attention to the unique character of the commodity we deal in. Unlike some other agencies, the services we provide are not autonomously determined by our agency. The flow of knowledge and information is determined first by the needs of the people in the country, of the Congress, and of all scholars in the world of science and industry. It is also determined by the rate of increase of knowledge and items of information, and arbitrarily to reduce the service that we offer in either collecting that knowledge and information or in making it available we reduce the flow of available resources, which resources alone are those by which the Nation can improve its efficiency and reduce its waste.

UNIQUENESS OF KNOWLEDGE

So there is something unique about knowledge—and I realize that you have heard every agency describe something unique about its activities. But I think that in this case there is a uniqueness which has been attested by the wisdom of the ages and by the fact the Congress of the United States so generously supported and increased the resources over the last 180 years.

Senator MATTINGLY. Being the chairman of this committee and having somebody like yourself come before it and asking them to maybe curtail activities is, needless to say, a very sensitive issue, but these are not ordinary times in our country and I am just hoping you keep that in mind as I question you.

The senior member of this subcommittee and the chairman of the full committee, Senator Hatfield, is here. He can ask questions, then I will have more.

BUDGETARY REQUEST OF 3-YEAR PERIOD

Chairman HATFIELD. Thank you very much, Mr. Chairman. I am sorry I am not going to be able to stay for the whole hearing, but as you know I have another engagement on Wednesday morning.

Dr. Boorstin, I note you have put your budgetary request into the context of a 3-year period, and that would indicate to me, as I recall and as you have stated in your testimony, that unlike many agencies, you have been on a cut-back program now for 3 years. It is not comparing this budget with 1981, but we are really comparing it with what has happened in a 3-year span. Is that correct?

Dr. BOORSTIN. That is correct.

Chairman HATFIELD. With most agencies we are looking at the fiscal year budgetary comparison of 1981/1982. In addition to the cutbacks that have occurred in the last 3 budget years for the Library of Congress, is it not true you have brought on line the Madison Building which adds to the overall scope and responsibility of the administration?

Dr. BOORSTIN. Yes, sir.

RENOVATION OF JEFFERSON BUILDING

Chairman HATFIELD. Dr. Boorstin, have you included in this budget request the design and plans for renovation of what is now going to be the Jefferson Building?

Dr. BOORSTIN. Senator, the request for those appropriations come under the budget of the Architect of the Capitol, and he made his presentation I believe yesterday, Mr. Chairman.

Senator MATTINGLY. Yes.

Chairman HATFIELD. Do you know if he included requests for that?

Dr. BOORSTIN. Yes, sir.

Chairman HATFIELD. I think I would like to underscore that even though it is not part, it is very directly related to you, that this is one of the treasures of the Nation, not only the contents, but the building itself. And I think it would be an absolute travesty to let that deteriorate at a time when the economic constraint and the amount that would be required there wouldn't even put the tailpiece on one fighter plane. I think we have to put some priorities on the ongoing, continuity of life, continuity of history which is the repository of knowledge, as you indicated earlier in your testimony, whether it is a hieroglyphics we have seen on the walls of caves or the wisdom placed on the scrolls from the prophets or whatever, we have seen obviously any civilization has to have its recorded history some way to transmit to future generations.

SUPPORT FOR THE LIBRARY OF CONGRESS

I must say I am here this morning to give testimony to my feeling of the priority and importance of the Library of Congress. And I join the chairman of this subcommittee and as a member of this subcommittee to strike out in all directions to find ways to reduce the budget, but I do affirm this morning that in that activity we have to set also some criteria and priorities. And I must say that I think the Library is the top of my priority list.

And I just want to commend you. Senator Mattingly, I sat on Dr. Boorstin's confirmation hearing, and I recall the role that he has played in the Library's history, and it is a most distinguished one. I think we are fortunate to have the kind of leadership throughout, in depth—not just Dr. Boorstin, but throughout the Library.

LIBRARY SERVICES TO THE NATION

I also want to say when I go home 3,000 miles from here there are many occasions when people tell me, my constituents, about the valuable service rendered to them 3,000 miles from the scene by the Library of Congress, many of my former students who had the opportunity to come to do research and to further their own education. So it is not just something here for the benefit of the Congress alone, but, as you point out, it is a national treasury.

REDUCTION IN CONGRESSIONAL SERVICES

I would suggest that possibly that we ought to look at the possibilities we are going to have to make further cuts in the Congressional Research Service. I think that might be a place that we might begin. I don't want to see Gilbert Gude totally cut out, but I would like to see possibly if we have to apply the surgeon's knife further, let's put it really where it is going to hurt most, let's put it to our own benefit and our service and let the Nation at large retain that service as much as we can.

I really wanted to make that brief statement for the record, support my chairman, and at the same time to recognize the importance of the Library.

Thank you, Mr. Chairman. Would you excuse me to attend our mutual duties another place.

Senator MATTINGLY. Yes; and may I say I am not here to threaten the Library's function, but make sure it is operating efficiently and without waste.

Chairman HATFIELD. I commend the chairman for that and support the chairman in his efforts to do that.

ABSORPTION OF BUDGET REDUCTIONS

Dr. BOORSTIN. Mr. Chairman, may I add just one brief comment pursuant to the very kind, excessively generous words of Senator Hatfield, which we of course appreciate.

I have here, Mr. Chairman, an itemization of cuts that we have absorbed since 1979, four different stages, to confirm the fact that this is not something new to us. We have been engaged in this operation now for some years and have been absorbing these cuts.

FIRE PROTECTION AND RESTORATION

Second, I would like to make a comment, if I may, on the sums requested for fire protection and restoration of the building, if that is not out of order, Mr. Chairman.

Senator MATTINGLY. No; I was going to ask about that later on anyway.

Dr. BOORSTIN. The reason I would mention it, that was related to what Senator Hatfield was observing; namely, our obligation to preserve these resources, because if we do not undertake the measures for fire protection which we have requested, there is the danger of what I would call actually nothing less than a cultural holocaust. If we had a major fire in any of the buildings of the Library of Congress, it would irreparably destroy resources that could not be replaced.

Also, I would mention that it happens that the measures required to provide fire protection, the pipes and conduits that would be required, in order for them to be installed economically and effectively without destroying the fabric of the building, it is necessary that they should be introduced in relation to an overall plan, a plan which would preserve the fabric and beauty of the building at the same time that those facilities are introduced. So there is an inevitable linkage to the restoration of the building to the introduction of the fire protection which is absolutely essential if we are not to risk a serious fire catastrophe.

INCREASES IN LIBRARY BUDGET

Senator MATTINGLY. One comment I would like to make so that the public doesn't misunderstand. The budget for the Library of Congress has gone up in the last 3 years; it has not gone down.

Dr. BOORSTIN. Mr. Chairman, our budget has not increased to absorb inflationary costs, nor have we been provided with sufficient funds to absorb the pay increases.

Senator MATTINGLY. But the dollar amount has been greater over the last 3 years.

Mr. WELSH. Yes, but it has not, as the Librarian said, kept pace with inflation.

Senator MATTINGLY. Well, there are a lot of places in the United States that have not kept pace with inflation.

REQUEST FOR ADDITIONAL POSITIONS

In fiscal year 1982, according to your testimony, you are seeking an additional 161 employees, both full time and what you term indefinite, yet in the justifications for estimates of 1982 the Library was asking for only 57 employees. Can you explain how you acquired the need for the additional 104 positions in the last 3 years?

Dr. BOORSTIN. Mr. Curran, can you speak to that?

Mr. CURRAN. May I ask a clarifying question. You are asking for the difference between the so-called permanent positions and so-called indefinite and temporary positions, is that it, sir?

Senator MATTINGLY. Yes.

PERMANENT POSITIONS

Mr. CURRAN. The Library has had over a long time a practice with these committees of the Congress to identify positions which we call permanent, meaning we expect them to continue on for the future without an ending date, and we identify those as permanent and we account to this committee for them as permanant positions. So, for example, overall in the Library of Congress we identify 4,799 so-called permanent positions.

TEMPORARY POSITIONS

In addition to those permanent positions, we have over the years used temporary help. Now, the distinction is the nature of the appointment here, and we have a certain number of positions, which number over 200, which we refer to as temporary in that they are the kind of people that come and go and the job does not carry with it the benefits of a permanent position.

INDEFINITE POSITIONS

Then the third category position we use is the so-called indefinite position, and in the normal course of events indefinites have a prospective ending date—a 3-year period. In this budget, for example, there are 18 positions we identify as indefinite because they are going to be on a special assignment at Wright Patterson Air Force Base working on the conversion of nitrate film. It is a one-time thing, and the jobs will no longer be characterized as permanent.

POSITIONS FOR INVENTORY OF THE COLLECTIONS

There is another request, I believe, for 32 indefinite positions for a book inventory project, something we haven't done in 50 years. It is a major enterprise. It requires additional resources over a 3-year period. There is another category of positions—there are 25—where we call them temporary, and again it is the nature of the position and the kind of people we hire. It is for peak workload. I believe the Congressional Research Service has some similar types of jobs, but I defer to Mr. Gude to explain those. That is what we mean by permanent, indefinite, and temporary.

PRESIDENT'S HIRING FREEZE

Senator MATTINGLY. I understand the freeze in hiring did not apply to the Library.

Dr. BOORSTIN. The President's freeze?

Senator MATTINGLY. Yes.

Mr. CURRAN. That is correct, the freeze did not apply to any of the agencies in the legislative branch or Congress itself. However, the Library tries to manage within its available resources. In other words, we do not have much hiring going on right now. It is a low period, and the reason is we don't have the money. We are essentially staffed up, with 35 vacancies. That is relatively low, given even in the worst of time people leave and you have to replace people. We are selectively recruiting and filling positions on a need basis, but we have many vacancies that are not filled because we do not have money to staff all authorized permanent positions.

Seantor Mattingly. What you are saying is the freeze didn't apply to the Library.

Mr. CURRAN. That is correct.

READING ROOMS

Senator MATTINGLY. How many reading rooms are closed at present?

Mr. CURRAN. None.

Mr. WELSH. Excuse me, perhaps the reference is to the Madison Building which we have not fully occupied. Most of the reading rooms there are not open as yet, simply because they have not moved activities there.

Senator MATTINGLY. Is that in the request for 25 additional employees?

Mr. WELSH. No; the request for the Madison Building is for the eight additional employees. The 25 would be in conjunction primarily with the Adams Building and Jefferson Building.

Dr. BOORSTIN. Mr. Chairman, in response to that, the congestion in the Adams Building and some of the Jefferson Building—especially the Adams Building—meant what had been reading rooms have had to be used for office space, and the public has been deprived of reading rooms in the Adams Building.

DEFERRAL OF INVENTORY PROJECT

Senator MATTINGLY. You were speaking about the inventory; The request for 32 additional indefinite employees, could this expenditure be deferred?

Dr. BOORSTIN. Mr. Chairman, the reason we wanted to undertake that now was because we thought it was prudent to do the inventory as we move books from one place to another, and the acquisition of the Madison Building has required us to move. It is much easier to inventory the library when we are moving the books than it would be to handle the books on a separate occasion. There are many reasons of economy why an inventory is necessary, because with an inventory we can discover duplications, we can discover gaps, we can avoid the temptation to replace books which we already have, which having as many items as we do it is very difficult to know whether we have them or not. And we think this is an expenditure which in the long run will be an economy by enabling us to make our acquisitions policy more effective, with less danger of duplication, and also to take advantage of the move which is going on anyway.

Senator MATTINGLY. What period of time will that take?

Mr. WELSH. Three years.

Senator MATTINGLY. Beginning when?

Mr. WELSH. Beginning whenever we get the positions. As Dr. Boorstin has indicated, the difficulty here is the Congress gave us the money to make the move of collections, and the appropriate time to inventory the collections is when that move is taking place. So we are in now the second year of the move of the collections, and we would like to begin with the inventory as soon as possible. It can be deferred, but it would be wasteful.

REQUEST FOR SPECIAL POLICE

Senator MATTINGLY. What statistics have you compiled concerning crime at the Library of Congress?

Mr. WELSH. We have not compiled statistics. We do keep a record of the materials that are picked up at various doors. But one of the reasons why we want to do the inventory is to find out what we have lost and find out what the extent of that problem is.

Senator MATTINGLY. How many vacancies do you have on the police force?

Mr. WELSH. Five, but three are in the process of being filled.

Senator MATTINGLY. Has the police force requested additional personnel also?

Dr. BOORSTIN. Mr. Zimmerman, can you answer that?

Mr. ZIMMERMAN. Thirteen positions.

Mr. WELSH. That relates, Mr. Chairman, to the occupancy of the Madison Building.

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INCREASE OF PERSONNEL

Senator MATTINGLY. Of the total appropriation request for fiscal year 1982, how much of that can be attributed then to increase of personnel, additional personnel that you requested?

Mr. CURRAN. I don't have that summary because it is spread in three different appropriations, but I will provide that for the record.

Senator MATTINGLY. I would like to have it. It will be placed in the record.

[The summary follows:]

COST OF NEW POSITIONS BY TYPE OF APPOINTMENT

Appropriation	Permanent		Indefinite		Temporary		Total	
	Positions	Amount	Positions	Amount	Positions	Amount	Positions	Amount
Salaries and expenses, Library of Congress	[1] 43	$795,207	(50)	$832,280	(25)	$275,000	(118)	$1,902,487
Salaries and expenses, Copyright Office	5	[2] 74,255					5	74,255
Salaries and expenses, Congressional Research Service			(11)	206,000	(18)	259,000	(29)	465,000
Total	48	869,462	(61)	1,038,280	(43)	534,000	(152)	2,441,742

[1] In addition to the new 43 positions for which funds are required as shown here, the Library is seeking authorization to establish 9 new positions form funds previously used to contract for preliminary cataloging in Europe becuase it is now cheaper to do the work in Washington, D.C.

[2] The request for these five positions for the Copyright Office is withdrawn by the Library.

RETAINING THE 1982 BUDGET AT THE 1981 LEVEL

Senator MATTINGLY. I also have some additional questions for the record that I will submit to you.

Given the President's stated intent to make substantial cuts in the Federal budgets, would you agree to holding your 1982 budget to the fiscal year 1981 level and to not increasing personnel at this time?

Dr. BOORSTIN. Mr. Chairman, if we receive a supplemental appropriation—if I understand what you mean by the 1981 budget, whether you mean to include the supplemental?

Senator MATTINGLY. 1981 including the pay supplemental.

Dr. BOORSTIN. The salary increase, you would intend to include, that is what you mean?

Senator MATTINGLY. Right, the 1981 budget which includes the pay increase.

REDUCTION IN SERVICES

Dr. BOORSTIN. If we did keep our budget for the coming year within that figure, it would involve a reduction in services of the Library, and that reduction, Mr. Chairman, is one that would have to be undertaken across the board. That would amount to a reduction in our appropriation because of inflation obviously, and I would also assume that there would be an appropriation to cover the salary increase that will be mandated in this coming year, too. I would assume that would be included. If that is included, then an effort to keep our budget within that figure would result in an across-the-board reduction in our services for the Congress and the Nation. Our services are such that we would not be free to eliminate a large number of particular programs. We do not have individual programs that require large sums of money which could be elimimated. So we would have to reduce the services to the blind, we would have to reduce reading services, reduce bibliographic services to other libraries and reduce our housekeeping and across the board generally make the Library a somewhat less effective activity.

REDUCTIONS NOT INTENDED TO REDUCE EFFECTIVENESS

Senator MATTINGLY. I do not want to make the Library less effective. It is probably an unenviable position I have as far as having you come before me, and it is like attacking the book of knowledge, I guess, and I don't have that intent. But I think I just want you to understand that in my purview of what has to be done, nothing in the budget of the U.S. Government should be determined to be hands off, that I feel is part of my responsibility to look carefully—even though my wife may not like it—that my intent is not to be pernicious but rather one to fulfill my responsibility.

LIBRARY SERVICE TO THE CONGRESS

Dr. BOORSTIN. May I add a comment, Mr. Chairman, we appreciate that spirit and we want to join with you in this effort. We also at the Library are proud of being the Library of Congress, and Congress has been very generous to us over the years and we want to serve the Congress, and this is another opportunity given to us to serve you effectively.

Senator MATTINGLY. I have one last question that has been nagging at me, and I assume you can answer it. But the Treasures of the Library of Congress, the book, this money is donated privately, I assume, to print that.

Dr. BOORSTIN. No; sir, that was a commercial enterprise, I am proud to say, and it was undertaken by Abrams, which is a branch of the Los Angeles Times Mirror. The work was done by Charles Goodrum, who is not on the staff of the Library. The Library facilitated the publication, as it would facilitate any publication using its collections, but no appropriated funds went into that. Inevitably some of the time of the staff went to assist to make materials available for photographs, and so on. Moreover, we hope, Mr. Chairman, that as a result of this the Times Mirror Co. will make a gift to the Library, which we are authorized to receive, to further the appropriate purposes of the Library. So the Library will end up profiting. Moreover, it has the great advantage of education, of reminding us of the treasures that belong to the Nation.

Senator MATTINGLY. If you could write them a letter and tell them to have it printed by American printers—not that it is that great amount of money, but I would think we might have printers in the United States that might be able to do it as well and inexpensively as they do in Japan.

Dr. BOORSTIN. Mr. Chairman, I would not feel I would be in a position to tell private enterprise where it is most economic to produce their in product. I would hope in a free world, a competitive world, the fact you point out, which I am not proud of, may be an incentive to American publishers to enter this competition and win the competition in the free market against the Japanese competitors.

Senator MATTINGLY. Thank you very much.

Dr. Boorstin, if you don't want to stay you don't have to.

Dr. BOORSTIN. I would like to stay, if I may.

CONGRESSIONAL RESEARCH SERVICE

INTRODUCTION OF ASSOCIATE

Mr. GUDE. Mr. Chairman, I would like to introduce Ms. Susan Finsen, who is Executive Officer for the Congressional Research Service.

Mr. Chairman, we appreciate this opportunity to meet with you and talk about how the Congressional Research Service can help the Congress during the coming fiscal year.

PREPARED STATEMENT

We have a statement for the record and a response to the letter which you requested, and I have a brief statement here which I would like to read.

[The statement follows:]

Statement of Gilbert Gude

Mr. Chairman, and Members of the Subcommittee, it is a pleasure to meet with you today and to talk with the Committee about how the Congressional Research Service can help the Congress in this rather remarkable time in governmental affairs. Both the recent election campaign and subsequent statements by President Reagan and Congressional leaders have made clear their intention to re-examine the laws on the books and look again at current Federal programs to see if they are meeting our present national needs. We would like to think the Congressional Research Service is singularly well equipped to help with this task; we also recognize that Congress is expecting us to provide much of the data and expertise that will be needed in this search. At the same time we are sensitive to the fact that we in the Legislative Branch also are affected by budgetary limitations and we too must maximize productivity in all our own activities. However, I must concur with the Librarian that further reductions in our funding would result in a deterioration of some of the key services we provide the Congress.

Over in the CRS we are intrigued with the thought that the "invention" of the legislative reference concept came about in a very similar environment to the one in which we all find ourselves today. You will recall that the first legislative reference bureau was created by Robert LaFollette and his party in Wisconsin so he could review the current laws of his state -- with the help and cooperation of an opposition party differing between the legislative and executive branch and with different parties in the two houses. Senator LaFollette conceived of a single organization, staffed with objective, non-partisan subject experts available to either party but to be used solely by members of the legislature, who could provide accurate, unbiased information on public issues. The information was to be action-oriented so the legislature could make working, policy judgments about legislative matters. And, as he envisioned it, such a pool of experts would be as valuable in looking for ways to spend the limited funds wisely as it was in looking for ways to save money and not to spend it at all. We would like to think the CRS remains such an institution as originally conceived, and as reaffirmed in law by Congress in 1946 and 1970, here available to serve all Members and Committees of the national legislature and their staffs.

What are the special characteristics of the CRS that Congress should exploit in the present political situation?

First are our multi-disciplines -- the linkages between what appear to be quite different specializations but which are in fact closely tied like pulleys which when you pull one down the other goes up. Our staff has specialized in pursuing these cross subject ties. They also have the knowledge of who knows what in different worlds: who has the answers at the state level, in local government, on campuses, in the lobby associations.

Second, we would like to think the Congressional Research Service represents one of the Congressional institutional memories. We have been here for seventy years, our files show what was originally hoped for when a law was passed, what was originally intended and expected, what statistics were originally used and what costs were projected.

As a rule any major law will have been considered through a series of Congresses frequently by a variety of different people. Few of the present staff and Members will remember the full lifetime of the legislation. CRS can help with the examination of a program at both ends: what was originally intended and expected versus how it is working now and how it might be changed.

Thirdly, the Service is non-partisan and objective. We have no axes to grind, we have no obligations to any position.

And finally, we are unique in that we will serve anyone in the Congressional establishment. Queries need not be "approved" by a Committee chairman; we will answer any legislative question from Members, committees, or their staffs, in Washington or in the districts.

Since there are some new Senators on the Committee, it might be useful to you for me to recall very quickly what the CRS is supposed to do for Congress and how it does it. Our activities are based on several premises:

One: that the most efficient way to collect information for Congress is to assemble a spectrum of specialists in <u>one</u> place and let all the Members and their staffs have equal access to the expertise. In our Service this can range from a senior analyst in social security, to a specialist in toxic substances, or a Senior Specialist in Soviet economics. The variety of information Congress needs reflects the different informational requirements of each individual Member operating in his several different roles. Is he seeking information needed as he deals with committees on which he does not himself sit? Is it information required for voting on the Floor? Is it information needed to introduce new legislation on his own? Is it information needed to respond to queries from his constituents?

This leads to the second requirement: the need for precision and accuracy in all information and speed in delivering it. Congress needs its facts promptly to match its time demands. The CRS offers speed, proximity, objectivity, and a confidential relationship.

And to be able to deliver the data usefully we must be able to communicate flexibly. What does the requestor need? a telephone conference? a personal visit from a specialist? a quick memo? a detailed pro-and-con analysis? a legislative summary? or a full-dress analytical policy report. The Service can deliver whatever is appropriate. The asker can set the time and deadline requirements and he knows who the answerer is. There are no nameless, ministerial responses. The replies are signed and if more is needed or an alternative developed, the name of the replier is clearly stated for further discussion.

What products does the Service offer?

The first is the in-depth, fully developed report done by our research staff on current and potential legislative topics. At any time we will stockpile nearly a thousand titles. Not only are they available to the whole Congress, but the data developed for them are used in all the other forms of products and responses we have available.

We do specific, tailored memoranda in response to detailed queries from Members, committees, or staff which reflect a special interest of the requestor. These projects are carried out on a strictly confidential basis in accordance with long-standing Congressional directives.

We provide issue briefs. These are short statements on public policy problems. They are kept in the computer for constant updating and can be brought out either on video screens in Congressional offices or provided in print on paper. At any given time there will be approximately 350 of them on hand, each giving an explanation of an issue, notes on recent hearings and reports, and a chronology.

The Legislative Reorganization Act of 1970 underlined CRS's responsibility to provide special emphasis to committees. Rather than each committee building an extensive book and file collection and bringing on an extensive staff of experts, the Service was instructed, when requested, to help in the analysis, appraisal, and evaluation of legislative proposals. We were especially tasked to evaluate alternative means of solving the problems under consideration, consider the advisability of enacting the legislation and estimate its probable

results. The Service was also mandated by the law to send each committee a list of all the programs within the committee's jurisdiction which were scheduled to expire during the upcoming Congress.

The Service has learned that doing the research and preparing the products is only half its obligation. The knowledge acquired is worthless unless it gets into the hands of the Members and staff who can use it. This demands first that the information be packaged in a useful form and second that the Members and staff know what is available.

The Service thus prepares reports, issue briefs and mini briefs, bibliographies, and InfoPacks and announces them in the CRS Review and CRS Update sent to every Washington and district office at monthly intervals. The Review provides full articles on the latest legislative issues, and announces upcoming CRS seminars and workshops. Update, published mid-monthly, gives a digest of all new CRS studies and issue briefs, and contains a list of all issue briefs; it also summarizes the content of certain InfoPacks and lists specialized bibligraphies. In short, Update is a complete survey of CRS products on current public policy issues.

Sets of the most current CRS materials are kept in an Information Distribution Center on each side of the Hill so staff can come in and select stockpiled materials when preparing newsletters, speeches, background briefings, and answering constituent mail. Extra copies of all the publications are there for taking away, of course.

We recognize the need for two efficiencies here. With 15-20,000 people on the Hill, it is impossible to move all the information at a one-at-a-time transfer. The most efficient means of making CRS subject experts available for person-to-person briefings and discussions is in groups. Similarly, the more efficient Congressional staff become in knowing how to use the CRS, the more useful our expertise and products become.

To achieve these ends we have initiated a series of institutes, seminars, workshops and briefings. Last year 107 of these were held with an attendance of more than 4,900 in the seminar and workshop program, with 1,600 of these staff members participating in the Legislative Institutes. In addition, 589 briefings and orientation sessions were held for over 6,300 Congressional staff and interns.

The institutes concentrate on key reference and research techniques, as well as the procedural activities of the Congress--committee structure and

jurisdiction, the mechanics of floor procedure, and techniques for resolving differences between the two Houses. A new "graduate" institute was held during the past year which allows senior Congressional staffers to become a "Member of the CRS Congress" and for three and a half days take a major piece of legislation from the hearing stage to conference.

The seminars and workshops span the full spectrum of public policy issues, and the programs are presented by a mixture of CRS subject specialists and nationally prominent speakers such as Robert S. McNamara (World Food Policy), Admiral Rickover (Defense Policy), Ben Wattenberg (Politics and Projections), and Nancy Teeters (Welfare Reform), as well as Dr. Humberto Calderon Berti, President of OPEC (World Energy Situation).

A legitimate question is: How are all these products and services working? And, since everything the CRS does has to be asked for by Members and their staffs (only our catalogs are sent unsolicited), the amount of use would appear to be a valid index of usefulness.

During the past Fiscal Year, we received 340,500 requests for research or reference information from Congressional offices. This constituted not only a nine percent increase over last year, but was the highest workload in the history of the CRS. The Service works exclusively for the Congress. When queries are received from the Executive or Judicial Branches, they are turned over to the appropriate Library Departments for answering.

Every Member and Senator used us many times, but the average Congressional office placed 286 inquiries, and the average Senator's office 916.

We distributed 87,262 Issue Briefs in response to specific requests by title, plus another 50,000 used in answering questions by subject. We filled 48,328 requests for SDI (Selective Dissemination of Information) hard copy.

With workload rising every year and staff remaining at a flat level, we have had to search constantly for devices to move information more efficiently. We have increasingly loaded products into our computer--the Bill Digest, our bibliographies of public policy material, our Research Notification System, our inquiry receipt and control records, the index to the Congressional Record, our Issue Briefs where we can update the data constantly and retrieve them easily. Many of these products can be called out in Congressional offices

on the 662 CRT's on the Hill; the CRS computerized data was accessed 211,303 times in FY 1980.

Computerized data bases are increasingly appearing in the commerical market which can be received on the computer terminals already available in the Service. We examine these, as they become available, and acquire not only those with new data of importance to public issues, also, in the cases when a commercial source is doing something that we have ourselves been doing traditionally and it makes economic sense we subscribe to the new outside material. This frees our internal staff from collecting, inputting, and storing it ourselves.

The CRS's move from scattered locations on multiple floors in the two original Library of Congress buildings to a compact block of space in the new Madison Building has permitted us to eliminate or consolidate duplicate files and specialized book collections. The more efficient geography plus the new underground passage to the House Office Buildings has sped up delivery of answers to all Congressional offices.

We have increased our traditional attempt to have as many questions answered ahead of their being asked as possible, and our new InfoPacks--kits of pro-and-con and background briefing materials pre-assembled and stockpiled --have been eagerly accepted by Congressional staff. This is one of many devices we are using to free up the higher-paid specialists for the production of the research reports and then using lower level staff for the distribution of the information.

Finally, the introduction of the new Information Distribution Centers on both sides of the Hill has permitted Congressional staff to do a constantly increasing amount of reference work quickly--immediately, in-person, while-they-wait--and then return to their offices to incorporate it in the newsletters, mail, et cetera, for which it was needed. There have been instances when turn-around time for response to constituent mail has been dramatically reduced, along with the cost. The Reference Centers in the four Congressional office buildings answered over 100,000 questions on-site last year without the query or the answers coming to the Library itself.

We carefully monitor our services and continually survey both our user needs and their reactions to our products. Some devices have built-in sensors--participants in some of our institutes share in assuming expenses--yet there has been an ever-increasing waiting list for admission since the beginning

of the series. In some instances we have taken down products which were not proving as useful as we had hoped, or we have incorporated elements in other devices. Our publication, Legislative Status Checklist, has been dropped and its purpose folded into our Major Legislation of the Congress. We have reduced the money expended on graphic services by helping offices find the most appropriate sources of governmental or commercial art services, rather than providing the products ourselves.

Over the years, the Service's oversight committees have indicated that various types of Congressional requests are inappropriate and should not be undertaken by CRS. For example, the Service does not accept rush or priority deadlines on constituent inquiries or personal staff requests. We do no casework. We do not draft bills. We do not provide translating for constituents. We cannot undertake scholastic or personal research for office staff, although we assist with bibliographic and reference services.

Another long-standing policy precludes the Service from providing information about one Member's legislative or political record to another Member without the former's consent. Last year, the Chairman and Vice Chairman of the Joint Committee on the Library jointly signed a "dear colleague" letter to all Members restating this policy and establishing new procedures to ensure that it is carried out. This action by the Joint Committee, which was taken in close consultation with CRS management, has been of great assistance to us in deflecting inquiries that are time-consuming and allowing us to concentrate on projects that are consistent with our role as a source of objective, non-partisan, and confidential support to the Congress.

A different but equally difficult problem is how to deal with a legislative request which would absorb a number of researchers over an extended period of time. If the investment of resources seems disproportionate, we endeavor to identify those portions of the study which we would appear to be able to do best, and those portions where we have already been pursuing research. We then try to identify other sources of information for the remainder, introducing the Congressional staff to "who knows what" about the topic among Federal, state, and local government agencies, associations, and university specialists. The offices can then determine which sources are most appropriate to their purposes.

And we have never knowingly done a term paper! We do help offices with printed and photocopied materials on legislative topics which have been developed because of previous Congressional inquiries--stockpiled, prefabricated parts.

In short, our most valuable tool in increasing our productivity is our flexibility. Being able to apply the proper level of staff to the difficulty of an individual inquiry; being able to use specialized knowledge rather than having to educate generalists and reinvent the wheel; being able to establish and change organizational units in CRS, through the authority given the Director by Congress in the Legislative Reorganization Act, in order to match the shifts in national and legislative concerns -- all these permit us to get maximum return from our resources.

We come then to this year's request. Recognizing that this is a time for re-examination and consolidation, we are asking for no additional permanent staff. Our request falls into two categories:

One. Additional funds are needed essentially to maintain our present level of such non-personal expenditures as postage, printing, data base subscriptions, and equipment rental. Each of these reflects either the amount of inflation experienced in that particular area (the specific items are listed in our justifications) or instructions received from such sources as the Government Printing Office requiring increasing expenses for printing. The single area where we would like to increase our present funding is in the rental of word processing and photocopying machinery. We have found these devices so effective in speeding up report and memo output (without having to add equivalent typists) that we are asking for $100,000 to acquire 2 additional word processing units for each division, and 1 copier for each research division.

And second, we would like to request certain temporary salary funds to respond to recommendations by the House Commission on Information and Facilities and the Commission on the Operation of the Senate. The two commissions recommended our improving the effectiveness of our highest level experts by providing them with adequate lower-level research support. The $206,000 requested would fund eleven research assistants to the Senior Specialists, each hired for two-year appointments. We are also asking for $259,000 for temporary, lower level staff to carry us over the two peak workload periods of the year. Rather than "staff for the peaks" (the Service, like Congressional offices, experiences a near-doubling of workload in the early Spring and the

late Fall of each year), we have traditionally taken on lower-level, temporary help to deal with reference requests and publication distribution and then let the temporary staff go during the summer and winter holiday periods. We are requesting $259,000 to continue this technique.

In the limited time we have to talk about the work of the Service, it is distressing to have to generalize about products and services when specific examples are so much more meaningful. I would like therefore to close with examples of the kind of work we do routinely in the CRS but which, I think, will prove to be unusually helpful in the coming legislative days. At the present time, the Service is extensively engaged with questions pertaining to the state of the American economy. We are receiving literally hundreds of queries concerning the Federal budget and the proposals made by the Reagan Administration to solve the Nation's economic difficulties. We are now at beginning stages of congressional reaction to the Presidential initiatives, well underway in the development of responses to myriad queries on this emotionally-charged issue, which is bound to have a far-reaching and lasting impact on society as a whole as well as business organizations and government at the national, state, and local levels. As this critical issue unfolds, we in CRS are convinced we can make a useful and needed contribution to the accelerating debate. We are providing not only facts and figures which will assist in pinning down specific points, but, more importantly, analyses and evaluations which, we hope, will identify the real issues in the argument.

In preparing these comments, I went to our Inquiry Control Section and asked to see the previous day's Congressional requests. They handed me a deck of over a thousand slips, a typical day's receipt that has been moving toward two thousand requests a day during February. From these I selected a few examples of the <u>kinds</u> of things that Congress is asking our subject specialists for help on. A few samples:

1. "Would like to know how the US economic outlook will affect the machine tool industry. How might Reagan's economic proposals affect them?"
2. "Would like to know what effect the Reagan budget proposals, if they are adopted, would have on _____ [the largest city in the Member's district.] What would be the shortfall in dollars? How fast must they react to set money to cover the shortfall? What is the current Federal formula for targeting of Federal funds to cities?

What would the effect of CETA cut be to _____? Give number of jobs lost, types of jobs, amount of money involved, and the time periods."

3. "Wants a budget breakdown on the Small Business Administration. How much money does it give out a year for various projects? What are its loan procedures? Also wants a demographic breakdown of its projects."
4. "Breakdown of Carter and Reagan budgets regarding strategic and conventional forces, including personnel costs. Please itemize increases proposed by Reagan."
5. "Member needs a listing of basic economic indicators from 1972 in two year increments to the present showing the state of the US economy, include CPI, Housing starts, GNP, etc."
6. "In the public finance area of economics, there is a law referred to as 'Wagner's Law', which states that in a modern economy the magnitude of the proportion of the economy represented by the government tends to increase over time. Member wants materials that demonstrate the validity of the law as it pertains to Western European countries and, in particular, Japan."
7. "Wants a table that compares the defense budgets from FY 1978 to the present, including Reagan's proposed defense budget.

These are the kinds of information that Congress is calling on us for by the hundreds and hundreds each day. We would be very concerned if the service, through diminished resources, were to become unable to respond as quickly as the pace of legislative business requires; or if we could no longer cover the full spectrum of national issues which the Congress relies on us for now, daily. We take great pride in the speed of our responses, their objectivity, their ability to examine an issue as a legislative activity (not a scholarly one or an Executive approach). And, we are unique among legislative support agencies in that we are available to anyone in the Congressional Branch.

Again, Mr. Chairman, we thank you for this opportunity to appear before the Committee. I will be happy to answer any questions you may have about our request.

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DETAILED STUDY OF LAWS

Mr. GUDE. We recognize that this is an unusual time in the life of both the Federal Government in general and the legislative branch in particular. We are all affected by the reexamination of the great national programs going on at the other end of the avenue, while at the same time we are trying to get the greatest use out of the congressional staff and organizations at our own end of the Mall. The Congress is engaged in the most detailed study of the laws on the books that has been undertaken in half a century. We in the CRS believe that our Service is unusually well prepared to assist in this examination.

The CRS was originally conceived to do just this kind of analysis. It was designed to be a single place where legislative experts with specialized knowledge could be pooled so that all Members of Congress and their staffs and all the committees would draw on a single source of policy expertise. This nonpartisan and objective pool provides the Congress with a most efficient use of expert staff as a counter to the vast executive branch resources.

From the beginning, these experts were expected to gather the kinds of information Congress needed to make choices. What was really the national problem that needed to be resolved? What real options were available to solve them? How much would each of these choices cost? What would be the probable results of the various methods suggested for solution?

The Congressional Research Service has been doing this kind of work for well over half a century now, and as a result has become a kind of institutional memory for the Congress. When a committee or Member takes up one of the programs currently being reexamined, the Service can quickly help him with background information: Why was the legislation originally conceived? What statistics were used for the original planning; what ends were expected; what costs were originally assumed? Our staff has been "tracking" these programs through the years as they developed, and can quickly explain what caused the unexpected strains to appear and the points at which the costs began to rise beyond original expectations.

REQUIREMENT FOR EXPERTISE

We are meeting today, of course, to consider how the legislative branch should be staffed and funded. As a former Member myself, I must admit it seems to me that if ever our branch should be kept at its most efficient and effective, it is now. As we all reexamine nearly 40 years of public programs, the Congress needs all the expertise it can gather to be certain that its targets are right, that the proper portions of programs are eliminated, and the proper levels of spending identified. This would appear to be the worst possible time to lose legislative expertise and the legislative point of view. These are skills that have always been in alarmingly short supply compared with the far greater size of the executive branch.

Congress is in fact using our stockpiled knowledge in great quantities as the Members work their way through the current reexamination. Our workload in the past year exceeded any year in our history, with our

staff receiving over 340,000 individual inquiries. Our analyses are made available through CRS seminars and institutes, through CRS policy reports, through computer-stored, updated issue briefs, and through day-to-day consultation with our subject specialists who are as near to the congressional offices as a telephone call.

CONGRESSIONAL REQUESTS

In preparing these comments, I went out to our Inquiry Control Section and asked to see the previous day's congressional requests. They handed me a deck of over 1,000 calls, which is a typical day's receipt that has been moving toward 2,000 requests a day during February. From these I selected a few examples of the kinds of things that Congress is asking our subject specialists to assist them with. This list could be pages long, but I note only a half a dozen to give you a slight sense of our present work:

Example 1. "Would like to know how the U.S. economic outlook will affect the machine tool industry. How might Reagan's economic proposals affect them?"

Example 2. "Would like to know what effect the Reagan budget proposals, if they are adopted, would have on a particular town. What would be the shortfall in dollars? How fast must they react to set money to cover the shortfall? What is the current Federal formula for targeting of Federal funds to cities? What would the effect of CETA cuts be to this particular town? Give number of jobs lost, types of jobs, amount of money involved, and the time periods."

Example 3. "Wants a budget breakdown on the Small Business Administration. How much money does it give out a year for various projects? What are its loan procedures? Also wants a demographic breakdown of its projects."

Example 4. "Breakdown of Carter and Reagan budgets regarding strategic and conventional forces, including personnel costs. Please itemize increases proposed by Reagan."

Example 5. "Member needs a listing of basic economic indicators from 1972 in 2-year increments to the present showing the state of the U.S. economy, including CPI, housing starts, gross national product, and so on."

Example 6. "In the public finance area of economics, there is a law referred to as 'Wagner's Law,' which states that in a modern economy the magnitude of the proportion of the economy represented by the Government tends to increase over time. Member wants materials that demonstrate the validity of the law as it pertains to Western European countries and, in particular, Japan."

Mr. Chairman, these are the kinds of information that Congress is calling for by the hundreds and hundreds each day. We would be very concerned if the Service, through diminished resources, were to become unable to respond as quickly as the pace of legislative business requires; or if we could no longer cover the full spectrum of national issues which the Congress relies on us for now, daily. We take great pride in the speed of our responses, their objectivity, their ability to examine an issue as a legislative activity, not a scholarly one or an executive approach. And we are unique among legislative support agencies, Mr.

Chairman, in that we are available to anyone, any committee in the congressional branch.

I would be more than delighted to answer any questions.

Senator MATTINGLY. You do an outstanding job.

Mr. GUDE. Thank you.

NEW POSITIONS

Senator MATTINGLY. I notice in the 1981 budget request there is roughly an increase of $2,274,000. Your budget request includes 29 new positions. Is that correct?

Mr. GUDE. These are not permanent positions, Mr. Chairman. They would be research assistants for our senior specialists, and nonpermanent positions, to work particularly in our reference division where we get large surges of calls particularly at this time of the year, and at times after Congress reconvenes in the fall. It isn't necessary to have these people on full time so we hire them on a temporary basis.

Senator MATTINGLY. What is the amount of dollars that will be spent for those 29 people?

Mr. GUDE. That would be $465,000.

Senator MATTINGLY. These are then temporary positions?

Mr. GUDE. Yes, sir.

I might explain about the research assistants for senior specialists. We are looking at making these research assistants available for a 6-month to a 3-year period now, rather than as permanent, because in part if a research assistant is taken on board by a senior specialist and then the senior speicalist leaves, retires, whatever, then we have an institutional obligation to retain the research assistant who has not been chosen through the normal channels. This is why we feel this is an appropriate way to operate as far as research assistants are concerned.

REQUESTS BY COMMITTEES AND MEMBERS OF CONGRESS

Senator MATTINGLY. How much work is done at the request of committees and how much is generated by Members of Congress?

Mr. GUDE. About 50 percent, Mr. Chairman, 50 each way. Starting in 1970 with the Legislative Reorganization Act Congress directed that we greatly enhance our support in in-depth research and analysis of the committees, and the support of committees has risen dramatically. So approximately 50 percent of our work hours are devoted to committees. We cannot say exactly how this work is being done directly in support of committees and members because of the multipurpose use of our staff. We will have experts who will work very closely with the committee, say, on a particular piece of legislation—a food stamp program—then when the time comes for an issue brief which will given an overview succinctly, clearly, but not in great detail, for all of the members and staff that are interested, then these same experts can do this job. We feel this is the most effective use of our resources—in other words, serving members and committees together. But the breakdown in the workload does come to 50/50.

Senator MATTINGLY. But the primary responsibility is to the Members of Congress?

Mr. GUDE. Well, our direction is to serve Members and committees, and we think we have a pretty evenhanded effectiveness. As I say, in some of the work our experts do in support of committees results in our people becoming so well versed in the program, then when the explanation goes to Members who are not members of the committee and the bill comes to the floor, then they receive the benefit of the expertise which has been devoted to the committee. It is a double use of resources.

Senator MATTINGLY. I have noted with a lot of interest some of the studies and research you conducted in the 95th and 96th Congress, including projects in the area of energy, oil and gas, solar, thermal power, coal slurry, energy conservation, and I would just like to ask you some questions. You did studies on national materials policy.

Mr. GUDE. Yes.

Senator MATTINGLY. I assume that you also do studies on requirements for fulfilling national materials policy; that would be another one?

Mr. GUDE. Yes.

Senator MATTINGLY. You did one on the national materials stockpile.

Mr. GUDE. Yes.

Senator MATTINGLY. Which I assume would be capable of doing one on assessment of alternative stockpilings?

Mr. GUDE. If I may interject, we had a senior specialist, Frank Huddle, who died earlier this year whose particular area was materials policy. We have a younger analyst coming along in this area and a group of experts who can work in this areas.

Senator MATTINGLY. You also did one involving some kinds of environmental analysis which would be probably comparable to a study such as review of the U.S. Environmental Protection Agency.

COORDINATION OF STUDIES

Mr. GUDE. Yes, sir. I don't recognize these specific studies. I might say that in instances where we are requested to do studies of this nature, if we feel it is something our sister agencies would be involved in, we have an elaborate system of checking with the sister agencies to be sure we are not duplicating these studies. We utilize a research notification system and also an ongoing liaison among our people who are working on a project and their peers.

Senator MATTINGLY. You try to keep from duplicating work.

Mr. GUDE. Yes.

Senator MATTINGLY. Do they inquire to you?

Mr. GUDE. Well, it is a two-way street. It works both ways. The research notification system which we make available to—I believe we just sent one over to your committee—I believe goes to all four agencies. We assemble it and that is used as a beginning of checks on possible duplication. Occasionally we do projects together. We did a project last year at the request of Congressman Jack Edwards who was on the House Armed Services Committee on the readiness of the Marines to operate overseas and at distant points, and we did this project in cooperation with the Congressional Budget Office, which was also examining the Marine Corps budget and so on. It was a cooperative report.

Senator MATTINGLY. Also, you did one on solar energy costs. I assume that would also take into consideration application of solar technology, if you are going to have solar energy costs.

I just want to go through a few roughly back and forth. You have done one on oil and gas on the Outer Continental Shelf. I assume you could do one on the analysis of the Department of the Interior's development of oil and gas on the Outer Continental Shelf.

Mr. GUDE. Yes; one of our specialists, Joe Riva, who is an outstanding specialist in this area, in fact he is gathering considerable data with the Geological Survey in these areas on distant oil pools and gas resources around the world. He is an outstanding man.

Senator MATTINGLY. I have a list of many other ones that you also have done, like liquified natural gas, the energy policy and nature of the problem, coal slurry pipelines, energy conservation, coal, the Nuclear Nonproliferation Act, saccharin, your review of the current issues on that, national nutrition policy. Other people have done studies on the energy plan, things on coal slurry pipelines, energy conservation, nuclear nonproliferation safeguards, cancer study tests in technology and sacchrin, energy, nutrition research, which looking at them could be—I think that you did them first, that other people are also doing research on the same things you are doing. I guess I am leading to something that it would seem to be some duplication in the system, not on your part, to say the least, and that is really what I am trying to lead up to and clarify, because I think the CRS does an outstanding job and is putting together analyses for committees and Members of Congress, and the area where it is putting together data for committees is where I have my concern, not for your agency but for other agencies who I think are duplicating—not think, I know are duplicating. I am just trying to be prepared since I serve on several committees, I am quite concerned where all this duplication is coming from. I think that is where we can help the Government save some money.

POLICY ANALYSIS PROJECTS

Could you give me a list of your current ongoing major policy analysis projects?

Mr. GUDE. Yes, sir.

Senator MATTINGLY. The list will be inserted in the record.

[The list follows:]

CURRENT MAJOR POLICY ANALYSIS PROJECTS as of March 18, 1981

SPA Lists for all Committees as required by law
Terminating Programs Report as required by law
Special Study on Economic Change
Legislative Science and Technology Five Year Lookout
Economy of the Peoples Republic of China--Post Mao Period
Issues in East West Commercial Relations
Alaskan, Canadian, and Mexican Natural Gas: Implications for the US
Political Economy of the Pacific Basin
Research in National Security Economics
Rain Forest Depletion: Global Implications and U S Policy Issues
Antarctic Resource Policy
Major Issues in US Relations with Latin America and Canada
East European Economies
Soviet Space Programs
Superfund Legislation
International Information Exchange Document Preparation
Indian Education
Work Disincentives in the Income Maintenance Programs
An International Agenda: Major Issues for 97th Congress
Growing Cartel Movement Throughout the World
Soviet Energy Problems/Economics
Congress and Foreign Policy 1980
Economic Impact of the Removal of the Copyright "Manufacturing Clause"
"New Directions" in Foreign Assistance: An Examination of the Issues
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Assessment of the National Environmental Policy Act (NEPA)
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U.S. Canadian Wheat Trade Concerns
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Campaign Finance Law 1981
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Selected Comments and Statements on the Outlook for the U.S. Economy for 1981
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A Federal Role in Earthquake Insurance
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A Preliminary Examination of Selected Aspects of State-like Federal taxation and Fiscal Treatment of Guam
Recent Growth in Tax Expenditures, FY 78 to FY 80
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Indicators of Urban Economic Stress: A Review of the Literature
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The OPEC Current Account Surplus: Trends and Implications
Elimination of Deposit Rate Ceilings at Depository Institutions: Current Developments
Inflation and the Tax Treatment of Interest Bearing Assets and Liabilities
The Economic and Social Implications of Industrial Robots: Issues to Consider
Analysis of Federal Trade Commission's (Proposed) Rule On Used Cars
Taxation and Supply Side Economics
Current Legislative Issues Affecting Commercial Banking Organizations
Domestic International Banking Facilities
Economic Recovery: Problems and Prospects
Estimating the Effects of Rising Interest Rates on Retail Sales of Automobiles with a Simultaneous-systems Model
A Comparative Analysis of "Supply-Side" Elements in Macro-Economic Models
Federal Credit Control and the Distribution of Federal Credit by Policy Objective

The Role of the Property Tax in State and Local Tax Systems
State Use of Severance Taxes
Development of a Land Price Index
National Transportation Policy: Background and Outlook
The Federal Financing Bank
Minority Enterprise and Public Policy
Trucking Economic Regulation
What is a Recession?
Financial Performance of Selected Transit Operations
Truck Weights and Highway Deterioration
Analysis of H.R. 4094, The Carryover Basis Simplification Act of 1979
The Economic of Carryover Basis: A Pro-Con Analysis
Secondary Mortgage Market Institutions: GNMA, FNMA, FHLMC and Private Institutions
Health Manpower Training Legislation
Social Security Assistance
HEW Office of the Secretary/Civil Rights 101/102 Survey
Issues in Community Based Long Term Care
Changing Distribution of Physicians, 1970 to Present
VA Hospital Admission Practices
Health Resources Data Book
Technical Assistance on Developing Alternative Funding Formulas for Section 3 of P.L. 81-874 Impact Aid
Technical Assistance on Developing Alternative Funding Formulas for Section 3 of P.L. 81-874 Impact Aid
Briefing Report on the United Tribes Education and Technical Center
Indian Education: Issue Brief
Unemployment Compensation Legislation
Federal Programs Relating to Family Planning
Peer Review Panels in the Department of Education
Food Stamp and EFNEP Reauthorization
Drug Abuse and Control
AFDC, SSI, and Title XX
Factbook on the Arts
HMO Legislation
Relief from Deportation under the Immigration and Nationality Act
Cuban/Haitian Entrant Oversight
Proposals to cut Social Security Act Programs
Report on Public Health Service Hospitals
Medicaid and Medicare Budget-Cutting Strategies
Waterfront Crime
Distribution of Emergency Energy Tax Burden
Matching Requirements Under Child Nutrition Programs
Analysis of Proposed Reorganization Plans for INS
Medicaid Budget Alternatives
Block Grants for Health Programs
Summary of Expiring PHS Act Authorities
Self-insured Health Benefits
Title XXI - Noninstitutional Long Term Care
Review of Literature on Capital Punishment
Analysis of Issues Regarding a Proposed Short-Time Compensation Program
Long Term Care: Community-Based Alternatives to Institutionalization
Vocational Education Research and Evaluation
Mental Health Systems Act: Background and Summary
Legislation in the 96th Congress Affecting the Handicapped

Analytical Report on the Education Amendments of 1980
Chronology of Budget Reconciliation and Reauthorization of the Higher Education Act, 1980
Teenage Pregnancy: Background, Legislation, and Issues
Domestic Violence: Background, Legislation, and Issues
Competitive Model in Health Insurance Proposals
Issue Brief on Universal Social Security
Vocational Rehabilitation Under the Rehabilitation Act of 1973, as amended: Program Operation
Update Summary of Health Legislation 1959-Present
Update Federal Programs Relating to Alcoholism Multilith
Hospital Reimbursement Report
Medicare and Medicaid Legislation of the 96th Congress
Immigration and Refugee Legislation of the 96th Congress
Veterans, General and Statistical Information
Capital Punishment: Pro and Con
Legislation in the 96th Congress Affecting the Elderly
Report on Education of the Handicapped Act Project Grants
Mini-brief on Funding for the Department of Education
Update CRS Report No. 80-50 EPW on Medicare
Commodity Assistance for Child Nutrition Programs: Description, Background, and Issues
CRS series of reports on the School Lunch Breakfast, Summer Food, Child Care Food, WIC, and NET Programs
Child Nutrition Programs-Issues in the 97th Congress
The Special Milk Program: History, Legislation, and Issues
Reauthorization of the Comprehensive Employment and Training Act
Federal Domestic Food Assistance Programs Update
Tuition Tax Credits
Veterans Education Benefits
Medical Services Entitlement for Merchant Seamen
Administration Budget Proposals
Federal Programs That Finance Home Health Care Services
Data Base Acquisition and Maintenance
Update CRS No. 79-83 - Title: Welfare Reform Background Paper
Automotive Imports from Europe
The Macroeconomic Implications of Accelerated Defense Expenditures
Consumer Product Safety Commission
Multifiber Arrangement (MFA) Negotiations
Federal Communications Commission: Background and Selected Broadcasting Issues of Concern
Housing Block Grants
Monetary Policy and Financing a Federal Budget Deficit
The Macroeconomic Implications of Reduction of the Minimum Wage
Monetary Policy, Interest Rates, and Economic Activity: Current Problems and Future Conflicts
Incentives to Foreign Direct Investment in the United States
Commodity Markets: Interest Rate or Financial Future Contracts
The Marriage Tax Penalty: Forms of Solutions
Applying Regional Variations in Cost Differences to Federal Assistance Programs
State Reimbursements to Local Governments for Revenue Losses Due to Location of State Owned Facilities
Profit Sharing, Employee Participation and Productivity: U.S. and European Experiences
Export Administration Act
Sunset, Oversight, and Authorizing Legislation
Constitutional Limitation on the Federal Budget

PROFESSIONAL CONSULTANT SERVICES

Senator MATTINGLY. One other item. You had a request in there for $955,000 for professional consultant services, which is up about $86,500. Why do you all have consultants?

Mr. GUDE. That is an inflationary increase. Mr. Chairman, we are pretty much an in-house organization. We endeavor to keep experts, researchers, and analysts in the whole spectrum of areas in which the Congress is interested, but on occasion we will have a request in a particular area that requires an expertise we simply don't have on board, or if we happen to have an overload in that section or with that specialist we will contract out. It is a rather modest sum compared to other agencies, but that is what we utilize it for, to supplement our own people.

I will give you just two examples of contracts. We had one which resulted in a print for the Senate Committee on Foreign Relations, the print being entitled "Taiwan One Year After United States-China Normalization," proceedings of the workshop we held in joint sponsorship with the committee. I think there was a $553 expense for a consultant in that area, an expert. These are identified by our own people.

Another contract was to assemble materials for an East European economics compendium. There were various contributors. This is a triennial publication of the Research Service, and we update the basic data and develop new assessments. We also have some other triennial compendia ongoing, the economy of China and economy of Russia. Most of these contracts were under John Hart, our Soviet economics senior specialist.

Senator MATTINGLY. I would like to comment on one thing. The $86,500 is a modest sum I guess in Washington, D.C., but put on top of $955,000, which is consultants, it is almost $1 million. I think a Senator made a comment here about $1 million here and $1 million there, and sooner or later, you are talking about real money.

REDUCTION IN NONPERSONAL SERVICES

Mr. GUDE. Mr. Chairman, if we have to cut we are going to cut the nonpersonal services, such as contracting and consultants before we cut our own specialists and our own experts.

Senator MATTINGLY. You say in your letter of February 10 you could maintain the quality of services at the fiscal year 1981 level funding figures. Do you feel capable of making a mandated cut of a certain percentage if it is done in the aggregate and still be able to supply the central services to the Congress? Do you think this may be a way to help?

Mr. GUDE. We are going to have difficulty maintaining the level of service. If indeed we have to cut, we would sooner, as I said, we would cut our nonpersonal services first. Then if we had to get into our experts, a 10-percent cut would mean a loss of permanent personnel; we do have vacant positions blocked now for researchers and specialists who have left which have not been refilled because of budgetary constraints. But if we got up to 10 percent cuts we would be cutting further into our own experts and research pool; we would rather do that ourselves than have someone else do it, if we have to do it.

Senator MATTINGLY. Which I think makes it easier for you.

Mr. GUDE. It doesn't make it easier.

[Laughter.]

Senator MATTINGLY. At least it makes you think it is easier.

I appreciate very much your coming this morning. Thank you very much.

PREPARED STATEMENTS

I have received prepared statements from Mr. George E. Perry and Mr. Howard R. L. Cook, representatives of ethnic employees and black employees of the Library of Congress. The statements will be inserted in the record at this point.

[The statements follow:]

76-636 O - 81 - 29

STATEMENT OF GEORGE E. PERRY, PRESIDENT, ETHNIC EMPLOYEES OF THE LIBRARY OF CONGRESS

1. On behalf of the Ethnic Employees of the Library of Congress (EELC) and the Black Employees of the Library of Congress (BELC) I have testified on the Library of Congress Budget six times - 3 times in the U.S. Senate and 3 times in the U.S. House of Representatives Subcommittees on Legislative Branch Appropriations. Everything I said has been recorded by Congress in the official hearing volumes of the above Subcommittees but nothing has been done. BELC and EELC and their leadership, Mr. Cook and I, would like to see some results.

2. I am asking for a Library of Congress Agency-wide audit by the General Accounting Office.

3. I would like your assistance in persuading the Librarian of Congress to permit me to make a study of the Library's budget and disbursements and to make available to me Library officials to assist me through interviews and sharing of information on sensitive questions. This should include the assistance of Mr. Cook working with me in interviewing etc. The study will be given to the U.S. Congress in six months.

4. I would like your assistance in encouraging the Librarian of Congress to supply me with a study desk in the Library for six months for this study on the LC budget. I made a written application to the Library for such a desk on February 20, 1981. I am asking for the granting of this desk by LC by the end of March 1981.

5. We ask for the establishment of an Inspector General in LC independent of the Librarian and reporting directly to the Chairman of the House Subcommittee on Legislative Branch Appropriations, the Chairman of the Senate Subcommittee on Legislative Branch Appropriations, the Chairman of the Joint Committee on the Library, the Chairman of the Committee on House Administration, the Chairman of the Senate Rules Committee and the Comptroller General of the United States (BELC-EELC support of Prime American Whistleblower A. Ernest Fitzgerald for position of Comptroller General of the United States. Please see my 1978 testimony on Fitzgerald in the U.S. Senate Governmental Affairs Committee and U.S. House of Representatives Post Office and Civil Service Committee Hearings on the Civil Service Reform Act of 1978).

6. To improve on the efficiency of the operations of the Library I ask you to persuade the Librarian to grant to the EELC - Ethnic Employees of the Library of Congress organization office space and all other facilities and services provided to other Library of Congress employee organizations such as the Library of Congress Federal Credit Union (LCFCU), the Welfare and Recreation Association (WRA), the Congressional Research (Service) Employees Association (CREA), the American Federation of State, County and Municipal Employees Union Locals 2477 and 2910.

7. Same as No. 6 - for the BELC - Black Employees of the Library of Congress organization.

8. The Cook and Perry case is a prime example of wasting funds by the Library administration to silence Cook and Perry in an effort to prevent them from exposing corruption, fraud and mismanagement. The administration has gone to the extreme extent of denying basic constitutional rights as a result of the adverse actions which it took against Cook and Perry - as a result of the two having given testimony on behalf of the BELC and the EELC before the (Washington) Metropolitan Area Congressional Caucus on July 1, 1976. This case should be brought to settlement as soon as possible to save money.

9. The presentation of a different-dissident - humane - minority management viewpoint by the EELC-BELC employee organization leadership before six House and Senate Subcommittees on Legislative Branch Appropriations in the last three years 1978 (for Fiscal Year 1979), 1979 (for Fiscal Year 1980) and 1980 (for Fiscal Year 1981) on the LC budget has general applicability - I believe - to the Congressional Appropriations Subcommittee Hearing process in connection

with the annual budgets of all Agencies in the Executive Branch, the Legislative Branch and the Judiciary.

The testimony of the EELC-BELC in 1978, 1979, and 1980 is more relevant to 1981 than the testimony of the LC agency leadership in 1978, 1979 and 1980 is to 1981. We castigated as early as the beginning of 1978 LC's Gigantism - continuous, uncontrolled and abnormal growth of the Library budget, staff and buildings. The Library's giantism even reminded us of the multi-headed monster of Greek mythology, the Lernaean Hydra: this monstrous serpent was represented as having nine heads each of which was replaced by two after being cut off (hence, any persistent evil difficult to extirpate). The LC administration responded by asking for more and more and more and consuming and eating up more and more rendering our beloved Library fat and ugly. LC must firm up.

We believe that at the very least, the EELC-BELC testimony of 1978, 1979 and 1980 was as important in terms of what the American people want as was that of the Library administration.

We believe and hope that there are other Cook and Perry's and EELC's-BELC's out there in the Federal establishment that should be encouraged by Congress and the Agencies concerned to come forward in a responsible way and present testimony at the annual hearings of Congressional appropriations subcommittees on the annual budgets of their Agencies with fresh, new ideas with the aim of helping Congress and their Agencies to save the hard-earned money of the American people.

List of Exhibits for publication in the official Subcommittee Hearing Record as part of this testimony:

1. Perry - for BELC-EELC - letter to Mr. Richard H. Austin, Chief, Financial Management Office, LC - dated Feb. 22, 1981

2. EELC v. LC. Complaint filed in the United States District Court for the District of Columbia on August 22, 1980 - Civil Action No. 80-2163
3. EELC v. LC. EELC response to Defendants' first set of interrogatories filed in the United States District Court for the District of Columbia on January 13, 1981 - Civil Action No. 80-2163

4. EELC v. LC. Affidavit of George E. Perry to be filed shortly by Joel D. Joseph, General Counsel, in the United States District Court for the District of Columbia in Civil Action No. 80-2163

5. Federal Times article of Sept. 1 1980 entitled "At Library of Congress, Small Victory Revitalizes Fired Worker's Crusade"

List of Exhibits for the Subcommittee's use and files - in connection with this testimony:

1. LC Reference Department Investigation Report dated Dec. 14, 1973 on Perry's March-April-May 1973 charges of corruption and other abuses.

2. Federal District Judge William B. Bryant's Memorandum and Order dated November 6, 1974 finding INTIMIDATION of potential witnesses of Perry and concluding that Perry would not be able to get a fair hearing.

3. Appeal of Perry I (90-day suspension) in the United States District Court for the District of Columbia filed by David Santee Miller, Esq., on January 9, 1978 - George E. Perry v. Daniel J. Boorstin, Librarian, The Library of Congress, Civil Action No. 78-0030

4. LC Law Library American-British Law Division Chief Marlene C. McGuirl Reply Officer's Report dated April 18, 1977 finding that all Library 1976 charges against Perry with one exception were not substantiated by the Library.

5. Howard G. Gamser, Esq., Chairman, Federal Service Impasses Panel and Hearing Examiner's Decision issued on July 27, 1979 recommending Perry's reinstatement.

6. William J. Welsh, The Acting Librarian of Congress, Final Agency Decision of August 20, 1979 reversing the Gamser decision

MR. CHAIRMAN:

The above statement - in handwritten form - was prepared with minor changes on Feb. 26, 1981 from about noon to 2 PM and delivered to the House Legislative Appropriations Subcommittee by me at 3 PM of Feb. 26, 1981 for reasons known to its Chairman. I prefer, therefore, to keep it separate from other matters - points - exhibits to be discussed in a Supplemental Statement that follows.

SUPPLEMENTAL STATEMENT OF GEORGE E. PERRY, PRESIDENT, EELC, AND GENERAL COUNSELOR, BELC, BEFORE THE SUBCOMMITTEE ON THE LEGISLATIVE BRANCH, COMMITTEE ON APPROPRIATIONS, UNITED STATES SENATE MARCH 10, 1981

Item: United States General Accounting Office 5-page Letter Report
Subject: Library of Congress' Revolving Trust Funds (FGMSD-80-76), September 24, 1980
Addressed to: The Honorable Max S. Baucus, Chairman, Subcommittee on Limitations of Contracted and Delegated Authority, Committee on the Judiciary, United States Senate

Mr. Chairman, I respectfully request that the above GAO Letter Report be made part of my testimony as an exhibit thereto.

I respectfully request that the Subcommittee read every word of that Report for the purpose of then ascertaining how the Library of Congress administration provides information about itself to its Master - the U.S. Congress.

To understand better, compare the Federal Times reading of that GAO Report as given in its Nov. 3, 1980 issue on page 5 in the news item entitled: "Library of Congress Hit For 'Unauthorized' Funds". I quote the complete text of the Federal Times report on this GAO report:

> The Library of Congress has been keeping the rest of Capitol Hill in the dark about its two dozen "revolving funds," one of which has amassed a $1 million surplus, congressional auditors have found.
>
> None of the funds, used for publications and other library services, was specifically authorized by Congress, the General Accounting Office reported.
>
> In addition, fund activities have not been fully disclosed to Congress and accounting for the funds - with $3.7 million in annual receipts - has been inadequate, GAO said.
>
> Auditors took specific aim at the library's photo-duplication service, which was started 41 years ago with a gift of $35,000. Now a $3 million-a-year operation, the service employs more than 150 persons and has accumulated more than $1 million in reserves.
>
> Lacking special authority, GAO said, the library may not set charges for these services at rates that create a surplus. "The library should get specific statutory authority to continue operating the expanded service," the report said.
>
> In at least two other cases, auditors found, the library instructed benefactors to stipulate that revolving funds be established for their gifts. This has served to reduce congressional control over library activities, said GAO.
>
> The report recommended that the library seek special authority for funds which create a surplus and that accounting procedures be improved. It said library officials "generally agreed to correct most of the problems" cited.
>
> A library spokesman said the agency was prepared to meet with the appropriate congressional committees to comply with GAO findings.
>
> (end of Federal Times news item)

Please compare the GAO report itself and the Federal Times article above on the GAO report with the following account by the Librarian of Congress on the same GAO report given to the Chairman and Members of the House Legislative Appropriations Subcommittee in his prepared statement before that Subcommittee on February 3, 1981. I am quoting below all of what the Librarian said on this matter on the last page of his statement - page 9 with underlining by me of certain less than clear words:

> "On September 24, 1980, the General Accounting Office released a report on Library of Congress Revolving Fund accounts. GAO recommended that these accounts be the subject of new authorizing legislation and that the Library make more detailed reports on the activity in these funds and improve the accounting practices used to maintain them. The Library immediately proposed legislation to the last Congress to amend the Gift and Trust Fund Act to enact the establishment of revolving funds as has been the practice for 42 years. Lucien Nedzi, Vice Chairman of the Joint Committee on the Library in the last Congress, responded. We have sent a copy of that response to the Subcommittee. We have resubmitted legislation to this Congress and are taking action on the other recommendations made by the GAO. We have provided a set of revolving fund budget schedules as part of the justifications for the 1982 budget." (Emphasis added by me)

On page 179 of the loose-leaf LC Justifications volume for FY 1982 the Library of Congress gave to Congress the following account on the GAO report:

> "During fiscal 1980, the General Accounting Office audited the Library's Gift and Trust Accounts as part of an audit of Gift and Trust Funds at selected government agencies at the request of Senator Max S. Baucus. In the report dated September 24, 1980, to Senator Baucus, the General Accounting Office recommended that the Librarian "implement all established accounting and reporting rules and regulations governing revolving funds."

In my testimony submitted to this Subcommittee on March 28, 1978 on the LC budget request for 1979 I stated, under Point 8 (among other matters):

> It is not clear whether there is strong financial accountability to Congress as regards the uses of the Library's private funds that amount to several million dollars.
> (See Senate Hearings, Legislative Branch Appropriations, FY 1979, Part 2, pages 533-534)

I stated the above also in my testimony before the House Legislative Appropriations Subcommittee earlier, on March 6, 1978.

In a point-by-point response of the Librarian to my March, 1978 testimony which appeared only in the Senate Hearings volume, Legislative Branch Appropriations for Fiscal Year 1979 - Part 2 pages 546-547 (without being identified as a response to Perry's testimony on behalf of EELC and BELC) Mr. Boorstin responded under his Point 8 (among other matters) to my statement above as follows (on page 547 of the Senate Hearings volume referred to above):

> "All gift and trust funds available to the Library of Congress are reported in the Library's budget presentations and a detailed accounting is made to the Congress in the Annual Report of the Librarian of Congress."

On this occasion I wish to inform this Subcommittee that the coverage provided to the EELC-BELC testimony on LC in 1978, 1979 and 1980 is more extensive in the Senate Subcommittee Hearings volumes as compared to the Official Hearing Record volumes of the House Legislative Appropriations Subcommittee. However, both the Senate and the House volumes on the LC budget for FY 1979, FY 1980 and FY 1981 should be checked for a complete picture of BELC-EELC views and Library responses (we wish to be fair to the other side).

On this occasion also, and because of the relevance of the 1978, 1979 and 1980 EELC-BELC testimony to this 1981 testimony - I hereby incorporate by reference as part of my testimony all of the EELC-BELC testimony before the Senate and House Subcommittees on Legislative Branch Appropriations in 1978-for FY 1979, 1979 - for FY 1980, and 1980 - for FY 1981 as follows:

Senate Hearings, Legislative Branch Appropriations,FY 1979,Part 2,529-551
Senate Hearings, Legislative Branch Appropriations,FY 1980,Part 2, 141-307
Senate Hearings, Legislative Branch Appropriations,FY 1981,Part 2, 479-511
House Hearings, Legislative Branch Appropriations,FY 1979, pp. 1309-1316
House Hearings, Legislative Branch Appropriations,FY 1980, Part 2,2207-2230
House Hearings, Legislative Branch Appropriations,FY 1981, Part 2,1373-1392

Item: United States General Accounting Office Report entitled The Library of Congress' New Madison Building: Reasons For, And Effects Of, Delays and Escalating Costs (LCD-79-330A), September 17, 1979 6+44 pages

I shall comment on the GAO Report on the Library of Congress' New Madison Building after having interviewed appropriate officials.

Item: Renovation and Restoration of the Library of Congress Thomas Jefferson and John Adams Buildings

The EELC-BELC are opposed to interior restoration and interior renovation where the building is occupied. That would be bad not only for the Architect of the Capitol but bad for the Library of Congress. We will be pleased to help the Congress and the Library on this extremely important question. I hinted at our position in my brief talk with Mr. George White, Architect of the Capitol, following the conclusion of the House Legislative Appropriations Subcommittee hearing on the Budget of the Architect of the Capitol (including the Library Buildings), on February 25, 1981.
Vacating the Thomas Jefferson Building would mean that the renovation and restoration work would be done faster, better, for much less money - saving millions of dollars of taxpayers money - and the employees would not be subjected to the nerve-racking environment of having to work in a building in the process of renovation.
Such a sensible solution would mean that the Librarian would have to give up his elegant office(in the Main Thomas Jefferson Building) that he prefers and move to his balconied office in the new Madison Building that he does not much care for because that office is "too corporate looking" (See article on the Library of Congress in the Smithsonian magazine of April 1980, page 41 about the Librarian's two offices and how he plans to keep both).
Such a sensible move also might mean that the Librarian would not be able - at least for a while-to use the Library's Great Hall as a restaurant for occasions having nothing to do with library service.
We believe that our position would be good for the Library of Congress as well as for the Architect of the Capitol.
We shall have more to say on this issue in our forthcoming study of the Library of Congress budget.

Item: While LC denied the use of Library space to the EELC - a chartered activity of the Library - for an organization office in 1977 and while LC promised to provide to EELC office space when the James Madison Memorial Building was completed but refused to abide by its promise to the EELC when the JMMB was completed in 1980 thus forcing the EELC to resort to expensive litigation in the U.S. District Court for the District of Columbia (Civil Action No. 80-2163) in order to be treated just like the other servants - service organizations in the Library - the Librarian has no problem in violating LCR 1818-3 entitled Use of Library Space for Meetings and provides LC space for blatantly political purposes having no connection with the Library to one political party. And when the representative of the other political party inquired about the above when I so informed him on behalf of the EELC-BELC the Librarian had no problem whatsoever in assuring him that he would grant space to the other party too for the same political purpose as the need arose - thus ready to violate again Library of Congress Regulation 1818-3.
Please see attached Ethnic Racial Brotherhood magazine, Issue of December 17, 1980 which contains the following correspondence on the above matter: 1. EELC-BELC letter of November 23, 1980. 2. Letter of Dr. Daniel J. Boorstin

of December 5, 1980 to Chairman of the Joint Committee on the Library (in 1980) The Honorable Claiborne Pell (with enclosure). 3. December 11, 1980 letter of Chairman Pell. 4. December 17, 1980 letter of Perry on behalf of EELC-BELC.

Mr. Chairman I respectfully request that the materials - correspondence referred to in the preceding paragraph be made part of my testimony.

Item: Mr. Chairman I respectfully request that the attached EELC-BELC letters of January 2, 1981 and January 14, 1981 to the Chairman of this Subcommittee be made exhibits to this 1981 EELC-BELC testimony as a thank you from EELC-BELC to past Chairman Jim Sasser for his patience and understanding of what we are trying to do by permitting us to testify and by publishing what we said thus permitting everything to season and mature toward eventual and complete fruition.

Chairman Mattingly:

I respectfully request a meeting with you within the next three weeks to discuss the Library of Congress and to secure your approval and authorization to conduct the study of the Library of Congress budget as proposed by me at the outset of this statement.
Please note in this connection that I have served as an officer of the Library of Congress for 10 years, that I have been a leader of two LC employee organizations since the early 70's to the present and that I have been involved in library service at Columbia University Libraries and the Library of Congress for over 20 years.

Thank you Chairman Mattingly and Members of the Senate Subcommittee on Legislative Branch Appropriations of the Senate Appropriations Committee for offering us the opportunity to present the views of the meek.

February 22, 1981

Mr. Richard H. Austin
Chief, Financial Management Office
Library of Congress
Washington, D.C. 20540

Dear Mr. Austin:

I was impressed with your courage last year and
I was impressed with your courage this year
when you gave me the LC Justification of Estimates volume
at a crucial moment in my preparation for testifying before
the House and Senate Subcommittees on Legislative Branch Appropriations.
Courage is essential to progress. And it is more difficult to be
courageous within an institution than outside of it.

I studied the Justifications volume all day Thursday, Feb. 19, 1981.
Much work needs to be done. I cannot do it in the next two or three
days and within the five minutes and the ten pages that I am
allowed under the Subcommittee rules next Thursday, Feb. 26, 1981
when I am scheduled to testify before the House Subcommittee on
Legislative Branch Appropriations. That is why I talked to Mr. Sartain
Friday afternoon Feb. 20, 1981 and applied for a study desk
for a six month study of the LC Budget. I will need your help then
and even that of Mr. Curran to obtain answers to sensitive questions.
The Library must be responsive to the President, the Congress
and the American People that want full accountability and
tightening of the belt of the Federal bureaucracy.
The Library is too fat and getting fatter and uglier.
It must firm up.

Sincerely,
George E. Perry
George E. Perry
president, EELC
general counselor, BELC

January 2, 1981

The Chairman
Subcommittee on the Legislative Branch
Committee on Appropriations
United States Senate
Room S-128, U.S. Capitol
Washington, D.C. 20510

Dear Mr. Chairman:

On behalf of the Ethnic Employees of the Library of Congress, an officially recognized Library of Congress employee organization now in its eighth year of service to the Library and its staff, I humbly ask that I present oral and written testimony before the U.S. Senate Subcommittee on Legislative Branch Appropriations, Committee on Appropriations, during the Senate Subcommittee's forthcoming hearings on the Library of Congress budget request for Fiscal Year 1982.

Please note that I presented - in my capacity as president of the Ethnic Employees of the Library of Congress and general counselor of the Black Employees of the Library of Congress - written and oral testimony before the Senate Subcommittee on Legislative Branch Appropriations under the wise chairmanship of Senator James R. Sasser in its hearings on the Library of Congress budget requests for Fiscal Years 1979, 1980, and 1981 in 1978, 1979, and 1980. My testimony on behalf of BELC-EELC was published in the official Subcommittee records of those hearings in 1978, 1979, and 1980.

Sincerely,

George E. Perry

George E. Perry
president, EELC
general counselor, BELC
editor, Ethnic Racial Review
and Ethnic Racial Brotherhood

January 14, 1981

The Chairman
Subcommittee on the Legislative Branch
Committee on Appropriations
United States Senate
Room S-128, U. S. Capitol
Washington, D.C. 20510

Dear Mr. Chairman:

On behalf of the Black Employees of the Library of Congress, an employee organization of the Library of Congress now in its' eleventh year of service to the employees, the Library of Congress and the U.S. Senate, I ask that I present oral and written testimony. The testimony I wish to give is to be presented to the Subcommittee on Legislative Branch Appropriations during that body's forthcoming hearings on the Library of Congress' budget request for Fiscal Year 1982.

I wish to express my gratitude to former Chairman Sasser for having listened to me in past years and also to express the same to you for listening to me this year and hopefully many years in the future. I hope that my testimony has been helpful in the past to the Committee, the Congress and the Library of Congress.

Best wishes for the New Year.

Sincerely,

Howard R. L. Cook

Howard R. L. Cook

STATEMENT OF HOWARD R. L. COOK, EXECUTIVE DIRECTOR, ETHNIC EMPLOYEES OF THE LIBRARY OF CONGRESS

I am here today on behalf of one of the most outstanding employee organizations in the Federal Government, the Black Employees of the Library of Congress. The record of achievement of this organization is not surpassed by any other organization of Federal employees. All of its work has been on behalf of minority employees but not exclusive of any group of employees. The single aim of the organization is greater integrity in management with a focus toward equal treatment of all employees. For this reason I appear here today to seek a reduction in the appropriations for the upcoming Fiscal Year for the Library of Congress. This reduction is necessary for reasons which I will discuss as this testimony goes forward.

First, the Librarian of Congress has not improved the Library of Congress since becoming its Chief Administrator in terms of equal employment opportunity. What has happened is nothing more than outside image making which has no meaning as far as affording each employee equal employment opportunity. The exhibits, carpet, outside yard decorations, and parties while costing large sums of money, do nothing in terms of his first responsibility of assuring equal employment opportunity under law.

Corruption is a major problem in the Library of Congress. It can be seen in the fact that the best prepared people are not given the opportunity to advance. It can be seen in the fact that most of the employee problems which have been talked about for the past decade or longer have not been solved. It can be seen in the fact that money is not wisely spent in an effort to get the best quality and value for it. It can be seen in the fact that the administrators of the Library of Congress care nothing about the truth; but, rather keep busy in efforts to cover up. It can be seen in the fact that programs designed to benefit employees are deliberately prevented from benefiting employees by the Library of Congress Administration.

There should be a more careful review and oversight of the operations of the Library of Congress. This is especially true when we know that the Library year after year makes request for larger and larger sums of taxpayers' money. There is no real oversight by the Joint Committee on the Library of Congress. The fact is that there is an attitude by the Committee of simply do what you want. I base this belief on my personal experience. Real oversight is needed. The reason it is needed is because we are talking about an annual budget of $200,000,000 (two hundred million dollars) and an employee staff of 5,790.

The management of the Library of Congress appears to be admitting that discrimination is a problem. This is apparent because the Library is requesting additional funds and personnel for the Equal Employment Opportunity Program in the Library. I am not too sure that this request will solve the problem. I believe that what is needed just as much as additional funds and personnel is a change at the top to a person or group of persons who are willing to carry out the law in this area. The Equal Employment Opportunity Program in the Library of Congress is and has been a disgrace. The fact is that complaints are deliberately not processed. This is true not because of anything that you might hear from the administration, but, rather because the administration is the problem. The fact is that almost 900 (nine hundred) formal discrimination complaints have been filed in the Library of Congress since 1972. Discrimination is a fault of management because the administration permits it to go on. Nine hundred complaints in the time period mentioned are far too many when considering the size of the Library staff.

The Labor Management Program in the Library of Congress is equally disgraceful. This program also spends a lot of money. This money is spent in salaries and related activity. What appears to be the problem in the Labor Management area is that Labor and Management seem to have agreed that employees will not be the focus of the program. The unions do not supply proper or meaningful representation to employees. The program as I see it has been corrupted. A prime example of the union's failure is the Thomas Lewis case. Mr. Lewis is a handicapped employee. It took Mr. Lewis 1 year to get one of his grievances accepted by the Labor Management Relations Office. The reason for this is that Mr. Lewis had no real help from the union during all of this time. Library Management was at the same time moving against Mr. Lewis. Mr. Lewis was terminated from employment at the Library of Congress on February 29, 1980.

The Cook and Perry case which has been going on since 1976 is a classical example of the unwise use of taxpayers' funds at the Library of Congress. It is also a prime example of corruption among other things.

The Cook and Perry case is the result of Cook and Perry exposing fraud on the part of a top management official of the Library to the Metropolitan area congressional caucus. The official has since retired as of December 1977. The Library of Congress administration has continued this case even after a hearing before examiner, Howard G. Gamser which ran for a period of 1 year. Mr. Gamser found that George E. Perry should be reinstated as an employee of the Library. Mr. Gamser also found that out of the six (6) or

seven (7) charges brought against Cook and Perry by the Library of Congress administration only one-third (1/3) of one could be sustained. We maintain that even the one third (1/3) of one charge is not punishable by the Library administration because of our protection under the constitution and, later Supreme Court decisions. The continuance of this case without settlement is a waste of funds.

Revolving Trust Funds at the Library of Congress present another problem. These funds have grown far beyond what was originally intended. The true minority employee organizations at the Library have called for in the past for more oversight and control of the operations of the Library by the U.S. Congress and others. These requests have not been acted upon until the present. However, the U.S. Comptroller General did issue a letter report on September 24, 1980, containing five pages. This report was highly critical of the Library of Congress in the way the Revolving Trust Funds had been handled over the years. Millions of dollars are involved in these funds. It strikes me as strange that the two minority employee organizations at the Library would have been the ones who first asked for strong oversight into the affairs of the Library of Congress. Annual outside audits should be undertaken into all funds received by the Library of Congress.

Overlapping programs have been established at the Library by the Librarian of Congress in that other agencies have the same or like programs. The one exception to this is the Center for the Book. It is my strong belief that there is no need for the Center for the Book because the Library of Congress is in fact by its existence the national center of books. To have such a program with high paid staff who do little more than discuss matters of no real concern seems to me not to be cost effective. The other programs are the Folk Life Center which in the main deals with ethnic heritage. Programs of this nature exist at the Smithsonian Institution, the agency Dr. Boorstin left to come to the Library. There is also a program existing between the Library of Congress and the Kennedy Center for the Performing Arts. Each of these programs require a staff. In an effort to reduce spending the cost effectiveness of such programs should be looked at.

The Madison building changes and cost overruns as a result in changing the plans and use of the building costed the taxpayer much more than it

should have. I am fully aware that the Library buildings are under the Architect of the U.S. Capitol. However, it is important to point out that Library officials supply the architect of the capitol with information on the needs of the Library. Therefore, if waste and mismanagement occurs then it is the responsibility of Library Management. There is a detailed forty-four (44) page report by the Comptroller General of the United States dated September 17, 1979, on the Madison building.

Generally, the U.S. Congress is at fault because the Congress has not used its oversight responsibility to the degree that it should have. The two minority employee organizations have certainly kept the Congress informed. It appears that we were not paid any attention to. It is now most interesting that certain officials outside of the Library are now beginning to talk about the same things which we have talked about for years.

Finally, Mr. Chairman I invite you to a meeting with Howard Cook and George Perry outside of this hearing. The purpose of this meeting will be to discuss in more detail the matters which we have raised in our testimony. The problems at the Library of Congress are serious and are not all discussed in this testimony.

I incorporate as part of my testimony by reference all of the exhibits attached to Mr. Perry's testimony.

MATERIAL RECEIVED SUBSEQUENT TO SUBCOMMITTEE RECESS

[CLERK'S NOTE.—The following material was submitted subsequent to the subcommittee recess. By direction of the chairman, the material was inserted in the record at this point.]

Additional Committee Questions

General

Question: Provide for the record the savings we could expect if we limited your staff to 4,500 positions for FY '82.

Answer: If the Library's authorized 4,799 positions were reduced by 299 positions to 4,500 positions in fiscal 1982 and the reduction was made through attrition, we estimate that a maximum of $2,833,025 of salary cost could be avoided in fiscal 1982. Last fiscal year there were 472 separations of full time and full time equivalent employees from the Library. If that rate of separation remains the same in fiscal 1982, and, for purposes of flexibility and urgency, only two out of three vacancies were kept unfilled, an average salary cost of $9,475 per vacant positions would be saved ($9,475 x 299).

Question: In discussing travel increases throughout your budget, you refer to the fact that you were able to hold net increases for travel in fiscal year 1980 to approximately 20 percent and that the increases you are requesting in 1982 are based on this 20 percent figure. You also indicate that the cost of travel would have gone up even faster in fiscal year 1980 had you not used GSA contract air service, which went into effect on July 1, 1980. Since this air service will be available for the full twelve months of fiscal year 1982 yet was available for only three months in the course of fiscal year 1980, why shouldn't the committee assume greater savings from the use of this service in the coming fiscal year and thus hold your net increase in travel costs to 10 to 15 percent?

Answer: No further savings over those projected should be anticipated as a result of using GSA contract air service for a full year in 1982 because the contract service only replaced use of lower price flights such as "supersavers," discount coupons, excursion flights, and other promotional fares such as Texas International flights to Dallas which were lower than the eventual contract carrier fares.

Contract air service did have the the advantage of regularizing flights, eliminating requirements for advance purchase of tickets, and overcoming limited seating availability.

Question: Perhaps it would be good to know how many trips are made for the whole Library of Congress in a typical year -- say fiscal 1980 and so far in FY '81. Dr. Boorstin, how many trips in the past three years have you personally made overseas and been reimbursed for out of the Library's travel funds?

Answer: Total trips for the Library of Congress are as follows: fiscal 1979 - 1,744; fiscal 1980 - 1,270; and fiscal 1981 through February - 539.

Dr. Boorstin has made only one overseas trip in the past three years that was paid for from Library of Congress travel funds. This

was a trip in September 1979 to visit libraries in the Soviet Union at the invitation of the Soviet Government. On one other occasion in March 1979, the Library reimbursed Dr. Boorstin for meals and lodging only to attend a meeting of the Indo-U.S. Subcommission on Education and Culture in New Delhi, India. Transportation costs for this trip were paid for by the Asia Society, Inc.

Question: On page 178 of your justifications you indicate that you plan to spend $146,075 in fiscal year 1982 for "Attendance at Meetings". Throughout your justifications you differentiate this activity from regular travel. Would you explain this distinction to the Committee? Why is it necessary to spend almost $150,000 a year for the expenses of attending meetings?

Answer: As early as 1914, the Congress has from time to time imposed ceilings on the amount of funds to be used to attend meetings of professional associations and societies such as the American Library Association. The most recent limitation was reimposed in the Administrative Provisions of the Legislative Branch Appropriation Act of 1972 and has remained in each appropriation act since then. However, the language required the Library to administratively establish two categories of travel: (1) regular travel and (2) attendance at meetings travel.

We classify "attendance at meetings" travel when it is for Library representation or employee training and self-improvement at a membership meeting of an association. We have also considered general membership meetings of an association, workshops, seminars, and symposia sponsored or co-sponsored by an association, as "attendance at meetings" travel. Much of this travel is also for educational purposes.

We classify travel as "regular travel" when transacting specific Library business and employee training not carried on at an association meeting. Thus, the sponsorship becomes the key determinate and not the priority or the purpose in determining whether a specific trip is within the restriction and classified as attendance at meetings. For example, the travel expenses for attending a workshop sponsored by the American Society for Public Administration would be classified as "attendance at meetings" whereas the travel expenses for a similar workshop sponsored by the Civil Service Commission or a university would be charged to "regular travel." On occasion, Members of Congress will ask the Congressional Research Service to send a member of the CRS staff to represent them at meetings in which it is clearly in the interest of the Congress and the Library to be represented. The accident of whether the meeting is sponsored by a membership association or a university may determine whether the Library has the funds available to send a representative.

In many instances professional societies have undertaken and assumed responsibilities formerly discharged only by universities and have joined with Federal organizations and groups and with universities in sponsoring many programs. Furthermore, partly because of faster and more convenient transportation systems, the assemblies themselves are more widely attended and have become the most effective meeting ground for experts in particular topics to exchange information or to develop cooperative programs of national benefit.

In the fiscal 1914 Senate Hearings, Mr. Herbert Putnam, Librarian of Congress at that time, justified the need to send Library representatives to meetings of groups like the American Library Association and other interstate associations. He testified that,

> "Our service, in proportion as it is national and cooperative, requires indispensably that we shall have representatives at such meetings as those where the discussions are technical as to cooperative enterprises in which we are engaged. They really could not get on without us, and we could not get on without the information which they afford us of the requirements of other institutions and of the aid which those other institutions can give in our work."

That same need has existed throughout the years and has only increased due to the greatly increasing complexity of our society.

The importance of attendance at meetings travel to the Congressional Research Service in its support of the Congress was well stated by Mr. Lester Jayson, Director of the Congressional Research Service, in the House Appropriations Hearings on the fiscal 1976 budget request,

> "The principal importance of the CRS staff to Congress is the specialized knowledge that they bring to the committees and members in connection with their legislative work. This specialized knowledge obviously has to be updated from time to time. The work of the Congress is very dynamic. Most of the information that a member or committee needs relates to events that are happening today. The President makes an energy proposal that has a great number of complexities. The places where you can get new information about, or thinking about, or an analysis about such a proposal is not in books. Books are 3, 4, or more years old by the time they are published. There is a great time lag between when an event occurs and when a book about it is published. Books are obsolete, for the most part, in terms of congressional needs. Where is the latest thinking going on? Where are the expert analyses about these current events being expressed? In the study groups, the workshops and the seminars called specifically for the purpose of studying and analyzing these proposals or problems. CRS cannot send its people to many of these meetings because of the restriction.
>
> "During the past year we had a number of congressional requests to send people to professional association meetings where workshops and discussions were taking place, particularly with regard to various aspects of the economy. We were unable to send them because of this restriction. We could not use any discretion with regard to our other money, available for regular travel, in getting our people to these meetings to bring back the information needed by the committees and members. Obviously, attendance at meetings of professional societies is important to all of our professionals in the normal course of their work. It is important to our recruiting, it is important to some of our work for committees in lining up expert witnesses who might be called, or whom we might suggest be called for various hearings. . . . . .

"The important thing, so far as we are concerned, so far as Congress is concerned, is to bring back the latest thinking of the people in the field, giving you their ideas, getting the views of the people directly involved, whether it be industry's point of view or academia's point of view, and making contacts with local and State and other officials in the field who are dealing with the problem. This is the sort of information that members need. . . . ."

Question: Throughout your justifications you indicate that you are spending a substantial amount of money for the rental of equipment. To what extent have you examined the option of purchasing some of this equipment rather than renting it? For instance you plan to spend $42,900 under your "Preparation of Books" subaccount for the rental of a variety of equipment, with the major cost being attributable to the rental of word processing machines. How long would it take you to amortize the cost of these machines if you were to purchase them rather than rent them? In other words, how does the purchase price compare to the yearly rental cost?

Answer: We are presently negotiating 3 year lease agreements with 4 different vendors and adequate purchase options are one of our prime objectives. We are presently examining purchase options to determine maximum accrual and in fact have purchased approximately 20 wordprocessors because of favorable cost/benefit analysis. We continue to review machine life basis to determine the most feasible and economical method of acquisition.

Cost to amortize would be from 48 to 60 months. The residual is usually 15 to 20 percent of the original cost. In the majority of cases the defined system life is 3 years since the state of art changes and the cost of computerizing is reduced.

Question: You plan to spend a total of $394,843 in fiscal year 1982 for Tuition and Training. In justifying increased costs of tuition and training under a number of subaccounts you indicate "an analysis of tuition fees charged by local colleges and universities attended by Library of Congress employees indicates that the fees have increased approximately 11.7 percent in the 1978/1979 school year." Based on that analysis you estimate a similar cost increase between fiscal years 1981 and 1982. Can you tell us what percentage of your training dollar is spent on tuition fees for college and university courses?

Answer: The Library does not collect data solely on college and university training. As required by the Office of Personnel Management all training is divided into and accounted for in three categories -- non-government, inter-agency, and agency. Since the non-government category does include college and university training it is utilized in the following response:

For fiscal 1980, the tuition fees for training in non-government institutions represented approximately 90% of the Library training dollar. In addition to college and university training, non-government institution training includes courses and seminars sponsored by professional associations such as the American Institute of Aeronautics and Astronautics and The Atomic Industrial Forum and private organizations such as Lockheed and IBM.

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Question: Can you give us some examples of the type of college and university training these funds are supporting?

Answer: Tuition fees for training in non-government institutions supported a diversity of courses such as:

Mineral Exploration
Basic Information Sources and Reference Uses
The Tradition of Fine Bookbinding in the 20th Century
Nuclear Energy
Introduction to Reference and Information Services
Immigration and Nationality Law, Mining Law
Design Trends and Techniques for Contemporary Office Interiors
Dimensions of Software Testing
Employment Discrimination Law
Governmental Accounting

These courses were taken by Library staff members who range from Congressional Research Service research specialists in the area of energy and conservation to specialists in international law; from space management experts to equal employment opportunity investigators; and from an accounting technician in the Copyright Office to reference librarians in Research Services.

Question: What standards do your employees have to meet to qualify for tuition payments?

Answer: In compliance with Federal law and Office of Personnel Management regulations we do not authorize training based on individuals. Each request is reviewed for the relationship of the course to the employee's work. A need for the skill to be acquired or the information to be obtained must be indicated on the request. To reiterate, the request is authorized based on need, the employee's as well as organization need, rather than by standards to be met by each employee.

There is an exception. Our Affirmative Action Programs select individuals who compete through a merit selection process and receive tuition assistance for college programs related to positions for which their group is underrepresented. Funds for this purpose represented 10% of the fiscal 1980 training expenditures. These staff members must compete and are ranked according to experience, awards, education, and participation in outside activities.

Question: I note that you received $7,113,968 from Gift and Trust Funds in fiscal year 1980, anticipate the receipt of $5,669,000 in fiscal year 1981 and expect this figure to fall to $5,487,000 in fiscal year 1982. Can you tell the Committee why you project a decline in Gift and Trust Funds over the next two years?

Answer: The total amount of Gift and Trust Funds received by the Library in a given year is very unpredictable and can vary greatly. The declining estimate only reflects continuing expenditure of certain funds, in some cases principal and other interest only, without the projected receipt of additional gifts which are unknown at this time.

Question: On page 11 of your justification booklet for 1981 you indicate that you are requesting $1,769,200 to "achieve a salary lapse of 4 percent." What is your current salary lapse figure?

Answer: The current lapse rate for the Library is approximately six percent.

Question: Why is it necessary to assume a lower salary lapse rate in fiscal 1982 at a cost of an additional $1.8 million when, in fact, you turned back $1,318,000 to the Treasury in fiscal year 1980?

Answer: The lapsed amount in 1980 of $1,318,000 included $750,000 for moving costs to the James Madison Memorial Building. This amount was reappropriated in the fiscal 1980 Supplemental Appropriation Bill, P. L. 96-304, for obligation in fiscal 1981. The lapse also reported as unobligated an amount of $300,000 for conversion from lease to purchase of computer terminals in the Library. This latter amount was subsequently included as a correction in a post-closing accounting adjustment. Thus, the true lapse for the Salaries and Expenses, Library of Congress, appropriation was $268,000, which is a normal amount lapsed to cover cost overruns, back pay adjustments, and other changes to 1980 obligations.

Salaries and Expenses, Library of Congress

Preparation of Books

Question: On page 17 of the justifications, you ask for 1,088 people and $26,924,106 for Preparation of Books. That is an increase of 9 people and $142,000 over FY '81. What do these people do and why do we need nine more people in FY '82?

Answer: The 1,079 people do many things unique in the largest research library in the world: they purchase publications; they conduct correspondence with academies, institutes and government agencies in foreign countries in a continuing attempt to acquire materials of research value; they open tens of thousands of packages of publications received each month from around the country and around the world; they (in considerable numbers, several hundred, in fact) catalog these newly received materials, both descriptively and by subject, so as to make them available on the shelves of the Library for research use; they administer several programs based on law; and they process those copyright receipts selected for addition to the collections of the Library of Congress. They do many other things also. The staff of 1,079 is, in fact, responsible for the following:

(1) acquiring books and other library materials from every country and in every written language by purchase from over 5,400 dealers, by exchange arrangements with over 15,000 institutions, by transfer from other U. S. Government agencies, by gift, by copyright deposit, and by provision of State and Federal law, particularly 44 U.S.C. 139 and 139a

(2) for administering the Library's responsibilities under Public Law 83-480 (the Agricultural Trade Development and Assistance Act of 1954, as amended), which includes purchasing books for other American libraries, with United States owned foreign currencies

(3) for administering the National Program for Acquisitions and Cataloging which acquires current materials of value to scholar-

ship and distributes bibliographic information regarding them to other libraries in the United States

(4) for cataloging, classifying, assigning subject headings, and otherwise preparing the publications acquired for retrieval and use by the Congress, Federal Agencies, other libraries, and the general public

(5) for administering the Cataloging in Publication Program which in cooperation with American publishers provides standardized cataloging data on the copyright page of current American books

(6) for supplementing, constantly updating, and otherwise maintaining card catalogs containing approximately 50,000,000 cards essential to researchers and to other readers and staff members who consult them for information regarding individual items in the collections

(7) for preparing for its own use and for the use and benefit of the research community a national bibliographic data base in machine-readable form (MARC II) which, like the Library of Congress printed catalog cards and book catalogs, allows other libraries to benefit from the cataloging and classification work done by the Library of Congress, thus eliminating costly duplication of effort while speeding and facilitating research and access to knowledge.

The increase of nine people requested for Preparation of Books in fiscal 1982 is needed to carry on here in Washington work which in the past has been performed by the Library's shared cataloging centers in Europe. Over the last decade the Library has contracted with book dealers overseas to maintain on their payrolls staffs solely dedicated to serving the Library by monitoring and processing new publications and by preparing preliminary cataloging data for them. In fiscal 1982, the Library proposes to discontinue these arrangements in Europe because of rising overseas costs and the advent of automated techniques here in Washington render them no longer cost efficient. The Library can realize an annual savings of $179,487 by transferring the acquisitions and cataloging functions of these centers to Washington and by reprogramming $142,000 of the amount now allocated for their maintenance to fund nine additional positions on the Washington staff necessary to handle the workload transferred here.

Question: On page 21, again for Preparation of Books, you ask for an increase of $120,011 for non-personal services. Of that increase, how much would be spent on travel by these 1,000 people who prepare books?

Answer: An amount of $15,925 is requested for travel, due to air fare rate increases in fiscal 1980 plus a government-wide increase in per diem and subsistence costs. Based on these actual fiscal 1980 costs, the Library is requesting current level increases in 1982 of $12,700 for regular travel and $3,225 for attendance at meetings travel.

Queston: Give us a breakdown on this travel for the past two fiscal years showing who took the trips, where they went, why they went, and how much each trip cost.

Answer: See the following pages.

FISCAL YEAR 1979
PREPARATION OF BOOKS
TRAVEL

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
American Library Association (Midwinter)				
Joseph H. Howard, Assistant Librarian for Processing Services	Wash. D.C.	Jan. 1979	$ 25.00	To represent the Library in its relationship with other libraries in the U.S. which utilize LC cataloging in their day-to-day operations.
Mary E. Sauer, Chief, Serial Record Division	" "	" "	25.00	" "
Dorothy J. Glasby, CONSER Operations Coordinator, Serial Record Division	" "	" "	25.00	" "
Judith P. Cannan, Head, English Language Serials Cat Sect., Serial Record Division	" "	" "	25.00	" "
John D. Levy, Head, Editing & Input Section, Serial Record Division	" "	" "	25.00	" "
Linda K. Bartley, Head, National Serials Data Program Section	" "	" "	25.00	" "
Mary K. Pietris, Chief, Subject Cataloging Division	" "	" "	25.00	" "
Myrl Powell, Assistant Chief, Subject Cataloging Division	" "	" "	25.00	" "

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
American Library Association (Midwinter)				
Lois Rose, Head, Children's Literature Section, Subject Cataloging Division	Wash. D.C.	Jan. 1979	$ 25.00	To represent the Library in its relationship with other libraries in the U.S. which utilize LC cataloging in their day-to-day operations.
Judith A. Kuhagen, Head, Foreign Languages Serials Cataloging Section, Serial Record Division	" "	" "	25.00	" "
Robert C. Sullivan, Chief, Order Division	" "	" "	25.00	" "
John D. Byrum, Chief, Descriptive Cataloging Division	" "	" "	25.00	" "
Ben Tucker, Principal Descriptive Cataloger	" "	" "	25.00	" "
Josephine Pulsifer, Processing Services Office	" "	" "	25.00	" "
Barbara Westby, Chief, Catalog Management Division	" "	" "	25.00	" "
Patricia Hines, Assistant Chief, Catalog Management Division	" "	" "	25.00	" "
Lucia J. Rather, Director for Cataloging	" "	" "	25.00	" "
Robert M. Hiatt, Assistant to the Director for Cataloging	" "	" "	25.00	" "

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
American Library Association (Midwinter)				
Edith Scott, Chief Instructor, Cataloging Instruction Office	Wash. D.C.	Jan. 1979	$ 25.00	To represent the Library in its relationship with other libraries in the U.S. which utilize LC cataloging in their day-to-day operations.
Melba Adams, Assistant Chief, Decimal Classification Division	" "	" "	25.00	" "
Susan Tarr, Processing Services Executive Assistant	" "	" "	25.00	" "
Frank M. McGowan, Director for Acquisitions and Overseas Operations	" "	" "	25.00	" "
American Library Association (Annual Conference)				
Joseph H. Howard, Assistant Librarian for Processing Services	Dallas, TX	June 1979	505.00	" "
Mary E. Sauer, Chief, Serial Record Division	" "	" "	486.50	" "
Dorothy J. Glasby, CONSER Operations Coordinator, Serial Record Division	" "	" "	486.50	" "
Barbara Westby, Chief, Catalog Management Division	" "	" "	388.50	" "

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
American Library Association (Annual Conference)				
Mary K. Pietris, Chief, Subject Cataloging Division	Dallas, TX	June 1979	$515.50	To represent the Library in its relationship with other libraries in the U.S. which utilize LC cataloging in their day-to-day operations.
Lois Rose, Head Children's Literature Section, Subject Cataloging Division	" "	" "	515.50	" "
John Byrum, Chief, Descriptive Cataloging Division	" "	" "	598.50	" "
Ben Tucker, Principal Descriptive Cataloger, Descriptive Cataloging Division	" "	" "	520.50	" "
Rodney Sarle, Chief, Overseas Operations Division	" "	" "	474.00	" "
Josephine S. Pulsifer, Processing Services Office	" "	" "	598.50	" "
Judith P. Cannan, Head, English Language Serials Cataloging Section, Serial Record Division	" "	" "	408.50	" "
Judith A. Kuhagen, Head Foreign Language Serials Cataloging Section, Serial Record Division	" "	" "	408.50	" "

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
American Library Association (Annual Conference)				
John D. Levy, Head, Editing & Input Section, Serial Record Division	Dallas, TX	June 1979	$408.50	To represent the Library in its relationship with other libraries in the U.S. which utilize LC cataloging in their day-to-day operations.
Linda K. Bartley, Head, National Serials Data Program Section, Serial Record Division	" "	" "	408.50	" "
Lucia J. Rather, Director for Cataloging, Processing Services	" "	" "	573.50	
Robert M. Hiatt, Assistant to the Director for Cataloging, Processing Services	" "	" "	495.50	" "
Edith Scott, Chief Instructor, Cataloging Instruction Office	" "	" "	476.50	" "
Frank M. McGowan, Director for Acquisitions and Overseas Operations	" "	" "	505.50	" "
Robert C. Sullivan, Chief, Order Division	" "	" "	525.50	" "
Grace E. Hall, Executive Assistant, Processing Services	" "	" "	453.50	To answer questions relating to the new Anglo-American Cataloging Rules II, recently adopted by the Library of Congress and many American libraries, and on technical processing in libraries.

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
Music Library Association (Annual)				
Fred Bindman, Head, Music Section Descriptive Cataloging Division	New Orleans, LA	Feb. 1979	$474.00	To speak on the impact of the Anglo-American Cataloging Rules 2 on music cataloging practices and to answer questions re music cataloging. Participate in the Association's Cataloging Council and its Subcommittee on Music.
Harry Price, Senior Music Cataloger, Descriptive Cataloging Division	" "	" "	293.00	" "
Annual Conference, Association for Asian Studies				
Beatrice Ohta, Head, Chinese and Descriptive Cataloging Division	" "	March 1979	619.00	To serve as liaison between the Library and the Committee on East Asian Libraries.
Federation of Abstracting and Indexing Services				
Linda K. Bartley, Head National Serials Data Program, Serial Record Division	Arlington, VA	March 1979	75.00	To confer with members of the Abstracting and Indexing Community on bibliographic control and use of serial publications.
Art Libraries Society/North America's International Annual Conference				
Anna Smislova, Subject Cataloger, Subject Cataloging Division	Toronto	March 1979	389.92	To participate on four different panels in regard to subject cataloging of art Materials.

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
American Theological Library Association				
W. S. Kissinger, Subject Cataloger, Subject Cataloging Division	St. Paul, MN	June 1979	$415.00	To represent the Library and to interpret its work as it relates to the cataloging of theological works.
Association of Jewish Libraries				
Theodore Wiener, Subject Cataloger, Subject Cataloging Division	Cincinnati, OH	June 1979	322.50	To participate in a panel discussion on Anglo American Cataloging Rules II.
Seminar on the Acquisitions of Latin American Library Materials (SALALM)				
Robert C. Sullivan, Chief, Order Division	Los Angeles, CA	June 1979	694.00	To conduct meetings and coordinate acquisitions related programs as Chairman of the Committee on Acquisitions, of SALALM.
American Association of Law Libraries				
Paul Weiss, Subject Cataloger, Subject Cataloging Division	San Francisco, CA	July 1979	646.00	To answer questions at the AALL conference in the field of technical services, especially subject cataloging of law.
TRAVELLER				
Lucia J. Rather, Director for Cataloging, Processing Services	Canada	March 1979	334.61	Participate with representatives of four National Libraries on International Cooperative Cataloging.
Mary K. Pietris, Chief, Subject Cataloging	"	" "	253.20	" "

TRAVELLER (Continued)	DESTINATION	DATE	COST	PURPOSE
Ben Tucker, Chief, Descriptive Policy Office, Processing Services	Canada	March 1979	$ 312.91	Participate with representatives of four National Libraries on International Cooperative Cataloging.
Lucia J. Rather, Director for Cataloging, Processing Services	Copenhagen	Aug. 1979	1,928.61	To chair meeting of International Federation of Library Association. Standing Committee on Cataloging and the working group on Corporate Headings.
Nathan R. Einhorn, Chief, Exchange and Gift Division	"	" "	2,279.71	Participate as a voting member of the Standing Committee of the Section on the Exchange of Publications between countries at the International Federation of Library Association.
Mary E. Sauer, Chief, Serial Record Division	"	" "	1,792.00	Confer with other experts on issues and programs in serials libraianship to support the missions of the Library in this area at the International Federation of Library Association.
Linda Bartley, Head, National Serial, Data Program, Serial Record Division	West Germany	May 1979	1,279.75	To represent the U.S. and the Library of Congress at the Annual Directors' meeting of the International Serials Data System.

FISCAL YEAR 1980
PREPARATION OF BOOKS
TRAVEL

TRAVELER & MEETING	DESTINATION	DATE	COST	PURPOSE
American Library Association (Midwinter)	Chicago, Ill.	Jan. 1980		To represent the Library in its relationship with other libraries in the U.S. which utilize LC cataloging in their day-to-day operations.
Joseph H. Howard, Assistant Librarian for Processing Services			404.00	
Lucia J. Rather, Director for Cataloging	" "	" "	394.00	" " " "
Robert M. Hiatt, Asst. to the Director for Cataloging	" "	" "	444.00	" " " "
Ben R. Tucker, Chief, Office for Descriptive Cataloging Policy	" "	" "	404.00	" " " "
Josephine S. Pulsifer, Special Asstant for Automation of Technical Processing	" "	" "	404.00	" " " "
Barbara J. Roland, Chief, Automation Planning & Liaison Office	" "	" "	404.00	" " " "
Mary E. Sauer, Chief, Serial Record Division	"	" "	280.00	" " " "
Dorothy Glasby, Conversion of Serials Operations Coordinator, Serial Record Division	"	" "	409.00	" " " "
John Byrum, Chief, Descriptive Cataloging Division	" "	" "	409.00	" " " "

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
American Library Association (Midwinter)				
Judith A. Kuhagen, Head, Foreign Language Serials Cataloging Section Serial Record Division	Chicago, Ill.	Jan. 1980	$240.82	To represent the Library in its relationship with other libraries in the U.S. which utilize LC cataloging in their day-to-day operations.
Judith P. Cannan, Head, English Language Serials Cataloging Section Serial Record Division	"	"	306.46	" "
Susan Liggett, Coordinator of Co-operative Cataloging Projects	"	"	287.00	" "
Mary K. Pietris, Chief, Subject Cataloging Division	"	"	388.31	" "
Lois Rose, Head, Children's Literature Section, Subject Cataloging Division	"	"	300.00	" "
Mary Lou Miller, Office of the Principal Subject Cataloger	"	"	375.99	" "
American Library Association (Annual Conference)				
Joseph H. Howard, Assistant Librarian for Processing Services	New York	6/29-7/5/80	$265.00	" "
Josephine S. Pulsifer, Special Ass't for Automation of Technical Processing	"	"	285.84	" "

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
American Library Association (Annual Conference)				
Barbara J. Roland, Chief, Automation Planning & Liaison Office	New York	June 1980	$250.00	To represent the Library in its relationship with other libraries in the U.S. which utilize LC cataloging in their day-to-day operations
JoFrances M. Calk, Library Information Systems Specialist	"	"	163.00	" "
Mary E. Sauer, Chief, Serial Record Division	"	"	265.00	" "
Kimberly W. Dobbs, Ass't Chief Serial Record Division	"	"	165.00	" "
Dorothy J. Glasby, CONSER Operations Coordinator, Ser. Rec. Div.	"	"	232.62	" "
Linda K. Bartley, Head, NSDP Sect., Serial Record Division	"	"	110.00	" "
Judith A. Kuhagen, Head, Foreign Lang. Serials Cat. Sect., Ser. Rec. Div.	"	"	171.95	" "
Judith P. Cannan, Head, English Lang. Serials Cat. Sect., Ser. Rec. Div.	"	"	172.29	" "
John D. Byrum, Chief, Descriptive Cataloging Division	"	"	265.00	" "

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
American Library Association (Annual Conference)				
Mary K. D. Pietris, Chief, Subject Cataloging Division	New York	June 1980	$235.95	To represent the Library in its relationship with other libraries in the U.S. which utilize LC cataloging in their day-to-day operations.
Lois D. Rose, Head, Children's Lit. Sect., Subject Cat. Div.	New York	June 1980	155.00	" "
Eugene Frosio, Office of the Principal Subject Cataloger	New York	June 1980	241.50	" "
Divna Todorovich, Subject Cataloger	New York	June 1980	157.00	" "
Susan Liggett, Coordinator of Cooperative Cataloging Projects	New York	June 1980	165.00	" "
Lucia J. Rather, Director for Cataloging	New York	June 1980	265.00	" "
Robert M. Hiatt, Ass't. to the Director for Cataloging	New York	June 1980	215.00	To provide answers to questions relating to the new Anglo-American Cataloging Rules II, recently adopted by the Library of Congress and many American libraries, and on technical processing in libraries.
Ben R. Tucker, Chief, Office for Descriptive Cataloging Policy	New York	June 1980	165.00	
Grace E. Hall, Executive Assistant Processing Services	New York	June 1980	185.00	

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TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
American Library Association (Annual Conference)				
Paul Winkler, Senior Descriptive Cataloging Specialist	New York	June 1980	$273.48	To provide answers to technical cataloging policies questions and to interpret the new Anglo-American Cataloging Rules, in the LC Suite.
Robert Ewald, Descriptive Cataloging Specialist	New York	June 1980	63.00	To answer questions about the new Anglo-American Cataloging Rules II
Kay Guiles, Descriptive Cataloging Specialist	New York	June 1980	90.00	To answer questions relating to the new Anglo-American Cataloging Rules II
American Association for the Advancement of Slavic Studies				
Nathalie Delougaz, Chief, Shared Cataloging Division	New Haven, CT	10/12/79	$156.00	To represent the Library in the interest of the cataloging of Slavic materials.
Art Libraries Society				
Anna Smislova, Subject Cataloger (art) Subject Cataloging Division	New Orleans, LA	1/26-31/80	$456.37	To answer questions on Subject Cataloging of art materials.

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
National Micrographica Association (Annual Meeting) Saul Snyder, Editor, Subject Headings Subject Cataloging Division	New York	Apr. 1980	$391.00	To serve as the Library's resource person in micrographics and gain exposure to latest concepts and techniques in the field.
Medical Libraries Association Lynn El-Hoshy, Subject Cataloger Subject Cataloging Division	Wash., D.C.	Jun. 1980	78.00	To serve as the Library's resource person regarding changes in subject headings and classification of medicine
American Theological Library Association (Iliff School of Theology) Warren S. Kissinger, Subject Cataloger Subject Cataloging Division	Denver, Col.	Jun. 1980	585.20	To serve as the Library's resource person on the cataloging of theological works.
American Association of Law Libraries (Annual Meeting) Marie E. Whited, Subject Cataloger for Law Materials	St. Louis, Mo.	Jun. 1980	397.35	To answer questions and subject headings and classification of law materials
Special Libraries Associations Jennifer V. Magnus, Assistant Chief Order Division	Wash., D.C.	Jun. 1980	50.00	To participate in meetings as a member.
TRAVELLER Peter J. de la Garza, Coordinator Hispanic Acquisitions Project	Albuquerque, San Juan Santo Domingo	Jun 1980	764.00	To improve the Library's acquisition of current publications issued in Puerto and the Dominican Republic

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
National Federation of Abstracting & Indexing Services (Annual Meeting) Linda K. Bartley, Head, National Serials Data Project, Serial Record Division	Wash., D.C.	Mar. 1980	$ 80.00	To answer questions on bibliographic control, identification, and use of serial publications.
Music Library Association (Annual Meeting) Fred M. Bindman, Head, Music Section Descriptive Cataloging Division	San Antonio, Tx.	Feb. 25	578.00	To answer questions concerning music and sound recordings cataloging policies.
Middle East Librarians' Association Frances Morton, Descriptive Cataloger Descriptive Cataloging Division	Salt Lake City, Utah	Nov. 1979	518.00	To present a paper on the Anglo-American Cataloging Rules II for Persian & Arabic works.
Board on Geographic Names Myrl D. Powell, Assistant Chief Subject Cataloging Division	Houston, Tx.& Salt Lake City, Utah	Nov. 1980	519.25	To serve as the Library's deputy to the Board, further cooperation between Board & non-Federal agencies & institutions; and serve as Chairman, Domestic Names Committee
Ocean Energy Conference Anatol Surak, Physical Sciences Section, Subject Cataloging Division	Wash., D.C.	Jun. 1980	120.00	To keep aware of latest developments on renewable energy from the ocean for cataloging in the field of energy resources.

TRAVELLER & MEETING	DESTINATION	DATE	COST	PURPOSE
Ninth Biennial National Waste Processing Conference Antol Surak, Subject Cataloger Physical Sciences Section Subject Cataloging Division	Wash. D.C.	May 1980	112.00	To keep aware of the latest developments in the fields of environmental protection, waste disposal, and energy resources, as cataloger in these areas.
TRAVELERS				
Lucia J. Rather, Director for Cataloging	Wash. D.C./Manila/ Australia & return	8-13--9-2	1,241.13	To participate in the International Federation of Library Association, Standing Committee on Cataloguing, held in Manila; to represent the Library at the Association of Bibliographic Agencies of Britain, Australia, Canada and the United States of America.
Arlene Whitmer, Chief, User & Production Service	Columbus, Ohio	9-3-80	210.00	To confer with Technical staff at the Ohio College Library Center, Inc. on specifications for the automation of New Serial Titles, a publication of the Library.
Mayumi Taniguchi, Head, Name Authority Data Preparation & Verification Section, MARC Editorial Division	Maryland Heights, Mo. via St. Louis, Mo.	1-22-23-80	364.44	To visit Electronic Keyboarding, Inc., Maryland Heights, Mo. and determining the progress in processing retrospective name authorities.

TRAVELER	DESTINATION	DATE	COST	PURPOSE
John R. Schroeder, Head, Cataloging Unit, Geography & Map Division	Ottawa, Canada	9-29 -- 10-6-80	364.75	To participate in working sessions, to interpret AACR 2 as they apply to cartographic materials.
Ben Tucker, Chief, Office for Descriptive Cataloging	" "	9-30 -- 10-6-80	313.00	To participate in a seminar on the interpretation of AACR 2.
John D. Levy, Head, Editing & Input Section, Serial Record Division	Columbus, Ohio	11-28-29-80	202.20	To confer with technical representatives from other CONSER institutions on the working bibliographic conventions, tagging and editing functions, and the day-to-day procedures of the project.
Dorothy Glasby, CONSER Operations Coordinator, Serial Record Division	" " " " "		202.53	To confer with technical representatives on the working bibliographic conventions, tagging and editing functions, and the day-to-day procedures of the CONSER institutions, one of which is the Library of Congress.
Dorothy Glasby, CONSER Operations Coordinator, Serial Record Division	Atlanta, Ga.	11-6-9-80	509.00	To participate in the first "On-line Conference and Exposition" to acquire improved proficiency in the areas of on-line search strategy, data base usage and on-line management techniques.

TRAVELER	DESTINATION	DATE	COST	PURPOSE
Joseph H. Howard, Assistant Librarian for Processing Services	Stanford, Ca.	11-7-10-80	669.15	To participate in the American Council o of Learned Societies conference on Chinese character processing and automated bibliographic systems at the invitation of Dr. John Haeger.

Question: On page 23, you ask for $64,709 to offset inflationary increases in the cost of maintaining the Library's overseas regional acquisition centers in Brazil, Egypt, Indonesia, and Kenya. Tell us about these centers -- how many are there, how many people do we have in those centers, what is the purpose of the centers, and how much do we spend each year for these overseas centers?

Answer: The Library maintains four regional acquisition centers, in Brazil, Egypt, Indonesia, and Kenya. These centers acquire publications for the Library of Congress and, except in the case of the Center in Brazil, for a limited number of other major research institutions in the United States. Publications from the developing countries of Latin America, the Middle East, Southeast Asia, and Africa are extremely difficult to procure because these areas of the world lack organized book trades and national bibliographies. Also, important publications are issued by government agencies and non-profit organizations which lack the resources to publicize or distribute their publications. Only through "on the spot" canvassing of local book stores, institutions, and government agencies is the Library able to identify and acquire materials necessary for researchers and scholars to keep abreast of developments in these important areas. The centers also regularly produce lists of the publications acquired which are distributed to institutions throughout the United States, identifying new research materials.

The total staffs of these centers consist of 4 American field directors and 75 local employees. In fiscal 1980 the Library expended $635,000 to maintain the centers.

Question: On page 24, you provide a table showing all items for the Preparation of Books account. Item 22B of that list is for $4,500 for "Transportation of Household Effects." That same amount was requested last year. What does that appropriation cover?

Answer: The sum of $4,500 will be used to cover the transfer of household effects for the Library's Field Director in Nairobi and his family. He will be recalled to Washington this coming spring for an assignment here at the Library.

Question: Under the subaccount "Preparation of Books" you indicate you plan to spend $150,000 in fiscal year 1982 for military postal service. You indicate on page 21 of your justifications that the Department of the Army is increasing its charges for this service by 50 percent. This will require an additional $52,000 above your current budget of $98,000. What alternatives do you have to the use of military postal service and have you explored these alternatives since being informed of the 50 percent rate increase?

Answer: The Library has for a number of years attempted to identify less expensive alternatives to military postal service for transporting to Washington publications acquired abroad. Cost comparisons have consistently shown the service to be the least expensive approach. For instance, a recent study showed that use of commercial airfreight to ship materials to the Library from Japan in lieu of our current use of military postal service would be five times more expensive.

Question: Item 25 is called "Other Services" -- for which $111,800 is requested. That is up $17,775 from FY '81. What is included in this category and why is it up?

Answer: Allotment 25 is to cover a variety of services required by the Library's offices abroad. These include contracts for cleaning, security, medical care, repair, maintenance, and other services necessary for operating these offices. The increase requested in this allotment for fiscal 1982 is to offset anticipated inflationary increases. The amount has been computed on the basis of local rates of inflation reported by the American embassies abroad.

Question: Item 25E asks for $27,500 for tuition and training. That's up $2,835 over last year. What kind of tuition and training is done with these funds?

Answer: For the most part, those few employees who take courses, take language courses, those relating to computer based information retrieval, courses on the introduction to online systems, and basic cataloging courses. All are job related, designed to increase the staff member's competence.

Question: Item 25N is for "Storage of Household Effects" -- for which $4,500 is asked -- the same amount as last year. Whose household effects are we storing?

Answer: The sum of $4,500 is used to pay for the storage of household effects for the Library's Field Directors in Cairo, Jakarta, Rio de Janeiro, and Tokyo.

Question: Item 25R is for an "Automation Study," for which $25,000 is asked -- the same amount as last year. Is this an ongoing study? What is its purpose and when will it be completed? Who gets this $25,000?

Answer: These funds are used for ongoing studies and investigations on ways to continually improve and expand the application of automation to bibliographic processing functions in order to ensure increased productivity for internal cataloging activities and more efficient external distribution programs. This automation study function has been performed by the Network Development Office in the past. When the Network Development Office was moved from the Associate Librarian for National Programs to the Assistant Librarian for Processing Services as the result of a reorganization in 1980, this function was also transferred to Processing Services.

Cataloging Distribution Service

Question: You are requesting $8,160,437 for the Cataloging Distribution Service in fiscal year 1982. You indicate on pages 27 and 28 of your justifications that this service has "eliminated costly duplication of effort by thousands of libraries throughout the country." In fact you received $6,500,000 in receipts for this service. Again according to your justifications, the products you distribute through this service are priced to return "the cost of duplicating additional copies and to recover that portion of operating costs of the Catalog Distribution Service attributable to the distribution of products for other than LIbrary of Congress use."

What would be the impact on your customers if you were to attempt to recover the full cost of your Cataloging Distribution Service activities through charges to your customers?

Answer: Actually, the Cataloging Distribution Service (CDS) is requesting $14,660,437 for fiscal 1982, only $6,500,000 of which is recoverable. The $8,160,437 portion is for non-recoverable costs for services provided to the Library of Congress. If CDS were to attempt to recover the additional $8,160,437, or the total appropriation, from our customers we would be asking them to subsidize the internal services provided to the Library.

Question: On page 29, we have an itemized list of the amounts requested for Cataloging Distribution Service. Item 23E is for $1,291,500 for rental equipment. What type of equipment is rented? For whom?

Answer: Types of equipment rented out of these funds include the following:

(1) An IBM System which is a general-purpose computer system used to process all of CDS's general purpose data processing needs including accounting systems, customer service systems, Machine-readable Records (MARC) accumulation and distribution systems and customer ordering systems. The present Central processing unit (CPU) installed is a 370/158-KJ with main memory size of 3 MEG @ 16 bits/ word, along with peripherals such as 3348 Data Modules, 3420-06 Tape Drives, 3803-02 Tape Control, 1416 Print Train, 2701 Data Adapter, 5746-CBI-DOX/VS COBAL Compiler, 5746-LM4-DOS/VS COBAL Library, 5746-SMI DOX/VS Sort Merge, 5740-DBI OS/VS COBAL Computer, 5740-SMI-OS/VS Sort Merge, 57988-CDA OS DITTO Extensives, etc.

(2) A Videocomp System which is a special purpose computer system designed to do electronic phototypesetting of plate material, reversal film and stabilization paper. It is used to photocompose the plates for catalog cards and book catalogs.

(3) A Recognition Equipment Optical Character Reading System, containing a total of three CPUs. This is a special purpose system used to optically read and process customer orders for Library of Congress cards which are sold by CDS. The total utilization of these CPUs is for processing card orders. The system includes peripherals such as electronic retina computer reader transports, bar code reader, line printers, tape drives, etc. Rental costs include maintenance.

(4) The "CARDS" system (custom XEROX 9700 laser printing system) which is a specialized computerized printing system designed to allow CDS to do demand printing on any or all of its numerous categories of machine-readable (MARC) catalog card formats. Rental costs include maintenance.

(5) XEROX 9200 and 9400 high speed noncomputer xerographic printing systems used to print library index cards which are not in computer form (there are approximately 5.5 million noncomputer cards).

(6) XEROX 7000 copier and SCM copier used to support administrative, customer service, accounting and other business activities. Rental costs include maintenance.

(7) NCR accounting equipment used for keypunching fiscal, customer service and other business activities. Rental costs include maintenance.

(8) Eastman Kodak, MPG microfilm reader used for customer service and accounting activities. Rental includes cost of maintenance.

(9) Lexitron word processing machines used to support customer service, accounting and other business activities.

(10) Pitney Bowes Mailing system used for inserting, sealing and mailing correspondence.

(11) Polar Model 92-CE, guillotine cutter used for cutting 3"x5" Library of Congress catalog cards.

(12) Other miscellaneous items such as disk paks, 1703 Tickometer, etc.

The monies are used to support the business and production operation of our Cataloging Distribution Service which annually recovers cost plus 10% on the sale of library index cards, bibliographies such as the National Union Catalog and computer form bibliographic information to thousands of libraries throughout this country. Since 1901, CDS has also provided extensive publication and distribution services to internal units of the Library of Congress, as well as an immeasurable return in terms of service to the research community of this country. CDS equipment rental is used to support billing, order fulfillment, accounting, customer service, as well as printing, photocomposing, and reproducing the over $6,000,000 of products sold (in collaboration with the Government Printing Office). The Cataloging Distribution Service is an 80-year service using the most efficient and modern equipment to support its activities under 2 U.S.C. 150.

Question: Items 24J and 24K are for $1,525,000 and $912,000, respectively, for National Union Catalog and Subject Catalog. What are these two items?

Answer: The National Union Catalog constitutes a reference and research tool for a large part of the world's production of significant books as acquired and cataloged by the Library of Congress and a number of other North American libraries. It represents the works cataloged by the Library of Congress and by the libraries contributing to its cooperative cataloging program during the period of its coverage. In addition, it includes entries for monographic publications issued in 1956 and thereafter reported by about 1,100 North American libraries and not represented by Library of Congress (LC) printed cards.

For monographic works published since 1956 this catalog indicates at least one library where the publication is held and serves thereby, at least for these imprints, as a National Union Catalog. By indicating the LC card number, it also serves as a tool for the ordering of LC printed cards. It is supplemented by the other Library of Congress catalogs.

The National Union Catalog contains currently issued Library of Congress printed card entries for books, pamphlets, maps, atlases, periodicals, and other serials, regardless of imprint date. Entries for reproductions of such materials are also included. These LC entries embrace practically all languages including those written in the Arabic, Cyrillic, Gaelic, Greek, Hebraic, Roman, and the various Indic alphabets, and in Chinese, Japanese, and Korean characters.

The Subject Catalog of the Library of Congress is a cumulative subject bibliography of works currently received and cataloged by the Library of Congress, insofar as these works are represented by Library of Congress printed cards. The Subject Catalog is a reference and research tool providing access by subject to a large portion of the world's current output of significant books and serials. Though entries consist exclusively of cards printed for the Library of Congress card catalogs, additional holders of the works included may be identified in the National Union Catalog and its Register of Additional Locations.

The Subject Catalog contains entries for books, pamphlets, periodicals and other serials, and maps and atlases, in all languages that are written in the Arabic, Cyrillic, Gaelic, Greek, Hebraic, Indic, or Roman alphabets or in Chinese, Japanese, or Korean characters.

Question: You are asking for no increased positions for Cataloging Distribution Service. Of the 430 positions authorized, how many are presently filled?

Answer: Of the 430 positions authorized, 419 are either presently filled or in the process of being filled.

Research and Reader Services

Research Services Department

Question: On page 33, we have the request for your Research and Reader Services. For that function, you want $21,532,533 and 779 permanent positions as opposed to $20,405,517 and 765 positions last year. You also want 120 indefinite and temporary positions versus only 63 such positions last year. Of the increase, 25 of these temporary would be for 25 GS-4 positions ($11,000 per year salary each). What would these people do?

Answer: The funds requested are for temporary, part-time deck attendants (mostly local college students) who are responsible for delivering books from the stacks to readers in the general reading rooms, shelving over 1.5 million books a year, and keeping the massive book collections in order. A detailed study of book delivery functions carried out by the Collections Management Division in 1979 indicates that to maintain the current book delivery times but to allow for careful reshelving and proper shelfreading for the entire collection each year would require the equivalent of 93 full-time deck attendants. The current staff equivalent of 68 full-time positions is sufficient only to support the basic book-paging and reshelving functions and makes no provision for orderly maintenance of the collection.

Question: The other 32 indefinite positions would be required for a three-year period to correct long-standing errors in labeling and cataloging. Twenty of these would be equivalent for GS-5 ($12,266 per year) and the other 12 would be equivalent for GS-7 ($15,193 per year). Is this the first year of this three-year program? Why couldn't we start this program some future year?

Answer: During the period from October 1981 through September 1984 when the enormous general collections will be shifted into space made available by the move of Library units to the Madison Building,

a unique opportunity will exist to conduct a systematic inventory to reconcile books missing from the shelves with the Library's official records, identify fragile items in need of preservation or binding, set aside for review those which could be weeded from the collections, and alert recommending officers to missing titles that are in demand and should be considered for replacement. The work that needs to be done preparatory to the shifting of the collections is related to the work required to perform a full-scale inventory in the most efficient manner. By integrating the two processes, significant savings in staff time will be realized. Delay will deprive the Library of the optimum moment for this activity.

Question: This activity also seeks an additional 8 positions for Library Technicians to serve the users of the Library's listening and viewing facilities. One will be a GS-9, six will be GS-7, and one a GS-5. Do we need to pay these technicians $18,585 per year, which is what a GS-9 salary is, just to assist people who want to use your viewing and listening facilities?

Answer: The 8 library technicians--only one at the GS-9 level--are needed to properly staff the listening and viewing facilities of the Library Performing Acts Reading Room which contains 16 private listening and/or viewing rooms plus 60 earphone stations available to researchers. The rooms are being furnished with equipment that will permit viewing video tapes and/or listening to audio tapes or discs from the Library's permanent collections, which will be transmitted to researchers from a central control station containing playback equipment and a master console.

The collection of sound recordings in the Library of Congress is the largest in the world, consisting of more than 1,000,000 items. These are recordings of music (including works in the classical, popular, folk, theatrical and movie repertoires), the spoken word (including recordings of poets and prose writers, political figures, and prominent intellectual and social leaders), broadcasting transcriptions, and the proceedings of the sessions of the House of Representatives. Because of the archival nature of the collection, the recordings themselves cannot be handled directly by researchers; to minimize damage and maintain the security of the collections they must be played on special equipment by qualified staff, and the signal transmitted to researchers assigned to listening stations in the Performing Arts Reading Room. There is no other way to make this extensive and unique resource available for use. Communication between the researchers located at the viewing and listening facilities and the Central Control Station will be via an intercommunication system. Use of the 60 earphone stations, naturally, will be used strictly for authorized listeing to audio tapes or discs.

The playback equipment will be operated by six GS-7 library technicians trained in the use of both listening and viewing equipment and thus will be available for rotation to the different types of equipment in accordance with service demands. Supervision of the staff and overseeing the operation of the Central Control Station will be the responsibility of the one GS-9 technician. The remaining technician (GS-5 grade level) will have the responsibility for obtaining, registering for control purposes, and returning to proper storage location, the materials from collections displayed over the audio circuits.

The facilities at present available to researchers for viewing

video or listening to audio collection materials are now located in 2 separate buildings. Combined, the current facilities contain 8 earphone stations for audio material (which are operated only 3 hours per day due to lack of staff), 6 stations for film, and only 1 for TV.

Question: This account also includes two positions and $45,178 to videotape the proceedings of the House of Representatives for permanent retention. Has Congress asked the Library to make these permanent videotapes?

You are requesting $18,704,308 in fiscal year 1982 for your Research Services Department. A part of the increase of $997,821 over your current budget is attributable to the cost of videotaping the proceedings of the House of Representatives for permanent retention in the Library for use by researchers. On page 37 of your justifications you indicate that to retain such video tapes you must tape the session off the cable "if requested by Congress". What assumptions do you make in your budget request for this activity as to the number of hours of videotaping you will perform and what is the basis for these assumptions?

Answer: At the time the budget was prepared, two procedures had been under consideration. (1) Taping by the Library off the cable onto 3/4" cassettes by two engineers employed for the task. (2) Archiving the original 1" tapes made by the House, with the Library providing the House with blank replacement tapes to continue the videotaping process. The cost of 1" tapes exceeds that of 3/4" cassettes by a considerable margin but there would be a saving in personnel (the two engineers) and the tapes would be of higher quality. The $71,000 estimate would cover either procedure. The estimate is based on the information that the House has usually been in session an average of 1,000 hours annually.

Under plan (1), the costs would include some $26,000 in videocassettes, plus the cost of two engineers.

Under plan (2), the cost would be that of 1,000 hours of 1" tape at $70 per hour. In testimony before the House of Representatives Appropriations Subcommittee, the Library asked that plan (2) be substituted for plan (1). Hence the Library would ask to withdraw the request for two additional positions, but increase the non-personal services request by the equivalent amount, i.e., $45,178.

Under either plan the Library would absorb costs involved in cataloging, storing, preservation, and the servicing of researchers.

The House has asked the Library to archive the taped proceedings, and expressed its support for this budget item in a letter from Congressman Charles Rose, Chairman of the Speaker's Advisory Committee on Broadcasting, to The Librarian of Congress dated January 7, 1981 (copy attached). This letter was written following meetings with House staff to explore this prospect, and to inform the Library about the technical details of the House Broadcasting System.

(letter follows)

January 7, 1980

Dr. Daniel Boorstin
The Librarian of Congress
10 First Street S.E.
Washington, D.C. 20540

Dear Dr. Boorstin:

I am writing in support of the Library of Congress's future project to archive the video tapes of the House of Representatives Floor proceedings.

The House has televised the House Floor proceedings since February of 1979. Currently the House maintains the 1 inch video tapes of the Floor proceedings for a 60 day period and then the tapes are recycled. During this 60 day period the Clerk of the House sells video tapes to interested persons for a fee which is set by the Speaker's Advisory Committee on Broadcasting. As Chairman of the Advisory Committee, I have been overseeing this project.

There has been a need over the past several years for Members, media, and historians to be able to screen or preview the video tapes. The House Broadcasting System does not have the equipment or the personnel to perform this additional service. Also the Advisory Committee has discovered that there is a demand for the purchase of video tapes after the 60 day period. The Library of Congress would be able to handle both these needed services and maintain a historical archive for future study of the legislative process.

The Speaker's Advisory Committee wholeheartedly supports the storage and retrieval of the video tapes of the House Floor proceedings and the budget that this new service will require.

Thank you.

Sincerely,

Charlie Rose

Question: You indicate on page 33 of your justifications that you plan to virtually triple your special and temporary positions in the Research Services Department in fiscal year 1982 to insure complete sorting, shelving, and maintenance of your collection and to provide timely and efficient book service to your users. You go on to say that to do the job would require the equivalent of 93 full-time deck attendants and that you currently only have 68 full-time attendants. If indeed you need 93 full-time attendants why are you adding 25 special and temporary positions to your current 68 positions? Why don't you make these positions permanent?

Answer: Because the workload in the reading rooms and in the book stacks varies so widely during the year (with peak periods during October-November and again during March-April nearly double the workload of less busy months), it is more economical and effi-

cient to hire part-time temporary staff, mostly local college students, to work during the busiest periods. It gives greater flexibility in assigning staff to work during various hours of the day and week as well and avoids requests for full-time permanent employees. Finally, the work itself can be very strenuous and repetitive and when done on a long-term basis for eight hours a day staff tend to "burn out" and feel trapped in relatively low paying jobs. Several management and staff studies done in the mid-seventies led to experiments with the use of temporary part-time staff. The results were so positive that for the past three years the Library sought to avoid filling deck attendant vacancies on a full-time permanent basis, and instead has hired only temporary part-time workers whenever possible.

This request for $275,000 in special and temporary funds will enable the Collections Management Division to attain the required staffing level for the equivalent of 93 full-time deck attendant positions.

Question: On page 34 of your justifications you indicate that in the process of moving books from the John Adams Building you correctly ordered these books according to shelflist and eliminated binding and labeling errors. You further stated that as a result there was an immediate drop in "not-on-shelf" reports from above 40 percent to 20 percent for the material being reordered. However, on page 35 of your justifications you state that "the probability that the deck attendant will not find the book in the stacks has been as high as 28 percent." How do you reconcile your statement that "not-on-shelf" reports were at one point above 40 percent with the statement that the probability the book will not be found has been as high as 28 percent?

Answer: The 40 percent figure refers to the NOT-ON-SHELF rate for a specific segment of the classified collections (Class G) that occurred in 1978 just before that collection was put in order and moved. The NOT-ON-SHELF rate varies greatly depending on such factors as degree of use, amount of staff available for collection maintenance (shelving and shelf-reading) and extent of crowding. The 28 percent figure on page 35 refers to the over-all NOT-ON-SHELF rate for all of the classified collections.

Question: On page 35 of your justifications you state that among the major causes of "not-on-shelf" reports are volumes which are mislabeled and bear incorrect call numbers. Do you believe that this kind of error can be corrected by increased staffing or does it simply represent performance failures that would occur no matter how large your staff?

Answer: The sheer size and complexity of the Library and its operations contribute to the difficulties of identifying and correcting the mistakes that occur during the processing or binding of materials. Stringent quality control measures that have been introduced in recent years have reduced the error rate for new materials to less than 2 percent at each stage of the cataloging and binding process. It will never be possible to totally eliminate errors being made, but the inventory effort will allow us to identify and correct errors that have been made, over the years, and make accessible to readers thousands of books that are now effectively lost to them.

Question: On page 36 of your justifications you state that a committee formed to study the "not-on-shelf" problem recommended a

number of changes in the Library's procedures. Although you discuss two of the recommendations, you do not list the others. Could you provide that information to the Committee?

Answer: A summary of the recommendations of the NOT-ON-SHELF Committee draft report follows:

1. The Central Charge File (CCF)

The Central Charge File must be cleared of errors, put on-line and routinely checked for location information as part of the book request process.

The Library of Congress (LC) should attempt automatically to replace requested books found to be missing for more than six months based on CCF records.

2. Serials

Certain heavily used serials should be placed on open shelving in the Newspaper and Current Periodical Reading Room for ready access by the public, and those plus other commonly requested titles should be purchased in microform and made available in the same self-service manner as newspapers.

Issue desk personnel should be trained to identify immediately call slips for serial material that may not yet be bound.

The list of bound holdings the Serial Division keeps at its reference desk should be regularly distributed to all issue desks and reference stations.

When an automated book paging system is established, bound and unbound serials should be requested in the Newspaper and Current Periodical Reading Room.

Serials claiming procedures should be simplified and expanded to facilitate claiming of back issues when these lacunae are discovered.

3. The Public Catalog

Once the Main Card Catalog is frozen, sufficient money and staff should be expended to make it an accurate tool for bibliographic retrieval pending the establishment of a Core Bibliographic System.

A shelflist telephone information service parallel to the Central Charge File and Serial Record telephone information services should be established for all the hours the Library is open to the public.

4. Readers' Preconceptions

A check list indicating common reader errors and reasons for NOT-ON-SHELF (NOS) reports should be attached to each NOS sheet.

5. Staffing the Decks

An on-going analysis of NOS data needs to be kept as part of the Library's book service operations. This will require more staff.

6. An Inventory

A timely and thorough inventory of the general collection must be a primary goal of the Library.

7. Shelfreading

Sufficient staff must be provided to read the shelves and to maintain the shelving accuracy acquired through the inventory.

8. Labeling

The program of the Collections Management Division to check recently bound or rebound books for call number errors should be continued.

9. Uncharged Books

A concerted effort must be made to return to the stacks uncharged books being held by LC staff. Each division should submit a written report indicating what steps have been taken to eliminate this problem.

10. Physical Security

More security is needed throughout the Library for the protection of the collections.

11. Collection Development

The Library should make a thorough study of retrospective acquisition policies and practices, and must institute an effective procedure for identifying and re-acquiring lost materials.

Research and Reader Services

Law Library

Question: You are requesting $2,828,225 for the Law Library in fiscal year 1982. On page 45 of your justifications you indicate that the Library makes its collections and services available for the foreign diplomatic corps, international organizations, educational institutions and other groups. The staff of the Library also prepares background papers and comparative studies for the Supreme Court and members of the Departments of State and Justice as well as other federal agencies.

Does the Library make any charge for these services and if not, why not?

Answer: The Law Library does not charge for any of its services. The Law Library, with its comprehensive and unique resources, especially in foreign law, is a public law library available to all users. Its prime responsibility for service, however, is to Con-

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gress. Research in foreign law is performed for all Federal Government offices where the extent of foreign legal information needs is not great enough to justify their maintaining such legal collections and legal researchers. All other users receive only informational and bibliographical assistance.

There are many reasons why it would not be feasible for the Law Library to charge for its services. Some of these include:

(1) Work done on a cost basis would demand timely and complete responses for the non-Congressional work. This type of operation would shift our focus and become detrimental to our service to Congress.

(2) Opposition to our charging fees for legal opinions and services would come from bar associations, who are most sensitive about any activities in the area of the practice of law.

(3) All services, e.g., responding to telephone and direct, in-person inquiries, could hardly be offered for a fee. The administrative costs entailed in bookkeeping alone, not to mention the time and money spent in a market analysis and the attempt to establish a fee scale, would probably make the entire effort of little worth.

(4) Finally, the Law Library has established a network of informational sources that supplement its collection. These include embassy contacts, other institutions, and private individual experts in various fields. Their assistance is often critical to the performance of our work for Congress. Our current gratis reciprocal relationship with these sources would be destroyed and would be replaced by a cost basis, wherein not only information but materials formerly received through exchange and gift would most certainly be available to us only at a price. This would in turn increase our budget and lower the quality or timeliness of our Congressional responses.

Question: You are requesting $53,970 in fiscal year 1982 for 4 GS-5 library technicians to meet current demands for Law Library services. Among other activities, these technicians would be performing preservation tasks according to page 46 of your justifications. However, you are requesting an additional $6,774,017 for the preservation of library materials in 1982 including 105 permanent positions.

Why isn't Law Library preservation work being performed with these funds and personnel rather than with Law Library personnel?

Answer: The main preservation work for the Law Library, i.e., binding, rebinding restoration, and microfilming, is performed under "Preservation of Library Materials." The present request for four GS-5 library technicians includes as one of their duties the in situ treatment of books on the Law Library shelves, thereby preserving them from further deterioration. This type of preservation is an immediate, first phase treatment needed to save the life of the books, which in many cases are literally falling apart on the shelves and includes such treatments as affixing protective wrappers, putting the books in boxes or envelopes, oiling leatherbound books, reattaching pieces of torn leather, regluing labels, and cleaning.

Question: On page 49 of your justifications you indicate that

you are requesting $68,000 for the first time to support the use of operational, computer-assisted legal information systems by the Law Library.

One of the systems you refer to is the New York Times Information Bank. Isn't this system already available within the Library of Congress, and if so, why is it necessary for the Law Library to purchase access to the system?

Answer: While it is true that the New York Times Information Bank is available in the Library, it is not available in the Law Library. If Law Library personnel were to use this data base in the Congressional Research Service, it would unfairly burden that department's budget because the cost of this service is figured only and entirely on the amount of on-line time used.

The Law Library currently has no authorized funding for on-line use of this data base or others which we need in performing legal research for Congress in foreign and international law.

Preservation of Library Materials

Question: On page 53, you seek $6,774,017 and 105 permanent positions for Preservation of Library Materials. You also seek 18 indefinite positions at a cost of $362,280 above last year.

On page 55 you state that the equivalent of 18 positions are needed in order to complete the nitrate film conversion process by the end of the 1980's. This would apparently enable you to accelerate the program. What is this program and why should it be acceler ated?

Answer: The purpose is to preserve the cultural treasure represented by our motion picture heritage. The Library of Congress, through copyright deposit and gifts from major film companies and individuals (such as Mary Pickford) has assembled the largest motion picture collection in the nation. Begun in 1894 with Edison's Kinetoscope copyright deposits, the collection today includes more than 75,000 titles and comprehends the masterpieces of entertainment films, documentaries, newsreels, and films made for television. Besides serving as a record of American culture, this collection is an exceptionally valuable resource for historians, anthropologists, film and television producers, performers, and journalists. The motion picture industry, especially in its infancy, never took responsibility for its older products, but the Congressionally mandated copyright deposit program created such a record at the Library of Congress. Until about 1950, little attention was paid to the preservation of this precious record, but signs of deterioration and increasing demands from users of early films caused a program to be initiated in fiscal 1959. Only a small fraction of the films of the 1910's and 1920's survive, and even many important works of the 1930's and 1940's have been lost to nitrate deterioration. The Library's program focuses on these periods. Nitrate film, an unstable medium, was used until mid-century. Most nitrate films had disintegrated or been discarded or lost in fires before preservation efforts gained momentum in the 1960's. Parallel work is in progress at the Museum of Modern Art, George Eastman House, University of California at Los Angeles, and the National Archives, with the

American Film Institute providing coordination so that duplication of effort is avoided.

The program consists of copying unstable nitrate film onto long-lasting safety film. Nitrate deterioration is a continuing process; it can be slowed by proper storage, but not prevented. At our vaults every can of film is inspected twice a year, and deteriorated material removed. Early completion of the program is obviously to be desired, since otherwise film will be lost before it can be copied. Because of its rapid deterioration and the highly explosive nature of nitrate film--as demonstrated in recent fires at the National Archives vaults and at Eastman House--the Library considers it essential to accelerate the program of converting nitrate film to acetate base.

Question: Why is it necessary to train a new staff? Aren't trained technicians currently available to be hired for this preservation work?

Answer: The motion picture industry has not used nitrate film since mid-century. Laboratory workers familiar with nitrate film are now very scarce. Most of the duplication is onto black-and-white safety film. Since most commercial film production is now in color, laboratory workers familiar with black-and-white are also scarce. Moreover, the Library's laboratory is in many cases dealing with old films that are torn, shrunk, twisted, or otherwise damaged, and showing chemical deterioration. Seriously deteriorated portions must be excised. Equipment must be adjusted to accommodate shrunken film. This is specialized work requiring special training. The Library hopes to hire technicians with some familiarity with motion picture printing, but the special demands of the nitrate laboratory will have to be communicated to even experienced staff before they can work effectively.

Question: On page 59, you seek an increase of $861,700 for preservation of deteriorating motion pictures and other photographic materials. It appears that you are transferring your motion picture lab from the Library to Wright-Patterson Air Force Base in Ohio. Why?

Answer: The lab activities are being moved to Dayton, to a location adjacent to the main nitrate storage vaults, to effect increased efficiency and security. The new location avoids the expense and possible hazard of daily shipments of nitrate film. The new location is remote from any residential area. Previously, a smaller laboratory had been located on Capitol Hill but environmental and safety concerns led the Library to relocate it to an area closer to the film vaults and away from concentrations of people. Apprised of these concerns, the Joint Committee on the Library and the Appropriations Committees authorized reprogramming of appropriated film preservation funds for this relocation.

Question: You also ask for a doubling of the amount of footage being transferred to safety base stock. Explain this further and why it needs to be doubled from 5,000,000 feet of film per year to 10,000,000 feet.

Answer: Some 70 million feet of nitrate film is at the Dayton vaults awaiting conversion to safety film. Additional historic films are being offered. The laboratory has in the past converted some 5

million feet per year. At this rate, the conversion program would go on well into the 1990's. By doubling the rate, it should be possible to complete the program by the end of the 1980's, and to rescue these films before they deteriorate and are lost to future generations.

Question: You are requesting an additional $1,164,000 in fiscal year 1982 to accelerate the preservation of deteriorating motion pictures and other photographic materials. Apparently you intend to virtually double this program in one year. Frankly, I wonder if this can be done without producing an inferior product. For example, you indicate on page 60 of your justification that you plan to spend $7,000 in professional and consultant services to engage a specialist "to assist in training an almost entirely new staff, including personnel who may not be completely familiar with film laboratory equipment and operations". Since I understand that some of your current film preservation work is not as good as it could be, what makes you think that the accelerated transfer work will be done competently in view of the fact that it will be performed by an almost entirely new, and currently untrained, staff?

Answer: New staff members are needed because the relocation of the laboratory from Capitol Hill to Wright-Patterson Air Force Base makes possible an accelerated program involving additional equipment and extra shifts. The larger output will not involve a speeding or downgrading of laboratory processes. By acceleration we simply mean that adding people and printing machines will increase output so that the nitrate-to-safety conversion work can be finished by the end of the 1980's.

Our preservation work involves a careful quality-control program. The Library has already printed more than 30 million feet of film, and work has been generally found to be of high quality, comparable to the best laboratory work of this sort now being done. The Library is frequently consulted by other film archives for advice on nitrate conversion, prints preserved at the Library of Congress have been screened at the American Film Institute Theater from time to time (and to favorable audiences), and other government film collections have requested the Library to make preservation copies of particularly valuable or technically difficult films. This indicates the high level of preservation printing the Library of Congress is known for. The Library is not aware of any adverse judgments about the quality of its film preservation work.

A core of Library laboratory staff members, including the most senior film timers and printers, will be moving to Dayton to supervise and operate the new facility. The training and direction of newly hired staff will be in the hands of these experienced technicians, and new staff will have a chance to attend sessions presented by film and equipment makers to supplement in-house training. This is comparable to the training of new staff in Washington, and no deterioration in output or quality is expected if adequate training funds are appropriated for this purpose.

Automated Systems Support

Question: You are requesting $16,558,245 in fiscal year 1982 for Automated Systems Support. You plan to spend $500,000 for the first time for a machine-readable record of your shelflist. You indicate on page 67 of your justifications that machine-readable

records have been purchased in the past using savings in the Automated Systems Support account. Can you tell us where these savings occurred in fiscal year 1980 and also indicate the dollar amount of the savings?

Answer: During the latter part of fiscal 1980, savings in the order of $80,000 were experienced due to deferrals of procurement and installation of user terminal equipment. This was a result of policy avoiding short-term installation within organizational groups scheduled to move into the James Madison Memorial Building and equated to approximately 53 terminal-years. $7,000 of this savings was spent on early records of the machine-readable shelflist project. This project was initiated in fiscal 1980, but because of a lengthy start-up phase, only a small number of records were delivered and paid for. The remainder of these savings was used to exercise purchase options on terminals already installed and for which a short payout period was offered.

During the first half of fiscal 1981, savings of approximately $140,000 will be achieved due to delays in the installation of new user terminals resulting from the priority given to reinstallation of existing equipment, for divisions which were moving to the Madison Building. This equated to approximately 93 terminal-years. As of April 1981 the majority of reinstallations will be concluded, and installation staff will become available for new installations. To date in fiscal 1981 we have expended $51,988 for machine-readable records of the shelflist and anticipate a full-year total of $120,000 for this project. The $140,000 anticipated savings will cover this amount, and the remainder will be used for purchase of equipment in those cases where there is a clear advantage in purchasing rather than leasing.

By fiscal 1982 we will have concluded all move-related activities and anticipate no savings from move-related deferrals. In fiscal 1982 we also expect the shelflist contractor to be in full production, which will require payment of $500,000.

Central Support Services

Associate Librarian for National Programs

Question: You are requesting $24,471,394 in fiscal year 1982 for Central Support Services including $2,081,696 for the Associate LIbrarian for National Programs. On page 73 of your justifications you indicate an increase of $21,200 is needed to maintain current level activities associated with the transportation of exhibits. Apparently this activity was handled elsewhere in the Library's budget in previous years but you say these sources will not be available in fiscal year 1982. Could you tell the Committee what funds were used to pay for this activity in the past and why these funds will not be available in fiscal year 1982?

Answer: $21,000 is needed to pay the costs of the Library's participation in the exhibits program at the two American Library Association's 1982 Conferences. One will be held in Denver, the other in Philadelphia. The exhibit booth at the world's largest library association conferences serves several major purposes. It displays the Library's available services, and gives the Library a central place to respond personally to questions about the Library.

In prior years the Copyright Office and the Cataloging Distribution Service, each having varied, significant programs of concern to the many thousands of attendees, shared the costs of this Library-wide exhibit. This participation has been central to the Cataloging Distribution Service's $6,500,000 annual cost recovery sales program (2 U.S.C. 150) since 1904.

Shipping costs, freight handling, rental costs in the exhibition hall for cleaning and telephone line hookups are included in this request.

Question: On page 76, the table shows that you are requesting $23,200 for Professional and Consultant Services--up $6,200 from the FY '81 level. Why do you need consultants in either FY '81 or FY '82?

Answer: In fiscal 1981, $17,000 Professional and Consultant Services are paying for occasional commissioned articles for the Quarterly Journal of the Library of Congress (to draw upon the special expertise of distinguished scholars outside the Library); for production of Information Office audio and visual materials used in our publications and for the Library's archives, and/or for the press; and to engage on a not-to-exceed basis one Children's Literature foreign language specialist to prepare annotations and analytics for our world-renowned monographic series entitled: Children's Literature: A Guide to Reference Sources. This guide describes books, articles and pamphlets useful to adults concerned with the creation, reading, or study of children's books.

In fiscal 1982, in addition to the continuing expenses above ($17,000 plus $1,200 to maintain current level), we seek $5,000 to plan and produce a self-guided, pre-recorded tour of the Madison and Jefferson Buildings for use by the general public, whose visits to the Library in the past several years has exceeded one million. A closed circuit broadcast or other pre-recorded tour would provide the means to explain the Library to visitors without seeking an increase in our tour staff which presently numbers only four persons.

Associate Librarian for Management

Question: On page 69 of the justifications, you have an account entitled "Central Support Services" for which you ask $24,471,394 and 710 positions versus $24,005,156 and 684 positions in FY '81. Twenty-one of the new positions are for the Associate Librarian for Management. Why does that office need 599 positions versus 578 in FY '81?

Answer: The Office of the Associate Librarian for Management is responsible for providing administrative and support services for all Library operating programs. The additional 21 positions requested are required to provide necessary protective services in the Madison Building (13 special police positions) and support positions which are primarily required to enable the Library to meet collective bargaining agreement commitments and statutory requirements.

Question: You are requesting a total of $16,531,457 in fiscal year 1982 for the activities of the Associate Librarian for Management. You plan to hire a WG-10 signmaker at a cost of $21,192 to maintain a new uniform sign system. Can you tell the Committee how you currently prepare your necessary signs?

Answer: The new sign system, which evolves around a photographic impregnated polymercoated substrate that is opaqued through colored dust or heat transferred polymer film, has been selected by the Architect of the Capitol as the method for all Capitol Hill building signs. The initial order for signs to be installed in the James Madison Building (JMMB) has been received and installed. This initial order which has nearly depleted the funds allotted to JMMB for this purpose ($150,000), is only 25 percent of the basic signage needed for JMMB.

The current system used by the Library of Congress (LC) is for temporary signs only and is a laborous, letter-by-letter die cutting system -- we have not been producing any permanent signs and cannot until the new system is installed and manned. Signs for our other Capitol Hill buildings (Thomas Jefferson and John Adams) cannot be scheduled until the new uniform system is in place. Any assistance needed by the Exhibits Office, Information Office, and other LC divisions needing visual aids in sign form, will not be helped by the system without the manpower requested. It is safe to say that LC can produce a sign for much less than the cost of purchasing a like sign and that the additional cost for manpower will be more than saved in the over-all annual expenditure.

Question: This year your Associate Librarian for Management expects to spend $240,500 for the printing of forms. In fiscal year 1982 you plan to spend $364,000. This is an increase of 42 percent which you attribute in large part to increases in printing volume experienced in fiscal year 1980. Can you tell the Committee why you anticipate a further large increase in your printing volume?

Answer: The Government Printing Office advised government agencies on May 2, 1980, in its Circular Letter No. 197, that it is forecasting an increase in government printing costs of nine percent in fiscal 1982 over the costs for fiscal 1981. An increase of $21,645 is therefore requested and is based on that GPO forecast. An additional $101,855 is requested to provide funding for cost recovery increases in printing volume experienced in fiscal 1980.

Question: On page 86 of your justifications you request $4,600 in fiscal year 1982 to cover the deficit in trash removal service created by unanticipated increases in fiscal year 1980. Obviously you couldn't carry this deficit over into fiscal year 1982. Where did you get the money to cover the deficit in the last fiscal year?

Answer: The deficit to cover the unanticipated increases in trash removal was taken from other object classes which consequently suffered a proportional decrease in services and/or materials. Sound financial techniques often require the reallocation of monies to fund requirements on a priority basis.

Office of The Librarian

Question: The other five new positions would go to the Office of The Librarian. That would give the Librarian's Office 62 positions under the Central Services account versus 57 for FY '81. Why the increase?

Answer: Of the five positions requested, two are GS-7 Para-Legal Assistants for the Office of the General Counsel. The current workload in that Office exceeds its workforce. The Library believes

that the best solution to the problem would be to add two para-legal assistants to perform such duties as legislative analysis, legal research, etc., which would permit the professional staff to concentrate their time on professional legal work.

The third position, a GS-12 Assistant Selection Officer, is needed to assist with an increased workload of reviewing and selecting book materials for cataloging and inclusion in the Library's permanent collections. This work is vital in that a good review of materials at the time of receipt prevents materials outside the collecting scope of the Library to tax the cataloging resources of the Library and to burden the permanent collections.

The fourth position, a GS-13 Research Assistant in the Collections Development Office, is required to prepare regulations, reports, policy statements, and guidelines needed for proper collection development, preservation and the organization of our collections.

Finally, a GS-5 Receptionist is needed for the central reception area in the Librarian's Office in the James Madison Memorial Building to receive visitors and direct telephone calls to the proper offices.

Question: You are requesting an increase in your budget of $50,000 in fiscal year 1982 to engage a private investigator to process approximately 25 equal employment opportunity compliance cases. This seems like a great deal of money to pay a private investigator. Can you tell us how much you will be paying this investigator on a per diem basis?

Answer: The current per diem rate for private investigators is $225.00.

Question: You are requesting $5,858,241 in fiscal year 1982 for the Office of the Librarian. Of this total $33,425 would be utilized to hire two GS-7 Para-Legal Assistants who would work directly with the assistant general counsels. You indicate that these personnel are needed to take over routine tasks so as to eliminate or shorten delays currently occuring in the Office of the General Counsel. Can you tell us how many staff attorneys you currently have in the Office of the General Counsel and give us some idea of the magnitude of your current delays?

Answer: In addition to the General Counsel, there are two staff attorneys in the Office of the General Counsel.

In the past year the Office handled over thirty law suits in the U. S. Courts, ranging from trials in the U. S. District Court level to assisting in the preparation of oral arguments in the U. S. Supreme Court.

At present the Library is involved in litigation in seven cases in the U. S. District Court (D.C.), two cases in the U. S. Court of Claims, six cases in the U. S. Court of Appeals (D.C.), and one case in the U. S. District Court (New Jersey).

The time taken by staff attorneys for trial preparation--much of which duties are para-legal in nature--impacts adversely on the time needed to deal with other legal problems and be available to counsel Library officers. As a result, the advise and written legal guidance required for these other matters is delayed--sometimes beyond reasonable limits.

Question: You are requesting $128,543 for tuition and training under the category "Central Support Services, Office of the Librarian". You plan to fund 62 positions under this subaccount. On the basis of the number of employees working in this area, tuition and training costs would average out to approximately $2,073 per employee in 1982. Can you explain why tuition and training costs are so expensive in this one activity?

Answer: Of the $128,543 requested, only $12,000 is in direct support of the 62 positions in the Office of The Librarian. The remaining $116,543 is for the Library's Affirmative Action Program open to all staff. This Program is managed and budgeted through the Central Support Services, Office of the Librarian, but the funds are made available to any eligible Library employee, regardless of his or her place of employment in the Library.

American Folklife Center

Question: On page 105, we have a table showing the request for the American Folklife Center. The amount is $794,067 versus $616,067 for FY '81. There is a position increase of three -- up from 13 positions in FY '81 to 16 in FY '82. What is the American Folklife Center and why do we need to spend more on it this year than last?

Answer: The American Folklife Center was created at the Library of Congress in 1976 by passage of the American Folklife Preservation Act (P.L. 94-201). That act charges the Center with a mission "to preserve and present American folklife" by developing programs which document, study, preserve, publish, and disseminate information about America's many regional, ethnic, and occupational folk traditions. The Center works with other Federal agencies, state agencies, and private organizations around the country to assist in the development of useful and effective programs for these important cultural traditions. The Center also includes the historic Archive of Folk Song, which for over 50 years in the Library of Congress has documented and preserved American folk music and folklore for posterity.

The Center's request for fiscal 1982 should be reduced by $54,067 to bring it in conformity with the Center's new authorizing legislation (P.L. 96-522), which was signed into law on December 12, 1980. That authorization sets the fiscal 1982 level at $740,000. The recommended adjustments include a reduced request for two positions--the editor-writer, and a GS-5 clerk-typist for administrative support--as well as an adjustment in the growing workload request for non-personal services as follows: 24E Printing, Publications, $12,000; 24L Offset Reproduction, $1,000; and 25F Professional and Consultant Services, $28,376, for a total non-personal growing workload of $41,376 instead of $75,000.

The authorization level of $740,000 for the Center represents a reduction of the Center's authorization from previous figures established by Congress. That reduction grew out of the realization by the Center and its Board of Trustees that its development must be in accord with the present climate of fiscal restraint. Thus the authorization level of $740,000 established for fiscal 1982 contrasts with the level of $1,355,000 for fiscal 1981.

Question: You are requesting a total of $794,067 for the

American Folklife Center in fiscal year 1982. Included in this request is a total of $40,900 for printing and publications, an increase of $32,760 over your current budget of $8,140. You indicate on page 111 of your justifications that "the number of publications has increased in the past year and in the next year several new publications will be available for printing which will require additional funding." Can you tell us what revenue if any you anticipate from these publications and why the revenue you receive from their sale is not sufficient to cover the cost of printing and publications?

Answer: The Folklife Center's publications are generally done with appropriated funds and are handled as publications by the Government Printing Office. These publications are available for sale, but the receipts from the sales of publications printed with appropriated funds go directly to the U. S. Treasury rather than back to the specific budget of the Folklife Center.

Question: You are requesting an increase of $56,000 in fiscal year 1982 for professional and consultant services for the American Folklife Center. This is an increase of 40 percent in the cost of these services. Could you provide for the record a list of the consultants you have hired over the past 12 months indicating their per diem pay and their total pay over that period?

Answer: The following is a list of contracts and consultants for the American Folklife Center in the past 12 months. The list provides the total sum paid to consultants, but in many cases that sum includes expenses as well as consultant's fees. In many cases the consultants are not paid on a daily basis, but for the end product. In those short-term consultancies where the consultant is paid on a daily basis, the usual rate for the Center is $100 per day.

Listing of Contracts and Consultants
Fiscal Year 1980

1st quarter

James Deetz Berkeley, California University of California	to act as archaeological research fieldworker, Paradise Valley (Nevada) Folklife Project	$ 1,083.00
Lynn Eiseman Berkeley, California Sonoma State University	to act as archaeological field research assistant, Paradise Valley (Nevada) Folklife Project	383.00
Gene Prince Berkeley, California Lowie Museum	to act as archaeological field research assistant, Paradise Valley (Nevada) Folklife Project	383.00
Inger Burns Providence, Rhode Island	to act as field assistant in preparation of fieldnotes Rhode Island Folklife Survey	1,000.00
Lonn Wood Taylor Dallas, Texas Dallas Historical Society	to act as curator of American cowboy exhibit	19,225.00

Linda Degh Bloomington, Indiana Indiana University	to present report at Board meeting on folklore activities conducted by European institutions	100.00
Evan Stein Washington, D. C.	to assist Archive in assessment and processing serial publication arrearages	1,200.00
Kathleen Condon Washington, D.C. George Washington Univ.	to assist in completion of inventory of serial publications in Archive	600.00
Holly Cutting Baker Alexandria, Virginia University of Pennsylvania	to prepare an inventory of Archive's collections awaiting preservation duplication; to prepare manuscript report on materials collected in Georgia; to develop indexing model for materials from Center's field projects	900.00
Keith Cunningham Flagstaff, Arizona Northern Arizona University	to assist in Paradise Valley (Nevada) Folklife Project with additional week of fieldwork	1,182.16
2nd quarter		
Cynthia Stix Philadelphia, Pennsylvania Bennington College	to organize and process documentary materials from Center projects	1,800.00
Erika Brady Washington, D. C. Indiana University	to serve as recording technician on Federal Cylinder Project	4,810.00
Ronald Walcott Pasadena, California	to serve as ethnomusicologist on Federal Cylinder Project	4,810.00
Maria La Vigna San Jose, California UCLA	to serve as ethnomusicologist on Federal Cylinder Project	4,810.00
Sylvia Sheridan Rockville, Maryland	to prepare camera-ready copy of National Maritime Survey report	250.00
Mahler Ryder Providence, Rhode Island R. I. School of Design	to produce informational poster for Rhode Island Folklife Survey	1,350.00
3rd quarter		
National Council for the Traditional Arts Washington, D. C.	to handle 1980 Outdoor Concert Series (first five concerts)	2,750.00
Erika Brady Washington, D. C. Indiana University	to serve as recording technician on Federal Cylinder Project	7,400.00

Ronald Walcott Pasadena, California UCLA	to serve as ethnomusicologist on Federal Cylinder Project	8,880.00
Maria La Vigna San Jose, California UCLA	to serve as ethnomusicologist on Federal Cylinder Project	6,660.00
William Smock San Francisco, California Harvard University	to edit two films from Paradise Valley, Nevada cattle roundup footage	16,250.00
4th quarter		
Roxy Gordon Dallas, Texas	to select and photograph album and poster illustrations for American Cowboy exhibit	100.00
Total, Fiscal Year 1980		$85,926.16

Fiscal Year 1981

1st quarter		
Lonn Wood Taylor Santa Fe, New Mexico	continuing curatorial assistance for American Cowboy exhibit	$ 1,200.00
Richard S. Thill Omaha, Nebraska Univ. of Nebraska (Omaha)	to plan conference of experts to set up computerized indexing and retrieval for Archive's materials	950.00
GJ Enterprises/Geraldine Johnson Washington, D. C. University of Maryland	to assist in planning, publicity, and execution (including payment of expenses) for rag rug weaving symposium workshop	1,494.00
Erika Brady Washington, D. C. Indiana University	to serve as recording technician on Federal Cylinder Project	4,860.00
Maria La Vigna San Jose, California UCLA	to serve as ethnomusicologist on Federal Cylinder Project	4,860.00
Ronald Walcott Pasadena, California UCLA	to serve as ethnomusicologist on Federal Cylinder Project	6,237.00
Judith McCulloh Urbana, Illinois University of Illinois Press	to write a report on the feasibility, cost, and projected timetable of a journal publication by Center and to examine overall publishing program	1,500.00

William Everson New York, New York	to write an essay for cowboy exhibit catalog	1,500.00
Byron Price Canyon, Texas	to write an essay for cowboy exhibit catalog	1,500.00
David Hickey Ford Worth, Texas	to write an essay for cowboy exhibit catalog	1,500.00
Royal B. Hassrick Brattleboro, Vermont	to write the introduction for cowboy exhibit catalog	1,000.00
Lonn Taylor Santa Fe, New Mexico	to edit cowboy exhibit catalog, write photo captions, and exhibit checklist	2,500.00
Claudia Hopf Salem, Massachusetts	to participate in paper cutting symposium/workshop	998.10
Elaine Eff Washington, D. C. University of Pennsylvania	to coordinate paper cutting symposium/workshop	350.00
Magdelena Gilinsky Bethesda, Maryland	to participate in paper cutting symposium/workshop	300.00
Romona Jablonski Baltimore, Maryland	to participate in paper cutting symposium/workshop	296.00
C.K. Chu/Roberta Stalberg New York, N. Y.	to participate in paper cutting symposium/workshop	636.00
Yehudit Shadur Tel Aviv, Israel	to participate in paper cutting symposium/workshop	536.90
National Council for the Traditional Arts	to arrange final concert of 1980 Outdoor Concert Series	550.00
2nd quarter		
Sylvia Sheridan Rockville, Maryland	to prepare manuscript for directory of folklife resources in Library	85.00
Lauri Honko Turku, Finland Nordic Institute	to lead round-table discussion on Finnish folklore research today	100.00
Charlotte Heth Los Angeles, California American Indian Studies Center, UCLA	to participate in pre-planning conference on dissemination of cylinder recordings	801.00
Clydia Nahwoosky Norman, Oklahoma Culture and Arts of Native Americans	to participate in above conference	727.00

Barre Toelken Eugene, Oregon University of Oregon	to participate in above conference	847.00
3rd quarter		
National Council for the Traditional Arts Washington, D. C.	to organize first two concerts of 1981 Outdoor Concert Series	1,100.00
Barbara Rohrdanz Plymouth, Massachusetts	to participate in egg decorating workshop	488.00
4th quarter		
National Council for the Traditional Arts Washington, D. C.	to organize subsequent three concerts of 1981 Outdoor Concert Series	1,650.00
Total to date, Fiscal Year 1981		$38,566.00

Salaries and Expenses, Copyright Office

Question: For the Copyright Office, the budget request is for 578 positions and $15,623,000 as opposed to 573 positions and $15,111,700 for FY '81. This appropriation is partially offset by collections of $5,000,000 in both FY '81 and FY '82. As I understand it, the new positions are intended to help the Office carry out its responsibilities without use of overtime. Is that correct?

Answer: The 5 positions requested for fiscal 1982 were intended to help reduce the need for overtime in the Copyright Licensing Division. However, it was decided in the summer of 1980 that overtime would be eliminated starting on October 1, 1980, for the entire Copyright Office, except for unusual conditions. By applying strong supervision and by making productivity enhancing modifications to workflow procedures, it is now possible for the Copyright Office to withdraw its request for the additional 5 positions.

In fiscal 1980 the total overtime expenditure for the Copyright Licensing Division was $51,520.34. For the first 6 months of fiscal 1981, this figure is $881.84.

Question: On page 122 of your justifications you indicate that additional printing costs of $35,900 will be incurred in fiscal year 1982 for the revising and reprinting of all applications and circulars in the Copyright Office. Why are these revisions necessary?

Answer: The Copyright Office and the public have now had over 3 years experience with the forms which were designed to accommodate the provisions of the new copyright law. It is necessary to implement many of the suggestions to improve and clarify the forms in order to effect a reduction in the percentage of claims requiring correspondence with the claimant. This percentage is presently 25; under the old law it was 15. The high volume of correspondence is the most significant factor contribution to backlogs in the Copyright Office. Another reason for reprinting the forms is an anticipated increase in copyright fees which is likely to go into effect in fiscal 1982. Not all of the circulars will be revised--only those

related to changes in the application forms and the ongoing program to implement regulations under the new law.

Question: The offsetting collections of the Copyright Office were $4,730,000 in fiscal year 1980 and you estimate an increase to $5,000,000 in fiscal year 1981, yet you do not show any further increase in offsetting receipts in your 1982 estimates. Isn't it logical to assume that there would be some further growth in fee income in fiscal year 1982?

Answer: In fiscal 1979 and fiscal 1980, the amounts of offsetting collections applied to the copyright appropriation were $4.6 million and $4.73 million respectively. Experience with fee receipts under the new law has not shown a clear and predictable trend either upward or downward. However, receipts for the first 5 months of fiscal 1981 indicate that there will be barely $4.5 million available for transfer to the copyright appropriation this year. The request to the House has been adjusted accordingly. It is possible that outside economic factors may be having an unquantifiable impact and that the estimate of $5 million for fiscal 1982 is optimistic.

Salaries and Expenses, Congressional Research Service

Question: On page 139, we have a table listing your accounts and the changes in each item for FY 1982 versus FY 1981. The first item on the list is for travel. It is up from $105,282 in FY 1981 to $125,582 for FY 1982. Almost half of this travel is for attendance at meetings. What kind of meetings are these and who typically attends them? Are these meetings usually held in the area or out-of-town?

Answer: The funds requested for Attendance at Meetings travel support staff participation in the annual meetings of professional associations. The meetings provide exposure to the latest scholarly developments and access to research not yet available in published form. The meetings also provide an opportunity to make professional contacts which are important in obtaining access to ongoing research and which provide good contacts for our affirmative action recruitment efforts. Staff at all grade levels have benefitted from these trips in the past, from GS-9 analysts to senior specialists. The meetings are held both in the Washington metropolitan area and out-of-town. Some of the conferences attended in FY 1980 were: the Federal Bar Association (Washington, D.C.), the American Economic Association (Atlanta, Georgia), the Society of Government Economists (Washington, D.C.), the National Conference on Social Welfare (Cleveland, Ohio), the American Agricultural Economics Association (Urbana, Illinois), the American Political Science Association (Washington, D.C.), the National Congress on American Indians (Albuquerque, New Mexico), the National Conference of State Legislators (New York, New York), the American Association for the Advancement of Science (San Francisco, California), the American Library Association (New York, New York), the Southern Political Science Association (Gatlinburg, Tennessee), the International Studies Association (Pittsburgh, Pennsylvania), and the American Business Association (New Orleans, Louisiana).

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Question: Is any of your travel for overseas trips? If so, please identify each one over the last two years and show cost per trip, who went, and why.

Answer: The following list details overseas trips by CRS staff for the last two years, from January 1979 to December 1980. If no cost or partial cost (P) to CRS is indicated, the trip was paid by other Federal agencies (such as the U.S. Congress or the U.S. International Communication Agency), by the conference sponsor, or by the individual traveller.

NAME	TRAVEL DATES	DESTINATION	CRS COST	REASON FOR TRIP
J. Collins (Senior Specialist in International Affairs and National Defense)	Feb. 11-18, 1979	Tokyo	-0-	To discuss U.S./Soviet Military balance with senior members of the Japanese government and industry
S. Sloan (Analyst, Foreign Affairs and National Defense Division)	March 1-4, 1979	Amsterdam	-0-	To participate in a consultation on NATO focused on European security issues
W. Whitson (Chief, Foreign Affairs and National Defense Division and Senior Specialist in International Affairs)	March 20-25, 1979	Toronto	$290	To participate in the Annual Conference of the International Studies Association

NAME	TRAVEL DATES	DESTINATION	CRS COST	REASON FOR TRIP
S. Heginbotham (Assistant Chief, Foreign Affairs and National Defense Division)	March 21, 1979	Toronto	$176	To participate in the Annual Conference of the International Studies Association
J. Hardt (Associate Director for Senior Specialists and Senior Specialist in Soviet Economics)	April 3-13, 1979	Budapest Vienna	-0-	To participate in the Workshop on East-West European Economics Interaction in Budapest and Vienna
D. Gushee (Chief, Environment and Natural Resources Division and Senior Specialist in Environmental Policy)	April 7-13, 1979	Vienna	-0-	To participate in the Workshop on East-West European Economics Interaction in Vienna
S. Heginbotham (Assistant Chief, Foreign Affairs and National Defense Division)	April 7-11, 1979	Amsterdam	$453 (P)	To participate in the Ford Foundation meeting on Human Rights Information and Documentation Service
W. Whitson (Chief, Foreign Affairs and National Defense Division and Senior Specialist in International Affairs)	April 12-14, 1979	Toronto	-0-	To participate in the World Symposium on Humanity

NAME	TRAVEL DATES	DESTINATION	CRS COST	REASON FOR TRIP
R. Guttman (Specialist, Education and Public Welfare Division)	April 13-23, 1979	Tokyo, Japan Peking; Hong Kong, China	-0-	To assist the House Subcommittee on Employment Opportunities on its study mission in the Asian-Pacific Region for the purpose of examining EEO policies at military/civilian installations, employment and trade matters and other nations' approaches employment
J. Hardt (Associate Director for Senior Specialists and Senior Specialist in Soviet Economics)	April 25-27, 1979	Brussels	-0-	To participate in the NATO Colloquium on Regional Development in the U.S.S.R
J. Burton (Analyst, Economics Division)	May 27-June 16, 1979	Stockholm	-0-	To conduct research on problems and policies concerning industrial plant closings and relocations
R. Bell (Analyst, Foreign Affairs and National Defense Division)	May 28, 1979	Brussels	$874	To begin one-year exchange with North Atlantic Assembly
W. Oleszek (Analyst, Government Division)	June 18-July 6, 1979	Lagos	-0-	To conduct seminars under the auspices of the U.S. International Communication Agency on U.S. Congress procedures and operations
F. Kaiser (Analyst, Government Division)	Aug. 12-18, 1979	Moscow	$1126	To participate in the XI World Congress of the International Political Science Association

NAME	TRAVEL DATES	DESTINATION	CRS COST	REASON FOR TRIP
G. Gude (Director)	Aug. 24-Sept. 6, 1979	Copenhagen London	$2160	To attend the 45th Congress of the International Federation of Library Associations and to consult with officials of the House of Commons Library
E. Kassalow (Senior Specialist in Labor)	Aug. 30-Sept. 16, 1979	Paris	$1222	To participate in the Triennial Congress of the International Industrial Relations Association and gather information on employment, migrant workers and industrial relations in developed countries for the Joint Economic Committee
S. Sloan (Analyst, Foreign Affairs and National Defense Division)	Aug. 30-Sept. 9, 1979	Brussels Vienna	$138 (P)	To participate in conference on NATO: The Second Thirty Years, and meet with U.S. delegation in Vienna on Mutual and Balanced Force Reductions
E. Terpstra (Analyst, Environment and Natural Resources Policy Division)	Sept. 2-13, 1979	Banff	$1165	To attend the International Conference of Agricultural Economists on agriculture and rural change in developing countries
C. Phillips (Analyst, Foreign Affairs and National Defense Division)	Sept. 17-20, 1979	London	$506 (P)	To interview U.S. embassy personnel, British Foreign Office officials and Members of Parliament in support of House Committee on Foreign Affairs study

NAME	TRAVEL DATES	DESTINATION	CRS COST	REASON FOR TRIP
F. Huddle (Senior Specialist in Science and Technology)	Sept. 18-Nov. 23, 1979	India, Nepal Pakistan, Bangladesh Sri Lanka	-0-	To participate in meetings and lectures sponsored by the U.S. State Department in India, Pakistan, Nepal, Bangladesh, and Sri Lanka
L. Becker (Analyst, Science Policy Research Division)	Sept. 23-Oct. 1, 1979	Siracusa	-0-	To participate in the International Seminar on the Penal Protection of the Child
J. Schanz (Senior Specialist in Energy Resources Policy)	Sept. 29-Oct. 5, 1979	Buenos Aires	-0-	To participate in a joint Nuclear Energy Agency (OECD)/International Atomic Energy Agency symposium on Uranium Evaluation and Mining Techniques
W. Kravitz (Senior Specialist in American National Government)	Oct. 15-19, 1979	Toronto	-0-	To discuss the U.S. congressional budgetary process at the Canadian Regional Commonwealth Parliamentary Association Seminar
M. Niehaus (Analyst, Foreign Affairs and National Defense Division)	Oct. 19-25, 1979	Thailand Malaysia	-0-	To accompany three Senators on a fact-finding trip to Southeast Asian refugee camps to investigate food aid needs
C. Phillips (Analyst, Foreign Affairs and National Defense Division)	Oct. 22-23, 1979	Ottawa	-0-	To participate in the Economic Committee meeting of the North Atlantic Assembly Annual Session

NAME	TRAVEL DATES	DESTINATION	CRS COST	REASON FOR TRIP
S. Heginbotham (Assistant Chief, Foreign Affairs and National Defense Division)	Oct. 23-26, 1979	Ottawa	$332	To attend the North Atlantic Assembly Conference
B. Sklar (Analyst, Foreign Affairs and National Defense Division)	Oct. 26-Nov. 12, 1979	Cuba	$516 (P)	To conduct interviews with Cuban officials and collect data on subjects requested by congressional committees
C. Brancato (Analyst, Economics Division)	Oct. 29-31, 1979	Quebec	$696	To attend the Fourth International Symposium on Petroleum Economics
W. Donnelly (Senior Specialist in Conservation and Energy)	Oct. 29-Nov.3, 1979	Stockholm	-0-	To participate in a seminar on the Internationalization of the Nuclear Fuel Cycle
R. Wolf (Assistant Chief, Environment and Natural Resources Division)	Oct. 31-Nov. 2, 1979	Ottawa	$283	To meet with officials of the Canadian Forestry Service and Department of Environment officials to discuss resources planning
E. Kassalow (Senior Specialist in Labor)	Nov. 14-17, 1979	Calgary	-0-	To address the Alberta Personnel Association Conference
W. Kravitz (Senior Specialist in American National Government)	Nov. 19-21, 1979	Ottawa	-0-	To participate in the Conference on Consultation and Advocacy

NAME	TRAVEL DATES	DESTINATION	CRS COST	REASON FOR TRIP
J. Collins (Senior Specialist in International Affairs and National Defense)	Nov. 24-Dec. 2, 1979	Buenos Aires	-0-	To speak to military organizations on US-USSR balance of power and related subjects
T. Galdi (Analyst, Foreign Affairs and National Defense Division)	Dec. 15-20, 1979	Belgium	-0-	To participate in the U.S. Congressional/European Parliament Staff Conference and to meet with officials of the Economic Community Commission
L. Mayer (Senior Specialist in Agriculture)	Dec. 16-20, 1979	Belgium	-0-	To participate in the U.S. Congressional/European Parliament Staff Conference and to meet with officials of the Economic Community Commission
C. Mark (Analyst, Foreign Affairs and National Defense Division)	Jan. 3-14, 1980	Jerusalem Cairo	-0-	To attend seminar on political and social problems in the Middle East sponsored by the Van Leer Jerusalem Foundation
J. Hardt (Associate Director for Senior Specialists and Senior Specialist in Soviet Economics)	March 7-15, 1980	Tokyo Seoul	-0-	To particiapte in the Seoul National University Seminar on Soviet Foreign Policy and meet with Japanese officials to gather information for House International Relations Committee request

NAME	TRAVEL DATES	DESTINATION	CRS COST	REASON FOR TRIP
H. Gourevitch (Senior Specialist in Tax and Fiscal Policy)	April 7-22, 1980	Brussels Strasbourg Netherlands	-0-	To conduct study of taxation of multinational corporations by European countries under auspices of The Delegation of the Commission of the European Communities in support of congressional requests
L. Cole (Chief, Economics Division and Senior Specialist in Transportation)	May 5-23, 1980	Paris Brussels Bonn Zagreb	-0-	To discuss U.S. transportation policy with European governments and Parliaments under the auspices of the U.S. International Communication Agency and to gather information on highway finance methods in Europe for the Senate Committee on Environment and Public Works
J. Hardt (Associate Director for Senior Specialists and Senior Specialist in Soviet Economics)	May 19-24, 1980	Dubrovnik Frankfurt	$100 (P)	To participate in workshop on East-West European Economic Interaction sponsored by the Vienna Institute for Comparative Economic Studies; and to interview bankers on East-West commercial relations
J. Stocker (Analyst, Foreign Affairs and National Defense Division)	June 5-9, 1980	Luxembourg	-0-	To participate in the Anti-Submarine Warfare panel at the Annual Spring Meeting of the North Atlantic Assembly

NAME	TRAVEL DATES	DESTINATION	CRS COST	REASON FOR TRIP
R. Sutter (Analyst, Foreign Affairs and National Defense Division)	June 8-25, 1980	Taipei Hong Kong	$750 (P)	To participate in the Sino-American Conference on Mainland China and to meet with Embassy personnel and representatives of China foreign policy institutions
S. Sloan (Analyst, Foreign Affairs and National Defense Division)	June 21-28, 1980	Bonn Munich	$ 51 (P)	To participate in seminars on European-American Relations in the Post-Afghanistan Period co-sponsored by the Georgetown Center for Strategic and International Studies and the Konrad Adenauer Foundaton
W. Hahn (Senior Specialist in Science Technology and Futures Research)	July 20-25, 1980	Toronto	$565	To participate in the World Future Society Global Conference in support of request from the Congressional Clearinghouse on the Future and the Joint Economic Committee
D. Little (Analyst, Science Policy Research Division)	July 20-25, 1980	Toronto	-0-	To participate in the World Future Society Global Conference
G. Knezo (Analyst, Science Policy Research Division)	Sept. 13-20, 1980	Paris	$1773	To participate in an OECD Conference on Science and Technology Indicators in support of request by the House Committee on Science and Technology

NAME	TRAVEL DATES	DESTINATION	CRS COST	REASON FOR TRIP
H. Gourevitch (Senior Specialist in Tax and Fiscal Policy)	Sept 14-20, 1980	Paris	$301 (P)	To participate in the annual meeting of the International Fiscal Association
A. Gilroy (Analyst, Economics Division)	Sept. 20-23, 1980	Brighton, England	$468	To attend the International Broadcasting Convention in support of request from the House Committee on Interstate and Foreign Commerce
L. Becker (Analyst, Science Policy Research Division)	Sept. 21-28, 1980	West Berlin	$1738	To participate in the 1980 International Conference: Security through Science and Engineering in support of requests from the Senate Committee on the Judiciary
E. Kassalow (Senior Specialist in Labor)	Sept. 21-Oct. 11, 1980	Brazil	-0-	To deliver a series of lectures for the International Communication Agency
W. Hahn (Senior Specialist in Science, Technology, and Futures Research)	Nov. 24-26, 1980	Ottawa	-0-	To accompany a Member of Congress and to address the Commonwealth Parliamentary Association Study Group
J. Hardt (Associate Director for Senior Specialists and Senior Specialist in Soviet Economics)	Nov. 29-Dec. 16, 1980	Moscow Bonn Madrid	-0-	To deliver lectures (with staff of Joint Economic Committee) and consult with U.S. officials under auspices of the U.S. International Communication Agency (Moscow and Bonn) and to assist Member of Congress and the official U.S. delegation at the Madrid Review Conference for the Commission on Security and Cooperation in Europe

NAME	TRAVEL DATES	DESTINATION	CRS COST	REASON FOR TRIP
M. Niehaus (Analyst, Foreign Affairs and National Defense Division)	Dec. 11-23, 1980	Taiwan Manila	$192 (P)	To assist Senate staff in seminars on U.S.-Taiwan relations and to meet with Philippine government officials and U.S. Embassy personnel in Manila

Question: Item 25F is a request for $955,000 for Professional and Consultant Services. That's up $86,500 above the FY '81 amount of $868,500. Why does CRS have consultants at all? Don't you have 849 permanent positions of your own? Aren't these people supposed to be experts? Provide for the record a listing of all consultants you have used over the last two fiscal years -- would that be a voluminous amount of data? Perhaps it would be best to have only those who received over $1,000.

Answer: CRS research contracting activities are carried out pursuant to section 321(a) of the Legislative Reorganization Act of 1970 (2 U.S.C.166(h)). This section authorizes the Director of the Service to procure, by nonpersonal services contract, the temporary or intermittent assistance of individual experts or consultants, or educational, research or similar organization, without regard to any provision of law requiring advertising for contract bids.

The purpose of this section was set forth by the House Committee on Rules in its report accompanying the Legislative Reorganization Act of 1970 (H. Report No. 91-1215). After noting that the contract authorization was one of several provisions intended to "enable the Service to carry out its tasks more expeditiously and efficiently" (at p. 20), the Committee went on to state:

> "The purpose of section 203(h) (now 2 U.S.C. 166(h)) is to permit such temporary or intermittent employment of experts and consultants in certain areas of specialized knowledge not within the high level expertise of the staff of the Congressional Research Service in specific cases where such experts in such specialized areas of knowledge is not justified or warranted by the incidence of the needs of the Congress therefor." (at p. 105)(emphasis supplied)

The need of the Congress for wide-ranging and technical research has not diminished and requires that CRS occasionally draw on outside sources to respond fully to requests. Through its contracting authority, the Service has available resources from the private and academic research communities that would be uneconomical to retain on a permanent staff basis. This ability to draw on outside expertise for both quick response and longer term projects greatly enhances the Service's capacity to meet congressional needs.

Two hundred CRS contracts were let in FY 1980 to assist CRS staff in carrying out 76 projects in response to congressional needs, at an average cost of only $3,150 per contract.

As in previous years, contract efforts reflected major public policy concerns of the Congress. Assistance was obtained in the preparation of studies of such policy issues as world oil prices, export stimulation programs of industrial countries, biotechnology, international trade, human rights, inflation, Western Hemisphere politics and economics, taxation and capital formation, nuclear weapons development in India and Pakistan, Islam and Shi'ism in Iran and Central Asia, and changing demographic patterns.

Each contract proposal is carefully reviewed by the CRS External Research Review Board in order to ensure that the work cannot be

performed by permanent CRS staff in a timely fashion, that it does not duplicate efforts by the other legislative support agencies, that the contractor is fully qualified, and that cost and other provisions are in the best interests of the Government.

Because so many CRS contracts are for relatively small amounts, we believe the following complete list of FY 1979 and 1980 contracts gives a far more accurate summary of this activity than would a partial list including only larger contracts.

FY 1979 CRS CONTRACTOR LIST
(ALPHABETICAL BY QUARTER

CONTRACTOR	PRODUCT DATE/COST
FIRST QUARTER	
Reverend Romano Almagno Sienna Friary 25 Laurel Ave. Mt. Vernon, NY 10552	Steering Comm. Participant. Discontinuity Study. 28NOV78/$200
Mr. Carl Blumstein Lawrence Berkeley Laboratory University of California Berkeley, CA 94720	Workshop Participant. "Energy Conservation in the Cities" 19OCT78/$548
Robert D. Bond Council on Foreign Relations 58 E 68th St. New York, NY 10021	Report. Major Issues. "Regional Stability in Latin America" 26OCT78/$500
Professor Morris Bornstein Department of Economics University of Michigan Ann Arbor, Michigan 48104	Compendium Paper; Meetings. "Influence of East-West Economic Relations on Soviet - East European Economic Relationship." 8DEC78/$277
Ms. Evelyn Cooper 6215 E. Halbert Rd. Bethesda, Md. 20034	Report. Summaries of key issues for the 96th Congress. 17NOV78/$2500
Dr. Mark Earle, Director Economic Policy Research Stanford Research Institute Menlo Park, CA 94025	Workshop Participant. "National Security Economics" 24OCT78/$476
Mr. Ray Evans Palm Harbor Marina 400 N. Flagler Drive West Palm Beach, FL 33401	Seminar Participant. "The Role of Cycles in Forecasting." 25OCT78/$226
Dr. John S. Fitch Department of Political Science University of Colorado Boulder, Colorado 80309	Report. Seminar Participant. "Human Rights in the International Military Education and Training Program" 9OCT78/$2,720

Ms. Randy Forsberg 9 Stetson Street Brookline, MA 02146	Workshop Participant. "National Security Economics" 22OCT78/$201
Dr. Frederick Forscher 6580 Beacon St. Pittsburgh, PA 15217	Report. "A Critical Review of Nuclear Safeguards" 28OCT78/$4,000
Mr. Jerome F. Fried 9252 Three Oaks Drive Silver Spring, MD 20901	Report. "The Economic Consequences of Peace in the Middle East." 20DEC78/$4,000
Professor Marshall Goldman 17 Midland Road Wellesley, MA 02181	Compendium Meetings Participant "Soviet Economy" No paper to be submitted. 2DEC78/$206
Mr. Mortimer D. Goldstein 15111 Glade Drive Silver Spring, MD 20906	Editing Services. Papers for "Major Issues" and "Middle East Economy" projects. 28DEC78/$1,200
Dr. Frances Gulick 345 S. Baker St. McMinnville, OR 97128	Report. "The 95th Congress and Energy Policy" 1NOV78/$2,000
Mr. Harry J. Hogan 6212 Redwing Court Bethesda, MD 20034	Report. "Review of IB 78002" 22NOV78/$160
Prof. Holland Hunter Haverford College Featherbed Lane Haverford, Pa. 19041	Compendium Paper; Meetings. "Soviet Economic Options and Future Performance." 1DEC78/$3,096
Inter-Unversity Consortium for Political and Social Research University of Michigan Ann Arbor, Michigan	Lectures, Workshops ICPSR research techniques and social science data analysis. 1NOV78/$12,902
Dr. John A. Knauss Provost for Marine Affairs Graduate School of Oceanography Kingston, RI 02881	Seminar Participant. "Law of the Sea Conference" 1NOV78/$176
Professor Herbert Levine University of Pennsylvania 178 Lakeside Road Ardmore, Pennsylvania 19001	Compendium Paper; Meetings. "Energy and Grain in Soviet Trade" 21DEC79/$161
Ms. Patricia McAdams 811 E Street, S.E. #1 Washington, DC 20003	Amendment to 78-26. Travel costs for interviews. 25NOV78/$1,708
Professor Frank McConnnell University Hall 101 Northwestern University Evanston, Ill. 60201	Seminar Participant. "Research Topics for the JEC/SSEC Discontinuity Study" 8NOV/$230

Professor George R. Meadows Department of Economics P.O. Box 413 University of Wisconsin-Milwaukee Milwaukee, Wisconsin 53201	Report. The Need for a National Development Bank" 18DEC78/$4,512
Nuclear Assurance Corporation 24 Executive Park West Atlanta, Georgia 30329	Report. "Price Trends in Uranium and Uranium Enrichment Services" 22NOV78/$3,000
Dr. Charles S. Pearson 1740 Massachusetts Ave., NW Washington, DC 20036	Report. Major Issues "Environmental Issues in International Economic Policy" 22OCT78/$1,500
Dr. Judith Reppy Center for International Studies Uris Hall Cornell University Ithaca, NY 14853	Workshop Participant. "National Security Economics." 23OCT78/$150
Ms. Andrea Scharf Office of the Mayor 620 S.W. Fifth Ave. #610 Portland, OR	Workshop Participant. "Energy Conservation in the Cities" 19OCT78/$442
Brian Soderholme-Difatte 809 W. Broad Street Falls Church, VA 22046	Report. "TACAIR Procurement Projections" 17NOV78/$1,110
Dr. Arne Sollberger Southern Illinois University School of Medicine Lindegren Hall Carbondale, IL 62901	Seminar Participant. "The Role of Cycles in Forecasting." 5OCT78/$390
Dr. David H. Speidel Department of Earth and Environmental Sciences Queens College CUNY Flushing, NY 11367	Report. "Geochemical Cycles" 23OCT78/$600
Dr. William Tansill 4302 Clagett Rd. University Park, MD 20782	Reports. Studies on Puerto Rico and Guam. 1NOV78/$10,860
Sidney Weintraub 5152 Linnean Terrace, NW Washington, DC 20008	Report. Major Issues. "U.S. Economic Relations with Latin America" 13DEC78/$500

Wharton Econometric Forecasting Associates, Inc. 3624 Science Center Philadelphia, PA 19104	Report. "Effects of Pemex Expansion Plans through 1988" 23OCT78/$4,032
Mr. Grover Williams Rt 4 Box 307A Statesville, NC 28677	Committee Print. Revise, update and index 1974 Compiled Statutes. 1NOV78/$10,400

SECOND QUARTER

Prof. Morris Adelman Dept. of Economics E52-354 Mass. Inst. Tech. Cambridge, MA. 02139	Conference Participant. "The Political Economy of the Middle East." 22JAN79/$164
Analytic Advisory Group, Inc. 6825 Redmond Drive Suite 10 McLean, VA 22101	Report. "Alternatives to SSN688: Mission Effectiveness Analysis" 8FEB79/$23,918
Robert Barnett Carnegie Endowment for International Peace 11 DuPont Circle N.W. Washington, DC 20036	Seminar and Compendium. Pacific Basin reports and workshop. 13MAR79/$16,066
CADCOM, Inc. 107 Ridgeley Avenue Annapolis, MD 21401	Report. "Alternative to SSN688: Power Plant Analysis" 9FEB79/$12,095
Dr. John Campbell 220 South Main Street Cohasset, MA 02025	Conference Participant. "The Political Economy of the Middle East." 20JAN79/$106
Professor Nazli Choucri Department of Political Science Mass. Inst. Tech. Cambridge, MA 02139	Conference Participant. "The Political Economy of the Middle East." 19JAN79/$188
Mr. John K. Cooley Christian Science Monitor 910 16th Street, NW Washington, DC 20006	Report. Major Issues. "The US Economic Role in The Middle East" 18JAN79/$500
Raymond Crosby 5420 Amberwood Lane Rockville, MD 20853	Reports. Classification matters. 30MAR79/$36,000

George Danko 344 11th St. S.E. Washington, DC 20560	Report. Potomac River Basin 19MAR79/$1,288
Ms. M. Virginia Davis 366 N. Washington St. Falls Church, VA 22046	Editorial Services. Prepare five reports on nuclear reactors for GPO publication. 15JAN79/$1,360
Professor Werner Feld Department of Political Science University of New Orleans New Orleans, LA 70122	Conference Participant. "The Political Economy of the Middle East." 19JAN79/$286.50
Mr. Guy Gran 1731 Corcoran St., N.W. Washington, DC 2009	Report. Ruanda and Burundi as sources of refugees. 5FEB79/$612
Mr. George Grier The Grier Partnership 6532 E. Halbert Rd. Bethesda, MD 20034	Workshop Participant. "Energy Conservation in the Cities." 19OCT78/$250
Professor Richard Greenfield St. Anthony's College Oxford University England	Lecture. "Somalia-Ethiopia War Refugees." 22MAR79/$72
Dr. Alan Greenspan Townsend-Greenspan & Co. Room 3507 One New York Plaza New York, NY 10004	Seminar Participant. "The 1980 Budget and the Economy." 6FEB79/$234
Professor Gregory Grossman Department of Economics University of California Berkeley, CA 94720	Compendium Paper; Meetings. "The Second Economy of the USSR." 12JAN79/$579
Dr. Frances Gulick c/o Clarence Gulick 2 Rue Andre-Pascal OECD--Development Directorate 75775 Paris Cedex 16	Report. Production and procurement incentive authorities available in the Defense Production Act. 28FEB79/$2,000
Dr. Robert Harkavy 450 Sierra Lane State College, PA 16801	Conference Participant. "The Political Economy of the Middle East. 18JAN79/$118
Henry Bausili Assoc. 228 S. Quincy St. Arlington, VA 22204	Materials. Various in support of CRS programs. 28MAR79/$26,274

Prof. Richard Hope Morgan State University Baltimore, MD 21239	Seminar Participant. "Human Rights and the IMET Program" 22JAN79/$150
Dr. Galen S. Hull 1116 Hillsdale Drive Kensington, MD 20795	Report. Zaire and Kenya as sources of refugees. 7FEB79/$612
Professor Charles Issawi 114-A Jones Hall Princeton, New Jersey 08540	Conference Participant. "The Political Economy of the Middle East." 19JAN79/$117.25
Professor John Lamarsh 68 North Chatsworth Avenue Larchmont, NY 10538	Report. The energy potential of various fuels and fuel cycles. 25JAN79/$2,000
Mr. Ernest W. Lefever, Director Center for Ethics and Public Policy 1211 Connecticut Ave., NW Washington, DC 20036	Seminar Participant. "Human Rights and the IMET Program" 18JAN79/$150
Professor Bernard Lewis 114-B Jones Hall Princeton, N.J. 08540	Conference Participant. "The Political Economy of the Middle East." 18JAN79/$66.50
Ms. Patricia McAdams 811 E Street, SE #1 Washington, DC 20003	Interviews. "The Role of Congress in the Vietnam War" project. 25JAN79/$6,938
Prof. William J. McGuire Department of Psychology Yale University 2 Hillhouse Avenue New Haven, CT 06520	Seminar Participant. "Human Rights and the IMET Program" 19JAN79/$392
Mr. James Nelligan 5458 Midship Court Burke, VA 22015	Report. Congressional oversight manual. 1MAR79/$4,000
Packaged Facts 274 Madison Avenue New York, NY 10016	Newspaper Clippings. Selected; from out-of-town papers. 29JAN79/$2,000
Mr. Darrell D. Perry Council of State Governments P.O. Box 11910 Lexington, Kentucky 40578	Meeting. 50 State Survey of Procurement Practices. 28FEB79/$166

Ms. Sue G. Quarles 214 South Carolina Ave., S.E. Washington, DC 20003	Report. Chile and Nicaragua as sources of refugees. 7FEB79/$612
Professor R.K. Ramazani 232 Cabell Hall University of Virginia Charlottesville, Va. 22901	Seminar Participant. "The Iranian Crisis and American Foreign Policy." 6MAR79/$85
Mr. Jerome Rosow, President Work in America Institute 700 White Plains Rd. Scarsdale, NY 10583	Seminar Participant. "Work in America: The Decade Ahead. 7MAR79/$200
Mr. James Runke Council of State Governments P.O. Box 11910 Lexington, Kentucky 40578	Meeting. 50 State Survey of Procurement Practices. 28FEB79/$154
Ms. Elizabeth S. Schmidt 1707 Irving Street, NW Washington, DC 20010	Report. Guinea and Malawi as sources of refugees. 3FEB79/$612
Schnittker Associates 1339 Wisconsin Ave. N.W. Washington, DC 20007	Report. "Alternative Farm Policies and Programs." 23MAR79/$13,500
Prof. David Segal University of Maryland College Park, MD 20742	Seminar Participant. "Human Rights and the IMET Program" 18JAN79/$150
Prof. Mady Segal University of Maryland College Park, MD 20742	Seminar Participant. "Human Rights and the IMET Program" 17JAN79/$150
Mr. James Skinner 905 6th St., SW #110 Washington, DC 20024	Report. Survey of training currently offered to Congressional staff in the Washington, D.C. area. 29JAN79/$4,450
Roger W. Staehle 116 W. 19th Avenue Columbus, Ohio 43210	Conference Participant. "Corrosion Conference." 1MAR79/$178
Temple, Barker & Sloane, Inc. 154 Walnut Street Wellesley Hills, MA 02181	Report. "Overtonnaging in U.S. Liner Trades and the Economic Impact on Federal Maritime Commission Rulings" 30JAN79/$23,890

Paul S. Vaky 3730 Benton Street, NW Washington, DC 20007	Report. Argentina as a source of refugees. 6FEB79/$306
Mr. Charles Vetter 2123 Leroy Place, NW Washington, DC 20008	Seminar Participant. "Human Rights and the IMET Program" 24JAN79/$150
Mr. Walter Wilcox Box 100P Purcellville, VA 22132	Reports. Various analyses of Federal agricultural policy options. 27JAN79/$13,144

THIRD QUARTER

Prof. M.A. Adelman MIT-Dept. of Economics Cambridge, MA 02139	Seminar Participant. Petroleum Regulation and Taxation. 8MAY79/$331
Professor Eileen Applebaum Department of Economics Temple University Philadelphia, PA 19122	Seminar Participant. "Post Keynesian Economic Policy" 24APR79/$168
Ms. Andrea Arntsen 1314 North Harrison St. Arlington, VA 22205	Report. West Sahara as source of refugees. 4APR79/$370
Mr. Robert Barnett Carnegie Endowment for International Peace 11 DuPont Circle, N.W. Washington, DC 20036	Seminar. "US China Relations" 14MAY79/$100
Mr. Gerard Brannon Department of Economics Georgetown University Washington, DC	Seminar Participant. Petroleum Regulation and Taxation. 4MAY79/$105
J.K. Carruthers LTD. Room 904 150 Wellington St. Ottawa, Canada KIP 5A4	Report. Canadian gas exports to U.S. 14JN79/$3,600
Professor John L. Cornwall Department of Economics Dalhousie University 7 Halls Rd. Boulderwood, Halifax, N.S. Canada	Seminar Participant. "Post Keynesian Economic Policy" 24APR79/$500

Council of State Government P.O. Box 1910 Lexington, Kentucky 40578	Meeting. 50 State Survey of Procurement Practices. 17APR79/$59,311
Mr. George Danko 344 11th St. S.E. Washington, DC 20560	Reports. Study of Potomac River Basin. 15MAY79/$4,143
Paul Davidson 18 Turner Court Princeton, NJ 08540	Seminar Participant. Petroleum Regulation and Taxation. 9MAY79/$249
Dr. Ted Eck Standard Oil of Indiana 200 E. Randolph Drive Chicago, Ill. 60601	Seminar Participant. Petroleum Regulation and Taxation. 3MAY79/$100
Prof. Richard Eckhaus 4 Blanchard Rd. Cambridge, MA 02138	Report. Compendium Middle East: "real" econ. dev. since 1973. 24APR79/$1,000
Professor Alfred S. Eichner 79 Everett St. Closter, NJ 07624	Seminar Participant. "Post Keynesian Economic Policy" 24APR79/$230
Professor Robert Eisner Department of Economics Northwestern University Evanston, Illinois 60201	Seminar Participant. "The Business Cycle-Prognosis for Election Year 1980" 15JUN79/$418
Mr. Jerome F. Fried 9252 Three Oaks Drive Silver Spring, MD 20901	Report. "Economics of the West Bank and Gaza Strip." 19JUN79/$9,900
Professor Ann Friedlaender Department of Economics Mass. Institute of Technology Cambridge, MA 02139	Seminar Participant. "Trucking Deregulation" 12JUN79/$299
Dr. Herbert I. Fusfeld Center for Science and Tech. Policy New York University 329 Shemken Hall New York, NY 10003	Seminar Participant. "Science, Technology, and US Foreign Policy" 23APR79/$295
Dr. Robert C. Good Denison University P.O. Box B Granville, Ohio 43023	Seminar Participant. Rhodesian Elections. 19APR/$290

Dr. Robert Hartman The Brookings Institute 1775 Mass. Ave. N.W. Washington, DC 20036	Seminar Participant. "Balanced Budgets and Spending Limitations" 25APR79/$150
Mr. William Hazen 1856 Abbotsford Drive Vienna, VA 22180	Report. Iraq as source of refugees. 5APR79/$370
Mr. Hans Heymann NIO/PE Central Intelligence Agency Room 7E47 Washington, D.C. 20505	Seminar. "US China Relations" 14MAY79/$100
Mr. Harry J. Hogan 6212 Redwing Court Bethesda, MD 20034	Report. Reclamation Reform Act of 1979. 21JUN79/$1,000
Dr. Fred Ikle Conservation Management Corporation 7010 Glenbrook Rd. Washington, DC 20014	Seminar Participant. "SALT II: The Political Context." 21MAY79/$100
Prof. Roman Kolkowicz Center for International and Strategic Studies 2121 Bunche Hall U.C.L.A. Los Angeles, CA 90024	Seminar. "US China Relations" 14MAY79/$635
Mr. Allan M. Labowitz 605 Prince St. Alexandria, VA 22314	Report. US-International Atomic Energy Treaty. 24APR79/$1,900
Prof. John Lamarsh 68 N. Chatworth Avenue Larchmont, NJ 10538	Report. Analysis of the nuclear incident at Three Mile Island powerplant. 19APR79/$650
John Lamont Lobel, Novins, & Lamont 1523 L St. Washington, DC 20005	Seminar Participant. Petroleum Regulation and Taxation. 3MAY79/$105
Ms. Janet E. Lemke 106-5 Ashley Circle Athens, GA 30605	Report. Hearings on Drugs. 14JUN79/$4,500
Dr. Robert A. Leone Graduate School of Business Admin. Harvard University Boston University, MA 02163	CRS/OTA Workshop. "Research needed to improve the quality of Socio-Economic Data Used in Regulatory Decision-making" 19APR79/$703

Dr. Wassily Leontief Institute for Economic Analysis New York University Warren Weaver Hall, 7th Fl. New York, NY 10003	Modify DRI-IO model. 11MAY79/$8,338
Mr. John Lichtblau Petroleum Industry Research Foundation 122 E 42nd St. New York, NY 10017	Seminar Participant. "The President's Energy Message" 1MAY79/$109
Professor David Maister Harvard Business School Boston, MA 02163	Seminar Participant. "Trucking Deregulation" 12JUN79/$303
Professor Herbert Mason Department of Religion and Islamic History Boston University Boston, MA 02215	Seminar Participant. "Political Implications for America of the Islamic Revival in the Middle East" 3APR79/$301
Prof. Theodore Moran School of Foreign Service Georgetown University Washington, DC	Compendium. Political and Economic Transition in Iran. 23APR79/$2,338
Mr. Lawrence Mosher 2123 N St. N.W. Washington, D.C. 20037	Seminar Participant. "Political Implications for America of the Islamic Revival in the Middle East" 3APR79/$100
Ms. Anna Nelson 3121 Quebec Place Washington, DC 20008	Report. Fed. Agency Historical Programs. 18JUN79/$5,856
Mr. Roger Pajak WEC/AT Room 4660 320 21st St. N.W. Washington, DC 20541	Report. Compendium Middle East: Soviet Arms Aid Diplomacy. 24APR79/$100
Dr. Charles Phelps RAND Corp. 1700 Main St. Santa Monica, CA 90403	Seminar Participant. Petroleum Regulation and Taxation. 9MAY79/$630

Mr. James Phillips, III 1647 Lamont St. N.W. Washington, DC 20010	Report. Cyprus as source of refugees. 11APR79/$306
Prof. Bernard Reich 13800 Turnmore Dr. Wheaton, MD 20906	Compendium. Political and Economic Transition in Iran. 18APR79/$7,200
Dr. Richard Ruggles Department of Economics Yale University New Haven, Connecticut 06520	CRS/OTA Workshop "Research needed to improve the quality of Socio-economic Data Used in Regulatory Decision-making" 19APR79/$322
Schnittker Associates 1339 Wisconsin Ave. Washington, DC 20007	Report and Meetings. "Multilateral Trade Negotiations. 27JUN79/$5,338
Lt. General Brent Scowcroft International Six Incorporated 1850 K St. N.W. Suite 370 Washington, DC 20006	Reports. Hearings on Drugs. 21MAY79/$100
Dr. Herbert Stein American Enterprise Institute 1150 17th St. N.W. Washington, DC 20036	Seminar Participant. "Balanced Budgets and Spending Limitations. 23APR79/$150
Dr. John Steinbruner Director of Foreign Policy Studies The Brookings Institute 1775 Mass. Ave., N.W. Washington, DC 20036	Seminar Participant. SALT II 21MAY79/$100
Visual Images 2637 Connecticut Ave. N.W. Washington, DC 20008	Audio/visual aids 25APR79/$50,000
Dr. Charles Wolf Social Impact Assessment Box 587 Canal St. Station New York, NY 10013	CRS/OTA Workshop "Research needed to improve the quality of Socio-economic Data used in Regulatory Decision-making" 19APR79/$310
Mr. Arthur Wright Prof. of Economics Purdue University West Layfayette, Ind.	Seminar Participant. Petroleum Regulation and Taxation. 4MAY79/$392

Mr. Brian D. Wright
Department of Economics
Yale University
1987 Yale Station
New Haven, Conn. 06540

Seminar Participant.
Petroleum Regulation and Taxation.
8MAY79/$260

FOURTH QUARTER

Mr. Julius Allen
9901 Connecticut Avenue
Kensington, MD 20795

Reports. Taxation, Business, Economics, and Corporate Finance.
26SEP79/$21,980

Dr. John Andelin
378 N St. S.W.
Washington, DC 20024

Report. Federal Photovoltaics Utilization Program.
13JUL79/$4,250

Art Services, Inc.
3015 Earl Place N.E.
Washington, DC 20018

Visualization of Information.
30SEP79/$40,000

Robert M. Ball, Senior Scholar
Institute of Medicine
National Academy of Sciences
2101 Constitution Ave. N.W.
Washington, DC 20418

Breakfast Seminar. "Social Security and the Future."
16JUL79/$150

Dr. Dieter Birk
c/o Prof. Klaus Vogel
Universitat Munchen
Professor-Huber Platz 2
8000 Munich 22
Federal Republic of Germany

Report. Export Stimulation Programs in the Major Industrial Countries: The US and Eight Major Competitors.
28AU79/$1,000

John F. Chown, Esq.
J.F. Chown and Company Limited
108 Cannon St.
London EC4N 6EU, England

Report. Export Stimulation Programs in the Major Industrial Countries: The US and Eight Major Competitors.
10SEP79/$1,500

Peter K. Clark
Professor of Economics
Stanford University
Palo Alto, CA 94305

Workshop. "Taxation and Capital Formation.
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Prof. Jan Prybyla 523 Kern University Park, PA 16802	SEMINAR: Taiwan after U.S. - China Normalization 6MAR80/$439
Prof. Thomas Ricks Department of History Georgetown University Washington, D. C. 20057	SEMINAR: Islam and Shi'ism: Iran and Central Asia 6FEB80/$100
Dr. Herbert J. Scoville, Jr. 6400 Georgetown Pike McLean, VA 22101	SEMINAR: Strategic Deterrence 12MAR80/$100
Ms. Jane Stein 4845 Brandywine Washington, D. C. 20016	REPORT: Section of Genetic Engineering Committee Print 1FEB80/$5,340
Prof. Astri Suhrke School of International Service The American University Washington, D. C.	REPORT: Impact of Refugees on Southeast Asia 15FEB80/$3,000
Dr. James Sweeney Terman Engineering Center Stanford University Stanford, CA	SEMINAR/REPORT: Energy Information Workshop 30JAN80/$896
Teknekron Research, Inc. 2121 Alston Way Berkeley, CA 94704	REPORT: ARMS Prototype Options 28MAR80/$24,994

The Urban Institute
2100 M Street, N.W.
Washington, D. C. 20037

REPORT: Work Discentives of Income Transfer Programs
12FEB80/$4,124

Nicholas Wade
1515 Mass. Ave., N.W.
Washington, D. C. 20005

REPORT: Section of Genetic Engineering Committee Print
19FEB80/$8,288

Sidney Weintraub
7501 Valburn Drive
Austin, TX 78731

REPORT: Politics and Economics of the Western Hemisphere
28JAN80/$2,000

Julian M. Weiss
Box 8320
Hillside, MD 20027

SEMINAR: Taiwan after U.S. China Normalization
7MAR80/$200

Prof. Edward Wenk, Jr., Dir.
Program in Social Management of Technology
University of Washington
Seattle, Washington 98195

SEMINAR: Science, Technology and Regional Development
23JAN80/$816

Prof. Allen Whiting
Center for Chinese Studies
University of Michigan
104 Lane Hall
Ann Arbor, Michigan 48104

SEMINAR: Taiwan after U.S. China Normalization
7MAR80/$619

Dr. David O. Wood
Associate Director
Energy Laboratory, MIT
292 Main St. -E38-430
Cambridge, MA 02139

SEMINAR/REPORT: Energy Information Workshop
30JAN80/$403

R. James Woolsey
Shea and Gardner
1800 Mass. Ave., N.W.
Washington, D. C. 20036

SEMINAR: The Draft, Registration and the All-volunteer Force
26MAR80/$100

Bruce Zweig
P.O. 5223
Stanford, CA 94305

COMPUTER WORK: Additional Modification to FEF Model
12MAR80/$825

THIRD-QUARTER

Henry J. Baucili Associates
2228 S. Quincy St
Alexandria, VA 22204

GRAPHICS: Prototype Information Materials
30JUN80/$20,000

Ms. Janice Baker
2122 Mass. Ave., N.W.
Washington, D. C.

REPORT: World Hunger Information
9JUN80/$2,125

Bruce Blair
The Brookings Institution
1776 Mass. Ave
Washington, D. C.

SEMINAR: Strategic Command and Control
11JUN80/$100

Robert Bond
Latin American Program
Wilson Center
Smithsonian Institution
Washington, D. C. 20560

REPORT: Politics and Economics of the Western Hemisphere
24JUN80/$500

Barry Bosworth
The Brookings Institution
Washington, D. C. 20036

SEMINAR: Inflation
16APR80/$100

Control Data Corporation
6003 Executive Blvd.
Rockville, MD 20852

REPORT: Develop and Test Automated SCORPIO Training System
30JUN80/$50,000

Ray Crosby Associates, Inc.
5420 Amberwood Lane
Rockville, MD 20853

REPORT: CRS/LC - OPM Standards Development
30JUN80/$20,000

Dr. Arnold Demain
Department of Nutrition and Food Science
MIT
Cambridge, MA 02139

SEMINAR: Biotechnology
10APR80/$405

Tony Downs
The Brookings Institute
Washington, D. C. 20036

SEMINAR: Changing Demographic Patterns
20MAY80/$100

Dr. Gerald Fink
Department of Biochemistry
W327 Wing Hall
Cornell University
Ithaca, N.Y. 14853

SEMINAR: Biotechnology
8APR80/$235

David Fishlock
Traveller's Joy
Copse Lane
Jordan, Bucks
HP9 2TA, England

REPORT: Reactions to INFCE: Press
20-MAY80/$1,000

Leonard L. Fishman
1730 K Street, N.W.
Washington, D. C. 20006

REPORT: International Economic Agenda: Major Issues for the 97th Congress
20MAY80/$500

Charles A. Goodrum 2808 Pierpont Street Alexandria, VA 22302	REPORT: Evaluation of CRS Information Transfer Processes 30JUN80/$20,000
Dr. Leon Goure Advance Int'l Studies Inst. University of Miami 4330 East-West Highway Bethesda, MD 20014	SEMINAR: Civil Defense 21MAY80/$100
Geoffrey Greenhalgh Down Park House Crawley Down, Sussex RH10 4HG England	REPORT: Reations to INFCE: Governmental 15MAY80/$2,250
Information and Publishing Systems 4720 Montgomery Lane Bethesda, MD 20014	COMPUTER WORK: Publication Production Software 30JUN80/$15,000
Dr. William Kincade Arms Control Association 11 DuPont Circle, N.W. Washington, D. C. 20036	SEMINAR: Civil Defense 21MAY80/$100
Dr. Lawrence Krause The Brookings Institution Washington, D. C. 20036	SEMINAR: Inflation 21APR80/$100
Anne O. Kruger Dept. of Economics University of Minnesota Minneapolis, Minn. 55455	REPORT: International Economic Agenda: Major Issues for the 97th Congress 10JUN80/$500
Robert Lawrence The Brookings Institution 1776 Mass. Ave., N.W. Washington, D. C. 20036	REPORT: International Economic Agenda: Major Issues for the 97th Congress 11JUN80/$500
Dr. Abraham Lowenthal Latin American Program Wilson Center Smithsonian Institution Washington, 20560	REPORT: Politics and Economics of the Western Hemisphere 21APR80/$2,000
Joseph McCaffrey WMAL 4400 Jenifer St., N.W. Washington, D. C. 20015	SEMINAR: Congress and the Media: The Impact of Public Opinion on the Leglislative Process 30JUN80/$750

Dr. Peter Morrison RAND Corporation 1700 Main Street Santa Monica, CA 90406	SEMINAR: Changing Demographic Patterns 20MAY80/$700
Charles E. Myers, Jr. Aerocounsel Inc. 2000 S. Eads, #113 Arlington, VA 22202	SEMINAR: High/Low Mix in Tactical Aviation: Issues for Congress 18JUN80/$100
Prof. Richard R. Nelson Economics Dept. Yale University New Haven, Conn. 06520	SEMINAR: Role of Industrial Innovation in the U.S. Economy 18JUN80/$191
Ms. Mary Ann Parmley 616 G Street, S.E. Washington, D. C. 20002	REPORT: Edit UPDATE 30JUN80/$2,235
Dr. Rudolph G. Penner American Enterprise Institute Washington, D. C. 20036	SEMINAR: Inflation 21APR80/$100
Dr. Rozann Rothman 3308 Ardley Court Falls Church, VA 22041	REPORT: History of the Committee on House Administration 19MAY80/$3,000
Walter Salant The Brookings Institute 1775 Mass. Ave. Washington, D. C. 20036	REPORT: Business Cycles Compendium 21APR80/$1,500
Dr. Anthony Sinskey Department of Nutrition and Food Science MIT Cambridge, MA 02139	SEMINAR: Biotechnology 15APR80/$217
George Spangenberg 1531 Dahlia Court McLean, VA 22101	SEMINAR: High/Low Mix in Tactical Aviation: Issues for Congress 18JUN80/$100
Dr. William Wardell Department of Pharmacology University of Rochester Rochester, N.Y. 14642	SEMINAR: Biotechnology 7APR80/$253
Dr. Toru Yano Center for Southeast Asian Studies Kyoto University Sakyo, Kyoto Japan	REPORT: Pacific Basin 27APR80/$300

FOURTH QUARTER

Henry Aaron The Brookings Institution 1775 Mass. Ave., N.W. Washington, D. C. 20036	SEMINAR: Policy Implications of the Housing Allowance Experiments 17SEP80/$100
AUI Graphics 1701 K Street, N.W. Washington, D. C. 20006	SEMINAR: Computer Graphics 6OCT80/$900
Emerson Brown 4502 Amherst Lane Bethesda, MD	REPORT: Politics and Economics of the Western Hemishpere 30SEP80/$500
Dean George A. Condon Shepherd College Shepherdstown, WVA 25443	SEMINAR: Mechanisms for Establishing a Consortium of Potomac Basin Universities to Study the Basin 29JUL80/$100
Costabile Associates, Inc. 4720 Montgomery Lane, #908 Bethesda, MD 20014	COMPUTER WORK: Serials Check-in-Automation (OCLC) 22SEP80/$3,086
David D. Driscoll 5406 Connecticut Ave., N.W. Washington, D. C. 20015	REPORT: International Trade and Investment Reports 29SEP80/$37,872
Allen Farlow 8501 Stonewall Dr. Vienna, VA 22180	REPORT: Defense Officer Personnel Management Act (DOPMA) 26SEP80/$5,000
Jerome Fried 9252 Three Oaks Drive Silver Spring, MD 20901	REPORT: Politics and Economics of the Western Hemisphere 7JUL80/$1,000
Jensen Associates 84 State Street Boston, Mass. 02109	REPORT: Alaskan, Canadian and Mexican Natural Gas 8JUL80/$9,996
Information Integration 25 Pinecone Lane Southboro, MA 01772	COMPUTER WORK: Automate Mbr/Committee File for MCR 11SEP80/$11,602
Hampton, Bates and Assoc. Inc. Jet Space Suite T-68 1121 Arlington Blvd. Arlington, VA 22209	REPORT: Publication Effectiveness Assessment 19SEP80/$3,350

Larence J. Korb Department of Management U.S. Naval War College Newport, RI 02840	SEMINAR: U.S. and Allied Naval Posture in the Pacific 5UAG80/$150
Paul Marer 415 Sheffield Drive Bloomington, IN 47401	GRAPHICS: Graphics for Eastern European Economics Compendium Report 29AUG80/$984
Albert Mayio 3725 Fessenden Street, N.W. Washington, D. C. 20016	REPORT: Major Issues in US Relations with Latin Amer. & Canada and Inter. Econ. Agenda 5SEP80/$12,788
Jeffrey D. Merritt 1328 A Street, S.E. Washington, D.C. 20003	REPORT: International Human Rights Reports 29SEP80/$10,000
Robert Mortimer Haverford College Haverford, PA	SEMINAR: Current Conditions in North Africa 26AUG80/$213
Mary Nenno National Association of Housing and Redevelopment Officials 2600 Virginia Ave., N.W. Washington, D. C. 20037	SEMINAR: Policy Implications of the Housing Allowance Experiments 17SEP80/$100
Ambassador Robert Neumann Center for Strategic and International Studies 1800 K Street, N.W. Washington, D. C. 20006	SEMINAR: Current Conditions in North Africa 26AUG80/$613
Walter Patterson 10 Chesham Road Amersham, Bucks HP6 5ES England	REPORT: Reactions to INFCE: Environmentalist 28JUL80/$1,500
Robin A. Peters Blue Hills, Maine 04516	SEMINAR: Fuel Costs and the Fishing Industry 1AUG80/$376
John Reudy Center for Contemporary Arab Studies Georgetown University Washington, D. C. 20057	SEMINAR: Current Conditions in North Africa 26AUG80/$100
Robert A. Scalopino, Dir. Center for East Asian Studies University of California Berkeley, CA 94720	SEMINAR: U.S. and Allied Naval Posture in the Pacific 5AUG80/$1,108

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Wilson Schmidt 1514 Palmer Drive Blacksburg, VA 24061	World Development Report, 1980: Issues for the Congress 19SEP80/$370
Jacques Roumani The World Bank D-1049 Washington, D. C. 20433	SEMINAR: Current Conditions in North Africa 26AUG80/$100
Gen. R. G. Stillwell, USA Ret. Suite 610 1700 N. Moore St. Arlington, VA 22209	SEMINAR: U.S. and Allied Naval Posture in the Pacific 5AUG80/$150
Paul Streeten Center for Asian Dev. Studies Boston University 264 Bay State Road Boston, MA 02215	SEMINAR: World Development Report, 1980: Issues for the Congress 19SEP80/$358
Nathaniel Thayer 6525 Colchester Road Fairfax Station, VA 22039	SEMINAR: U.S. and Allied Naval Posture in the Pacific 5AUG80/$150
Regents of the Univ. of Cal. Sponsored Projects Office M-11 Wheeler Hall University of California Berkley, CA 94720	REPORT: POLLS Enhancement 30SEP80/$15,000
Prof. James Weaver Dept. of Economics American University Washington, D.C. 20016	REPORT: Leglislation and U.S. Foreign Assistance Programs 18SEP80/$21,272
Sidney Weintraub LBJ School Drayer 1Y UNiversity Station Austin, TX 78712	REPORT: International Economic Agenda: Major Issues for the 97th Congress 10JUL80/$500
William Zartman John Hopkins, SAIS 1740 Mass. Ave., N.W. Washington, D. C. 20036	SEMINAR: Current Conditions in North Africa 26AUG80/$100
Bruce Zwieg P.O. Box 5223 Stanford, CA 94305	COMPUTER WORK: FEF Model Modifications 26SEP80/$34,900

Question: Why is the request for offset reproduction up $84,000 from $391,000 in FY 1981 to $475,000 for FY 1982?

Answer: The Library experienced a 21.5 percent increase in the actual cost of producing offset copying in FY 1980 over FY 1979. We are therefore requesting $84,000 to enable us to continue to produce copies of CRS reports used to respond to requests by Members and committees.

Question: What is the $107,000 for tuition and training used for? Are these courses specialized, or do some of your employees use these funds to cover their regular college costs? Can an employee use these funds to get a degree in college?

Answer: Our training allotment is used specifically, as authorized under the Government Employees Training Act, for courses to enhance the performance or expertise of CRS employees in their current positions. These courses cover a broad range of areas including subject field training, analytical and communication skills, secretarial skills and supervisory skills.

Funding for university or college courses is limited and is only approved when we are convinced such a course would improve an employee's subject matter expertise or other skills required to perform the functions of his or her position. Each university or college course is approved on a case-by-case basis and evaluated in terms of how that particular course would improve the employee's performance and will not, under any circumstances, be approved for the purpose of assisting an individual in pursuing a degree. Support is also provided to those selected for CRS Affirmative Action positions; in addition to extensive on-the-job training, each participant is required to take an agreed-to number of courses on his or her own time. Any course which a staff member might wish to take to further his or her career goals in another field or position would have to be funded through the Library's Affirmative Action Program and not through the CRS training allotment.

A large percentage of training funds in CRS is used to send staff members to workshops, seminars or other "short term" training of only a few days where the cost effectiveness is usually greater than that for a university course. We are also using an increasingly larger portion of our training funds to finance courses brought in-house which are specifically designed to meet the needs of CRS staff. Examples of such training would be a course recently provided on statistical techniques, a course to sharpen analytical writing skills, a secretarial techniques course for some of our support staff and a course for new analysts on the legislative process. We find courses which are brought in-house and which are designed specifically for CRS staff to be most effective on the whole and they result in a minimal amount of time away from the work site. We plan to provide more of this type of training in the future.

Question: What types and how many seminars will you be holding for Members of Congress? What is the cost of these seminars?

Answer: It is not possible to anticipate how many events we will hold because this is a function of how many issues become, in our opinion and in the opinion of Members of Congress, legislatively

significant enough to warrant a seminar; in most cases Members propose the event, for example: programs on energy, military and the budget.

Past experience would lead us to believe we might conduct 12 to 16 Member breakfasts and perhaps 2 to 4 Member dinners.

The average cost per congressional participant is $8.00 for breakfast, and $35.00 for dinner.

Question: What types and how many seminars will you conduct for congressional staff?

Answer: We expect to continue the Institute for Legislative Staff series. These are designed to provide basic, advanced and very indepth professional development instruction in legislative reference and research work and the legislative process. The legislative process sessions cover such subjects as the committee system, the amending process, floor procedure, etc. We plan to conduct four basic, four advanced and three "graduate" institutes this coming year.

We expect to continue our issue briefing and workshops for staff. These are generally of two to four hour duration. We will likely average one event per week.

We will continue to offer the District/State Staff Institute series. This series is co-sponsored by the Committee on House Administration and the Senate Committe on Rules and Administration as well as the Office of the Secretary of the Senate and the Office of the Senate Sergeant at Arms. Five District/State Staff Institutes are planned this year.

It is likely that we will conduct one more Public Policy Institute at the beginning of the second session of the 97th Congress. This program focuses on issues which have become key considerations in the legislative calendar and on staff needs for updates and status reports rather than overviews.

Question: Do you have certain seminars in Harper's Ferry? What do these seminars cost?

Answer: Yes. We conduct our Advanced Institutes for Legislative Staff in Harper's Ferry. These are held quarterly.

Costs vary somewhat from event to event but they average $32.50 per individual per day.

The conference center at Harper's Ferry is an excellent facility, and we pay for the facilities (only for food and lodging; the auditor of the House of Representatives has ruled that the $60.00 registration fee we request of participants is an officially authorized office training expenditure. We will probably use Harper's Ferry four (4) times next year.

Question: What percentage of your seminars are away from Capitol Hill? Why?

Answer: Of the 107 seminars CRS held last year, only 6 were conducted outside of Washington. The events conducted away from the Hill are those which focus on the legislative process. The "off the Hill" location for these types of seminars is necessary to provide total concentration and an immersion atmosphere conducive to learning step-by-step process knowledge. Indeed, the "off the Hill" seminars usually begin at 9 a.m. and last through 9:00 or 10:00 in the evening, and beyond. This is deliberate because some of the learning process occurs outside the lecture room in conversations and in informal question and answer sessions with faculty. Incidentally, this seminar concept...removal from normal work atmosphere... is a long and well established educational practice. We exercise it sparingly because it does add transportation costs to the event. However, when it appears more reasonable, for any number of reasons, to conduct an event in Washington, we do so. For example, the first two Public Policy Issues Institutes were conducted at Georgetown University because we simply did not have the physical facilities to conduct them within the Library. With the move to the Madison this year, we conducted the most recent PPI in the Madison...with subsequent transportation cost savings.

Question: What is the cost to CRS of seminars out-of-town in terms of travel and per diem?

Answer: No per diem is paid to any participant and travel is provided by the most economical carrier method, usually by bus, which costs approximately $15 per person round-trip.

Question: You are requesting a total of $32,288,000 in fiscal year 1982 for the activities of the Congressional Research Service. On page 131 of your justifications you indicate that the Service provides substantial support to three sister agencies: the General Accounting Office, the Office of Technology Assessment, and the Congressional Budget Office. Would you please quantify your support for these organizations over the past twelve months in terms of dollars you have expended to provide this support? I would like this information for each of the three agencies.

Answer: CRS maintains records on requests formally received from and undertaken on behalf of its sister legislative support agencies. The following table lists the number of requests answered by CRS during FY 1980 for each agency, the number of hours expended, and the estimated cost (based on the average hourly rate for CRS personnel):

Agency	Number of Inquiries	Hours	Estimated Cost
CBO	2,874	1,258	$15,859
GAO	860	691	8,711
OTA	793	814	10,261
TOTALS	4,527	2,763	$34,831

It is important to note, however, that CRS assistance to and consultation with its sister agencies occurs on a continuing basis and in a wide variety of forms, many of which are informal and not reflected in the figures listed above: discussing major projects to prevent possible duplication of effort; sharing infor-

mation about new methodologies and findings; reviewing drafts of reports and memoranda; and planning and carrying out joint undertakings. It would be extremely difficult to quantify all of this activity and to measure accurately the extent to which each of the agencies is assisting or being assisted by the others.

Question: Are you reimbursed when you perform work for these three agencies and if not, why not?

Answer: CRS has not been receiving reimbursement for the assistance to its sister support agencies described above. There are three principal reasons for this practice: first, the costs associated with many of the informal interchanges and shared efforts among the agencies are, as previously mentioned, difficult to calculate; second, the institution of a formal reimbursement mechanism might well be administratively cumbersome and could inhibit the kind of interagency cooperation called for by the Congress in order to prevent duplication and to maximize information and resource sharing; and, third, the fact that work performed by CRS for the other three agencies is, in effect, work for the Congress falling within the scope of our statutory responsibilities.

The enabling acts of OTA and CBO contain provisions authorizing CRS services to be provided either with or without reimbursement, subject to mutual agreement.

Question: You are requesting an increase of $206,000 in fiscal year 1982 to cover the cost of 11 research assistants to senior specialists working for the Congressional Research Service. Can you tell us how many research assistants are currently on board?

Answer: We currently have 13 research assistants on the staff, leaving 11 senior specialist positions with no research assistant support.

Question: You indicate that permanent postions are not required because each research assistant appointment is made for a 2-year period. Do these assistants commonly stay beyond the 2-year period and, if so do you simply extend their appointments for an additional 2-years or do they take permanent slots within the Library?

Answer: When a research assistant's two-year appointment ends, the position is re-posted. In one case thus far, the incumbent has again competed for the position and been selected for an additional two-year appointment. In most cases, however, research assistants have pursued their careers in other ways. Some have returned to school to obtain a Master's or Doctoral degree; others have found jobs working for Members or committees of Congress, in the Executive Branch, or in the private sector. In several instances, research assistants have been successful in competing for permanent analyst positions here in CRS.

Question: You are requesting an increase of $259,000 in fiscal year 1982 to hire temporaries as needed for use in periods of heavy legislative activity. How many temporaries has the CRS employed to-date in the fiscal year 1981 and how many temporaries did the Service employ in fiscal year 1980?

Answer: In FY 1980, CRS employed the full-time equivalent of seven library technicians to handle requests in periods of particularly heavy legislative activity. Some were hired for very short periods of time, others were hired on a part-time basis. All were hired for a specified, and temporary, period of time. Thus far in FY 1981, we have hired eight library techinicians on a part-time and/or temporary basis to assist in the especially heavy workload generated by the beginning of a new Congress.

Question: You are requesting $955,000 in fiscal year 1982 under your Congressional Research Service budget to pay for professional and consultant services. Of course this a very substantial amount of money. Do you have any limitation on the per diem payment you can make to these professionals and can you tell us why it is necessary to spend so much money on outside consultants?

Answer: Under the authority of Section 321 of the Legislative Reorganization Act of 1970 (2 U.S.C. 166(h)), the Congressional Research Service purchases consultant products through fixed price non-personal service contracts, rather than on the personal services per diem basis which is the common practice in other agencies.

The fixed price for a product is generally negotiated on the basis of the level of expertise required to perform the work and determined by the General Schedule daily rate for which the consultant could reasonably qualify, multiplied by the number of days that the Service estimates might reasonably be required to produce the product. In the case of an institutional contract, the qualifications of the staff assigned to the work determine their individual daily rates. Appropriate overhead costs are allowed when justifiable.

The Service responds to all but a few inquiries with in-house resources. From time to time the proper resources either do not exist on the staff or are not available in the time allowed by the Member or committee requesting assistance. In these situations, to be responsive to congressional needs, we must obtain outside assistance. These occasions are very infrequent compared to the total number of responses, but they form an extremely important segment of the work. The products are generally the result of "quick response" efforts by highly respected individuals with national or international reputations in their fields. Contracts are generally completed in one or two months and averaged only $3,150 in FY 1980.

Question: In fiscal year 1979 you spent 54 percent of the funds we provided you for supplies and materials in the last quarter of the fiscal year and in 1980 you spent 50 percent of your supplies and materials money in the last quarter. On the surface it would appear that you may be spending funds at an accelerated rate in the fourth quarter of each year for supplies and materials so that you will not have to turn these funds back to the Treasury. Can you explain why your expenditure rate for supplies and materials has been so high in the fourth quarter of each of the past two fiscal years?

Answer: Office supplies are purchased in large quantities whenever possible to take advantage of lower unit prices for bulk orders; typically these orders are placed on an annual or semi-annual basis. The pattern of July-August-September purchases was

established prior to FY 1976 when those months constituted the first quarter of the fiscal year. Since FY 1976, continuation of this ordering pattern has resulted in large fourth quarter obligations. The ordering cycle is determined by a combination of factors, including rate of use, amount of available storage space, and ability to place bulk orders to take advantage of quantity discounts.

Question: You indicate on page 138 of your justifications that you plan to spend $41,000 in fiscal year 1982 to rent eight additional clerical word processors. How much would it cost to purchase these eight word processors?

Answer: CRS is requesting $41,000 in FY 1982 to rent 8 additional clerical word processors. The purchase price for these eight machines would be $12,352 each, for a total of $98,816. CRS would also incur service costs of $5,960 for the year. The total cost would be $104,776 for the eight clerical word processors.

Question: You are also requesting $42,000 to rent 10 additional research processors. How much would it cost to purchase one of these processors?

Answer: CRS is also requesting $42,000 to rent 10 additional "researcher word processors". The purchase price for one of these processors is $9,109, and the total for 10 machines is $91,190. CRS would also incur service costs of $5,184 for the year. The total cost would be $96,274 for the ten researcher word processors. Currently, CRS is participating in a Library of Congress RFP for leasing word processing equipment. This RFP is based upon a three-year lease, and includes a provision for converting the leasing to purchase at any time, if it is financially and technically advantageous to CRS. This RFP should result in an award by May 1981. To date, with our current procurement situation, and with the rapid advances in the word processing field, CRS has believed that it is neither technically desirable nor financially advantageous to purchase word processing systems.

Salaries and Expenses, Books for the Blind and Physically Handicapped

Question: For FY '82, the amount requested for Books for the Blind and Physically Handicapped is $33,34,000 -- up $304,350 from FY '81. No increase in positions is requested, however, 113 were requested for both years.

Answer: The 113 positions listed in the budget reflect a summary of the existing National Library Service for the Blind and Physically Handicapped personnel situation. No request is being made for any increase. The item was included to provide the Congress with an accurate, current status report.

Question: The bulk of this appropriation is for non-personal services. For FY '82, that amount is $29,955,930 as opposed to $29,737,874 for FY '81. Here again, we see travel going up from $89,585 in FY '81 to $107,485 in FY '82. Which of the 113 people assigned to this function of the Library incur these travel expenses?

Answer: To maintain the number of assistance and inspection visits made to regional libraries, volunteer groups, suppliers, and otherwise to assure the effectiveness of the program, the following travel pattern is planned to meet minimum review and monitoring responsibilities. Increased air fare and increased per diem accounts for the $17,900 requested in fiscal 1982 over fiscal 1981.

	Fiscal 1981		Fiscal 1982	
	Trips	Staff Days	Trips	Staff Days
1. In response to specific requests for consultation services and to monitor ongoing research and development projects	35	105	35	105
2. To provide essential guidance and assistance to the network of 500 cooperating libraries and related agencies through periodic on-site reviews:				
a. Regional and subregional libraries	47	94	47	94
b. Machine lending agencies	35	70	35	70
c. Volunteer groups	43	10	43	10
d. Related organizations	10	15	10	15
3. To conduct plant inspections and to analyze and monitor quality control procedures at manufacturing sites and to volunteer production units	40	80	40	80
4. To conduct seminars for network librarians	4	16	4	16
5. To interact with members of professional and technical associations	10	30	10	30

Individuals Who Travel Regularly
by Position/Name

In response to specific requests for consultation services and to monitor ongoing research and development projects:

Director, Frank Kurt Cylke
Assistant Director, Mary Jack Wintle
Automated Systems Coordinator, Allen Deschere
Project Coordinator, Richard Evensen

To conduct plant inspections and to analyze and monitor quality control procedures at manufacturing sites and to volunteer production units:

Materials Development Division:
Chief, Henry Paris
Assistant Chief, John Kozar
Equipment and Materials Maintenance Coordinator, John Reiner
Electronics Technician, Mark Harper
Quality Assurance Section:
Head, Robert Kost
Quality Assurance Specialist (Recorded Products), Donald Smith
Quality Assurance Specialist (Electronic Equipment),
George Stockton and Norvell Brown
Engineering Section:
Head, Ralph Garretson
Assistant to the Head, Dominic O'Donnell
Senior Staff Engineer, Abdelraouf Amin
Electronic Engineer, Lloyd Rasmussen
Production Control Section: Head, Robert Fistick
Collection Development Section:
Head, Mona Werner
Assistant Head, Lucy Vecera

To provide essential guidance and assistance to the network of 500 cooperating libraries and related agencies through periodic on-site reviews--regional and subregional libraries, machine lending agencies, volunteer groups, and related organizations.

In response to specific requests for consultation services and to monitor ongoing research and development projects:

Network Division:
Chief, Mary Levering
Assistant Chief (Network Consultant), Miriam Pace
Reference Section:
Head (Network Consultant), Hylda Kamisar
Assistant Head (Network Consultant), Philip Wong-Cross
Volunteer Coordinator, Freddie Peaco
Braille Codes Section:
Head, Maxine Dorf
Braille Music Advisor, Sandra Walberg
Braille Advisor (Mathematics), Donna Pastore

Network Services Section:
Head (Network Consultant), Catherine Morales
Assistant Head (Network Consultant), Elizabeth Carl
Equipment Control Officer, Edward Lewis
Recording Specialist, Billy West
Network Consultant, Thomas Martin
Music Section:
Head, Suzanne Perlongo
Assistant Head, Shirley Emanuel

To conduct seminars for network librarians.

To interact with members of professional and technical associations.

Personnel making the 14 trips under these categories are drawn from those individuals listed in the other categories.

Question: On page 148, we have a request of $593,904 under this account for Multistate Centers. What are these Centers? How many people are located in each Center?

Answer: Multistate Centers are warehouses which serve as regional logistical support agencies under contract to the National Library Service for the Blind and Physically Handicapped. They store and distribute books, magazines, publications, and equipment to cooperating libraries and agencies within their geographic areas. The four centers provide for centralized pooling of NLS-provided resources within each region, enabling NLS to shift and share library materials and equipment more efficiently, and to serve local demands for specialized services more quickly. The housing of each center in a parent agency results in low rental costs, ease of mail delivery, reasonable proximity to cooperating libraries and agencies for shared expertise, and high visibility for NLS services in the area.

There are four Multistate Centers:

1. Multistate Center for the North

   Parent Agency: Volunteer Services for the Blind
   Philadelphia, Pennsylvania

2. Multistate Center for the South

   Parent Agency: Florida Regional Library for the
   Blind and Physically Handicapped
   Daytona Beach, Florida

3. Multistate Center for the Midlands

   Parent Agency: Clovernook Home and School for
   the Blind
   Cincinnati, Ohio

4. Multistate Center for the West

   Parent Agency: Utah State Library Commission
   Salt Lake City, Utah

Question: How many people are employed at each center?

Answer: 1. MSC for the North ..... 3 full time
1 half time
1 14 hrs per week

2. MSC for the South ..... 4 full time

3. MSC for the Midlands ..... 5 full time

4. MSC for the West ..... 4 full time

These are not Federal installations. NLS contracts for services from state or private agencies. Each Center employs its own staff.

Question: We also see a request of $277,734 for public education for this program. What type of education is being done with these funds?

Answer: Through use of video cassette training programs on repair and maintenance of the cassette and record players needed by patrons to read recorded books and magazines, we have developed a cost effective way of educating volunteers and network library staffs. The availability of these training programs reduces the need

for staff, travel, and workshops. The cost is $50,000 annually. There are three programs a year. Last year we trained nearly 3,000 people.

We make direct contact with and educate some 15,000 to 20,000 providers of health, education, and rehabilitation services about the availability of our program through demonstrations of the Library's special recorded and braille reading materials, products, and services at exhibits and conferences. We emphasize the services and materials provided, the handicapped population served, and methods of enrolling the clients of these professionals in the program. The cost is $25,700.

Through network communications at about $152,034 a year we educate many potential users directly about our services. This effort consists of radio and television public service announcements produced for the 160 cooperating libraries across the country that deliver our services to individuals. The materials are distributed by these network libraries to broadcasters locally which results in high usage by stations. Use of the mass media in this way is cost effective in reaching those who are eligible but who do not know that the Library of Congress program is available. In fiscal 1980 this project was conducted in about a third of the country; it resulted in an increase of new readers by an average of 50%.

Question: On page 149, under item 25J, you seek $275,000 for research and development for this program. Explain.

Answer: The National Library Service's (NLS) research and development effort is a strictly targeted program. The primary objectives are, and have been, to improve the quality of library service--i.e., better machines, better books and magazines--and to do so at lower costs. Through surveys and other input mechanisms, we learn about users' unmet needs and select projects that might meet these needs.

The current amount of our R&D effort, $275,000, is .83% (eighty-three one-hundredths of one percent) of the total NLS budget (of $33,342,000). If one examines commercial operations, you will see that our budget figure for research and development is low. Industries dependent on technology set 2% as a minimum.

First, we are using information on handicapped persons' unmet reading needs from surveys of nonusers and users. One immediate response is development of a simplified cassette machine, of potential use to the 50% of our readership 65 years and over. For another group--braille readers--NLS is conducting an evaluation of the technologically advanced cassette braille machines, with up to 400 braille pages on one cassette rather than in two bulky braille volumes. If acceptable to readers, we will seek technical refinements and favorable cost reductions.

A.	Simple Machine Development ...	$100,000
B.	Combination Machine Evaluation	30,000
C.	Automated Circulation System .	50,000
D.	Cassette Braille Evaluation ..	95,000
	Total	$275,000

Question: For item 26F, why do you need $767,500 for needles, spare parts, etc. in both FY '81 and FY '82?

Answer: The National Library Service has a network of Voluntary Telephone Pioneers who deliver, demonstrate, and repair cassette tapes and equipment. This saves the program approximately $500,000 in labor costs.

The repair program has been in existence since 1960. Parts, repair manuals, and training necessary for the maintenance and repair of equipment are provided at an annual cost of approximately $465,750. Our procurement of parts saves the program between 40-60% because we buy at the wholesale price, in bulk quantities.

$232,000 is used to replace needles which are damaged due to wear and improper handling.

The remaining $69,750 is used to procure packaging and shipping materials used to mail equipment and spare parts to repair centers.

This funding is a recurring cost. If we do not procure the necessary needles, parts, and packaging materials we could no longer maintain and repair older machines. Without an adequate repair program we would have to pay the commercial rate for labor and materials, or for every machine that breaks provide a new one. This would require additional funding.

Question: Regarding item 31E, explain the $11,514,265 for sound reproductions. Is most of this money paid out under one contract or are there numerous contracts?

Answer: This is the heart of the Books for the Blind program.

Fifty years ago when this program began, braille reading materials were all that was available. Shortly thereafter, the 33-1/3 long-playing record was introduced commercially, making it practical, cost effective, and desirable to provide materials in recorded form. The National Library Service (NLS) chose to take advantage of this technology and began providing books and magazines for the blind in recorded form. Since that time, NLS has worked with commercial industry through applied research and development to reduce the cost and improve the quality and usefulness of these materials, notably by playback speed reduction and introduction of cassette tape as the mainstay of the recorded program. NLS provides informational and recreational reading materials to a readership of more than 700,000. Ninety percent request books and magazine titles produced on rigid or flexible discs recorded at 8-1/3 rpm or 15/16 ips, four-track cassette tapes. Of the more than 40,000 print titles published each year, the appropriated amount of $11,514,265 enables NLS to produce approximately 1800 recorded books and 35 recorded magazines. Without recorded materials a large majority of our blind and virtually all of our physically handicapped users would be denied access to a wealth of knowledge, information, and reading pleasure.

Each year, NLS negotiates with the several nonprofit organizations serving the blind or physically handicapped and/or offers other organizations, through competitive bidding, the opportunity to manufacture these titles. In fiscal 1981, thirteen contracts were awarded to five different organizations. Through these contracts, up to 800 copies each of 1700 cassette and hard disc titles are being

produced at an average unit cost of $6.00 per copy. Up to 3000 copies each of 100 flexible disc titles are being produced at an average unit cost of $4.00 per copy. Approximately $2 million is being spent to produce a total of 5.5 million copies of recorded editions of 35 magazines for distribution to readers on a direct circulation basis.

Question: Regarding item 31F, why do you need $10,090,525 to replace machines for both fiscal years 1981 and 1982? Is the equipment breaking down or being worn out at the same rate both years? What kind of equipment is this? What would be the effect of buying no replacement equipment in FY '82?

Answer: To meet specialized user needs, insure restricted use of copyrighted materials, and provide the capability to use long-playing, cost effective recorded materials, the National Library Service (NLS) designs, manufactures under contract, and distributes cassette and phonograph equipment to eligible program users. This equipment is designed to be capable of approximately ten years of useful life under heavy use conditions. Generally, this goal has been achieved because of stringent quality assurance procedures and an excellent volunteer maintenance program administered through the Telephone Pioneers of America.

Although some equipment is replaced with these funds, the primary purpose of Item 31F is to provide equipment for new program users. The $10,090,525 requested for fiscal 1981 and 1982 will be used to obtain the following items each year:

1. Cassette Book Machines -- 5,000 units at approximately $80 per unit

This equipment plays 15/16 ips, four-track, cassette tapes containing up to six hours of recorded information per tape. In addition to extended playing time, the machine permits speed control, pitch restoration, and cueing or indexing retrieval. All units are intended for new readers.

2. Talking Book Machines -- 2,000 units at approximately $54 per unit

This equipment plays phonograph records produced at 8-1/3 rpm which allows NLS to produce and provide recorded books and magazines with up to three hours of information per record at very economical costs. All units are intended for new readers.

3. Combination Machine -- 75,000 units at approximately $134 per unit

The newest sound reproducer combines the cassette and record player into one unit. By using common speakers, amplifiers, and related parts, cost reductions can be achieved in production, storage, and distribution expenses. Initial costs will be equivalent to the sum of the two separate machines but will decrease as manufacturing experience is gained. Fifty-five thousand of the units will be used for new readers or existing readers without a cassette machine. Twenty-five thousand units will replace 10-year-old equipment.

4. Finally, approximately 5% of this amount is spent to obtain specialized headsets, amplifiers, and extension levers to facilitate use of recorded titles by hearing impaired and physically handicapped readers.

The effect of reduced appropriations for item 31F would equate to reductions in the number of machines manufactured by NLS. The greater the reduction, the smaller the number of machines that NLS could supply. The effect of buying no equipment in fiscal 1982 could mean that as many as 50,000 readers per year would be refused service partially or completely and as many as 25,000 additional readers per year would have to use older, worn equipment that would require much repair and service down-time. These impacts would begin to be felt in 1983 when waiting lines would begin to form.

Question: On pages 150 and 151 of your justifications you indicate that 45 percent of your total budgets in fiscal years 1979 and 1980 for Books for the Blind and Physically Handicapped were spent in the last quarter of those fiscal years. Over 50 percent of your printing and reproduction funds as well as your supplies and materials dollars were spent in the last quarter of each of those years. Can you tell the Committee why you found it necessary to spend so much of your budget for these object classes in the last quarter of the fiscal year?

Answer: It is true that the Books for the Blind program utilizes significant year-end spending. It is a planned practice, however, and should not be considered as part of a "use-it-or-lose-it pattern."

As explained in yearly testimony to appropriate Congressional committees, the Books for the Blind program is unique within the Library of Congress and the Legislative Branch. It is a program with more than 95 percent of available funds expended upon the procurement of sophisticated electronic equipment and related supplies and bibliographic support material.

SOUND REPRODUCTION AND RELATED EQUIPMENT SUPPLIES

Sound reproduction equipment--talking book machines and cassette book machines--are procured through a lengthy bid process. Electrical engineers and electronic technicians design the equipment, following performance evaluations of earlier models, and an IFB is advertised. Following submission of bids and prototypes a detailed evaluation follows. The total process consumes 10 months--with the procurement cycle consuming 6 months. Results ensure full compliance with all requirements and permit appropriate design modification based upon actual use of previously produced items.

Headphones for hard-of-hearing blind and physically handicapped individuals, needles for disc equipment and related materials go through a process similar to that described in the preceding paragraph. Being less complicated the time period is shorter and awards are made earlier in the fiscal year.

PRINTING AND REPRODUCTION

The printing budget utilization is more regular in its schedule, though more than 50 percent is usually expended during the fourth quarter. This is because the biennial catalogs contain titles

announced through the end of any given calendar year with copy submitted to GPO just prior to the end of the fiscal year.

CONCLUSION

While a significant percentage of the Books for the Blind budget is expended during the fourth quarter of each fiscal year, it should not be considered "excessive." Rather, it might be viewed as the thoughtful, professional expenditure of the tax monies entrusted to the Library of Congress for use in providing library service to eligible blind and physically handicapped individuals.

Collection and Distribution of Library Materials (Special Foreign Currency Program)

Question: You are requesting $4,474,000 in fiscal year 1982 for your special foreign currency program. Your justification narrative on page 153 indicates that these funds are used in part to send selective publications in the English language to 279 American libraries from offices in India and Pakistan. Is this sort of distribution made of publications from other countries or is this simply a special situation created by a large quantity of foreign currencies which have accrued to the United States in India and Pakistan?

Answer: The distribution of a selected number of publications in the English language from offices in India and Pakistan to American libraries is unique to those two countries. No such arrangements exist for distribution of English-language materials from other countries. This special program is made possible only because of the availability for this purpose of Indian and Pakistani rupees, owned by the U. S. Government, but excess to its needs.

Question: You plan to spend $300,000 in fiscal year 1982 for development and site preparation costs for a library office building proposed for New Delhi. The total cost of this building will be $2,500,000 payable in Indian rupees. Are you confident that enough rupees will remain in our foreign exchange account in India to finish this project or will it involve the expenditure of American tax dollars?

Answer: The American Embassy in New Delhi estimates that U.S.-owned Indian rupees will be available for the next three to five years. The New Delhi Field Office has learned from the Foreign Buildings Office that the new building can be completed within fourteen to eighteen months from the start of construction. It is therefore possible, with Congressional approval, to proceed with the building without requesting an expenditure of American tax dollars.

Furniture and Furnishings

Question: Please explain your request for increases totalling $1,080,000 to replace (1) 35 typewriters at a cost of $29,600; (2) $38,245 for replacement of 18 items of unserviceable microfilm equipment; (3) $25,155 for 38 microform storage cabinets; (4) $26,100 for 90 replacement book trucks for those in poor and unserviceable

condition; -- the list goes on and on for pages 167 through 173 of your justifications.

Answer: The Furniture and Furnishings appropriation provides funding for the purchase of furniture, furnishings, and equipment for most Library programs. In fiscal 1981 an amount of $1,686,250 was made available for necessary purchases and in fiscal 1982 it is estimated that an amount of $1,540,000 will be required, a decrease of $146,250. The 1982 request involves a sum of $1,080,000 which provides for (1) $29,600 for recurring Special CRS Typewriter requirements, (2) $1,018,600 for non-recurring needs, and (3) $31,800 for new and replacement equipment specifically required by overseas offices. The justifications for these increases are as follows:

(1) CRS Special Typewriters ..... + $ 29,600

This request is made to provide for the replacement of 35 typewriters used by the CRS research staff; these machines are no longer serviceable and meet the established replacement criteria.

The funds are requested to permit replacement of older electric typewriters which, because of heavy use and age, have become worn. Parts for these machines are either unavailable or not readily available making them totally unuseable or inoperative for long periods of time. Replacing these typewriters will avoid excessive "down time" and resulting delays in delivering prompt responses to our Congressional clients.

(2) Non-recurring Furniture and Equipment ..... + $1,018,600

(a) Current level increases ... + $ 564,700

This request is made to provide for current level increases only; an additional $453,900 is requested to provide for growing workload increases. The current level increases are individually justified by category as follows:

a. Microfilm equipment ..... + $ 63,400

Of the total amount requested $38,245 is needed to provide replacement for 18 items of unserviceable microform equipment in various areas throughout the Library. The remaining sum of $25,155 is needed for 38 microform storage cabinets to house the accumulation of material on fiche in the Congressional Research Service as well as the annual accumulation of approximately 120,000 fiche in the Science and Technology Division.

Book, basket and map trucks .... + $ 26,100

This sum is to provide 90 replacement book trucks for those in poor and unserviceable condition and for which repair is impractical.

Other filing equipment ..... + $ 121,000

Of the funds requested, $42,845 is needed for the replacement of 27 file cabinets which are badly damaged and in need of substantial repair and the acquisition of 68 new file cabinets, one-half of which are needed by CRS to accommodate the anticipated accumulation of materials necessary to respond to Congressional

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requests and the remainder for the general accumulation of those materials whose preservation is threatened due to improper storage facilities. An additional $48,600 is necessary to provide the Serial Record Division with 50-4"x6" file cabinets for the growth and reorganization of the serial record file and Copyright with 8 cabinets to provide for necessary expansion. The Music Division requests 44 flat files ($19,360) for the storage of instruments in the Dayton C. Miller Collection. The remaining $4,140 is needed for 12 tube files for the storage of architectural drawings in the Prints and Photographs Division.

Map cabinets ..... + $ 31,600

Of the total amount requested $31,075 is needed to provide 61 cabinets for Research Services (Geography and Map Division - 40; Prints and Photographs Division - 21) in order to relieve the congestion of overloaded drawers and to house architectural drawings currently stored improperly in boxes. The remaining $525 is needed to provide the Publishing Office with map cases to house art work and paste-ups which are presently stored on the floor.

Equipment and office machines .. + $ 52,200

Of the total amount requested $23,000 is required to replace equipment in the Central Services Division which is, in most cases, more than 15 years old and which have frequent and costly breakdowns; these include a folder, stitcher, tying machine and envelope sealer. Also requested are 31 replacement calculators and adding machines ($11,190) which have met replacement criteria and are in constant need of repair; and 70 additional calculators ($17,375) necessary for staff who do not presently have equipment and who must perform frequent statistical computations.

Audiovisual equipment ..... + $ 10,700

$10,000 is required for the replacement of 30 pieces of audiovisual equipment in the Orientation Theatre. The remaining sum is requested to provide a cassette recorder for the examination of Copyright phonorecords, which are presently being examined with borrowed equipment, and a light table for stripping and opaquing of negatives in the Central Services Division.

Exhibit equipment ..... + $ 5,000

The total amount requested is needed to replace exhibition frames which can no longer be economically repaired and to provide additional framing for continuing public exhibits.

Bookcase and shelf sections .... + $ 17,900

Of the total amount requested, $9,920 is needed to provide 22 replacement cases required by the Catalog Publication and MARC Editorial Divisions and for additional cases required to house materials in these Divisions. The remaining sum of $7,980 is required to provide 4 shelving units for the Copyright Office and 39 shelving units for the National Library Service for the Blind and Physically Handicapped (NLS/BPH) to accommodate new acquisitions and materials.

Maintenance equipment ..... + $ 2,000

The total amount requested is needed to provide replacement trash trucks which are no longer economically repairable.

Venetian blinds ..... + $ 6,600

The total amount requested is needed to provide replacement venetian blinds for the John Adams Building. Many of the present blinds have been in place since the opening of the building; they are unserviceable and beyond repair.

Materials handling equipment ... + $ 5,800

Of the amount requested, $5,175 is for an electric lift jack for loading NLS/BPH materials at the Taylor Street Annex Building. The remaining sum of $625 is needed to provide NLS/BPH with 2 hand trucks for materials handling activities.

Broadcast & film preservation equipment +$ 222,400

Of the total amount requested, $99,950 is needed to provide for the replacement of equipment necessary for the support of public events in the Coolidge Auditorium including the replacement of an audio and video recorder console purchased in 1973 and a lighting system necessary for video communications. An additional sum of $75,525 is necessary to provide for the replacement of 6 motion picture viewers and 3 motion picture rewind machines which are no longer serviceable. $25,600 is necessary for 13 pieces of microform equipment to accommodate the accelerated increase of materials being received in this form. 16 hydrothermograph recorders are needed ($8,000) to monitor temperature and humidity in 10 curatorial vaults. The remaining sum of $21,325 is requested for replacement of various pieces of worn-out equipment and to provide equipment needed for increased support requirements.

(b) Growing workload increases + $ 453,900

Increases are individually justified by category as follows:

Microfilm equipment ..... + $ 67,900

Of the total amount requested $31,640 is needed to provide 41 pieces for use throughout the Library. Included are: (1) 12 microfiche readers for the Congressional Research Service in order to research materials available only in microfiche format to permit direct Congressional and CRS staff access to these materials in the Congressional Reading Room; and (2) 12 readers to supplement existing equipment in Processing Services. An additional $16,330 is needed to provide: (1) 2 microfiche reader printers in the Copyright Information and Reference Division, (2) a microfilm reader/printer in NLS/BPH to facilitate and expedite the production of hard copy of materials for public use, (3) 8 microfilm/microfiche readers in the Copyright Office for conversion of materials from printed to microfilm/microfiche format, (4) 5 microfiche readers (Science and Technology Division - 4; Serial Record Division - 1) for servicing technical reports and for cataloging of serial titles, and (5) a microfilm reader to service microfilms in the new European Reading Room. $11,500 is required for two microfilm reader printers for the Geography and Map and the Prints and Photographs Divisions in order

to provide readers with microfilm prints for a fee. The remaining sum $8,430 is needed for equipment to store microfilm and microfiche.

Equipment and office machines .. + $ 43,700

$42,500 is required for the purchase of 10 OCLC terminals to meet processing requirements. The remaining amount is intended to provide four calculators for anticipated new personnel in the Copyright Licensing Division.

Audiovisual equipment ..... + $ 2,500

The total amount requested is to provide for photographic equipment for the cartography laboratory, a photographic light table for the Archive of Folk Song reading room, slide projectors for the potential increase of tour groups in the Prints and Photographs Division, and independent study use in the Staff Training and Development Office.

Exhibit equipment ..... + $ 54,300

The total amount requested is needed for the acquisition of hand tools required by the staff of exhibit technicians for their operations.

Work stations ..... + $ 16,300

The requested amount is to provide 34 wall-hung work surfaces ($4,300) (2 per organizational unit) and 480 wall-hung shelves ($12,000) in Congressional Research Service areas in the Madison Building. These surfaces are necessary for operational efficiency.

Maintenance office (Architect's Office)+$ 3,000

This request is for the provision of 5 drafting tables required by various maintenance offices in the Library.

Broadcast & film preservation equipment +$ 262,700

The recording and preservation of broadcast materials will require $94,000 for initial efforts in digital recording/playback equipment to create a more effective technique for the preservation and reference uses of the broadcast video and audio collection. Another $26,000 is to provide video recorder/controllers for the accumulation of edited broadcast material onto videotape.

To provide post-production inspection of converted nitrate film, 10 motion picture viewers are needed for use in the Madison Building ($108,000). To augment these, 4 power rewind machines ($20,700) and 2 film fault inspection machines ($14,000) are needed to verify the physical condition of film received from the Copyright Office, as gifts to the Library, and returned from loans for official functions.

Special function equipment ..... + $ 3,500

This request is for the provision of a directional speaker system to augment the present system which has limited scope and audibility.

(3) Furniture and Equipment - Overseas Offices .... + $ 31,800

(a) Current level increases ... + $ 30,800

Consistent with the Library's policy of furnishing residences of overseas staff, $15,000 of the requested amount is needed to replace furniture in Jakarta, Nairobi, Cairo, and Rio de Janeiro offices which, in many cases, is more than fifteen years old. $10,000 is required to replace the 5-year old office automobile which has met the replacement criteria. The remaining sum of $5,800 in required to provide a copying machine for the office in Rio de Janeiro which currently imposes on other agencies in the Consulate for photocopying service.

(b) Growing workload ..... + $ 1,000

This request is for provision of a microfiche reader required by the Nairobi office to scan National Union Catalog fiche. the office purchased a National Union Catalog set on fiche saving thousands of dollars over the hardbound cost and now requires a reader to utilize the fiche.

Question: You are requesting a total of $1,540,000 in fiscal year 1982 for furniture and furnishings. I note on page 168 of your justifications that you will spend $42,845 for the replacement of 27 file cabinets, which works out to about $451 per cabinet. You also indicate on page 169 of your justifications that you will spend $11,190 on 31 replacement calculators, which will cost an average of about $361 each. In making purchases of this sort do you go through the General Services Administration so as to get the best price? If not, what steps do you take to make sure that you get the best value for your money?

Answer: We always review the General Services Administration schedules for a determination of quality vs. price. When the schedule indicates a vendor which has historically provided a quality product we do take advantage of it. When the indication is such that the vendor and/or product has proven historically to be of inferior quality or service, we solicit a competitive advertisement for alternate sources. In this manner of analyzing GSA schedules at more than face value, we have often been able to realize substantially greater value per dollar spent.

The example of file cabinets is one of particular concern. Lateral file cabinets have not been on GSA schedule since 1978. This compels us to purchase such equipment commercially using competitive practice.

Question: You are requesting $94,000 under furniture and furnishings for initial efforts in digital recording/playback equipment to "create a more effective technique for the preservation and reference uses of the broadcast video and audio collection." Recent news accounts indicate that digital recording is quite expensive but represents a significant advance over traditional recording techniques. In view of the expense of the digital technique, why is it necessary to move into this area at a time of great pressure to cut federal spending? Will the use of digital recording techniques really make a significant difference in your ability to preserve the voices of the past?

Answer: It is the Library's perception that digital sound technology is here, and must be reckoned with. It is also strongly felt that digital technology represents the most promising direction for both superior sound reproduction for immediate use and for the practical preservation of sound recordings in permanent form. The Library's judgment is that a delay in entering this field will only result in higher costs, as the prices of equipment rise, and it is generally felt that there is no escaping the need to possess digital equipment simply to play recordings that will be supplied to the Library in the immediate future.

Because of the size (1,000,000+ recordings), variety of media, and high quality of the Library's recorded sound collections, it has been necessary for the Library's Recorded Sound Laboratory to take account of developing technologies in sound reproduction whenever these would benefit the users of the Library or when new technologies were perceived to be necessary to play back recordings with superior fidelity. Using commonly available storage media (tapes, for example) digital recording affords superior sound reproduction and the ability to precisely and accurately remove imperfections in a post-recording process. Preservation and playback copies of older recordings now can be made with significantly better sound quality, and this is an important benefit to researchers using the LC collections. Moreover, the direct recording of concerts and literary programs in the Library would be of infinitely higher quality using digital recording, to the benefit of a very large national radio audience.

It is foreseen that before long digital master tapes will arrive in the collections through copyright deposit or as gifts from the producers, and at that time it will be essential to have digital equipment on hand to make playback possible.

The most compelling reason to commence using digital storage of sound, however, is that by using optically scanned playback equipment (the MCA videodisc is one example), a truly permanent preservation medium for sound recording could be developed. Videodisc and related products are all based on digital recording, and they can be made of metals that are physically extremely stable. Since the currently widely used oxide-coated tape is notably impermanent, changing to discs would be a great benefit to future generations, and would utlimately reduce costs to the Library since expensive recopying of tape time and again is the only currently available means of securing collections against deterioration.

Finally, it does not seem that the costs of making (or even reproducing) digital sound recordings are significantly higher than using the analog technique. The principal cost appears to be in the equipment used, so that entering this field would not materially alter the Library's productivity once the equipment was on hand.

Question: You are requesting $1,018,600 for non-recurring furniture in fiscal year 1982 as compared with a current budget of $374,400. What could happen if we decided to give you the same amount we provided for the current year in making up your 1982 request and why is it necessary to almost triple your non-recurring furniture purchases in one year?

Answer: The 1982 request of $1,018,600 for the purchase of non-recurring furniture and equipment provides for $564,700 for current level needs and $453,900 for growing workload requirements.

In fiscal 1981 an amount of $374,400 was made available for current level needs only. If only this amount is provided for 1982, it will again be necessary to defer acquisition of the growing workload requirements identified in the request as well as $190,300 of our current level needs.

Question: On page 174, you seek $30,800 for furniture and equipment in overseas offices. Of that amount, $10,000 is to be used to replace a 5 year old automobile which has deteriorating metal. Please explain where this car is, why it is necessary in the first place, and why it must be replaced at a cost of $10,000. How many such autos do you have in the Library of Congress? Who gets the use of your autos?

Answer: Subsequent to the submission of the budget request, this vehicle was determined not to be needed.

The Library has 12 such automobiles in various offices: Nairobi - 2, Jakarta - 2, Rio - 1, New Delhi - 4, Karachi - 2, and Cairo - 1. All are under the direction of the Office Field Director and are used by the Director or field staff in the execution of official duties. One additional vehicle, located in Washington, D. C., is used to transport Library staff on official business in the metropolitan area.

March 20, 1981

The Honorable Mack Mattingly, Chairman
Legislative Branch Appropriations Subcommittee
U.S. Senate
Washington, D.C. 20510

Dear Senator Mattingly:

This letter is submitted on behalf of the American Library Association, a nonprofit educational organization whose 35,000 members are dedicated to the improvement of library service. We request that it be made part of the hearing record on FY 1982 appropriations for the Library of Congress. We are also concerned that adequate funding be continued beyond the expiration date of the FY 1981 continuing resolution to the end of the fiscal year, and that needed supplemental funding be provided.

The American Library Association wishes to express enthusiastic appreciation for Library of Congress' leadership, its foresight, and its facilitation of information access everywhere. We feel confident in expressing that same appreciation on behalf of library users: students, those who need basic survival information, those who yearn for knowledge, those just learning to read, business and professional persons, researchers, and those in public office; information is vital to us all.

Library services are today and will in the future be provided at the local level. Collections must be tailored to the needs of each library's own clientele, and access to and assistance in using those collections will vary accordingly. However, many bibliographic control functions need not be unique to each individual library. Most countries in the world have national libraries which perform these functions. The United States does not, but the Library of Congress, besides operating effectively in its role of service to Congress, has also traditionally served society as coordinator and leader of bibliographic control projects to which the Library and numerous other research libraries contribute and from which all libraries benefit. Should the Library of Congress become less comprehensive in its collections or less timely in providing bibliographic records for its resources, both Congress and the users of all the nation's libraries would suffer. The cooperative relationship which has existed throughout this century between the Library of Congress and the nation's libraries is the most efficient means of meeting twentieth century information demands and twentieth century economic realities.

The Library of Congress MARC cataloging system has made catalog cards and computer tapes available to libraries and library networks across the country. Although some original cataloging will always be required in other libraries for local resources and specialized materials, the cataloging demands have been lightened tremendously. At Atlanta Public Library, approximately 64 percent of the books cataloged are cataloged with MARC data to which they subscribe. Since the Library of Congress would be cataloging the books regardless of use by other libraries, this data sharing maximizes the effectiveness of the work done by the Library's specialists while also bringing revenue to the Library of Congress from subscribers. Librarians at the local level are then freed for service to patrons which only they can provide.

The CONSER computerized periodical locator service at the Library of Congress provides information as to where certain resources are located. This has a dual

value. First, in Atlanta Public Library, for instance, it gives the user information as to the nearest place to get the tool required. Second, it reduces the demand on the resources of the large libraries a user would turn to if he or she didn't know of a more convenient alternate location. The Atlanta Public Library user who would turn to Howard University for interlibrary loan of a specific work might discover through CONSER that the same work was located at Georgia Tech. Again, better information organized by the Library of Congress allows for the more efficient use of resources nationwide at the local level.

The Library of Congress Division for the Blind and Physically Handicapped is, of course, well-known for its work. The Division makes tapes of books and periodicals of every kind and provides recorders to the disabled thereby opening whole worlds of information previously closed to the handicapped. Making the tapes centrally through the Library of Congress and distributing them through the local libraries is more efficient, more effective, and allows handicapped people to have access to a much broader range of information than could otherwise be made available.

Filmmakers in Atlanta, especially minority filmmakers, have discovered the unique resources of LC's film and photograph collections. They depend on the Library as a storehouse of historical information and as the institution for the preservation of the films made. These artists are dependant for their source materials on libraries. Local works are available at Atlanta Public Library, but the national storehouse is the Library of Congress. Atlanta users are enthusiastic about the film resources they find -- whether by a trip to Washington or over the telephone with the extremely helpful and knowledgeable LC staff. We strongly support the request by the film division for increased staff to improve access.

ALA also supports the request for temporary staff to undertake an inventory of the LC collection in its move to the new Madison Building. Business concerns which maintain large numbers of items on hand find inventories a necessity. Although most libraries are not able to take inventory as often as they should, it is even more of a necessity, for unlike most businesses, libraries are constantly moving items out of inventory for use and then back in again. The Library of Congress will never be able to take inventory at less cost than in the course of a move to the new building. The added space plus an inventory would once more put the Library on top of its collections and vastly improve access to its materials, both for Congress and for members of the general public. This is one of the main reasons the new building was built. Now, in order to complete the effort and insure that maximum value is gained from the investment, the building must be staffed adequately, including temporary staff for an inventory.

Finally, there is the value of the Library of Congress as a library; it is a phenomenal source of information, a national treasure. It stands simultaneously as a national memory and tribute to history and a starting point, a threshold through which the future will unfold. Here, dreams are dreamt, research is done to test feasibility, and dreams become reality. At the Library of Congress and other national repositories of information, the future is formed. The money invested today in developing projects at the Library of Congress will have positive impacts 50 and 100 years from now. It is through investments such as these that America's future as a world leader is insured. The American Library Association has passed a resolution supporting adequate funding for the Library of Congress which is attached to this letter along with comments from librarians across the country. ALA strongly supports the Library's $197,611,000 budget request for fiscal 1982 as an investment in facilitating efficient information service at the local level across the country, as a continuation of the monumental work already underway, as the minimum needed for service to Congress, and as an investment in the future of America.

Thank you for this opportunity to testify on behalf of the American Library Association in support of adequate appropriations for the Library of Congress.

Sincerely,

Eileen D. Cooke
Director
ALA Washington Office

LIBRARIANS COMMENT ON LIBRARY OF CONGRESS SERVICES

Librarians from across the country have written concerning the importance of the support services provided by the Library of Congress to their own library operations and to improved access by their users to needed information and materials. A sampling of their comments follows:

CALIFORNIA - The Library of Congress serves an important leadership role on the national level. It is a vital link in providing bibliographical services and resources in support of state and local programs. The continuation of LC programs such as conservation research, network development, and shared cataloging are essential. As California builds its statewide database which provides access for its citizens to the vast resources held in the state and the rest of the country, we will rely heavily on MARC tapes.

CALIFORNIA - Library of Congress services are the well-spring of information delivery in the nation. Programs like shared cataloging are indispensable to California's academic libraries.

CONNECTICUT - As a supervisor of library media programs in an urban district we have need of the support we receive from the Library of Congress. The cataloging service alone is of high importance to our staff. We access a good deal of LC's cataloging through the OCLC network, and to cut back on LC's participation would be a great hardship.

ILLINOIS - (from the American Library Trustee Association, a division of the American Library Association) While we know that the Library of Congress is not a "national library" per se, to those of us in the nation's library community, it functions as the vital hub of a national information network. It is, also, a library of last resort. When one of your constituents needs a book held only by LC, he or she does not examine the legislative mandate or funding level of that singularly important institution, but is enormously grateful for being able to obtain said book. It is because of this, and because of the other essential services performed by LC, such as its cataloging functions, its research facilities, and its service to the blind and physically handicapped, that we urge you at the very least to maintain the current funding level of federal support.

MASSACHUSETTS - The Library of Congress provides many vital services to libraries of all kinds through their cataloging, acquisitions, interlibrary loan, and specialized services. The ability of libraries to support an adequate level of service in the face of double-digit inflation and increasing demands for service is affected substantially by their being able to act cooperatively. This university library not only utilizes cataloging information created by LC but also contributes records that are distributed by the Library of Congress for the use of many other libraries. This shared cataloging system is one of the cornerstones of the national network of libraries.

NORTH CAROLINA - Citizens from all over the country told Congress how important the Library of Congress is to the dissemination of information in this country at the recent White House Conference on Library and Information Services. Have you considered how much the LC saves our country and other libraries by taking a leadership and coordinating role in locating, organizing, and disseminating information?

OHIO - Since the beginning of the century, the Library of Congress has provided the nation's libraries with a wide range of cataloging and other support services essential to efficient and cost-effective operations and the reduction of unproductive duplication of effort. The effects of significantly diminished appropriations for LC's operations would be felt across the country, as school, public, college, and university libraries --hard-pressed by inflation and devaluation of the dollar -- would come to find LC services slowed, reduced in scope, or cancelled.

RESOLUTION ON FUNDING FOR LIBRARY OF CONGRESS

WHEREAS, the Library of Congress in serving the vast information needs of the U. S. Congress, performs many functions that are also vital to the library and research communities of the nation; and

WHEREAS, the nation's libraries rely heavily on the services provided by the Library of Congress for support of their technical operations, including bibliographic and authority records, allowing them to process their vast amount of materials more economically and rapidly; and

WHEREAS, rapid, efficient access to educational materials is critical to the research and development activities of the nations; and

WHEREAS, the nation's libraries provide an ever-increasing amount of vital, up-to-date information to the academic and research communitites and to the general public through various resource sharing programs that are facilitated by the activities of the Library of Congress; now

THEREFORE BE IT RESOLVED that the American Library Association urge that the Congress recognize the critical role of the Library of Congress in facilitating and expediting access to the nation's information resources, so vital to the advancement of research, scholarship, and development of the country's economic growth, private enterprise system, and social well-being; and

BE IT FURTHER RESOLVED that Congress sufficiently fund the programs of the Library of Congress so that the Library of Congress can continue to develop its vital resource sharing activities with the rest of the nation's libraries and information centers, as well as continue to fulfill its mission of service to Congress.

Adopted by the Council of the
American Library Association
Washington, D. C., February 4, 1981

March 20, 1981

The Honorable Mack Mattingly, Chairman
Legislative Branch Appropriations Subcommittee
U. S. Senate
Washington, D.C. 20510

Dear Senator Mattingly:

This letter is submitted on behalf of the American Library Association, a non-profit educational organization whose 35,000 members are dedicated to the improvement of library service. We request that it be made part of the hearing record on appropriations for the Government Printing Office; we are specifically addressing the FY 1982 budget request for the Office of Superintendent of Documents and the FY 1981 supplemental request.

FY 1982 Appropriation. Because of our intimate knowledge of the usefulness of government publications and our belief that the citizenry should have access to materials produced at public expense, we support the budget request of $29,279,000 for GPO's Superintendent of Documents. One of the SuDocs functions is to distribute materials to libraries designated as depositories for government publications. It may be useful to review briefly how this depository system works.

Title 44 of the U.S. Code requires that government publications (except for classified materials and those "required for official use only or for strictly administrative or operational purposes which have no public interest or educational value") be made available to depository libraries through SuDocs for public information. Government agencies must provide SuDocs with a monthly list of publications issued (including those obtained from sources other than GPO, in which case the issuing agency pays the costs of the additional copies needed).

Most depository libraries are designated by Members of Congress (each Representative and Senator may designate two depositories); in addition, libraries of the highest state appellate court, federal executive agencies, armed forces academies, land-grant colleges, and state and law school libraries are eligible. Of the over 100,000 libraries in the U.S., about 1,300 are designated depository libraries.

Depository libraries must meet certain conditions, including being easily accessible, making government documents freely available to the general public, and properly maintaining and servicing the collection. No more than two libraries in each state are designated as regional depositories which have additional responsibilities to retain one copy of all government documents made available and to provide interlibrary loan, reference service, and assistance for regular depositories in their

region. All other depository libraries are selective depositories; they choose from a classified list of series and groups of publications those which best meet the needs of their users, subject to space and service limitations. The average number of libraries which choose a particular depository item is from 300 to 400.

From the statistics given, it can be seen that the depository system provides a bare minimum of public access across the country to those publications produced at taxpayer expense. It is a cooperative system with costs distributed among the issuing agencies, the Government Printing Office, and the individual libraries and the institutions and local and state governments of which they are a part. The publications themselves range from the basic documents about federal government activity such as the Congressional Record, the Federal Register, and Supreme Court decisions, to pamphlets on infant care and energy conservation, to multi-volume census reports and technical publications. They are used heavily by the public and require a major commitment from depository libraries in terms of staff needs, space and equipment costs, and access tools.

A recent study by Sandra Faull, "Cost and Benefits of Federal Depository Status for Academic Research Libraries," provides some useful statistics. While nearly 100 libraries were surveyed, a sample of four university libraries was studied in detail. Among the findings are the following:

	Yale Univ.	Duke Univ.	Penn State	Univ. of N. Mexico
Percentage of depository Library selection received	97%	85%	98%	100% (regional)
Number of staff working with government documents	10	8	21	4.5
Shelf space in linear feet for federal documents	12,182	20,448	9,000	11,820
Number of depository items received in 1978	24,245	29,551	50,000	30,000
COSTS* - includes salaries, space & equipment replacement, orientation & instruction, commercial reference tools, etc.	$581,325	$461,120	$701,134	$263,117
BENEFITS - 1) estimated cost to order depository items individually in 1978	$121,225	$147,755	$250,000	$150,000
BENEFITS - 2) estimated purchase price of depository items in '78	$ 20,608	$ 25,118	$ 42,500	$ 25,500

* Represents a start up cost rather than an annual cost. Space and equipment costs, for instance, would depreciate over a period of years while staff costs are fixed.

For the federal government, the depository library program is a bargain. We strongly urge the subcommittee to provide the full amount requested to enable GPO to comply with the law, and to provide convenient access in every state to government-produced information.

FY 1981 Supplemental. The American Library Association also supports the FY 1981 supplemental request of $2,562,000 to cover increases in workload in both the depository library distribution and the cataloging and indexing programs, for the following reasons:

1. The funds are needed to comply with the statutory requirements of Title 44 of the U.S. Code.

2. The increased workload does not necessarily mean that agencies are publishing more; it is mainly due to GPO's greater efficiency in achieving compliance with the law. As an example, the very useful publications of the Department of Energy's Technical Information Center at Oakridge, Tennessee, were not formerly being sent to GPO.

3. One of the major projects which would be partially funded by the supplemental is duplication of the microfiche version of the General Accounting Office's Legislative History File. This primary reference tool for legislative history contains some items scattered elsewhere, but contains many clippings and memoranda not otherwise available, and as a collection of legislative history materials, is unprecedented. About 350 depository libraries have elected to receive this collection of 43,000 microfiche. Should the file not be duplicated for depository libraries, the materials would be available only at GAO and the Library of Congress. Duplication of this collection would provide increased use of a valuable resource and deflect inquiries and their associated costs from LC and GAO.

4. In a cooperative effort between the Library of Congress and GPO to avoid duplication of effort, GPO has become the authority on cataloging of government documents. Its cataloging data is entered into the MARC data base, which many depository libraries access through the OCLC, Inc. automated library network. Other libraries and many users gain access to bibliographic information about government documents through GPO's Monthly Catalog of U.S. Government Publications. For several years there has been a cataloging backlog. This means that depository libraries receive documents but have no access to them for as long as six months. Even the OCLC data lags behind, although not as badly. GPO is taking steps to correct this, including increased automation and the application of in-house systems. Without the supplemental funding, these efforts to achieve greater productivity and clear up the backlog would be delayed.

5. The American Library Association's strong support for the supplemental request is indicated by a resolution passed by the ALA Council on February 4 at its Midwinter Meeting in Washington, D.C.:

> MOVED that the American Library Association urge that Congress support the supplemental funding request for the Government Printing Office to provide funds to cover increases in workloads in the Depository Library and Cataloging and Indexing programs of the Government Printing Office.

In conclusion, we wish to express our appreciation for this opportunity to present our views to the Subcommittee on Legislative Branch Appropriations. As the public's window on government, the American Library Association considers the effective and efficient operation of the Government Printing Office a high priority on Congress' agenda.

Sincerely,

Eileen D. Cooke
Director
ALA Washington Office

GOVERNMENT PRINTING OFFICE

STATEMENT OF SAMUEL L. SAYLOR, ACTING PUBLIC PRINTER

ACCOMPANIED BY:

ROBERT J. McKENDRY, ACTING DEPUTY PUBLIC PRINTER
WALTER C. DeVAUGHN, ASSISTANT PUBLIC PRINTER FOR MANAGEMENT AND ADMINISTRATION
CARL A. LaBARRE, ASSISTANT PUBLIC PRINTER, SUPERINTENDENT OF DOCUMENTS
ALLEN R. VOSS, COMPTROLLER
W. SCOTT SONNTAG, SUPERINTENDENT, CONGRESSIONAL INFORMATION DIVISION
VINCENT F. ARENDES, ASSISTANT COMPTROLLER FOR BUDGET AND MANAGEMENT

1981 APPROPRIATION AND 1982 BUDGET REQUEST

Senator MATTINGLY. Our next witness will be the Acting Public Printer, Mr. Samuel L. Saylor.

The Government Printing Office is requesting a total of $125,017,000 for fiscal year 1981 and a total of $162,177,000 for fiscal year 1982, an increase of $37,160,000 over fiscal year 1981 levels.

PREPARED STATEMENT

Mr. Saylor, why don't you introduce your associates for the record and proceed with a summary of your opening statement. Your full statement will be included in the record.

[The statement follows:]

Statement of Samuel L. Saylor

The funds requested for fiscal year 1982 for the Government Printing Office aggregate $162,177,000. This amount consists of $91,218,000 for Congressional Printing and Binding; $19,380,000 for Printing and Binding authorized by law to be distributed without charge to the recipient; $29,279,000 for the various programs of the Office of the Superintendent of Documents; and $22,300,000 for Acquisition of Site and General Plans and Design associated with the proposed construction of a new Government Printing Office building. In addition, we are requesting a program supplemental of $2,562,000 and a $405,000 pay raise supplemental for fiscal year 1981 for the Superintendent of Documents.

The requests for the Congressional Printing and Binding and Printing and Binding appropriations provide for the estimated increase in the volume of Congressional printing workload and the inflationary rise in the costs of labor and materials. These increases have been partially offset by cost reductions which will occur as a result of actions taken by this Committee, as well as other actions GPO management has taken and will take to improve productivity through increased utilization of automated equipment and improved management practices.

The amount requested for Congressional Printing and Binding for fiscal year 1982 is $8,818,000 more than our approved budget for fiscal year 1981, or a 10.7 percent increase. Included in our estimates is approximately $1.8 million for reprinting the U.S. Code. The U.S. Code is reprinted in its entirety every 6 years and the fiscal year 1982 edition of the Code will be produced using for the first time an automated method for the typesetting phase. The estimated savings for this project because of changes in technology are about $550,000 and have been factored into our fiscal year 1982 request. In addition, approximately $1 million has been eliminated from this appropriation for the U.S. Code due to action taken by the Joint Committee on Printing to require agencies in the Executive and Judicial Branches of the Government to pay for copies they request.

The remaining increase is attributable to increased volume of House and Senate Business Calendars and an overall 6 percent rate increase. We are able to project a rate increase of about 6 percent because our estimates have been reduced to provide for anticipated productivity gains and other cost reductions.

For instance, the fiscal year 1982 Congressional Record program estimates have been reduced $140,000 to take into account the anticipated savings to be derived from the conversion of the House and Senate proceedings to photocomposition. The first step in the transition of the Congressional Record to photocomposition began in January 1980 when the Extensions of Remarks section was photocomposed. We began photocomposing the House of Representatives proceedings with the first issue of the Congressional Record for the 97th Congress and plan to incorporate the Senate proceedings in January 1982.

Also, all bills, resolutions and amendments were photocomposed in fiscal year 1980. We have factored an additional reduction of $300,000 into our fiscal year 1982 estimates to provide for the page rate savings resulting from this conversion.

For hearings, the largest category of Congressional Printing and Binding work, we have reduced our fiscal year 1982 estimates $1.2 million in anticipation of savings to be derived from increased submission of magnetic tape in lieu of hard copy manuscript. We are constantly working with the House Information Service and staff personnel of the House and Senate committees to utilize, wherever possible, the less expensive magnetic tape process for printing their hearings material.

The amount requested for Printing and Binding, which is not directly related to the Congress, is $3,130,000 more than our approved budget for fiscal year 1981, or a 19.2 percent increase.

Approximately $2.4 million of the increase is attributable to the Congressional Record program. The fiscal year 1982 volume for the daily Record is estimated at 45,500 pages or an increase of 6,500 pages over fiscal year 1981. This represents a $2.2 million or a 16.7 percent increase. The estimated rate increase is approximately $200,000 and is net of anticipated productivity gains of $400,000 which is due to converting the entire Congressional Record to photocomposition.

PRODUCTIVITY IMPROVEMENTS

Let me now briefly mention several actions that have been taken which contributed to increased productivity at the Government Printing Office.

Productivity improvements were given a high priority in fiscal year 1980 and we were able to handle more work with fewer people than in the previous year. As of September 30, 1980, there were 6,891 employees on the rolls, which is a decrease of 335 from the previous year. This total is approximately the number of people employed by GPO in 1962. From a high point of 8,527 employees in 1972, GPO employment has steadily decreased to its present level. Much of this reduction has been made possible by the conversion from the hot metal process in setting type to electronic photocomposition and this conversion has been achieved to date with a minimum adverse effect on our people.

The consolidation of several of our operations will achieve increased productivity and reduced costs in fiscal years 1981, 1982, and beyond. The consolidation of the prepress proofroom is scheduled to be completed and in operation early this year. Consolidation of all prepress control and scheduling operations will contribute to a more efficient workflow, especially with respect to the overnight production of the Congressional Record. The orderly merger of the offset and letterpress operations resulted in an increase in printed pages with a reduction in makereadies, impressions, and manpower. The 8-page forms previously printed on letterpress equipment are now produced in multiples of up to 32 pages on offset presses.

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A new consolidated warehouse facility was obtained and occupied in December 1980 for paper and materials which should reduce equipment requirements, optimize the utilization of storage space, and improve inventory control.

In fiscal year 1980, we continued to modernize our capital equipment. In May 1980 an IBM 3033 central processing unit was installed. This will enable GPO to continue to meet the increased storage and processing capability demanded by the expansion of on-line systems in the areas of procured printing, distribution and sale of publications, inventory control, and financial data.

Two new 50-inch web offset presses are in the process of being installed and should be operational early this year. These presses will provide more flexibility and economy in producing Congressional work.

We are proceeding in our efforts to modernize and automate the Congressional Record Room equipment in order to adhesive bind and mail the Record and Federal Register as proposed by us and approved by the Joint Committee on Printing. We are currently awaiting contractor responses to our solicitation for Requests for Technical Proposals which are due in March. If we receive favorable responses we could go out with a formal Solicitation for Bid as soon as May 1981. However, we are still 2 years away from the complete implementation of this project.

In fiscal year 1980 we continued our efforts in converting work for the Executive departments to electronic photocomposition. Major publications converted last year included the Economic Report of the President and the Statistical Abstract of the United States. A system was also developed for updating the Code of Federal Regulations, whereby, the entire full text data base containing approximately 400 million characters is now on-line and available for immediate processing.

During fiscal year 1980, GPO personnel through their review of and recommendations on customer agencies' printing requisitions realized over $600,000 savings in printing costs which were passed on to the customer agencies.

SUPERINTENDENT OF DOCUMENTS OPERATIONS

I would now like to address the operations of the Superintendent of Documents. These operations can be categorized into three major sources of funding. They are:

1. The Salaries and Expenses Appropriation for which we were requesting an appropriation of $29,279,000 for fiscal year 1982, and which represents 29 percent of the total Documents operating budget estimates. I will discuss our revised estimate for this appropriation in just a moment.

2. Revenue generated by the sale to the public of Government publications produced by or through the Government Printing Office which accounts for 61 percent of the total cost of the Superintendent of Documents operations. The estimated cost for this program in fiscal year 1982 is $62,552,000.

3. The remaining 10 percent of the operating costs is financed by direct reimbursement from the customer agencies for mailing and distribution services. The fiscal year 1982 estimate for these services is $10 million.

SALARIES AND EXPENSES APPROPRIATION

The amount we are requesting for the Salaries and Expenses Appropriation for fiscal year 1982 is $28,960,000, after reducing our initial request by $319,000. The subscription price of the Congressional Record does not fully recover its costs and our fiscal year 1982 budget request included $709,000 to cover the anticipated subsidy for this publication. This request is now $319,000 too high because of the recent action taken by the Joint Committee on Printing to increase the subscription price of the Record from $75 to $135 per year. Accordingly, our revised request for this appropriation is an increase of $2,593,000 or 10 percent over the fiscal year 1981 approved budget adjusted for the proposed program and pay raise supplementals.

The fiscal year 1981 pay raise supplemental request of $405,000 represents that portion of the October 1980 pay increase which cannot be absorbed by administrative actions. Our justification package also includes a fiscal year 1981 program supplemental for $2,562,000. This supplemental is necessary to cover unanticipated increases in workload as a result of increased compliance with the law by Federal agencies to provide copies of their publications for distribution to depository libraries and for inclusion in the Monthly Catalog of U.S. Government Publications.

The four programs of the Salaries and Expenses Appropriation are:

1. The Congressional Record Handling Program which subsidizes the handling and distribution costs not recovered from the sales revenue of the Congressional Record. This program is now estimated to cost $390,000 in fiscal year 1982.

2. The Depository Library Distribution Program which finances the distribution of Government publications to designated depository libraries. This program is estimated to cost $22,314,000 in fiscal year 1982.

3. The By-Law Distribution Program which provides for the mailing of certain Government publications for Members of Congress and other Government agencies in accordance with specific provisions of law. This program is estimated to cost $2,847,000 in fiscal year 1982.

4. The Cataloging and Indexing Program which provides for the compilation and publication of catalogs and indexes of Government publications. This program is estimated to cost $3,109,000 in fiscal year 1982.

In addition to the four programs stated above, the Superintendent of Documents requests $300,000 as a contingency fund for use only to the extent necessary to provide for expenses (excluding permanent personal services) for workload increases not anticipated in the budget estimates and which cannot be provided for by normal

budgetary adjustments. This fund can only be used with my express approval.

The increase in the fiscal year 1982 estimates over fiscal year 1981 is almost entirely for the Depository Library Distribution and the Cataloging and Indexing Programs. The largest increase is in the cost of publications distributed to depository libraries which is estimated to exceed fiscal year 1981 by $2 million or 14 percent. This increase is the result of a combination of two factors. The number of depository libraries is expected to increase to nearly 1,380 in fiscal year 1982 from the present level of 1,344 while the number of titles distributed is estimated to increase 57 percent to a record total in excess of 91,000 from the fiscal year 1980 total of 58,000. We will continue our efforts to convert as many titles to our micropublishing program in order to benefit from the lower production and distribution costs associated with handling and processing microfiche.

The increase in titles also has a direct effect on the workload of the Cataloging and Indexing Program. As a result of this increase, and coupled with the added GPO responsibility for Federal documents cataloging, we have estimated a $400,000 increase to the Cataloging and Indexing Program to cover the expanding workload.

SALES OF PUBLICATIONS PROGRAM

The second major source of funding for the Superintendent of Documents is his sales program. The purpose of the sales program is to make the vast quantity of information published by the Federal Government more accessible to the general public. As indicated before, the sales program is estimated to cost in excess of $62 million in fiscal year 1982. I am pleased to report that no publications in this program, except for the Congressional Record, require an appropriation from the General Fund in fiscal year 1982.

In fiscal year 1980 the total sales revenue for this program showed a 14 percent increase over fiscal year 1979 as sales exceeded $48 million. This increase was a result of a more aggressive marketing approach through advertising and closer cooperation with the publishing agencies. Bookstore sales increased nearly 16 percent in fiscal year 1980.

While sales were showing a substantial increase, we were able to hold our increase in operating costs to 6 percent over the prior year. A significant factor in reducing our costs was the renovation of mailing facilities at our distribution centers in order to realize the postage savings inherent in the third class bulk sort rates. We cut postage costs $700,000 during fiscal year 1980 and hope to utilize this same approach to keep pace with proposed postage increases in fiscal years 1981 and 1982.

REIMBURSABLE PROGRAMS

The Superintendent of Documents also provides mailing and distribution services to other Government agencies on a reimbursable basis. For fiscal year 1982 this service is estimated to generate approximately $10 million in reimbursable fees. The most noted of

these services is the distribution of free Consumer Information publications we perform at our Pueblo Distribution Center for the General Services Administration. In fiscal year 1980 we handled more than 3.9 million orders and mailed over 27 million publications at a cost of nearly $4.8 million to GSA.

NEW GPO BUILDING

Our request includes an estimate for acquisition of site and general plans and design of the new GPO plant. The estimate of $22,300,000 is the latest estimate of the General Services Administration and represents an increase of $1.4 million over our 1981 appropriation request due to escalating costs. I have sent a letter to the Chairman of the Senate Environment and Public Works Committee to solicit his support for the prompt consideration of our building project. In view of the escalating costs for each year the project start is delayed, we are hopeful that the Senate Committee's approval will be received prior to mark-up of the Legislative Appropriation Bill.

ACQUISITION OF ADJACENT LAND

We are also seeking authority to spend revolving fund money as necessary to acquire property adjacent to the present GPO plant. GPO originally received a $4.6 million appropriation for this purpose in November 1973. However, since that time the estimated purchase price of the land has increased so that the excess of the acquisition cost over the $4.6 million must be funded. We have chosen to seek the authority to use revolving fund cash in lieu of requesting an additional appropriation from this Committee. There are several reasons why we feel the acquisition of this property should be made at this time.

The D.C. Government, as a result of the fiscal restraints it has encountered, has expressed to us its desire to raise funds by selling this land. They have offered us the option to purchase this property and if we should not exercise our option at this time, they may sell the land to a commercial buyer with the result that the land could be lost to GPO forever.

By acquiring this property, we would keep the facilities that are located on this leased land. At present, our loading docks and box shop are on part of the leased property. If the new building becomes a reality, these operations could remain in place during the interim years before occupancy of the new facilities. Even more important, if the new building does not materialize, this land would offer us the flexibility to realign some of our present operations.

In any event, the Government cannot lose through this acquisition since this is a property in a prime location and we have assurances of favorable resale conditions should it become excess to the needs of the Federal Government.

JCP/GPO JOINT STUDY

Lastly, let me briefly discuss a provision in the Committee report which accompanied the Legislative Branch Appropriations Bill of

1981 wherein it was suggested that the Joint Committee on Printing, together with GPO, study the problem of controlling redundant and duplicative printing through increased monitoring.

I am pleased to report that during fiscal year 1980 we have, in cooperation with the JCP, initiated a procedure to review hearing and committee print copy for duplicative material prior to printing.

Any redundant material that is found is returned to the Committees with the notation "not acceptable for printing; previously printed at Government expense." GPO personnel detailed to Congress have been notified of this procedure and have been requested to bring it to the attention of staff personnel when receiving "previously printed" material. In the event of committee staff insistence on submitting the material, our employees have been instructed to submit it and then notify us; we, in turn, extract the material and return it as noted above.

This concludes my general statement and I will be glad to respond to any questions the Committee might have.

INTRODUCTION OF ASSOCIATES

Mr. SAYLOR. Thank you, Mr. Chairman.

On my immediate right is Robert J. McKendry, who is the Acting Deputy Public Printer. Seated next to him is Carl A. LaBarre, who is the Assistant Public Printer and Superintendent of Documents. On my left is Walter C. DeVaughn, who is Assistant Public Printer for Management and Administration, and on the end is Allen R. Voss, who is the Comptroller. Seated behind me is W. Scott Sonntag, who is Superintendent of the Congressional Information Division, and Vincent F. Arendes, who is Assistant Comptroller for Budget and Management.

Mr. Chairman, I have submitted a full statement for the record, and with your permission I have a short summary.

TOTAL 1982 BUDGET REQUEST

Mr. Chairman, we are requesting a total of $162,177,000 for fiscal year 1982 for those programs which require appropriations directly to the Government Printing Office.

The program items include $91,218,000 to cover all of the printing and binding required by the Congress. It also includes $19,380,000 to cover all printing and binding authorized by law to be distributed without charge to the recipient.

There is also a request for the Office of the Superintendent of Documents for distribution of publications to depository libraries, distribution for Members of Congress, and cataloging and indexing of Government publications. This program was initially estimated to cost $29,279,000. However, the recent action by the Joint Committee on Printing in raising the subscription price of the Congressional Record has caused us to revise this estimate downward to $28,960,000. In addition, we are requesting $22,300,000 for site acquisition and building design.

The amount requested for congressional printing and binding for fiscal year 1982 is about $8.8 million more than the amount approved for fiscal year 1981. However, approximately $1.8 million of this increase is

for reprinting the United States Code. This occurs only once every 6 years.

Therefore, excluding the reprinting of the United States Code, the 1982 request is only about 9 percent over the amount approved for fiscal year 1981.

PRINTING AND BINDING

The overall increase in our 1982 budget request for congressional printing and binding is attributable to the increased volume of printed material, which accounts for about 3 percent of the increase, and an overall 6-percent rate increase. We are able to project a rate increase of only 6 percent because our estimates have been reduced to provide for anticipated productivity gains and other cost reductions.

The amount requested for printing and binding which is not directly related to the Congress is $3,130,000 more than our approved budget for fiscal year 1981. Approximately $2.4 million of the increase is attributable to the Congressional Record program. The fiscal year 1982 volume for the daily Record is estimated at 45,500 pages or an increase of 6,500 pages over fiscal year 1981. This represents a $2.2 million or a 16.7-percent increase. The estimated rate increase is approximately $200,000.

REQUESTS OF THE SUPERINTENDENT OF DOCUMENTS

I would now like to address the programs of the Superintendent of Documents, salaries and expenses appropriation.

Our revised request for fiscal year 1982 represents an increase of $2,593,000, or 10 percent over the fiscal year 1981 approved budget adjusted for the proposed program and pay raise supplementals.

The increase is almost entirely for the depository library distribution and the cataloging and indexing programs. The largest increase is in the cost of publications distributed to depository libraries which is estimated to exceed fiscal year 1981 by $2 million.

Our justification also includes supplemental requests for fiscal year 1981. The fiscal year 1981 pay raise supplemental of $405,000 represents that portion of the October 1980 pay increase which cannot be absorbed by administrative actions. The fiscal year 1981 program supplemental for $2,562,000 is necessary to cover unanticipated increases in workload as a result of increased compliance with the law by Federal agencies to provide copies of their publications for distribution to depository libraries and for inclusion in the monthly catalog of U.S. Government publications.

PROPOSED CONSTRUCTION OF NEW GOVERNMENT PRINTING OFFICE

Included in our request is $22,300,000 for the acquisition of site and general plans and design associated with the proposed construction of a new Government Printing Office. We have not received the necessary authorization from the Senate Environment and Public Works Committee. However, I am asking that the Appropriations Committee consider this request in the event we receive necessary authorization before markup of the Legislative Branch Appropriations Act for 1982.

PROPERTY ACQUISITION

We have also requested authority to spend revolving fund money as necessary to acquire property adjacent to the present Government Printing Office plant. The Government Printing Office originally received a $4.6 million appropriation for this purpose in November 1973. However, preoccupation with our new building plans and the lack of any urgency to buy the land from the D.C. Government resulted in a postponement of this acquisition and, in the interim, the price has increased. However, by using the revolving fund no additional appropriation is required.

The D.C. Government, as a result of its fiscal problems, has expressed to us its desire to raise funds by selling this land. They have offered us the option to purchase this property and if we should not exercise our option at this time, they would probably sell to a commercial buyer with the result that the land could be lost to GPO forever. By acquiring this property, we would keep the facilities that are located on this leased land. At present, our loading docks and box shop are on part of the leased property. If the new building becomes a reality, these operations could remain in place during the interim years before occupancy of the new facilities. Even more important, if the new building does not materialize, this land would offer us the flexibility to realine some of our present operations.

In any event, the Government cannot lose through this acquisition since this is property in a prime location and we have assurances of favorable resale conditions should it become excess to the needs of the Federal Government.

Mr. Chairman, this concludes the summarization of my general statement. I will be most happy to answer any questions that you have.

FUNDING FOR NEW POSITIONS

Senator MATTINGLY. Thank you.

As you know, I asked each witness before these proceedings to provide an analysis of the actions that could be taken to accommodate both a 10- and 20-percent reduction in fiscal years 1981 and 1982 of every agency under the subcommittee's jurisdiction, and I want to compliment you on the superb job you did in response to this question.

I think we covered part of this, but does your budget request include funding for any new positions?

Mr. SAYLOR. No, sir.

Senator MATTINGLY. But some temporary positions?

Mr. VOSS. Yes, sir; we have an increase in the appropriation of about three people and about the same in terms of staff years that would be used throughout the Government Printing Office.

Mr. SAYLOR. Mr. Chairman, may I present for the record or the committee's use a trend chart that will show the employment picture at the Government Printing Office. I feel the committee may find it interesting.

Senator MATTINGLY. I think we already have that.

Mr. SAYLOR. I don't believe you have it in this graphic form. What you are looking at is the overall employment picture at the Government

Printing Office. We are on a downward trend and it will continue through this fiscal year. I feel we will lose a few more positions in 1982, and then it will probably level off.

REVOLVING FUND

Senator MATTINGLY. I would like to ask you some questions about the revolving fund.

Mr. SAYLOR. With the chairman's permission, Mr. DeVaughn is going to handle the revolving fund.

Senator MATTINGLY. First, I notice the amount projected is something like $826 million in receipts in fiscal year 1982.

Mr. DEVAUGHN. Yes, sir.

Senator MATTINGLY. You are projecting your expenses to equal your revenues. How does that revolving fund work?

Mr. DEVAUGHN. It is used as a form of interim financing. Basically we don't spend the money until we earn it; as the name implies, it revolves. For every dollar that goes out, one comes in. So we use the revolving fund to finance the work we do for the various executive agencies and work we do for Congress. When the work is completed, we bill the appropriate agency. We bill the executive agencies for their jobs and bill the congressional appropriations for the work done for the Congress.

Senator MATTINGLY. Are you the one responsible for reviewing all that?

Mr. DEVAUGHN. Within the Government Printing Office, the Comptroller and myself and the Public Printer. But are you speaking about outside review or just internal?

Senator MATTINGLY. Just internal.

Mr. DEVAUGHN. Internally, yes, sir.

Senator MATTINGLY. How many people are funded under this?

Mr. DEVAUGHN. Everyone in the Government Printing Office is funded by the revolving fund because that is how operations are initially financed and then we get reimbursed. It would be about 6,500 people.

Senator MATTINGLY. It is roughly the same for 1981 and 1982?

Mr. DEVAUGHN. Yes, sir.

Senator MATTINGLY. It appears to operate on a break-even basis.

Mr. DEVAUGHN. Yes, sir; we shoot for a break-even basis. But with that amount of money, we can't—it is worse to lose money than to make a little. So if we err, we usually err on the high side.

RETAINED EARNINGS

Senator MATTINGLY. I wish you would teach the rest of the Federal Government that.

I notice of the line items the fund has retained earnings of $101,532,000; is that correct?

Mr. DEVAUGHN. That is right.

Senator MATTINGLY. Where did those come from, from the savings?

Mr. DEVAUGHN. They come from the difference between what we charge for the services provided and the cost of the services provided.

When you have to set rates far in advance of actually doing the job, sometimes, as I said, we tend to err on the high side, and the difference is the profit. That profit is then used to help finance the fund. As our business grows, we need more working capital. So the $100 million of retained earnings is used as working capital for financing our business. We have something over $200 million tied up in inventories and accounts receivable.

Senator MATTINGLY. Do you expect to make any profit in fiscal year 1982?

Mr. DEVAUGHN. We would hope to either break even or make a slight profit. Here again even that large figure as a percentage of the total business is only about 2 percent.

Senator MATTINGLY. Before I go, what would be the assessment of you returning some of the retained earning to the Federal Treasury?

Mr. DEVAUGHN. It is basically tied up. It is not in the form of cash. Our cash position is about $15 million, which is about a 1-week's cash supply. So if we were to return money to the Treasury, we would be short of working capital for financing operations.

Senator MATTINGLY. Well, retained earnings, I guess the terminology used in the private sector is not the same.

Mr. DEVAUGHN. Yes, sir, it is the same thing. In other words, that profit is not in the form of—my point was that the $100 million is not in the form of cash that is sitting there or that could be returned to the Treasury. It is tied up in paper inventory; it is tied up in money paid to commercial contractors; it is tied up in fixed equipment; it is not ready cash just sitting there waiting to be returned.

EFFECT OF LIMITING EXPENDITURES FROM THE FUND

Senator MATTINGLY. So it is tied up in inventory and other assets. What would happen then if this committee limited your expenditure from the revolving fund to a certain level, say $800 million for 1982; that would give you a net profit of $26 million.

Mr. DEVAUGHN. It wouldn't affect the profit, Mr. Chairman. First of all, it would not be a reduction in the appropriated amounts. Our request for $162 million wouldn't go down any as a result of such a restriction. Second, it would inhibit our flexibility. For instance, if this committee had limited us last year to, say, $600 million, we would have been unable to meet some of the requests that came in. We did over $700 million last year.

Mr. SAYLOR. For instance, the census program came in, a very large program. It possibly could have restricted us from handling and funding that.

Mr. DEVAUGHN. And we don't incur costs unless we know we get reimbursed. This pays for itself. If we don't get the money, then——

Senator MATTINGLY. In the retained earnings, maybe I just don't understand it. The $826 million, why wouldn't you then take the $100 million of retained earnings and put it over into the revolving fund and take care of the cost of your supplies and materials?

Mr. DEVAUGHN. It is there, sir. It is included in our assets. I am not sure what you are looking at.

Senator MATTINGLY. Just revenue and earnings.

Mr. DEVAUGHN. It goes into assets.

Mr. Voss. May I give just one example, Mr. Chairman. You are looking at the table of our justification. There is a figure in there, $537 million. Basically that figure represents agencies who are going to come to us and say we need printing and we are going to contract out with the commercial world for that printing. If you were to limit us to $800 or $820 million, what in effect would happen once we reached a point that we no longer could go beyond that $820 or $800 million, we would accept no more orders in the Government Printing Office and the agencies would then contract directly. We would therefore reduce our printing cost by that amount, but we would also reduce our revenue coming in by the same amount. It would be an offset.

OPTIONS FOR REDUCING BUDGET

Senator MATTINGLY. You had sent me the list of options for budget reductions. I want to ask you a few questions.

In response to my letter asking you to list actions you would take to reduce your fiscal year 1982 appropriation, the first two items on your "hit list" are self-explanatory. First, you say $22 million or 13.4 percent of your budget if you don't fund the request for a new building site.

Mr. SAYLOR. That is correct.

Senator MATTINGLY. But the rest of the items probably need a little more explanation. And I guess the other question was on the first item on the Congressional Record subscription. Wouldn't it be possible to consider raising those subcription rates so that total costs would be recovered and wipe out the $390,000 you are requesting?

Mr. SAYLOR. Yes, sir, that would do two things; that would take care of items No. 1 and No. 7 on what you term my "hit list." No. 1 has already been taken. If I can be facetious, that is a free one. So if you will apply your question to No. 7 and if the Joint Committee in its wisdom would raise the subscription price to recover the full cost, there would be $390,000 that could be removed from this request.

Senator MATTINGLY. If you do not print the bound Record at the end of each session, you say we could save $4.52 million. How much could we save if we cut the number of bound records in half?

Mr. SAYLOR. First, sir, I would like to explain this to you. If you divide the number of copies that we print, 1,100, into the $4.52 million that gives you a price of about $4,000 per set. However, if you take just one set out you cannot save $4,000 because the heavy costs in all printing are what we call the composition costs; they are the front-end costs. We would save the rider rate of about $670 for each set that you would take out.

Senator MATTINGLY. So 500 times $670. It would be a little over $0.3 million.

Mr. SAYLOR. Mr. Chairman, as we go into this list, may I reiterate what I said in my letter. I was presumptuous enough to try to place myself on that side of the table when I prepared this list, and these priorities are based on my experience of how I know the Congress operates. I have listed those things by priority that would be least disruptive to the workings of the Congress.

Senator MATTINGLY. I appreciate that.

Getting back to item four, are any of the recipients charged anything for this bound Record?

Mr. VOSS. Yes, sir; we have a total of 1,420 bound records. Of that number approximately 1,100 will be free—well, not free, they will be charged against the appropriations. Approximately 320 copies will be bought from us by agencies at the $670 rate; that, of course, is not in our appropriation request.

Senator MATTINGLY. That would be receipts to the revolving fund?

Mr. VOSS. Yes; and also the cost would be in the revolving fund.

PRINTING A SUPPLEMENT TO UNITED STATES CODE

Senator MATTINGLY. Item five on your list says $1.2 million could be saved if we did not print the United States Code in 1982; instead a supplement to the Code would be produced. How often do we reprint the Code?

Mr. SAYLOR. Every 6 years.

Senator MATTINGLY. Can you foresee any problems if we updated the Code this year and reprinted less often?

Mr. SAYLOR. Mr. Chairman, if this committee were to direct us not to reprint and have specific language in the bill to restrict reprinting, there would probably be criticism from the users. The supplements are cumulative. If we were to print two more supplements, these become in themselves very large publications. Also there is a cost associated with printing the supplements. In 1979, the last supplement contained four volumes and the total cost was $670,000. Our estimate to print a supplement for 1982 as opposed to the whole Code would be about $900,000.

Senator MATTINGLY. I am not an attorney in the private sector. Do you have any feel about how frequently the private sector gets a new Code or do they just continually update their Code?

Mr. SAYLOR. I have an attorney here who probably uses it, and I would like him to respond.

Mr. DEVAUGHN. West Publishing Co. comes out with an annotated code that has pocket parts. They reprint a part at a time. It is phased in so it is hard to say what the frequency is. It depends on the activity of the particular book. They don't reprint the entire thing at one time.

Senator MATTINGLY. This has been just my cursory observation that they don't do it either, and maybe we ought to be assuming some of the traits they use out there in that area.

Mr. DEVAUGHN. I would point out that this is the type of guidance that should be given to the people that put the Code together. We only print it.

Mr. SAYLOR. That would be the Law Revision Counsel; this is their publication. So I would think you would have to interface with them if there was to be a change in the reprinting cycle.

CONGRESSIONAL RECORD AND DOCUMENTS

Senator MATTINGLY. Item six is the daily Congressional Record. If we stopped sending them to constituents, that could save $2.5 million; is that correct?

Mr. SAYLOR. Yes.

Senator MATTINGLY. Item 11 you said that we could save $3.7 million in fiscal year 1982 if we stopped sending copies of congressional documents other than the Congressional Record to people designated by law to receive them; is that correct?

Mr. SAYLOR. Yes, sir.

MISCELLANEOUS PRINTING

Senator MATTINGLY. Under item 15, miscellaneous, I would like to have described in a little more detail the possible spending cuts in miscellaneous printing of the Goverment Printing Office. Would it be possible for you to select some individual items in this category where we could possibly cut 10 or 20 percent from the $16 million in this area?

Mr. SAYLOR. These would be the Congressional Directory, the Senate and House Journals, the Supplements of the United States Code, and letterheads and envelopes which we furnish for use by Members. I do not have, I am sorry to say, a full breakdown on the dollar amounts for each one of those individual categories that is listed under the broad umbrella of miscellaneous printing, but I would be happy to furnish that for the record.

Senator MATTINGLY. We can handle this as part of the questions that I will ask you to respond to for the record.

RETAINING 1982 BUDGET AT 1981 LEVEL

Mr. Saylor, I think that is it except for the question I have asked everyone else. In light of President Reagan's stated intent to make substantial cuts in the Federal budget and the intent of this chairman to aid the President in an effort to bring health back to the American economy by cutting the size of Government, would you agree or disagree to holding your 1982 budget to the fiscal year 1981 level, to not increasing personnel and to deferral of all new spending initiatives and programs until the American economy recovers?

Mr. SAYLOR. Within the power that I have sir, yes, I would agree to that. As far as personnel are concerned, we have no problem. You and I have no problem with that; we are going down. I would like to say for the benefit of the chairman that I do not have the authority to take any specific item in these appropriations that is printed and distributed by law, and on my own action stop funding it. If this committee restricts, by language in the bill, any moneys for any specific item, I most certainly will do that.

Senator MATTINGLY. Fine, thank you.

Mr. SAYLOR. Thank you.

QUESTIONS AND RESPONSES

Senator MATTINGLY. I have some questions for the record that I will ask you to respond to.

[The questions and responses follow:]

Questions Submitted by Senator Mattingly

GAO LEGISLATIVE HISTORY FILE

Question: Mr. Saylor, in response to my request that you advise the Committee of what actions you would take to reduce your 1981 supplemental request by 10% and 20%, your letter indicates that a 20% reduction could be achieved if the Committee prohibited GPO from furnishing the General Accounting Office's Legislative History File to those Depository Libraries who have requested it. Please tell us more specifics about that activity. What is the GAO's Legislative History File?

Answer: The GAO Legislative History File contains documents and other records relating to the enactment of approximately 20,000 laws from the 65th to the 95th Congresses. The material is arranged in chronological sequence, beginning with the public law and ending with the print of the bill as initially introduced. Compilations contain prints of the bills in all forms, printed amendments, committee reports, debates, and general remarks from the Congressional Record, hearings, and related Congressional material and also include the history of related bills arranged in the same manner as the basic public law history. This file is considered to be a valuable research tool which maintains and preserves the collection of our public laws.

Question: What legislation requires GPO to collect this material for the GAO?

Answer: The GPO does not collect legislative history material for the GAO. The GAO collects and maintains this material in order to fulfill its responsibilities to Congress.

Question: Who receives this voluminous File?

Answer: The original paper form of the file is stored in the General Accounting Office. The GAO had several microform copies of the file prepared, and provided one copy to the Library of Congress. Of over 1,300 Depository Libraries surveyed, 350 indicated an interest in receiving legislative history material.

Question: Why do we have to provide this File to 350 Depository Libraries?

Answer: Section 1902 of Title 44 of the U.S. Code requires that government publications, except those which are classified or for official or administrative use, be made available to Depository Libraries. The Superintendent of Documents prepares a classified list of categories of these publications, as required by Section 1904 of Title 44 of the U.S. Code. Publications concerning Legislative History constitute one of the categories of this list, which selective Depository Libraries use to choose the publications they receive.

When GAO recently decided to reproduce copies of their Legislative History File, the law required that copies be made available to the Depository Libraries who had selected that category of publication, and to the Regional Depository Libraries who receive copies of all Government publications.

Question: How often is this file put together -- is it done every year?

Answer: In 1977, a contractor began the process of compiling and reproducing in microfiche the Legislative History File. This contract, which has just recently been completed, effectively resulted in the publishing of the File. It is possible that the GAO will continue to microfiche the Legislative History File on an annual basis.

CONGRESSIONAL RECORD COST AND DISTRIBUTION

Question: Let's now turn to your 1982 budget request. Your first amount in the justification is Congressional Printing and Binding. You are asking for $91,218,000 for fiscal year 1982. That is up $8,818,000 over the fiscal year 1981 appropriation.

Within this amount is the Congressional Record Program. Page II-2 of the justification shows that this Program will cost $6.3 million in fiscal year 1982 as opposed to $5.4 million in fiscal year 1981. Apparently, this appropriation only covers the pro rata cost of the 5,900 copies of the Daily Congressional Record that are provided to Congress. Another 26,000 copies of the Daily Record are printed each day. Part of these are sold to departments of the Federal Government or to the public, and the balance is distributed without charge to recipients designated by Members of Congress. Is that correct?

Answer: That is basically correct. However, some of the 26,000 copies are distributed without charge to people who are not designated by Members of Congress. For instance, about 250 copies of the Daily Record are distributed to the news media and over 1,100 copies go to Depository Libraries. In addition, we distribute the Daily Record without charge to some Ex-Members of the Congress and to various agencies of the Government as well as to judges. Accordingly, while the great majority of the 26,000 copies are either sold to departments of the Federal Government and the public or are distributed without charge to recipients designated by Members of Congress, some are also distributed to others who have been designated to receive free copies by law.

Question: What will be the total cost of printing the Daily Congressional Record in fiscal year 1982?

Answer: The printing and binding cost for the Daily Congressional Record for fiscal year 1982 can be broken down as follows: 1) Approximately $4.8 million is the cost for the 5,900 copies that are printed daily and distributed directly for Congressional use. This amount is charged to the Congressional Printing and Binding appropriation. 2) Approximately $12.8 million is the cost of printing and binding the Congressional Record for the 16,000 copies distributed free under the Printing and Binding Appropriation. 3) Approximately 1,100 copies will be distributed to our Depository Libraries and will be charged to the Salaries and Expenses Appropriation. The printing and binding cost for these copies will run about $145,000. 4) Individual requisitions from agencies will approximate 4,000 copies and at the estimated fiscal year 1982 printing and binding rider rate of $129, this cost will run $500,000. Of course, agencies will pay for these copies. 5) Sales by the Superintendent of Documents to subscribers will

approximate 5,200 copies in fiscal year 1982 and at the present subscription price of $135, we estimate the sales revenue will amount to $700,000. This will not be sufficient to cover the cost of printing and binding as well as mailing and handling and we have, therefore, included a request in our Salaries and Expenses Appropriation for $390,000 to handle the deficit between the cost per subscription and the sales price. 6) There are some copies that are sold daily but the amount of money involved in these sales is very minimal.

All in all, the total cost of printing the Daily Congressional Record in fiscal year 1982, is $19 million.

Question: Of that cost $4.8 million is being requested for appropriation under the Congressional Printing and Binding account. The justification shows that 5,900 copies are made available to Congressional offices each day. Why so many? Has this figure been increasing in recent years? Who determines what persons in Congress or on Congressional staffs receive the Record?

Answer: The majority of the Daily Records, approximately 3,400 copies, are distributed to various Congressional Committees under the auspices of the Joint Committee on Printing. In addition, over 1,100 copies of the Daily Congressional Record are sent directly to the offices of individual Members of the Congress. We also print about 1,100 copies of the Daily Record for inclusion in the Bi-Weekly Record edition. Another 300 copies are distributed by law to various other offices of the Congress.

In recent years, there has not been a substantial increase in the number of copies that are made available to the Congress each day. It is a fairly constant number and is sent to Committees as well as to individual Members and their staffs. The authorization for the distribution is found in Title 44 of the U.S. Code, as amended.

Question: Of the 26,000 copies that are printed for the public, Executive Branch agencies, and for free distribution, how many copies fit into each of those categories?

Answer: The breakdown of the 26,000 copies is 5,200 for the public; 3,900 for Executive Branch agencies; and 16,900 for free distribution.

Question: Under the Printing and Binding Appropriation, you have requested $15.7 million most of which is to cover the free copies of the Daily Record that are provided each day to recipients designated by Members of Congress. Is that correct?

Answer: The bulk of these copies, approximately 14,600, are provided each day to recipients designated by Members of Congress.

Question: What law requires that these free Congressional Records go out each day?

Answer: The basic legislation for this distribution is Section 906 of Title 44, U.S. Code, as amended.

Question: How many recipients can each Congressman and Senator designate?

Answer: Title 44, as amended in 1977, provides that each Member of the Senate can send 50 copies to recipients and that each Member of the House can send 34 copies to recipients.

Question: What would it save GPO in fiscal year 1982 if the Committee included language in the Appropriation Bill stating that no Congressional Record Program publication can be distributed free under the Printing and Binding Appropriation?

Answer: There would be a saving of about $2.5 million.

Question: Explain why the savings would be only between $2 million and $3 million when your request asks for $15.7 million to cover the cost of distributing these free Congressional Records.

Answer: Since the great majority of these costs are in the Daily Congressional Record, let me use that publication as an example. The same rationale used for the Daily Record would also be applicable to the Bound Record.

The greatest costs for printing any publication are the front-end costs. Whether you have one copy or 22,000 copies, you still have to do the same composition and that is a large part of the printing costs. Accordingly, if the Appropriation Bill stated that no Daily Congressional Record could be distributed free under the Printing and Binding Appropriation, we would still have to provide 5,900 copies of the Daily Congressional Record for Congressional use. The only savings therefore, would be what we term the rider rate, or the incremental costs, for the 16,000 copies of the Daily Record printed under the Printing and Binding Appropriation. The rider rate for printing and binding is about $129 and that figure times 16,000 copies would amount to approximately $2 million. There would also be some savings for the Congressional Bound Record and when one has added up all of the savings as a result of eliminating the recipients who receive the Congressional Record free under the Printing and Binding Appropriation, the total reduction in the $15.7 million request would be about $2.5 million. Accordingly, approximately $13.2 million which is presently shown in the Printing and Binding Appropriation would then be included in the Congressional Printing and Binding Appropriation, thereby increasing that Appropriation.

Question: How many Congressional Records are sold each day?

Answer: As of September 30, 1980 we were selling about 5,100 subscriptions to the Congressional Record and approximately 100 single copies daily.

Question: What is the annual subscription rate?

Answer: The annual subscription rate as of January 1981 is $135.

Question: Does the subscription rate cover the cost and if not, why don't you increase the rate?

Answer: We are projecting for fiscal year 1982 that the cost of a subscription would be $208. The current annual subscription rate as previously stated is $135. This leaves a subsidy of $73 per subscription or a total subsidy for fiscal year 1982 of

approximately $390,000. The Joint Committee on Printing sets the price for this publication after considering the cost estimates we give them. They have been raising the price in increments and we believe the next price increase will cover the full cost of a subscription.

BOUND RECORD COST AND DISTRIBUTION

Question: Page II-2 also indicates that at the end of each Session of Congress, the Daily Congressional Records for the entire Session are bound. About 1,420 sets of these Bound Records are then printed. That will cost $1.5 million for fiscal year 1982, is that correct?

Answer: The $1.5 million for fiscal year 1982 is the cost that is charged just to the Congressional Printing and Binding Appropriation. It is not the total cost for the 1,420 sets. There is another $2.9 million in the Printing and Binding Appropriation for 950 sets and approximately $200,000 that will be recovered from the Executive Agencies for the 320 sets that we estimate they will order.

Question: Well, who receives these Bound Records?

Answer: About 150 sets of the Bound Record are anticipated to be distributed to Members of the Senate and the Joint Committee on Printing as well as various Officers of the Congress. Charges for this distribution are placed against the Congressional Printing and Binding. In addition, about 950 sets are anticipated to be distributed to State Governors; Library of Congress; Depository Libraries; Court libraries; and various other Executive and Judicial agencies. Also, approximately 320 sets are expected to be distributed to various agencies on the basis of specific requests.

Question: What portion of the cost of printing and distributing these Bound Records each Session is borne by the taxpayers?

Answer: In effect, the entire cost is borne by the taxpayers. This includes the $4.4 million which we estimate will be needed for printing and binding the Bound Record for recipients who will receive these publications under the Congressional Printing and Binding and the Printing and Binding Appropriations. In addition approximately $100,000 is included in the Salaries and Expenses appropriation for distribution costs. Of course, the 320 sets that we estimate will be requisitioned by various Federal Agencies will be paid for by those agencies; but obviously, the monies will come from their appropriations.

Question: If the Committee stipulated in the Appropriation Bill that no Bound Records will be distributed free of charge other than to Congress, how much would that save GPO in fiscal year 1982?

Answer: As previously mentioned when discussing the front-end costs for the Daily Congressional Record, the reduction in our appropriation request would be minimal if less than 100 percent of the Bound Record distribution was eliminated. We would still have the front-end costs for printing the first set. Accordingly, if we

were to eliminate about 900 sets which are presently distributed free of charge, the total reduction in the $4.4 million request for the Bound Record would only be about $600,000.

MISCELLANEOUS PUBLICATIONS

Question: Also under Congressional Printing and Binding, you request $7 million to cover the cost of printing Miscellaneous matters such as the Congressional Directory, Senate and House Journals, Memorial Addresses of Members, Nominations, U.S. Code and supplements, laws, treaties, etc. Can you provide for the record, a breakdown as to the cost of each of these miscellaneous matters?

Answer: The following table provides the breakdown for the Miscellaneous Publications Category and our estimated cost for fiscal year 1982.

MISCELLANEOUS PUBLICATIONS
ESTIMATES FOR FISCAL YEAR 1982

Item	Amount
U.S. Code	$1,800,000
House Journal	600,000
Reprints of Reports and Laws	550,000
Congressional Directory	400,000
Senate Journal	300,000
Soil Surveys	250,000
Treaties	200,000
Telephone Directories	200,000
Serial Sets	200,000
File Copies	200,000
Statutes-at-Large	180,000
Laws	180,000
Economic Indicators and Supplements	170,000
Nominations	100,000
Senate Executive Journal	100,000
Pictorial Directory	40,000
Miscellaneous (various reports & documents requested for the use of Congress)	1,530,000
Total	$7,000,000

Question: Does anyone other than Congress receive these publications without charge and if so, what amount would be saved in fiscal year 1982 if the Committee prohibited distribution of any of these documents free of charge?

Answer: In fiscal year 1982, we are required to reprint the entire U.S. Code which is done only once every 6 years. The Depository Libraries will receive this reprinting free of charge. In addition, we do provide free of charge to other than the Congress various publications, especially laws and treaties. All of these publications are included in our Printing and Binding Appropriation request. For fiscal year 1982, we estimate that we would need $984,000 to provide these types of miscellaneous publications to other than the Congress. Since these costs are already based on a rider rate, the amount that would be saved in fiscal year 1982 would be the full $984,000.

MISCELLANEOUS PRINTING AND BINDING

Question: On page II-3, there is a request of $10.4 million for Miscellaneous Printing and Binding. That is up $400,000 from fiscal year 1981. This covers printing of letterheads, envelopes, blank paper, wall calendars, blank forms, and binding for both Houses. Here again, give us a breakdown for each of these items. Are these items provided free of charge to the House and Senate?

Answer: These items are provided free of charge to the House and Senate Members. The following table provides the breakdown for the Miscellaneous Printing and Binding category and our estimated cost for fiscal year 1982.

MISCELLANEOUS PRINTING AND BINDING
ESTIMATED COSTS FOR FISCAL YEAR 1982

Item	Amount
Letterheads and Envelopes	$1,722,000
Forms	176,000
Miscellaneous Binding	882,000
Blank Books	52,000
Multiforms	114,000
Blank Paper (paper, envelopes, cartons, etc., no printing involved)	2,075,000
Supplies and Services (ink, glue, copy paper)	21,000
No Printing (negatives, positives, stamping binders, distribution of Bills)	4,036,000
Miscellaneous (labels, tags, posters, folders, wall calendars)	1,297,000
Total	$10,375,000

Question: We also see a request of $1.3 million for Franked Envelopes and Document Franks for Members of Congress. Are individual Members charged anything for these items?

Answer: No, individual Members are not charged for these items.

Question: So, these items are provided in addition to the allotments given each Member for the expenses for his office?

Answer: That is correct.

INCREASE IN CONGRESSIONAL HEARINGS

Question: The largest item in Congressional Printing and Binding is for printing all Congressional hearings. That amount is $27.6 million--up from $26.3 million in fiscal year 1981. What causes the increase?

Answer: The increase is basically due to an estimated increase of $2.00 per page for printing hearings. This is only a 5 percent increase over fiscal year 1981. Had we not been able to improve our productivity, we would be asking for an increase of about $4.00 per page. However, due to our projected gains in productivity, we believe that we can keep the cost of Hearings to only $44 per page.

LIMITING PUBLICATIONS DISTRIBUTED FREE

Question: Your second account is entitled Printing and Binding. The fiscal year 1982 request for this activity is $19,380,000 as opposed to $16,250,000 for fiscal year 1981. Of that amount, $15.7 million covers the Congressional Record Program, which we have already discussed. The balance of this Appropriation covers the cost of distributing documents such as the Congressional Directory, Senate and House Journals, U.S. Code, etc., to parties designated to receive them by law. If none of these documents were distributed free of charge, what would the savings be to the GPO?

Answer: Of the remaining $3.7 million balance, $2.6 million covers the printing costs associated with those items which are distributed free to recipients designated by law. Since all of these costs are based on a rider rate, the savings that could be achieved by not distributing these publications would equate to the $2.6 million we have requested. Also included in our request is $1.1 million for the printing and binding costs for the U.S. Government Manual, Public Papers of the Presidents, and the Weekly Compilation of Presidential Documents. These costs could be eliminated by requiring the Executive Agencies to fund these publications.

SUPERINTENDENT OF DOCUMENTS REQUEST

Question: On page IV-1, you request $29,270,000 to cover the salaries and expenses of the Superintendent of Documents. That is up $2,912,000 over fiscal year 1981 if we include your fiscal year 1981 supplementals. Of that amount, about $5.2 million would cover the salaries and benefits of 299 positions. Is that the same number of positions you had in fiscal year 1981?

Answer: When you include temporaries, we have a need for a total of 306 full-time equivalent employees for fiscal year 1981 and 309 full-time equivalent employees for fiscal year 1982. We are requesting an increase of 3 permanent positions for fiscal year 1982.

Question: For travel and transportation of persons you ask for $85,000 as opposed to $76,000 for fiscal year 1981. What is the reason for travel for these people?

Answer: The increase in the amount for travel is requested to inspect approximately 30% of the Depository Libraries. The requirement to inspect the libraries is contained in Section 1909 and 1910 of Title 44 of the U.S. Code. The increase is attributable to the larger number of Depository Libraries and to increases in all travel costs.

Question: The largest item in this account is for printing and reproduction for which you ask $16,572,000 for fiscal year 1982, as opposed to $14,506,000 for fiscal year 1981. What is the reason for the increase of $2,066,000?

Answer: The increase for printing and reproduction is a result of more participating libraries, more titles produced by the Government, and the effect of inflation on printing costs. Depository Libraries are entitled to receive all publications

produced by the Federal Government except those which are classified and those which are only for official or administrative use according to section 1902 of Title 44 of the U.S. Code. Since each library may select any or all of these titles under authority of 44 U.S.C. 1904, the program is open ended and not subject to our control. Based on historical experience we expect the number of copies of publications to be distributed to Depository Libraries to increase from 26.2 million in fiscal year 1981 to 31.1 million in fiscal year 1982 an increase of approximately 19 percent.

JUSTIFICATION OF NEW BUILDING

Question: You are asking for $22.3 million for acquisition of a site for a new building for GPO. Has that acquisition been authorized by Congress?

Answer: We have received authorization from the House, and we are presently working with the Senate with the hope of obtaining authorization from that body of the Congress before our appropriation bill is marked up.

Question: What is your estimate of the total cost of this new building?

Answer: We estimate that the total cost will run about $220,000,000 including the $22.3 million that we are requesting in our fiscal year 1982 Appropriation for purchase of the site and to design the new building.

Question: Have you picked a site for the new building?

Answer: Several years back, representatives of the National Capital Planning Commission recommended the relocation of GPO within the District of Columbia on a site located in the New York Avenue Industrial Corridor. This area has been designated for industrial purposes and is served by several warehouses, railroads, and the new Metro Transit System. The site is approximately 10 minutes from the Capitol and offers sufficient space for the present GPO complex, including necessary parking lots and Documents warehousing operations.

Question: What would be done with the old building?

Answer: The present building is a Government building and would be turned over to GSA for disposal or use by other Government agencies.

Question: Would new equipment need to be purchased for use in the new building? Do you have any estimates of the costs for any such new equipment?

Answer: This is a difficult question to handle at this time. We are sure some new equipment would be needed. However, a lot depends on how soon we would be able to move into a new building. Obviously, some of our present equipment would be transferred. However, some of it would not because it would be worn out or obsolete by the time a new building could be constructed. We would then be in need of modernizing some of our operations.

Accordingly, we have no estimates of the costs of new equipment at this time.

PUBLICATIONS FOR INTERNATIONAL EXCHANGE

Question: The third item on the list would save $1,242,000 if the Committee did not fund the Publications for International Exchange. Can you tell us more about that program? Which participating governments would complain if we didn't fund this program?

Answer: The United States has entered into agreements with foreign governments to exchange copies of official documents as a result of the Brussels Convention of 1886. The Library of Congress administers the program and based on the terms of the agreements determines whether the participating foreign library will receive a full set of all unclassified United States Government publications, or a partial set composed of titles selected by the Library of Congress. The publications are mailed by the Superintendent of Documents, and he is reimbursed for the postage and handling costs by the Smithsonian Institution. The cost of printing these copies of the publications is borne by the Printing and Binding Appropriation in accordance with Section 1719 of Title 44 of the U.S. Code. One could expect that all 76 countries and international organizations, which have agreed to provide the Library of Congress with copies of their official documents, would complain if the copies of the United States documents they expected to receive in return were not available. A list of the participating countries and international organizations follows:

COUNTRIES AND INTERNATIONAL ORGANIZATIONS PARTICIPATING IN THE INTERNATIONAL EXCHANGE PROGRAM

Afghanistan
Algeria
Argentina
Australia
Austria
Bangladesh
Belgium
Bolivia
Brazil
Bulgaria
Canada
Chile
China (People's Republic of)
Colombia
Costa Rica
Council of Europe
Cuba
Czechoslovakia
Denmark
Egypt
El Salvador
Ethiopia
Finland
France
Gabon
German Democratic Republic
German Fed. Rep.
Great Britain
Greece
Guatemala
Guyana
Honduras
Hungary
Iceland
India
Int'l Labour Org.
Iraq
Ireland
Israel
Italy
Ivory Coast
Jamaica
Japan
Korea
Lebanon
Lesotho
Liberia
Malaysia
Malta
Mexico
Netherlands
New Zealand
Nigeria
Norway
Pakistan
Panama
Philippines
Portugal
Rwanda
South Africa
Spain
Sri Lanka
Sudan
Swaziland
Sweden
Switzerland
Taiwan
Thailand
Turkey
U.S.S.R.
United Nations
West Indies
Yugoslavia
Zaire
Zambia
Zimbabwe

DEPOSITORY LIBRARY PROGRAM

Question: Item 13 shows a savings of $20,097,000 if the Committee directed that no appropriations be used to fund the Depository Library Distribution Program. Explain how that program works. Are the Libraries charged anything for these publications they receive? What would be wrong with charging them the necessary amounts to cover the cost of such publications and their distribution?

Answer: The Depository Library Program, through the designated Depository Libraries, provides free public access to publications developed and produced at taxpayer expense by the United States Government. Depository Libraries located throughout the country select and provide this access to a large portion of the population. These libraries commit the resources of staff, space, equipment, and access tools to serve the public demand for use of these publications.

The Government Printing Office procures copies of government publications which qualify for Depository distribution and distributes the publications to the appropriate Depository Libraries. In so doing, the Government Printing Office is the administrator of this Congressional program.

Depository Libraries are designated either as regional or selective. Regional Depositories receive all government publications provided through the Depository Library Program and they must retain one copy indefinitely. Selective depositories receive only those categories (items) of publications for which the public they serve have shown a need. The number of publications they receive may range from a relative few to all that are distributed. The Depository Libraries incur all costs associated with storage and servicing the government documents.

Section 1903 of Title 44 of the U.S. Code requires that the printing and binding costs of publications requisitioned from the Government Printing Office and distributed to Depositories be charged to appropriations provided to the Superintendent of Documents.

Since the basic intent of the Congress is to provide better public access to the information in government publications, the legislation provides for the publications to be distributed to the Depositories without charge.

Questions Submitted by Senator Bumpers

INCREASE IN VOLUME

Question: Well over half of the Government Printing Office's $162,177,000 request for fiscal year 1982 is for Congressional Printing and Binding activities -- $91,218,000 to be exact. This is about $8.8 million more than your fiscal year 1981 appropriation. It would seem that one reason for this increase is a substantial jump in the number of pages you will be printing. For example, you project an increase in Miscellaneous Publications of 9,000 pages between 1981 and 1982 to a total of 69,000 pages although the increase between 1980 and 1981 is projected at a mere

1,000 pages. Can you tell the Committee why you anticipate such a large jump in Miscellaneous Publications?

Answer: The increase in the number of pages estimated for the Miscellaneous Publications category is due to the reprinting of the U.S. Code. This 16-volume publication is reprinted once every 6 years in its entirety. The 6 year cycle comes again in fiscal year 1982. This document accounts for about 20,000 pages and if we did not have to reprint the entire U.S. Code, our estimate for fiscal year 1982 would have been considerably less than the 69,000 pages.

Question: You also show a continuing rise in the number of Committee Report pages you will be printing in 1982. If in fact the President is successful in reducing the size of the Federal government, can't we anticipate a reduction in Committee Report pages or at the very least, a leveling off of this printing burden?

Answer: Committee Reports are estimated to increase by only 1,000 pages in 1982 over 1981 whereas we anticipated a 2,000 page growth in 1981 over 1980. Therefore we are expecting a decline in this growth pattern. Committee Reports are directly related to Hearings because most Reports are generated as a result of this category and as Hearings decline so will Committee Reports.

Question: I am interested in how you arrive at your estimate of the number of hearings pages you will be printing in 1981 and 1982. You show a jump of 33,000 pages between 1980 and 1981. Yet you indicate there will be an increase of only 2,000 pages between 1981 and 1982 to a total of 600,000 pages. Why is there such a substantial variation in your growth estimates between the two years?

Answer: The number of pages for Hearings has varied considerably over the last 6 years. For instance, pages for Hearings in fiscal year 1976 (2d Sess.) totalled 660,000. In 1978 (2d Sess.), pages for Hearings increased to 690,000. At that time, we began to notify the various Committees that such increases were leading to substantially higher printing costs. Our initial estimate of 565,000 pages for Hearings for fiscal year 1980 was based on our assessment that our notifications would curtail further increases. We are now estimating that fiscal years 1979 through 1982 will each run about 600,000 pages for Hearings. Thus, we were probably too conservative in our initial estimate for fiscal year 1980.

REDUCING THE COPIES OF CONGRESSIONAL RECORD

Question: Suppose we wanted to cut the free distribution list of the Daily Congressional Record to 8,000 copies. Could this be done under existing law and, if so, how would you distribute the reduced number of copies?

Answer: If the Committee desired to cut the free distribution list to 8,000 copies, the best procedure to follow would be to amend Title 44. Obviously, the Appropriation Committee, through legislation passed by the Congress, could put a specific limitation on the amount of money that could be spent for copies to be distributed free of charge. However, the Congress should also specifically designate how the reduction should take place.

For instance, in 1977, in passing the fiscal year 1978 Appropriations Bill, the Congress reduced the number of copies to be distributed free of charge to recipients designated by Members of Congress by 50 percent. If this Committee feels it appropriate to further reduce the number, then a permanent limitation should be included as a part of the Appropriation Bill for fiscal year 1982.

Presently, each Member of the House can send 34 copies of the Daily Congressional Record free of charge to designated recipients. Each Member of the Senate can send 50 copies of the Daily Congressional Record free of charge to designated recipients. If that limitation is reduced, the free distribution list would be cut.

I would like to emphasize that this kind of reduction requires the Congress to specifically limit the free distribution rather than leaving this matter up to the discretion of the Public Printer.

Question: You indicate on page IX-6 of your justifications that the cost per page of printing the Congressional Record will rise from 20 mills in 1980 to 22 mills in 1981, yet will only increase an additional 1/10th of a mill in 1982. Aren't you being a little optimistic regarding the cost increase between 1981 and 1982 in view of past experience?

Answer: I do not believe that we are being optimistic with respect to the cost per page of printing the Congressional Record in fiscal year 1982. In January of 1981, the Congressional Record was being electronically photocomposed for the House portion when previously composition was being set in hot metal. By January 1982, we expect the entire Congressional Record to be photocomposed electronically and this technological improvement should result in savings in composition. I have estimated that in fiscal year 1982, we will save almost $550,000 in the Congressional Record Program because of this change from composing the Daily Record in hot metal to composing the Daily Record electronically.

REDUCING TITLES DISTRIBUTED TO DEPOSITORY LIBRARIES

Question: Suppose we decided we wanted to limit somewhat the increase in the growth of titles distributed to the depository libraries. Could we properly do this through the appropriations process or would it require a change in substantive law?

Answer: Limiting the number of titles distributed to Depository Libraries could best be handled by amending Title 44.

MONTHLY CATALOG OF U.S. GOVERNMENT PUBLICATIONS

Question: Your $29,279,000 request for salaries and expenses in fiscal year 1982 includes $16,572,000 for printing and reproduction, including the printing of catalogs. Can you tell the Committee how much it will cost you to print the Monthly Catalog of U.S. Government Publications in fiscal year 1982?

Answer: Our fiscal year 1982 forecast of printing and binding costs for the Monthly Catalog of U.S. Government Publications is $150,000.

Question: Can you give the Committee some idea how many orders you receive yearly as a result of the distribution of the Monthly Catalog of U.S. Government publications?

Answer: The Monthly Catalog is a bibliographic listing of all U.S. Government publications, produced as required by Sections 1710 and 1711 of Title 4 of the U.S. Code. It is not a sales catalog, and only some of the documents listed are for sale.

Because our customers normally do not indicate what notice, announcement or catalog they are ordering from, we cannot determine how many orders we receive each year as a result of the distribution of the Monthly Catalog.

Question: Suppose we decided that funds could be saved by a reduction in the size of the Monthly Catalog of U.S. Government publications. Could we properly mandate a reduction in the number of publications listed in the Catalog or would this require a change in authorization legislation?

Answer: Sections 1710 and 1711, provide the basic requirement for the Superintendent of Documents to index and catalog all publications of the Federal Government. Classified material is excluded from the program. Congressional Committees have stressed the importance of including all published material in the Catalog, in order to maintain accountability for the information generated by the Federal Government.

Any change in the scope of coverage of the Monthly Catalog, would require amendment of Title 44. Such changes would severely diminish the value of the Monthly Catalog as a comprehensive bibliographic reference tool for Federal publications and as an accounting to the Congress of Government produced information. These adverse effects would yield a negligible reduction in cost.

The appropriation process can affect the number of publications included in the Monthly Catalog, and its size, by influencing the publication activity of all Federal Agencies.

CREDIT CARD PURCHASES

Question: I understand in 1979 you began to permit customers to use two major credit cards. What is the status of your credit card acceptance program?

Answer: Our credit card sales have shown a steady increase since March 1979 when we introduced the program. At present we are receiving about 6,000 credit card orders per month.

Question: Can you tell us why the program was restricted to two credit cards?

Answer: In order to accept credit cards as a method of payment, a contract is required with an agent of the credit card sponsor. The agent provides payment of the amounts charged by credit card and other services related to the acceptance of charges in return for a fee. The contract to support the Superintendent of Documents credit card program was arranged to obtain the lowest possible fee. In order to keep the cost to the

Sales Program at a minimum, only one agent, representing two of the most widely held credit cards, was awarded a contract.

NEED FOR NEW BUILDING

Question: You are requesting $22.3 million dollars for site acquisition and design costs associated with the construction of a new GPO building. On page V-2 of your justifications you indicate that a study by the National Capital Planning Commission concluded that the Government Printing Office should be relocated to a new site on the basis of a forecast that there would be a growth in the Federal government with a continuing need for government printing. Obviously our current President believes that the Federal government should not grow but rather diminish in size. If this happens wouldn't it reduce the need for a new Government Printing Office Building?

Answer: The need for a new Government Printing Office building has not been justified on the basis of increased growth in the Federal Government. Rather, the major thrust of our justification has been the need to streamline production operations and thereby decrease printing costs. We believe that the new building will be supportive of the President's budget cutting program since the reduced costs will be passed on in our rates to our customer agencies.

Question: You are requesting the inclusion of language in the fiscal year 1982 Legislative Appropriations Act which would give you the authority to acquire needed land adjacent to the present GPO building. Can you tell the Committee what GPO facilities are currently located on this land and also indicate how much you believe the land will cost?

Answer: We are not seeking the authority to acquire the adjacent land, but rather, we are requesting the authority to spend Revolving Fund money as needed to purchase the property.

The Government Printing Office was originally given the authority to acquire the land in November 1973 when we received a $4.6 million appropriation for this purpose. However, preoccupation with our new building plans and the lack of any urgency to buy the land from the D.C. Government resulted in a postponement of this acquisition and, in the interim, the price has increased.

The D.C. Government has offered us the option to purchase this property, and if we should not exercise our option at this time, they would probably sell to a commercial buyer with the result that the land could be lost to GPO forever. By acquiring this property, we would keep our loading docks and box shop that are presently located on part of this leased land, and would gain the flexibility to realign some of our current operations.

We are presently negotiating with the D.C. Government for purchase of the land, and are not able at this time to provide a definite cost figure.

SPENDING RATE

Question: The table on page VIII-5 of your justifications indicates that 38 percent of your fiscal year 1980 printing and reproduction dollars were spent in the fourth quarter of the

year. On the other hand you project that last quarter printing and reproduction expenditures in fiscal year 1981 and 1982 will be 25 percent. Can you tell us why you spent such a large proportion of your printing and reproduction dollars in the fourth quarter of the last fiscal year?

Answer: The combination of circumstances which occurred in fiscal year 1980 were unusual and are not expected to recur. The tables for fiscal years 1981 and 1982 reflect a return to a more steady obligation rate consistent with historical trends.

During fiscal year 1980, the combined effects of increased Federal Agency publishing activity and inflationary pressure on printing cost produced a substantial rise in Depository printing expenses. Obligations of funds available to the Salaries and Expenses Appropriation were increased in the fourth quarter when actual cost information revealed the extent of the higher expense levels.

PHASING OUT HOT METAL COMPOSITON

Question: I understand that GPO plans to phase out the use of hot metal composition by 1982 and that in 1979 only about 500,000 pages were set in hot metal while 2.4 million pages were produced through the use of photocomposition.

Will you be able to meet your target of phasing out hot metal composition by fiscal year 1982, and what impact will this have on your budget requirements?

Answer: With the exception of job composition and barring any unforeseen circumstances, it is anticipated that most hot metal composition for Congress will be phased out during fiscal year 1982. Estimated savings amount to a total of $2.6 million and this amount has already been factored into our fiscal year 1982 request.

MAINTENANCE OF ATEX SYSTEMS

Question: I understand that the Government Printing Office maintains and repairs the Atex system installation in the House of Representatives. Is that correct?

Answer: That is correct. The Government Printing Office provides 24-hour maintenance and repair services on the 4 systems located in the House Information Service's computer center and the 2 systems located in the House's Office of the Legislative Counsel.

Question: Does the Government Printing Office maintain and repair any other system and if so can you tell us where they are located and how much it costs you to provide this service?

Answer: We currently maintain the Atex system which is located in the Senate's Office of the Legislative Counsel. During fiscal year 1980, this service cost approximately $14,000. Within 90 to 120 days, the Government Printing Office will begin to provide maintenance and repair services for the Atex system located at the National Labor Relations Board. The GPO will be able to provide services for this system at approximately $16,000 in the first year and $12,000 in succeeding years. We also are providing the same services for the 2 GPO-owned systems installed

in the Office of the Federal Register.

Question: Are you reimbursed for the cost of maintaining and repairing other systems?

Answer: We are fully reimbursed for all labor and materials costs for service on the systems owned by the House and Senate, and we will be similarly reimbursed for service on the system owned by the National Labor Relations Board. Any training costs that might be incurred in connection with the maintenance and repair of new or unique equipment are also reimbursed.

JOINT COMMITTEE ON PRINTING

STATEMENT OF HON. CHARLES McC. MATHIAS, JR., CHAIRMAN, JOINT COMMITTEE ON PRINTING

ACCOMPANIED BY:

JOSEPH E. DI GENOVA, STAFF DIRECTOR AND CHIEF COUNSEL, SENATE COMMITTEE ON RULES AND ADMINISTRATION

GORDON ANDREW McKAY, STAFF DIRECTOR AND ASSOCIATE GENERAL COUNSEL, JOINT COMMITTEE ON PRINTING

BUDGET REQUEST

Senator MATTINGLY. Next we will hear from the Joint Committee on Printing.

Senator MATHIAS. We appreciate your hearing from the Joint Committee on Printing today. I think it is appropriate that we should follow the Government Printing Office since obviously we work very closely with one another.

I would like to congratulate you on assuming the chairmanship of this committee. I have served on this committee so I understand some of the problems that are inherent in it, and I wish you well in your efforts to hold down the costs of Government as represented by the legislative branch.

The Joint Committee on Printing has requested $816,000 for fiscal year 1982 and a $49,000 supplemental appropriation for fiscal 1981. This represents a reduction of $106,000 from the first estimate the Joint Committee submitted for fiscal year 1982. This was the result of my consultation with the previous chairman of the Joint Committee, who—as you know, it is a matter of exchange back and forth between the two bodies of the Congress—was the Hon. Augustus Hawkins, who served as acting chairman during most of 1980.

In addition to an overall funding reduction of 11.5 percent, our request also reflects a staff level reduction of 15 percent from the original request. Therefore, the request before you is modest, but I think it is a reasonable representation of what the Joint Committee needs given the work that the committee has to do.

Now in response to a request of the House Appropriations Subcommittee on the Legislative Branch, Representative Hawkins, who at that time was still acting chairman of the Joint Committee, and I further agreed to withdraw the Joint Committee request for a $49,000 request supplemental for 1981. We felt that the Joint Committee could absorb that further reduction by not filling, at least for the time being, certain of the staff positions that became vacant. Now I think it is only fair to be candid with you and note that that is a one-shot saving, but it is a saving.

We would like to submit at this time a copy of the statement given by the acting chairman, Mr. Hawkins, before the House subcommittee on the 18th of February, together with copies of the additional materials submitted before and after that date in response to questions from the House subcommittee. I think this will explain the basis for the Joint Committee's funding request, and describe the annual savings achieved by the Joint Committee through oversight of Federal Government printing and distribution activities.

[The information follows:]

STATEMENT OF AUGUSTUS F. HAWKINS

Thank you very much for the opportunity to appear before your subcommittee this morning. Before proceeding with my supplementary statement, I would like to welcome you to your new assignment on this very important subcommittee and wish you every success in your new endeavors. On behalf of the Joint Committee and as a colleague of yours from California, I want to assure you of our committee's intention to continue the cooperation and mutual support which have distinguished the relationship between our respective Committees.

With your permission, Mr. Chairman, I would like to update the budget request we submitted in our letter of December 19, 1980 for fiscal year 1982. The Joint Committee on Printing (JCP) is requesting an appropriation totalling $816,000 which includes 17 staff positions, the same number that was authorized for fiscal years 1980 and 1981. Our request is only $7,000 greater than was originally recommended to be made available for the current fiscal year. Even with the two percent legislative budget reduction included in the continuing appropriation resolution, our request is only $22,200, or approximately 2.8 percent, higher than the total of $793,000 we anticipate will be made available to us for fiscal year 1981. Truly, the Joint Committee has made a very real effort to hold the line against the all too frequent tendency of some committees to substantially enlarge their committee budgets and staffs.

Even more importantly, Mr. Chairman, the Joint Committee has been responsible for producing a number of cost savings or cost avoidances for the Federal Government which more than justifies the appropriation request before you today.

In our letter of December 19, we stated that actions taken by the Joint Committee on requests submitted by the executive and legislative branch agencies have resulted in savings for fiscal year 1981 totalling $4.25 million and $3.995 million a year thereafter. I am very pleased to report that additional savings have been generated by the Joint Committee since our earlier letter. Those additional savings total:

1. For the executive branch:
   (a) FY 81 - $783,000
   (b) Annually - $766,000

2. For the legislative branch:
   (a) FY 81 - $175,000
   (b) Annually - $176,000

All of these savings have been accomplished without the loss of services to the Government; indeed, most of them are accompanied by the delivery of improved services to the agencies and general public.

One example of the Joint Committee's success in reducing expenses has been its ability to slow down the growth of the Congressional printing and binding appropriations. Together with the Public Printer, the Joint Committee has engaged in a serious review of printing requisitioned by the various committees to insure that all necessary material is available in a timely and accurate manner but, at the same time, that duplicative or repetitive printing of material is eliminated. Such reprinting not only increases the printing bill, but far too often, impedes the legislative process. For example, the Joint Committee has many times questioned the publication of lengthy legislative histories requested by various Congressional committees and subcommittees. One such legislative

history request would have resulted in an additional expenditure of $177,000. However, after calling this cost estimate to the attention of the subcommittee chairman, the request to print this material was withdrawn.

These efforts to achieve cost avoidances are further illustrated by comparing the growth of printing and binding in both the executive and legislative branches. The executive branch, as you know, contracts through GPO for a large percentage of its printing needs. In fiscal year 1978, GPO procured $318 million dollars in printing services for the executive branch and in fiscal year 1982, GPO estimates the total will be $580 million, which is a 54 percent increase over five years.

On the other hand, Congressional printing and binding has only grown from $73 million dollars in fiscal year 1978 to an estimated $91.2 million for fiscal year 1982, or a 24.8 percent increase over five years. Because of the combined efforts of this subcommittee, the Public Printer and the Joint Committee, Congressional printing and binding has grown at less than half the rate of such executive branch printing expenditures. As we all know, the cost of living in the last year alone was 12.4 percent; yet Congressional printing and binding has only grown by twice that rate over a five year period.

This contrast is even greater when one considers that the printing that GPO contracts out is based upon competitive bids by a number of commercial sources for each job, which results in the lowest possible cost for the executive agencies. On the other hand, Congressional printing and binding is done by GPO in-house on a demand basis. When Congress is in session late at night and generates additional work, GPO has to pay premium rates to its employees to complete its printing in a timely fashion.

The Joint Committee regards its mandate as specified in Title 44 to "use any measures it considers necessary to remedy neglect, delay, duplication, or waste in the public printing and binding and the distribution of Government publications" as more important than ever in the midst of the economic crisis that this country is facing today. The Joint Committee has cooperated with the Appropriations Committees in reducing Government expenditures over the last few years. I am certain that under the new chairmanship of my distinguished colleague from the Senate, Senator Mathias, the Joint Committee will continue this tradition. Indeed, Senator Mathias and I have discussed a number of new initiatives that the Joint Committee might take to reduce legislative branch appropriations even further.

Finally, I want to acknowledge the outstanding contributions by your predecessor, Mr. Chairman, the Honorable Adam Benjamin, Jr. The Joint Committee is pleased that Mr. Benjamin remains a member of this subcommittee, and we acknowledge his invaluable leadership and support during the time he served as chairman of this subcommittee.

Senator Mathias has a brief statement to make concerning the Joint Committee request and, Mr. Chairman, with your permission I would turn to my colleague for his remarks at this time.

December 10, 1980

Chairman
Subcommittee on Legislative Branch Appropriations
U.S. House of Representatives
Washington, D. C. 20515

Dear Mr. Chairman:

The Joint Committee on Printing encloses its budget estimate of $816,000 covering our operations and oversight activities for fiscal year 1982 and respectfully requests that an appropriation in that amount be authorized.

A supplementary appropriation of $49,000 for fiscal year 1981 is also requested to provide for the cost-of-living pay increase which became effective October 1, 1980.

JURISDICTION, AUTHORITY AND RESPONSIBILITIES

The Joint Committee's jurisdiction, authority and responsibilities emanate from title 44, United States Code. Section 103 thereof empowers the JCP to "use any measures it considers necessary to remedy neglect, delay, duplication, or waste in the public printing and binding and the distribution of government publications." Other sections of the law identify specific actions or assignments which are subject to regulation by the JCP or must be approved by the JCP. The responsibilities of the JCP include:

(1) Establishment of policy and the formulation of regulations for the printing, binding, and distribution of federal publications, documents and other printed matter. This is done, in part, through the JCP publication titled "Government Printing & Binding Regulations".

(2) Establishment of standards and specifications for paper procured and/or used by federal departments and agencies. The Joint Committee is also designated by law as the arbiter who shall make the final decision for the United States in settling differences of opinion between the Government Printing Office (GPO) and a contractor for paper respecting the quality of paper.

(3) Oversight of the Government Printing Office's policies and operations. Additionally, under title 44 U.S.C. 305 (the Kiess Act) the JCP serves as the final board of appeal in GPO labor/management negotiations pertaining to wage related matters.

(4) Authorizations to federal departments and agencies, as warranted, for the establishment and operation, transfer, or disestablishment, of plants for the production and/or reproduction of government publications and documents.

(5) Oversight of the operation of almost 300 printing plants and numerous additional facilities producing or reproducing printed material, which are owned or operated wholly or in part by the Federal Government or at the Federal Government's expense. These plants and facilities are required to submit certain reports to the JCP which are used to evaluate (a) the production and reproduction operations of each plant and facility and their compliance with applicable statutes and regulations, and (b) federal agency requests for authorization to purchase or lease equipment for such operations.

(6) Oversight of the Federal Printing Procurement Program which the JCP initiated over 12 years ago to improve service, effect cost savings, and reduce unnecessary government competition with private industry. Through this program a substantial percentage of the Federal Government's printing and reproduction requirements are purchased by the GPO for federal agencies from commercial sources via competitive bids. In fiscal year 1980, about 70.2 percent or $475 million in federal printing requirements were procured from the private sector.

(7) Oversight of the public's right of access to government publications by monitoring such Superintendent of Documents' programs as the depository library program, sales, by-law and reimburseable distribution, and cataloging and indexing programs.

(8) Compilation, publication, and distribution of certain Congressional publications and supplements including: The Congressional Directory, The Congressional Pictorial Directory, The Capitol Magazine, and the Biographical Directory of the American Congress.

(9) Promotion of cooperation between the Senate and House of Representatives publishing activities in such areas as automated production of Congressional publications and automated indexing.

(10) Formulation of recommendations to Congress for the updating and revising of title 44 of the United States Code.

JCP's PRIMARY OBJECTIVES

The Joint Committee's primary objectives are: 1) to assure improved and cost-effective printing, binding and distribution services for the Congress and the entire Federal Government, 2) to eliminate duplication and waste in the Government's printing and dissemination programs, and 3) to improve the public's access to government publications and documents.

CONGRESSIONAL RECORD COST AND SUBSCRIPTION PRICE

The Joint Committee strongly supports the desire of the Appropriations Committees to make the Congressional Record a self-sustaining sales item.

At the House Legislative Branch Subcommittee hearing in February 1980, the Joint Committee was asked to further increase the subscription price of the Congressional Record. The annual subscription price had been increased from $45 to $75 at the beginning of the 96th Congress. The Joint Committee recently voted and announced another increase in the annual subscription price to $135 (a $60 increase) effective with the beginning of the 97th Congress. The announcement of the increase was accompanied by a statement that the price will continue to increase at regular intervals until the price is self-sustaining.

SAVINGS AND COST AVOIDANCES ON CONGRESSIONAL PRINTING

The JCP, continuing its vigorous support of the Appropriations Committees' desire to control Congressional printing expenditures, monitors those printing activities closely to prevent unnecessary printing duplication and costs. For example, we take every opportunity to urge Members to review all material submitted for printing and to avoid, wherever possible, unnecessary insertions in the Congressional Record which involve the duplication of reports, hearings, bills, statements on bills, additional statements, or extensions of remarks. By requesting Chairmen to review all committee printing to ensure that requisitions for printing are initiated only by an individual designated to act on behalf of the full committee, we hope to avoid or reduce the duplication of such previously printed material.

We are pleased to report that actions taken by the JCP on requests for printing equipment from legislative agencies resulted in substantial savings or cost avoidances of approximately $243,000 for fiscal year 1980. Future benefits due to those actions are estimated to be approximately $1,582,000 in fiscal year 1981, and $1,220,000 in fiscal year 1982 and annually thereafter.

Additionally, the JCP expects Congressional savings of over $1,500,000 per year to begin during the 98th Congress as the results of the JCP's approval of a new format for the Congressional Record and our authorization to the Public Printer to modernize and automate the binding and mailing equipment used in the production of the Congressional Record and the Federal Register.

SAVINGS AND COST AVOIDANCES ON PRINTING OPERATIONS AT EXECUTIVE BRANCH AGENCIES

The JCP's intensive evaluations and inspections of printing facilities and related operations of such agencies during 1980 resulted in substantial savings or cost avoidances totaling $865,000 for fiscal year 1980. Future benefits expected to continue from our 1980 oversight activities are estimated to be $2,643,000 for fiscal year 1981, and $2,775,000 for fiscal year 1982 and annually thereafter.

As mandated under the provisions of title 44 United States Code, the JCP will continue its intense efforts to control unnecessary acquisitions by Federal departments and agencies of equipment and systems used in printing, binding and distribution operations.

BACKGROUND ON BUDGET REQUEST FOR FY-1982

The JCP's initial budget estimate to the Senate Financial Clerk on September 11, 1980 requested authorization for 20 staff positions and $855,000. This figure did not include the cost-of-living pay increase of 9.1% which became effective on October 1, 1980 amounting to approximately $49,000.

However, when the cost-of-living increase went into effect, the Senate Finance Office added to the JCP's budget estimate and advised us that the figure submitted to the President would be $921,795 instead of $855,000.

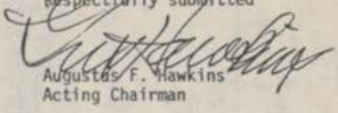
COMPARISONS BETWEEN BUDGET REQUEST FOR FY-1982
AND DATA FOR APPROPRIATIONS/EXPENDITURES
FOR FY-1981 and FY-1980

The $816,000 the JCP is now requesting for FY-1982 is only $7,000 or nine-tenths of one percent (0.9%) more than the $809,000 appropriation authorized for FY-1981 and only $22,200 or two and eight-tenths percent (2.8%) more than the $793,800 which is the expenditure ceiling for FY-1981.

It should also be noted that the $816,000 requested for FY-1982 is only seven and four-tenths percent (7.4%) higher than the $760,000 which the JCP was limited to expend for FY-1980, although an $864,000 appropriation authorization existed for FY-1980.

The Joint Committee appreciates the cooperation and support the Appropriations Committees have given us in the past and anticipates continuing our mutually beneficial and supportive relationship in FY-82. In past appearances, the Chairman of the Joint Committee on Printing has been pleased to report savings and cost avoidances both to Legislative Branch appropriations and to Executive Branch appropriations far exceeding its own modest requests. Your support of this request for appropriation authorizations will enable us to effect additional savings for FY-1982 and in the future.

Respectfully submitted



Augustus F. Hawkins
Acting Chairman

JOINT COMMITTEE ON PRINTING

BUDGET ESTIMATE FOR FY-1982

	FY-1980 Actual		FY-1981 Estimate		FY-1982 Estimate	
Appropriation, or Estimate	$864,000 (1)		$760,000 (5)		$816,000	
Supplemental Appropriation, or Estimate			49,000 (6)			
TOTAL	$864,000 (1)		$809,000 (7)		$816,000	
POSITIONS	No.	Amount	No.	Amount	No.	Amount
Staff Director (2)	1	$ 21,796 (3)	1	$ 52,310	1	$ 52,310
General Counsel	1	48,716	1	52,310	1	52,310
Deputy Staff Director	1	44,945	1	49,487	1	49,487
Assistant Staff Director, Minority	1	41,814	1	45,620	1	45,620
Director of Publications	1	43,430	1	48,044	1	48,044
Professional Staff Member	1	41,107	1	45,480	1	45,480
Professional Staff Member	1	27,254 (3)	1	44,518	1	44,518
Professional Staff Member	1	38,077	1	42,314	1	42,314
Professional Staff Member	1	31,647	1	35,702	1	35,702
Editorial Assistant	1	40,804	1	44,518	1	44,518
Inspector of Paper & Materials	1	39,592	1	43,195	1	43,195
Technical Assistant	1	36,764	1	40,110	1	40,110
Special Assistant, Minority	1	27,730	1	34,821	1	34,821
Executive Secretary	1	27,270	1	29,752	1	29,752
Special Assistant	1	25,789	1	28,871	1	28,871
Secretary-Staff Assistant	1	25,654	1	27,989	1	27,989
Secretary-Staff Assistant	1	23,634	1	25,785	1	25,785
Full time staff payroll	17	$586,023 (4)	17	$690,826	17	$690,826
Agency contributions		51,312		69,174		69,174
TOTAL		$637,335 (4)		$760,000 (7)		$760,000
Reserve for prospective staff changes, salary adjustments and related agency contributions		-------		3,000		15,000
TOTAL		$637,335		$763,000		$775,000
Travel, office supplies, stationery, telephones, telegraph		24,262		23,000		25,000
Temporary personnel, contract employees, payments for agency personnel and training programs		11,794		18,000		12,000
Hearing expenses (reporters fees, witness fees, etc.)		3,536		5,000		4,000
SUBTOTAL		$676,927 (4)		$809,000 (7)		$816,000
Less 2% withheld from obligation (5)		-------		-15,200		-------
TOTAL		$676,927 (4)		$793,800 (7)		$816,000

(1) Appropriations requested was $864,000. House Report No. 96-245 (June 7, 1979) recommended a reduction to $719,000. In Congressional Record for Oct. 12, 1979 (page H-9080) the Chairman, House Subcommittee on Legislative Branch Appropriations, stated that the $145,000 difference should be applied only to increased pay costs (COLA) thus obviating the need for a supplemental pay increase appropriation (of approximately $41,000) covering FY-1980. Public Law 96-86 on October 12, 1979 (H.J. Resolution 412) made Continuing Appropriations for FY-1980.

(2) The Staff Director retired on Feb. 29, 1980. The Chairman designated the General Counsel to temporarily assume the additional responsibilities of Staff Director, effective March 1, 1980.

(3) As a result of two retirements, full-time staff salaries were not expended for the Staff Director position from March 1 through the end of the fiscal year and for one professional staff member position from January 1 through May 4.

(4) Includes cost-of-living salary adjustment of 6.87% effective Oct. 1, 1979 (estimated at $41,000).

(5) House Report No. 96-1098 (June 17, 1980) recommended a $760,000 appropriation for FY-1981. H.R. 7593 passed by the House on July 21, 1980, is referenced in P.L. 96-369 of Oct. 1, 1980 which made Continuing Appropriations for FY-1981; Section 309 of H.R. 7593 provides that 2 per centum (of $760,000, amounting to $15,200) shall be withheld from obligation and expenditure.

(6) This represents the October 1, 1980 Cost-of-Living increase and related Agency Contributions.

(7) This figure includes $49,000 representing the October 1, 1980 Cost-of-Living increase and related Contributions for which a Supplemental Appropriation of $49,000 is needed for FY-1981.

SAVINGS AND COST AVOIDANCES ON PRINTING, BINDING, AND DISTRIBUTION ACTIVITIES OF THE LEGISLATIVE BRANCH

Actions taken by the JCP with the cooperation of other Congressional Committees and the GPO have resulted in substantial savings or cost avoidances in Legislative Branch expenditures of appropriated funds during fiscal year 1980, and similar benefits are expected in fiscal year 1981. These include the following areas or items:

	Estimate for FY-1980	Estimate for FY-1981
Standardized the binding of the Congressional Serial Set (the bound compilation of the House and Senate documents and reports)	$ 193,068	
Distribution of Congressional Serial Set to Depository Libraries and by-law recipients in microfiche and hard copy form, instead of hard copy only		$1,278,045(1)
Distribution of Congressional Committee hearings and Committee Prints to Depository Libraries in microfiche and hard copy form, instead of hard copy only		869,700
Limited the publication of the Congressional Directory to one full edition per Congress	346,000	
Departments, agencies and offices of the Executive and Judicial Branches are directed to pay from their own appropriations for Supplements to the U.S. Code		325,000(2)
Reduced the printing of and the "automatic" distribution to Members of Congress of the bound Congressional Record covering the 95th and succeeding Congresses.	505,000	
$30 increase in the annual subscription rate for the Congressional Record took effect in FY-1979; the results took up to 12 months to have full effect	168,000	
$60 increase in the annual subscription rate for the Congressional Record, effective Jan. 1981		115,680
Eliminated the Congressional Directory Supplement for the Second Session (1980) of the 96th congress	65,000(3)	
Increased monitoring by the JCP and GPO of requisitions/orders received from the Congress, resulting in substantial cost avoidances thru prevention of redundant or duplicative printing	(4)	(4)
Actions taken within the Congress based on recommendations made by the JCP's Advisory Committee on Automation & Standardization of Congressional Publications	(5)	(5)

(1) The actual savings on the Serial Set for the 96th Congress is estimated at approximately $2.5 million. 468 libraries chose to continue receiving the Set in hard copy; 480 libraries chose the microfiche version. Had all 948 libraries received the hard copy version, the cost would exceed $5.4 million, while the cost of hard copy and fiche versions is estimated at $2.9 million.

(2) This savings on 1976 U.S. Code supplements will be accomplished over a period of 5 years. It began in FY-1979. On the next basic edition of the U.S. Code (1982), an additional savings of $600,000 is anticipated.

(3) Similar or greater savings are expected in 1982 based on the elimination of the Supplement for the Second Session of the 97th Congress.

U.S. CONGRESSIONAL SERIAL SET SAVINGS

Sections 719 and 783 of 44 U.S.C., direct that the Senate and House documents and reports be compiled into what has become known as the U.S. Congressional Serial Set. These bound sets are distributed to such by-law recipients as the Library of Congress, Senate and House Libraries, National Archives, depository and foreign exchange libraries for permanent retention.

In order to improve the Set's usefulness and reduce the Legislative Branch Appropriations, JCP directed GPO in October 1979 to:

1. Standardize the binding of the Set into one version. (The Morrocan leather, gold leaf version was eliminated). Standardization resulted in a cost avoidance of $193,068 for the 96th Congress.

2. Offer the Set to all by-law recipients in microfiche. For the 96th Congress, 480 recipients have chosen microfiche and 468 have chosen paper resulting in a savings of approximately $2.5 million for the production of the Set during fiscal years 1981 and 1982.

These figures are based on the production and binding costs of the Set for the 94th Congress.

Paper bound sets (235 volumes per set)

Printing per set	839.15
Binding per set	4,935.00
Cost per set	$5,774.15
Total cost of 468 sets -	$2,702,302.20

Microfiche sets (2928 fiche per set)

Production of master for 2928 microfiche	$117,120.00	
Production of 480 duplicates of 2928 fiche @ $0.07 a piece	98,380.80	
Total cost of 480 sets -	$215,500.80	
Total cost of Set production in paper and microfiche		$2,917,803.00
Total cost of Set if all 948 sets were in paper		4,473,894.20
*Savings - $2,556,091.20		

* These savings will extend over a two-year period (FY 81 - 82)

(4) Together with the Public Printer, the Joint Committee has engaged in a serious review of printing requisitioned by the various committees to insure that all pertinent material is available in a timely and accurate manner but, at the same time eliminate a great deal of duplicative or repetitive printing of material that not only increases the printing bill but far too often obscured the intention of that particular legislation. For example, the Joint Committee has on numerous occasions questioned the publication of lengthy legislative history requested by the various committees and subcommittees by the House and Senate. One such legislative history request (as it turned out, it was requested by a member of the staff and not the chairman of the subcommittee) would have resulted in additional expenses of $177,000. However, after calling this to the attention of the subcommittee chairman, the request to print this material was withdrawn.

(5) It is not possible to accurately quantify all of the savings achieved as a result of the efforts of the Automation Advisory Committee. A significant portion of the results of the committee's work has been more timely and useable information for the Congress. For example, for FY 82 it is estimated that the standardized electronic composition of legislative bills and resolutions will result in an annual savings of $300,000. However, equally important is that without this standardized composition system, significant delays and interruptions of service would have occurred.

ADVISORY COMMITTEE ON AUTOMATION AND STANDARDIZATION OF CONGRESSIONAL PUBLICATIONS

The Joint Committee on Printing's Advisory Committee on Automation and Stnadardization of Congressional Publications was established in 1977 to reduce the cost of Congressional publications, coordinate the development of software in support of computerized printing activities, and promote the sharing of technology within the legislative branch. Staff members from the Senate Rules Committee, the Office of the Secretary of the Senate, the Committee on House Administration, Office of the Clerk of the House, the Library of Congress, and the Government Printing Office have participated, with Joint Committee staff, in advisory committee activities.

In July 1977 the Advisory Committee established two task forces to: (1) examine the method and production of the Congressional Record and determine modifications necessary to convert to automation, and (2) standardize the format and define procedures for the capture and transfer of bill text between the House, Senate, and GPO.

At the beginning of the 96th Congress, the committee completed the coordination of the electronic composition of all Congressional bills. This bill system permits information to be captured at various sources, including where the drafting of the bill occurs. It has also provided, through standardization, the means for effectively transferring machine readable information between the point where printed products are produced (GPO) and information processing services occur. (Senate, House, and Library of Congress). This will ultimately lead to reduced Congressional printing,distribution and storage costs, elimination of the rekeyboarding of bills with similar texts, and the production of a more timely and accurate product.

The Bill system is also serving as a basis for other active cost savings projects. For example, the system has led to the development of a detailed system plan which will permit the Law Revision Counsel to capture revisions to the law using automated systems, and to update and maintain a data base for the U.S. Code. As the system is compatible with other data bases, it is readily available for automatically generating printed products and/or to be searched for information.

In working on the Congressional Record automation project, the Committee utilized the Senate and House Journals as test publications,since the Journals are similar in format to the Record, to afford the opportunity to develop, test, and correct software so that the transition to photocomposition of the Record would operate smoothly. As a result of that effort, the House Proceedings and the Extension of Remarks sections of the Congressional Record are now produced through an electronic photocomposition process, and it is anticipated that the remainder of the Record, the Senate Proceedings and the Daily Digest sections, will be produced electronically sometime during the 97th Congress.

During 1980, additional tasks were undertaken by the Automation Committee, with the general theme of "capturing information at a single source to perform multiple functions". This important concept can help develop the structure of a data base to permit captured information to be used to produce a primary product (i.e. the Congressional Record) and to generate secondary applications for other various uses. For example, coding standards previously adopted will permit items such as Bills not only to be used to generate Bill products, but also to be reformatted for insertion in other products, such as the Congressional Record. As the same concept was utilized during the Record pilot project, the potential exists for exchanging compatible information, i.e. roll call votes from the House electronic voting system, between the Journals and the Congressional Record, thus reducing printing composition costs and proofreading.

The Automation Committee also adopted standards for Congressional Committee Calendars in September 1979. Software programs for this project have been developed, and some calendars have been converted to the new format and the photocomposition process.

The Advisory Committee is currently considering a new standard for the automation of Committee Reports.

Also during 1980, a group was assigned the task of determining the value associated with automating the Congressional Record Index and how to improve its timeliness. On November 6, 1980 the Government Printing Office (GPO) was asked to prepare a detailed system functional requirement (DSFR) report for automation of the Index, and to submit hardware and cost requirements to the Advisory Committee by April 29, 1981.

Another task force is evaluating Congressional interest in having the Record produced in microfiche. To determine how the Record products are used and the users' knowledge of and interest in microform technology, a detailed survey was made of all Congressional users of the Record. Results of the survey have been compiled, and a preliminary report is being reviewed by the task force.

JCP ACTIONS LEADING TO SAVINGS AND COST AVOIDANCES IN LEGISLATIVE BRANCH PRINTING OPERATIONS

Date of JCP action	Agency of Office	Item(s) Involved	Estimated Savings or Cost Avoidances For FY-1980	FY-1981	FY-1982 & Annually thereafter
12-3-79	GPO	1 Copying Machine (purchase	$ 900	$ 1,200	$ 1,200
12-5-79	GPO	1 Copying/Duplicating Machine (pur.)	4,000	5,600	5,600
12-10-79	GPO	1 Disk Storage Controller (Pur.)	32,000		
12-12-79	GPO	1 20-bin Sorter (purchase)	1,600	2,650	2,650
12-21-79	GPO	1 Automatic Blanket Washer(pur.)	2,400	3,650	3,650
1-18-80	GPO	1 Text Editing System & Software	95,000	189,000	189,000
1-29-80	GPO	31 Items: Fork-lift trucks, trailers & pallet racks (purchase)	34,000	47,700	47,700
3-11-80	GPO	1 Perfector Press (transferred from NSA)	21,000	43,000	43,000
4-9-80	GPO	1 Pneumatic Paper-Roll Conveyor (pur.)	2,200	4,800	4,800
4-14-80	GPO	1 Communications Hardware Equipment and Software Package	20,000	47,100	47,100
4-15-80	GPO	2 Automatic - 3-knife Trimmers (pur.)	30,000	66,650	66,650
5-19-80	GPO	1 Platemaker (purchase)		76,000	76,000
5-19-80	GPO	3 Software Packages & Associate		67,100	67,100
6-2-80	LC	1 Electronic Printing System (lease)		193,700	to be determine
9-10-80	GPO	1 Riding Sweeper (purchase)		5,500	5,500
8-18-80	GPO	Pur. Assortment of mail room processing equip.		600,000	600,000
9-10-80	GPO	Pur. Tennant Sweeper from GSA		5,520	5,520

			For FY-1980	FY-1981	FY-1982 & Annually thereafter
9-10-80	GPO	Pur. Inter-Communicating/Paging Sys.		20,075	20,075
10-2-80	GPO	Pur. 3 control units & 3 IBM Printers		61,659	
10-16-80	GPO	Pur. High Speed Disperser		35,055	35,055
10-20-80	LC	Approved only 2 Perfector Presses (Purchase) to cost $42,000 instead of 4 Perfecting Presses & 1 collator to cost $148,000		106,000	
12-31-80	GPO	Pur. 70mm Platemaker System		120,774	120.774
1-16-81	GPO	Pur. 3-Knife Rotary Trimmer		10,806	10,806
1-16-81	GPO	Pur. Automatic Mailing Equipment		44,000	44,000
		Total	$ 243,100	$1,757,539	$1,396,180

JCP ACTIONS LEADING TO SAVINGS AND COST AVOIDANCES IN EXECUTIVE BRANCH PRINTING OPERATIONS

Date of JCP Action	Exec. Dept. or Agency	Equipment Involved	Estimated Savings or Cost Avoidances FY-1980	FY-1981	FY-1982 & Annually thereafter
10-26-79	NAVY	Lease of one phototypesetter	$ 150,000	$ 150,000	$ 150,000
11-8-79	INTERIOR	Purchase of one phototypesetter	20,000	22,500	22,500
12-7-79	JUSTICE	Lease of 3 Electronic Prtg. Systems	36,000	40,800	40,800
12-20-79	DMA	Purchase of 1 Automatic Imposition machine	70,000	76,000	76,800
12-21-79	ARMY	Transfer of 1 Phototypesetting Sys.	17,900		
12-21-79	NAVY	Pur. of two Offset Duplicators	10,000	12,000	12,000
2-1-80	ARMY	Purchase of 1 Phototypesetter	15,000	18,800	18,800
4-4-80	NAVY	Lease of 1 Electronic Printing Sys.	9,000	14,500	14,500
4-14-80	NAVY	Lease of 1 Electronic Printing Sys.	26,000	45,500	45,500
5-30-80	DLA	Purchase 1 Electronic Printing Sys.	28,000	56,000	56,000
6-5-80	HUD	Lease of 1 Electronic Printing Sys.	52,000	126,000	126,000
6-6-80	NAVY	Disapproved lease of 1 Phototypesetting System	2,900	7,000	7,000
7-17-80	SEC	Disapproved purchase of two perfecting Offset Presses	41,000		
10-20-80	COMMERCE	Disapproved Lease for 10 years of one five-color Offset Press		387,600	148,000
7- 8-80	NAVY	Lease of 1 Electronic Printing Sys.		23,900	23,900
7-8-80	ARMY	Purchase Phototypesetter		13,794	13,794
7-8-80	ARMY	Purchase Phototypesetter		181,006	181,006
7-14-80	ENERGY	Lease/purchase Electronic Printing Sys.		430,000	430,000

7-21-80	NSA	Lease/purchase Electronic Prtg. Sys.	$	24,000	24,000
7-21-80	NAVY	Lease/purchase Phototypesetter		43,008	43,008
7-21-80	ENERGY	Lease/purchase Phototypesetter		147,653	147,653
7-25-80	ARMY	Lease/purchase Phototypesetter		184,896	184,896
8-18-80	ARMY	Lease/purchase Phototypesetter		27,300	27,300
8-18-80	ARMY	Purchase Phototypesetter		13,000	13,000
8-27-80	NAVY	Purchase Photocomp. Device, Processor and Film Dryer		41,417	41,417
8-29-80	NAVY	Lease/purchase Photocomposition Sys.		27,870	27,870
9-30-80	EOP	Purchase Phototypesetting System		33,700	33,700
9-30-80	NAVY-DPS	Purchase 8 Web Offset Perfecting Press		25,000	25,000
9-30-80	NAVY	Purchase (3) 4-unit Sheet Fed Presses		36,000	36,000
10-1-80	AF	Pur. (6) Photocompostion Devices		210,000	690,000
10-3-80	JUSTICE	Purchase Phototypesetter		78,000	78,000
10-7-80	JUSTICE	Purchase Paper Cutter		12,000	
10-17-80	COMMERCE	Lease 5-color Offset Press (disapproved)	387,600		
10-20-80	NAVY	Lease/pur.Photocomposition Unit		11,243	11,243
10-20-80	NAVY	Lease/pur. Electronic Printing System		97,000	
10-30-80	HHS	Lease/pur. Photocomposing System		25,421	25,421
		Sub Total	$ 865,400	$2,642,908	$2,775,009

Carried Forward

JCP ACTIONS LEADING TO SAVINGS AND COST AVOIDANCES IN EXECUTIVE BRANCH PRINTING OPERATIONS

Date of JCP Action	Exec. Dept. or Agency	Equipment Involved	Estimated Savings or Cost Avoidance: FY-1980	FY-1981	FY-1982 & Annually thereafter
		Carried Forward	$ 865,400	$2,642,908	$2,775,108
12-1-80	ENERGY	Lease/pur. 2nd Gen. Phototypsetter		28,000	90,000
12-4-80	NAVY	Lease/pur. Electronic Prtg. Sys.		43,072	43,072
12-10-80	ENERGY	Lease/pur. phototypesetter		32,517	32,517
12-10-80	NAVY	Lease/pur. phototypesetter		11,888	11,888
12-10-80	ENERGY	Pur. 2 Electronic Prtg. Sys.		74,150	74,150
12-11-80	OPM	Pur. Electronic Prtg. System		24,000	24,000
12-11-80	HHS	Pur. phototypesetter		3,108	3,108
12-11-80	NAVY	Lease/pur. Electronic Prtg. Sys.		5,000	5,000
12-11-80	NASA	Pur. Electronic Prtg. Sys.		27,696	27.696
12-12-80	HHS	Pur. Collator w/12 Stations		9,535	9,535
12-12-80	NASA	Pur. Phototypesetter		42,000	42,000
12-12-80	DLA	Lease/pur. Electronic Prtg. Syst.		140,000	140,000
12-12-80	ARMY	Pur. Phototypesetter		37,775	37,775
1-9-81	NAVY	Pur. Offset Press		14,000	14,000
1-16-81	AIR FORCE	Pur. Phototypesetting System		78,400	
1-27-81	NAVY	Pur. Phototypesetting		152,991	152,991
1-27-81	SEC	Lease/Pur. Perfecting Press		59,000	59,000
		Total	$ 865,400	$3,426,040	$3,541,840

PRINTING SAVINGS EMPHASIZED

Senator MATHIAS. Now on the first day that I was chairman of the Joint Committee, I took steps to continue the record of the Joint Committee in reducing expenditures. For example, I wrote to the Secretary of Health and Human Services and recommended that he transfer publication of one weekly report from the in-house facility to a commercial printer, which could save the taxpayers $95,000 a year.

I have also directed the Joint Committee staff to pursue every avenue of reducing printing costs in the legislative branch. For example, the number of Congressional Pictorial Directories we print has been reduced by 15 percent. And I have directed the Public Printer to make publications now offered in microfiche available to certain by-law recipients; for example, the bound Congressional Record, which is a very handsome but voluminous publication. Many of us, I think, have volumes of them in our offices but are contemplating just what ultimate disposition to make of them, because our wives certainly don't want them at home. There are public libraries and college and university libraries that are very anxious to have them. They may, however, also have space problems as pressing as ours, and so they often prefer a microfiche version instead of a paper version. That, of course, creates a potential savings in printing and mailing, a very substantial potential saving for the legislative branch if the Record is available to recipients in this new form. So I look forward to reporting specific costs savings in this area once the program is underway, and we have some understanding as to how our consuming public is going to accept it.

These are simply examples of the kind of efforts we are trying to make to reduce the cost of printing and binding. The world of technology is moving very fast in all of these areas. It is not always easy to implement these new technologies as rapidly as one might think, however, because they create changes, and sometimes changes are hard for humans to adjust to. They create social and economic problems for individuals that must be dealt with in a compassionate way, even though that might slow things down a little bit. But it is coming, and I think it will continue to come faster.

CONGRESSIONAL RECORD

Senator MATTINGLY. Thank you. Let me ask you a couple of brief questions.

Regarding the printing of the Congressional Record, your testimony indicated that the annual subscription price would go up from $75 to $135. That is a step in the right direction. I was told by the Public Printer this increase would reduce the budget of the Government Printing Office by $319,000. He further stated in a letter that if the Joint Committee on Printing immediately increased the price of the Record to cover the total cost of printing, he would be able to save another $397,000 in 1982. What are the prospects of the Joint Committee on Printing taking such an action to raise the subscription rate?

Senator MATHIAS. Of course, this is one of those cases I mentioned where you have to measure the human impact. There are a number of subscribers to the Congressional Record. Some of them are prosperous

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business enterprises and probably wouldn't care what you charged for it, within some kind of human limits, but there are other subscribers that are educational or other nonprofit organizations and, indeed, individual private citizens. For that reason we felt it was unwise to raise the prices abruptly; so we will actually raise the price incrementally prior to the beginning of the 98th Congress. So it will move up, but move up in steps.

DISTRIBUTION OF THE RECORD

Senator MATTINGLY. The Public Printer also said we could decrease his appropriation request by $2,568,000 if we eliminated the free Congressional Records that are distributed to the constituents of Members of Congress and Senators. He said 16,000 free copies are sent to people designated by Members of the House and Senate every day. What would your view be if the Appropriations Committee eliminated that program?

Senator MATHIAS. The Congress could do this any time, any day that we want to change the law. It will require a change in statute in order to do it.

Senator MATTINGLY. I was wondering what your view would be.

Senator MATHIAS. It is not within the prerogative of the Joint Committee. I think it might be a useful thing to review and perhaps the Joint Committee might be willing to undertake a kind of a census of members as to whether or not the free distribution should be decreased.

Senator MATTINGLY. Could we maybe do an unscientific census to see what the mood is?

Senator MATHIAS. I will ask Mr. McKay to respond.

Mr. MCKAY. I am sure the chairman is aware in the last Congress the Record distribution by members was changed to eliminate the ability of members to send it to individuals. It now can only be sent to nonprofit or educational organizations. So indeed the distribution of those copies may be 16,000 in number, but because of steps taken by your predecessors on appropriations committees, it is now only available to groups, not individuals. In addition, the entitlement used to be 68 copies for each House member, for example; it is now 34. This reduction is something the Joint Committee has supported and has developed in cooperation with your subcommittee, but we also support the notion that the Record should be made available to the widest possible audience.

Senator MATTINGLY. I am sure, but we need to narrow this. And it is hard, I understand, to say you want to decrease the number.

Senator MATHIAS. Of course, one of the difficulties is if you call Slippery Rock College and ask are you making good use of the Congressional Record, chances are we will get an answer back that it is absolutely the best read publication at Slippery Rock, way ahead of Playboy and anything else.

Senator MATTINGLY. I don't think it is the best read publication even here.

PUBLISHING THE UNITED STATES CODE

The Government Printing Office, I think you overheard when I was talking to them about the United States Code, said they could save $1.2

million if they only printed a supplement to the Code. Currently supplements to the Code are printed every year, and every 6 years the entire Code is printed in hard-bound copies. What would be the view of the Joint Committee on Printing if we decided not to print the entire updated Code this year but merely the supplements?

Senator MATHIAS. The Joint Committee in my brief service hasn't discussed that issue directly, so I can't give you an authoritative view. Of course, if the Congress would slow down in passing laws, we could have a much longer interval between editions of the Code. But as long as we are going to pass a substantial volume of legislation, as we have been doing, it seems it is unfair to the public not to make it readily available. Unless, as one of the witnesses just here pointed out, you can do it by pocket supplements as a means of keeping up to date, even though I never liked that in the days when I earned an honest living as a lawyer, I always felt pocket supplements were inconvenient. Somebody took them out and lost them or they didn't get kept up to date when they came in, but it is a way of doing it.

Senator MATTINGLY. That is what I am getting at, make a comparison with the private sector and see what the frequency was which they got new Federal codes. I don't know what your experience was when you were practicing law.

Senator MATHIAS. As I recall the bills that came from the book salesmen, we did it too often.

Senator MATTINGLY. Maybe I can find out from somebody in the practice of law.

DEVELOPING A DATA BASE FOR THE UNITED STATES CODE

Mr. MCKAY. If I could just point out, this subcommittee, the Law Revision Counsel and the Government Printing Office are working to develop an automated data base for the Code to service the Hill, which will hopefully eliminate the necessity to reprint this material on as frequent a basis as is now the case. That project is some 2 or 3 years away from fruition, but we hope that it will achieve the permanent savings the subcommittee is interested in.

Senator MATTINGLY. You are saying it is some 2 or 3 years before we have the data?

Mr. MCKAY. That is correct.

Senator MATTINGLY. It would seem to me it would be better not to spend the $1.2 million to make hard copies of the United States Code if the projection is to put it on the computer. It would seem like it would be a waste of the taxpayers' money.

Senator MATHIAS. In fiscal year 1982 we will be at the end of the 6-year publishing cycle for the U.S. Code. The fifth supplement to the 1976 edition of the Code is scheduled to be published then.

The complete updated edition of the Code is not scheduled to be published until the following year. Hopefully, at that time, the automated data base which is currently being developed will be usable. If so, the cost of producing each page of the Code will drop dramatically from $61 to $21. In addition, the automated system will make updating the Code a much more efficient and timely process.

Therefore, I suggest this is not a propitious time to interrupt the publishing cycle of the United States Code. I can suggest, however, that this subcommittee evaluate the wisdom of making available to Members of Congress different versions of the United States Code. By statute, a Member cannot only elect to receive sets of the United States Code, if requested in writing, but he can also elect to receive either a set of the United States Code Annotated or the United States Code Service. I suggest that Congress should only provide each Member with one version of the Code and permit the Member to select which set that will be.

SAVINGS ON PRINTING, BINDING, AND DISTRIBUTION

Senator BUMPERS. On February 20 of last year Senator Sasser listed a number of initiatives taken by the House and Senate Legislative Branch Appropriations Subcommittees together with the Joint Committee on Printing which had produced an annual savings of $3,354,000. However, Senator Sasser, who chaired the Senate Legislative Appropriations Subcommittee last year, pointed out that huge quantities of over-ordered publications were being destroyed without having been uncrated, let alone read. Do you have any suggestions as to how we could reduce the number of documents which are printed but never utilized?

Senator MATHIAS. I have submitted to the subcommittee today a list entitled, "Savings and Cost Avoidances on Printing, Binding, and Distribution Activities of the Legislative Branch," which illustrates the effort the Joint Committee on printing is making to decrease Congress' printing bill. For example, the Joint Committee has directed the Government Printing Office to carefully monitor the Congressional Record and other congressional publications and refer to the Joint Committee that material which unnecessarily duplicates previously published material. Substantial cost avoidances have resulted from this procedure.

To further demonstrate my concern about unneeded unused congressional publications, as chairman of the Senate Rules and Administration Committee, I have established a procedure where all Senate committee printing expenses will be reviewed. I intend to call any excessive or unnecessary committee printing to the respective chairman's attention so it will not be repeated. I have personally directed staff on the Joint Committee to reduce wherever possible the quantity to be printed of any publication. Finally, I have asked staff to recommend additional areas which might be appropriate for futher reductions, including as necessary amending title 44.

FURTHER ECONOMIES PROJECTED

Senator MATTINGLY. In conclusion, I would just like to say in light of President Reagan's stated intent to make substantial cuts in the Federal Government and the intent of this chairman to aid the President in his efforts to bring health back to the American economy by cutting the size of Government, you have already not increased personnel and you are holding your budget to the fiscal year 1981 level. That is the intent of this committee. I congratulate you, Mr. Chairman, on doing your part in an outstanding manner.

Senator MATHIAS. Thank you, Mr. Chairman. We hope that next year we will show you a further record of economies and savings.

Senator MATTINGLY. Thank you very much.

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STATEMENT OF CLARENCE L. JAMES, JR., CHAIRMAN
ACCOMPANIED BY FRANCES GARCIA, COMMISSIONER

1981 APPROPRIATION AND 1982 BUDGET REQUEST

Senator MATTINGLY. Our next witness will be Mr. Clarence James, the Chairman of the Copyright Royalty Tribunal. The Tribunal's request is for $500,000 as opposed to the fiscal year 1981 appropriation of $483,000, an increase of $17,000.

Mr. James, if you would please introduce your associate and proceed with your statement.

Mr. JAMES. Thank you, Mr. Chairman. With me today is Commissioner Frances Garcia, who is the director of our budget committee on the Tribunal.

Mr. Chairman, I think I have sent my brief statement already to the committee which accompanies the 1980 annual report of the Tribunal, and I think that correctly and adequately covers all of the activities that the Tribunal is currently engaged in. I stand ready with Commissioner Garcia to answer any questions.

I would like to add we are probably the smallest agency in the Federal Government. There are only 10 members on our total staff.

Senator MATTINGLY. Well, we do have one component that is smaller, the Senate legal counsel. You almost beat them.

What is the Tribunal's function?

TRIBUNAL FUNCTIONS

Mr. JAMES. Primarily, under the statute we have four major functions. Probably the biggest function we have is to establish the rate for cable systems' secondary transmission. That is a rate that was originally set by Congress that cable operators must pay for the use of taking copyrighted shows off the airwaves and retransmitting them through a wire to their subscribers. That rate is paid semiannually to the Copyright Office and deposited in the U.S. Treasury twice a year. The Tribunal distributes that money to the claimants, who are the copyright owners. That is probably one of our biggest functions.

Another function is that we set the mechanical rate for records. Since 1909, Congress has established a rate that the composer must receive for every record that is made. In 1909 it was 2 cents. Under the Copyright Revision Act passed by Congress in 1976, it was raised to 2¾ cents, with the caveat the Tribunal would review that rate and adjust it if necessary. We have just concluded hearings and found the evidence warranted adjustment.

We also establish the rate for jukeboxes. The 1976 act for the first time made jukebox operators liable for material they played on their

jukebox. Congress set a rate of $8 a box, giving the mandate to the Tribunal to adjust that rate if necessary. We just concluded hearings and we felt that rate should be adjusted. The license that the jukebox operators must have is an annual fee paid to the Copyright Office, deposited in the U.S. Treasury, and once a year the Tribunal holds distribution hearings for the distribution of those funds. We are currently getting ready to start our first jukebox distribution. The law also provides in both instances of distribution that the parties may agree among themselves as to an allocation, without any violation of antitrust.

The last area which we review every 5 years is we set the rate that the Public Broadcasting System must pay for use of copyright material.

Senator MATTINGLY. When was the Tribunal established and what was the statute of law?

Mr. JAMES. The law that created it was established in 1976, Public Law 94–553, out of the 94th Congress. The Copyright Royalty Tribunal was duly constituted in November 1977.

Senator MATTINGLY. Is there any life set forth by law in the legislation?

Mr. JAMES. In perpetuity I would imagine.

RESTRUCTURING THE TRIBUNAL

Senator MATTINGLY. From your experience at the Tribunal, do you believe there are other agencies that could handle your functions?

Mr. JAMES. Do you want my personal opinion or opinion as a Chairman?

Senator MATTINGLY. I want your real personal opinion.

Mr. JAMES. Well, Senator, so that you are not misled by anything I say today, I think I should advise you that I spoke before the oversight committee on the House side last Wednesday in my individual capacity, advocating that the Copyright Royalty Tribunal was not necessary and should be abolished. I think I need to put that on the record in response to your question, yes, I do feel that Congress can probably enact certain revisions to the existing law which would eliminate the necessity of the Copyright Royalty Tribunal, and, consequently my job. Any functions that would remain that needed to be resolved could be handled by another agency.

Senator MATTINGLY. For instance, the Federal Communications Commission?

Mr. JAMES. Commerce primarily. The Federal Communications Commission I think would lack the jurisdiction.

Senator MATTINGLY. Do you think it could be phased out by fiscal year 1982?

Mr. JAMES. I would say—again I am responding in my personal capacity—if Congress changed that law this session, it could probably be phased out very effectively prior to the end of 1982.

Senator MATTINGLY. In other words, the beginning of fiscal year 1982.

Ms. GARCIA. Mr. Chairman, in my opinion I think because of the variety of interests involved, that it would not be practical for this to take place prior to fiscal year 1982.

Senator MATTINGLY. Not prior. Right, that is what I am saying, probably phase it out in 1982.

Ms. GARCIA. After 1982 or prior to fiscal year 1982?

TRANSFER TRIBUNAL FUNCTIONS TO DEPARTMENT OF COMMERCE

Senator MATTINGLY. Finish fiscal year 1981 and not appropriate any money for the function beginning October 1, 1982, and transfer those functions to the Commerce Department.

Ms. GARCIA. I don't think it would be practical because of the different interests involved. That would require the statutory functions to be remanded by the subcommittee, and I understand Mr. Kastenmeier is currently conducting those hearings. But I, personally, do not think it would be feasible for him to complete that in 6 months.

Senator MATTINGLY. What committee of the Senate authorizes that, do you know?

Ms. GARCIA. Yes, Senator Thurmond's committee.

Mr. JAMES. Judiciary Committee.

Senator MATTINGLY. We will see how fast the process works. I will just try to find out technically and legally and legislatively how rapidly that can work. I will check with Senator Thurmond and my appropriations chairman to see how rapidly that it could be enacted.

Ms. GARCIA. Mr. Chairman, in that regard let me just address a couple of issues. Currently we have approximately $43 million deposited with the U.S. Treasury that the Library of Congress, Copyright Office, is investing for us. If the Tribunal were not funded for 1982, these funds would continue to accumulate. Also, presently there are three cases being appealed before the courts of appeals on our decisions of 1980. If these are remanded to the Tribunal, there would be no one there to hear those cases.

Second, presently the law requires that a yearly filing of claims by the cable operators be made. Those claims would continue to be filed yearly and there would be no one there at the Copyright Royalty Tribunal to take those claims. Because of the nature of some of these cases that are being appealed, the mechanical royalty, which was increased from 2¾ to 4 cents—if that were remanded by the Department of Justice and came back to the Tribunal, then that means the copyright owners would lose on that deal. And also the FCC has recently deregulated cable which has given the Tribunal the authority to revise section 111. If this were the case, there would be nothing left for copyright owners on cable.

CHANGING THE LAW

Senator MATTINGLY. The Chairman mentioned and I probably could assume the Commerce Department could probably assume a lot of these reponsibilities without any loss of a heartbeat.

Mr. JAMES. I think what Commissioner Garcia is saying is accurate if the Tribunal were to continue on as in existing law. See, what you have, Senator, we are not in the process of making laws. The budget we have here is adequate to administer the existing law. My suggestion to the House subcommittee is change the law, eliminate the need for the filing, eliminate the need for a distribution hearing, eliminate a future need for setting a mechanical rate by setting a percentage rate, and a lot

of other things. Go back to the marketplace; let the parties use the marketplace. So the law definitely has to be changed. If it continues on like it is now, all those things mentioned by Commissioner Garcia will have to be done by the Tribunal. If the cases come back, they will have to be reheard; but if they come back and the law is not the same, then there is no need for the Copyright Royalty Tribunal.

Senator MATTINGLY. What committee on the House side did you testify before?

Mr. JAMES. It was the Subcommittee on Courts, Civil Liberties, and the Administration of Justice, which is chaired by Congressman Kastenmeier.

QUESTIONS AND RESPONSES

Senator MATTINGLY. I submit some questions for responses and insertion in the record.

[The following questions were not asked at the hearing but were submitted to the Department for response subsequent to the hearing:]

Question: You indicate in your annual report for the fiscal year September 30, 1980 that the Commissioners perform all professional responsibilities themselves although each has a personal assistant. Can you tell the Committee what chores the personal assistants perform and what the average pay is for these activities?

Answer: Each confidential assistant is the personal secretary of an individual commissioner and is therefore responsible for the associated tasks of answering the telephone, handling correspondence, and filing the commissioners personal documents. In addition, the confidential assistants are each assigned one of the following general areas of responsibility:

(1) General CRT records, maintenance of 80-5 and all 1981 hearing dockets, distribution of mail and correspondence, Federal Register notices, hearing arrangements.

(2) Maintenance of 1980 and prior years hearing dockets, service of equipment, telephone service and mailing lists.

(3) Maintenance of monthly or quarterly journals, maintenance of the library, postage, and response to public requests for Tribunal documents.

(4) Payroll and personnel transactions, purchase of supplies, payment of bills, petty cash purchases, maintenance of all financial records, and payroll timesheets.

(5) Noncommercial broadcasting cue sheets, jukebox location listing, catalogue of listings by state, update of cable television claimant listing.

The average pay for these activities is $22,925.00.

Question: You are requesting $7,500 for travel expenses in fiscal year 1982, an increase of 50 percent over your current budget. Why is an increase of this magnitude necessary?

Answer: The original travel request by the Tribunal for fiscal year 1981 was for $5,000. The request was reduced by 90% to $500 by the Appropriations Committee. The Tribunal is requesting $4,000 as a supplemental to the fiscal year 1981 total.

The Tribunal's policy has normally been a travel allowance of approximately $1,00 per commissioner.

Throughout the year commissioners are invited to participate as speakers at the national and state annual conventions for the various industries which come under CRT jurisdiction (Cable Television, Broadcasters, Public Broadcasting, etc.). These speaking engagements provide the Tribunal an opportunity to inform the industry of the current status of actions before the Tribunal and at the same time to keep itself abreast of the concerns of th industries. The Tribunal has found these meetings to be of great benefit and we believe the industries do also.

It is the Tribunal's internal policy that only one commissioner participate and attend any given convention. In requesting travel

funds the Tribunal has done so under the belief that any reimbursement for travel by the industry would be a conflict of interest.

The $7,500 request is a travel allowance of $1,400 per commissioner and $500 for local travel.

Question: Your are requesting very substantial increases in professional and consultant pay and in hearing costs associated with the new cable national communications policy proceedings. Can you give us some idea of how your $10,000 professional and consultant budget will be spent in fiscal year 1981 and also indicate how many hearings you plan to hold this year as compared with the hearings you project for fiscal year 1982?

Answer: Under the current Copyright Statute if the FCC deregulates the number of distant signal equivalents that may be carried by a cable system or the rule concerning syndicated exclusivity, copyright owners may petition the Tribunal to review the rates set in section 111 of the statute for secondary transmissions by cable systems.

Last spring the FCC deregulated distant signal equivalents and syndicated exclusivity for cable television. Presently that decision is on appeal in the Second Circuit Court in New York, and it is anticipated that the court will issue their decision sometime this spring. If the FCC decision is upheld, it is reasonable to assume that the copyright owners will petition the Tribunal to review section 111 in its entirety. Because the Tribunal does not have the kind of specialized in-house expertise that we anticipate will be necessary in order to make an appropriate examination of the cable industry, the $10,000 and $20,000 have been budgeted in order to hire temporary expert assistance to enable the Tribunal to make this review.

For 1981 there are two distribution hearings which are mandated, if no voluntary agreements are reached by the interested parties, under the Copyright Statute. They are for royalty fees collected from Cable TV and jukeboxes.

It will also be necessary to conduct these two distribution hearings in 1982. In addition, in 1982 we will also be conducting a rate review hearing on non-commercial broadcasting.

Should it be necessary to conduct rate review hearings regarding deregulation of Cable TV the Tribunal has estimated approximately 18 days of hearings on that issue alone.

Question: Provide to the Committee all information requested and submitted to the House Appropriations Committee.

Answer: Inserts attached.

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Question: Detailed breakdown by object class of actual expenditures for fiscal 1978, 1979, and 1980.

Response:

		FY 1978	FY 1979	FY 1980
11.1	Salaries and Compensation	$293,743.00	$334,451.00	$350,993.36
12.1	Personnel Benefits	23,560.00	27,014.00	27,997.40
21	Travel and Transportation	2,628.00	8,711.00	1,796.27
23A	Postage	3,000.00	1,200.00	1,199.46
23B	Local Telephone	5,000.00	2,500.00	2,398.17
23C	Long Distance Telephone	3,000.00	1,499.00	800.07
23E	Rental of Equipment	6,184.00	2,038.00	1,920.36
23F	Rental of Space	25,007.00	23,606.00	23,606.00
24F	Printing, Forms	6,464.00	10,192.00	1,926.00
24L	Offset Reproduction	-0-	1,355.00	-0-
25A	Other Services, Miscellaneous	1,704.00	-0-	479.91
25D	Services of Other Agencies	31,209.00	30,600.00	15,594.86
25F	Professional and Consultant	16,204.00*	30,800.00	-0-
25G	Repair of Equipment	405.00	1,648.00	431.50
25K	Cost of Hearings	-0-	2,000.00	29,230.50
26A	Office Supplies	3,133.00	1,445.00	1,824.50
31	Books and Library Materials	1,438.00	1,370.00	998.36
31H	Equipment	47,096.00	4,550.00	-0-
		$469,775.00	$484,979.00	$461,196.72

* This entire amount is for Cost of Hearings - separate account (25K) was set up in 1979.

Question:

For fiscal 1978, 1979, 1980 and 1981 to date, give the following information:

a. Description of each hearing held.
b. Number of days of each hearing.
c. Actual cost of each hearing.
d. Indicate where appropriate, each hearing cost paid out of a fund or the money appropriated by Congress.

Response:

Description of Hearing	No. of Days	Cost	Fund Source
FY 1978			
Organization Meetings	3 days	$ 1,537.90	CRT Appropriation
Public Broadcasting Rate Review	10 days	4,951.60	CRT Appropriation
Filing of Claims to Cable Royalty Fees & Noncommercial Broadcasting	1 day	527.00	Cable Royalty Fund
Phonorecord Player Access Regulation (Rate Review)	1 day	833.25	CRT Appropriation
Jukebox Proposed Rule Concerning Access Regulation (Rate Review)	1 day	53.25	CRT Appropriation
FY 1979			
Recording of 11/9 meeting regarding the following matters: (1) Fiscal year 1980 budget (2) Agency Rules of Procedure (3) Other matters considering jukebox rule making.	1 day	709.80	CRT Appropriation
Recording of 5/18 meeting regarding proposed supplemental rule with respect to filing of claims to cable royalty fees.	1 day	79.50	Cable Royalty Fund
Meeting which declared controversy on the cable royalty fee claims.	1 day	116.00	Cable Royalty Fund
FY 1980			
Jukebox Rate Review	8 days	3,810.50	CRT Appropriation
Cable Rate Adjustment	2 days	1,155.00	CRT Appropriation
Mechanical Rate Review	41 days	24,265.00	CRT Appropriation
Cable Distribution of 1978 Funds	22 days	11,764.00	Cable Royalty Fund
FY 1981			
Cable Rate Adjustment	5 days	2,256.00	CRT Appropriation
Mechanical Rate Review	17 days	4,531.25	CRT Appropriation
Cable Distribution of 1979 Funds	4 days	431.00	Cable Royalty Fund

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COST OF HEARINGS
(Account 25K)

Fiscal 1980

Jukebox Rate Review 8 days	$ 3,810.50
Cable Rate Adjustment 2 days	1,155.00
Mechanical Rate Review 41 days	24,265.00
	$ 29,230.50
Cable Distribution of 1978 Funds 22 days	2/ 11,764.00
	$ 40,994.50

Fiscal 1981

Jukebox	$ -0-
Cable Rate Adjustment 5 days	2,256.00
Mechanical Rate Review 17 days	1/ 4,531.25
	1/ $ 6,787.25
Cable Distribution of 1979 Funds 4 days	2/ 431.00
	$ 7,218.25

Estimate for Fiscal 1982

PBS Hearings 8 days @ $500	$ 4,000.00
Cable Rate Review 18 days @ $500	9,000.00
	$ 13,000.00

1/ Includes $165.00 not paid, but bill received.

2/ Reimbursed from cable fees collected.

Cost of transcripts for hearings:
Original - 1 at $3.00 per page.
Copies - 5 at 25¢ per page.

Question:

For each Commissioner and each confidential assistant, give the following information:

a. Starting salary.

b. Date, amount and type of each increment.

Response:

COMMISSIONERS

Date	Reason for Increase	Increase Amount	Ending Salary
11/10/77	Starting salaries		$ 47,500.00
10/12/79	7% cost of living	$ 2,613.00	$ 50,113.00

TRANSITION OFFICER

11/10/77	Starting salary		$ 22,612.00
1/1/79	Termination		-0-

CONFIDENTIAL ASSISTANTS

11/10/77	Starting salaries		$ 18.108.00
10/1/78	5.5% cost of living	$ 998.00	$ 19,106.00
12/4/78	Merit Increase (termination of Transition Officer - duties distributed to CA's)	$ 531.00	$ 19,637.00
10/1/79	7% cost of living	$ 1,374.00	$ 21,011.00
10/1/80	9.1% cost of living	$ 1,914.00	$ 22,925.00

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	BEGINNING		ENDING	
	DATE	SALARY	DATE	SALARY
Nancy Langley				
Transition Officer	11/10/77	$22,612	12/31/78	$22,612
Confidential Assistant	1/1/79	$19,637	Current	$22,925
Catherine E. Carlisle				
Confidential Assistant	11/21/77	$18,108	Current	$22,925
Barbara N. Gray				
Confidential Assistant	1/9/78	$18,611	Current	$22,925
Bernice C. Guice				
Confidential Assistant	11/10/77	$18,108	11/23/79	$20,443
Jan Lewis				
Confidential Assistant	11/10/77	$18,108	8/17/79	$19,637
Sheryl Darden				
Confidential Assistant	11/26/79	$21,011	2/29/80	$21,011
Nancy Rassiga				
Confidential Assistant	12/10/79	$21,011	6/10/80	$21,011
Betty Ann Harris				
Confidential Assistant	3/3/80	$21,011	4/14/80	$21,011
Ruth Martinez				
Confidential Assistant	6/11/80	$21,011	9/12/80	$21,011
R. Christine Blackburn-Rodriguez				
Confidential Assistant	11/3/80	$22,925	Current	$22,925
Joann Gilbert				
Confidential Assistant	12/2/80	$22,925	Current	$22,925

Question:

Furnish detailed resumes of each Commissioner.

Response:

Resumes attached.

CLARENCE L. (BUDDY) JAMES, JR.
1111 20th Street, N.W.
WASHINGTON, D.C. 20036
(202) 653-5180

PROFESSIONAL DATA

Attorney-At-Law; Member of Ohio and Federal Bar;
Admitted to Practice Before:
1. All courts in the State of Ohio - 1962
2. United States District Court, Northern District of Ohio - 1965
3. United States Supreme Court - 1970
4. District of Columbia - 1978

WORK EXPERIENCE

Nov. 10, 1977 to Sept. 27, 1982 - Commissioner
Copyright Royalty Tribunal - 5 years
Presidential Appointment

Nov. 1971 to Nov. 1977 - James, Moore, Douglas & Co., LPA
General practice of law, confined to corporate and land development (specifically multi-housing under 236 and 221(d)3 under the National Housing Act), municipal and labor law (specifically EEOC, affirmative action and labor union negotiations); litigation, which included breach of warranty and product liability matters.

Jan. 1972 - Nov. 1977 - Special Counsel to the Attorney General, State of Ohio. Handling a variety of matters, including hearing officer, Department of Commerce; investigator; Department of Insurance; and handling of deficiency business tax matters for the Department of Taxation.

June 1968 to Nov. 1971 - Director of Law/Deputy Mayor, City of Cleveland. (Equivalent to City Attorney or Corporate Counsel). Duties and responsibilities consisted of being the chief legal advisor for the City, and for all its officers and departments. Duties and responsibilities also included being the Deputy Mayor in the absence of the Mayor and the Chief Police Prosecutor of the City.

During entire tenure as the Director of Law, also performed all functions which had previously been the duties and responsibilities of the Chief Counsel.

April 1968 to June 1968 - Chief Counsel, City of Cleveland. Duties and responsibilities included being the chief trial lawyer for the City of Cleveland and responsibility of evaluating all cases in which the City was a party. Supervised preparation of pleadings, briefs and other documents. Trial work consisted of trying all cases of great public concern and notoriety, especially those that originated in the Appellate and Supreme Court.

Feb. 1964 to April, 1968 - Legal Aid Society of Cleveland, Inc.
April, 1967 to April, 1968 - Civil Director
Dec., 1966 to April, 1967 - Director, Main Office
April, 1966 to Dec. 1966 - Attorney-in-charge
Feb., 1964 to April, 1966 - Staff Attorney

As Civil Director, assisted in the establishment of five neighborhood offices, including site selection and employment of staff to operate them; directly supervised 25 attorneys and the management of eight neighborhood law offices; coordinated and developed policy and strategy on civil matters in all offices; developed and implemented policy for law reform, including the drafting of legislation and the use of the lawyer's skills to improve the living conditions of low-income people.

As Director of Main Office, duties and responsibilities consisted of the supervision of the six staff attorney, interviewing of clients and court appearances.

Oct. 1959 to Jan 1964: Cuyahoga County Court of Common Pleas
Oct. 1959 to Jan 1963 - Investigator
Jan. 1963 to Jan. 1964 - Supervisor of Investigators

SPECIAL PROJECTS

Chairman, Committee on Housing, National Institute of Municipal Law Officers. 1969 - 1971.

1970 Panelist and Speaker, American Bar Association Section on corporate, banking and business law. Subject: Holder in Due Course

One of the principle drafters of the 1967 Revision in the Ohio Garnishment Law passed by the Ohio Legislature.

Chairman, Special Task Force, National Aid and Defenders Association and O.E.O. Attorneys Uniform Consumer Credit Code. 1967 - 1969.

Consultant to Reginald Heber Smith Fellowship Program at University of Pennsylvania. 1967- 1968

LEGAL ASSOCIATIONS

First Vice President and Member of Board of Directors
Legal Aid Society of Cleveland, Inc. 1972 - 1973

Cleveland Bar Association, Board of Trustees, 1972 - 1975
Member, 1962 to present.

President, Cleveland-Marshall Alumni Association of Cleveland State University, 1970 - 1971

Member of Board of Overseers of Cleveland-Marshall College of Law, Cleveland State University, 1970 - 1979.

Ohio Bar Association.

Vice President and Member of Board of Directors
National Legal Aid and Defenders Association, 1968 - 1971.

District of Columbia Bar Member.

PUBLICATIONS:

James, Jr., Clarence L: Report of Committee on Housing; NIMLO Municipal Law Review, (pp. 50-95), 1972.

James, Jr. Clarence L: Holders in Due Course and Other Prohibitions on Agreements: The Business Lawyer, (pp. 73-82), January 1971.

James, Jr. Clarence L. and Fragomen, Jr. Austin T.: The Uniform Consumer Credit Code: Inadequate Remedies Under Articles V and VI; The Georgetown Law Journal, Volume 57, Number 5, (pp. 923-954) May, 1969.

James. Jr., Clarence L: Attachment and Garnishment; Course on Law and Poverty; The Consumer, Ohio State Legal Services Association, (pp. 1-19), January 1968.

DATE AND PLACE OF BIRTH
October 13, 1933
Los Angles, California

MARRIED
Wife - Patricia Douglas James
Children - Clarence II, age 22, Craig, age 19

EDUCATION

Attended Elementary and Secondary Public Schools in Pasadena, California
Pasadena City College, formerly John Muir College 1953 A.A.
Ohio State University 1953-1957
Cleveland Marshall College of Law, Cleveland State University 1962 J.D.
Case Western Reserve University; Management Development Program under the Graduate Program in Public Management Science 1968.

HONORS

Cleveland Junior Chamber of Commerce Ten Outstanding Young Men Award, 1968.

BIOGRAPHICAL SKETCH

Thomas C. Brennan is a life-long resident of New Jersey. He graduated magna cum laude from Seton Hall University and received his J.D. and LL.M. degrees from Georgetown University. He had a long association with the United States Senate Committee on the Judiciary, principally as Chief Counsel of the Subcommittee on Patents, Trademarks and Copyrights. He was nominated by President Jimmy Carter as the senior commissioner of the Copyright Royalty Tribunal, and has been elected as the first Chairman of the Tribunal.

DOUGLAS E. COULTER
2405 TUNLAW ROAD
WASHINGTON, D. C.
(N.W.) 20007

EDUCATION

MBA Harvard Business School
MBA European Institute of Business Administration, (Fontainebleau, France; orientation towards the Common Market; courses conducted in French, German and English.)
BA Harvard College, History, Phi Beta Kappa, Wendell Scholar (academic scholarship for merit)
St. Albans School, (Washington, D.C.), Valedictorian

BACKGROUND SUMMARY:

Experience in writing, political campaign organization, and business financial management.

EMPLOYMENT HISTORY:

Nov. 10, 1977 to Sept. 17, 1984: Commissioner, Copyright Royalty Tribunal - 7 years, Presidential Appointment.

1973 to Nov. 1977: Self-employed as a writer, interrupting this in 1976 to work in President Carter's election campaign.

Prior to 1973: Worked in Senator McGovern's presidential campaign; and earlier as assistant to the financial director of an American corporation in France, AMP, Inc.

1964 to 1967: Served in U. S. Army as a first lieutenant in Special Forces. Served in Germany and Vietnam; in Vietnam as commander of long-range reconnaissance patrols.

Have lived abroad extensively and am fluent in French and German.

FRANCES GARCIA, CPA
3634 Jenifer St., N.W.
Washington, D. C. 20015
202-244-0923

Education

Midwestern University, Wichita Falls, Texas - BBA, 1968
Certified Public Accountant, Texas - 1972

Work Experience

Copyright Royalty Tribunal (November 1977 to Present)

Commissioner
Presidential Appointment with the Advice and Consent of the Senate

Arthur Andersen & Co. (1968 to 1977)

Arthur Andersen & Co. is one of the largest international accounting firms in the world.

I joined the firm as an audit staff person upon graduation from Midwestern University and was promoted to Audit Manager in 1974. My responsibilities during this period included all aspects of client service and audit engagement administration. In the two years immediately prior to my accepting the appointment of the President of the United States to the Copyright Royalty Tribunal, I functioned as Office Manager for the firm's staff location in Fort Worth, Texas and for the firm's office in Austin, Texas. My responsibilities as Office Manager involved personnel management, including supervision, recruiting, training and administration of compensation and personnel evaluation programs; planning; policy and procedures; and operations.

1960 - 1968:

Borg Warner Acceptance Corporation - Trouble shooter, traveled throughout the United States assisting whenever any bookkeeping problems occurred, setting up new offices and training personnel.

1957 to 1959:

Kemp Drug Store - Waitress. Worked my way through high school.

1953 to 1957:

Various miscellaneous jobs.

Professional Organizations

American Institute of Certified Public Accountants - Committee on Minority Recruitment and Equal Opportunity
American Women's Society of Certified Public Accountants
District of Columbia Institute and Texas Society of Certified Public Accountants - Membership Committee
American Society of Women Accountants - Past President Dallas Chapter - 1975
American Association of Spanish Speaking Certified Public Accountants - Board Member

Civic Organizations

United Way of Austin - Board of Trustees - 1976/1977
Dallas Mexican Chamber of Commerce - Second Vice President - 1976
Austin Chamber of Commerce - Tourist Committee
Member of the Board of the Southwest Texas Public Broadcasting Council (KRLN-TV) - 1976/1977

Other Organizations

Austin Minority Economic Development Corporation - Board of Trustees
Dallas Mexican Chamber of Commerce Local Business Development Organization - Board of Trustees - 1974/1975
Zonta International Club - Finance Committee
Mexican American Women's National Association - Treasurer

Honors

Who's Who in American Colleges (1968)
Who's Who in Texas (1974 and 1975)
Outstanding Americans in the South (1975)
Personalities of the South (1978)
Hispanic Who's Who in America (1979)

MISS MARY LOU BURG
1200 N. Nash Street
Arlington, Virginia 22209
Telephone: 703/243-4217

EDUCATION:

Graduated from West Bend High School, 1947.
Graduated with a Bachelor of Science Degree from University of Wisconsin, 1952.

BUSINESS BACKGROUND:

General Manager, General Sales Manager, Radio Station WYLO, Milwaukee, 1967-1970.

Sales Representative, WYLO Radio, 1964-1967.

Director of Continuity & Public Service, WEMP Radio, Milwaukee, 1958-1964.

Sales & Program Promotion writer WXIX-TV, Milwaukee, 1955-1957.

Commercial Writer, Erwin-Wasey Advertising Agency, Los Angeles, 1953-1954.

Broadcasting experience also included a good deal of on-the-air work -- such as interviews, commentaries, commercials.

Wrote, produced and directed an hour-long special program "The Story of the American Civil War". It was aired May 29, 1962.

CIVIC ASSOCIATIONS:

Member of Business, Industry and Labor Fund Drive, Milwaukee County Chapter National Foundation of March of Dimes, 1966.

Member Fund Raising Committee for the Center for the Performing Arts, Milwaukee, 1965.

Radio Publicity Coordinator for the Milwaukee County March of Dimes Campaign, 1964.

Member of the National Radio Committee for National Brotherhood Week, 1963.

Regional representative for the National Brotherhood Week Radio Committee -- National Conference of Christians and Jews, Inc., 1963.

POLITICAL BACKGROUND:

Deputy Chairman, Democratic National Committee, 1972-1977.

Vice-Chairman, Democratic National Committee, 1970-1972.

Democratic National Committeewoman from Wisconsin, Elected 1968--Re-elected 1972.

Precinct Committeewoman, 1966-1970.

Member-at-large, Administrative Committee of the Democratic Party of Wisconsin, 1967-1968

Chairman, Washington County Democratic Party, 1966-1968.

Chairman, Women's Committee, Washington County Democratic Party, 1960-1964.

RELATED:

Steering Committee -- 1976 Presidential Debates - League of Women Voters

Member - "The Freedom To Vote Task Force", Democratic National Committee, 1969.

Participating speaker at "The Robert A. Taft Institutes of Government" 1971-1976.

ORGANIZATIONS:

Theta Sigma Phi; League of Women Voters

HONORS:

Named "Wisconsin Woman of the Year" 1970 by the Milwaukee Sentinel.

RELIGION:

Methodist

LEGAL AND VOTING RESIDENCE:

West Bend, Wisconsin

DATE OF BIRTH:

February 10, 1930

Question:

Background and experience of each confidential assistant.

Response:

Joann Gilbert

Attended St. Bonaventure University for two years, majored in Economics. Eleven years experience as a secretary mainly in the legal field. Presently working for Copyright Royalty Tribunal as a Confidential Assistant to Clarence L. James, Jr. Duties consist of maintaining general CRT records, maintaining the Tribunal dockets for 1979 cable distribution and 1979 jukebox royalty proceedings, making hearing arrangements, preparation and filing of Federal Register notices.

BARBARA N. GRAY

I have 19 years of administrative experience in government and private industry. Prior to joining the staff of the Tribunal, I was executive secretary to the president of The Conservation Foundation (1973-1978); business manager/executive secretary to the Rockfeller Task Force on Land Use and Urban Development (1972-73); and have worked at the Council on Environmental Quality, Peace Corps, HUD and the Office of Education. I presently work as confidential assistant to Commissioner Coulter.

NANCY LANGLEY

16 years office experience. General law, H.L. Chozick, Washington, D. C.; Counihan, Casey & Loomis, Washington, D. C.; Secretary to General Counsel, Senate Subcommittee on Patents, Trademarks & Copyrights; Administrative Staff Assistant to Senator John L. McClellan; Transition Officer, Copyright Royalty Tribunal; Confidential Assistant to Commissioner Thomas C. Brennan, CRT.

Bette Carlisle

Attended the University of Pittsburgh, have a degree from the Pinkerton School of Business and graduated from the Naval Yeoman School at Oklahoma A&M. In later years attended classes at the

USDA Graduate School, Civil Service Commission and the George Washington University.

Early in my career I spent eighteen months as a supply/requisition clerk with the U. S. Air Force in Istanbul, Turkey, giving me helpful experience in the administrative field.

Nineteen years experience in the secretarial/administrative field. Four years in the WAVES, two years in private industry with the balance spent assisting top management in the Departments of Labor, U. S. Army, U. S. Air Force, the General Services Administration, Bureau of the Census, and the National Institute of Education.

In 1972 was awarded the Department of Commerce Special Achievement Award and in 1974 received the National Institute of Education Quality Increase.

Am currently National Treasurer of Beta Gamma Phi Sorority. Recently was president and treasurer of Washington Council and Chapter secretary and treasurer.

R. CHRISTINE BLACKBURN-RODRIGUEZ

10 year experience in office administration and fiscal systems management: Administrative Aid for Product Development, Nat'l. Clearinghouse for Bilingual Education; Office Manager for Veterans Affairs Office, Long Beach City College; Fiscal Officer, Rod-San & Associates, Inc. Presently Confidential Assistant to Commissioner Frances Garcia, Copyright Royalty Tribunal with specific responsibility for fiscal operations and record keeping systems, payroll and personnel, and procurement.

SPECIAL QUALIFICATIONS AND SKILLS:

1. Academic and personal counseling.
2. Admissions analysis.
3. Management information systems.
4. Delivery of services to disadvantaged communities (low income, minority, veteran, etc.)
5. Resource and proposal development.
6. Systems analysis (fiscal).
7. Bilinguality (Spanish-English)
8. Bookkeeping.
9. Knowledge of buying and inventory procedures.

HONORS AND AWARDS:

Outstanding Summer Employee, U.S. Office of Economic Opportunity, (now Community Services Administration), 1968.

Certificate of Appreciation, U.S. Office for Civil Rights, DHEW, 1970.

Certificate of Recognition, Escuela de la Raza Child Development Center, 1976.

Question: List the job description and work now actually performed on a daily, weekly, and/or monthly basis by each confidential assistant (names not necessary).

Response: Each confidential assistant is the personal secretary of an individual commissioner and is therefore responsible for the associated tasks of answering the telephone, handling correspondence, and filing the commissioners personal documents. In addition, the confidential assistants are each assigned one of the following general areas of responsibility:

(1) General CRT records, maintenance of 80-5 and all 1981 hearing dockets, distribution of mail and correspondence, Federal Register notices, hearing arrangements.

(2) Maintenance of 1980 and prior years hearing dockets, service of equipment, telephone service and mailing lists.

(3) Maintenance of monthly or quarterly journals, maintenance of the library, postage, and response to public requests for Tribunal documents.

(4) Payroll and personnel transactions, purchase of supplies, payment of bills, petty cash purchases, maintenance of all financial records, and payroll timesheets.

(5) Noncommercial broadcasting cue sheets, jukebox location listing, catalogue of listings by state, update of cable television claimant listing.

The above duties are performed on a daily, weekly, and monthly basis.

Question:
List the type of furniture and equipment and cost of each item since inception.

Response:

Desks	$ 9,291.00
Credenzas	3,405.20
Files and Bookcases	4,069.00
Tables	4,902.30
Chairs	20,198.17
Sofas	3,001.00
Typewriters	7,635.18
Office Machinery	14,164.39
Accessories	57.37
Lamps	1,000.49
Acoustical Screens	2,536.46
Clothes Racks	540.00
Draperies and Carpet	6,303.01
Coffee Room Equipment	433.63
Total	$77,547.20

Question:
Specify in detail the type and annual cost of each piece of equipment rented.

Response:
The only equipment rented by the Copyright Royalty Tribunal is the postage machine and meter. The annual cost is $312.00.

Question: In FY 1981 there was a sum of $10,000 allocated for professional consultants. Explain in detail how this money has been or may be spent. Please furnish the same information for your 1982 request of $20,000.

Response: Under the current Copyright Statute if the FCC deregulates the number of distant signal equivalents that may be carried by a cable system or the rule concerning syndicated exclusivity, copyright owners may petition the Tribunal to review the rates set in section 111 of the statute for secondary transmissions by cable systems.

Last spring the FCC deregulated distant signal equivalents and syndicated exclusivity for cable television. Presently that decision is on appeal in the Second Circuit Court in New York, and it is anticipated that the court will issue their decision sometime this spring. If the FCC decision is upheld, it is reasonable to assume that the copyright owners will petition the Tribunal to review section 111 in its entirety. Because the Tribunal does not have the kind of specialized in-house expertise that we anticipate will be necessary in order to make the appropriate examination of the cable industry, the $10,000 and $20,000 have been budgeted in order to hire temporary expert assistance to enable the Tribunal to make this review.

Question: Explain in detail the actual service and cost of same provided by the Library of Congress for which you pay $15,000 a year.

Response: The Tribunal has signed a contract with the Library of Congress by which the Library provides the Tribunal with administrative services it is unable to provide itself, particularly those relating to budgeting, accounting, financial reporting, travel, personnel, and procurement.

Question:
Furnish a list of books and library materials and cost of same purchased by the Tribunal.

Response:
On a continuing basis, the Copyright Royalty Tribunal subscribes to the following periodicals:

BNA Journal	$310.00
Billboard	110.00
Broadcasting	40.00
Legal Times	125.00
Congressional Record	75.00
Variety	45.00
Congressional Staff Directory	32.00
Copyright Society	18.00
Document Drafting Handbook	35.00
Government Manual #312-882	40.00
U.S. Code Annotated 1979	5.78

Question: Explain in detail your request for 1500% increase (from $500 to $7500) in travel expense including the nature of the conference to be attended, who will attend, the type of participation of the person attending, and the cost.

Response: The original travel request by the Tribunal for fiscal year 1981 was for $5000. The request was reduced by 90% to $500 by the Appropriations Committee. The Tribunal is requesting $4000 as a supplemental to the fiscal year 1981 total.

The Tribunal's policy has normally been a travel allowance of approximately $1000 per commissioner.

Throughout the year commissioners are invited to participate as speakers at the national and state annual conventions for the various industries which come under CRT jurisdiction (Cable Television,

Broadcasters, Public Broadcasting, etc.). These speaking engagements provide the Tribunal an opportunity to inform the industry of the current status of actions before the Tribunal and at the same time to keep itself abreast of the concerns of the industries. The Tribunal has found these meetings to be of great benefit and we believe the industries do also.

It is the Tribunal's internal policy that only one commissioner participate and attend any given convention. In requesting travel funds the Tribunal has done so under the belief that any reimbursement for travel by the industry might be a conflict of interest.

The $7500 request is a travel allowance of $1400 per comissioner and $500 for local travel.

Question: Explain in detail what printing cost entails and how you arrived at a FY 1982 estimate of $10,000.

Response: Printing costs are those costs associated with printing in the Federal Register. Following is breakdown of the $10,000 request for FY 1982.

Public Broadcasting Rate Review Proceeding[1/] 7 pages at $500 per page	$3,500
Cable TV Rate Review Proceeding[2/] 13 pages at $500 per page	$6,500
	$10,000

1/ Under the statute, the Tribunal is mandated to conduct this proceeding.

2/ This proceeding is pending outcome of recent FCC ruling on deregulation of the cable industry.

Question: Explain in detail cost of hearings and how you arrived at a figure of $13,00 for FY 1982.

Response: The detail of cost of hearings for FY 1982 is as follows:

Public Broadcasting Rate Review Proceeding[1/] 8 days at $500 per day	$4,000
Cable TV Rate Review Proceeding[2/] 18 days at $500 per day	$9,000
	$13,000

1/ Under the statute, the Tribunal is mandated to conduct this proceeding.

2/ This proceeding is pending outcome of recent FCC ruling on deregulation of the cable industry.

Question: Please indicate in detail the efforts undertaken by your agency to accomplish the request of this Committee to investigate the feasibility of relocating to one of the Library of Congress buildings. Include in your explanation how this assignment was organized, the dates and nature of meetings held with officials at the Library of Congress, names and titles of individuals in which said meetings were held, a summary of these conversations and any correspondence between your agency and the Library of Congress on the subject of your agency moving to one of those facilities.

Response: At the request made by this Committee, the Tribunal contacted Mr. Donald C. Curran, the Associate Library of Congress to determine if there was space available to accommodate the Tribunal in the Library of Congress.

Commissioner Garcia spoke by telephone with Mr. Curran and learned that approximately 5,000 square feet of space was available in the sub-basement but that it had been earmarked already for the House Library. Initially a meeting was scheduled for the commissioners to view the space; however, since the space had not been formally released by the House, the meeting was cancelled.

The Tribunal understands that during this Congress, legislation will be considered by the Judiciary Committees that, if enacted, could result by fiscal year 1983 in the Tribunal being removed from the Legislative Branch. While the Congress is actively considering this issue, the Tribunal does not believe it feasible to pursue seeking space in a Legislative Branch building.

Question: The Committee requests that each individual Commissioner provide detail justification and explanation as to the need, function, duties, responsibilities etc. of their confidential assistant, including, but specifically not limited to, an explanation and detail rationale and justification for the present salary paid.

Answer: Commissioners Brennan, Coulter, Burg, James, and Garcia submit the following joint response.

Per House Report Number 94-1476, page 174:

"The Commission is authorized to appoint a staff to assist in carrying out its responsibilities. However, it is expected that the staff will consist only of sufficient clerical personnel to provide one full time secretary for each member and one or two additional employees to meet the clerical needs of the entire Commission. Members of the Commission are expected to perform all professional responsibilities themselves, except where it is necessary to employ outside experts on a consulting basis. Assistance in matters of administration, such as payroll and budgeting, will be available from the Library of Congress."

The Tribunal has made a conscientious and successful effort to keep its clerical staff to a minimum and have only five clerical support staff - one confidential assistant (secretary) per commissioner. In this regard, each confidential assistant is the personal secretary of an individual commissioner and is therefore responsible for the associated tasks of telephone calls, incoming and outgoing; handling correspondence; typing memos, decisions, and rules; filing the commissioners individual documents; maintaining exhibits, studies. In addition, each confidential assistant is assigned one of the following general office areas of responsibility:

(1) General CRT records, maintenance of 80-5 and all 1981 hearing dockets, distribution of mail and correspondence, Federal Register notices, hearing arrangements.

(2) Maintenance of 1980 and prior years hearing dockets, service of equipment, telephone service and mailing lists.

(3) Maintenance of monthly or quarterly journals, maintenance of the library, postage, and response to public requests for Tribunal documents.

(4) Payroll and personnel transactions, purchase of supplies, payment of bills, petty cash purchases, maintenance of all financial records, and payroll timesheets.

(5) Noncommercial broadcasting cue sheets, jukebox location listing, catalogue of listing by state, update of cable television claimant listing.

The salaries and grade of the confidential assistants (secretaries) is comparable to those earned by others in similar positions and agencies.

Question: In the event Congress appropriates only $300,000 for FY 82 submit a proposed budget as to how such funds will be allocated.

Answer: Currently, payroll for the five commissioners (GS 18) and their personal confidential assistants (secretaries) including personnel benefits is $378,990 a year.

Section 802(a) of PL-94-553 states:

"The Tribunal shall be composed of five commissioners appointed by the President with the advice and consent of the Senate for a term of seven years each; of the first five members appointed, three shall be designated to serve for seven years from the date of the notice specified in section 801(c), and two shall be designated to serve for five years from such date, respectively. Commissioners shall be compensated at the highest rate now or hereafter prescribe for grade 18 or the General Schedule pay rates (5 U.S.C. 5332)."

The House of Representative Report number 94-1476, page 174 states:

"The Commission is authorized to appoint a staff to assist in carrying out its responsibilities. However, it is expected that the staff will consist only of sufficient clerical personnel to provide one full time secretary for each member and one or two additional employees to meet the clerical needs of the entire Commission. Members of the Commission are expected to perform all professional responsibilities themselves, except where it is necessary to employ outside experts on a consulting basis. Assistance in matters of administration, such as payroll and budgeting, will be available from the Library of Congress."

Under the current structure of the Copyright Royalty Tribunal, it is not possible for it to function on a budget of $300,000.

However, two of the commissioners terms expire before fiscal 1983 (September 27, 1982). If the statute were amended to include only three commissioners, that would reduce the required budget by approximately $150,000. Under those circumstances, it would be feasible to operate the Tribunal on $300,000 a year budget, but not before such action is passed by the Congress to change the Statute.

After the careful re-evaluation of the original FY 82 budget submitted, the Copyright Royalty Tribunal has reduced it by $50,000 (10%). Following is the detail of our new FY 82 proposed budget.

76-636 O - 81 - 43

COPYRIGHT ROYALTY TRIBUNAL

		Fiscal 1981	Fiscal 1982	Adjust-ments	Revised Fiscal 1982
11.1	Salaries & Compensation	$358,700	$365,200	$ -0-	$365,200
12.1	Personnel Benefits	32,400	34,000	-0-	34,000
21	Travel & Transportation (Note 1)	500	7,500	(7,000)	500
23A	Postage	500	1,000	(600)	400
23B	Local Telephone	2,500	3,000	(1,000)	2,000
23C	Long Distance Telephone	1,200	1,800	(600)	1,200
23E	Rental of Equipment	200	300	-0-	300
23F	Rental of Space	24,000	24,000	-0-	24,000
24F	Printing, Forms (Note 2)	1,200	10,000	(8,000)	2,000
25D	Services of Other Agencies (Library of Congress)	15,000	15,000	-0-	15,000
25F	Professional & Consultant (Note 2)	10,000	20,000	(20,000)	-0-
25G	Repair of Equipment	1,800	2,400	(600)	1,800
25K	Cost of Hearings (Note 2)	6,000	13,000	(11,000)	2,000
26A	Office Supplies	1,200	1,800	(1,000)	800
31	Books & Library Materials	800	1,000	(200)	800
	Total	$456,000	$500,000	$50,000	$450,000
	Less 2% reserve	9,000			
		$447,000			

	REDUCTION AMOUNT
Note 1:	
21 Travel & Transportation	$ 7,000

This adjustment to our original request for FY 82 funds will only allow for local travel monies; eliminating all other travel.

Note 2:

25K Cost of Hearings	$11,000
25F Professional & Consultant	20,000
24F Printing, Forms	8,000
	$39,000

The majority of the above expenses in our original FY 82 request were based in anticipation of copyright owners petitioning the Tribunal to review the rates set in section 111 of the statute for secondary transmissions by cable systems in respect to the recent FCC ruling deregulating the number of distant signal equivalents that may be carried by a cable system and the rule concerning syndicated exclusivity.

Last spring, the FCC deregulated distant signal equivalents and syndicated exclusivity for cable television. Presently that decision is on appeal in the Second Circuit Court in New York, and it is anticipated that the court will issue their decision sometime this spring. If the FCC decision is upheld, it is reasonable to assume that the copyright owners will petition the Tribunal to review section 111 in its entirety.

In the event the Courts uphold the FCC ruling and the Tribunal is petitioned by the copyright owners to review Section 111, the Copyright Royalty Tribunal will at that time request a supplemental program budget for the additional required funds.

Question: In the event Congress appropriates no funds for FY 82 Committee requests that each individual Commissioner provide the following information only:

a. Specific and detail changes in the sections of the Copyright Act authorizing various activities of the Tribunal that can be completely eliminated, made self-executing or transferred to another department of government.

b. A proposal as to whether all current matters, all matters which are a subject of appeal and all funds on deposit, can be handled and/or disposed of by immediate changes in the law (suggested by the Commissioners).

Answer: Commissioners Brennan, Coulter, Burg and Garcia submit the following joint response. Commissioner James' views are also enclosed.

a. The legislative history of the copyright revision bill clearly discloses that the compulsory licensing of copyrighted materials in various areas was regarded by both Houses of Congress as a central feature of the copyright law. Without compulsory licensing the disputes between copyright owners and various user industries would have prevented the enactment of any legislation. The Tribunal was constituted as an essential element of various compromises between copyright owners and users and as a mechanism for preserving the viability of the compulsory licenses.

We have reviewed the 1976 Floor debates as well as more recent statements by some of the members of the Congress having primary legislative responsibility in copyright matters. Regardless of our individual views concerning particular compulsory licenses, we have no basis for concluding that the Congress is likely to repeal any of the compulsory licenses or determine that the periodic adjustment of the royalty rates should now be accomplished through the regular legislative process.

We believe, in the absence of judicial decisions adverse to the Tribunal's rate determinations, certain of the compulsory licenses (such as jukebox and mechanical royalty) will require such limited attention that a legislative restructuring of the Tribunal would be appropriate during this Congress. We understand that legislation will shortly be introduced which, if enacted, would significantly expand the Tribunal's cable television jurisdiction. Determinations concerning the Tribunal's future structure must necessarily be related to the decisions of the Congress as to the Tribunal's jurisdiction, especially in such areas as cable television and the pending performance rights legislation.

The Tribunal understands that hearings on legislation to amend the Copyright Act will commence later this spring. At those hearings the Tribunal will recommend and support changes in the structure of the Tribunal appropriate to our jurisdiction and ongoing activities.

We are acquainted with suggestions that the Tribunal could be placed elsewhere in the Federal Government or that our functions could be performed by some other agency. The initial

questions to be considered are whether or not the Congress desires to remove certain copyright functions from the Legislative Branch and the policy determinations as to the relationship between the copyright registration system and the collections of the Library of Congress. Although the Copyright Act carefully allocated copyright functions, for constitutional and policy reasons, between the Copyright Office and the Tribunal, it would be possible to amend the Copyright Act to terminate the Tribunal's relationship with the Legislative Branch. If this were done, the suggestion that our functions could be performed by the Federal Communications Commission is, in our view, inappropriate under both the Copyright Act and the Communications Act. Some consideration has been given by the Congress to proposals to bring all the intellectual property agencies (patent, trademark and copyright) together.

b. There is no realistic prospect of "immediate changes in the law" because of the variety of competing interests involved in the compulsory licenses. While we believe it is feasible to contemplate legislation in this Congress, we have no current basis for anticipating that legislation could be enacted, become effective, and be implemented during 1981. We see no way that such legislation could be routinely processed since it would be caught up in various battles among diverse interests who would perceive benefit or harm in such procedural alterations--a replay of the hotly contested and protracted arguments during the general copyright revision proceedings.

It appears to us that interruption of current proceedings involving the adjudication of claims in which the law requires a hearing on the record before the agency would present constitutional questions and very likely be a denial of due process unless the proceedings commenced de novo before any successor body. We see no constitutional obstacles to the Congress making provision for some other body to inherit jurisdiction with regard to cases which are remanded by the courts, or concerning royalty fees currently on deposit awaiting the outcome of judicial review. Again, however, we do not believe that it would be at all likely that such legislation could be processed without the Congress having to revisit the various accommodations reflected in the existing compulsory licenses.

INDIVIDUAL RESPONSE OF COMMISSIONER JAMES
TO QUESTION NO. 5

5. a. On March 4, 1981 before the House of Representatives Subcommittee on Courts, Civil Liberties and the Administration of Justice I made the following comments:

I would like the record to reflect and for the members of this Committee to understand that my comments are not as Chairman of the CRT. The views and opinions I am about to express are my own. However, some of my comments will reflect action or at least agreement by a majority of the members of the Tribunal.

In my opinion, the Tribunal is not required or needed and is clearly unnecessary to determine reasonable terms and rates of royalty payments for non-commercial broadcasting under Section 118 of the Act. Thomas C. Brennan, Senior Commissioner of the Tribunal, prior to his current position, served as Chief Counsel of the Senate

Subcommittee which processed the Copyright Revision Act. He has been actively involved in cable regulatory matters and in my opinion is an expert on all copyright issues. Commissioner Brennan was the architect of a report "Use of Certain Copyright Works in Connection with Non-Commercial Broadcasting", which was submitted to this Committee by the Tribunal on January 22, 1980.

The conclusions reached by Commissioner Brennan, writing for the Tribunal, a view which I share and strongly support, reads in part:

> "On the basis of its review of the experience with Section 118, the Tribunal concludes that the compulsory license is not necessary for the efficient operation of public broadcasting and thus constitutes an inappropriate interference with the traditional functioning of the copyright system and the artistic and economic freedom of those creators whose works are subject to its provisions.
>
> The copyright system can advance the constitutional objectives only if the exclusive rights of authors and copyright proprietors are preserved. Reasonable exceptions to these exclusive rights are justified when necessary to promote public policy. The Tribunal believes that those engaged in communications should be particularly sensitive toward the intervention of the Federal Government in the absence of compelling need.
>
> The Register of Copyrights advised the Congress in 1975 that the proposed public broadcasting compulsory license was not "justified or necessary". The Tribunal believes that the experience of the intervening years confirms the correctness of the Register's position. It is therefore the recommendation of the Tribunal that the Congress reconsider the public broadcasting compulsory license at an appropriate time."

In my opinion, I believe the appropriate time is now. In the event Congress in its wisdom decides to maintain the compulsory license under Section 118, I would recommend that it establish a procedure whereby the public broadcasters would pay to the performing rights societies a sum which is based on public broadcasters revenues and calculated as a percentage of the royalty rate or fee which currently exist between commercial broadcasters and the performing rights societies.

The elimination of the compulsory license to permit owners and users the right to establish value in the marketplace or the adoption by Congress of a rate tied to the commercial fee would effectively eliminate continuous interference by the Federal Government and avoid the need for periodic review of royalty rates by the Tribunal.

In my opinion the CRT is not needed, or required to make determinations concerning the adjustment of reasonable copyright royalty rates as provided in Sections 115 and 116.

Under Section 115, history will support that there is possibly an overriding need for a compulsory license for making and distributing phonorecords. However, the continuous and periodic intervention of the Federal Government in adjusting the rate, totally at the taxpayers expense, in my view is undesirable, unwarranted and unneces-

sary. In my opinion, a system can be created by Congress which would totally eliminate the interference by the Federal Government, and, in particular, the CRT.

The Committee is aware that the Tribunal recently concluded 42 days of hearings on the mechanical rate. It is my understanding that during the revision of the copyright bill only 5 days of hearings were devoted to that subject. At our hearing the copyright owners made a proposal and submitted evidence in support of the same, that the mechanical rate could and should be based on a percentage of the suggested retail list price of phonorecords.

The proposal that the mechanical rate be based on a percentage of the suggested retail list price of phonorecords may be unique to the United States, however, sufficient evidence was submitted to the Tribunal which clearly established that the percentage system is widely utilized throughout the world as a basis for arriving at royalties. If Congress were to establish a percentage system it would effectively eliminate the necessity and need for periodic review of royalty rates by any government agency or by Congress. If the price of records goes up or down, the royalty due and payable will also go up or down. Thus by appropriate action of the Congress another function of the CRT can be eliminated.

Under Section 116 of the Act, jukebox, the Tribunal held 8 days of hearings and concluded an adjustment was appropriate. It is my view that the present requirement under Section 116 for obtaining a compulsory license should be maintained. It should, however, be called something else. Congress under the Act set a rate of $8 a box. The Tribunal adjusted that rate to $25 a box effective January 1, 1982 with an increase to $50 a box commencing on January 1, 1984. The Tribunal further established that the rate would be further adjusted on January 1, 1987 based on the change in the cost of living as determined by the Consumer Price Index from February 1, 1981 to August 1, 1986.

It is my opinion that Congress can and should adopt a fair and reasonable rate based on marketplace value with annual adjustment based on the Consumer Price Index or some other index for the jukebox industry. If Congress were to take such action it would eliminate the need for future interference by a federal agency and another function of the CRT.

Because the Tribunal has not held its first jukebox royalty distribution proceeding I believe it would be inappropriate for me to disucss my personal views on that issue at this time. Under the statute the parties agreed to the distribution of the first fund. They have not for the second fund. We therefore will be starting a jukebox distribution hearing in the near future. My opinion, however, is that the fees collected can be annually distributed without the necessity of distribution proceeding by the CRT. Such a system would permit copyright owners the opportunity to receive their payment the same year payment is made.

The Committee is also aware, that the Tribunal just concluded a rate adjustment proceeding for cable. My personal view is that Congress should eliminate the compulsory license so that the marketplace can set the true value of secondary transmission. The compulsory license requires payment to copyright owners for use of the property by others, preventing free negotiation in the marketplace as to value

The issue of true value in the marketplace must be established by Congress.

The legislative history is clear that there is absolutely no economic justification for the statutory schedule initially adopted by Congress for the cable industry. The rates for cable were not adopted on the basis of any objective standards.

The review of that rate, by the Tribunal, under the statute was greatly limited by Congress. Congress did not authorize the Tribunal to adjust the rate based on marketplace value. Nor should it. That must, in my opinion, be done by Congress. The Tribunal could only adjust cable rate to reflect monetary inflation or deflation or reflect the average rate charged cable subscribers for basic services.

I would like to note here that in all other statutory license under the Act, the Tribunal has full jurisdiction to review and possibly adjust the rate based on the record developed during the Tribunal hearings. This is not so in cable.

Because the copyright owners and cable operators are not free to negotiate, the only fair, logical and equitable approach to establish a fee if the compulsory license must be retained, is on the basis of marketplace value. Again that rate can and should only be established by Congress. If Congress were to establish such a rate, in my opinion, it must be established on a system-by-system basis instead of the current industry-wide practice. In my view an industry-wide basis is both unfair and inequitable to the copyright owners.

As part of their submission at the conclusion of the cable rate proceeding, the copyright owners submitted a proposal as to how a system-by-system rate could be implemented.

I would like to state here also that the Proposed Findings of Fact and Conclusions of Law filed by the parties in the various Tribunal proceedings might be of help and assistance to this Committee staff. If required they will be made available.

In the event Congress establishes a reasonable marketplace rate, applied on a system-by-system basis, with annual or semi-annual adjustment, tied to the Consumer Price Index or some other index, it could in all likelihood eliminate the need for further interference by a federal agency and avoid periodic review by the Tribunal. In the event it became necessary to resolve any issues related to the rate, it is my opinion, this can be effectively done at a savings to taxpayers by a part-time administrative law judge, possibly in the Department of Commerce.

The copyright owners have participated in one cable distribution proceeding and are currently preparing for another. I would imagine that if the copyright owners were put to the ultimate test, they could develop a system or formula which the Congress could enact that would eliminate the necessity and need for a distribution proceeding and continuous government involvement. I believe that a system can be developed and enacted by Congress that would provide for the immediate distribution of the funds held in the Treasury to the copyright owners. Payments to the copyright owners should be made at least within the year after they are paid, not 4 or 5 years. In the event distribution problems arise, they also can be effectively handled by a part-time administrative law judge.

At the present time because the Tribunal's first distribution proceeding is being appealed; the second distribution proceeding has not started and funds for the first half of last year were just paid in by cable operators; there are cable funds on deposit in the Treasury of the United States which respectively represent 1978, 1979 and part of 1980 in the amount of more than $41,657,000. The appeal on the 1978 funds may be concluded in 1983. But what if a higher court sends the matter back to the Tribunal and subsequent appeals are taken? As a footnote, there are 1979 and 1980 jukebox funds also on deposit totalling more than $2,165,000.

Because of the existing appeal and the probability of future appeals on each and every distribution proceeding held by the Tribunal, this money will be tied up and effectively kept from the copyright owners for years. The total funds held by the government could be well over $100 million in the not-to-distant future.

As I view the legislative history of the Act, this was clearly not the intention of Congress. Yet because of, in my opinion, this clearly unworkable procedure of royalty distribution established by Congress copyright owners are effectively denied and will continue to be denied their just rewards -- the proceeds from the royalty funds, timely paid.

In conclusion, in my opinion, now is the appropriate time for Congress to re-analyze and re-evaluate this matter including the role and function of the CRT. If this evaluation means the elimination of my job and the present existing or even total function of the CRT, then so be it.

I share and support the opinion of the Senior Commissioner, Thomas Brennan, when he stated on June 12, 1979 before the House of Representatives Subcommittee on Communications "my personal opinion has been that, other than for cable, compulsory licensing is not necessary or desirable."

I will go one step further than Commissioner Brennan, it is my opinion, after 3-½ years on the CRT, compulsory license is neither necessary nor desirable for cable, either.

These conclusions are my own and have been drawn after considerable thought and honest reasoning. The reconsideration of compulsory license, the need for and the function of the CRT, does not rest in my hands nor in the hands of my fellow Commissioners, but is the responsibility of Congress. It is unwise and unnecessary to continue to spend taxpayers money on a program which is clearly unworkable and impractical. Further the unfairness and inequities to the copyright owners must be corrected and the appropriate time is now.

5. b. The Tribunal's decisions which are currently the subject of appeal are:

1. Jukebox rate adjustment
2. Cable rate adjustment
3. Mechanical rate adjustment
4. 1978 cable royalty distribution

The royalty funds not subject to appeal and on deposit in the U.S. Treasury pending future proceeds of the Tribunal are:

1. 1979 Jukebox royalties
2. 1979 cable royalties
3. 1980 -- first half -- cable royalties

In the jukebox rate adjustment matter Congress could adopt the rate established by the Tribunal, with annual adjustments. In the event this could be effective by January 1, 1982, all issues on appeal would become moot.

In the cable rate adjustment matter Congress could eliminate compulsory license or establish a new rate based on the marketplace as noted in 5. a. above either approach would effectively deal with the issues being appealed. Appropriate action by Congress would make all issues moot.

In the mechanical rate adjustment matter Congress could establish a rate immediately based on a percentage of the suggested retail list price of phonorecords. If the rate established by Congress is 5% or more of the suggested retail list price of phonorecords all issues on appeal would become moot.

In the 1978 cable royalty distribution matter Congress could enact a specific distribution formula for cable claimants based on time/use. Such a formula would have annual built in adjustments, i.e., if the time/use changes in any given year claimants in various categories would receive more or less from the royalty fund. The structure of the legislation by Congress could provide for the funds on appeal(in the event a court remands the case), funds currently on deposit, and all future funds collected.

In regard to the 1979 jukebox royalties currently on deposit Congress could enact legislation that the funds would be distributed to the performing rights societies based on a percentage of the total of gross revenues from each performing rights society. The Tribunal has received conclusive evidence that no individual who would be entitled to said funds is not a member of one of the 4 current performing rights societies.

SUBCOMMITTEE RECESS

Senator MATTINGLY. Well, I really appreciate your candid statements and your recommendations, and as chairman of this subcommittee I think you are an example of what the American public is speaking about. I am going to take into consideration what you have said, and hopefully with the help of others we can transfer and do away with the Copyright Royalty Tribunal. I appreciate your coming here this morning. Mr. James; thank you. The hearings are completed for today. The subcommittee will recess until tomorrow morning.

[Whereupon, at 10:10 a.m., Wednesday, March 11, the subcommittee was recessed, to reconvene at the call of the Chair.]

LEGISLATIVE BRANCH APPROPRIATIONS FOR FISCAL YEAR 1982

THURSDAY, MARCH 12, 1981

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

The subcommittee met at 8 a.m., in room S–126, the Capitol, Hon. Mack Mattingly (chairman) presiding.

Present: Senators Mattingly, Stevens, and Hollings.

GENERAL ACCOUNTING OFFICE

RAILROAD ACCOUNTING PRINCIPLES BOARD

STATEMENT OF MILTON J. SOCOLAR, ACTING COMPTROLLER GENERAL OF THE UNITED STATES AND CHAIRMAN, RAILROAD ACCOUNTING PRINCIPLES BOARD

ACCOMPANIED BY:

THOMAS MORRIS, SPECIAL ASSISTANT TO THE COMPTROLLER GENERAL

JOHN HELLER, ASSISTANT COMPTROLLER GENERAL FOR POLICY AND PROGRAM PLANNING

ARTHUR LITKE, SPECIAL ASSISTANT FOR REGULATORY WORK

CLERIO P. PIN, ASSISTANT COMPTROLLER GENERAL FOR ADMINISTRATION

RICHARD BROWN, CONTROLLER

HARRY S. HAVENS, ASSISTANT COMPTROLLER GENERAL FOR PROGRAM EVALUATION

STREAMLINING THE GOVERNMENT

Senator MATTINGLY. Good morning, and welcome to the final day of hearings on the fiscal years 1981 and 1982 appropriations for the legislative branch.

As chairman of this subcommittee, I have requested from all agencies and individuals involved a breakdown of the budgets and the areas in those budgets where reductions of 10 percent can be made. I have also requested proposals to achieve a 20-percent overall reduction in the operations.

As we are all aware, the 97th Congress, as well as the Reagan administration, is operating under a mandate. The Government must be streamlined. That includes all agencies of Congress.

I would like to thank all of you who are appearing before this subcommittee in advance for your cooperation in reaching this goal.

Our first witness this morning represents the General Accounting Office. The General Accounting Office is requesting $12,902,000 in supplemental funds for fiscal year 1981 to cover their increased pay costs, making their fiscal year 1981 total $222,902,000 and 5,200 average positions. For fiscal year 1982 the General Accounting Office is requesting a budget of $224,878,000 and 5,350 average positions. That is an increase of $21,976,000 and 150 positions over fiscal year 1981.

INTRODUCTION OF ASSOCIATES

We have with us today the Acting Comptroller General, Milton Socolar. I look forward to hearing your testimony regarding the GAO and your testimony on the Railroad Accounting Principles Board. I would like for you to introduce your colleagues, and first proceed with your statement on the Railroad Accounting Principles Board.

Mr. SOCOLAR. Mr. Chairman, on my far left is Thomas Morris, Special Assistant to the Comptroller General; John Heller, Assistant Comptroller General for Policy and Program Planning; Mr. Arthur Litke, who is Special Assistant for Regulatory Work; Clerio Pin, who is Assistant Comptroller General for Administration; Mr. Harry Havens, Assistant Comptroller General for Program Evaluation; and Richard Brown, Controller. I have a statement.

PREPARED STATEMENT

Senator MATTINGLY. You can either read it if you like or submit it.

Mr. SOCOLAR. I can summarize it if that is all right.

Senator MATTINGLY. All right, the complete statement will be inserted in the record at this point.

[The statement follows:]

STATEMENT OF MILTON J. SOCOLAR

I am appearing before you today in my capacity as chairman of the Railroad Accounting Principles Board to discuss the budget estimates for Board operations during fiscal year 1982.

The Staggers Rail Act of 1980, Public Law 96–448, October 14, 1980, establishes a Railroad Accounting Principles Board, chaired by the Comptroller General. The chairman is directed by the act to appoint six other members to the Board.

The Staggers Rail Act reforms the economic regulation of railroads. The act states that it is the U.S. Government's policy to allow, to the maximum extent possible, competition and the demand for services to establish reasonable rates for transportation by rail; to provide for reasonable rates where there is an absence of effective competition; and to insure the availability of accurate cost information in regulatory proceedings, while minimizing the burden on rail carriers of developing and maintaining the capability of providing such information. The act states several other policies with respect to regulatory reform of the railroad industry.

To insure the availability of accurate cost information, the Railroad Accounting Principles Board is charged with establishing principles governing the determination of economically accurate railroad costs for use in regulatory proceedings. In developing cost accounting principles under this section, the board shall take into account a number of considerations: the specific regulatory purposes for which railroad costs are required; the degree of accuracy of the cost information which is needed to meet regulatory purposes; the existing capability and the probable future capability of rail carriers to provide such information and the relative benefits and costs of requiring development of additional capability; the means by which the degree of economic accuracy required can be obtained at the least possible expense and with the least possible information reporting; and the means by which the confidentiality of such costs can best be main-

tained while meeting the need for such information in regulatory proceedings. The Board, to the extent that it is held accountable for establishing sound cost accounting principles for the railroad industry, assumes an important role in reforming the regulation of the railroad industry.

The task of issuing sound, fair cost accounting principles is exceedingly complex. As in the case of the Cost Accounting Standards Board, the Railroad Accounting Principles Board will seek the cooperation of all those who have an interest in its work. The Board will consult with representatives of all groups, including Government agencies, professional and industry associations, the academic community, and representatives of individual companies. In developing cost accounting principles, the Board will have to weigh carefully the determination of economically accurate railroad costs with the burden in obtaining those costs.

The Railroad Accounting Principles Board is to establish cost accounting principles within 2 years of the effective date of the Staggers Rail Act. October 1, 1980. Already we are several months behinds as the Rail Board has not received an appropriation to organize and being its work. Moreover, the 2-year deadline for establishing cost accounting principles is an ambitious goal when considering the experiences of accounting boards such as the Financial Accounting Standards Board and the Cost Accounting Standards Board in promulgating accounting standards.

Our budget estimate for fiscal year 1982 is $1 million. This request represents the amount authorized by the Staggers Rail Act for the annual operation of the Board. It is, we believe, the minimum amount necessary for the board to perform the massive task of developing cost accounting principles to govern the determination of all railroad costs for specific proceedings under title 49 within 2 years. Even with $1 million, additional resources will have to be provided by other Federal departments and agencies to carry out the board's mandate.

We plan to establish the Board during fiscal year 1981 as soon as the Congress provides the necessary funding. We have submitted a fiscal year 1981 supplemental funding request of $860,000 for the Board to accomplish this.

STAGGERS RAIL ACT OF 1980

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To insure the availability of accurate cost information, the Railroad Accounting Principles Board is charged with establishing principles governing the determination of economically accurate railroad costs for use in regulatory proceedings. In developing cost-accounting principles under this section, the Board shall take into account a number of considerations.

The Railroad Accounting Principles Board is to establish cost accounting principles within 2 years of the effective date of the Staggers Rail Act, October 1, 1980. Already we are several months behind as the Rail Board has not received an appropriation to organize and begin its work. Moreover, the 2-year deadline for establishing cost-accounting principles is an ambitious goal when considering the experiences of accounting boards such as the Financial Accounting Standards Board and the Cost Accounting Standards Board in promulgating accounting standards.

1981 AND 1982 BUDGET REQUESTS

Our budget estimate for fiscal year 1982 is $1 million. This request represents the amount authorized by the Staggers Rail Act for the annual operation of the Board. It is, we believe, the minimum amount necessary for the Board to perform the massive task of developing cost-accounting principles to govern the determination of all railroad costs

for specific proceedings under title 49 within 2 years. Even with $1 million, additional resources will have to be provided by other Federal departments and agencies to carry out the Board's mandate.

We plan to establish the Board during fiscal year 1981 as soon as the Congress provides the necessary funding. We have submitted a fiscal year 1981 supplemental funding request of $610,000 for the Board to accomplish that.

Senator MATTINGLY. That $610,000 is based on $500,000 for the remainder of this fiscal year with about $110,000 in start-up costs; is that right?

Mr. SOCOLAR. Yes.

Senator MATTINGLY. To recap the funding levels, the request for 1981 is not $860,000?

Mr. SOCOLAR. That is correct.

Senator MATTINGLY. It is $610,000?

Mr. SOCOLAR. As time goes on in fiscal year 1981, the amounts will be less.

Senator MATTINGLY. But the request for 1982 is $1 million?

Mr. SOCOLAR. Yes, sir.

APPOINTMENT OF MEMBERS OF THE BOARD

Senator MATTINGLY. Have the members of the Board been selected yet?

Mr. SOCOLAR. No; a number of members have been nominated; they have all been advised that until the Congress provides funding we are going to have to wait in terms of making any appointments.

Senator MATTINGLY. In light of the fact that the Board hasn't been selected and we are going to reduce the supplemental request for this fiscal year, $610,000 is for what length of time?

Mr. SOCOLAR. Assuming that $500,000 is provided for the remainder of this fiscal year, that would fundamentally be a half of a million dollars for one-half year's operation plus $110,000 in start-up costs.

START-UP COSTS

Senator MATTINGLY. In what start-up costs?

Mr. SOCOLAR. The start-up costs would be related to developing information that could be dealt with by the Board before actual studies get underway.

Perhaps Mr. Litke, who is monitoring our activities in this regard, can elaborate.

Mr. LITKE. It will be for space.

Senator MATTINGLY. $110,000?

Mr. LITKE. Furniture, computers—to get the computer contracts started—that sort of thing.

Senator MATTINGLY. In fiscal year 1982 how did you decide on 16 permanent positions? You said 11 of them were going to be professional people.

ASSISTANCE FROM OTHER GOVERNMENT AGENCIES

Mr. LITKE. We start out assuming $1 million is all we would get because of the Staggers Act itself. The other question is what can we do to accomplish what we are charged to do. So that is what we backed into. In the act there are provisions to get help from sister agencies that would be interested in the Board's work, on a nonreimbursable basis. So we would hope if we get the $1 million that would be a basis to get help from the International Communications Commission.

Senator MATTINGLY. What do you mean by help from sister agencies?

Mr. LITKE. What I meant by that is other agencies that might be interested, like the Interstate Commerce Commission. Hopefully we could get two or three people assigned from them to work on the staff of the Board, since they do have expertise in this area. Probably the Department of Transportation, hopefully we can get one or two people from them to assist the Board in its role.

Senator MATTINGLY. Is this in an advisory capacity or paid capacity?

Mr. LITKE. The agencies themselves would pay the salaries of these people.

Senator MATTINGLY. A loan?

Mr. LITKE. In effect, it would be a nonreimbursable loan to the Board.

Senator MATTINGLY. Do you think the Board could accomplish its work in fiscal year 1982 if it had a cutback of 20 percent?

STAGGERS ACT DEADLINE

Mr. SOCOLAR. I have doubts that the Board can complete its work by the deadline set in the Staggers Act even with the full funding of $1 million.

Senator MATTINGLY. You mean obviously as every day goes by in somebody's mind it is delayed 1 day. We could modify the act, of course, to make an exception. Those days could move down. But I am talking about for fiscal year 1982 and not meeting that deadline.

Mr. SOCOLAR. Well, I would respond by saying that to the extent that the amount of funds are reduced, we are simply extending the time by which the Board would be able to complete its work.

Senator MATTINGLY. Let me ask you this other question. Would there be any crisis developing in this country if it were postponed? Would the industry go belly up, so to speak, more than what it is?

Mr. SOCOLAR. I do not see any great crisis. On the other hand, it is my understanding that under the regulatory reform provisions there is a great desire to accomplish these objectives.

Senator MATTINGLY. What was the timespan again for the objectives?

Mr. SOCOLAR. The act specifies completion of the Board's work 2 years after the effective date of the act.

Mr. LITKE. The time started running the date of the act, which was October 1, 1980. Two years from that day the work is supposed to be done. Obviously it is not going to be done.

Senator MATTINGLY. Let me ask you a question. If you went into operation October 1 this coming fiscal year, October 1, 1981, and we changed the law to within 2 years of that date, what do you think you

could get by with in the fiscal year 1982 budget? Could you get by with $800,000 this year?

Mr. SOCOLAR. I think I should make one thing clear, and that is this is not a task the General Accounting Office sought. It was one that was imposed on us, and as far as we are concerned it doesn't really impact on the other work of the General Accounting Office. So any delay in providing funding and any delay in terms of completion of the Board's work would be an issue outside of the general concerns of the General Accounting Office.

EFFECT OF BOARD RECOMMENDATIONS

Senator MATTINGLY. For my own information, are the railroads obligated to accept the recommendations of the Board?

Mr. SOCOLAR. Under the act the Board would establish principles. It would then be the responsibility for the Interstate Commerce Commission to implement. The relationship between the railroads and the Government would then flow essentially through the Interstate Commerce Commission.

Senator MATTINGLY. OK, fine, thank you.

Mr. LITKE. Senator, the answer is really yes. The Interstate Commerce Commission must promulgate rules with cost accounting principles as pronounced by the Board. They must use them in rate proceedings. However, within a 5-year period they must review the standards to see if they are working well or not and make adjustments.

Senator MATTINGLY. Does the Interstate Commerce Commission have any responsibility in doing that job?

Mr. LITKE. They have the responsibility of implementing the standards as outlined by the Board.

Senator MATTINGLY. What about before we had a Board?

Mr. LITKE. They had the responsibility. Our recommendation was, prior to this, that this be given to the Interstate Commerce Commission with perhaps supervisory responsibilities retained by the GAO.

Senator MATTINGLY. But the Interstate Commerce Commission was probably funded to do this job; is that right?

Mr. LITKE. Not to my knowledge. It would be under the regular appropriations.

SUPPORT FOR BUDGET REQUEST FOR THE BOARD

Senator MATTINGLY. I have received a communication from Edmund B. Frost, vice president and general counsel, Chemical Manufacturers Association urging funds necessary for the Board to operate in compliance with the Staggers Rail Act. The communication will be inserted in the record.

[The communication follows:]

COMMENTS OF THE CHEMCIAL MANUFACTURERS ASSOCIATION

The Chemical Manufacturers Association, Inc. (CMA) is a nonprofit trade association of 187 U.S. member companies representing more than 90 percent of the production capacity of basic industrial chemicals within this country. Railroads transport substantial quantities of feedstocks, intermediates, and products for the chemical industry. CMA member companies have a clear and significant interest in these hearings.

CMA supported the passage of the Staggers Rail Act because it is responsive to the needs of carriers, users of rail transportation and the public. The Staggers Rail Act creates a rational balance in meeting the needs of each of these groups.

An important provision of the act, section 302, establishes a Railroad Accounting Principles Board to represent the legislative branch of the Federal Government, the rail industry, the accounting and economics professions, and shippers in assuring that railroad costs are accurately recorded. The importance of this function cannot be underestimated, since railroad costs are used to compute the revenue-to-variable cost ratio produced by a rate. That ratio provides the key to the doors of the Interstate Commerce Commission; the ratio is the basis for determining whether the Commission even has jurisdiction over a rate. If a rail rate results in a revenue-to-variable cost ratio below 160 percent, the shipper who pays that rate cannot gain access to the Commission for review of that rate. It is therefore essential that the costs which are used to compute the revenue-to-variable cost ratios be accurate. Without the existence of the Rail Accounting Principles Board, shippers would have no means to verify the accuracy of the revenue-to-variable cost ratios reflected in the rates they pay, and to determine whether the Commission has jurisdiction over a particular rate.

Additionally, section 203 of the Staggers Rail Act provides that a rail rate may be increased automatically, that is, not subject to the Commission's jurisdiction, within certain percentage points of the revenue-to-variable cost ratio, on an annual basis. Section 201 requires the Commission to raise a rate which does not contribute to the going concern value of the rail carrier, based on the Commission's review of the revenue-to-variable cost ratio. The Staggers Rail Act is thus premised on the accuracy of railroad costs as they are collected in rail transportation rates. In fact, Congress determined that one of the very purposes of the act was to carry out the national transportation policy "to insure the availability of accurate cost information * * *." (§10101a[14].)

CONCLUSION

The Railroad Accounting Principles Board will assure that this policy is carried out and will guarantee the shippers' right to accurate cost information which provides the foundation of the Staggers Rail Act. CMA therefore urges the committee to appropriate to the Board the funds necessary for it to operate in compliance with that act.

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General Accounting Office

1981 and 1982 budget requests

Senator Mattingly. All right, would you please then proceed with your presentation and your statement regarding your funding for the General Accounting Office, and summarize it, however you would like to do it.

To review it again, you are requesting a fiscal year 1981 supplemental of $12,902,000. In fiscal year 1982 it increases $21,976,000; is that correct?

Mr. Socolar. Yes.

Mr. Chairman, we are pleased to present the General Accounting Office's fiscal year 1982 budget request. We would like to submit a detailed statement for the record and briefly summarize.

Prepared statement

Senator Mattingly. Your statement will be inserted in the record at this point.

[The statement follows:]

STATEMENT OF MILTON J. SOCOLAR

We are pleased to be here to discuss the GAO's fiscal year 1982 budget request. The GAO "Justification of Estimates for FY 1982," which has already been given to you, details our budget request. GAO needs the requested funds to sustain our effective assistance to the Congress when it considers legislation and oversees the Federal Government's operations.

In considering our request, it's important to keep in mind the following:

--While GAO workload for FY 1981 has increased and will increase further in 1982, especially as additional legislation is enacted and appropriation bills are considered, we are requesting no increases over staff levels requested to meet workload requirements two years ago.

--Despite every effort to cut costs, funding constraints of the past several years have eroded the coverage GAO has been able to carry out under its basic statutory responsibilities. Continuing this trend can only make it more difficult for Congress to carry out its legislative, funding, and oversight responsibilities.

--Funds provided to GAO are returned many times over. Over the past 4 years, congressional and agency actions on GAO recommendations saved $20 for each dollar appropriated to GAO, with direct, quantifiable savings adding up to $14.5 billion.

A SUMMARY OF GAO'S REQUEST FOR RESOURCES

GAO's FY 1982 appropriation request is for $244,878,000--the amount needed to fund the 5,350 staff years required to meet GAO's responsibilities this coming year. The requested appropriation includes increases over FY 1981 levels to meet mandatory pay increases and to provide funds for the 150 authorized staff years required by increased GAO workload.

The following table presents estimated costs from which our total is derived.

GAO's FY 1981 Appropriation	$210,000,000
For Proposed Supplemental--Civilian Pay Raise	$ 12,902,000
Estimated FY 1981 Obligations	$222,902,000
Increases Based on Higher Cost To Operate at Current Levels	$ 12,736,000
Increases for Increase in Average Number of Positions	$ 6,043,000
System Improvements (Primarily One-time Computer System Development Costs)	$ 3,345,000
Decreases in Costs	$ (148,000)
Total Appropriation Request for FY 1982	$244,878,000

About $12.7 million, or 55 percent, of the $22-million increase in our FY 82 budget request from our estimated 1981 obligations is the result of either mandatory cost increases we must absorb or inflation. GAO has traditionally been extremely conservative in its budget requests. Our FY 82 budget request of $244.9 million represents an increase of $197.4 million over the FY 1966 GAO appropriation. But $158.4 million, or 80 percent, of this increase over 16 years was to cover the effects of inflation. Only $39 million, or 20 percent, represents the real growth in GAO's budget from FY 66 to FY 82.

GAO'S MANDATE AND INTERACTION WITH THE CONGRESS

The concern of the Congress and the American public at large over high inflation can scarcely be overstated. This makes the business of GAO--to eliminate Government waste and assure effective, efficient expenditure of public funds--all the more important. Established by the Budget and Accounting Act of 1921, GAO was to strengthen congressional control over the public purse. GAO's mandate has been expanded most significantly by legislation in 1946, 1950, 1970, 1974, and 1980. Its major functions are to

- --assist the Congress in its legislative and oversight responsibilities;
- --audit and evaluate programs, activities, and financial operations of Federal departments and agencies; and
- --carry out financial control and related functions with respect to most Federal Government programs and operations, including legal services, accounting, and claims settlement work.

Now more than ever, GAO's pursuit of economy and efficiency in Government ought not to be compromised for lack of adequate funding. Now more than ever, Congress needs a strong GAO to help it achieve its budgetary objectives. GAO is the best single asset Congress has in finding ways to achieve savings in the executive branch.

GAO serves the entire Congress. Whether requested by a committee or a Member or pursuant to our basic statutory requirements, GAO's audits and evaluations strive to meet current and foreseeable congressional needs. We are continually in contact with congressional committees to keep abreast of their interests. We share information with the Congressional Budget Office, the Congressional Research Service, and the Office of Technology Assessment to improve our reports and avoid duplication of effort. Keyed to the congressional timetable, our work is regularly used by the Congress in authorization, appropriation, and oversight hearings.

Fifteen years ago, only 7 percent of GAO's work was for direct assistance--work required by specific statute on a one-time basis or work specifically requested by congressional committees or individual Members. At that time, it was believed that increasing that percentage would make GAO work more relevant to congressional needs. As a result, direct assistance work has increased steadily, constituting 38 percent in FY 1980.

Under GAO's basic mandate, we are required to review activities of essentially all Government agencies. As the budget has increased and new programs have been enacted, GAO's workload has increased. In addition, there are many specific statutes that require the allocation of our resources. Attachment I lists these specific continuing legislative requirements.

Funding restrictions and the need to respond first to congressional requests have impaired GAO's ability to carry out its basic statutory responsibilities over the last several years. Without sufficient GAO audit and evaluation coverage of federally

funded programs, important opportunities are lost to improve the economy, efficiency, and effectiveness of Federal programs, and the Congress will be denied information on how well Federal programs are operating. I will illustrate the nature of this coverage by touching on only two areas--energy and the economy.

During calendar years 1978 and 1979 alone, GAO issued over 100 reports on energy programs and problems to the Congress, its committees, and Members. These reports varied widely, from quick turnaround studies of the energy and economic effects of the Iranian oil shortfall, deficiencies in training nuclear workers, and the merits of creating a massive synthetic fuels industry (each completed in less than a month) to detailed and comprehensive studies of the Three Mile Island accident, and liquified energy gas safety; from traditional reviews of ongoing programs for enforcing price controls on crude oil resellers, commercializing solar energy, and maintaining and safeguarding the Strategic Petroleum Reserve to policy-oriented assessments of electric energy options in the Northwest and the future role of the Tennessee Valley Authority.

Reports were issued on a variety of economic issues, such as the Nation's balance of payments and competitiveness in international markets; Federal credit assistance and direct loan and loan guarantees, involving $450 billion; and the underground economy, amounting in 1976 to about $100-135 billion in unreported income. When the trend toward Federal cutbacks prompted the Congress to reduce program funding, GAO assisted with its report on the effect of eliminating the States from the General Revenue Sharing Program. GAO also provided the Congress with many reports on the antirecession program, including recommendations which eventually led to the program's termination. GAO's reports on New York City's fiscal crisis were able to deal not only with the City's accounting and budgeting operations but also to examine the long-term fiscal viability of the City, involving studies of the City's economic base.

GAO recently studied the effectiveness of the Council on Wage and Price Stability in fighting inflation; the "income"

aspects of tax administration; and the effects on Federal programs of indexing for inflation.

This work relates to only 2 of 36 major issue areas in which GAO is extensively involved. But it leads me to a key point about workload, staffing, and funding.

WORKLOAD, STAFFING, AND FUNDING

We find ourselves in the uncomfortable position of having to rob Peter to pay Paul. We are using resources initially planned for work required by our basic statutes to meet growing congressional requests. And much of the work required by our basic statutes results in significant dollar savings--$2.4 of the $3.7 billion savings from GAO recommendations in FY 1980. The effect is that we are losing the flexibility to satisfy the immediate needs of direct congressional requests without sacrificing the scheduled work required by our basic statutes.

By legislation and by committee and Member requests, Congress has greatly increased GAO's workload in recent years. This, I believe, directly reflects congressional recognition of the role that GAO plays in making Government programs work better and at less cost. Unfortunately, while congressional actions have increased GAO's workload, funds have not been provided commensurate with the task. For FY 1979 GAO received funds for only 5,100 staff years, although 5,289 were authorized by the Congress. For FY 1980 and FY 1981 only 5,200 staff years were funded. For FY 1982 GAO will need funds to permit the use of 5,350 staff years. This is the same level requested in FY 1980, when GAO's workload was smaller.

Last year, in presenting GAO's budget request, we estimated that requests for audit and evaluation work in FY 1980 by committees and Members would require 1,350 staff years. That work actually required 1,619 staff years--reflecting, we believe, recognition of the importance of GAO's assistance to the Congress.

The effect of not providing the funds that GAO needs to do its job is exacerbated by the fact that GAO annually has absorbed workload increases to the maximum extent possible. Further reductions necessarily cut into the level of our audit and evaluation coverage. I am concerned that this trend not continue. Its

effect is to deprive the Congress of an important tool for achieving better, less costly, Government.

GAO'S VALUE IN REDUCING COSTS AND IMPROVING PROGRAMS

GAO is the only Federal agency with full-time, Government-wide responsibility to help Congress find ways to reduce Federal spending and make Government work better. Working under this mandate, GAO has consistently made recommendations which saved many times its appropriation. Over the past 4 years (FY 77-80), those congressional and agency actions on GAO recommendations which can be quantified saved $20 for each dollar appropriated to GAO. Put another way, $724 million appropriated to GAO saved the Government $14.46 billion. During the first quarter of FY 1981, GAO recorded about $1.7 billion in measurable savings resulting from its recommendations.

These savings, as large as they are, are very conservatively computed. The figures include one-time savings and, where multi-year savings result from GAO recommendations, they include only the savings realized during the first year of their implementation. Numerous groups have made much larger estimates of the amount of funds that could be saved as a result of our work. The House Republican Study Committee, for example, estimated in August 1980 that about $28 billion in unnecessary Federal expenditures resulting from poor management could be saved by implementing certain GAO recommendations made between January 1979 and July 1980.

GAO's dollar estimates represent quantifiable savings only and do not include the vast financial savings of GAO recommendations which cannot be readily or adequately measured. For example, what is the price tag on the potential lives and property saved after improvements recommended by GAO were made in storing and transporting hazardous liquified energy gas? How much are the improvements worth made by the Justice Department which resulted from GAO recommendations to combat fraud in Federal programs? What will it mean to Vietnam veterans when the Veterans Administration conducts a GAO-recommended study on the long-term health effects on veterans exposed to the herbicide

"agent orange"? Attachment II lists our "Financial Savings and Other Benefits Attributable to the Work of the General Accounting Office, Fiscal Year 1980."

These savings demonstrate a significant way in which GAO supports the accomplishment of congressional objectives. Of the $3.7 billion savings from GAO recommendations in FY 1980, $2.4 billion resulted from work done pursuant to GAO's basic legislative requirements. The other $1.3 billion resulted from work based on committee and Member requests and from audits required by specific statutes. Since GAO cannot direct agencies to accept its recommendations, these tangible savings and all other benefits resulting from its work were achieved only because the Congress or the executive branch agencies involved were persuaded by the analyses and facts developed by GAO.

Finally, I'd like to move on to some organizational changes in GAO I believe will be of interest to the Subcommittee.

RECENT ORGANIZATIONAL CHANGES

In April 1980, we established in GAO an Institute for Program Evaluation. Title VII of the Congressional Budget and Impoundment Control Act of 1974 contains a strong charter for developing and improving GAO's program evaluation capabilities. When considering the legislation, the Congress initially considered including language in section 702 requiring the GAO to establish an office concerned with program evaluations. We advised the Congress that GAO needed some flexibility to assess how best to organize to meet the congressional mandate. The final language of section 702(a) of the Act gave GAO that flexibility by authorizing the Comptroller General to establish such a unit.

Over the years GAO has taken major steps to strengthen its program evaluation capabilities. By 1980 we had both the staff expertise and a sufficient understanding of congressional and executive branch program evaluation needs to make an organizational change. The Institute, which was established by reallocating existing GAO resources, will foster program evaluation and improve the technical skills required by the kinds of

analysis dictated by the increasingly complex problems facing this country and the Congress. Its work is already being well integrated into the work and plans of all GAO divisions.

Two other recent changes, effective January 5, 1981, should be mentioned:

--establishment of the Mission Analysis and Systems Acquisition Division and a Procurement, Logistics and Readiness Division to replace the Procurement and Systems Acquisition Division and the Logistics and Communications Division. This change realigns responsibilities within and between those divisions. It will help GAO make its recommendations more useful to congressional and executive branch decisions involving major weapons and other systems requiring large investments and strengthen our work in the defense area.

--consolidation of responsibility for GAO work involving both Federal and non-Federal data in a single division, the General Government Division, to enable GAO to better evalute the implementation of the Paperwork Reduction Act of 1980.

During the past year we have been updating past GAO work to encourage the implementation of recommendations which have budget savings potential but which have not yet been implemented. In addition we are emphasizing new and ongoing work having the potential for budget savings which would be relevant to congressional consideration of the FY 1982 Federal budget. Finally, we have recently provided House and Senate Committees with suggestions for possible budget cuts without impairing the achievement of statutory objectives. I am submitting for the record a statement on FY 1982 budget reduction and cost containment recommendations made available to congressional committees for use as they consider agency appropriation requests and proposed authorizations or reauthorizations of Federal programs.

* * * * *

In summary, our objective is to assist the Congress in its desire that government be run more economically, more efficiently

and more effectively; that government do well those things which it is supposed to do, and that it stop trying to do things which it is evidently incapable of doing economically, efficiently and effectively.

The General Accounting Office is one of the most important tools available for achieving these objectives. Our mission, our organization, and our skills are all pointed toward one target, finding ways to make government work more economically, more efficiently and effectively. Given the resources, we can find and tell you about the fraud, the abuse, and the inefficiency in programs, and how to eliminate them. We can tell you about the programs which are not achieving the objectives you set for them, or which have outlived their usefulness, or which overlap and duplicate other programs, or which force State and local governments, businesses and individuals to jump through expensive and meaningless hoops. But, we can do this only if we have the people--skilled, dedicated, experienced people--to do it. That is the central point of our budget request.

ATTACHMENT I

Legislatively Mandated Work for the General Accounting Office

I. Audits, Reviews and Evaluation.

A. Work mandated since 1970.

1. We are required to monitor various recurring reporting requirements of the Congress and its committees and also required to make recommendations for changes and improvements in reporting requirements. (Legislative Reorganization Act of 1970, as amended, § 202(d), 31 U.S.C. § 1152(d).)

2. We are required to develop, establish, and maintain an up to date inventory and directory of sources and information systems containing fiscal, budgetary and program-related data and information and a brief description of their content. This is done in cooperation with Treasury and OMB. (Legislative Reorganization Act of 1970, as amended, § 203(b)(1), 31 U.S.C. § 1153(b)(1).)

3. We are required to develop and recommend to the Congress methods for reviewing and evaluating Government programs and activities. (Legislative Reorganization Act of 1970, as amended, § 204(c), 31 U.S.C. § 1154(c).)

4. We are required to cooperate with Treasury and OMB in the development, establishment, and maintenance of standardized data processing information systems for fiscal, budgetary and program-related information. (Legislative Reorganization Act of 1970, as amended, § 201, 31 U.S.C. § 1151)

5. We are required to develop, establish, maintain and publish standard terminology, definitions, classifications and codes for

Federal fiscal, budgetary, and program-related data and information. This is done in cooperation with Treasury and OMB. (Legislative Reorganization Act of 1970, as amended, § 202(a), 31 U.S.C. § 1152(a).)

6. We are required to conduct a continuing program to identify and specify the needs of Committees and Members of the Congress for fiscal, budgetary, and program-related information and report annually to the Congress thereon. (Legislative Reorganization Act of 1970, as amended, § 202(c) & (e), 31 U.S.C. § 1152(c) & (e).)

7. We are required to assist Committees in developing their information needs including those expressed in legislative requirements. (Legislative Reorganization Act of 1970, as amended, § 202(d), 31 U.S.C. § 1152(d).)

8. We are required upon the request of Committees, Joint Committees and Members of the Congress to provide them assistance in securing Federal fiscal, budgetary and program-related information. (Legislative Reorganization Act of 1970, as amended, § 203(b)(2), 31 U.S.C. § 1153(b)(2).)

9. We are required to provide assistance to Committees and Joint Committees, and to the extent practicable, Members of the Congress, in appraising and analyzing fiscal budgetary and program-related data and information. (Legislative Reorganization Act of 1970, as amended, § 203 (b)(3), 31 U.S.C. § 1153(b)(3).)

10. We are required to assist any Committee or Joint Committee of the Congress in developing statements of legislative objectives and goals and methods for assessing and reporting actual program performance in relation thereto. Also we are required to assist Committees and Joint Committees in analyzing and assessing program reviews or evaluation studies. (Legislative Reorganization Act of 1970, as amended, § 204(b), 31 U.S.C. § 1154.)

11. We are required at the request of any Committee or Joint Committee of the Congress to explain and discuss any report made by this Office which would assist the Committee in the consideration of proposed legislation or program reviews. (Legislative Reorganization Act of 1970, as amended, § 231, 31 U.S.C. § 1171.)

12. We are required to prepare and distribute a monthly and annual list of GAO reports. (Legislative Reorganization Act of 1970, as amended, § 234, 31 U.S.C. § 1174.)

13. We are required to audit the Internal Revenue Service and the Bureau of Alcohol, Tobacco, and Firearms of the Department of the Treasury. We are required to report to House Government Operations and Ways and Means Committees, Senate Finanace and Governmental Affairs Committees and the Joint Committee on Taxation on results of audits. (Accounting and Auditing Act of 1950, as amended, § 117(d), 31 U.S.C.A. § 67(d).)

14. We are required to audit and report on the Financial Institutions Examination Council; the Federal Reserve Board; Federal Reserve Banks, branches and facilities; Federal Deposit Insurance Corporation; and, Comptroller of the Currency. (Accounting and Auditing Act of 1950, as amended, § 117(e), 31 U.S.C.A. § 67(e).)

15. We are required to review at request of either House of Congress or any Committee thereof, the financial and actuarial statements furnished for Federal Government pension plans. (Accounting and Auditing Act of 1950, as amended, § 122, 31 U.S.C.A. § 68b.)

16. We are required to audit and report on the continuing ability of the Kennedy Center to pay its operating costs and for assuring cost-of-living formula fairly and accurately reflects the use of the building. (John F. Kennedy Center Act, as amended, § 6(f), 20 U.S.C.A. § 76(f).)

17. We are required to audit and report on receipts and disbursements pertaining to fiscal records of the appropriated and trust funds of the Office of Seargeant at Arms of the House of Representatives every 6 months. (2 U.S.C. § 81(a).)

18. We are required to annually audit private organizations conducting activities in or on Capitol Buildings or Grounds. These include:

-Senate Office Beauty Shop
-U.S. Capitol Historical Society
-Senate Employees Barber Shop
-House and Senate Credit Unions
-House Majority and Minority Printing Clerks

(Legislative Reorganization Act of 1970, as amended, § 451, 40 U.S.C. § 193m-1.)

19. We are required to annually report to the Congress on the performance audit of the National Railroad Passenger Corporation. (Rail Passenger Service Act of 1970, as amended, § 805, 45 U.S.C.A. § 644.)

20. We are required to annually audit the financial transactions of the National Credit Union Administration. (Federal Credit Union Act, as amended, § 102(f), 12 U.S.C.A. § 1752a(f).)

21. We are required to audit the financial transactions of the Federal Deposit Insurance Corporation. (Federal Deposit Insurance Act, as amended, § 2[17], 12 U.S.C.A. § 1827.)

22. We are required to audit the financial transactions of the Farm Credit Administration. (Agricultural Marketing Act, as amended, § 14, 12 U.S.C.A. § 1141i.)

23. We are required to annually audit of the accounts and operations of the District of Columbia. (District of Columbia Government and Governmental Reorganization Act, §736, 31 U.S.C. § 61 and D.C. Code 47-120-1.)

24. We are required to annually audit and report on financial transactions of Panama Canal Commission. (Panama Canal Act of 1979, § 1313, 22 U.S.C.A. § 2723.)

25. We are required to annually audit the payments required by paragraph 5, Article III of the Panama Canal Treaty of 1977. (Panama Canal Act of 1979, § 3751, 22 U.S.C. § 3751.)

26. We are required to certify that amount of requested appropriation for the Panama Canal Commission for any fiscal year does not exceed estimated revenues which will be deposited to Panama Canal Commission Fund during that fiscal year plus unexpended balance in fund prior to the fiscal year in question. (Panama Canal Act of 1979, § 1302(c)(2), 22 U.S.C.A. § 3712(c)(2).)

27. We are required to review OMB's compliance with requirements to provide VA annual personnel ceilings. (38 U.S.C.A. § 5010(a)(4)(C), added by § 301(a) of Pub. L. 96-151, 93 Stat. 1095.)

28. We are required to audit the accounts of the Synthetic Fuels Corporation once every three years. (United States Synthetic Fuels Corporation Act of 1980, Pub. L. 96-294, title I, part B, § 177, 42 U.S.C.A. § 8777.)

29. We are required to audit the financial transactions of the Solar Energy and Energy Conservation Bank. (Solar Energy and Energy Conservation Bank Act of 1980, Pub. L. 96-294, title V, § 505(b), 12 U.S.C.A. § 3603.)

30. We are required to monitor agency determinations as to the rights of small businesses and nonprofit organizations in inventions conceived or first actually reduced to practice under

a funding agreement with a Federal agency. (35 U.S.C.A. § 202(b)(2), as amended by Pub. L. 96-517, § 6, 94 Stat. 3020.)

31. We are required to annually report on the manner in which laws relating to patent rights of private individuals in inventions made with Federal assistance are being complied with. (35 U.S.C.A. § 202(b)(3), as amended by Pub. L. 96-517, § 6, 94 Stat. 3020.)

32. We are required to annually audit compliance with disclosure requirements for legislative personnel. (Ethics in Government Act of 1978, § 109(a), 2 U.S.C. § 709.)

33. We are required to annually report on the activities of the Merit System Protection Board and Office of Personnel Management. (5 U.S.C. § 2304 as added by Civil Service Reform Act of 1978, Pub. L. 95-454, § 101(a), 92 Stat. 1118.)

34. We are required to review agency performance appraisal systems to determine extent to which they comply with the requirements of law. (5 U.S.C. §§ 4304 & 4312, as added by Pub. L. 95-454, §§ 203(a) and 405(a), 92 Stat. 1134 and 1167.)

35. We are required to review and report on independent audits of the Inter-American Development Bank. (Inter-American Development Bank Act, as amended, § 14(c), 22 U.S.C. § 283j-1(c).)

36. We are required to report every two years on the operation of the surplus property distribution system, whether laws relating thereto are being complied with and whether the needs of Government agencies are being met. (Pub. L. 94—519, § 10, 90 Stat. 2451, 40 U.S.C.A. § 493.)

37. We are required to review and report on the Commodity Futures Trading Commission. (Commodity Exchange Act, as amended, § 8(g), 7 U.S.C. § 12(g).)

38. We are required to review the Secretary of the Interior's annual report and evaluation of his methodology for allowing wells to be shut-in or to flare natural gas. Findings and recommendations thereon submitted to the Congress. (Outer Continental Shelf Lands Act Amendments of 1978, § 601(b), 43 U.S.C.A. § 1861(b).)

39. We are required to review and report on any examinations, reviews, and evaluations performed by professionally qualified groups on U.N. and its affiliated agencies, the International Bank for Reconstruction and Developmet, and the Asian Development Bank. (Foreign Assistance Act of 1961, as amended § 301(d), 22 U.S.C. § 2221(d).)

40. We are required to annually audit the Trans-Alaska Pipeline Liability Fund. (Trans-Alaska Pipeline Authorization Act, § 204(c) 43 U.S.C. § 1653.)

41. We are required to monitor and evaluate the operation of the Department of Energy. (Department of Energy Organization Act, § 207, 42 U.S.C.A. § 7137.)

42. We are required to annually conduct a performances audit of the Energy Information Administration. (Department of Energy Organization Act, § 205(e), 42 U.S.C.A. § 7135(e).)

43. We are required to continually evaluate §§ 7(i), (j) and 8(a) programs. (Small Business Act, as amended, by Pub. L. No. 95-507 § 204, 92 Stat. 1765, § 7(j)(8), 15 U.S.C.A. § 636(j)(8).)

44. We are required to audit the financial transactions of Corporation for Public Broadcasting. (Communications Act of 1934, as amended, § 396(l)(2)(A) 47 U.S.C.A. § 396(l)(2)(A).)

45. We are required to verify certifications by President of expenditures for the purpose of care and maintenance of White House; official entertainment expenses of the President; and, subsistence expenses of persons traveling on official business with President. (3 U.S.C.A. § 105(d), as added by Pub. L. 95-570 § 1(a), 92 Stat. 2446.)

46. We are required to verify certifications of expenditures by Vice President for official entertainment; and subsistence of person traveling on official business with Vice President. (3 U.S.C.A. § 106(b), as added by Pub. L. 95-570, § 1(a), 92 Stat. 2446.)

47. We are required to conduct reviews to enable Congress to evaluate compliance with title I of the Act (Revenue Sharing). (State and Local Fiscal Assistance Act of 1972, as amended, § 123(c), 31 U.S.C. § 1243.)

48. We are required to audit the accounts of the Student Loan Insurance Fund. (Higher Education Act of 1965, as amended, § 432, 20 U.S.C.A. § 1082(b)(2).)

49. We are required to audit every six months recipients of loan guarantees for construction and start-up and related cost for demonstration facilities for conversions of fuels into alternative sources. (Federal Nonnuclear Energy Research and Development Act of 1974, as amended, § 19(x)(1)(A), 42 U.S.C.A. § 5919(x)(1)(A).)

50. We are required to annually audit the financial transactions of Neighborhood Reinvestment Corporation once every three years. (Neighborhood Reinvestment Corporation Act, § 607, 42 U.S.C.A. § 8106.)

51. We are required to review the independent audits of recipients of financial assistance under the Airport and Airway Development Act. (Airport and Airway Development Act of 1970, as amended, § 26, 49 U.S.C. § 1726.)

52. We are required to report on Executive reviews of proposed recissions, reservations or deferrals of budget authority. (Impoundment Control Act of 1974, § 1014(b), 31 U.S.C. § 1404(b).)

53. We are required to report on undisclosed recissions, reservations or deferrals of budget authority. (Impoundment Control Act of 1974, § 1015(a), 31 U.S.C. § 1405.)

54. Annual Appropriation Acts for the Department of the Interior require audits of the territorial and local governments under the conginzance of the Office of Territorial Affairs. (See for example Pub. L. 96-514, 94 Stat. 2668-2670.)

55. We are required to comment on the annual report filed by the enrolled actuary with respect to the D.C. Police Officers and Firefighters Retirement Fund.(District of Columbia Retirement Reform Act, § 145, D.C. Code 1-1825 (Supp. VII, 1980).)

56. The Comptroller General is required to participate as a member of the Chrysler Loan Guarantee Board. (Chrysler Corporation Loan Guarantee Act of 1979, Pub. L. 96-185, § 3, 93 Stat. 1325, 15 U.S.C.A. § 1862.)

57. We are required to audit the African Development Foundation once every three years. (African Development Foundation Act, Pub. L. 96-533, § 508, 94 Stat. 3155.)

58. We are required to report on the implementation of the Nuclear Nonproliferation Act and its impact on non-proliferation policies, purposes and objectives. (Nuclear Non-Proliferation Act of 1978. § 602(e), 22 U.S.C.A. § 3282.)

59. We are required to examine the operations of hospital-affiliated primary health care facilities. (Public Health Service Act, as amended, § 328, 42 U.S.C.A. § 254a-1.)

60. We are required to evaluate and report on exemptions provided health maintenance organizations, combinations of health maintenance organizations and health care facilities from obtaining certificates of need before making expenditures for equipment or services or obligating for capital expenditures. (Health Planning and Resources Development Amendments of 1979, § 117(c), 42 U.S.C.A. § 300m-6 note.)

61. We are required to analyze the impact of Congressional review of final rules promulgated by FTC in the FTC's decision-making and rulemaking and report thereon. (Federal Trade Commission Improvements Act of 1980, Pub. L. No. 96-252, § 21(e)(1), 94 Stat. 395, 15 U.S.C.A. § 57a-1.)

62. We are required to report on the effect of the Multiemployer Pension Plan Amendments Act of 1980 on participants, employees, employee organizations and others and the self sufficiency of the fund established to guarantee multiemployee basic benefit plans. (Multiemployer Pension Plan Amendmets Act of 1980, Pub. L. No. 96-364, § 413, 94 Stat. 1309, 29 U.S.C.A. § 1001 note.)

63. We are required to analyze the report filed by Director of OMB with House and Senate Appropriations Committees concerning obligation of appropriations by agencies receiving funds under the Department of Transportation and Related Agencies Appropriation Act, 1981. (Pub. L. No. 90-400, § 308, 94 Stat. 1698.)

64. We are required to evaluate the effectiveness of the Office of Chesapeake Bay Research Coordination; the Chesapeake Bay Research Board; and, the Chesapeake Bay Research Coordination Act of 1980, (Pub. L. No. 96-410, § 8, 94 Stat. 2048.)

65. We are required to analyze the report filed by Director of OMB with House and Senate Appropriations Committees concerning obligation of appropriations by Agencies receiving funds under the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1981. (Pub. L. No. 96-526, § 414(c), 94 Stat. 3066.)

66. We are required to evaluate programs and activities authorized by Pub. L. No. 96-592, the Farm Credit Act Amendments of 1980, including their effect on agricultural credit services. (Farm Credit Act of 1971, § 530 as added by Pub. L. No. 96-592, § 509, 94 Stat. 3451.)

67. We are required to annually report on the status of certain specified contracts for the procurement of landing helicopter assault vessels and nuclear attack submarines and on expenditures of funds made to provide relief to certain specified contractors under authority of 50 U.S.C. § 1431. (Department of Defense Appropriation Authorization Act, 1979, Pub. L. 95-485, § 821(c).)

68. We are required to conduct verification examinations of books, records, papers or other documents of various persons including energy producers, processors, refiners transporters by pipeline, distributors and petroleum companies. Examinations at request of any committee of either House of Congress having jurisdiction over energy matters or the laws administered by the Secretary of the Interior or the Secretary of Energy. (Energy Policy and Conservation Act as amended, § 501(b) 42 U.S.C.A. § 6381(b).)

69. We are required to audit the accounts of the House Beauty Shop revolving fund at direction of select committee. (Legislative Branch Appropriations, 1970, § 101, 83 Stat. 347.)

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70. We are required to annually audit the accounts of Federal Home Loan Bank Board. (Federal Home Loan Bank Act, as amended, § 18(c)(6), 12 U.S.C. § 1438(c)(6).)

B. Work Mandated Prior to 1970.

1. We are required to investigate and report annually to the Congress on all matters relating to the receipt, disbursement and application of public funds. We are also required to include any recommendations concerning legislation necessary to facilitate, among other things, economy and efficiency in Government. (Budget and Accounting Act, 1921, as amended, § 312 (a), 31 U.S.C. § 53(a).)

2. We are required to report on every contract or expenditure made in violation of law. (Budget and Accounting Act, 1921, as amended, § 312(c), 31 U.S.C. § 53(c).)

3. We are required to report on the adequacy and effectivenss of administrative examination of accounts and claims by departments and establishments and adequcay and effectivenss of departmental inspection of the offices and accounts of fiscal officers. (Budget and Accounting Act, 1921, as amended, § 312(d), 31 U.S.C. § 53(d).)

4. We are required to make investigations and reports requested by either House of Congress or by any Committee of either House having jurisdiction over revenue, appropriations or expenditures. Requires Office staff to provide aid or information at the request of any of these Committees. (Budget and Accounting Act, 1921, as amended, § 312(c), 31 U.S.C. § 53(b).)

5. We are required to audit the financial transactions of wholly-owned and mixed-ownership Government Corporations and report to Congress once every three years. These Corporations include:

-Commodity Credit Corporation
-Federal Housing Administration
-Overseas Private Investment Corporation
-Federal Prison Industries, Incorporated
-Export-Import Bank of the United States
-Federal Savings and Loan Insurance Corporation
-Tennessee Valley Authority
-Pennsylvania Avenue Development Corporation
-Federal Crop Insurance Corporation
-Government National Mortgage Association
-St. Lawrence Seaway Development Corporation
-Federal Financing Bank (see 12 U.S.C. § 2293)
-Inter-American Foundation
-Pension Benefit Guaranty Corporation
-Federal Home Loan Banks
-Rural Telephone Bank
-U.S. Railway Association
-National Railroad Passenger Corporation
-National Credit Union Administration Central Liquidity Facility (see 12 U.S.C. § 1795h)
-National Consumer Cooperative Bank

(Government Corporation Control Act, as amended, §§ 105 & 106, 31 U.S.C. §§ 850 & 851.)

6. We are required to study restrictions and limitations on expenditures appearing in general appropriations acts. (Legislative Reorganization Act of 1946, § 205, 31 U.S.C. § 59.)

7. We are required to perform expenditure analysis of each Government agency. (Legislative Reorganization Act of 1946, § 206, 31 U.S.C. § 60.)

8. We are required to annually report on departures of the Federal Maritime Commission and the Secretary of Commerce from the Merchant Marine Act, 1936. (Merchant Marine Act, 1936, as amended, §§ 207 & 905(e), 46 U.S.C § 1117.)

9. We are required to audit the destruction, cancellation and the accounting for the destrution and cancellation of currency deemed unfit for circulation. (Pub. L. 89-427, § 5, 80 Stat. 161, 31 U.S.C. § 49a.)

10. We are required to annually review and report on funds on the books of the Government and recommended changes to laws relating thereto. (Permanent Appropriations Repeal Act, § 24, 31 U.S.C. § 725w.)

11. We are required to audit the activities of the Government Printing Office once every three years. (44 U.S.C. § 309.)

12. We are required to audit the financial transactions of the National Homeownership Foundation once every three years. (Housing and Urban Development Act of 1968, as amended, § 107, 12 U.S.C. § 1701y.)

13. We are required to annually audit the Bureau of Engraving and Printing Revolving Fund. (Act of August 4, 1950, ch. 558, § 6, 64 Stat. 410, 31 U.S.C. § 181d.)

14. We are required to review and report on the activities financed by the OPM revolving fund once every three years. (5 U.S.C. § 1304(e)(6).)

15. We are required to annually audit the Disabled American Veterans Corporation. (36 U.S.C. § 901(b)(1).)

16. We are required to annually audit the accounts established and maintained by Secretary of HUD to implement the provisions of the United States Housing Act of 1937. (United States Housing Act of 1937, as amended, § 105, 42 U.S.C. § 1437h.)

17. We are required to audit the financial transactions of each executive, legislative and judicial agency. (Accounting and Auditing Act of 1950, as amended, § 117(a), 31 U.S.C. § 67(a).)

18. We are required to report to the Secretary of the Treasury concerning application of money appropriated for the Army, Navy and the Air Force. (Rev. St. § 283, as amended, 31 U.S.C. § 103.)

19. We are required to perform reviews, audits, or evaluations of any Federal education program when requested by any committee of Congress having jurisdiction over the statute authorizing the program. (General Educations Provisions Act, as amended, § 419, 20 U.S.C. § 1227.)

II. Accounting Work Mandated by Law.

1. We are required to prescribe forms, systems and procedures for administrative appropriation and fund accounting in the Departments and for administrative examination of fiscal officers accounts. (Budget and Accounting Act, 1921, as amended, § 309, 31 U.S.C. § 49.)

2. We are required to prescribe principles, standards, and related requirements for accounting to be observed by each executive agency. (Accounting and Auditing Act of 1950, as amended, § 112(a), 31 U.S.C. § 66(a).)

3. We are required to cooperate with executive agencies in developing their accounting systems. (Accounting and Auditing Act of 1950, as amended, § 112(b), 31 U.S.C. § 66(b).)

4. We are required to review the accounting systems of the executive agencies. (Accounting and Auditing Act of 1950, as amended, § 112(c), 31 U.S.C. § 66(c).)

5. We are required to review and report on agencies' accounting systems. (Accounting and Auditing Act of 1950, as amended, § 112(c), 31 U.S.C. § 66(c).)

6. We are required to prescribe principles and standards for accounting for property; to cooperate with executive agencies in the development of their property accounting systems; to approve agency property accounting systems; to examine agency property accounting systems to determine compliance with prescribed principles and standards. Noncompliance is to be reported to the Congress. (Federal Property and Administrative Services Act of 1949, as amended, § 205(b), 40 U.S.C. § 486(b).)

7. We are required to furnish OMB any requested information relating to expenditures and accounting. (Budget and Accounting Act, 1921, as amended, § 312(c), 31 U.S.C. § 53(e).)

III. Claims Work or Decisons Mandated by Law.

1. We are required to settle claims by or against the Government and accounts of the Government either as debtor or creditor. (Rev. St. § 236 as amended, 31 U.S.C. § 71, 10 U.S.C. §§ 2575, §4592 & 9592.)

2. We are required to certify to Treasury for payment, all judgments rendered by U.S. District Courts, Court of Claims, compromise settlements made by the Attorney General, and awards of the Boards of Contract Appeals after setoff of any claims the Government might have against the plaintiff. (28 U.S.C.§ § 2414 & 2517 and 31 U.S.C. §§ 227 & 724a.)

3. We are required to issue in conjunction with the Attorney General standards for guidance of Federal agencies for claims collection. We are required to pursue collection action on claims referred to the Office by other agencies for collection. (Federal Claims Collection Act of 1966, 31 U.S.C. §§ 951-953.)

4. We are required to review GSA action on claim for transportation service upon request of carrier. (Transportation Act of 1980, as amended, § 322(b), 49 U.S.C. § 66(b).)

5. We are required to approve destruction of records relating to claims or demands by or against the Government. (44 U.S.C. § 3309.)

6. We are required to hear request by senior lienolder against property to have the Government release its junior lien against the same property. (28 U.S.C § 2410.)

7. We are required to render decisions at request of disbursing officers, or heads of departments and establishments of Government on questions involving payments to be made by them or under them. (Dockery Act, as amended, § 8, 31 U.S.C. § 74.)

8. We are required to render decision to certifying officers on questions of law involved in the payment of any voucher before them. (Act of December 29, 1941, ch. 3, § 3, 31 U.S.C. § 82d.)

9. We are required to render decisions to Library of Congress certifying officers on any question of law involved in the payment of any voucher presented to them for payment. (Pub. L. No. 85-53, as amended, § 1, 2 U.S.C. § 142b.)

10. We are required to render decisions to District of Columbia certifying officers on any questions of law involved in a payment on any vouchers presented to them for verification. (Act of July 30, 1951, ch. 246, § 4, D.C. Code 47-120b.)

11. We are required to render decisions to GPO certifying officers on any questions of law involved in a payment on any vouchers presented to them for certification. (44 U.S.C. § 308, as amended.)

12. Various provisions of law require Office to decide requests for relief from personal liability of disbursing, certifying or other accountable officers. 2 U.S.C. §§ 142b, 142e; 31 U.S.C. §§ 82a-1, 82a-2, 82c, 156; 44 U.S.C. § 304; and, D.C. Code 47-120a.

13. We are required to provide financial and Administrative services to OTA. (Technology Assessment Act of 1972, § 9, 2 U.S.C. § 478.)

14. We are required to furnish advisory opinion to the Secretary of Transportation, Health and Human Services, Education and Commerce on proposed regulations especially affecting the department under the Secretary's jurisdiction. (37 U.S.C. § 1011(c).)

ATTACHMENT II

Financial Savings and Other Benefits

GAO cannot compel the agencies or the Congress to accept its recommendations. Thus, action on our recommendations rests on the persuasiveness of our arguments. Agency management and the Congress must be convinced that our analyses are sound and that it is in their interests to take the actions we recommend. Agencies' awareness of the Congress' attention to our reports no doubt stimulates their interest in and attention to recommendations made to them.

The effect of GAO's activities on financial savings and improvements in the operations and effectiveness of Government programs and activities cannot be fully measured. The increase in governmental effectiveness from actions taken on some of our recommendations simply cannot be stated in dollars and cents.

When actions taken by the Congress or an agency lead to measurable savings, we record them. The following table summarizes the $3.7 billion in collections and other measurable savings which we identified as attributable to our work during fiscal year 1980. Of the $3.7 billion listed, about $2.8 billion represent one-time savings, while the benefits of the other $900 million will extend into future years as well. These amounts were $2.6 billion, $1.9 billion, and $700 million respectively for fiscal year 1979.

This chapter also describes savings not fully or readily measurable and other benefits from GAO activities.

Collections

Collections attributable to our activities totaled $69.5 million. Of this, $4.7 million represented our recovery of debts that Government agencies had been unable to collect.

Progress in developing the capability of other agencies to refer uncollectible debts directly to the Department of Justice has greatly reduced GAO's direct collection activity. For example, following our recommendations, the Social Security Administration recovered $26 million in benefits overpayments to persons whose earnings exceeded an annual exempt

Collections and Other Measurable Savings Attributable to Work of the General Accounting Office Fiscal Year 1980

(000 Omitted)

DEPARTMENTS	Collections	Congressional Action Involved	Agency Action Involved	Total
Agriculture	$ 930	$	$ 800	$ 1,730
Air Force	1,995	70,000	901,512	973,507
Army		332,200	20,749	352,949
Commerce			57	57
Defense	17,505	709,604	184,958	912,067
District of Columbia Government		22	2,807	2,829
Education	260			260
Energy	22	15,000	315,000	330,022
General Services Administration	477	200	2,075	2,752
Health and Human Services	34,610	22,000	14,196	70,806
Housing and Urban Development			199,600	199,600
Interior	1,071	51,500	629	53,200
Justice	300		2,761	3,061
Labor			129,275	129,275
Navy	57	216,700	21,663	238,420
Postal Service	12			12
State			2,150	2,150
Transportation		59,000		59,000
Treasury			5,700	5,700
Veterans Administration	7,613	223,763	6,890	238,266
Government-wide			146,582	146,582
	$64,852	$1,699,989	$1,957,404	$3,722,245
General Claims Work	4,700			4,700
Total	$69,552	$1,699,989	$1,957,404	$3,726,945

amount. Other major collections included recoveries by the Veterans Administration for educational assistance overpayments or student loans, the Department of Health and Human Services for excessive carryover balances from Head Start grantees, and the Department of Defense for a use charge on foreign military sales from Defense inventories.

Other Measurable Financial Savings

Other measurable savings consist largely of actual or potential savings from actions taken or planned by the Congress and Federal agencies. In most instances, the potential benefits are estimated.

Additional Financial Savings Not Fully or Readily Measurable

Much of our work recommends changes either to promote the efficiency of program operations or to achieve the results for which an activity or program was initially designed. Given the nature of this work, not all the resulting improvements or savings can be measured. Examples of achievements not readily measurable are presented here.

(This section is continued after chart at the bottom of p. 73)

Actions taken or planned	*Estimated savings*
Automatic Data Processing:	
Reduction in the WWMCCS ADP program—Defense (nonrecurring)	$ 46,700,000
Termination of the Army's Tactical Operations System Program—Army (nonrecurring)	51,500,000
Reduction in number of computer systems to be acquired under Phase IV program—Air Force ($4,600,000 estimated annual savings and $737,000,000 nonrecurring)	741,600,000
Elimination of planned acquisition of additional computer for telecommunications purposes that can be handled by existing equipment—Defense ($380,000 estimated annual savings and $260,000 nonrecurring)	640,000
Reduction in appropriation request for computer upgrade—National Security Agency (nonrecurring)	1,000,000
Termination of TACFIRE procurements—Army (nonrecurring)	153,100,000
Communications:	
Termination of SSS satellite development—Defense (nonrecurring)	51,400,000
Consolidation, automation, and elimination of telecommunications centers—Defense ($91,000,000 estimated annual savings and $183,000,000 nonrecurring)	274,000,000
Increased use of FTS by military installations—Defense ($10,300,000 estimated annual savings and $25,300,000 nonrecurring)	35,600,000
Consolidation of management of selected data circuits—GSA, FBI, IRS, Secret Service, and Alcohol, Tobacco, and Firearms (estimated annual savings)	180,000
Channel-pack certain data circuits supporting the National Criminal Information Center—FBI (estimated annual savings)	156,000
Correction of programming error on special computer-controlled communications equipment—Defense (estimated annual savings)	36,000
Reduction on cost of WATS line used by the Army Survivor's Benefit Program—Army (estimated annual savings)	22,000
Reductions in appropriations and improvements in DOD's Dedicated Communication Services—Defense (estimated annual savings)	5,000,000
Termination of additional DSCS II satellite procurement—Defense (nonrecurring)	105,200,000
Community Development and Housing:	
Regulations issued increasing the terms of Housing Assistance Payment contracts with housing developers to 20 years from 5 years resulting in savings of subsidy costs—Housing and Urban Development (estimated annual savings)	150,000,000
Elimination of rent reduction incentive in an effort to contain increases in section 8 existing housing costs and streamline program administration—Housing and Urban Development (estimated annual savings)	49,600,000
Revision of rent-adjustment schedule for District of Columbia Government public housing tenants—District of Columbia Government (estimated annual savings)	456,000
Updating rent schedule for public housing—District of Columbia Government (estimated annual savings)	679,000
Recovery of costs for utility consumption on tenant-owned appliances in public hous-	

Actions taken or planned	Estimated savings
ing—District of Columbia Government (estimated annual savings)	72,000
Construction:	
Avoidance of unnecessary additional construction at an electronic/electrical rework facility and other expenditures—Navy (nonrecurring)	13,563,000
Denial of additional funding for construction projects at the Veterans Administration Medical Center in East Orange, New Jersey—Veterans Administration (nonrecurring)	7,900,000
Denial of funding request for a solar hot water system and connecting corridor for the Nursing Home Care Unit project at the Gainsville, Florida, Veterans Administration Medical Center—Veterans Administration (nonrecurring)	252,000
Cancellation or reduction in scope of planned construction projects and transfer of excess equipment—Bureau of Prisons (nonrecurring)	1,426,000
Contracting Policies and Procedures:	
Improvements in contracting procedures—Bureau of Prisons (estimated annual savings)	69,000
Guidance provided to contracting officers on incorporating most economical rate into contracts with halfway houses—Bureau of Prisons (estimated annual savings)	1,000,000
Criminal Justice:	
Increased utilization of Federal Community Treatment Centers—Bureau of Prisons (estimated annual savings)	109,000
Education:	
Congress directed the Bureau of Indian Affairs to close two schools—Interior (estimated annual savings)	10,000,000
Reduction in the District of Columbia Public Schools budget for the operation of the Capitol Page School—District of Columbia Government (estimated annual savings)	22,000
Increased services provided to East-West Center by University of Hawaii—State Department (estimated annual savings)	200,000
Employment and Training:	
Arrangement for Army to be prepared to train Navy and Marine helicopter pilots to avoid equipment procurement—Defense (nonrecurring)	60,000,000
Termination of DOL's Employment Security Automation Project—Labor (nonrecurring)	129,000,000
Curtailment of costly recruitment activities in Puerto Rico during the 1979 apple harvest and implementation of recommendations to prevent misuse of CETA funds in future harvests—Labor (nonrecurring)	275,000
Financial Management:	
Reduction by $6.6 million of foreign currency holdings in Europe—Defense (estimated annual savings)	528,000
Establishment of requirement for the payment of interest on the U.S. investment in the Panama Canal—Defense (estimated annual savings)	20,000,000
Reduction of $5.2 million in cash balances held by accounting and finance offices—Defense (estimated annual savings)	416,000
Improvements in audit information and accounting systems increases recovery of overpayments identified in internal audit reports—Health and Human Services (estimated annual savings)	4,800,000
Improvements in cash management procedures for remitting payments to insurers for Federal Employee Health Benefits and Group Life Insurance Programs—Office of Personnel Mangement (estimated annual savings)	4,650,000
Improved procedures to prevent duplicate payments to halfway houses—Health and Human Services (estimated annual savings)	150,000
Changes in systems for determining value of imported merchandise resulting in lower Customs Service administrative costs—Customs Service (estimated annual savings)	1,800,000
Foreign Military Sales:	
Change in pricing to recover a four-percent charge on foreign military sales items produced on Government-owned plant and	

Actions taken or planned	Estimated savings
equipment—Defense (estimated annual savings)	34,444,000
Change in pricing to recover a one-percent charge on foreign military sales items sold from Defense inventories—Defense (estimated annual savings)	8,357,000
Reduction of appropriations as a result of agency's failure to collect quality assurance costs on foreign military sales contracts—Defense (nonrecurring)	32,000,000
Denial or reprogramming request for damage claims reimbursement to a foreign government—Defense (nonrecurring)	12,300,000
Management:	
Reduction in the 1980 GSA appropriation request for records declassification activities of the National Archives and Records Service—GSA (nonrecurring)	200,000
Reduction in the expenditures for film preservation by the National Archives and Records Service—GSA (nonrecurring)	1,246,000
Reduction in space requirements and corresponding expenditures for the VA records processing center in St. Louis, Missouri—GSA (estimated annual savings)	623,000
Reduction in appropriations for DOD's Tri-Service Medical Information System—Defense (nonrecurring)	12,500,000
Reduction in requested Defense appropriations for recreation specialists positions for the Army in Europe—Army (nonrecurring)	4,400,000
Closing of enlisted dining facility and replacement of military personnel with civilians at the Naval Weapons Support Center—Defense (estimated annual savings)	33,600
Closing of consulates and consulates general posts overseas—State Department (estimated annual savings)	1,900,000
Reduction in costs by filling certain positions with civilians instead of sworn officers—District of Columbia Government, Metro Transit Police, U.S. Park Police ($947,000 estimated annual savings and $265,000 nonrecurring)	762,000
Reduction in staffing level for Office of Investigations, U.S. Customs Service—Customs Service (estimated annual savings)	1,900,000
Materiel Management:	
Implementation of system enhancements to improve tracking of costs and schedule baseline for the strategic petroleum reserve—Energy (nonrecurring)	240,000,000
Implementation of disposal regulations and utilization of existing Customs Service storage facilities to reduce storage costs for property forfeited or voluntarily abandoned at ports of entry—Commerce and Interior (estimated annual savings)	57,000
Location of unrecorded assets at Army retail supply activities which were needed to fill local and Army-wide requirements—Army (nonrecurring)	10,700,000
Identification of low-cost low-use items available from commercial supply sources—Defense (nonrecurring)	6,700,000
Implementation of a new war reserve item essentiality system which better identifies critical items to an aircraft's mission and better allocates funding for war reserve parts having higher priority—Air Force (nonrecurring)	67,700,000
Proper consideration of serviceable materiel returns in forecasting inventory requirements—Army (estimated annual savings)	46,000,000
Reduction of excess watercraft in storage and readjustment of Product Improvements Program costs—Army ($153,263 estimated annual savings and $6,144,000 nonrecurring)	6,297,263
Reductions in Army's fiscal year 1980 ammunition-related appropriations and improvements in ammunition war reserve materiel inventories—Army (nonrecurring)	120,200,000
Reduction in fiscal year 1980 Defense appropriation to encourage DOD to dispose of unneeded inventory retained for possible sale to foreign governments—Defense (nonrecurring)	11,300,000
Reduced requirements for war reserve spare parts for the U.S Air Force, Europe—Air Force (nonrecurring)	23,348,000
Reduction in appropriation request to reflect savings possible by using available serviceable parts to avoid repairs—Army (nonrecurring)	3,000,000
Reduction in inventory requirements through elimination of duplication of unfilled orders in buy computations—Defense (estimated annual savings)	25,000,000

Actions taken or planned	Estimated savings
Consolidation of two Defense mail-order catalog systems to reduce operating costs—Army, Navy, Air Force (estimated annual savings)	1,588,000
Medical Care:	
Contract for a feasibility study on using expanded function dental auxiliaries was not awarded—Veterans Administration (nonrecurring)	611,000
Correction of errors in computing hospital, skilled nursing facilities, and home health reimbursement limits—Health and Human Services (estimated annual savings)	546,000
Reduction in Veterans Administration expenditures for fee dental care and increased operational efficiency at Seattle dental clinic—Veterans Administration (estimated annual savings)	890,000
Military Readiness:	
Reduction in flying hour requirements of about 8,000 hours annually—Navy and Marine Corps (estimated annual savings)	8,100,000
Payments to Government Employees and Others:	
Enactment of legislation to allow the payment of a cash incentive to military personnel who move their own household goods—Defense (estimated annual savings)	6,000,000
Correction of pay and personnel procedures in the Army National Guard and Reserve to eliminate erroneous payments—Army (estimated annual savings)	1,100,000
Reduction in erroneous welfare payments—District of Columbia Government (nonrecurring)	1,600,000
Elimination of veterans' benefits for certain military dropouts—Defense and Veterans Administration (estimated annual savings)	215,000,000
Collection of educational assistance overpayments and defaulted educational loans from veterans—Veterans Administration (estimated annual savings)	6,000,000
Identification of sugar ineligible for the Agricultural Payment Program—Agriculture (nonrecurring)	800,000
Reduction in civil service disability retirement costs—Office of Personnel Management (estimated annual savings)	140,000,000
Reduction in sick leave appropriation—Defense (nonrecurring)	58,800,000
Reduction of payments to States under Public Law 94-565 and other land payment adjustment acts—Interior (estimated annual savings)	46,000
Procurement:	
Correction of procurement actions that violated various appropriations laws—Interior (nonrecurring)	583,000
Termination of unauthorized personnel services contracts—State Department (nonrecurring)	50,000
Termination of planned sole-source contract award on the Ft. Hood solar energy project—Energy (nonrecurring)	20,000,000
Reduction in cost of base support operations by contracting certain functions—Army (estimated annual savings)	2,590,000
Improvement in bid solicitations to move household goods resulting in savings in permanent change of station funds—Defense (estimated annual savings)	4,000,000
Reductions of Government-furnished materials provided to contractors—Defense (nonrecurring)	415,300
Cancellation of purchase request for two switching locomotives—Marine Corps (nonrecurring)	800,000
Reduction of Defense appropriation request for economies possible in shipping cargo overseas—Defense (nonrecurring)	22,600,000
Cost avoidance by obtaining lower rates for moving DOD shipments of household goods overseas—Defense (estimated annual savings)	8,000,000
Productivity:	
Improved productivity at Air Force maintenance depots resulting in cost avoidance in fiscal year 1980—Air Force (nonrecurring)	70,000,000
Improvement of productivity at Navy shipyards—Navy (nonrecurring)	82,300,000

Actions taken or planned	Estimated savings
Real Property Maintenance:	
Cancellation of one of two FRAM destroyer overhauls scheduled during fiscal year 1980—Navy (non-recurring)	15,000,000
Improvement in combat vehicle maintenance practices in Mainz, West Germany—Army (nonrecurring)	40,000
Research:	
Eliminating two proposed energy research contracts—Energy (nonrecurring)	2,600,000
Modification of plans for fluidized-bed combustion test facility—Energy (nonrecurring)	52,400,000
Revenues:	
Change in classification of machine-processed cigarette leaf tobacco resulting in increased import duties—Customs Service (estimated annual savings)	2,000,000
Social Security:	
Resolution of uncleared 1974–1976 Social Security earnings enforcement cases and improvement of control system for resolving such cases—Health and Human Services (estimated annual savings)	8,700,000
Reduction in estimate of the first year cost of section 301 of the Social Security Disability Amendments of 1980—Health and Human Services (nonrecurring)	22,000,000
Transportation:	
Reduction in number of vehicles in the interagency motor pool in Honolulu, Hawaii—GSA (nonrecurring)	206,000
Elimination of five AMTRAK routes based on route criteria and standards—National Railroad Passenger Corporation (estimated annual savings)	59,000,000
Weapons Systems:	
Reduction in contract cost for development and production of the F–16 aircraft—Air Force (nonrecurring)	19,064,000
Deletion of requirement for certain special electronic equipment which was not needed for the planned future mission of the B–52G aircraft—Air Force (non- recurring)	8,000,000
Reduction of appropriation request for the advanced strategic air-launched missile program—Air Force (nonrecurring)	41,800,000
Reduction in appropriation for the surveillance towed array sensor system—Navy (nonrecurring)	119,400,000
Other Items:	
Reduction of number of military dependents authorized overseas—Defense (estimated annual savings)	3,204,000
Restriction of trading of commodity options—Commodity Futures Trading Commission (nonrecurring)	990,000
Elimination of funds for low-cost/no-cost energy conservation program expansion—Energy (nonrecurring)	15,000,000
Improvements in land acquisition practices—Agriculture and Interior (nonrecurring)	41,500,000

(Cont'd from p. 69)

Establishment of a Loan Program To Stimulate Small-Hydropower Development

In our report to the Chairman, Senate Committee on Natural Resources, and the Chairman, Senate Subcommittee on Energy Conservation and Supply, we concluded that development of small-hydropower resources through the Rural Energy Initiative Program has not been effective. We pointed out that (1) a small-hydropower loan program authorized by Title IV of the Public Utilities Regulatory Policies Act of 1978 (PURPA) was not being pursued by the Department of Energy (DOE) and (2) a loan program funded and managed by DOE as authorized by PURPA would be the best environment for pursuing the development of small-hydropower resources.

In June 1980, the Congress enacted sections 408 and 409 of the Energy Security Act which directs the Secretary of Energy to establish within 6 months such rules and regulations needed to fully implement Title IV of PURPA. (EMD–80–66, April 1, 1980)

Improvements in Controls Over Cash, Inventories, and Accounts Payable

In our report to the Government Printing Office (GPO), we discussed our examination and testing of the internal controls

for the accounting and safeguarding of cash, publications held for sale, accounts payable, and three inventories—paper, materials, and supplies. To ensure that all these assets were properly managed and safeguarded, we suggested that GPO establish written procedures describing in detail, operations, system flow, and lines of responsibility for each of the functions we reviewed; admit only authorized personnel in the GPO mailroom; instruct security guards at the central warehouse to comply with GPO orders setting forth their duties; and establish procedures to ensure the recording of any destruction of publications for sale. In addition, we suggested that processing second invoices should be avoided to preclude duplicate payments.

In a letter dated April 21, 1980, the Acting Public Printer stated that GPO documented responsibilities and procedures for processing cash and for other systems, completed the redesign of the mailroom to improve security in that area, counseled security guards to comply with GPO orders regarding their assigned duties, studied the accounts payable function to preclude duplicate payments, and issued current instructions concerning the destruction of publications for sale inventory. We believe these improvements contribute to the overall improvement of GPO operations. (LCD–80–36, February 20, 1980)

Establishment of an Army Maintenance Management Improvement Program

In our report entitled "The Key to Improving Maintenance of Army Equipment: Commanders Must Motivate Their Personnel," we recommended that the Army stress command emphasis on maintenance, require on-the-job training programs in the units, evaluate the effectiveness of unit training programs, ensure that support maintenance units communicate with supported unit commanders, and periodically reevaluate maintenance task assignments, which should be reassigned, as appropriate, to the lowest level possible.

In implementing these recommendations, the Army established the Maintenance Management Improvement Program (MMIP) in early 1979 and set five primary objectives: (1) focus command emphasis, (2) upgrade maintenance operations, (3) strengthen maintenance training, (4) improve management of people, and (5) improve publications, tools, and repair parts support.

Actions taken thus far by the Army under MMIP include publishing a new, easier-to-use, maintenance guide for leaders; designing a more durable equipment log book and streamlining recordkeeping requirements; revising the concept for calibrating and repairing test, measurement, and diagnostic equipment; refining the training methods for maintenance personnel; and establishing a system mechanics program whereby the mechanic is trained exclusively for repairing a single weapons system rather than across-the-board skills, as in the past. Revised programs of instruction for the system mechanics were used in October 1980 for the first time. (LCD–78–428, December 22, 1978)

Action Taken To Close Out Repairs and Alterations Prospectuses

In our report to the Administrator, General Services Administration (GSA), we noted that approximately $52 million of prospectus authority related to prospectuses approved prior to 1972. In view of the current building and construction costs and possible changes in the work requirements for those buildings, we suggested that the scope of work described in those prospectuses may no longer be valid. Therefore, we recommended that the Administrator of General Services revalidate prospectuses approved prior to fiscal year 1973 to cancel or revise those that are outdated.

By letter dated May 30, 1979, GSA advised the congressional committees that it (1) agreed with the recommendation, (2) had reviewed 39 prospectuses approved prior to 1972, and (3) had closed out 26. More current information indicates 25 were closed out. Based on our review of data relating to those 25, we estimate that the closing of 21 of the prospectuses can be attributed to our recommendation. The closing out of the prospectuses precludes GSA from expending $15.8 million against the authority granted under such prospectuses. We are unable to estimate the actual savings, however, as it is possible that some work included in the closed-out prospectuses could be authorized under new prospectuses. (LCD–78–335, March 21, 1979)

Guidance to DOE on Contract Ratification and Contracting for Basic Management Functions

In our report, we pointed out that Department of Energy (DOE) staff made contractual commitments without going through the procurement process. While such practice does often speed delivery of a product, it does little to ensure that DOE obtains the best available product at the lowest price. DOE subsequently issued a departmental notice which specifies that only contracting officers may make contractual commitments and emphasizes that unauthorized employees making unauthorized commitments are to be held personally liable.

The report also noted the need for clarification as to what management services are acceptable for contractors to perform. DOE issued a departmental notice specifically defining functions which contractors cannot perform. Finally, the report recognized a need for a procurement training program, which DOE implemented. (EMD–80–2, November 2, 1979)

More Efficient Nuclear Regulation

In a report to the Chairman, Nuclear Regulatory Commission, we found that the Commission staff wanted to make mandatory an existing utility system for voluntarily reporting events at nuclear powerplants. The utilities' voluntary system is in addition to, and somewhat duplicative of, the Commission's mandatory system of reporting safety-related events. To prevent duplication and inefficient regulation, we recommended that the Commission resolve the issue by using rulemaking procedures.

The Commission accepted our recommendation and issued an advance notice of proposed rulemaking on January 30, 1980, to obtain industry and public comments to help the Commission formulate a definitive position on the issue. (EMD-79-16, January 26, 1979)

Action Taken on Performing a New Benefit-Cost Study on Libby Dam

In our report to Senator Baucus, we pointed out that the benefit-cost study used by the Corps of Engineers to justify constructing a regulating dam downstream from Libby Dam was based on a method no longer applicable to the energy picture in the Northwest. Therefore, the project benefits were overstated. We recommended the Corps do a new benefit-cost study using different methodology.

In commenting on our report, the Assistant Secretary of the Army pointed out the Corps had done a new benefit-cost study. The Congress has not authorized the construction of the dam and it has been excluded from authorization legislation. (EMD-80-25, November 20, 1979)

Determination Made Concerning Whether Public or Private Interests Have Preference in Relicensing Hydroelectric Facilities

Our report to the Congress pointed out that, because the Federal Energy Regulatory Commission (FERC) had not decided whether public or private interests had preference in relicensing hydroelectric facilities, present operators might be hesitant to expand existing sites. Sites where licenses were expiring through June 1981 have about 425 megawatts of potential additional capacity that could be developed.

On June 27, 1980, FERC ruled that, in relicensing a hydroelectric project, preference would be given to municipalities in which a public and private application for the same project were determined to be equal. (EMD-80-30, January 11, 1980)

Changes in the National Flood Insurance Program Should Help Communities Better Implement the Program

We recommended that the Secretary of Housing and Urban Development (HUD) have the Federal Insurance Administration (FIA) provide communities with the detailed data available in its files to help local planners and building officials manage their flood plains. We also recommended that HUD standardize the reporting format used by FIA to make it easier to compare and analyze their problems in implementing the National Flood Insurance Program.

The FIA has directed its regional directors to supply to communities, upon request, copies of work maps, guidelines, and specifications affecting all future flood insurance studies. Standardizing the reporting format should help FIA better implement the program. (CED-79-58, March 22, 1979)

Improvements Made To Enhance the Child Care Food Program's Ability To Provide Nutritious Meals at Healthful Feeding Sites

We found that over 60 percent of the meals tested at selected feeding sites under the Department of Agriculture's (USDA's) Child Care Food Program did not meet USDA's minimum nutritional standards for weight or contain required meal components. In addition, unhealthy conditions existed at 20 percent of the feeding sites visited. At 75 percent of the sponsors whose recordkeeping we evaluated, systems for maintaining records did not support claimed expenses; meal counts or costs were overstated; and records of eligibility were unreliable. Almost 20 percent of these sites which had engaged in practices that suggested fraud or program abuse were referred to USDA's Office of Inspector General.

As a result of our disclosures and other indications of needed improvements, USDA initiated a series of actions to improve program management including improving the planning process, modifying financial management regulations, strengthening the administrative review process, issuing financial guidelines, and developing a comprehensive monitoring and evaluation system.

Substantial unmeasurable savings should result because of the above actions and others that are planned to improve program management and strengthen the program's fiscal integrity. (CED-80-91, June 6, 1980)

The Department of the Interior Has Undertaken Numerous Actions for Providing Effective Aid To Improve Government Operations in American Samoa

We recommended that the Secretary of the Interior clarify the U.S. Government's roles and responsibilities in American Samoa by establishing territorial development goals and priorities, adequately evaluating Federal grant programs, and assisting in developing comprehensive programs for staff development and living and employment. We also recommended the Secretary establish a separate organization to provide technical assistance and use the best possible approach to provide information on the purpose and intent of all Federal funds and assistance furnished to American Samoa.

In a letter dated June 27, 1980, Interior advised us of specific actions that have been taken with respect to our recommendations. For example, the President announced a new Federal territorial policy on February 14, 1980, and charged Interior with the executive branch's responsibilities for territorial matters. Interior stated that it had initiated a study of Federal grant programs that would assist American Samoa in its evaluation of these programs and their administration. Interior also advised us that the American Samoa Government had nearly eliminated the 1979 recorded grant overruns as compared with approximately $1.6 million in overruns as of September 30, 1978. In addition, Interior stated that the U.S. Government Comptroller for American Samoa is now performing audits of the grant programs and will continue to do so in the future. (CED-78-154, September 22, 1978)

Improvement of Federal Agencies' Methods for Performing Benefit-Cost Analysis for Water Resources Projects

We recommended that the water resources agencies work together through the Water Resources Council (WRC) to improve their procedures for performing benefit-cost analysis. In addition, the agencies were encouraged to provide more uniform and specific estimating procedures through amending WRC's "Principles and Standards for Planning Water and Related Land Resources."

WRC responded to our recommendations by publishing in the *Federal Register* a revised "Principles and Standards for Planning Water and Related Land Resources" and "Procedures for Evaluation of National Economic Development Benefits and Costs in Water Resources Planning." These actions should ensure better and more consistent benefit-cost analysis and help in deciding which water resources projects will be funded.

While a specific dollar savings cannot be determined, the size of the fiscal year 1980 budget for the construction and maintenance of water resources (in excess of $3 billion) indicates its value. (CED-78-127, August 7, 1978)

Better Management Needed in DOD To Prevent Fraudulent and Erroneous Contract Payments and To Reduce Real Property Maintenance Costs

Our review of the award and administration of real property maintenance and repair contracts identified serious weaknesses in the Naval Facilities Engineering Command's procedures for verifying and controlling contract payments. In the course of this review, we developed evidence to show that contractors have taken extensive advantage of these internal control weaknesses, charging the Government for more work than was actually performed.

We reported our findings to the Naval Facilities Engineering Command and recommended improvements in its internal control system. We also recommended that appropriate action be taken to recover overcharges and payments made to contractors to date.

The Navy Facilities Engineering Command made extensive revisions in its contracting procedures to implement our recommendations and thereby strengthened its internal controls. (PSAD-80-14, January 9, 1980)

Potential for Savings and Improvements Needed in DOE Contracting for Moving and Storage Services

After reviewing the Department of Energy's (DOE's) procurement practices in contracting for moving and storage services, we recommended various actions to strengthen DOE's management controls. In response, the Secretary of Energy advised that DOE's actions were to (1) discontinue use of the General Services Administration's term contract for services other than moving; (2) obtain advertised, fixed-price contracts through GSA for large moves; (3) assign specific and separate duties to DOE personnel for the purpose of evaluating moving needs, and certifying and monitoring services provided; (4) provide training sessions for DOE personnel to take advantage of discounts; and (5) establish a Distribution Facilities System to account for the receipt, inspection, storage, issue, and inventory control of all DOE office furniture.

Savings should accrue to DOE in the future from tightening controls and using GSA fixed-price contracts for its larger moves. (PSAD-80-26, February 20, 1980)

Justice Department Makes Improvements To Combat Fraud in Federal Programs

In a report to Congresswoman Holtzman, we recommended that the Department of Justice

- address, through better guidance and training, the concerns preventing coordination of criminal and civil cases. Such guidance can also increase the awareness of civil remedies and the benefits of using such remedies.
- develop an adequate referral system which will ensure timely civil consideration of all fraud matters.
- strengthen the management and enforcement of fraud debt collections.
- explore with the Congress and the States the possibility of a uniform statute allowing collection of Federal fraud judgments without regard to presently differing State laws.

Justice has agreed to revise and expand its material on civil fraud remedies and is considering the development of a special course for assistant U.S. attorneys (being designed under the auspices of the Attorney General's Advocacy Institute). Also, the guidelines currently published in the *U.S. Attorney's Manual* are being redrafted by the Civil Division. The concerted effort to clarify and coordinate guidance will have a significant effect on the prosecutive policy of all fraud cases.

U.S. attorneys from 25 of the largest U.S. attorneys' offices, at a meeting held in November 1979, agreed to increase their emphasis on solving the problems associated with fraud prosecutions. As suggested in our report, the U.S. attorney for the district of New Jersey presented to the group procedures used by that office for coordinating fraud prosecutions, referring cases for civil action, and collecting fines.

In the area of management and enforcement of fraud debts, Justice's Civil Division directed its Judgment Enforcement Unit to undertake additional field trips to U.S. attorneys' offices to determine how judgments are enforced. Steps were also taken to assign additional paralegal resources effectively. To improve the management information systems with Justice, the Attorney General appointed a special assistant with responsibilities for this specific area of Justice's operations. (One such information system is a comprehensive management information system for tracking and identifying fraud debtors.) Further, within the Civil Division, substantial resources are being devoted to improving case-tracking and other information systems.

Justice agreed that it should explore with the Congress the possibility of a uniform statute allowing the collection of Federal fraud judgments without regard to presently differing State laws. To this end, Justice intends to draft legislation. (GGD-80-7, October 25, 1979)

Taxpayer Waiting Time at IRS Walk-In Service Offices

On April 10, 1979, we issued a letter report on our review of the Internal Revenue Services' (IRS') walk-in service offices. We advised IRS in the report and by separate letter that while the IRS-developed walk-in contact cards provided historical information concerning taxpayer service, they were not being used to provide timely information during the peak tax filing season. Our report demonstrated how the walk-in cards could be used to provide IRS managers with current information on walk-in taxpayer assistance. This information could be used to detect and correct problems and assist with staff scheduling.

Responding to our report, IRS agreed with our assessment and stated it was updating instructions on the use of walk-in cards and was developing an automated system. On February 5, 1980, we met with IRS Taxpayer Service representatives and were told that IRS used our report to persuade IRS field managers of the value and need for continued use of the walk-in cards and an automated system. Starting in January 1980, IRS established a new Walk-In Management Information System to provide monthly reports within 3 weeks after the close of each month. Statistical data will be provided on each post of duty by hour, day, and week, and type of service.

IRS believes the system will provide valuable planning information and anticipates significant savings from the system by

- eliminating or consolidating underutilized posts of duty,
- making greater use of part-time versus full-time employees during peak periods, and
- adjusting office hours to conform to taxpayer usage. (GGD-79-53, April 10, 1979)

Improvements Made in Coordinating Federal Juvenile Delinquency Activities Among Federal Agencies

The Law Enforcement Assistance Administration (LEAA) improved Federal juvenile delinquency-related coordination activities among Federal agencies and began efforts to establish an information clearinghouse. Our report, "Federal Juvenile Delinquency-Related Activities: Coordination and Information Dissemination Are Lacking," identified several reasons why coordination mechanisms established under the Juvenile Justice and Delinquency Prevention Act were not functioning properly. LEAA had not effectively carried out its leadership mandate because it had not developed meaningful reports, encouraged interagency projects, or provided adequate support and direction to the Coordinating Council; furthermore, LEAA had not established an information clearinghouse or adequately explored the possibility of using existent clearinghouse mechanisms.

In late 1979, LEAA began to assert leadership at the Federal level by proposing specific goals and objectives for the Coordinating Council and by developing a work plan to achieve them. LEAA designated specific funding to provide the Council with direct staff support, and provided a staff member to work on Council activities.

Also in late 1979, LEAA issued an annual report which identified and analyzed Federal programs related to juvenile delinquency. The report appears to be LEAA's most comprehensive analysis of Federal juvenile programs, and should provide a basis for improved coordination.

LEAA has also begun to establish a juvenile justice information clearinghouse by expanding LEAA's already existing National Criminal Justice Reference Service rather than developing its own separate clearinghouse. While the dollar savings are not measurable, this action should eliminate the costs of duplicating existing dissemination mechanisms. (GGD-79-63, August 3, 1979)

Improvements Made in Bureau of Prisons' Contracting Procedures

The Bureau of Prisons implemented GAO's recommendations for overhauling its contracting procedures, resulting in recurring savings of about $69,000 annually to the Bureau of Prisons. Federal Procurement Regulations provide that contract proposals be supported by statements and analyses of estimated costs or other evidence of reasonable prices and provide that some form of price or cost analysis should be made in connection with every negotiated procurement action. At all the halfway houses included in our review, the Bureau failed to obtain adequate cost and pricing data or perform an adequate analysis of the proposal. Our analysis of three proposals showed instances where costs could not be supported or were unallowable, and we brought these matters to the Bureau's attention. As a result, the Bureau took steps to negotiate reduced compensation rates.

In commenting on our November 1979 draft report on community-based correction programs, the Bureau stated that it was completely overhauling its contracting procedures. This action will result in additional savings associated with other contracts not measurable at this time. (GGD-80-25, February 15, 1980)

Procedures Implemented for Better Sharing of Information on Offenders

The Bureau of Prisons and the Federal Probation System, at GAO's recommendation, implemented procedures for better sharing of information on offenders. In our report entitled "Community-Based Correctional Programs Can Do More To Help Offenders," we pointed out that correctional staff and probation officers were not always able to make program recommendations for offenders because the necessary information was not available. We also pointed out that the Bureau was not consistently forwarding accurate reports on the institutional performance of inmates to halfway houses.

In commenting on our report, the Federal Probation System and the Bureau of

Prisons concurred with our findings. An Inter-Agency Advisory Program was established, and it holds regular meetings between agencies to work on communication problems related to offender needs and program requirements. Also, the Bureau of Prisons has taken steps to ensure that its institutions forward accurate, timely information on offenders to halfway houses. (GGD–80–25, February 15, 1980)

Improvements Made in Quality of Services to Federal Prisoners Released Through Halfway Houses

The quality of services provided to Federal prisoners released through halfway houses has been improved by a complete renovation of the Bureau of Prisons' contracting procedures. In our report entitled "Community-Based Correctional Programs Can Do More To Help Offenders," we pointed out that the Bureau failed to provide halfway house contractors with adequate statements of work which specified the services to be provided to offenders. We also pointed out that the Bureau had not adequately monitored contractor performance. As a result, halfway houses did not regularly address offenders' needs, develop individualized program plans, or assess offenders' progress in programs.

In commenting on our report, the Bureau of Prisons concurred with our findings and recommendations. The Bureau developed a new statement of work which details exactly what is required of contractors in all program and operation areas. Also, the Bureau took steps to strengthen the monitoring of contractor performance. Community Program Officers are expected to monitor contract facilities at least twice a year and a comprehensive monitoring instrument based on the statement of work was developed for their use. These actions should improve the quality of services provided to Federal prisoners released through halfway houses. (GGD–80–25, February 15, 1980)

Action Taken by the Postal Service To Gain Control Over Fuel

GAO issued a report to the Congress on the need for tighter controls over fuel purchased by the Postal Service. The report contained many recommendations to the Postmaster General because of weaknesses GAO found in the Service's controls over (1) handling of bulk fuel receipts and disbursements, (2) purchases of fuel from commercial service stations, and (3) the use of fuel by Service employees.

In a letter to the Director, Office of Management and Budget, dated August 27, 1980, the Postmaster General outlined the actions taken as a result of GAO's report. They include

- issuance of new forms and new procedures for recording the purchase and receipt of vehicle fuel and motor oil,
- resolution of problems the Service was having with its Vehicle Management Accounting System, and
- the use of recording speedometers on vehicles to obtain better information on vehicle use and fuel consumption.

These positive actions taken by the Postal Service as a result of GAO's report should greatly reduce the Service's susceptibility to fraud, abuse, and waste in the procurement and use of fuel. (GGD–80–75, July 31, 1980)

Improved Approach to Public Debt Legislation

The Congress has attempted to control the size of the public debt over the last several years by enacting temporary debt ceilings which expired in a year or less. Although that approach gave the Congress flexibility in changing the ceiling, it also resulted in additional costs and other undesirable conditions when the legislation to enact new ceilings after the temporary ceiling expired was delayed. In each case, new legislation was needed to allow Government operations to continue, and to finance deficit budgets which had already been approved.

Responding to a request from the House Ways and Means Committee, we reported on the added costs and other problems caused by the delays, such as the disruption of the Government's financing operations and as much as $15 million in unnecessary interest costs during 1978 and 1979. We also noted that the periodic consideration of temporary debt ceiling legislation duplicated efforts made in developing debt levels for the annual congressional budget resolutions. To take full advantage of that process, we recommended that the Congress implement an approach to set the debt ceiling at the level established in the budget resolution. Public Law 96–78 adopted the recommendation effective with fiscal year 1981. (FGMSD–79–33, September 7, 1979)

Savings in Purchasing Foreign Currencies for NATO Contributions

In recent years, U.S. contributions to North Atlantic Treaty Organization (NATO) construction and operating programs have been about $175 million a year. GAO noted a lack of consistency among NATO members in the timing of their contributions to NATO programs. To reduce interest costs, we recommended that Treasury review payment requirements with the U.S. Army Support Group to NATO and arrange for U.S. payments and related currency purchases to be made at the latest acceptable date.

In buying foreign currencies, the U.S. NATO Support Group used one employee to obtain quotes by telephone from several banks, but the quotes were not obtained at the same time. In a fluctuating foreign exchange market, one bank may not hold its quote while other banks are canvassed, and the most favorable rate may not be obtained. GAO recommended that Treasury review with the Support Group procedures for acquiring foreign currencies at competitive rates.

In responding to our recommendations, Treasury said that the U.S. NATO Support Group had agreed to buy foreign currency as near to the due date as possible; if no due date was specified, payment would be made 30 days from the billing date in accordance with Treasury regulations. Treasury also said that the Support Group upgraded its canvassing capabilities and can now solicit bids from three banks simultaneously.

Treasury advised that this action taken

to satisfy GAO's recommendations will result in interest and budgetary savings. (ID-79-51, September 26, 1979)

Other Benefits

Some actions taken in response to our recommendations result in benefits other than financial savings. If the Congress enacts recommended legislation or if new agency regulations or procedures are adopted, day-to-day operations at Federal, State, and local levels may improve. Sometimes the actions directly enhance the well-being of individual citizens.

Actions Taken To More Closely Integrate NATO's Military Command Structure

In August 1977, we issued a report which discussed U.S. participation in two command structures in Europe. The basic issue raised in this report is that closer integration is needed between the U.S. and North Atlantic Treaty Organization (NATO) Military Command Structures. The Department of Defense, in general, agreed to the issues we raised. After this report was issued, actions were initiated by the U.S. and NATO which ultimately should lead to closer integration of the command structures.

For example, in May 1978, agreement was reached to undertake a NATO Long-Term Defense Program of more than 120 individual defense improvements measures. These call for cooperative NATO programs in 10 vital functional areas. In early 1978, the Army formulated a concept for a coordinated NATO line of communication. This was the result of the Army's Deputy Chief of Staff tasking Logistics to look at those logistics functions which could be brought together under a NATO umbrella. The first function studied was the Petroleum, Oil, and Lubricant pipeline, and since July 1979, the total pipeline has been under NATO control.

While GAO cannot take credit for the above actions and those like them, we believe that our report has helped influence the actions now being taken toward a more closely integrated NATO command structure. (LCD-77-419, August 26, 1977)

Improved Reliability of Tactical Air Command's Readiness Indicators

The Air Force's Tactical Air Command reports combat readiness of its units using standard readiness indicators (C-ratings). In our report, "The U.S. Air Force Tactical Air Command—Is It Ready—Can It Fulfill U.S. Commitments to Rapidly Increase Its Forces in Europe?", we discussed deficiencies in the Tactical Air Command's readiness reporting which raised serious doubts as to the reliability and usefulness of the readiness indicators reported to the National Command Authorities. We recommended improvement actions for readiness reporting and unit tasking.

In Air Force implementing regulations, AFR 55-15, for the Unit Status and Identity Report which replaced the previous Force Status readiness reporting system, procedural changes were made to address many of the readiness concerns and incorporate many of the recommendations discussed in our report. The Tactical Air Command revised its implementing regulations, TACR 55-29, and on May 1, 1980, began reporting its readiness to National Command Authorities using the revised procedures. (LCD-79-406, April 23, 1979)

Enhanced Nuclear Emergency Preparedness

The Federal Emergency Management Agency is the Federal focal point for emergency preparedness and response activities. However, the Nuclear Regulatory Commission has been the Federal policymaker and coordinator for nuclear-related emergency preparedness planning.

In a report to the Congress, we recommended that the Federal Emergency Management Agency assume the responsibility for setting policy and coordinating radiological emergency response planning around nuclear facilities. On December 7, 1979, the President transferred to the Federal Emergency Management Agency the lead responsibility for offsite emergency preparedness around nuclear powerplants. (EMD-78-110, March 30, 1979)

Reassessment of State Compliance Under the State Energy Conservation Program

In our report "Uncertainties About the Effectiveness of Federal Programs to Make New Buildings More Energy Efficient," we concluded that the Department of Energy (DOE) had not consistently applied criteria to determine State compliance with the State Energy Conservation Program requirement to implement mandatory thermal efficiency standards for new buildings. Furthermore, we pointed out that if States did not know whether local jurisdictions were enforcing thermal efficiency standards, serious problems could surface which would hinder the effective implementation of building energy performance standards soon to be established by DOE.

In April 1980, DOE reported to the House Committee on Governmental Operations and the Senate Committee on Governmental Affairs that, while DOE had assessed the extent of State compliance with mandatory program measures on a state-by-state basis, the assessment did not consistently address concerns voiced in our report. Therefore, DOE stated it would undertake a reassessment to address specifically those points. DOE stated it would use the information to (1) help make an accurate assessment of the thermal efficiency code compliance status of States and local governments, (2) encourage more States to implement thermal standards, and (3) serve as a basis for States' implementation of energy performance standards. (EMD-80-32, January 28, 1980)

Action Taken To Improve the Residential Solar Heating and Cooling Demonstration Program

In our report to the Congress, which discussed the Department of Housing and Urban Development's (HUD's) residential solar demonstration program, we noted that the program had not been very suc-

cessful in demonstrating the practical use of solar heating and cooling technology. We pointed out that many of the program's solar energy systems experienced operational problems which prevented the systems from demonstrating reliability and economic viability and that the program might have an adverse impact on the public acceptance of solar technology. We also pointed out that although HUD had a large contingency fund to be used to repair the demonstrated solar systems, it had made very limited use of this fund.

In our report, we recommended that HUD evaluate the technical and economic adequacy of all solar demonstration projects funded, identify problems, and take appropriate actions to correct the problems, including making expenditures from the contingency fund if necessary. In response to this recommendation, HUD initiated efforts to review the operation of all its solar demonstration projects and correct the operational problems, thereby better assuring the achievement of the authorizing legislation's objectives. (EMD–79–55, October 9, 1979)

Improved Involvement of Users in the Department of Energy's MHD Program

In our report on the Department of Energy's (DOE's) $70-million-per-year program to develop magnetohydrodynamic (MHD) electric generating systems, we recommended that the Secretary of Energy establish a mechanism to actively involve potential users in the program. MHD is a first-of-a-kind technology for efficiently generating electricity from coal with less environmental emissions than conventional powerplants. DOE is now starting tests of the technology at larger-than-laboratory facilities and is making preliminary designs for a pilot plant. User involvement can focus the program on activities which answer users' needs and help reduce the uncertainties associated with technology development and commercialization.

In letters to the House Committee on Government Operations and the Senate Committee on Governmental Affairs, DOE stated that it has assigned a high priority to increasing user involvement in the program and is actively investigating alternative liaison mechanisms. DOE has initiated meetings with the Electric Power Research Institute, the Tennessee Valley Authority, and other utilities to discuss technology development activities and ways to better involve potential users in the program. DOE's Acting Director, Office of Coal-Fired MHD Systems, Office of the Assistant Secretary for Fossil Energy, said that our report contributed to DOE's increased efforts to involve utilities. (EMD–80–14, February 11, 1980)

Improved Safety for Storing and Transporting Hazardous Liquefied Energy Gases

In the late 1960's, several major projects were initiated to import large quantities of liquefied natural gas (LNG) through terminals near major East and West Coast cities. Federal agencies were slow to respond to public concern about the safety of these projects. No uniform standards were adopted for LNG storage facility siting, and for 8 years, the Department of Transportation (DOT) used interim standards for the design and operation of LNG storage facilities. Only minimal consideration was given to truck movements of LNG.

In our report, we made numerous recommendations to improve the safety of storing and transporting LNG. We also recommended that liquefied petroleum gases (LPG) be similarly regulated. On November 30, 1979, Public Law 96–129 was enacted to improve the safety of LNG and other hazardous materials storage facilities. Several provisions reflected additions and changes to bills that we had recommended in our report, in testimony, and in comments on bills. For instance, the act covers LPG storage facilities. It addresses our recommendations to site new facilities only in remote areas, to require better offsite liability coverage in the event of an accident, and to provide the Secretary of Transportation with the power to suspend operation of any facility considered to be hazardous.

DOT has issued final regulations for siting, design, and construction (and proposed regulations for operations and maintenance) that cover almost all LNG storage facilities. Many of our more technical recommendations were adopted.

In addition, the City of Boston has passed an ordinance that adopts the thrust of our recommendations on truck movements of LNG through urban areas. (EMD–78–28, July 31, 1978)

Actions Taken by the Commodity Futures Trading Commission To Protect the Trading Public from Abusive Commodity Trading Practices

Assuring that the trading public is protected from abusive trading practices on the floor of exchanges is one of the primary reasons for Federal regulation of the commodity futures industry. We reported that the Commodity Futures Trading Commission's efforts had been inadequate on many important regulatory issues related to curbing such abuses. In response to our recommendations designed to curb trading abuses and enhance customer protection, the Commission has taken the following actions:

- It established trading standards for floor brokers under which exchanges are required to submit to the Commission for its approval rules to regulate the practice of dual trading (i.e., trading for one's own and for a customer's account) by floor brokers. To date, four exchanges have rules which have been approved by the Commission under this provision.
- It increased the agency's capability to perform observations of floor trading at exchanges by providing appropriate training to its regional office surveillance personnel. (CED–78–110, May 17, 1978)

Legislation Enacted To Specify the Level of and Priorities for Improvements Under the Northeast Corridor Improvement Project

The Railroad Revitalization and Regulatory Reform Act of 1976 authorized the 5-

year, $1.75-billion Northeast Corridor Improvement Project to improve rail passenger service and travel times between Boston, New York, and Washington. We concluded that the project would not be completed within the timeframe and cost authorization specified by the act and that the project's work scope had been reduced, which would lead to increased future maintenance costs, less passenger comfort, less on-time reliability, and reduced safety. We pointed out that estimated costs for the project could exceed $5 billion, depending on what improvements were to be included in the project. We recommended that the Congress decide what improvements were desirable and what additional funding, if any, should be provided.

On May 30, 1980, the Passenger Railroad Rebuilding Act of 1980 (Public Law 96–254) was approved authorizing an additional $750 million for the project. The act specifies that the goals of the project are to be achieved to the extent compatible with the revised authorization level and establishes priorities among the project's goals to serve as a basis for selecting and scheduling the specific improvements. (CED–79–38, March 29, 1979)

The Department of Defense Adopted Changes in Management Policy and Procedures for Major Weapon System Programs

In our report to the Congress, we recommended a number of procedural changes in the way major weapon system acquisition programs are managed by the Department of Defense (DOD). We recommended that (1) DOD should be more aggressive in defining DOD missions and clearly delineating the roles of DOD components; (2) DOD should identify amounts of funding needed to finance exploration of competitive designs; and (3) DOD should provide additional guidance to its components on acquisition strategy applicable to major systems.

DOD subsequently revised its basic policy and procedures directives on major weapon system acquisition management on March 19, 1980. A DOD representative publicly attributed the reasons for the revisions to (1) recommendations in GAO report PSAD–79–9, (2) a Defense Science Board Study, and (3) internal perception of management problems. Further, DOD perceives significant management improvements from these changes. The revisions are expected to increase management visibility of ongoing programs and provide program managers with more authority to meet assigned program objectives. (PSAD–79–9, February 20, 1979)

GSA's Personal Property Repair and Rehabilitation Program: A Potential for Fraud?

In November 1979, we reported that the General Services Administration (GSA) improve the management of the personal property repair and rehabilitation program or reduce it to a more manageable size. We also concluded that GSA should be more responsible for administering the program and assisting customer agencies.

We recommended that the Administrator of General Services

- accept responsibility for repair contract administration as required by the Federal Property Management Regulations,
- increase internal audit coverage of repair contractors and require that contractor accounting systems be reviewed during preaward audits, and
- increase GSA's reviews of contractor billings to customer agencies.

The February 1980 response to our report said that the Administrator had initiated corrective actions. The response further advises that:

- GSA is taking a series of actions to reduce the program's size.
- GSA is developing new instructions that will describe more fully the respective contract administration responsibilities of GSA and using agencies.
- GSA is revising the program handbook (estimated to be completed in September 1980) to require regional offices to conduct annual reviews of contractor billings.

Implementation of these changes should strengthen and improve the management of the personal property repair and rehabilitation program. (PSAD–80–5, November 14, 1979)

Government Agencies Need Effective Planning to Curb Unnecessary Year-End Spending

During a review of year-end spending at many civilian Government agencies, we found that the Bureau of Mines was routinely recording commitments as obligations and reporting them to the Treasury Department as valid obligations on their monthly Report of Obligations (SF–225), and to OMB through the monthly Report of Budget Execution (SF–133). A commitment is merely a decision to procure something which may or may not be carried out.

By reporting commitments in this way, the Bureau was misrepresenting its financial status to the Treasury Department, OMB, and the Congress.

According to 31 U.S.C. 200(a), no amount can be recorded as an obligation of the Government unless it is supported by a written binding agreement between the contractor and the Government. No such agreement existed to support these commitments.

As a result of our report, the Bureau agreed to change its policy and record only valid obligations that meet the requirements of 31 U.S.C. 200(a), and thus more accurately presents its financial position. (PSAD–80–67, July 28, 1980)

The Center for Disease Control Begins Using More Effective Program Evaluation Methods

On several occasions we have reported that the Center for Disease Control (CDC) needs to improve its program evaluation system to better manage its programs. Without clear, acceptable objectives and performance measures, program managers' abilities to administer programs effectively and efficiently and evaluators' abilities to produce useful information for improving programs are limited. For example, in a recent review we found that CDC's measures of success for its childhood immunization grant programs were inconclusive because the measures were based on data of unknown accuracy and did not distinguish between Federal and non-Federal program effect. We recommended that reliable performance measures could help CDC better determine the need for Federal assistance.

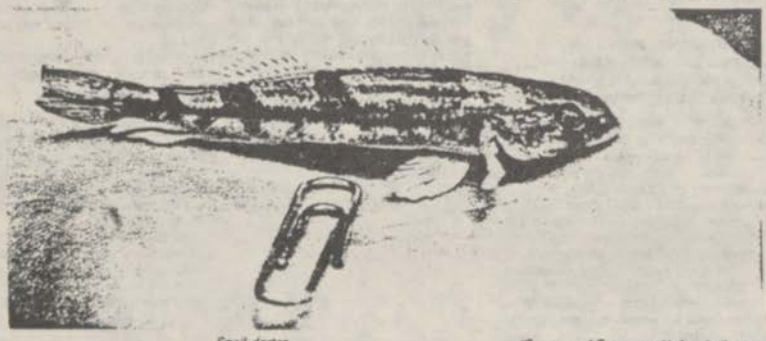
We have worked with CDC's Director and others to improve the agency's evaluation strategy. After a preliminary analysis of CDC's diabetes control program showed diabetes problems and possible solutions were misunderstood and that expectations of CDC's diabetes program differed among Federal policymakers and program managers, CDC contracted for an evaluation

American alligator



The Department of the Interior's actions taken on numerous GAO recommendations resulted in improvements designed to provide greater protection to endangered and threatened species while minimizing their effect on Federal, State, and private projects and programs.

(Photos courtesy of Fish and Wildlife Service)



Snail darter

(Courtesy of Tennessee Valley Authority)

of the program using a methodology similar to ours. In June 1980, the Director told us he intended to make such evaluations an integral part of CDC's program management. (HRD-79-54, March 13, 1979; HRD-80-52, June 6, 1980)

Protection to Endangered and Threatened Species Increased

We made 17 management improvement recommendations to the Secretary of the Interior to provide greater protection to endangered and threatened species while minimizing their effect on Federal, State, and private projects and programs. During July 20, 1979 testimony before the Subcommittee on Fisheries, Wildlife Conservation and the Environment, House Committee on Merchant Marine and Fisheries, the Director of Interior's U.S. Fish and Wildlife Service stated that the report had come at an appropriate time in the development of the endangered species program and had provided the Service with a beneficial critique of progress.

By October 1979, Interior had implemented or taken positive steps to implement 14 of the 17 recommendations. Improvements were made to provide greater protection to endangered and threatened species while minimizing their effect on Federal, State, and private projects and programs. The Service

Bald eagle

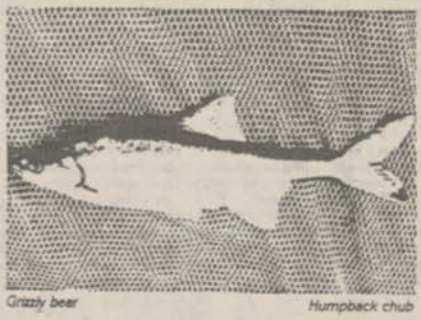


Columbian white-tailed deer





Grizzly bear



Humpback chub

- published final or proposed regulations on (1) the information to be included in petitions to list, delist, or reclassify species, (2) the information to be included in biological assessments to identify listed or proposed species which are likely to be affected by Federal agencies' projects and programs, and (3) the procedures the Service will follow when reviewing listed species to determine if their statuses have changed.
- implemented procedures or guidelines to (1) assure the prompt and responsive handling of incoming petitions, (2) record and monitor consultations with other Federal agencies to avoid errors in assessing resource needs, and (3) improve recovery planning aimed at returning listed species to a point where they are no longer endangered or threatened.
- established two systems to provide information on listed, proposed, and candidate species to Federal agencies and the States.
- developed "strike forces" with the Department of Justice in response to illegal taking of waterfowl, commercial sale of migratory birds illegally taken, and eagle killing. (CED-79-65, July 2, 1979)

Agencywide Health Monitoring Program Developed by the Environmental Protection Agency for Employees Potentially Exposed to Hazardous and Toxic Substances

We recommended to the Environmental Protection Agency (EPA) that

- the safety and health activity be organizationally realigned,
- a health monitoring program be implemented agencywide,
- a survey of laboratory conditions be made on a priority basis, and
- additional health staffing be provided.

In response to our recommendations, EPA took the following actions:

- The Occupational Health and Safety staff now reports directly to the Assistant Administrator for Planning and Management, who is the designated Safety and Health Officer.
- The Occupational Health and Safety headquarters staff funding increased from $304,000 in fiscal year 1978 to $472,000 in fiscal year 1980. The staff's support fund, which is used to fund outside contracts including medical monitoring services, increased from $162,000 in fiscal year 1978 to $408,000 in fiscal year 1980.
- The number of Occupational Health and Safety staff members involved in the health function has increased from one in 1976 to three full-time and two part-time in 1980.
- A survey of all laboratory sites has been completed and plans for annual inspections have been established.
- The percentage of employees potentially at risk has decreased from 37 percent (3,500 of 9,500) in 1976 to approximately 22 percent (3,000 of 14,000) in 1980 due to improved working conditions.
- Occupational Health Officers have been appointed in every region.
- A health monitoring program providing at least the basic services is in existence in all regions.

The program has been well received by the employees involved and has a voluntary participation rate of 95 percent of the eligible employees. (CED-76-160, October 8, 1976)

Better Use of Federal Funds in Meeting Agriculture Conservation Program Objectives

The Department of Agriculture's major soil conservation programs have not been as effective as they could have been in establishing enduring conservation practices and reducing erosion to tolerable levels. We recommended that the Conservation Service realign its priorities and seek out and offer assistance to farmers who have critical erosion problems. We also recommended that the Agricultural Stabilization and Conservation Service give funding emphasis and priority to critically needed conservation practices which farmers ordinarily would not undertake with Federal cost-sharing assistance. In addition, we recommended that the Congress clarify the Agricultural Conservation Program's legislation concerning the types of conservation practices that should be funded.

In May 1978, we testified on this and other Agriculture programs before the Subcommittee on Agriculture, Rural Development, and related agencies of the Senate Committee on Appropriations. At the initiative of this subcommittee, and based on language we provided concerning the types of conservation practices that should be funded, appropriations legislation for the 1979 and 1980 programs reflected our recommendation to emphasize the funding of critically needed conservation practices and to limit spending on production-oriented practices that have little or no conservation or pollution abatement benefits.

As a result, the Department redirected its 1979 program to eliminate production-oriented practices. For the 1980 program, the Department had developed a national program consisting of those practices which meet congressional and executive directives. This program provides for enduring practices such as permanent vegetative cover, terraces, and sod waterways, and specifically excludes practices that are primarily production-oriented, such as weed control and drainage. (CED-77-30, February 14, 1977)

Action Taken To Ensure an Expeditious Timetable for Issuing Minimum Guidelines and Requirements for Accessibility Standards

In our letter report of October 1, 1979, and again in our June 6, 1980, report to the Congress, we recommended that the Architectural and Transportation Barriers Compliance Board take action to promptly issue minimum guidelines and requirements for accessibility standards to public buildings by handicapped persons. The Compliance Board responded that final guidelines will be issued in December 1980, which is more than 1 year earlier than scheduled.

We further recommended that OMB recognize the Compliance Board as an independent agency with a separate budget presentation similar to other independent Federal agencies. In response to that recommendation, on August 8, 1980, OMB informed the Chairman, Senate Committee on Government Operations that the 1982 Budget Appendix will provide a separate budget presentation for the Compliance Board under the section devoted to other agencies. (FPCD–80–51, June 6, 1980)

Contracting Out Base Operating Support Functions at the Navy's Pacific Missile Test Center, Point Mugu, California

The Pacific Missile Test Center was in the process of contracting out base operating support functions of (1) data coordination and computer peripheral equipment services and (2) mess attendant services on San Nicolas Island. These functions are currently being performed by permanent civil service employees. The contracting-out decisions were to be made without cost comparisons prescribed in the firm bid/offer procedure for study of possible conversion of Government commercial and industrial activities to contract. In addition, the functions were not on the approved list of activities to be studied for conversion and were not approved by the Chief of Naval Operations.

This matter was brought to the attention of Navy officials in November 1979, as part of a discussion of several contracting-out issues identified during the review. The Naval Air Systems Command directed the Pacific Missile Test Center to defer contracting out the functions until (1) they are placed on the study list, (2) fact sheets are submitted and approved by the Chief of Naval Operations, and (3) the required cost comparisons are prepared. (PSAD–80–19, December 11, 1979)

GSA's Personal Property Repair and Rehabilitation Program: A Potential for Fraud?

While performing this review, we issued a Notice of Exception (NOE) to a GSA Certifying Officer for failure to have adequate evidence before paying a contractor for work allegedly done at the State Department. In our supporting documentation for the NOE, we named the GSA official who certified that he had inspected and accepted the alleged work done by the contractor. Our examination of the contractor's files disclosed no evidence that the work had been performed.

In January 1980, the GSA official was charged by the U.S. attorney's office in Washington with receiving more than $75,000 in kickbacks from building contractors in return for awarding them contracts to do phantom work. We believe that our work contributed to the corrective action taken. (PSAD–80–5, November 14, 1979)

The Veterans Administration Is Now Conducting an Epidemiological Study of the Long-Term Health Effects on Veterans Exposed to Herbicide Orange in Vietnam

Between 1966 and 1969, a large number of U.S. ground troops in Vietnam were in areas sprayed with herbicide orange both during and shortly after spraying. The Department of Defense took few precautions to prevent exposure because at that time it did not consider the herbicide to be toxic or dangerous to humans. Since 1977, many Vietnam veterans have been concerned about health problems which they attribute to herbicide orange exposure in Vietnam. As a result of an earlier GAO report and congressional pressure, the Air Force initiated a health effects study of personnel handling and spraying herbicide orange in Vietnam under operation "Ranch Hand."

Senator Charles Percy was concerned, however, that many servicemen who were not herbicide handlers could have been exposed to herbicide orange in Vietnam. He asked us to determine (1) when and what military units were in or near areas sprayed with herbicide orange and (2) what precautions were taken to prevent ground troops and others from exposure.

We recommended that the Congress direct the Department of Defense, the Veterans Administration, the Department of Health, Education, and Welfare, or the Environmental Protection Agency to determine whether a study is needed on the health effects of herbicide orange on ground troops identified in our analysis.

In December 1979, the Congress passed an amendment to the Veterans' Health Programs Extension and Improvement Act of 1979, requiring the Veterans Administration to conduct an epidemiological study of the long-term health effects on veterans exposed to herbicide orange in Vietnam. (CED–79–22, April 6, 1979; FPCD–80–23, November 16, 1979)

Improved Administration of the Summer Youth Employment Program

In our report to the Chairman and Ranking Minority Member, Senate Committee on the Budget, we acknowledged that the Department of Labor's (DOL's) 1978 Summer Youth Employment Program has an admirable objective to provide youths with meaningful work tasks and training to develop their skills and enhance their future employability.

However, DOL's efforts to assure that State and local governments were operating quality programs were not very successful at the sites we visited. As a result, the future employability of many of the most needy youths was not improved. Poor administration by DOL and by local program operators prevented many youths, mostly at urban locations, from being exposed to the real world of work.

As a result of our criticism, recommendations for improvement, and a report by the Senate Appropriations Subcommittee on the Departments of Labor, and Health, Education, and Welfare, and related agencies, DOL improved the operation of the 1979 program, particularly strengthened supervision and monitoring efforts, and eliminated inadequate worksites.

The following highlights some specific changes and improvements:

- DOL established a Special Monitoring

Group dedicated to the summer program; the Office of Inspector General increased monitoring; and the Employment and Training Administration intensified regional office monitoring. DOL noted that the number of worksites with adequate activity increased from GAO's finding of 40 percent in 1978 to 79 percent meaningful worksites in 1979.

- The Administrator, Office of Youth Programs, stated that in the 1979 program, there were about 10,000 Federal monitoring visits at worksites in addition to 330,000 prime sponsor site visits. Before 1979, the program had been considered an income transfer program and little effort was spent on monitoring and administration; however, increased monitoring was planned for 1980, funding was being provided earlier, and planning was being done on a year-round basis.
- The Assistant Secretary for Employment and Training stated that review of the 1979 program showed "productive well-supervised work experience" and demonstrated a "tremendous turnaround in the summer youth program." (HRD-79-45, February 20, 1979)

Improved Project Management for the Administrative Conference of the United States

In a report entitled "Administrative Conference of the United States Needs Better Project Management," we criticized certain aspects of the Administrative Conference's project management and made recommendations for improvement.

On April 3, 1980, we received a response in which, although disagreeing with some of our conclusions, the Conference agreed to implement each of our recommendations. Together, these recommendations were intended to improve the planning, control, and evaluation of Conference projects. Specifically, we recommended that the Conference

- conduct long-range planning of future projects which would include (1) establishing a Council or committee review and (2) considering cosponsorship with other agencies;
- improve documentation to better account for project costs and schedules;
- request the Director, OMB, to serve as a focal point for determining executive department implementation of Conference recommendations; and
- include project evaluations in planning for future projects. (GGD-80-13, February 4, 1980)

Improvements Made in the Operation of the Capitol Page School

In a report requested by the Chairmen of the Subcommittees on Legislative, House, and Senate Appropriations Committees, we recommended the need for improvements in the oversight of the Capitol Page School. We identified a need for (1) a formal arrangement between the District of Columbia Board of Education, the Secretary of the Senate, and Clerk of the House of Representatives for the education of pages, (2) complete and accurate accounting data on Capitol Page School transactions, and (3) requirements for reporting periodically and annually on School operations and page performance.

On January 22, 1980, an agreement between the Board of Education, the Clerk of the House, and Secretary of the Senate was entered into for the operation of the Capitol Page School. The agreement provides that the Board will maintain accurate accounting records for the School. A semiannual progress report summarizing academic achievements at the School or problems the Board of Education may encounter with the program is to be prepared and submitted to the Clerk of the House and Secretary of the Senate.

This agreement should improve operation of the Capitol Page School and enhance congressional oversight capability. (GGD-79-56, April 26, 1979)

Customs Services Reclassifies Certain Imported Trucks into Higher Duty Category

For many years, the Customs Service has classified trucks imported without cargo beds as "chassis" instead of "trucks." Importers pay a 4-percent duty on chassis and a 25-percent duty on trucks. In a report requested by Chairman, House Ways and Means Committee, we concluded there was substantial merit to the technical arguments for classifying the vehicles as trucks. It was difficult to conclude that as a matter of law the chassis classification was clearly wrong. However, from a practical viewpoint, we noted Customs' ruling permitted importers to avoid a 25-percent duty by importing the cargo box separately.

The International Trade Commission (ITC), commenting on our report in May 1979, concluded that we had amassed a wealth of data and our conclusions did not lack merit. Nevertheless, ITC said that its interpretation of the data indicated that the imports were trucks and dutiable at the 25-percent rate. Subsequently, Customs reconsidered its position and on August 21, 1980, began to classify as trucks those imported lightweight trucks without cargo beds.

The recent Customs decision should have two immediate results. To the extent imports continue, Customs will collect additional revenue through the higher duty rate; to the extent sales decline, the U.S. balance of payment should improve. For example, had the higher duty applied to trucks imported from 1972 through 1977, an additional $600 million in duty would have been collected. On the other hand, Ford and General Motors will start production of lightweight trucks for their 1981 model year, which may reduce imports and keep truck dollars in the United States. (GGD-79-19, December 13, 1978)

Slow Productivity Growth in the U.S. Footwear Industry—Can the Federal Government Help?

U.S. shoe manufacturers have experienced a steady economic decline since the late 1960's. The industry's productivity has been among the lowest of our Nation, primarily reflecting insufficient capital and technology and underskilled workers. Imports largely from countries with low labor rates or with highly skilled workers have

captured about 50 percent of the domestic market. From 1967 to 1977, the number of U.S. shoe manufacturing firms decreased by almost half and nearly 76,000 people lost their jobs.

Shoe manufacturing is very labor intensive; consequently, manufacturers having the lowest labor and material costs and producing high-quality stylish shoes have a competitive advantage. To compete and prevent further deterioration of their market, U.S. manufacturers must raise their productivity and acquire a better understanding of domestic and international markets. This is particularly important for small- and medium-sized firms. In the long run, automation may offer an opportunity for domestic manufacturers to increase their productivity and gain a competitive advantage over foreign producers.

We concluded that solutions to the shoe industry's problems were, for the most part, beyond any single company's capability. We also concluded that the Government could help address problems of the industry as a whole. Consequently, we recommended that the Department of Commerce strengthen its Footwear Industry Revitalization Program by directing initiatives to foster joint efforts by industry, the Government, universities, and labor to improve productivity and enhance the long-term viability of the industry.

Commerce has taken action to strengthen its revitalization program. It has established a permanent footwear center and initiated joint efforts between industry and Government to identify and evaluate technological developments that will provide competitive advantages. (FGMSD–80–3, February 25, 1980)

Development of a National Productivity Clearinghouse

In our report we recommended that a national productivity clearinghouse be established in the Department of Commerce. We stated that, to be effective, the clearinghouse must go beyond simply maintaining and distributing information. It must provide specific information private companies can use to improve their productivity in delivering their products and services, and thus become more competitive.

OMB responded to our recommendations by informing the Congress on February 22, 1979, that the President had assigned leadership responsibility for the collection and dissemination of information on productivity improvement to the Department of Commerce. Commerce established a productivity clearinghouse within the National Technical Information Service, and on September 4, 1980, announced the establishment of a Productivity Reference Service. It will make productivity improvement and related data available to the private sector in a relevant and up-to-date form. Commerce's action is directly in line with the recommendations of our report. (FGMSD–79–4, December 12, 1978)

Better Day Care Services Can Be Provided to a Substantially Larger Number of Children With Current Dollars

In our report we recommended that the Department of Health, Education, and Welfare make certain revisions to the Federal Interagency Day Care Requirements to improve the quality and reduce the cost of federally funded day care services. An $8 million National Day Care Study funded by the Department of Health, Education, and Welfare (now Department of Health and Human Services) concluded that the Government could buy better day care for preschool children at lower cost by revising the Federal day care standards to (a) increase the child-to-staff ratio allowing more children per staff and (b) require staff to have training in the care of preschool children. GAO reached the same conclusion in its analysis of the study and in independent field work. GAO confirmed that the low child-to-staff ratio required by the Federal standards did not assure good care. Non-federally funded day care centers not only had more children per staff but generally provided superior care.

The Department of Health, Education, and Welfare issued new Federal Interagency Day Care Requirements in March 1980 based on the recommendations of the National Day Care Study and our report. These requirements should provide, with current dollars, better day care services to a substantially larger number of children. The HEW Department Project Manager stated in a memorandum to GAO that if GAO's recommendations were implemented, potentially 30 percent more children, or approximately 300,000, could be served within current budgets. Payment for this care would require an additional $300 million.

The Council on Wage and Price Stability also reviewed the National Day Care Study and complimented the Department on its conduct in a Council document in September 1979. (FGMSD–79–48, September 25, 1979)

Quality Level Legal Services for the Poor and Near Poor Through Improved Productivity

In our report we recommended that the Legal Services Corporation (LSC), the major source of federally funded legal aid, systemize and automate its operations and that of its grantees. Through automation, routine legal services such as uncontested divorces, wills, and house closings can be provided at a 50- to 75-percent reduction in cost. Legal documents are prepared by a computer with customer input and guidance from paralegal aides instead of an attorney.

Based on experience of legal firms providing automated legal services, automation not only reduces costs, but reduces human errors. Thus, by developing automated legal services systems with the legal profession, the LSC would be making reasonably priced high-quality legal services accessible to many U.S. citizens who could not otherwise afford them. The American Bar Association estimates that there are 140 million people at the middle-income level who cannot afford legal services at regular prices.

In response to our recommendations, LSC requested $2.65 million in their fiscal year 1981 budget to develop, acquire, and install automated legal systems in about 100 grantee offices. LSC will provide as-

sistance to grantees on a cost-sharing basis to adopt these automated legal systems. (FGMSD–76–46, October 19, 1979)

U.S. Must Spend More To Maintain Lead in Space Technology

Space manufacturing offers the possibility of exploiting the unique environment of space to produce materials superior to those produced on earth, or believed impossible to produce on earth. Whether space manufacturing becomes a reality depends on the results of future materials research and the propensity of government and industry, both here and abroad, to invest.

We concluded in our report that despite high expectations among U.S. scientists, only limited success can be expected in the next 20 years due to low funding and limited backing by the Administration and the Congress. This could let foreign competitors rapidly overcome any technological lead in materials science in space now enjoyed by the United States.

The Appropriations Committee, as a result of our report, reinstated funds previously deleted by OMB to perform two experiments in fluid dynamics which are critical to advanced materials research.

Our report also discussed the problems faced by NASA in transferring its technology to private enterprise for commercialization. On the one hand, NASA needs the support and participation of private enterprise in planning the research and using the resulting technology. But NASA is not organized to effectively gain the support and participation needed. On the other hand, private enterprise unquestionably could use much NASA-developed technology, but is generally unwilling to get involved due to deep-seated fears of Government regulations and restrictions, such as on patents, exclusive rights, proprietary rights, conflict of interest, antitrust, liability, and others. Some of these fears are real and some are only perceived as problems by private enterprise.

To address this issue of technology transfer, we introduced an approach in which the American Institute of Aeronautics and Astronautics (AIAA), an aerospace association with over 30,000 members, functions as a third-party agent between private industry and NASA. AIAA's first step was to begin an awareness campaign entitled, "Tracking the Space Revolution." With NASA's full cooperation, AIAA is conducting a series of seminars at NASA's research laboratories, at which Fortune 500 corporate executives are shown NASA-developed technology that could have direct application to their respective commercial operations. Response by these nonaerospace firms has been extremely positive. The second step, which is now in a test stage, involves AIAA as the agent to unite technologists from industry and NASA in attempts to ferret out commercial applications and to complete the technology transfer process. (FGMSD–80–32, January 31, 1980)

National Archives and Records Service Attempts To Help Agencies Better Manage Their Word Processing Systems

In our report to the Congress on word processing in the Federal Government, we recommended that the Administrator of General Services upgrade and accelerate efforts to assist and monitor agencies' efforts to manage word processing equipment by (1) making available to agencies standards, guidelines, and criteria necessary to develop, operate, and evaluate word processing systems; (2) analyzing agencies' practices to determine where more productive operations would result from word processing systems; (3) making periodic reviews of agencies' management of word processing systems; (4) acting as a clearinghouse for agencies developing and reviewing their word processing activities; and (5) expediting issuance of a word processing handbook to aid agencies in developing and operating word processing systems.

The General Services Administration agreed with our recommendations and has taken actions which should improve agency management of word processing equipment resulting in increased productivity and reduced costs. In fiscal year 1980 the National Archives and Records Service (NARS) began conducting audits in five agencies to determine the agencies' compliance with archives guidance. In addition, NARS will soon release the final version of its word processing handbook and begin a limited clearinghouse effort. (FGMSD–79–17, April 6, 1979)

Improvements in Funding International Studies

In a report to the Secretary of State, we recommended that the Department of State, with the concurrence of the Director of the Office of Management and Budget, establish a separate fund to ensure that monies are available to promptly begin those necessary International Joint Commission studies which were not yet requested at the time the budget was required. Delays in starting studies could drastically increase the cost of initiating projects and associated construction.

The Department of State agreed with our recommendation and requested and obtained funds for a "Reference Referral Start-Up Fund" for fiscal year 1980. Given the steadily increasing costs of construction, this change will make constructing countries more willing to agree to initiating projects and could make the projects less expensive. (ID–78–10, February 8, 1978)

Improved Procedures for Managing Foreign Assistance Programs

So that the Agency for International Development (AID) can more effectively manage development programs and projects, we recommended that it issue clear and definitive guidance to project managers; provide more effective training in procurement, contracting, and supply-management matters; and develop time-phased procurement plans and schedules. AID agreed with our views and, on September 16, 1980, advised us of the action taken to implement our recommendations. The steps include the preparation of a comprehensive project officers' guidebook, the revision of AID's outmoded project policies and methods manual, and the establishment of an integrated training program on project management techniques. These actions should improve the overall quality of AID project implementation. (ID-80-33, July 15, 1980)

Legislative Provision Provides U.S. International Airlines Government Response to Discriminatory and Unfair Competitive Practices

In a report to the Congress entitled "The Critical Role of Government in International Air Transport," we recommended, among other things, that the Congress amend the International Air Transportation Fair Competitive Practices Act of 1974 to provide for prompt Government response to unfair competitive practices. We suggested specific language changes to the act.

Public Law 96-192 enacted on February 15, 1980, amends section 2 of the Air Transportation Fair Competitive Practices Act to require the Civil Aeronautics Board to take action within 60 days after receipt of a complaint. Extensions of 30 days each can be granted if the Board thinks that the complaint can be resolved through negotiations. However, the aggregate period for taking action may not exceed 180 days from time the complaint is received. This legislative requirement is similar to that recommended in our report.

We believe this new legislation will provide U.S. international air carriers with prompt Government action on allegations of discriminatory and unfair competitive practices. (ID-77-50, March 17, 1978)

BUDGET REQUEST

Mr. SOCOLAR. The General Accounting Office needs the requested funds to sustain effective assistance to the Congress in overseeing the Federal Government's operations.

In considering our request, it is important to keep several things in mind:

That while the General Accounting Office workload for fiscal year 1981 has increased and will increase further in 1982, especially as additional legislation is enacted and appropriation bills are considered, we are requesting no increases over staff levels requested to meet workload requirements 2 years ago.

That despite every effort to cut costs, funding constraints over the past several years have eroded the coverage the General Accounting Office has been able to provide under its basic statutory responsibilities. Continuing this trend will only deprive Congress of important data needed to carry out its legislative, funding, and oversight responsibilities.

The funds provided to the General Accounting Office are returned many times over. Over the past 4 years, congressional and agency actions on the General Accounting Office recommendations saved $20 for each dollar appropriated to the General Accounting Office, with direct, quantifiable savings adding up to $14.5 billion.

1981 APPROPRIATION AND 1982 BUDGET REQUEST

The General Accounting Office's fiscal year 1982 appropriation request is for $244,878,000—the amount needed to fund the 5,350 staff years required to meet the responsibilities of the General Accounting Office this coming year. The requested appropriation includes increases over fiscal year 1981 levels to provide funds for 150 authorized staff years required by increased the General Accounting Office workload.

About $12.7 million, or 55 percent, of the approximately $22 million increase in our fiscal year 1982 budget request from our estimated 1981 obligations is the result of either mandatory cost increases we must absorb or inflation. The General Accounting Office has traditionally been extremely conservative in its budget requests.

The concern of the Congress and the American public at large over high inflation can scarcely be overstated. This makes the business of the General Accounting Office—to eliminate Government waste and assure effective, efficient expenditure of public funds—all the more important.

Now more than ever, pursuit by the General Accounting Office of economy and efficiency in Government ought not to be compromised for lack of adequate funding. Now more than ever, Congress needs a strong General Accounting Office to help it achieve its budgetary objectives. The General Accounting Office is the best single asset Congress has in finding ways to achieve savings in executive branch operations.

SERVICE AND MANDATE

The General Accounting Office serves the entire Congress. Whether requested by a committee or a member or pursuant to our basic statutory requirements, audits and evaluations of the General Accounting Office serve to meet current and foreseeable congressional needs.

Under the basic mandate of the General Accounting Office, we are required to review activities of essentially all Government agencies. As the budget has increased and new programs have been enacted, the workload of the General Accounting Office has increased. There are many specific statutes that require the use of our resources. Attachment I to my detailed statement included in the record shows the extent of our continuing legislative responsibilities.

FUNDING RESTRICTIONS

Funding restrictions and the need to respond first to congressional requests have impaired the ability of the General Accounting Office to carry out its basic statutory responsibilities over the last several years. Without sufficient General Accounting Office audit and evaluation coverage of federally funded programs, important opportunities are lost to improve the economy, efficiency, and effectiveness of Federal programs, and the Congress will be denied information on how well programs are operating.

We find ourselves in the uncomfortable position of having to rob Peter to pay Paul. We are using resources initially planned for work required by our basic statutes to meet growing congressional requests. And much of the work required by our basic statutes results in significant dollar savings—$2.4 billion of the $3.7 billion savings from the General Accounting Office recommendations in fiscal year 1980. We are losing the flexibility to satisfy the immediate needs of direct congressional requests without sacrificing the scheduled work required by our basic statutes.

Unfortunately, while congressional actions have increased the workload of the General Accounting Office, funds have not been provided commensurate with the task. For fiscal year 1979, the General Accounting Office received funds for only 5,100 staff years, although 5,289 were authorized by the Congress. For fiscal years 1980 and 1981, only 5,200 staff years were funded. For fiscal year 1982, the General Accounting Office will need funds to permit the use of 5,350 staff years. This is the same level requested in fiscal year 1980, when the workload of the General Accounting Office was smaller.

FINANCIAL SAVINGS RESULTING FROM WORK OF GAO

The General Accounting Office is the only Federal agency with full-time, Government-wide responsibility to help Congress find ways to reduce Federal spending and make Government function better. Working under this mandate, the General Accounting Office has consistently made recommendations which saved many times its appropriation. The savings of $20 for each dollar appropriated to the General Accounting Office, referred to earlier, from fiscal years 1977 through 1980 translates to $724 million of appropriations having saved the Government $14.46 billion. During the first quarter of fiscal year 1981, the General Accounting Office recorded about $1.7 billion in measurable savings resulting from its recommendations.

These savings demonstrate a significant way in which the General Accounting Office supports the accomplishment of congressional objec-

tives. In fiscal year 1980 work done pursuant to our basic legislative responsibilities resulted in savings of $2.4 billion with savings of $1.3 billion resulting from work based on committee and member requests and from audits required by specific statutes. We cannot direct acceptance of our recommendations; these tangible savings and other benefits resulting from our work are achieved through the persuasiveness of our reports.

During the past year we have been updating past General Accounting Office work to encourage the implementation of recommendations which have budget savings potential but which have not yet been implemented. In addition, we are emphasizing new and ongoing work having the potential for budget savings which would be relevant to congressional consideration of the fiscal year 1982 Federal budget. Finally, we have recently provided House and Senate committees with suggestions for possible budget cuts without impairing the achievement of statutory objectives. I would like to submit for the record a statement on fiscal year 1982 budget reduction and cost containment recommendations made available to congressional committees for use as they consider agency appropriation requests and proposed authorizations or reauthorizations of Federal programs.

[The statement was furnished and inserted in the subcommittee files.]

RESPONSIBILITY OF THE GENERAL ACCOUNTING OFFICE

Mr. SOCOLAR. In summary, our objective is to assist the Congress in seeing that Government is run economically, efficiently, and effectively; that Government do well those things it is supposed to do; and that Government stop trying to do things which it does not do well. But, we can provide this assistance only if we have the necessary skilled, dedicated, and experienced people. That is the central point of our budget request.

Senator MATTINGLY. Thank you very much. We will put that to use in our office.

EFFECT OF BUDGET REDUCTIONS

Your predecessor, Mr. Staats, made the comment that if we reduce the General Accounting Office's budget, he indicated as many as 700 people would have to be terminated. If your $12,902,000 supplemental for fiscal year 1981 is approved, how much of that figure would be reduced to maintain permanent staffing levels?

Mr. SOCOLAR. The supplemental for 1981?

Senator MATTINGLY. Yes.

Mr. SOCOLAR. It would be used fully to maintain the current staff levels.

Senator MATTINGLY. How many vacancies do you presently have with the 5,200 people you are presently authorized?

Mr. PIN. None, sir.

ATTRITION RATE

Senator MATTINGLY. What is your attrition rate at the General Accounting Office?

Mr. SOCOLAR. You must understand that in the immediate situation attrition is diminishing primarily because of the general Government

freeze; and the numbers of people leaving the General Accounting Office are significantly less now than in the past.

Do you have a figure?

Mr. PIN. For the first month after the freeze was announced, we lost approximately eight employees. Normally we lose in the range of 40 to 50 people. So I think you can see what the impact has been.

LABOR-SAVING METHODS

Senator MATTINGLY. What labor-saving methods have you initiated in the past few years at the General Accounting Office?

Mr. HAVENS. We are working on several things, Mr. Chairman. In the area of technology, we have an experiment underway to determine the possible productivity effects of going to electronic work stations, which is being tried in two of our regional offices and one headquarters division. We have a number of practices underway with respect to our auditing techniques and evaluation techniques which put a great deal more emphasis than we had in the past on the front-end planning of our projects so we have less of a tendency to go down blind alleys and instead have planned out the audit work in greater detail. Each of these I think has produced significant productivity improvement. We are not at the present time in a position to measure the degree of productivity improvement that has been accomplished. We have another project underway precisely for that purpose.

Mr. SOCOLAR. I think there is another thing one must keep in mind, and that is, the mission of the General Accounting Office is one that covers virtually the full scope of Government activity. Additional funds could always be put to good use. The kind of thing that Mr. Havens was mentioning doesn't necessarily result in fewer people as much as it does in allowing people that we have to gain wider coverage and do a better job.

Senator MATTINGLY. I think I have heard that before this week.

Mr. HAVENS. Mr. Chairman, I think Mr. Socolar in his opening statement emphasized the fact we have handled a growing workload with a constant number of people in the past 4 or 5 years.

INCREASED WORKLOAD

Senator MATTINGLY. Let me ask something on the 150 employees. Why do you need them?

Mr. SOCOLAR. We have since 1979 received a number of statutes which require additional workload over the traditional workload that the General Accounting Office was required to perform in past years. The real question is the extent to which we can give proper coverage to the basic statutory requirements imposed on the General Accounting Office, together with responding to the kinds of requests that we get from committees and Members. It is a question of increased workload, a broader range of activities and, as Mr. Havens said, a stable staff. Something has to give somewhere.

Senator MATTINGLY. According to your justification for fiscal year 1982, the $9.7 million of the $22 million increase over 1981 funding levels would account for increased personnel costs. If the committee

denied those increases, the General Accounting Office then would be operating at the same level as 1981. Why then would any personnel have to be terminated in fiscal year 1982?

STAFF REDUCTION

Mr. SOCOLAR. You are referring to the 700-staff-year reduction?

Senator MATTINGLY. Yes.

Mr. SOCOLAR. That is premised on a total fiscal year 1982 budget against 1981 levels without consideration of any supplemental for any pay increases that would come along. In other words, the 10-percent cut was taken off the $245 million requested without consideration of any supplemental that would be added on to that. So that we would not really be at fiscal year 1982 levels if we have to take into consideration the pay increase that comes along next October.

Senator MATTINGLY. Well, it doesn't make sense to me then why you would have to terminate 700 people.

Mr. SOCOLAR. The $245 million figure that is in this request does not contain any amount for the absorption of pay increases. The 10-percent cut was taken off of the $245 million. If a supplemental were not forthcoming on top of that $245 million, there would be a cut of 10 percent plus that supplemental, which is what would get us down to the numbers that would require the 700-staff-year reduction.

TRAVEL FUNDS

Senator MATTINGLY. You had another request for I think the item was other expenses which amounted to $76,415,000, which is an increase of $13 million-plus over the fiscal year 1981 level of $63 million-plus. Of that amount, $16,427,000 was requested for travel and transportation as opposed to $14,523,000 for fiscal year 1981. Why do you need almost $2 million more to travel?

Mr. SOCOLAR. We are actually doing less travel in terms of number of trips, but the travel costs have been steadily increasing; per diem costs increased as did transportation costs. The fact is that the number of trips that are being taken is being watched very, very closely. The number of trips is actually reducing.

Senator MATTINGLY. Almost $2 million.

Mr. SOCOLAR. Well, the per diem rates have risen significantly, the mileage rates have increased and also the actual transportation costs.

Senator MATTINGLY. I wish we had the same latitude in the Senate because our costs don't stay the same, yet our funding stays the same, which means we do less traveling, which may be something that might have to be incorporated.

Mr. SOCOLAR. Well, travel is the lifeblood of the work we do.

Senator MATTINGLY. Me, too.

Mr. SOCOLAR. Yes; we would find it very difficult to accomplish the work that we have to do if our people had to significantly cut back on their travel.

Senator MATTINGLY. You don't think then a $2 million request for travel funds is too much then?

Mr. HAVENS. If I might comment, Mr. Chairman, the situation we

find ourselves in is, for example, we are asked to audit an activity that is being performed in the city of St. Louis, say, and we don't have permanent staff located in the city of St. Louis. For us to carry out that activity, we must send staff to St. Louis to perform that review, or some other city. That makes the performance of the work dependent on our ability to travel. The situation recently is that air fares have been rising, per diem rates have been rising, and our ability to perform the work is dependent upon our being able to travel.

Senator MATTINGLY. Is the $2 million strictly for increased air travel?

Mr. HAVENS. It is a combination of air fares and per diem.

Mr. HELLER. Actually the number of per diem days is being reduced. We will have fewer days for which we are paying travel expenses. The General Services Administration high-city cost rate, which has increased, gives the employee an opportunity not to have to continue to dip into his or her pocket to pay expenses. You cannot travel very well on the Government per diem.

Mr. PIN. Mr. Chairman, if I may, of that $1,904,000 we estimate that $1,485,000 is due to inflation and $419,000 is associated with the increase that we are requesting in average positions.

Senator MATTINGLY. Thank you.

RENT, COMMUNICATIONS, AND UTILITIES

On the rent, communications, and utilities, you are asking for $19,661,000 as opposed to $13,889,000 in 1981, an increase of $5.7 million over fiscal year 1981. You say a major part is for increased office space. That would go from $9 million to almost $14.4 million. What is the reason basically for that?

Mr. SOCOLAR. That is fundamentally attributable to the charge the General Services Administration makes, over which we have absolutely no control.

Senator MATTINGLY. What is that in relation to, increased charges versus additional office space?

Mr. PIN. The number we have is $5,140,000. That is the actual increase.

Senator MATTINGLY. The rest of it is just additional space?

Mr. BROWN. The rest is additional space, yes.

In the General Accounting Office Building alone, I might mention, the standard level user charge is going from $7.04 a square foot in fiscal year 1981 to over $13 a square foot in fiscal year 1982.

Senator MATTINGLY. That is an example of why some of the office space in the State I have gone from the General Services Administration to some other place.

Mr. PIN. Unfortunately, we don't have that option.

COMPUTER SERVICES

Senator MATTINGLY. Your estimate for computer services shows an increase of almost $3 million. Why such a large increase?

Mr. SOCOLAR. That is for the development of a unified system to consolidate a number of systems. We find we can get more efficiency by consolidating them.

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Senator MATTINGLY. Could that be deferred?

Mr. HELLER. Yes, sir.

Mr. SOCOLAR. That could be deferred. I am not sure if it would be economical to defer it; but the direct answer to your question is yes, it could be deferred.

Mr. BROWN. I might mention something relative to that. Right now we have 18 separate administrative systems that we operate in the General Accounting Office. For example, a payroll system, a travel system, an accounting system, job tracking system, and they are operated in different places around town, some of them with private vendors, some of them with different Government agencies, and it has been a problem trying to get all the information contained in all of these systems coordinated and consolidated into a meaningful whole. We have done requirements analyses of our needs and have concluded that if we are able to consolidate these into one system, that over a 5-year life cycle we can save about $500,000 a year in terms of operating costs over what we are spending now. That would be the bottom line effect. We are really looking at long-term dollar savings in terms of this effort, plus we will get some benefits in terms of updating our system to the state of the art. But we expect some money savings.

Senator MATTINGLY. I spent 20 years at International Business Machines, so I understand the state of the art.

STUDIES AND RESEARCH

The other thing I understand is you are the watchdog for Federal spending in Government operations, and you have those 95 specific legislative areas that you have given for the record. I appreciate that. I have also noticed some of the studies and research you conducted in the 95th and 96th Congresses on energy, oil, gas, oil shale, solar energy. I would just like to ask you a few questions on those areas that you have done studies on, like the need for a national materials policy planning process. Would that be comparable to doing a study such as requirements for fulfilling national materials policy? Would that be a similar type of study? Who can respond?

Mr. HELLER. The General Accounting Office study that you referred to was done under our basic legislative statutes to give advice to the Congress on the need for a materials policy. There was none. The other study that is referred to, if my memory is right, is an Office of Technology Assessment study which was done about the same time. I believe their focus was somewhat different, but they were complementary efforts.

Senator MATTINGLY. The similar type of one you did on national defense, for silver stockpiling, and there were other similar study assessments of stockpiling policies, the same type of thing. Then you did one on oil and gas royalty collections. There were comparable studies of management, fuel, and nonfuel of Federal management of the land which are comparable.

Mr. HELLER. I think the General Accounting Office particularly was a little narrower.

Senator MATTINGLY. There was one you did on management of Federal material research. There were other studies done on assessment in-

formation, capabilities required to support U.S. materials policy decisions. You did one on opportunities to improve planning for solar energy research and development, and there were other studies done on the application of solar technology which I understand were comparable to other studies. There was one done on opportunities to resolve basic conflicts over GSA leasing and development, and there were other studies done on analysis of development of Interior's proposed acceleration of oil and gas on the Outer Continental Shelf. And there were others on liquified energy gas safety that you all did as well as transportation for the liquified natural gas.

I will give you a list that I would like to ask you just to respond to back by written answers. Again I am just asking if the underlying principles that you are using to do studies are basically the same that others are using.

Again, in reference to some of the coal slurry pipelines that you have done versus a technology assessment of coal slurry pipelines of comparable agencies.

OTA ADMINISTRATIVE/FINANCIAL SERVICES

Senator MATTINGLY. The next witness is going to represent the Office of Technology Assessment, and he is going to ask to increase his budget by $150,000 to enable the Office of Technology Assessment to take their own administrative financial services. These services are presently performed by you at the General Accounting Office. I am going to ask if this would be a legitimate request from them to assume that. Who, in your opinion, is in a better position to perform these services? If these functions are placed outside the General Accounting Office, could we trim your budget accordingly, if we took it away from you all and gave it to the Office of Technology Assessment?

Mr. SOCOLAR. I doubt that, but I would like Mr. Brown to respond.

Mr. BROWN. First of all, we do all the work on a reimbursable basis so they reimburse us; we don't have anything in our appropriation to cover their work. Second, we have been working closely with the Office of Technology Assessment on their administrative support, and we are not able to give them what they believe they need. Specifically in the area of tracking their own jobs, we don't have established in our system data elements the Office of Technology Assessment needs unless we go through a major system overhaul for our agency, which would be very costly.

Senator MATTINGLY. But you are right now performing the financial services for the Office of Technology Assessment, and the funding is in your budget?

Mr. BROWN. No, sir. We are performing them for the Office of Technology Assessment, and the funding is in the budget of the Office of Technology Assessment. We send them a bill at the end of the year and they reimburse us for it.

HOLDING BUDGET AT 1981 LEVEL

Senator MATTINGLY. In conclusion, in light of President Reagan's stated intent to make substantial cuts in the Federal budget and the intent of myself as chairman to aid the President in his efforts to bring health back to the American economy by cutting back the size of Government, would you agree then, yes or no, to holding your fiscal year 1982 budget to the fiscal year 1981 level, to not increasing personnel, and to the deferral of any new spending initiatives or programs until the American economy recovers?

Mr. SOCOLAR. I would have to honestly respond no to that on the ground that the work of the the General Accounting Office is in essence complementary to achieving that desired goal.

Senator MATTINGLY. I appreciate your testimony. Thank you all very much.

FISCAL YEAR 1981 SUPPLEMENTAL REQUEST

Mr. SOCOLAR. We have a supplemental if I might just take a moment.

Senator MATTINGLY. Are you talking about the $12 million?

Mr. SOCOLAR. Yes.

Senator MATTINGLY. We have already discussed it. Why don't you enter it for the record.

Mr. SOCOLAR. All right, fine. I also have two handouts which give examples of the work that the General Accounting Office does and several revised pages for our justification of estimates book which I would like to submit for the record.

PREPARED STATEMENT AND JUSTIFICATION REVISIONS

Senator MATTINGLY. The prepared statement on the 1981 supplemental budget request and the revisions of the justifications will be inserted in the record. The examples of 1980 program and performance will be inserted in the subcommittee files.

[The statement and revisions follow:]

STATEMENT OF MILTON J. SOCOLAR

We appreciate this opportunity to present to you our request for supplemental funds in the amount of $12,902,000 for fiscal year 1981. We are requesting funds for title II of the Second Supplemental Act as follows: title II—pay increase, $12,902,00.

PAY COSTS

The pay supplemental is to cover salaries and benefits related to the civilian pay raise (as authorized by Executive Order 12248 of October 15, 1980). It is submitted in accordance with Office of Management and Budget guidelines which specify that agencies should not include amounts to cover future civilian pay raises in their regular appropriation request.

The civilian pay raise provided for an overall increase of 9.1 percent. The net effect of this pay raise on the total salaries and benefits of the General Accounting Office is 8 percent. The annual pay raises have a significant cost impact on GAO since close to 80 percent of our appropriation is used to pay for the salaries and benefits of our staff.

ABSORPTION

We cannot offer to absorb any of the pay raise costs at this time. However, we will continue to monitor our expenditures quite closely. Should money become available, we will, of course, offer it up for absorption as we have always done in the past.

ANALYSIS OF CHANGES IN PERSONNEL COMPENSATION
FISCAL YEARS 1981 TO 1982

	FY 1981 Salaries	Annualization of FY 1981 Salaries	New Staff	Periodic Step Increases	Grade Promotion	Positions Other Than Permanent	Other Personnel Compensation	Total Change	FY 1982 Salaries
Office of Comptroller General	$ 266,000	+$ 1,000	-	+$ -	+$ -		$ 1,000	$ 2,000	$ 268,000
Special Staff Offices	1,513,000	+ 19,000	-	+ 13,000	+ 5,000	+ 1,000		+ 38,000	+ 1,551,000
Office of the General Counsel	6,941,000	+ 76,000	-	+ 52,000	+ 37,000	+ 8,000	+ 1,000	+ 174,000	+ 7,115,000
Personnel Appeals Board	129,000	+ 3,000	+ 97,000	-	-			+ 100,000	+ 229,000
Assistant Comptroller General - Administration	190,000	-	-	+ 2,000	-	-	-	+ 2,000	+ 192,000
General Services & Controller Personnel	8,643,000	+ 76,000	-	+ 59,000	+ 63,000	+ 31,000	+ 43,000	+ 272,000	+ 8,915,000
	3,933,000	+ 53,000	-	+ 36,000	+ 26,000	+ 11,000	+ 5,000	+ 131,000	+ 4,064,000
Assistant Comptroller General - Policy & Program Planning	155,000	+ 1,000	-	+ 1,000	-	-	-	+ 2,000	+ 157,000
Policy	514,000	+ 6,000	-	+ 4,000	+ 1,000	-	-	+ 11,000	+ 525,000
Program Planning	516,000	+ 6,000	-	+ 5,000	+ 4,000	-	-	+ 15,000	+ 531,000
Assistant Comptroller General - Program Evaluation	80,000	-	-	-	-	-	-	-	+ 80,000
Program Analysis Division	4,162,000	+ 50,000	+ 153,000	+ 39,000	+ 23,000	+ 9,000	+ 2,000	+ 276,000	+ 4,438,000
Institute for Program Evaluation	3,515,000	+ 25,000	+ 133,000	+ 23,000	+ 16,000	+ 4,000	+ 2,000	+ 203,000	+ 3,718,000
Accounting & Financial Management Division	10,929,000	+ 107,000	+ 329,000	+ 90,000	+ 55,000	+ 7,000	+ 12,000	+ 600,000	+ 11,529,000
Community & Economic Development Division	8,925,000	+ 77,000	+ 271,000	+ 69,000	+ 36,000	+ 5,000	+ 1,000	+ 459,000	+ 9,384,000
Energy & Minerals Division	6,082,000	+ 87,000	+ 186,000	+ 66,000	+ 41,000	+ 6,000	+ 4,000	+ 390,000	+ 6,472,000
Federal Personnel & Compensation Division	4,385,000	+ 64,000	+ 156,000	+ 46,000	+ 4,000	+ 2,000	-	+ 272,000	+ 4,657,000
Field Operations Division	63,201,000	+ 752,000	+2,192,000	+ 528,000	+ 408,000	+ 47,000	+ 7,000	+ 3,934,000	+ 67,135,000
General Government Division	7,044,000	+ 85,000	+ 253,000	+ 64,000	+ 47,000	+ 3,000	+ 1,000	+ 453,000	+ 7,497,000
Human Resources Division	9,017,000	+ 76,000	+ 284,000	+ 73,000	+ 40,000	+ 4,000	+ 2,000	+ 479,000	+ 9,496,000
International Division	8,363,000	+ 93,000	+ 156,000	+ 72,000	+ 45,000	+ 2,000		+ 368,000	+ 8,731,000
Joint Financial Management Improvement Program	213,000	+ 4,000	-	+ 1,000	+ 1,000	-	-	+ 6,000	+ 219,000
Logistics & Communications Division	5,940,000	+ 58,000	+ 199,000	+ 52,000	+ 28,000	+ 4,000	+ 1,000	+ 342,000	+ 6,282,000
Procurement & Systems Acquisition Division	5,169,000	+ 42,000	+ 170,000	+ 42,000	+ 15,000	+ 3,000	+ 2,000	+ 274,000	+ 5,443,000
	$159,825,000	+$ 1,761,000	$4,579,000	+$1,337,000	+$ 895,000	+$ 147,000	+$ 84,000	+$ 8,803,000	+$ 168,628,000

GENERAL SERVICES AND CONTROLLER

	FY 1981		FY 1982		Change	
	Average Positions	Dollars	Average Positions	Dollars	Average Positions	Dollars
Professional	128		128		-0-	
Support	203		203		-0-	
Total	331	$8,643,000	331	$8,915,000	-0-	$272,000
Total Positions at September 30	341		341		-0-	

Scope and Nature of Work Program

The Office of General Services and Controller is responsible for the formulation, preparation, and execution of the GAO budget for submission to Congress; management and administration of a centralized library system; management and administration of ADP applications agency-wide; management of space and government fiscal records; coordination, publication, and distribution of manuals, reports, and other documents; and furnishing general office services.

The following schedule shows the planned distribution of staff by office during fiscal years 1981 and 1982.

Resources by Office

Office	Average Positions		
	FY 1981	FY 1982	Change
Systems & Procedures Analysis Staff	10	10	-0-
Organization Development Staff	10	10	-0-
Office of Budget and Financial Management	71	71	-0-
Office of Administrative Services	49	49	-0-
Office of Publishing Services	100	100	-0-
Office of Information Systems and Services	71	71	-0-
Office of Security	16	16	-0-
Office of Director	4	4	-0-
Total	331	331	-0-

The responsibilities of the offices within the General Services and Controller include:

The Systems and Procedures Analysis Staff

This office is responsible for establishing administrative procedures; developing and carrying out administrative training programs; evaluating the effectiveness of GAO's support services; and auditing GAO's cashier funds.

Organization Development Staff

The Organization Development Staff was established about 5 years ago. It evolved out of supervisory training provided to the support services offices in GAO and a project using an employee survey and data feedback in the International Division. The staff is responsible for improving GAO's productivity and quality of work life by assisting work groups and organizational units, at all levels, to identify and resolve issues hindering effectiveness.

ANALYSIS OF CHANGES
FROM FISCAL YEARS 1981 to 1982

	1981 Base		Changes from Base	
	Average Positions	Amount	Average Positions	Amount
1981 Appropriation	5200	$210,000,000		
Proposed Supplemental --Civilian pay raise		12,902,000		

A. Mandatory Costs- These costs are those that are nondiscretionary and must be paid in response to either a requirement of law or necessary employee compensation.

Personnel Compensation	
Annualization of FY 1981 salary cost	+$ 1,761,000
Ingrade Increases	+ 1,337,000
Promotions	+ 895,000
Other personnel compensation	+ 84,000
Personnel Benefits	+ 474,000
Office Space	+ 5,140,000
Shared Administrative Support	+ 54,000
Subtotal	+ 9,745,000

B. Inflation - These costs are those that are anticipated to result from vendor cost increases for the current level of goods and services.

Travel	+ 1,485,000
Transportation of Things	+ 32,000
Rents, Communications, and Utilities	
Duplicating Equipment	+ 53,000
Automatic Typing Equipment	+ 28,000
Other Equipment	+ 29,000
Telephone Services	+ 78,000
Mailgrams	+ 3,000
Postage and Fees	+ 80,000
Printing and Reproduction	+ 95,000
Other Services	
Training	+ 196,000
Security Investigations	+ 21,000
Health Services	+ 24,000
Credit Reports	+ 2,000
Storage of Household Goods	+ 2,000
Maintenance of Other Equipment	+ 39,000
Maintenance of Leaseholds	+ 50,000
Other Nongovernment Contract	+ 563,000
Other Government Contracts	+ 6,000

Fiscal Year 1981 Obligations
By Quarter

		1st	2nd	3rd	4th	4th Qtr. as % of Total	Total
11.00	Personnel Compensation	36,101,000	40,229,000	40,915,000	42,580,000	27%	159,825,000
12.00	Personnel Benefits	3,559,000	3,605,000	3,922,000	4,598,000	29%	15,684,000
13.00	Benefits for Former Personnel	13,000	14,000	22,000	22,000	31%	71,000
21.00	Travel	3,354,000	3,676,000	3,913,000	3,580,000	25%	14,523,000
22.00	Transportation of Things	106,000	106,000	106,000	107,000	25%	425,000
23.00	Rent, Communications & Utilities	3,872,000	3,537,000	3,408,000	3,072,000	22%	13,889,000
24.00	Printing and Binding	1,109,000	210,000	145,000	41,000	3%	1,505,000
25.00	Other Services	6,504,000	2,987,000	2,033,000	2,026,000	15%	13,550,000
26.00	Supplies and Materials	479,000	455,000	460,000	447,000	24%	1,841,000
31.00	Equipment	327,000	312,000	306,000	242,000	20%	1,187,000
32.00	Lands and Structures	141,000	81,000	81,000	69,000	19%	372,000
42.00	Claims and Indemnities	30,000					30,000
TOTAL		55,595,000	55,212,000	55,311,000	56,784,000	25%	222,902,000

Fiscal Year 1982 Obligations
By Quarter

		1st	2nd	3rd	4th	4th Qtr. as % of Total	Total
11.00	Personnel Compensation	39,905,000	38,580,000	45,009,000	45,134,000	27%	168,628,000
12.00	Personnel Benefits	3,911,000	3,824,000	4,460,000	4,335,000	26%	16,530,000
13.00	Benefits for Former Personnel	23,000	22,000	26,000	26,000	27%	97,000
21.00	Travel and Transportation of Persons	3,614,000	4,107,000	4,435,000	4,271,000	26%	16,427,000
22.00	Transportation of Things	122,000	112,000	112,000	122,000	26%	468,000
23.00	Rent, Communications & Utilities	6,881,000	4,326,000	4,325,000	4,129,000	21%	19,661,000
24.00	Printing and Reproduction	1,232,000	214,000	148,000	49,000	3%	1,643,000
25.00	Other Services	8,509,000	3,904,000	2,659,000	2,660,000	15%	17,732,000
26.00	Supplies and Materials	527,000	501,000	506,000	491,000	24%	2,025,000
31.00	Equipment	302,000	287,000	281,000	217,000	20%	1,087,000
32.00	Lands and Structures	209,000	121,000	121,000	99,000	18%	550,000
42.00	Claims and Indemnities	30,000					30,000
TOTAL		65,265,000	55,998,000	62,082,000	61,533,000	25%	244,878,000

UNITED STATES GENERAL ACCOUNTING OFFICE

Estimated obligations—other expenses:

Fiscal Year	Estimated obligations	Increase
1981	$63,077,000	
1982	$76,250,000	+$13,173,000

The fiscal year 1982 estimate of $76,250,000 for all our expenses other than salaries is $13,173,000 more than our revised 1981 requirements. The major increases are $1,904,000 for travel, $5,772,000 for rent, communications and utilities, $4,182,000 for other services, and $872,000 for personnel benefits. Our revised 1981 requirements and the estimates for 1982 are compared below by object class of expense and explained in more detail in the narrative section following this summary.

	Object class	Actual 1980	Revised 1981	Estimated 1982	Changes 1981 to 1982
12	Personnel benefits	$14,623,000	$ 15,684,000	$ 16,530,000	+$ 846,000
13	Benefits for former personnel	27,000	71,000	97,000	+ 26,000
	Total personnel benefits	14,650,000	15,755,000	16,627,000	+ 872,000
21	Travel & transportation of persons	12,561,000	14,523,000	16,427,000	+ 1,904,000
22	Transportation of things	732,000	425,000	468,000	+ 43,000
23	Rent, communications & utilities	11,761,000	13,889,000	19,661,000	+ 5,772,000
24	Printing & reproduction	1,489,000	1,505,000	1,643,000	+ 138,000
25	Other services	8,608,000	13,550,000	17,732,000	+ 4,182,000
26	Supplies & materials	1,365,000	1,841,000	2,025,000	+ 184,000
31	Equipment	1,049,000	1,187,000	1,087,000	- 100,000
32	Lands & structures	1,161,000	372,000	550,000	+ 178,000
41	Grants, subsidies, and contributions	18,000			
42	Claims & indemnities	25,000	30,000	30,000	-0-
	Total 20, 30, & 42	38,769,000	47,322,000	59,623,000	+12,301,000
	Total—other expenses	$53,419,000	$ 63,077,000	$ 76,250,000	+$13,173,000

12. Personnel benefits
13. Benefits for former personnel

Estimate 1981	$15,755,000	
1982	$16,627,000	+$872,000

The items involved in these object classes, and the estimated costs for each, are as follows:

		Revised 1981	Estimate 1982	Changes 1981 to 1982
12	Personnel Benefits:			
	Cost of Living Allowances	$ 601,000	$ 644,000	+$ 43,000
	Payments to OPM Life Insurance	517,000	542,000	+ 25,000
	Payments to OPM Retirement Fund	10,761,000	11,361,000	+ 600,000
	Employers Share FICA Taxes	210,000	220,000	+ 10,000
	Payments to Health Benefits Program	2,850,000	3,011,000	+ 161,000
	Employee Compensation Act	192,000	144,000	- 48,000
	Dislocation Allowances	553,000	608,000	+ 55,000
13	Benefits for Former Personnel	71,000	97,000	+ 26,000
	Total Personnel Benefits	$ 15,755,000	$16,627,000	+$ 872,000

The net increase of $872,000 in benefits consists of increases in employer contributions to benefit funds ($796,000), an increase in dislocation allowance ($55,000), an increase in the cost of living allowances ($43,000), a decrease in Employee Compensation ($48,000), and an increase in benefits for former personnel ($26,000). The increase in benefits result primarily from an increase in the amount of salary paid.

Cost of Living Allowances

An increase in the average salary of employees officially stationed at posts of of duty in foreign areas and in Hawaii in FY 1982 will result in a $43,000 increase of which 35% is for education allowances, 28% living quarters allowances, and 37% territorial cost-of-living allowances. Cost of living allowances are primarily based on a percent of the employee's salary. Allowances for which such employees may be eligible (5 U.S.C. 5924, 5941) include:

An education allowance which is granted to assist an employee in meeting extraordinary expenses incurred by reason of his service in a foreign area in providing adequate elementary and secondary education for his children.

A living quarters allowance is for rent, heat, light, fuel, gas, electricity and water, and is granted when Government owned or rented quarters are not provided without charge for an employee in a foreign area.

A territorial cost-of-living allowance provides additional compensation to persons stationed outside the Continental United States or in Alaska (whose rates of basic compensation are fixed by statute) when living costs are substantially higher than in the District of Columbia.

Payments to OPM Life Insurance Fund

The $25,000 increase in the cost for group life insurance results from an increase in the average salary of the staff. The amount of insurance in force is based upon an employee's annual salary rate plus $2,000 with a minimum of $10,000 The Government pays one-third the cost of regular life insurance and the employee pays two-thirds, under provisions of 5 United States Code 8707.

Payments to OPM Retirement Fund

Section 8334 of title 5, United States Code, provides that there shall be deducted and withheld from the basic salary of each civilian officer or employee to whom this law applies an amount equal to 7 percent of such basic salary as a deduction for retirement. The Government matches the employee's contribution.

The increase of $600,000 in the amount of payments to the OPM retirement fund results from an increase in staff and increase in the salary paid to GAO staff.

Employers Share FICA Taxes

The Social Security Amendaments of 1972 provided that beginning in calendar year 1973 FICA taxes would be 5.8% of the first $10,800. Public Law 93-233, approved December 31, 1973, provided that FICA deductions beginning with calendar year 1974 would be made on the first $13,200 of wages received instead of the first $10,800. However, the Social Security Act as amended October 31, 1974, provided that deductions beginning with calendar year 1975 would be made on the first $14,100 and beginning with calendar year 1976, deductions would be made on the first $15,300. Beginning with calendar year 1977, FICA taxes were 5.85% of the first $16,500 and 6.05% of the first $17,700 at the start of calendar year 1978. Beginning with calendar year 1979 FICA taxes increased to 6.13% of the first $22,900. Beginning with calendar year 1981 FICA taxes increased to 6.65% of the first $29,700. The Government, as an employer, matches the employee's contribution.

Payments to Health Benefits Program

Payments to the health benefits program will increase $161,000 from 1981 to 1982 because of annualization of increased carrier subscription charges. The cost of health benefits coverage for employees is shared by the employee and the Government, with the Government's contribution about 60 percent of the subscription charges.

Employee Compensation Act

The reimbursement for benefits and other payments from the Employee's Compensation Fund varies from year to year depending upon the number of GAO employees injured in the line of duty and the severity of the injuries. The amount required for such payments for 1980 is $48,000 less than the payments made for 1979. We are required to include in our 1982 budget estimates an amount equal to the cost in 1980 of such benefits for repayment to the Compensation Fund (5 U.S.C. 8147).

U.S. GENERAL ACCOUNTING OFFICE
SALARIES AND EXPENSES
Summary of Amounts Requested

	1981 Base		Changes from Base		1982 Estimates	
	Average Positions	Amount	Average Positions	Amount	Average Positions	Amount
Office of Comptroller General	6	$ 266,000	-	+$ 2,000	6	$ 268,000
Special Staff Offices	51	1,513,000	-	+ 38,000	51	1,551,000
Office of the General Counsel	228	6,941,000	-	+ 174,000	228	7,115,000
Personnel Appeals Board	3	129,000	+ 3	+ 100,000	6	229,000
Assistant Comptroller General - Administration	5	190,000	-	+ 2,000	5	192,000
General Services & Controller	331	8,643,000	-	+ 272,000	331	8,915,000
Personnel	163	3,933,000	-	+ 131,000	163	4,064,000
Assistant Comptroller General - Policy & Program Planning	5	155,000	-	+ 2,000	5	157,000
Office of Policy	13	514,000	-	+ 11,000	13	525,000
Office of Program Planning	15	516,000	-	+ 15,000	15	531,000
Assistant Comptroller General - Program Evaluation	2	80,000	-	-	2	80,000
Program Analysis Division	125	4,162,000	+ 5	+ 276,000	130	4,438,000
Institute for Program Evaluation	98	3,515,000	+ 4	+ 203,000	102	3,718,000
Accounting & Financial Management Division	357	10,929,000	+11	+ 600,000	368	11,529,000
Community & Economic Development Division	257	8,925,000	+ 8	+ 459,000	265	9,384,000
Energy & Minerals Division	184	6,082,000	+ 6	+ 390,000	190	6,472,000
Federal Personnel & Compensation Division	138	4,385,000	+ 5	+ 272,000	143	4,657,000
Field Operations Division	2,124	63,201,000	+75	+ 3,934,000	2,199	67,135,000
General Government Division	219	7,044,000	+ 8	+ 453,000	227	7,497,000
Human Resources Division	281	9,017,000	+ 9	+ 479,000	290	9,496,000
International Division	264	8,363,000	+ 5	+ 368,000	269	8,731,000
Joint Financial Management Improvement Program	6	213,000	-	+ 6,000	6	219,000
Logistics & Communications Division	175	5,940,000	+ 6	+ 342,000	181	6,282,000
Procurement and Systems Acquisition Division	150	5,169,000	+ 5	+ 274,000	155	5,443,000
Sub-total	5,200	$159,825,000	+150	$8,803,000	5,350	$168,628,000
Personnel Benefits		15,755,000		+ 872,000		16,627,000
Travel		14,523,000		+ 1,904,000		16,427,000
Other Expenses		32,799,000		+10,397,000		43,196,000
		63,077,000		13,173,000		76,250,000
Estimated Obligations 1981 and 1982		$222,902,000		+ 21,976,000		$244,878,000
Appropriation 1981		210,000,000				
Proposed Supplemental Civilian Pay Raise		12,902,000				
		$222,902,000				

QUESTIONS AND RESPONSES

Senator MATTINGLY. I have some additional questions which I submit for responses.

[The following questions were not asked at the hearing but were submitted to the Department for response subsequent to the hearing:]

Additional Committee Questions

DEFFRRAL OF GAO WORKLOAD

QUESTION: In justifying your $244,878,000 budget request for fiscal year 1982, an increase of $21,976,000 and 150 positions over your current budget, you state in your justifications that "required funds have not been fully provided" in the past and that you have "had to cut increasingly deeply into work required by GAO's basic legislation" to meet your most critical workload demands.

Can you give the Committee some examples of the kind of work you have had to forego, despite the fact that it is required by your basic legislation, because of workload demands?

ANSWER: GAO's basic legislation requires that it provide--for the Congress--an adequate level of audit and evaluation coverage of virtually all Federal programs. To meet this responsibility, GAO uses a planning system that identifies the work that most needs to be done, within available resources, over an eighteen month period. This planning system emphasizes current areas of Congressional interest and those which offer the greatest potential for cost reductions and budgetary saving.

As the question suggests and as the Acting Comptroller General has testified, the time critical requirements of an increasing workload of Committee and Member requests, not met by an increase in resources available to GAO, have caused curtailment of work needed to provide the audit coverage that Congress expects of GAO under its basic legislation.

Listed below are examples of work that had to be deferred because of the increase in GAO workload without a corresponding increase in resources. The examples are illustrative only; they do not constitute an "inventory" of such work.

Agriculture Issues - Resource constraints and an increased direct assistance workload has prevented the performance of planned work of which the following is illustrative:

--Determine the extent to which food stamp recipients use food stamps to obtain unauthorized items.

--Evaluate the goals of all feeding programs to determine opportunities to merge program functions, reduce costs and improve the focus of all feeding efforts.

--Review the effectiveness of USDA to maintain an efficient fair market under the Packers and Stockyards Authority.

--Evaluate the integrity of deficiency payments to wheat and feed grain producers.

--Review the need for and the effectiveness of programs to indemnify farm producers for certain types of losses.

--Determine opportunities to more cooperatively manage Federal and State agriculture programs.

--Assess the application of U.S. policy on foreign fishing in United States waters and its impact on U.S. stocks, U.S. industry, job development, and trade opportunities.

Automatic Data Processing in the Federal Government - The following illustrates work foregone because of staffing constraints:

--Government-wide review of the adequacy of budget justification and planning for computer acquisition.

--Review of "tools" available for improving the Federal government's acquisition of computers.

--Review of the Army Corps of Engineers COE - 80 System acquisition.

--Review of the economic consequences of computer technology on foreign trade and competition.

--Survey of the impact of office automation on job skills and employment opportunities.

Consumer and Worker Protection Issues - The following planned assignments are illustrative of those deferred because of staffing limitations:

--Determine the effect that ERISA has had on worker's welfare pension plans.

--Determine how effective and efficient the Department of Labor, IRS and PBGC are in administering and enforcing ERISA.

--Assess whether labor standard laws are still needed and if so whether their administration and enforcement can be improved.

--Assess the effectiveness of legislation and programs that regulate labor organizations and unions, and protect union members' rights.

Defense Issues - The following are illustrative of planned assignments which have been significantly delayed or terminated because of limitation on staff resources below planned levels:

--Review of implications of the Rapid Deployment Force on defense acquisition needs.

--Determine the extent to which projected Naval ship force levels can be achieved over the near and long term.

--Determine the impact of DOD's "family of weapons" concept on the U.S. industrial base.

--Review of cost data utilized by the military services to estimate costs of developing and producing major weapons systems to determine its comparability with data used by contractors and to effect corrections that could help to provide better initial estimates of program costs.

--Review of Source Selection Board activities for major weapons systems to determine whether all procedures followed are necessary or could be reduced to save time and reduce costs of weapon systems programs.

--Review of quality and extent of DOD planning for the introduction of new weapons systems into military units to determine whether such planning is given sufficient attention early enough to preclude unnecessary costs.

--Review of DOD's use of competition during the acquisition process to determine whether it is being used for development of weapons systems where it is likely to be advantageous.

--Review of the need for planned military construction in Europe, its effect on force readiness, and the viability of financing arrangements between the U.S. and host countries as they involve construction projects.

--Review of DOD's management of contingency retention stocks to determine whether savings are possible by purging unneeded items from inventory.

In the area of military compensation and benefits, we have had to materially reduce our audit and evaluation coverage well below planned levels that we believed necessary for adequate coverage.

Energy Issues - Increased workload without an increase in staff resources has resulted in the indefinite postponement of a large number of planned assignments. The following are illustrative:

--Evaluate the merits of relying on foreign breeder technology including issues confronting U.S. purchase and licensing of foreign breeder reactors.

--Determine the extent to which increased cooperation with countries having major fusion research and development programs could speed fusion development or decrease the substantial financial outlays for this program.

--Evaluate progress in implementing alternative bidding systems for outer continental shelf leases including their impact on competition, small company participation, and revenues to the Government.

--Assess the overall effectiveness of DOE's processes for planning and evaluating progress in achieving planned objectives.

--Determine the need for upgrading and replacing power marketing agencies' transmission line program to determine financing requirements and whether legislation is needed to provide the required financing.

--Evaluate the potential for consolidations in DOE and Federal Energy Regulatory Commission functions.

Health Issues - The following are illustrative of assignments that were indefinitely postponed because of constraints on staff availability.

--Review of the effectiveness of the management of Health Maintenance organizations.

--Review of DOD's drug and alcohol abuse program.

--Review of DOD's health and medical research activities.

Housing Issues - The following illustrate planned assignments that could not be performed because of staffing constraints below planned levels:

--Review to determine whether, as preliminary indications suggest, FHA's refinancing program for multifamily projects is (a) resulting in an unanticipated profit to New York City and to other cities and (b) resulting in significant tax shelters for project owners.

--Review of the effectiveness of HUD's efforts in assisting the Internal Revenue Service to recover excessive depreciation and interest deductions on HUD subsidized multifamily housing.

Income Security Issues - Illustrative of assignments indefinately deferred because of staffing constraints are the following:

--Survey to identify alternatives to the current social security benefit formula which could result

in reduced benefits with minimal adverse effect on beneficiaries most in need while providing the trust fund with increased revenues.

--Review social security payments to beneficiaries in foreign countries to identify the extent to which status changes while abroad increase benefits to such beneficiaries.

--Survey of the potential effect of merging the Railroad Retirement Board insurance program with SSA.

--Evaluation of the impact the SSA appeals process is having on costs, claimants, courts, etc.

International Issues - The workload demands of Committee and Member requests have precluded GAO from undertaking many planned assignments, the performance of which we believed necessary to meet our responsibilities for work under GAO's basic legislation during the fiscal year in the international area. For example:

Trade and Finance - It was necessary to cut back on planned assignments the results of which could have helped to:

--Increase the effectiveness of the U.S. Government export stimulation programs; and

--Reduce the adverse effects of unintended trade barriers and make export controls more effective and less costly.

Security and International Relations - We have been unable to undertake planned assignments that would have:

--Addressed the increased sharing of military commitments between the United States, and other countries affecting cost-sharing considerations in NATO.

--Improving the economy and efficiency of various Department of State activities.

Development Assistance - Several assignments directed to improving agency administrative/management practices had to be postponed indefinitely. Those assignments would have sought to identify program gaps, duplication and inefficiency in agency organizational arrangements.

Panama Canal - We have been unable to undertake planned program evaluation and economy and efficiency type reviews that would have determined whether treaty goals and expectations are being met as well as the viability of the canal enterprise.

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Minimizing Fraud, Abuse and Error in Federal Programs - Examples of work indefinitely deferred or substantially delayed because of staffing shortages follow:

--Follow-up of specific allegations of fraud, waste and abuse, which for various reasons, cannot be referred to Executive agency Inspectors General for investigation.

--Determine the vulnerability of EPA waste treatment grants to fraud, waste and abuse.

--Determine the vulnerability of selected grant loan and loan guarantee programs to fraud, waste and abuse.

--Government-wide study to determine how effectively agencies are evaluating internal controls to determine vulnerability to fraud, waste and abuse.

Productivity and Cost-Cutting Strategies at the U.S. Postal Service

--Workload demands since FY 1979 have made it necessary for GAO to materially reduce its level of audit effort on activities of the Postal Service. Reduced staff resources, combined with a heavy Congressional request workload (mainly constituent concerns about postal operations), have prevented GAO from undertaking work on the Service's controversial 9-digit zip code program. This situation has also prevented us from initiating an evaluation of the justification for the $1.8 billion second phase of the planned electronic mail system. These two undertakings are the most significant steps taken by the Postal Service in recent years to improve productivity and contain postal costs.

Program and Budget Information to the Congress

Because of heavy workload incurred in responding to Congressional requests, the following work required by GAO's basic statutes was postponed:

--A study of why agency borrowings from the Treasury exceed recorded borrowing authorizations by billions of dollars;

--A study of how budget revenue and outlay totals are understated by billions of dollars because of "offsetting" and "off-budget" procedures;

--A study of how haphazard planning, budgeting, and management practices impair the Government's programs of acquiring and maintaining capital assets;

--A study designed to identify and reduce the number of similar and duplicative executive branch reports to the Congress; and

--A study of executive branch reprogramming practices and the change needed in those practices to protect Congressional budget control and insure full disclosure of important budget information.

Regulatory Issues

--A heavy congressional request workload has resulted in a substantial backlog of planned assignments. For example, a Congressional request pertaining to user charges and capital losses forced cancellation of an evaluation of pricing as an alternative to the present Federal system for regulating occupational safety. Another example is the postponement of a study of the overlaps, conflicts and resulting effects of Federal regulations.

--We had planned an audit of the Interstate Commerce Commission's regulation of the intercity bus industry as a priority audit for more than 18 months but have not been able to staff it because of our Congressional request workload. The ICC authorizes routes and rates and specifies service standards. ICC regulation of the intercity bus industry has been criticized for years as resulting in higher than justified fares for some routes, and preventing new companies from competing with established carriers.

--A survey of the Federal Energy Regulatory Commission's compliance and enforcement activities was terminated before completion because the staff was needed to meet the requirements of a Congressional request. The purpose of this work would be to determine whether compliance and enforcement activities are sufficient to ensure a reasonable level of compliance.

As pointed out above, these assignments which were identified by GAO's planning system as significant to meeting GAO's responsibility under its basic legislation had to be deferred because of increased workload without a concomitant increase in resources. The examples are illustrative only.

ACCOUNTING AND FINANCIAL MANAGMENT DIVISION

QUESTION: On page K-1, we see the request for Washington professional staff for FY '82, for your Accounting and Financial Management Division. You seek an appropriation of $11,529,000 and 368 positions as opposed to $10,929,000 and 357 positions for FY '81. That's an increase of $600,000 and 11 positions. Of the increased

positions, three would be for ADP personnel; three for Government Internal Audit/Fraud Prevention; three would go to increased support staff; and two additional people would be employed in your Accounting and Financial Auditing staff. Explain those increases, please. (Since we have a freeze on hiring by the Federal Government and we are asking the Senate Committees to reduce their budgets below FY '81 levels, how can we justify increasing GAO's Washington staff?)

ANSWER: Before responding to the need for the 11 staff year increase in the Accounting and Financial Management Division, it would be useful to point out that the Congressional goal of reducing Federal spending with minimum adverse effect on the fulfillment of Federal programs is best served by a fully funded and effective GAO. Since GAO regularly saves the Government many times the amounts appropriated to it, providing needed resources to GAO is, we believe, an excellent investment that is wholly consistent with attainment of the Congress' cost cutting goals.

The increases in AFMD staffing, referred to by the question, are required for the following reasons:

The three additional positions for Government Internal Audit/Fraud Prevention are needed because the Administration and the Congress both are concentrating on cutting the Federal budget in part through the reduction of fraud, waste and abuse. This group recently has been deluged with additional work and will continue to be in the foreseeable future because of its knowledge of the fraud prevention area and its close working relationship with the statutory Offices of Inspectors General.

Two additional people are needed for the Accounting and Financial Auditing staff to handle their heavy congressional request workload; to audit three new Government corporations that were recently created; and to audit 34 pension plans, none of which has been audited previously.

The three additional positions for the ADP Group are needed because of the ever-growing Federal inventory of computer systems and the similar growth in congressional requests for reviews of computer systems, computer installations, proposed procurements, and computer management generally. The group has had to curtail ongoing assignments in order to respond to congressional requests; planned assignments could not be undertaken when scheduled for the same reason. The new Congress seems to be even more aware of the pivotal role computers play in Federal operations, and we see nothing but additional congressional requests for assistance in this area.

We requested three additional support staff because for several years we have been increasing our professional staff without increasing the supporting personnel. We

have been able to keep up with the workload through the increased use of modern word processing equipment. However, we have about exhausted the ability of this type of equipment to expand our clerical and secretarial capabilities and won't be able to keep up with the workload with the staff we now have. We type and process all of our division's reports to the Congress, and the additional support personnel are essential to ensure reports are issued in as timely a manner as possible.

FRAUD AND ABUSE

QUESTION: Mr. Socolar, can you give us an estimate of the extent of fraud, abuse, and error in Federal Government programs in dollar terms?

ANSWER: Nobody knows the extend of fraud, waste, and abuse in the Federal Government and probably nobody ever will. All kinds of estimates are projected--$10 billion, $25 billion, $50 billion. President Reagan talked in terms of $34 billion in many of his campaign speeches. Suffice it to say that it's undoubtedly a great deal of money. When you consider the number of Federal programs, the inadequate controls in many of these programs, and the size of the annual budget--a large portion of which is disbursed in the form of grants, contracts, and payments to individuals--it is apparent that opportunities for fraud, waste, and abuse are very great.

QUESTION: What percentage of GAO resources are directly devoted to detection and prevention of fraud, abuse, and error in the Federal government?

ANSWER: In the broadest sense of those words, virtually all of GAO's resources are directed to eliminating or minimizing fraud, abuse and error in Federal government programs. In a real sense, identifying and helping to correct programs that are not achieving their intended results or that are operating inefficiently or uneconomically eliminates or minimizes their abuse. This is virtually GAO's total job. All GAO audits and evaluations seek to make programs work more economically and effectively--including the elimination of fraud, abuse and error.

More to the point of the question, however, GAO used some 11 staff years in FY 1980 for the operation of a national fraud "hotline". Through the use of this "hotline" 12,000 people per year located throughout the country call and identify what they view to be instances of fraud in or abuse of Federal programs. Millions of dollars in federal funds have been saved as a result of hotline allegations.

We also used 35 staff years in FY 1980 in work specifically directed to determining whether internal audit and management control systems in Federal agencies are adequate

for the prevention of fraud and to improve those controls, where improvement was found to be necessary.

In addition, without good accounting systems, Federal agencies cannot provide the Congress accurate information, which the Congress needs in approving an agency's appropriation. As we have reported to the Congress, many agencies have not submitted their accounting systems for approval. Although we continue to encourage agencies to develop adequate accounting systems and to submit these systems for approval, we are not satisfied with the current rate of progress.

QUESTION: I noticed in last year's hearing, Mr. Staats placed in the record a speech he made on March 18, 1980, to the Institute of Internal Auditors. In that speech, he stated that GAO had a review underway which showed a total of 130,000 cases of fraud which had been alleged against 21 Federal Agencies in the two and one-half years ending March 31, 1979. What is the status of that review?

ANSWER: We found that fraud is a costly and widespread problem, and that agencies recover very little of their losses due to fraud. Further, only a small percentage of cases are prosecuted and agencies often do not take effective administrative action against offenders.

Federal agencies often have weak internal control systems which makes it easier for perpetrators to commit fraud and other illegal acts. Controls needed to prevent fraud often are inadequate, non-existent, or ignored by agency officials. Federal managers need to establish environments where internal controls are understood, encouraged, and enforced if such controls are to be effective against fraud.

We plan to issue a 3-volume report. Volume I, which will be issued toward the end of March or early in April, discusses in general terms the results of our work on a Government-wide basis. Volume II is a comprehensive report which provides more detailed discussion and statistical analysis of the data collected. Volume III consists of fraud profiles for each agency covered in the review. Volumes II and III will be issued 2 or 3 weeks after Volume I.

QUESTION: Mr. Staats also stated in that speech that internal audit controls in the Federal Government need immediate and extensive improvement. Can you give us more details of the type of immediate and extensive improvements Mr. Staats was referring to?

ANSWER: The key to fighting fraud and to minimizing waste and abuse in Federal programs is to improve internal controls so that they are less likely to occur. Waste,

abuse and fraud often occur where controls are either inadequate, not followed, or nonexistent. While internal controls cannot put an end to all fraud, waste or abuse in Federal programs we believe that in many instances, loss from them would have been prevented if good control systems had been in place. We believe that the Congress should enact legislation to place greater responsibility upon the heads of Federal agencies for the soundness of their organizations' systems of internal controls. Two separate, but similar, bills have been introduced in this session of Congress that would direct agency heads to establish and maintain effective systems of internal control. The bills are "The Financial Integrity Act of 1981" (H.R. 350) and the "Federal Managers Accountability Act of 1981" (H.R. 1526).

QUESTION: On page B-3 of your justifications you indicate that you are undertaking a series of studies "to determine the extent to which selected agencies are susceptible to future fraud and/or the changes required to correct instances of apparent vulnerability." In view of the decision of the Congress to establish Inspectors General in a number of agencies, shouldn't your role in this area be diminishing? On the same subject, I note that you are requesting an additional 3 positions for Governmental Internal Audit and Fraud Prevention activities by your Accounting and Financial Management Division. In discussing your work in this area you say on page K-2 of your justifications that one of the major responsibilities of this group is to "evaluate the adequacy of the management control systems in Federal agencies that are necessary for the prevention of fraud and to assess the adequacy of followup and corrective actions taken on reports of auditors and investigators."

Isn't this precisely the kind of work that Congress intended the Inspectors General to perform?

ANSWER: The relationship between GAO and the statutory Offices of Inspectors General is much like the relationship in industry between internal auditors and independent outside auditors. Both have their separate roles and yet they cooperate with each other. The internal auditor serves management by identifying problems and searching out solutions to problems management has identified. The outside auditor looks at the organization from an entirely independent point of view and his work is largely for outside consumption.

We maintain a close working relationship with the statutory Offices of Inspectors General, and with the internal audit organizations in other agencies. We monitor the work of internal audit and Inspector General organizations, and we coordinate our efforts with them to avoid duplication. We make use of the work they perform, and they make use of ours. We have an oversight role to

see that the Inspectors General do their work effectively and we are frequently asked how they are doing by Congressional Committees. Furthermore, we have an ever growing stream of requests from the Congress asking us to look into specific allegations of fraud and abuse. We cover cases in a number of agencies that don't have an Inspector General. We also have the unique role of looking at problems on a government-wide basis so that the Congress can have a total perspective on the problem.

DEBTS OWED THE FEDERAL GOVERNMENT

QUESTION: Mr. Socolar, what is the extent of overdue debts owed to the Federal Government? What can be done, in your opinion, to improve Federal efforts to collect those overdue debts? Would legislation be necessary to implement such changes?

ANSWER: As shown in the attached schedule, as of September 30, 1979, approximately $126 billion was due from U.S. citizens and organizations. Of this amount about $24 billion was considered delinquent.

Before the Government's debt collection problems can be remedied many actions--administrative and legislative --must be taken. In general, there are two basic reasons why debt collection in the Federal Government has not kept pace with the increasing number of debts. First, many agencies have not aggressively attempted to collect amounts owed the Government. Second, present collection methods are expensive, slow, and ineffective when compared with commercial practices. We have identified specific weaknesses in debt collection programs and have recommended a number of specific corrective actions to improve the recording and collection of debts owed to the Government. Our recommendations, unfortunately, have not always been implemented. Until all Federal agencies aggressively pursue the collection of debts, hundreds of millions of dollars will continue to be lost.

Based on our many reviews and numerous discussions with agency officials, we conclude that top management does not devote sufficient attention to the collection of outstanding debts. In our view, they have been more concerned with delivering services and disbursing funds. Debt collection has received a low priority with limited personnel.

GAO has been actively working with the Congress and Federal agencies to improve the Government's ability to collect its debts. Through our reports and testimony, we have recommended and supported the major legislative and administrative actions that are needed to enable the agencies to collect additional billions of dollars of receivables owed to the Government. These include:

Administrative Actions

1. Making debt collection an important responsibility of management.

2. Charging interest on delinquent debts.

3. Improving the content of demand letters.

4. Improving accounting, billing and collection systems.

5. Obtaining better information on debts.

Legislation action

1. Removal of obstacles that preclude agencies from reporting to credit bureaus.

2. Removal of restrictions on the redisclosure of addresses obtained from IRS.

3. Making clear that the 6 year statute of limitation does not apply to offsets.

4. Provisions for offsetting salaries of Federal employees and offset of Federal tax refunds.

5. Giving agencies a role in debt litigation.

6. Authority to contract with private collection firms.

Schedule of Debts Due From U.S. Citizens and Organizations and the Amount Delinquent at the Start of Fiscal 1980
(Thousands)

Department or Agency	Amount Due Start of Fiscal 1980	Amount Delinquent Start of Fiscal 1980
Agriculture	$ 58,573.4	$ 1,301.7
Commerce	911.9	177.9
Defense	524.5	175.4
Education	6,424.3	2,243.9
Energy	675.9	135.9
Health and Human Services	2,876.0	1,878.3
Housing and Urban Development	12,738.8	1,004.1
Interior	3,260.3	40.8
Justice	172.6	14.5
Labor	620.6	268.3
State	54.1	2.5
Transportation	1,218.9	510.0
Treasury	21,002.0	13,299.0

Independent Agencies	Amount Due Start of Fiscal 1980	Amount Delinquent Start of Fiscal 1980
General Services Administration	515.0	4.8
International Communications Agency	3.1	1.0
Interstate Commerce Commission	98.8	98.7
National Aeronautics and Space Administration	640.4	5.0
Pension Benefit Guaranty Corporation	3.4	-0-
Small Business Administration	7,730.0	1,772.0
Tennessee Valley Authority	405.0	96.0
United States Railway Association	2,961.2	.2
Veterans Administration	3,792.3	852.2
All other Federal Agencies	551.2	-0-
Total	$ 125,753.7	$23,882.2

QUESTION: How much is the Federal Government writing off each year in bad debts? Do you have any estimate as to the total amount of bad debts the Federal Government says it has? Is that figure going up or down? What would you suggest as ways to collect those so-called bad debts?

ANSWER: Government-wide figures prior to fiscal 1979 are not available. In fiscal 1979, Federal Agencies reported to Treasury that they wrote off over $1 billion as uncollectible. In addition, agencies reported allowances for expected losses totaling over $6 billion. While this is an estimate, it does give some indication of potential losses and represents a 23 percent increase over the previous year. Unfortunately, these gloomy statistics are materially understated because the accounting systems of many agencies do not provide accurate information on receivables, expected losses and writeoffs.

If the administrative and legislative actions cited above are implemented by the agencies and enacted by the Congress; the Government's collection of debts would be improved. The recommended actions would also have a preventive effect by limiting the number of debts that become delinquent and uncollectible in future years.

QUESTION: Does the Federal Government charge interest on these overdue and bad debts? If not, what is GAO's position on this--shouldn't interest be charged? What's causing the holdup in getting these Departments to charge interest?

ANSWER: Charging of interest is already required by Federal regulations as a payment incentive; however,

many major agencies are not complying. Further, in some major programs, such as student loans, the rates prescribed by law or set administratively are far below the Treasury's borrowing cost and commercial interest rates. Because these favorable interest rates generally continue even after the debt becomes delinquent, the debtor has a disincentive to pay the Government. In addition, other programs such as the Veterans Administration home mortgage program and some Housing and Urban Development programs charge a lower rate of interest on loans once a borrower has defaulted.

We have found that most agencies do not have adequate accounting systems to provide for the accounting of receivables. The systems do not provide agency management or the Congress with accurate and reliable information about amounts due, how old they are, and how much is uncollectible. Without such information, these agencies cannot accurately ascertain how much is owed and in some instances who owes the money to them. Unless they have such basic data it is difficult for them to collect outstanding amounts.

UNRESOLVED AUDIT FINDINGS

QUESTION: Last year's record indicated some 16,305 unresolved GAO audit reports questioning over $4.3 billion in Federal Agency spending. Give us an update on unresolved audits. What plans do you have to impress upon these agencies that they must follow-up on your recommendations?

ANSWER: The figures you refer to are from an October 1978 GAO report entitled "More Effective Action Is Needed On Auditor's Findings--Millions Can Be Collected Or Saved." We issued a followup report in January 1981 that showed that the unresolved audit findings now total $14.3 billion in some 12,000 reports. These unresolved findings originate as the result of work performed by agency internal auditors and not all of them would result in collections, if resolved. Nevertheless, agencies must take more aggressive action to resolve the findings of their internal auditors because the lack of good audit resolution systems surely is costing the Federal Government millions of dollars annually. We intend to continue to monitor the progress of agencies in implementing audit resolution systems until this problem is corrected.

ACCOUNTING SYSTEMS

QUESTION: You are requesting an additional 11 positions and an increase of $600,000 for your Accounting and Financial Management Division in fiscal year 1982, resulting in a total budget request for the division of $11,529,000. One of the functions of the Division is to approve the accounting systems of all Federal agencies. You state on page K-2 that progress has been made in recent years "in getting agencies to design and document

acceptable accounting systems and in granting the approval of the Comptroller General to systems so designed." Please provide for the record a list of agencies that do not currently have acceptable accounting systems together with some indication of when we might expect such systems to be in place.

ANSWER: At September 30, 1980, 301 systems had been identified by the agencies as being subject to GAO approval under the provisions of section 113 of the Accounting and Auditing Act of 1950 (31 U.S.C. 66a). As of that date, 193 of the 301 systems had been approved leaving 108 unapproved. The 108 unapproved systems by agency are shown below.

Agency	Number of Unapproved Systems
Department of Agriculture	3
Department of Commerce	1
Department of the Air Force	4
Department of the Army	5
Department of the Navy (including Marine Corps)	15
Defense Agencies	8
Department of Education	1
Department of Energy	3
Department of Health and Human Resources	23
Department of Housing and Urban Development	1
Department of the Interior	4
Department of Justice	1
Department of State	4
Department of Transportation	2
Department of Treasury	2
ACTION	3
Agency for International Development	3
Commodity Futures Trading Commission	1
Community Services Administration	2
Consumer Product Safety Commission	1
Executive Office of the President	1
Federal Elections Commission	2
Federal Emergency Management Agency	1
Federal Home Loan Bank Board	1
Federal Labor Relations Authority	1
Federal Mediation and Conciliation Service	1
General Services Administration	6
National Labor Relations Board	2
National Transportation Safety Board	1
Nuclear Regulatory Commission	1
Panama Canal Commission	1
U.S. Arms Control and Disarmament Agency	1
Veterans Administration	1
District of Columbia Government	1
Total	108

It is difficult for us to project when all the unapproved systems will be approved because the system documentation must be prepared and submitted by the agencies to us for evaluation. In other words, we can approve only those systems which are submitted to us and qualify for approval. Based on the latest available projections, initial approval of all the accounting systems will take at least 9 more years.

In addition to the initial approval of the 108 unapproved systems, most if not all of the 21 systems approved in the 1950's and the 24 approved in the 1960's which have not been reapproved, should be resubmitted, reevaluated and reapproved. Many of these systems have undoubtedly undergone revisions due to reorganizations and changes in technology and methodology and should be reviewed to see whether changes need to be made to retain their approved status.

The point is that GAO's accounting system review and approval is a dynamic process that needs to keep pace with changes in computer technology, executive agency mission and organization, etc. The importance of the approval process is the impetus that it provides to help agency managers give appropriate attention to their accounting and internal controls so that they can make better decisions and minimize waste, fraud and error.

NATIONAL PRODUCTIVY IMPROVEMENTS

QUESTION: On page K-3 of your justifications you indicate that the Financial Management Division has the objective of improving national productivity by fostering increases in the efficiency of the Federal Government as well as state and local governments and the private sector. Why should you be involved in improving private sector productivity? Isn't this stretching your mandate a bit?

ANSWER: The Federal Government spends some $2 billion per year on programs whose primary purpose is to improve productivity in the private sector. These programs fund research, develop technology and upgrade workers' skills. GAO work in this area is to determine how the Government spends this money and whether it is accomplishing intended objectives. Our work is designed to provide Congress and the Executive branch with information on how to make Federal programs, including those administered by State and local governments, more effective and efficient. Most of GAO's work involving private sector productivity has been done at the request of committees or members.

PRODUCTIVITY WORK

QUESTION: I note that on page N-1 of your justifications you also talk about improving productivity by evaluating the impact of Federal personnel policies, procedures,

and controls on productivity. Doesn't this function, which is carried out by your Federal Personnel and Compensation Division, overlap to some degree the work being done by your Accounting and Financial Management Division in the productivity area?

ANSWER: Improving Federal personnel productivity is part of the overall issue of improving the nation's productivity. All of GAO's work directed to productivity improvement is led by the Accounting and Financial Management Division under GAO's "National Productivity" issue area. The work that GAO's Federal Personnel and Compensation division does in this area is performed within overall approaches spelled out in GAO's audit and evaluation plans for productivity improvement generally. Since Federal sector productivity is closely related to the Federal personnel system, its policies and procedures, we have found that work to improve Federal productivity is best performed by GAO's Federal Personnel and Compensation division, within the framework of GAO's overall approach to productivity improvement. There is no duplication or overlap of work between the divisions. Each performs assigned work under a common plan.

OFFICE OF PROGRAM PLANNING

QUESTION: In discussing the work of your Office of Program Planning on page I-3 of your justifications you refer to its responsibility for "assessing and advising the Comptroller General on progress and problems experienced by GAO divisions and offices". Please give the Committee some general idea of the types of problems experienced by your divisions and offices in fiscal year 1980 and what steps you took to meet these problems.

ANSWER: The Office of Program Planning is the GAO staff office responsible for developing and maintaining GAO's planning system. This is the system by which GAO assures that it is auditing and evaluating the programs and issues of greatest current interest to the Congress which will provide the best possible "pay off" for work performed. The planning system overseen by OPP is used by all GAO organizations to plan the work that most needs to be done over an eighteen month time frame and to assure that all work is fully coordinated to build on and to complement past and planned work of all GAO organizational units. In performing its functions OPP keeps in close contact with GAO divisions to determine the extent to which the planning system is working effectively and whether GAO divisions and offices are experiencing problems in planning their work or in carrying it out.

In FY 1980 the problems experienced by GAO divisions and offices resulted from having to meet an increased workload without an increase in staff. The increased work-

load resulted from committee and Member requests and from legislative mandates requiring GAO audits and evaluations in a stated time frame. Because of the need to get this work done in a stated--and typically very tight timeframe--it had to be given precedence over work required by GAO's basic statutes. Consequently, work required by GAO's basic legislation had to be scaled back. The planning system provided the basis for restricting audit and evaluation coverage below that which was believed necessary and which had been originally planned. On this basis it was possible to minimize--but by no means eliminate--adverse impacts.

GAO WORKLOAD TRENDS

QUESTIONS: What portion of your resources at GAO are spent in responding to Congressional requests versus carrying out self-initiated audits? What has been the trend in this regard over the past several years? Is this trend good or bad?

ANSWER: GAO work is performed based on either (a) the requests of committees or Members or by direction of specific legislation which requires the performance of particular audits and evaluations in a stated time frame (such work is referred to as "direct assistance work") or (b) the requirements of a wide range of legislation enacted since 1921--with new legislation being added each year--which gives GAO responsibility for providing audit and evaluation coverage, for the Congress, of virtually all Federal programs. In its work under this latter category, GAO is responsible to the Congress for assuring that all Federal programs receive a level of audit coverage which is adequate to point up their economy, efficiency and effectiveness and to make recommendations for improvement. This work, we view as being performed under our basic legislation to distinguish it from those assignments which are specifically requested or mandated.

Over the past several years, GAO's direct assistance work has increased from 35% of GAO's total work in FY 1977 to 39% in FY 1980. The increase in this percentage resulted from the fact that during this period, committee and Member requests increased substantially while the staff resources available to GAO held relatively constant.

The work that GAO does in response to committee and Member requests is important and useful work with significant tangible benefits to the Federal government. When we receive a request, we work closely with the requestor to see that his objectives are met with a minimum expenditure of resources.

We believe that it is important that direct assistance work be carried out as requested. At the same time, we

believe that we are obligated to execute the audit responsibilities placed upon us by the Congress in our basic statutes. The need for GAO to curtail or eliminate work under its basic legislation because it does have the resources to do its full job deprives Congress of a most important tool to reduce Federal spending. Insufficient resources also causes GAO to ignore work requirements established by the Congress.

It costs the government money. The bulk of GAO savings resulted from work performed under its basic legislation. For example, in FY 1980, $2.4 billion of the $3.7 billion in GAO savings resulted from work under GAO's basic legislation. It was largely work under GAO's basic statutes which permitted GAO to give the Congress its views on budget reduction proposals made available by the Administration on February 18, 1981 and to provide information to appropriations committees as they consider the FY 1982 budget.

FEDERAL PERSONNEL AND COMPENSATION DIVISION

QUESTION: For your Federal Personnel and Compensation Division, you are asking for $4,657,000 and 143 positions for FY'82 for your Washington headquarters. This is an increase of $272,000 and 5 positions over FY'81. You also want 81 field positions for this division as opposed to 79 last year. Here again, why do you have more Washington than field people?

ANSWER: The five additional headquarters staff years for FY 82 are to enable us to use two of them to devote more effort to economy and efficiency reviews of military personnel systems, to use two of them to improve our capability to use operations research methodologies in such areas as predicting the present cost of military retention policies, the future cost of present changes in personnel practices, e.g., senior executive service and merit pay, and to perform quantitative analysis of complex and controversial issues, such as the possible discriminatory impact of employment practices, and to use one of them to make more productive usage of improved word processing and management information technologies. The two additional field staff years will be devoted to economy and efficiency reviews and to focus on how effective Federal efforts are to develop and apply performance appraisal systems as a basis for personnel decisions.

Regarding the question on why we have more headquarters staff than field personnel, we would like to point out that most of the records and information relating to personnel and compensation matters are in the Washington metropolitan area. Therefore, we have a greater need for staff at the headquarters level.

MANPOWER/PERSONNEL FACTORS IN A NATIONAL EMERGENCY

QUESTION: One of the areas this Division will look at is manpower/personnel factors adversely impacting on availability of troops in the event of war or national emergency. Have you done work in the area before? What have been some of the more significant findings?

ANSWER: We have done previous work in this area. We did a series of reports which culminated in a summary and overall analysis.

In April 1980, GAO issued a secret report "Overview of the Manpower Effectiveness of the All-Volunteer Force" (FPCD-80-3), which critically analyzed the manpower effectiveness of the All-Volunteer Force. The report focused on the various parts of the manpower mobilization system, its peacetime status, its ability to change to a wartime structure in the event of war or national emergency, and the factors affecting the Total Force's (Active Duty, National Guard, and Reserves) ability to do its wartime job. This latter ability is particularly crucial since the AVF is but a peacetime concept and military strategy calls for resuming the draft in the case of a war or a national emergency.

In that report, we highlighted the following problems: (1) a lack of force readiness, (2) shortages of people, (3) a large number of unqualified or untrained people, (4) high turnover rates, (5) questionable recruiting standards, processes, and procedures, (6) inadequate mobilization plans and procedures, and (7) an ineffective standby draft system. We said that these weaknesses in the peacetime structure must be overcome, and that the failure to correct them could severely hamper full mobilization of our military forces in the event of war or national emergency and limit the Services' ability to do their wartime missions.

On February 11, 1980, the President submitted a report to Congress recommending face-to-face draft registration, and on July 2, 1980, funds were provided to commence the registration program. Mass registration of 1960 and 1961 year of birth groups began last July and the 1962 year of birth group was registered this past January. A continuous registration program is now underway, requiring all males to register within 30 days of their 18th birthday.

Various critics and organizations had raised concerns over the completeness and accuracy of the registration conducted last July and August. We evaluated the effort of the Selective Service System to conduct this program ("Evaluation of the Recent Draft Registration," FPCD-81-30, Dec. 19, 1980) and endorsed the manner in which the registration was organized and conducted. We concluded that the Selective Service System made significant progress in designing an effective registration program.

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PERSONNEL MANAGEMENT IMPROVEMENTS IN STATE AND LOCAL GOVERNMENTS

QUESTION: You also plan to examine the Federal role in supporting personnel management improvements of State and local governments. What is the Federal role in this regard?

ANSWER: To assure the effective and efficient administration of Federally funded programs, the Federal Government has instituted various personnel requirements for State and local governments. The primary requirements, which are the Federal Standards for a Merit System of Personnel Administration, administered by OPM, are a condition for the receipt of funds for about 22 Federal grant-in-aid programs with spending totaling about $46 billion. The Civil Service Reform Act of 1978 allows Federal agencies to extend the standards to other assistance programs not presently covered. OPM evaluates compliance with the standards by evaluating each State agency on a rotating 4-year cycle. Its evaluation visits range from 1 day to 2 weeks. OPM relies on States to evaluate local compliance. However, States' supervision of local governments has been limited. To improve local supervision, OPM requires (effective September 1979) State governors to designate an agency or agencies responsible for supervising local compliance. This agency is to obtain certifications of compliance from local chief executives. The States must maintain these certifications and make them available to OPM on request.

FEDERAL RETIREMENT POLICY

QUESTION: Another part of this Division's activities will be to review the need for an overall Federal retirement policy and the need to fully fund the cost of providing retirement benefits to Federal personnel. Can you expand on this for us? Are we not fully funding the cost of retirement of Federal personnel at the present time?

ANSWER: In 1977 and again in 1978, we reported to the Congress that the costs of benefits accruing annually under retirement systems for Federal personnel are not being fully recognized and funded. For instance, under the Civil Service retirement system, agency and employee contributions to the fund are 14 percent of payroll, but actual accruing costs are estimated to be 36 percent of payroll. In the absence of full-cost recognition, (1) the cost of Government programs is understated, (2) unrecognized subsidies are provided certain agencies whose operations are intended to be self-supporting, (3) the Government's retirement system liabilities are not totally reflected in the public debt, and (4) there may be a tendency to adopt new benefits which could jeopardize the future affordability of the retirement systems.

At the end of fiscal year 1979, the combined reported unfunded liabilities of the military and civil service

retirement systems were approximately $848 billion. These liabilities will continue to grow annually so long as the cost of accruing benefits is not fully recognized and funded.

Because of continuing concern over the need for an overall retirement funding policy, we plan to review the financial status of Federal retirement systems and reiterate our prior recommendations for full-cost recognition of the benefits accruing under these systems.

DEFENSE DEPARTMENT PERSONNEL ACTIVITIES

QUESTION: This group plans to evaluate alternatives for more cost-effective management of morale, welfare, and recreation activities of Federal personnel. What is the extent of such activities and what alternatives will be looked at?

ANSWER: According to the Department of Defense, morale, welfare, and recreation activities are important to the morale and well-being of service members and contribute to unit identity, esprit de corps, and improved readiness. In effect, these activities support the missions of the military services. These activities involve costs of about $2.7 billion, of which about 25 percent was financed with appropriated funds and 75 percent with nonappropriated funds provided from revenue-generating activities such as exchanges, clubs, and alcohol package stores. These activities also involve such diverse programs as libraries, sports and athletics, arts and crafts, dependent youth activities, child care, motion pictures and entertainment, and recreation centers.

Our general objective in reviewing these activities is to evaluate the management of these functions in order to identify ways (1) to improve the benefits provided without increasing the cost, (2) to reduce costs to the Government or to the service members, without degrading the benefit, and/ or (3) reducing the level of appropriated fund support.

We are presently completing a review effort to evaluate the effectiveness of DOD's system of determining the type and level of MWR activities needed and how they should be funded. We noted that there are generally no standards for DOD and the services to evaluate the quality of life programs at various military installations within each of the services, at locations in urban or remote areas, and at locations in the United States and overseas. Also, DOD has not attempted to measure the impact of these programs on attracting and retaining personnel in the All-Volunteer Force. We are in the process of preparing a report on these observations which will contain suggestions for improvements in DOD's management of the program so that program resources may be directed at meeting the greatest needs.

We have just begun an examination of DOD's child care

programs. Military demographics are changing rapidly and an increasing number of service personnel are married and there are more dependents, single parents, and working spouses. These changes create new requirements for child care on a day-to-day basis, as well as in the event of an emergency situation or alert. The adequate care of dependent children is a concern which could impact on the military mission, as well as the service personnel and their families.

While we are primarily concerned with the overall effectiveness of the child care program, we will also address such alternatives and issues as:

--To what extent should the Armed Forces rely upon personnel who are single parents with full responsibility for minor children?

--To what extent should such persons be recruited or encouraged or allowed to enlist?

--To what extent should personnel with responsibilities for such children be assigned abroad?

--If such personnel are to be accepted in the Armed Forces, should their functions and duties be restricted?

--What contingency plans have been made for moving children to suitable locations should a hostile environment develop abroad?

--Assuming that child care centers are to proliferate, how can adequate standards be maintained?

--Assuming there are to be such centers, can they be self-sustaining or must they be federally funded?

INSTITUTE FOR PROGRAM EVALUATION

QUESTION: You plan to spend $3,718,000 in fiscal year 1982 on the activities of the Institute for Program Evaluation. On page J-4 of your justifications you indicate that one of the major functions of the Institute is to ask visiting experts to suggest methods of strengthening GAO's program evaluations. Can you give us some general idea of the cost of this activity as well as the benefits that have accured to GAO because of such suggestions?

ANSWER: The budget justification gave the example of the Visiting Committee as one strategy for strengthening GAO's program evaluation work by getting advice and review from the academic community. The annual cost of this effort is approximately $16,500. This includes the cost of time spent by GAO staff preparing and meeting with the committee as well as the expenses of the committee members.

The benefits will be assessed at the end of the initial year of operation in March 1982. Expected benefits include the criticism and validation of promising new evaluation methods on which IPE staff members are concentrating development efforts; assurance that the technical content of the Institute's work program meets the highest standards of the academic community; assurance that the technical priorities of the Institute are consistent with the state of the art in program evaluation.

PROGRAM ANALYSIS DIVISION

QUESTION: You are requesting $4,438,000 for your Program Analysis Division next year, an increase of $276,000 over your current budget. On page J-2 of your justifications you indicate that this division performs research on national issues involving science and technology policy. Can you give a few examples of the kind of research you are conducting in this area?

ANSWER:

EXAMPLES OF COMPLETED AND PRESENT WORK
BY THE SCIENCE AND TECHNOLOGY STAFF, PAD

COMPLETED WORK:

National Science Foundation Conflict of Interest Problems With Grants To Short Term Employees (Report: PAD-81-16, 1/16/81)

This report was conducted in response to a May 1979 request by Congressman Pursell. GAO reviewed the National Science Foundation's policies and procedures for precluding conflicts of interest in its grant award process when the Foundation's short term employees are involved. This report demonstrates that in the absence of effective controls, conflict of interest problems have resulted. A draft of this report included a proposal for identifying conflicts of interest. NSF implemented this proposal. GAO's current recommendations, if implemented, should (a) provide greater visibility to potential conflict of interest situations associated with grants involving rotators and (b) resolve conflicts in accordance with statutes and regulations.

Summary of House and Senate Hearings on Government-University Industry Relations (06/06/80) Briefing Document

This document responded to a request from the House Subcommittee on Science, Research and Technology to summarize testimony delivered to the Subcommittee during hearings held on H.R. 4672, The National Science and Technology Innovation Act of 1979, and on the broader topic of Government and Innovation: University-Industry Relations. Testimony delivered to the Senate Subcommittee on Science, Tech-

nology and Space on S. 1250, the Senate Counterpart to H.R. 4672, was also examined.

This document was subsequently published by the Subcommittee as a Committee Print: "Summary of House and Senate Hearings on Government-University-Industry Relations," June 1980.

This work was performed as part of the larger survey of joint university-industry research discussed below.

The Office of Science and Technology Policy: Adaptation to a President's Style May Conflict With Congressionally Mandated Assignments (Report: PAD-80-79, 9/3/80)

This report responded to a request by the Subcommittee on Science, Technology, and Space of the Senate Committee on Commerce, Science, and Transportation that GAO examine two facets of OSTP.

We responded to the first portion of the request by reporting that OSTP has not prepared the Science, Engineering, and Technology Survey required of it by Title III of the Organic Act. We responded to the second portion by setting forth the constraints which limit OSTP's involvement in comprehensive strategic planning. We also examined the roles of NSF and OSTP in preparing the Annual Report and the Five-Year Outlook.

ONGOING WORK:

An Analysis of Alternative Government Roles in Affecting University-Industry Relationships

This report will improve Government capacity to assess three promising approaches to improving university-industry collaboration, with particular emphasis on their capacity to stimulate industrial innovation. It will provide information needed to develop informed policy by (1) specifying the strengths, weaknesses, and likely contributions of each model, (2) identifying key determinants of successful implementation, and (3) developing a better understanding of alternate Government roles and strategies. This study has been endorsed by both the House Subcommittee on Science, Research and Technology, Committee on Science and Technology; and by the Senate Committee on Commerce, Science and Transportations, and both Committees have requested periodic briefings on the progress of this study.

Framework for Policymaking
In Science Education

This project is designed to identify and assess descriptive information on the major science and engineering education programs in the Federal Government. The first report from this project will describe current engineering education programs across the Federal Government in relation to the present concerns about the state of engineering education. Although the first full report from this effort is not yet available, data compiled for this study have been already useful to the Senate Appropriations Subcommittee on HUD and Independent Agencies; the Senate Committee on Commerce, Science and Transportation; and the House Subcommittee on Science, Research and Technology.

The Patent Law Amendments
of 1980 (P.L. 96-517)

The Patent Law Amendments of 1980 assigned to GAO specific responsibility for oversight and reporting (at least annually) on agency implementation of certain statutory provisions. Within GAO, the Science and Technology Staff has the lead role for fulfilling these responsibilities. Presently we are closely monitoring the interagency drafting of the requisite regulations, due to take effect July 1, 1981.

Review of the National Science
Foundation's Policies and Decisions
Regarding the Awarding of Oceanographic Research Vessels

This study was initially requested by Senator Magnuson in August 1980. He requested GAO to evaluate a University of Washington complaint concerning NSF's decision to award two coastal research ships to the University of Miami and a Duke/North Carolina consortium. Although Senator Magnuson was defeated in the last election, we will complete this study in response to the intense interest expressed by both the Washington and Delaware State delegations. Letters requesting the study completion were received in January 1981 from Senators Gorton, Jackson, and Roth. Roth raised additional concerns of the University of Delaware. Interest was also expressed in a meeting with Congressman Pritchard's staff.

COMMUNITY AND ECONOMIC DEVELOPMENT DIVISION

QUESTION: On page L-1, you ask for $9,384,000 and 265 positions for your Community and Economic Development Division. That's up $459,000 and 8 positions over FY '81. Your field resources for this Division would also go up from 369 positions in FY'81 to 382 in FY'82. One of the five areas of responsibility in this Division is called "Food, Agriculture, and Land Programs." That area has 47

employees in the Washington headquarters office of GAO at the present time, and you want two more for a total of 49 positions in FY'82. Page L-2 indicates that one of the things this group looks at is the effectiveness of Federal efforts to help feed the poor. What have been some of your findings about the effectiveness of Federal efforts to feed the poor?

ANSWER: Thirteen major Federal domestic programs, costing several billion dollars annually, provide food or food related assistance to needy Americans. These programs have helped many people obtain more adequate diets. However, the large and accelerating costs of the programs, their piecemeal authorization and administration, and proposals for comprehensive welfare reforms have created a need and opportunity to examine the program's interrelationships and effectiveness. Some of our findings on program effectiveness include:

--Substantial savings might be possible by eliminating duplication between food stamp and school lunch subsidies. We conservatively estimated in a 1978 report that the duplication would be at least $112 million.

--Another area of potential savings involves reducing household basic allotment levels whose uniform allotments are more than 100 percent of their thrifty food plan costs, to exactly 100 percent. We estimated in a 1978 report the monthly savings to the Federal Government in free food stamps would be net annual savings of $568.8 million.

--In another report we estimated the Government was losing over half a billion dollars annually because of errors, misrepresentation, and suspected fraud. We found that for every $100 in annual food stamp benefits issued nationally at the time, overissuance accounted for about $12 and only 12 cents of that $12 was being recovered.

We are currently completing our assessment of the first year's operation of the public service workfare pilot demonstration in the food stamp program and will recommend changes to make operation of the concept more effective.

COORDINATION OF GAO'S WORK IN THE FOOD AREA

QUESTION: You are requesting $9,384,000 for your Community and Economic Development Division in fiscal year 1982, an increase of $459,000 over your current budget. In discussing the work of this division in food, agriculture, and land programs you state that the division expects to consider numerous areas of concern in fiscal year 1981 and 1982 including "the assuring of safe, nutritious food for all." On page Q-2 of your justifications in discussing

the work of the Human Resources Division you state that the Division will address several consumer and worker protection issues including "the purity and wholesomeness of food." Are your two divisions working jointly on this problem or are they pursuing this goal independently of each other?

ANSWER: One of the key points of GAO's planning system is that plans for work in an issue area are developed jointly by a lead division working with all other affected GAO divisions and with congressional committees, executive agencies, etc. Thus, interrelationships are worked out in advance of the performance of audit and evaluation work, as a part of program plan development. This includes advance decisions as to which GAO divisions will do work with respect to particular Federal programs and how that work will contribute to meeting the objectives of one or more program plans.

Following this approach, individual audit and evaluation assignments are performed by the division having most knowledge of the program whether or not that division is the lead division for the GAO issue area. All assignments are undertaken to meet agreed upon program plan objectives for the issue area and, where appropriate, to complement other work being done in other issue areas.

The Human Resources Division is lead division for the audit and evaluation of consumer and worker protection programs, and among other agencies, has audit cognizance of the Food and Drug Administration. The Community and Economic Development Division leads HRD's work involving food and agricultural programs, with audit cognizance over the Department of Agriculture.

HRD's work involving the priority and wholesomeness of food will be that which primarily relates to FDA programs. CEDD's work on food, nutrition and safety will primarily involve programs of the Department of Agriculture. As pointed out above the work of each division will be directed by cooperatively developed program plans. There will be no duplication or overlap. The work of one division will complement that of the other.

AGRICULTURE PROGRAMS

QUESTION: Page L-2 indicates that this group also looks at "the role of farm programs in maintaining an adequate supply of agricultural commodities at reasonable prices and promoting the well being of farmers." What has GAO discovered in this regard?

ANSWER: Although food prices in the United States are higher than they used to be, Americans are spending less of their disposable income on food while other goods and services such as housing and transportation have absorbed in-

creasingly more of the consumer's disposable income. Farmers have been able to maintain a more than adequate supply of agricultural commodities at a reasonable price. The excess commodities produced in the U.S. are exported and contribute to our balance of trade. Even though food prices in the United States are lower and rising less rapidly than in many other countries, opportunities to improve productivity and stabilize food costs in both the marketing and farm sectors should be sought. Our reviews in this area indicate:

--Much of the soil conservation funds are not being spent on critically needed practices having the best payoffs for reducing erosion. Appropriation legislation for FY 1979 and FY 1980 reflected our recommendation to fund critical conservation practices and limit spending on practices that have little conservation benefits.

--The 1979 grasshopper infestation in 17 Western States was the worst since the 1930's. USDA's program to control the grasshoppers was not effective because it was badly managed, not coordinated among Federal and State officials and local ranchers and farmers, and spray aircraft were not always available when needed.

--Fourteen Federal agencies and Commissions have issued 1,300 regulations for the transport of food, covering 9,752 sections of the Code of Federal Regulations. These regulations require some 30,000 separate actions to comply with the written law. The difficulty of dealing with this web of regulations is compounded by the lack of an adequate index to determine which regulations apply in a particular situation.

--Parity as a barometer of the economic health of agriculture is a useful but incomplete tool because parity indicators do not reflect total farm sector well-being. For many years, the trends in U.S. agriculture have been toward greater technological advances, declining margins, declining numbers of farms and increasingly larger farms. Although the nation has benefited from these trends, the secondary impacts of continuing the ways of the past may well be a loss of farm sector resiliency, a decline of rural viability, a cutback in efforts to conserve soil and less competition. A broader framework is needed to develop, analyze, and evaluate farm programs.

INDIAN PROGRAMS

QUESTION: Page L-2 also indicates that this group will continue to evaluate progress being made by Federal programs designed to improve employment, education, income, housing, and self-determination status of American Indians. Can you give us examples of past GAO reports in each of these areas and what impact they had on the problems cited?

ANSWER: GAO has issued a number of reports on Indian programs and we have provided details on them below.

GAO Report on Bureau of Indian Affairs Management Weaknesses

In the report, "Federal management weaknesses cry out for alternatives to deliver programs and services to Indians to improve their quality of life" (CED-78-166, Oct. 31, 1978), we pointed out that, in spite of recommendations by GAO, congressional committees, the American Indian Policy Review Commission, and other responsible groups over the past several years, Federal agencies have not corrected weaknesses in their management of programs and services to Indians.

The continued inability of Federal agencies, over the past several years, to implement our recommendations or otherwise correct those management problems discussed in our reports leads us to the conclusion that the Congress needs to consider alternatives to ensure more effective delivery of programs and services to Indians.

The alternatives we identified are:

--Consolidate all federally administered Indian programs and services into a single agency, such as BIA or a separate independent agency.

--Consolidate program areas, such as Indian education, housing, and business development, into the Federal department or agency having primary responsibility for that area. For example, all Indian education could be under the Department of Education, all Indian housing could be under the Department of Housing and Urban Development, and all Indian business development programs could be under the Department of Commerce.

--Have all Federal agencies funnel their Indian program funds through one agency, such as BIA, rather than directly to Indian tribes.

--Assist tribes in developing the capability to manage Federal programs and services and provide direct funding through block grants.

On March 6, 1981, the Secretary of the Interior stated in testimony before the Subcommittee on Interior and Related Agencies, House Committee on Appropriations, that, as a new initiative, he was proposing a program of block grants to Indian tribes as a substitute for several programs in the Bureau of Indian Affairs. He stated that the block grant approach would provide for direct funding and significant program flexibility for tribal Governments and will permit reduction of up to 400 positions in the Bureau. As part of our basic audit responsibility, we plan to monitor the im-

pact this proposal has on bringing about improvements in Federal programs for Indian employment, education, income, housing, and self-determination.

Indian Education

Between 1972 and 1979 we issued six reports which showed that the Bureau of Indian Affairs had great difficulty in administering education programs and had been unable to achieve the national goal established by the Congress of providing the quantity and quality of educational services and opportunities necessary for Indian children to compete in careers of their choice. One of the reports, "Concerted Effort Needed to Improve Indian Education," (CED-77-24, Jan. 17, 1977) recommended that the Congress consider transferring responsibilities for administering Indian education programs to another Federal agency if adequate improvement was not made by the Bureau. In total, the reports contained some 31 recommendations for improving Bureau educational programs.

Title XI of the Education Amendments of 1978 provided a framework for correcting the educational and management problems which have hindered the delivery of quality education to Indians. Title XI covers 20 of the recommendations in the six GAO reports.

At the request of the Senate Committee on Governmental Affairs, GAO followed up on its reports between November 1979 and February 1980 to determine whether the Bureau was making progress and whether its education programs should be transferred to the new Department of Education. On April 23, 1980, we reported that a transfer of the Bureau of Indian Affairs' education programs to the Department of Education should not be considered for at least 3 to 4 years. This will provide the Bureau a chance to demonstrate whether its current efforts will improve the academic levels of Indian students. We also found that the Bureau set up 12 task forces with Indian representatives to implement the provisions of title XI. The task forces have addressed or are addressing many of the deficiencies we reported during the 1970s. "Should the Bureau of Indian Affairs Continue to Provide Educational Services to Indian Children?" (CED-80-72, Apr. 23, 1980).

Indian Self-Determination

In 1978, we reported "The Indian Self-Determination Act --Many Obstacles Remain" (HRD-78-59, March 1, 1978) that Federal dominance over the Indian programs and services of the Bureau of Indian Affairs and the Indian Health Service had changed little since the Indian Self-Determination and Education Assistance Act was passed in 1975. This act permits Indian tribes to assume control over Indian programs through contracts.

In another report, "Controls are Needed Over Indian Self-Determination Contracts, Grants, and Training and Technical Assistance Activities to Insure Required Services are Provided to Indians" (CED-78-44, dated February 15, 1978), we pointed out that the Bureau did not have adequate controls over self-determination contracts and grants awarded to Indian tribes or the related training and technical assistance activities. Thus, the Bureau did not know whether the tribes were providing required services to Indians or if training and technical assistance funds were being properly used.

We made a number of recommendations aimed at improving self-determination activities. The Bureau has not yet taken appropriate action to correct the problems noted in the reports. We plan to monitor Indian self-determination activities.

Indian Business Development

In February 1978, we reported to the Chairman, Subcommittee on Interior and Related Agencies, Senate Committee on Appropriations, that profitable businesses were needed on reservations to help Indians overcome cultural and economic barriers, become self-sufficient, and achieve a standard of living comparable to that enjoyed by non-Indians in neighboring communities ("More Federal Efforts Needed to Improve Indians Standard of Living through Business Development," CED-78-50, Feb. 15, 1978). Eight Federal agencies administering 25 grant, loan, and technical assistance programs have not been very successful in helping them.

We recommended that Federal programs for improving economic development on Indian reservations be consolidated under a single agency which should identify reservations best suited for profitable businesses, carry out a comprehensive business development program, and decide for other reservations whether long-term financial assistance should be provided or alternative strategies developed. Both the Departments of Commerce and of the Interior agreed that consolidation of Federal Indian economic development programs in a single agency would help make the programs more effective and efficient. Commerce and Interior are studying ways to bring about improvements in these programs and action has not yet been taken to consolidate the numerous programs. We plan to monitor these activities.

Indian Housing

"Substandard Indian Housing Increases Despite Federal Efforts--A Change is Needed" (CED-78-63, March 31, 1978)

In this report GAO stated that although the Federal Government built nearly 27,000 new homes on Indian reservations from 1970 to 1976, the number of Indian families

living in substandard housing increased from about 63,000 to about 86,000 during that period. This was due to (1) more Indian families living on reservations, (2) a relatively low level of housing production, and (3) inadequate management of new homes.

GAO recommended that Congress

--redefine the national policy for Indian housing and establish a program with realistic goals and objectives for implementing that policy.

--consolidate Indian housing programs and the responsibility for Indian housing into a single agency, and

--recognize that a wide range of housing assistance options, such as loans, grants, and subsidies will be needed to serve various income levels and cope with the unique conditions and special needs of Indians living on reservations.

GAO also made the following recommendations to the Secretaries of Agriculture, Housing and Urban Development (HUD), and Interior.

Secretary of Agriculture - Direct the Farmers Home Administration to place a greater emphasis on Indian housing, develop a more effective outreach program, and provide staff necessary to implement such a program.

Secretary of Housing and Urban Development

--Assess HUD's goals for Indian housing in view of the increasing need and provide the funds necessary to meet these goals.

--Insure that prototype costs be established for each Indian area unless a special analysis is made showing that such costs are not needed.

--Develop procedures to insure that projects are completed as planned in terms of quality and completeness.

--Revise procedures to permit the lesser of the appraised value or cost of leaseholds to be considered as part of the total project development costs which are paid by HUD.

--Reassess the present structure by which HUD produced housing on reservations is managed.

--Insure that Indian housing agencies are providing home buyer training required by the Indian housing regulations issued in March 1978.

Secretary of Interior

--Determine the number of Indian families which can only be served by the Housing Improvement Program and identify the location and type of assistance needed in terms of new construction or rehabilitation.

--Develop a formal plan for meeting that need and request from the Congress the necessary financial and other resources required to carry out the plan.

Agencies Actions

In November 1979, HUD revised several of its regulations to implement GAO's regulations. For example, one provision was added to provide Indian housing authorities with an operating subsidy to assist them in managing the housing projects and train their staff. The revised regulations also provided that the developmental cost budget submitted for proposed rental projects include estimated costs of a HUD-approved tenant counseling program.

In January 1978, the Department of Agriculture's Farmers Home Administration issued new regulations establishing procedures and responsibilities for carrying out their new American Indian outreach program.

The Department of the Interior concurred with our recommendation and prepared a plan for implementing them.

SELF-INITIATED WORK VERSUS CONGRESSIONAL REQUESTS

QUESTION: What percentage of the work performed by the Community and Economic Development Division is self-initiated as opposed to being requested by the Congress?

ANSWER: As of March 1981 about 54 percent of the Community and Economic Development Division's work is being done pursuant to GAO's basic legislative requirements. Over the past year or two this percentage has ranged between 50 to 60 percent. All other work is legislatively mandated or is congressionally requested.

TRANSPORTATION POLICY

QUESTION: In the area of transportation, this group will address ways of developing and coordinating balanced national transportation policies and goals. Isn't that the responsibility of the Department of Transportation?

ANSWER: The objective of our work in this area is not to develop such policies and goals ourselves, but rather to assess the effectiveness of the Department of Transportation's efforts to do so. We are currently examining the effectiveness of policymaking, planning and budgeting by

the Office of the Secretary of Transportation, and expect to issue a report to the Congress this summer.

HIGHWAY SAFETY

QUESTION: They will also look at ways of developing a safe motor vehicle highway transportation system. How long has GAO been looking at this problem, how many people will be killed on our Nation's highways this year as opposed to last year, and what examples can you give us that GAO has helped reduce highway deaths.

ANSWER: This area-of-concern has been an element of the GAO transportation program plan since its inception in the mid-70s. The major focus of our work has been on the way the Department of Transportation has carried out its congressional mandate as evidenced by the relative effectiveness of the programs that were instituted.

We do not have a firm basis upon which to project future highway deaths. Based on past trends, we would assume that the 1981 toll will equal or exceed the preliminary 1980 estimate of 51,704 fatalities.

We have issued a number of reports relating to various aspects of highway and motor vehicle safety, such as in the areas of drinking drivers and 55 mph speed violations.1/ There is no known way, however, to measure the impact of these reports to a reduction in highway deaths. We firmly believe that our work and continuing presence has resulted in improvements in the Department's operation in the area.

COMPTROLLER GENERAL'S REPORT TO THE CONGRESS — THE DRINKING-DRIVER PROBLEM--WHAT CAN BE DONE ABOUT IT?

D I G E S T

Government at all levels, private organizations, and concerned citizen groups are spending millions of dollars on various drinking-driver programs, yet statistics continue to indicate that, overall, one-half of highway fatalities in the United States are related to alcohol.

--Does this mean that all anti-drinking-driver efforts are doomed to fail?

--Should current programs in education, enforcement, adjudication, and rehabilitation be discontinued?

--Is there a combination of programs which has not yet been tried?

1/Digests from three such reports are attached.

--Is money being thrown away on a "utopian" dream which will never reduce highway deaths and injuries, regardless of how much is spent?

No clear-cut answers to any of these questions exist. Years of research and program efforts have shown that no one has the answers.

Research on alcohol abuse and the drinking-driver problem, Federal project evaluations, and views of individuals knowledgeable in the traffic safety field led GAO to conclude that society's general acceptance of drinking and driving is the main obstacle to solving the drinking-driver problem.

Before any significant reduction in alcohol-related traffic accidents will occur, a long term continuous educational commitment must be made. Governments, educational institutions, and the general public need to work together to change attitudes about drinking and driving.

The Secretary of Transportation, as part of his responsibility to improve traffic safety, should lead this educational effort by providing encouragement, technical assistance, and--to the extent possible--financial assistance to State and local governments and private organizations.

The Secretary of Transportation, as part of Federal commitment to emphasize the importance of programs to counter alcohol abuse (countermeasure programs), should:

--Work with other Federal agency heads to establish a mechanism for coordinating alcohol-related activities--such as advertising, education, rehabilitation, and law enforcement--in developing an aggressive national program to deal with the entire alcohol abuse problem and specifically with the drinking driver.

--Identify those States which need to give higher priority to alcohol countermeasures, and encourage them to do so in their traffic safety programs.

Because alcohol remains the largest single factor in highway deaths, the Secretary of Transportation should continually

--assign high priority to efforts to combat the drinking-driver problem;

--support research to develop evaluation measures for anti-drinking-driver programs and work with the States to upgrade or expand their programs to include such measures;

--serve as a center for disseminating information to States on efforts which have the best potential for reducing traffic deaths and injuries;

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--support training and educational programs for law enforcement officers, judges, prosecutors, and others to enhance their knowledge of and commitment to solving the drinking-driver problem; and

--support nationwide and local programs to inform the public about (1) the drinking-driver problem and (2) what it can do to help reduce the problem.

STATE AND LOCAL EFFORTS

Traditionally, the drinking-driver problem has been viewed as a State and local responsibility; therefore, anti-drinking-driver programs were carried out initially at those levels. State and local government efforts, with varying degrees of success or failure, include

--special patrols to detect and apprehend drinking drivers;

--educational programs to increase the public's awareness of the seriousness of the drinking-driver problem;

--rehabilitation programs to reduce the incidence of recurring drinking-driver situations;

--specialized equipment to aid in detecting and prosecuting drinking drivers;

--training programs for law enforcement officials, judges, and prosecutors to enhance their commitment in dealing with the drinking driver; and

--laws to penalize those who serve intoxicated individuals.

FEDERAL EFFORTS

The first major impetus for Federal involvement in the drinking-driver area was the Highway Safety Act of 1966. With this authority, the Department of Transportation published standards for State highway safety programs and initiated a demonstration program known as Alcohol Safety Action Projects, which integrated many previous State and local activities into a single organized effort. Between 1971-78, 35 projects were conducted nationwide.

Evaluations of the Alcohol Safety Action Projects do not show any overall national results in terms of reducing the number of highway deaths, although in some areas the projects demonstrated benefits. For example,

--public awareness of the drinking-driver problem increased;

--the number of arrests and convictions of drinking drivers increased;

--the number of alcohol-involved nighttime fatalities decreased;

--the number of problem drinkers identified and referred to rehabilitation programs increased; and

--the commitment of responsible officials, (law enforcement officers, prosecutors, and judges) in dealing with the drinking driver improved.

OBSTACLES

Even with these limited successes, there are still many obstacles to a totally successful anti-drinking-driver campaign. Major obstacles identified by GAO include:

--Social acceptability and use of alcohol.

--Need for methods to evaluate countermeasures.

--Resource shortages.

--Need for increased judicial support.

--Crowded court system.

--Need for Federal leadership in designing and developing public information and educational programs.

--Need for effective methods to identify and penalize those who serve intoxicated individuals.

--Need for increased commitment on the part of enforcement officials.

--Need for an adequate feedback mechanism to apprise States of other countermeasure program results.

--Lowered legal drinking age.

The Department of Transportation agrees that high-level as well as program-level coordination with other Federal agencies would be beneficial in establishing a national program dealing with alcohol abuse.

Department officials stated that some coordination with other Federal agencies now exists at a lower level but that it could be more effective if agency heads were involved. The officials further stated that the Department is taking steps to identify States that need to give a higher priority to drinking-driver programs by analyzing the States Highway Safety Plans.

COMPTROLLER GENERAL'S REPORT TO THE CONGRESS

UNWARRANTED DELAYS BY THE DEPARTMENT OF TRANSPORTATION TO IMPROVE LIGHT TRUCK SAFETY

D I G E S T

Light trucks are exempt from many of the Federal safety standards applicable to passenger cars and because their occupants have fared worse in crashes than occupants of passenger cars, GAO recommends that the Secretary of Transportation

--direct the National Highway Traffic Safety Administration to start expeditious rulemaking and research to improve the safety of light trucks and

--take steps to provide prospective buyers with ready access to objective information on the relative safety of the wide variety of vehicles offered for sale.

Over 10 years ago, congressional concern over the number of fatalities on the Nation's highways prompted the creation of the National Highway Traffic Safety Administration. One of the Safety Administration's prime responsibilities is to establish minimum standards for motor vehicle performance so that the public will be protected against the unreasonable risk of accidents and the unreasonable risk of death or injury in the event an accident does occur.

Since its creation, the Safety Administration has focused most of its attention on the passenger car. Today, most of the established Federal motor vehicle safety standards apply to these vehicles, and occupant safety has improved noticeably.

Meanwhile, the popularity of light trucks (primarily pickup trucks, vans, and similar vehicles) has greatly increased and the trend is expected to continue. Likewise, the number of occupants killed in light trucks has also increased.

The Safety Administration, however, has not given the same attention to light trucks as it has to passenger cars. Consequently, the occupants are not being afforded a comparable level of safety.

Light trucks are not required to meet some of the major safety standards--including interior padding, head restraints, impact absorbing steering columns, braking distances, side door strength, and roof crush resistance--as are passenger cars.

Some other safety standards, such as restraint systems and windshield mountings, have been applied to these vehicles but in some cases have less stringent requirements than those set for passenger cars.

In the early 1970s, the Safety Administration was aware of the potential safety problems with light trucks but did not follow through on their plans to study the program further.

In 1972, the National Transportation Safety Board reported that the severity of injuries appeared considerably greater for occupants of light trucks than for occupants of passenger cars involved in accidents. The Board suggested this may be due, in part, to the light trucks' exemption from certain standards. Although the Safety Administration stated that it has a continuing program to review all standards to extend their applicability to other vehicles where appropriate, many of the major standards remain applicable to passenger cars only.

The Safety Administration has recently collected more information in greater detail on traffic accidents. The number of occupants killed in light trucks was 4,295 in 1975 and 4,847 in 1976. However, it has not fully analyzed this data. GAO's analyses of the Safety Administration's data indicate that light truck occupants face a greater risk of severe injury. For example, the percentage of fatal accidents to total accidents was consistently higher for light trucks than for passenger cars for each of the States which reported this information in 1975 and 1976. This percentage ranged from about 0.4 to 0.9 for passenger cars and from 0.5 to 1.3 for light trucks. Also during this period, light truck fatalities increased 13 percent while passenger car fatalities increased 1 percent.

Many light trucks are similar in size, weight, and other characteristics as passenger cars. Therefore, GAO believes that some of the safety features currently required for passenger cars are appropriate for light trucks. Other safety features need to be examined in greater depth to assess their need and the feasibility of applying them to light trucks. GAO believes that expeditious research and rulemaking actions are warranted to improve the safety for occupants of light trucks.

The Department of Transportaton concurs that expeditious research and rulemaking are important, and the Safety Administration has developed a rulemaking plan to carry this out. However, similar plans which were announced in the past have not yet been fulfilled.

GAO believes that the consumer needs to be better informed about the safety features and requirements for light trucks. This information is not readily available and, consequently, the buyer may not be fully aware of the relative safety of the wide variety of vehicles offered for sale. The Safety Administration concurs that such consumer information has a great deal of merit and plans further work in this area.

COMPTROLLER GENERAL'S
REPORT TO THE CONGRESS

IS IT ACHIEVABLE?

Department of Transportation

D I G E S T

The national 55-mile-per-hour speed limit law was enacted as a conservation measure after the 1973 Arab oil embargo. However, when the public felt the energy crisis had abated, speeds increased--many drivers now exceed the maximum speed limit.

Although fuel has been saved and traffic fatalities have been reduced, especially during the first year when average speeds dropped about 5 miles per hour, more savings and driver cooperation were expected. When the crisis began, average speeds dropped, but they have been increasing slightly since then. Drivers have not complied with the limit because they do not believe the benefits are worth the inconveniences.

State police have tried to enforce the speed limit, but due to the large number of speeders they can only issue tickets to the most blatant violators. Limited money and staff and more pressing problems preclude any more emphasis on speed enforcement.

To encourage drivers to stay within the speed limit, the Department of Transportation began public informaton campaigns. The major one emphasized driving the speed limit because "it's the law." This has had limited success, and the Department is in the process of modifying the campaign.

A broad public information campaign emphasizing the positive benefits of lower speeds possibly could convince more people to drive more slowly. However, it could be that nothing short of rigid traffic enforcement will reduce speeding.

Federal involvement in State traffic enforcement is a delicate issue. While the law specifically requires States to certify to the Secretary of Transportation that they are enforcing the speed limits, States object to Federal involvement in what they consider a State function.

At the same time, the Secretary of Transportation must withhold approval of all Federal-aid highway construction projects if a State fails to establish a maximum 55-mile-per-hour speed limit or to certify that it is enforcing the limit.

Although State officials doubt this sanction will ever be used, they resent its existence. To use the sanction could be counterproductive to the basic intent of the law.

GAO recommends that the Secretary of Transportation:

--Establish criteria to evaluate what each State has done to reduce speeding or report to the Congress if such criteria cannot be established without intruding on State prerogatives.

--Institute a positive public information program emphasizing the continuing need to drive the speed limit as a way to conserve energy and improve safety. This program should be a cooperative effort with the individual States.

The Secretary believes more congressional guidance is needed before he can establish enforcement criteria. Without it he believes the Department is virtually powerless to achieve compliance with the 55-mile-per-hour speed limit.

The Secretary plans to expand the Department's public information program to incorporate GAO's recommendation.

The Congress should enact legislation to enable the Secretary of Transportation to implement a program of variable incentives or sanctions that provide each State with maximum flexibility in reducing driver speeds. The Congress may wish to relate these incentives or sanctions to highway safety grants, law enforcement grants, or the apportionment formula for highway trust funds.

Factors evaluated in a variable incentive or sanction program might include the State's established maximum speed limits, enforcement practices, public information programs, penalties imposed on speeders, and the extent to which the public travels at 55 miles per hour. This approach would replace the requirements and sanctions provided by existing laws.

SAVINGS FROM GAO AUDITS AND EVALUATIONS

QUESTION: Is there any correlation between the number of staff GAO has assigned to certain activities of the Federal Government and the savings that have resulted from auditing them? In other words, can you show that increasing your personnel automatically means that we are going to get $20 in savings from each dollar appropriated?

ANSWER: Over the past 15 years tangible dollar savings resulting from GAO recommendations have ranged from a low of $3 in savings for each dollar appropriated to a high of $36. The 15 year average was $10.7 saved for each dollar spent. Over the past 4 years the savings have been $20 to $1. We, therefore, cannot say that each dollar appropriated to GAO will yield $20 in savings. We can say, however, that GAO savings will vastly exceed amounts spent by GAO.

Over the past several years, GAO criteria for performing individual audits and evaluations to meet the requirements of its basic legislation has increasingly given priority to work which has the greatest potential for yielding dollar savings and pointing to possible reductions in Federal spending. It is likely, therefore, that future savings attributable to GAO work will be at the higher end of the range.

It should be pointed out that GAO savings are conservatively determined. For example, many GAO recommendations will yield savings that will recur for a period of years. Nevertheless, our reported savings include only those of the year in which the GAO recommendations were implemented. Many other GAO financial savings--while real --are not fully or readily measurable. These savings are not included in the statistics referred to above. Also, some actions taken in response to GAO recommendations result in benefits other than financial savings. Such recommendations frequently improve day-to-day operations at Federal, State and local levels; they frequently and directly enhance the well being of individual citizens. The impact of these recommendations are not included in GAO's reported dollar savings.

QUESTION: Given the administration's plans to substantially curtail Federal spending on certain programs, isn't it possible that we could safely reduce the personnel levels you have requested on the assumption that your work load will ease up somewhat?

ANSWER: At this time we simply do not know whether the administration's plans to curtail Federal spending will reduce or increase GAO's workload or its need for staffing. As the Congress considers individual proposals it is possible that committees will ask GAO's views on proposed cuts including their probable impact. Continuing congressional interest in the manner in which program cutbacks are, in fact, carried out and in their actual impact will further increase GAO's workload for the foreseeable future. As the Congress continues to seek those spending cuts which have the least adverse impact, requests for GAO audit and evaluation work will increase even further. As the Acting Comptroller General pointed out in his statement, GAO is one of the greatest tools available to the Congress in finding ways to make government work more economically, more efficiently and more effectively. GAO can find and report on fraud, abuse and inefficiency and how to eliminate them. But to do so requires an increase--not a reduction--in GAO staffing.

RESEARCH ACTIVITIES

QUESTION: At a number of points in your budget justifications you indicate that you are performing research activities. For example, on page H-5 you refer to personnel research and analysis; on page I-2 you mention

research in auditing theory; you talk about conducting or sponsoring appropriate research in your Office of Program)lanning; and of course the Institute for Program Evaluation supports evaluation and utilization research. Would you please provide for the Committee an estimate of the total spent agency wide in research activities in fiscal year 1980, the total planned for expenditure in 1981, and the total amount being requested for 1982?

ANSWER: The research in question is primarily directed to improving GAO's ability to perform various aspects of its job. The Office of Program Planning and the Office of Policy each used substantially less than one-quarter staff year in FY 1980. No increases are planned for FY 1981 or FY 1982.

The Office of Personnel used 6 staff years in Fiscal Year 1980. This function is now performed by the Office of Organization and Human Development, which plans to use 7 staff years in Fiscal Year 1981 and 1982 for personnel research and analysis to assure that GAO's management of its human resources is effective and efficient. This includes research to develop or improve GAO's systems for performance appraisal; training; recruitment; selection; conforming with EEO laws and regulations; executive development; and assessment and technical assistance in support of GAO's Personnel legislation implementation.

The Institute for Program Evaluation's "support" of "evaluation and utilization research" consists of in-house program evaluations which (1) establish the effectiveness or inadequacy of Federal programs in meeting their objectives, and (2) demonstrate both the employment of appropriate methods and the importance of early consideration of user needs in evaluation planning. The word "research" thus refers to the demonstration aspects of IPE's program evaluation work.

Staff in IPE's Evaluation Research and Diffusion Group not only have performance and demonstration functions; they are also involved in assistance. That is, they not only conduct program evaluations for the Congress with demonstration aspects to them, but also consult and collaborate on program evaluations done in other GAO divisions. Hence, of the 26 staff years projected for IPE's Evaluation Research and Diffusion Group in 1981, and of the 27 projected for 1982, about 3 staff years will be devoted to the demonstration or "research" aspect of IPE work.

This effort is substantially similar to the evaluation work done by each GAO audit and evaluation division for programs and agencies under their cognizance. It differs in that IPE's research work involves programs and/or evaluation methodologies which are at the frontier of the state-of-the-art or which have potential for greater use throughout GAO in its regular audit and evaluation

work. IPE's objective here is to help GAO improve its resource allocation process either through getting sounder information for the same resources expended, or through lowering the cost of the effort by using prior research and already developed information, or through re-examining the appropriateness of the information sought to achieve the optimal level-of-effort required.

ENERGY AND MINERALS DIVISION

QUESTION: For your Energy and Minerals Division, you are asking for $6,472,000 and 190 positions as opposed to $6,082,000 and 184 positions in FY '81. That's just for the Washington headquarters office. You also want another 138 field positions for this Division as opposed to 133 in FY '81. Is that correct? Why do you have more people in Washington for this Division than you have in the field?

ANSWER: As the question points out, in FY 1982, we are requesting 190 staff years in Washington and 138 in the field. This ratio of 1 Washington to .726 field staff years is not materially different from the 1 to .723 ratio in FY 1981.

In determining the resource split between Washington and the field, our main concern is how we can best evaluate the operations of the Department of Energy and those of other agencies having energy and materials responsibilities. Our evaluations cover the range of DOE and other agency functions including their policy determination and program and administrative management. In so doing, we have felt a strong need to assess how these agencies are operating in the Washington, D.C. area.

As Federal energy efforts move beyond policy formulation and program design, essentially headquarters activities, it will become increasingly necessary for GAO to audit and evaluate how those programs are being carried out in the field. At that point, while there will remain a continuing need for extensive GAO work in Washington, D.C., there will be a need for a larger proportion of field staff resources.

SYNTHETIC FUELS CORPORATION

QUESTION: Page M-2 of your justifications states that GAO will audit the financial transactions of both the Synthetic Fuels Corporation and the Solar and Conservation Bank at stated intervals. Tell us what plans you have in these areas and what statutory authority requires you to conduct these audits. How many staff-days will you expend in this kind of audit?

ANSWER: The Energy Security Act (P. L. 96-294, June 30, 1980) imposed the following requirements.

--"(2) The General Accounting Office is authorized to conduct such audits of the accounts of the Corporation and to report upon the same to the Congress, as the General Accounting Office shall deem necessary or the Congress may request, but not less than every three years." (Emphasis added.) Section 177(b)(2).

-- "The General Accounting Office shall audit, not later than the date occurring 2 years after the date of the enactment of this subtitle, and not later than each date occurring 3 years after such audit, the financial transactions of the Bank, and for this purpose shall have access to all the books, records, and accounts of the Bank." (Emphasis added.) Section 505.

The extent of our work under these two requirements will depend on the extent of activity by the Corporation and the Bank. Current indications are that the Administration will activate the Corporation, but provide no funding for the Bank. If both the Corporation and the Bank are funded as originally envisioned, we would expect to spend 2 staff-years in FY 82 on the required audit of the Bank.

PRODUCTIVITY IN THE COAL INDUSTRY

QUESTION: On page B-5 of your justifications you indicate that you are reviewing major factors responsible for declining productivity in the coal industry. This sounds like a good project for the Department of Energy but I am curious as to why GAO is doing this kind of work. Would you explain your involvement?

ANSWER: Under its basic legislation GAO is required to audit and evaluate the operations of the Department of Energy and to assist the Congress as it develops policy for meeting the nation's energy needs and as it funds and oversees the operations of agencies having responsibilities in the energy area.

To meet these responsibilities, we prepare program plans which form the basis for the work that GAO will perform over an eighteen month period. These plans are prepared after we have had extensive discussions with Committees and their staff and with officials in the executive branch.

It became apparent, from this process and from work that has been done in the past, that, in the forseeable future, coal will be a more widely used energy source and that the coal industry is facing a productivity problem. We also found that neither the Department of Energy nor any other organization had fully analyzed this problem. We established that many congressional committees were

interested in the subject of coal production. We then performed a study of coal mining productivity so that we can assist the Congress as it considers current and proposed Federal policies and programs which could stimulate coal productivity as one of the ways to make the nation more energy self-sufficient. The GAO study pulled together, for the first time, data available from the Department of Energy, Interior and Labor and complemented it with on-site interviews of both labor and management at more than 40 mines nationwide.

The resulting report, performed to help GAO meet its basic legislative responsibilities in this area, is titled "Low Productivity in American Coal Mining: Causes and Cures" (EMD-81-17). It was issued on March 3, 1981. Its digest is attached.

COMPTROLLER GENERAL'S REPORT TO THE CONGRESS

LOW PRODUCTIVITY IN AMERICAN COAL MINING: CAUSES AND CURES

D I G E S T

National energy policy calls for greater use of coal by the U.S. in order to reduce our reliance on imported oil. Our ability to make this transition to coal, however, depends on the coal industry's ability to meet future coal production needs. Given the importance labor productivity plays in the quantity of coal produced, productivity is crucial to meeting our national energy goals.

The coal industry experienced a remarkable threefold increase in productivity between 1947 and 1969. Substantial increases were realized in both surface and underground mines.

Since 1969, however, overall coal industry productivity has declined 26 percent and a whopping 43 percent in underground mines. Surface mining productivity remained constant up to 1974 when it began to fall; declining 29 percent by 1979.

This report evaluates the major factors determining productivity in the coal industry, identifies those mainly responsible for the decline in labor productivity which has occurred since 1969, and recommends steps to reverse current trends. Throughout this report productivity is defined as tons per worker hour.

The GAO review is based on an analysis of a large coal mine data base, interviews with a wide range of mining personnel at 44 mines, and discussions with numerous Government and private officials.

CONCLUSIONS

The GAO analysis found the decline in underground productivity during the 1970s to be closely tied to the reduced quality of labor-management relations, especially after 1973, and the 1974 union contract requirements calling for helpers on mine-face equipment. While definitive results on the past effect of absenteeism were not obtainable, it seems to have a negative influence on productivity. Other labor management issues frequently thought to be related to productivity such as the age distribution of the work force, labor turnover, and job-bidding, however, have little effect on productivity. Incentive plans seem to be a promising way to improve productivity.

GAO research also indicates that Mine Safety and Health Administration (MSHA) regulation was a primary cause of declining underground productivity between 1970 and 1973, but was less important afterwards. By 1977 it was no longer a factor in the continuing productivity decline. Regulation refers to the impact of enforcement activity and changes in mining practices caused by MSHA regulations. Since the practices required by MSHA causing the initial decline continue, however, some of the initial drop in productivity may be permanent. On the benefit side MSHA regulation has reduced coal mine fatalities and disasters substantially. However, MSHA regulations do not appear to have reduced the frequency of nonfatal disabling injuries caused mainly by human error.

In surface mining the enactment of strict State reclamation laws is largely responsible for the decline in productivity. The majority of coal producing states enacted or strengthened surface mining reclamation requirements after 1968. As more resources were allocated to reclamation activities, productivity suffered. This lost productivity is a price we pay for a restored environment. In addition, due to the start up time needed to reach efficient production, the large number of new surface mines which have been opened since 1974 also has had a negative effect on productivity. This decline has been felt largely in Eastern coal producing States. This report does not address the Federal Surface mining law, since it was recently implemented and its effects are not yet apparent.

Although coal mining technology has not caused productivity to decline, mechanization and technological innovation slowed in both underground and surface mines in the late 1960s and has not advanced sufficiently to offset the loss due to other causes. In underground mines, coal cutting machine reliability and haulage from the face are areas where tech-

nological improvements could increase productivity substantially. Increased investment in excavation and coal loading equipment will bring the highest productivity improvement in surface mining.

Worsening geological conditions have frequently been cited as a possible cause for declining productivity. GAO found that geological conditions in underground mines have not worsened industrywide nor led to lower productivity. In surface mining, seam thickness and the amount and type of overburden are the principal geological conditions impacting productivity. Low overburden ratios help explain both the higher productivity and increasing production in Western States.

Labor and Management

Labor-management problems are centered largely in underground coal mining. Surface mining is a more capital intensive process, requiring less labor per ton of coal produced.

Since 1969 underground coal mines have experienced worsening labor-management relations as reflected in the explosion in the number of strikes. A close relationship was found between strike activity and productivity. While strikes do not affect productivity directly, they reflect the level of tension between labor and management. A large portion of the decline in productivity after 1972 was due to this increased tension as manifested in the number of work stoppages.

The underground mine work force is younger, less experienced, but better educated than their peers of the 1950s and 1960s. The shift to a younger work force and the resulting reduction in experience levels was examined for its impact on productivity. No relationship was found between younger miners and low productivity.

By now young miners hired in the early 1970s have gained needed experience. Young miners are more educated and have other positive attributes which offset the impact of their inexperience.

Job absenteeism and turnover are important indicators of worker satisfaction or alienation. Coal operators consider absenteeism a significant factor impacting productivity. Due to the limited data available GAO could not determine the change in absenteeism or its overall impact on productivity. Th existing level of unexcused absences, however, is substantially higher in coal than other industries. Improvements in this area could raise future productivity. Labor turnover has had little effect on productivity.

A higher separation rate has a slight negative effect on productivity, while the accession rate has no effect. However, rates for both separations and accessions were no higher in 1979 than 1968.

The requirements for helpers on face equipment contained in the 1974 wage agreement was estimated to account for a maximum 5 percent of the 13-percent decline in underground productivity during 1974-75. No support was found for the argument that job bidding was a factor in the decline in productivity. Finally, a well-designed production incentive plan which stresses safety along with realistic production goals can be a useful management tool. Such a plan can lead to improvements in safety, productivity, and overall labor-management relations.

Federal Coal Mine Health And Safety Act

The Federal Coal Mine Health and Safety Act of 1969 authorized more stringent health and safety standards and vastly increased Federal enforcement powers and resources. The coal industry attributes low and declining underground productivity primarily to the act. Surface mine operators were less likely to blame low productivity on health and safety regulations. Using the number of inspection days to measure MSHA enforcement, we determined that a direct relationship exists between enforcement activity and productivity. Increased enforcement activity results in lower productivity. MSHA inspections reached a peak in 1973 and then declined slowly. The act had its largest impact on productivity between 1970 and 1973 when the number of inspections was growing. Since 1974, with MSHA and industry adjustment to the enforcement process and the leveling off of inspection activities, the act became less of a factor in the continuing decline in productivity. Although no longer a factor in the continuing decline, some of the initial loss in productivity may be permanent.

MSHA regulation reduces mine productivity primarily by requiring that increased labor be spent on nonproduction activities and by reducing available production time.

MSHA regulation reduced fatalities in coal mines dramatically; however, nonfatal injuries have stayed high. MSHA regulation improves mine safety mainly by preventing mine disasters. Fatalities have been reduced by more than half in the 8 years following passage of the act. MSHA regulations requiring increased roof support, ventilation, dust control, methane testing, and protection from machinery and electrical equipment are mainly responsible for the reduction in disasters. These same requirements are most responsible for the lost productivity due to Government regulation.

The Bureau of Mines and coal equipment manufacturers have developed safety technologies which could reduce the

adverse productivity impacts of some MSHA regulations. MSHA is involved in the selection process for new Bureau of Mines safety technology research projects. However, these technologies have not been adequately transferred to the coal mining industry due to a lack of adequate in-mine testing and continued uncertainty over whether MSHA will modify regulations or grant petitions for modification to operators using new technologies from productivity-reducing regulations.

Up to a point a trade-off exists between productivity and safety. In 1977, a direct relationship existed between both the number of lost workday injuries and the number of violations and productivity. An increase in either the number of violations or lost workday injuries resulted in an increase in productivity. However, an increase in the seriousness of violations received by a mine resulted in lower productivity. As a mine pushes to expand production, there may be a tendency to take short cuts, and place less emphasis on safety. The result will be an increase in both production and lost workday injuries. However, those mines which continue to push production beyond this range and are continually guilty of the most serious or dangerous violations pay a substantial penalty in terms of both safety and productivity.

Technology

The type of technology employed by a coal mine will have substantial effects on the level of productivity achieved. In underground mines the greatest productivity gains can be achieved by improving the reliability of coal cutting machines and improving haulage from the face. Advances in machine maintenance programs and haulage systems have not kept pace with productivity advances in coal cutting.

The potentially more productive continuous mining equipment lost its productive advantage over conventional mining methods after 1969. MSHA regulations and the 1974 union agreement, along with problems in machine reliability have prevented these methods from achieving their productive potential.

One indication of the slowness of technological advance in underground mines is the coal industry's reluctance to switch to longwall mining machines. The share of underground coal produced by longwall miners grew to only 5 percent by 1977. Our analyses showed that the coal industry's reluctance to invest in these longwall mining systems was based on a reasonable assessment of their actual productivity versus cost i.e., they improve productivity but at a high cost. However, longwall mines have the benefit of improved worker safety.

Haulage systems are a main constraint to improving pro-

ductivity underderground mines. A main bottleneck is the transport from the face to the main haulage line. Adding more shuttle capacity will increase productivity more than adding continuous and longwall mining machines. While shuttle capacity is most important, adding track and conveyor belts to the main haulage will also improve productivity.

Surface mining productivity can be increased by improving excavating and coal loading equipment and the efficiency of its use. Increased capacity for loosening coal through the use of more coal drills will significantly increase productivity as will greater use of front-end loaders for coal loading.

Coal equipment manufacturers and larger coal companies are doing research on improving the speed and reliability of existing equipment but are doing little research on advanced mining systems. At the same time, the Department of Energy (DOE) is doing substantial research on advanced mining systems that will yield high productivity gains. However, budget cuts have reduced DOE's research efforts.

Lessons from European Coal Mining

While still lower than in the U.S., productivity in British and West German coal mines has remained stable or increased slightly without detracting from mine safety. Reasons for lower productivity in European mines include poor geological conditions and more emphasis on safety. European technologies that the U.S. industry could employ to enhance both safety and productivity are longwall mining, computer monitoring of the mining environment, and methane drainage before mining. Greater utilization of these technologies in U.S. mines will require a close examination of current MSHA requirements for longwall mining and methane testing. European miners are given considerably more safety and skill training in more facets of mining. This increases safety and reduces the disruptive effects of absenteeism. Similar levels of training of U.S. miners may be warranted on safety and productivity grounds. European mines have also realized increased productivity through the use of production incentive bonuses.

RECOMMENDATIONS

GAO concludes that there are three areas in which changes could render substantial productivity improvements. These areas are: labor-management relations, mining technology, and the relationship between new technology and Federal mine safety and health regulations.

Labor and management must increase their efforts to improve communication and cooperation. Management should emphasize the training of supervisory personnel in labor-management relations, and the union should recognize manage-

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ment's need to have a stable workforce with low absenteeism. To improve the reliability of existing mining equipment, coal operators should increase preventive maintenance programs and training for shift mechanics. Funding of joint labor-management committees by the Federal Mediation and Conciliation Service could lead to improvements in these areas.

The Federal Government's role in improving coal industry labor-management relations has been limited to expediting arbitration procedures and mediating disputes. In recognition of the importance of effective communication and grievance handling, the Labor-Management Services Administration of the Department of Labor recently undertook two experimental training programs on grievance handling. GAO views these actions as promising first steps. Given the national importance if improving productivity and maintaining a steady coal supply, further Federal involvement may be warranted. GAO recommends that:

--The Secretary of Labor should direct the Labor-Management Services Administration to fund coal industry programs to train coal management and labor in effective communication and grievance handling.

Mining Technology

While coal mining technology has not caused productivity to decline, it has not advanced sufficiently in the past decade to offset the loss due to other causes. In underground mines, coal cutting and haulage are examples where technological improvements could increase productivity substantially. Given that expanding coal production is an important national goal, GAO recommends that:

--The Secretary of Energy should direct the Office of Coal Mining to increase research efforts in those areas which have a high potential for improving productivity.

The Bureau of Mines and coal equipment manufacturers have jointly developed safety technologies such as remote movement of line brattice and roof support systems which have the potential to reduce the adverse productivity impacts of MSHA regulations. However, many of these technologies have not been widely adopted by the industry. Two frequently cited reasons for this are the lack of adequate in-mine testing by the Bureau of Mines to demonstrate the benefits of the product and uncertainty over whether the Mine Safety and Health Administration will either grant petitions for modification or change regulations allowing operators to use new safety technology. GAO recommends that:

--Since the weakest link in the commercialization chain is in-mine testing, the Secretary of the Interior should direct the Bureau of Mines to ade-

quately test its products in working coal mines to establish and demonstrate their benefits.

--The Secretary of Labor should direct MSHA to minimize the regulatory lag which now delays introduction of productivity enhancing equipment that does not impair mine safety.

MSHA regulation has not effectively reduced the frequency of nonfatal disabling injuries caused primarily by worker error. Increased effectiveness of on-the-job safety training of both supervisors and workers should help reduce these types of injuries. GAO recommends that:

--The Congress increase the required minimum amount of on-the-job safety training for supervisors and miners.

--The Secretary of Labor should direct MSHA to analyze the impact on industry of increasing training requirements and provide further assistance if warranted.

AGENCY COMMENTS

Comments on a draft of this report were solicited from the Departments of Energy, the Interior, and Labor. The Department of Energy had no official comments. Both Interior and Labor agreed with the major findings of the report. Interior felt that DOE should not bcome involved in the training of miners and management. GAO agreed and the report's recommendation reflects this. Labor did not agree that MSHA should establish an agency-wide policy on exempting new Bureau of Mines technologies, that can be introduced safely from productivity reducing regulation. They pointed out that MSHA already grants modifications from health or safety standards on a case-by-case basis and has developed a system for revising standards in cases where a large number of such modifications have been granted. This process, however, was found to be time consuming, and GAO recommends that MSHA take the necessary steps to shorten it. Other technical and editorial comments by Labor and Interior are reflected throughout the report when appropriate.

CONTINUING ANALYSIS

Many of the suggestions and recommendations contained in this report represent potential means of improving productivity. Because higher productivity is so important, GAO plans to send the report to knowledgeable individuals in the United Mine Workers Union, academia, major coal producers, and State governments. GAO will solicit their views on its recommendations and request suggestions on how they might be implemented. GAO will evaluate any suggestions which could require congressional action and,

if appropriate, will submit further recommendations in a subsequent report.

IMPACT OF CUTBACKS IN FEDERAL PROGRAMS ON GAO ACTIVITIES

QUESTION: I'm interested in exploring with you briefly the extent to which your budget request has been compromised by President Reagan's decision to drastically reduce funding for a number of Federal programs. For example on Page M-2 of your justifications you state that the Energy and Materials Division will be looking at the activities of the Solar and Conservation Bank as required by law. However, the administration appears to be determined to eliminate the activities of this organization.

ANSWER: The administration proposed a substantial reorientation of the Government's efforts in energy. We have analyzed the proposed reductions and have begun careful analysis of how they may affect not only our planned but also our current efforts.

In reaching such a judgment, we will consider (a) the extent to which the Administration's proposals are approved by the Congress and (b) the proposed increases in the budget for nuclear and related activities which counterbalance the proposed reductions in other areas.

Notwithstanding proposed reductions in certain programs, the overall budget authority for Federal energy programs is scheduled to rise from $5.8 billion in FY 81 to $9.0 billion in FY 82 and $9.1 billion in FY 83. This is largely due to increases for nuclear energy and the Strategic Petroleum Reserve.

Furthermore, the administration has proposed no change in tax incentives for energy, which are projected to increase from $1.16 billion in FY 81 to $1.67 billion in FY 83, as shown below:

	FY 81	FY82	FY 83
Alcohol Fuels	$292	$431	$628
Conservation	739	799	709
Other Solar	128	216	334
TOTAL	$1,159	$1,446	$1,671

In addition, a substantial increase is already evident in the pace of leasing Federal energy and other minerals. This effort does not show up in the budget in terms of greatly increased expenditures, but will enlarge the universe of activities we would need to review; Federal leasing programs have been the subject of many past and current congressional requests.

Finally, Federal energy programs extend beyond direct expenditures and tax incentives to economic and health-safety regulation and credit assistance. Federal energy programs, in sum, can have a profound influence on the Nation's economy, quality of life, and national security.

In planning and performing our work, we will remain sensitive not only to shifts within the Federal energy budget but also to evolving congressional interests and needs.

GENERAL GOVERNMENT DIVISION

QUESTION: For the General Government Division, you are requesting $7,497,000 and 227 positions for FY '82 as opposed to $7,044,000 and 219 positions in FY '81 for the Washington office. You also want 316 field positions for this Division as opposed to 305 last year. Under this Division, the Law Enforcement Group plans to "identify and develop substantive policy and management issues on the prevention and control of juvenile delinquency and improvements to the juvenile justice system." Is this work self-initiated or requested by Congress? How many people will be involved in this effort?

ANSWER: In the law enforcement area, as in other areas covered by Federal programs, GAO is responsible for helping the Congress as it considers new programs, and as it funds and oversees the operations of existing programs. We plan the work that GAO performs under our basic legislative requirements so that it will be most relevant to the current and upcoming needs of Congress.

Current assignments programmed in the area of Juvenile Justice and Delinquency Prevention, which are being performed under our basic legislative requirements, are anticipated to assist the Congress in carrying out its oversight functions relative to the provision of the Juvenile Justice and Delinquency Prevention Act of 1979.

An increasing proportion of arrests for serious crimes involve juvenile offenders. For example, it is estimated that in 1978 persons under 21 years of age accounted for 40 percent of all arrests for serious crimes; as many as one-third of Americans have police arrest records by age 18. Each year some 2 1/2 million youths come into contact with the juvenile justice system. Losses attributed to juvenile delinquency and youth crime are estimate to cost about $16 billion annually.

In March, 1980 we began a planning survey to assure that future GAO work would best help Congress as it considers Federal funding and programs which combat violent crime. While this work identified a number of assignments, performance of which would be of value to the Congress, funding available to GAO has made it necessary for us to severely limit work in this area. We are currently performing work involving juvenile detention and separation practices in selected States and we are reviewing the Office

of Juvenile Justice and Delinquency Prevention's Special Emphasis Program. These assignments which are being performed based on GAO's legislation will require a total of 13 staff years.

Past GAO work has resulted in a series of reports which have examined the Federal role in preventing crime and delinquency and improving the criminal and civil justice systems. In March 1980 we issued a report to a Senate Appropriation Subcommittee entitled "States are Funding Juvenile Justice Projects that Conform to Legislative Objectives" (GGD-80-40). Also based on work performed under GAO's basic statutes, we testified before a Senate Judiciary Subcommittee on the results of a review of deinstitutionalization of status offenders. The problems which cause juvenile delinquency remain and much work remains to be done. Our basic legislative requirements work is programmed to assist the Congress in carrying out oversight functions during the annual authorization and appropriation processes. This work includes a review of budget estimates and submission of questions for use in hearings. We continue to discuss our work and plans with committees having oversight jurisdiction to make sure that the work that we perform continues to be of greatest benefit to them.

INTERNAL REVENUE SERVICE

QUESTION: This Division will also examine the effectiveness of IRS in performing its audits and in collecting taxes. What has been your experience regarding the effectiveness of IRS? Do they do a pretty good job in conducting audits and collecting taxes?

ANSWER: Generally, the IRS is effective in performing audits and collecting taxes. However, this does not mean that there is not room for significant improvement. For example, based on past GAO work, we have reported that as a result of deficiencies in IRS audit quality, 5 district offices incorrectly assessed over $1 million in taxes over a 4-month period. We recommended several actions to measure and improve IRS' audit quality. In other reports relating to IRS audits, we recommended ways that IRS can improve its selection of corporate tax returns for audit, commented on inconsistent IRS treatment of taxpayers selected for audit, and recommended that IRS reassess its procedures for selecting and auditing partnership tax returns. We are presently very active in evaluating IRS' collection activities. Over the past few years we have led the way in demonstrating that underreporters of taxable income and non-filers of income tax returns are a significant problem within our tax system. In addition to identifying the problem, we pointed out the ways by which IRS can identify and go after underreporters and non-filers. We are presently working on a report which will point out ways IRS can tighten up its delinquent account collection activities and thereby collect additional assessed taxes. On the legislative side,

we have reported how the legislatively determined low interest rate contributes to delays in collecting delinquent taxes. We also anticipate reporting on the need for legislation to provide a special penalty for employers who have not paid withheld-employee-income taxes to the Government but claim that they have made such payments on their tax forms. As a result of the above and other recommendations, IRS has made, and is planning to make significant changes to its audit and collection activities. These changes have increased and will continue to increase the effectiveness of these activities. In addition to these recommendations relating to specific activities and legislative requirements, we are evaluating IRS' resource allocations among its compliance programs, including audit and collections. This evaluation is aimed at ensuring that IRS employs the appropriate mix of resources necessary to obtain the greatest amount of audit coverage and collection activity for a specified and limited amount of resources.

PAPERWORK MANAGEMENT

QUESTION: You are requesting a total budget of $7,497,000 for your General Government Division in fiscal year 1982, an increase of $453,000 over your current budget. I note that you are requesting 32 positions in fiscal year 1982 for your Statistics, Paperwork Management, and Regulatory Reports activity, an increase of 3 positions over your current staffing levels. The narrative on page P-2 of your justifications indicates that "in the area of paperwork management, the General Government Division will continue reviewing selected areas of reporting to identify ways in which the burden imposed will be reduced". Given the new presidential initiatives in this area as well as the impact of the Paperwork Reduction Act of 1980, which brings the independent regulatory agencies under OMB authority and directs that the paperwork burden be reduced by 15 percent by October 1, 1982, why can't we assume a moderation of your activities in this area and thus simply maintain your current staffing?

ANSWER: The increase in resources directed to Statistics, Paperwork Management, and Regulatory Reports activity is required to oversee OMB's and the agencies' implementation of the Paperwork Reduction Act of 1980.

A great deal of the presidential initiatives to date have been in reforming regulatory activities as opposed to carrying out the information management functions which are the primary focus of the Paperwork Act. Several functions and responsibilities assigned to OMB under the Paperwork Act were assigned to it by earlier legislation. The assignment was reemphasized in the Paperwork Act to attempt to get OMB to increase the attention given these functions. There is a need to monitor OMB's efforts closely to insure effective implementation of the law. We have been working with one congressional committee to identify areas in which

GAO can assist in overseeing the implementation of the Act. To assist the Congress during its consideration of this matter in connection with FY 1982 budget and appropriation decisions, we issued the next document, which is a part of the report, "U.S. General Accounting Office: Comments on the President's February 18, 1981, Budget Proposals and Additional Cost-saving Measures" (OPP-81-2, March 3, 1981).

PRESIDENT'S PROPOSAL - INTEGRATING THE GOALS OF REGULATORY RELIEF WITH PAPERWORK REDUCTION GAO SUPPLEMENTARY DISCUSSION

The Administration needs to apply enough OMB resources to effectively implement the Paperwork Reduction Act of 1980 (P.L. 96-511). Tremendous potential exists for improving the management of the Government's activities and programs through more effective use of information resources. This could result in reduced costs for both the Government and private sectors and in improved performance and productivity.

The Administration has linked the goals of regulatory relief with paperwork reduction, with both functions to be carried out by the Office of Information and Regulatory Affairs in OMB. While there is a close relationship between regulations and paperwork, the legislation is not limited to paperwork issues. In addition, it covers ADP, telecommunications, and privacy functions previously assigned to OMB. The functions in these areas were reemphasized to get OMB to take a stronger role in carrying out its assigned responsibilities. The legislation also returns the statistical policy function to OMB and establishes a new records management policysetting and oversight function. These information-related functions are of equal importance to the function of reviewing Federal regulations and should be given strong attention. In this regard, the House Report on the legislation states that each of the functions should be effectively and efficiently carried out and that the OMB Director and Office Administrator should insure that one function does not dominate the others.

Successful implementation of the Paperwork Reduction act by OMB and the agencies should provide a good management boost to the Administration's program.

Relevant GAO Reports: Testimony of Elmer B. Staats, Comptroller General of the United States, on H.R. 6410, The Paperwork Reduction Act of 1980, before the Subcommittee on Legislation and National Security, House Committee on Government Operations; February 7, 1980.

Letter of March 3, 1980, from the Comptroller General to the Chairman, Subcommittee on Legislation

and National Security, House Committee on Government Operations, providing responses to questions and examples of potential benefits through implementation of H.R. 6410.

Letter of July 25, 1980, from the Comptroller General to the Chairman, Subcommittee on Federal Spending Practices and Open Government, Senate Committee on Governmental Affairs, providing comments on S. 1411.

REVIEWS OF READINESS OF FORCES AND EQUIPMENT

QUESTION: In detailing the activities of your Logistics and Communications Division you indicate that the distribution managment subdivision is concerned with the promotion of air, land, and sea readiness and then go on to say that the materiel management group directs much of its effort to military readiness. I wonder if you could distinguish the activities of these two groups in the area? At a quick glance it looks as though there might be some overlap.

ANSWER: Under the Logistics and Communications Division, the Distribution Management Subdivision's responsibility included readiness of air, land, and sea transportation assets and forces such as the Military Airlift Command, the Military Sealift Command, and the Military Traffic Management Command. The Materiel Management Subdivision's responsibility included readiness of existing general purpose and strategic active forces, reserve forces, and their equipment. Consequently, each subdivision addressed the readiness of different types of forces and equipment and there was no overlap in their responsibilities. In January 1981, the Logistics and Communications Division and the Procurement and Systems Acquisition Division were reorganized and redesignated the Procurement, Logistics, and Readiness Division; and the Mission Analysis and Systems Acquisition Division, respectively. One of the subdivisions under the Procurement, Logistics, and Readiness Division is the Readiness Subdivision. This subdivision now has responsibility for all military readiness work pertaining to existing forces and equipment whether for transportation, strategic, or tactical purposes.

STAFFING INCREASE FOR COMMUNICATIONS AND INFORMATION MANAGEMENT AREA

QUESTION: You are requesting $6,282,000 for the operations of your Logistics and Communications Division in fiscal year 1982, an increase of $342,000 above your current budget. In particular you are requesting a Washington staff of 34 for your Communications and Information Management subdivision, an increase of 9, or approximately one-third, over your present staffing levels. Why is such a substantial increase necessary?

ANSWER: The increase of nine for the Communications and Information Management subdivision is necessary to handle the large volume of congressional committee request assignments and to restore some of the divisional cuts that were imposed on this subdivision in the past. In fiscal year 1980, 60 percent of this subdivision's staff day expenditures were for congressional committee request assignments. In fiscal year 1981 to date, over 73 percent of the staff day expenditures have been for congressional committee request work. This subdivision had staff year allotments of 33 in fiscal year 1980 and 36 in fiscal year 1979.

On January 5, 1981, a revised division entitled "Procurement, Logistics, and Readiness Division" (PLRD) replaced the Logistics and Communications Division (LCD) and a revised division entitled "Mission Analysis and Systems Acquisition Division" (MASAD) replaced the Procurement and Systems Acquisition Division (PSAD). This realignment of responsibilities was made to enhance the contribution to decisionmaking of our reviews of major weapons and other systems involving large investments, on the one hand--while focusing more on readiness, economy, and efficiency on the other hand.

As part of this realignment, the Communications and Information Management subdivision was completely reorganized. The communications function was transferred to MASAD and renamed as "Communciation, Command, Control and Intelligence (C31), while the information management function was transferred to the General Government Division where it will be combined with the collection of non-Federal data function to form a more complete information management function.

HUMAN RESOURCES DIVISION--STUDIES OF DISEASE PREVENTION PROGRAMS

QUESTION: For your Human Resources Division, you ask for $9,496,000 and 290 positions for the Washington headquarters staff. This is up $479,000 over FY'81 and includes an additional nine positions. For the field personnel under this Division, the figure goes up from 444 positions in FY'81 to 459 in FY'82. Page Q-2 of the justifications states that one of the issues to be addressed in FY '82 is "preventing disease through early diagnosis and control." What responsibility does GAO have in this area?

ANSWER: GAO's responsibility in disease prevention programs is consistent with its responsibilities for reviewing and evaluating the efficiency and effectiveness of all health programs. In recent years HHS has focused considerable attention on prevention activities such as early diagnosis and control efforts as a means of improving health status and reducing health care costs. GAO's objective is to improve the efficiency, effectiveness and usefulness of Federal efforts aimed at preventing disease and illness and controlling the degree of disability of those who contract a disease. Among the ongoing efforts

in this important area are assessments of (1) Federal diabetes control activities, (2) VA's screening program for veterans exposed to Agent Orange, and (3) the effectiveness of the National Cancer Institute's anticancer drug development program. Efforts planned are assessments of (1) HHS' early and periodic screening, diagnosis and treatment program, (2) the impact of the Uniform Detoxification and Treatment Act, and (3) Federal efforts to combat arthritis.

HEALTH SERVICES FINANCING

QUESTION: Another area would be improving the provision of health services through alternative delivery and financing mechanisms such as health maintenance organizations. Explain some of the alternatives that will be looked at.

ANSWER: At the present time there is only one viable alternative to the fee-for-service mode of providing health care--health maintenance organizations. Our efforts currently planned involve assessments of various aspects of the HMO program. Some of these efforts will be deferred pending action on the President's proposal to phase out Federal support of HMOs. We will continue to monitor events in this area as well as new proposals that provide alternatives to fee-for-service.

FRAUD AND ABUSE IN HEALTH FINANCING PROGRAMS

QUESTION: Under Health Financing and Quality Control, you indicate that over $60 billion in Federal funds will be paid out in FY '82 for Medicare, Medicaid, CHAMPUS, and the Federal Employees Health Benefits programs. Your justifications further state that GAO's aim is to minimize fraud and abuse associated with these programs. Can you give us an estimate of the extent of fraud and abuse in these programs? Do you feel that GAO has had an impact on such fraud and abuse? Can you give us specific examples?

ANSWER: It is difficult to quantify the extent of fraud in the health financing program because fraud must be identified, prosecuted, and sustained by a conviction. In 1978, for example, HHS reported 57 convictions for Medicare-Medicaid fraud resulting from investigation by its staff. State Medicaid Fraud Control Units reported 137 convictions and the FBI reported 30 convictions for the October-December quarter. The 1979 figures were comparable. We believe abuse in these programs is much more substantial involving such activities as overutilization or unnecessary services and excessive payments.

We have been deeply involved in identifying fraud and abuse in these programs since at least 1975. These efforts culminated in the enactment of the Medicare-Medicaid Anti-Fraud and Abuse Amendments in October 1977 (Public Law 95-142) where the principal sponsor of this legislation in the Senate readily acknowledged our contributions in developing

and refining this legislation. At least ten of the amendments can be attributed to our work. Our reports dealing in part with fraud and abuse under Medicare and Medicaid since 1975, are shown below.

TITLE	HRD NO.	DATE
Improvements Needed in Medicaid Program Management Including Investigations of Suspected Fraud and Abuse	MWD-75-74	4/14/75
A Proposal for Disclosure of Contracting and Financial Arrangements between Hospitals and Members of their Governing Boards and their Medical Specialists	MWD-75-73	4/30/75
Improvements Needed in the Managing and Monitoring of Patients' Funds Maintained by Skilled Nursing Facilities and Intermediate Care Facilities	MWD-76-102	3/18/76
Tighter Controls Needed Over Payments for Laboratory Services	HRD-76-121	8/4/76
Relationships Between Non-Profit Prepaid Health Plans with California Contracts and for Profit Entities Affiliated with Them	HRD-77-4	11/1/76
State Audits to Identify Medicaid Overpayments to Nursing Homes	HRD-77-29	1/24/77
Strengthening the Capability of the Government to Detect, Prosecute, Lack of Coordination Between Medicaid and Medicare at John J. Kane Hospital Investigations of Medicare and	HRD-77-44	3/6/77
Medicaid Fraud and Abuse--Improvements Needed	HRD-77-19	3/23/77
Review of Required Contributions by Relatives of Medicaid Nursing Home Patients	HRD-77-90	3/26/77
Further Improvements Needed in Investigations of Medicaid Fraud and Abuse in Illinois	HRD-78-46	3/10/78
Savings Available by Contracting for Medicaid Supplies and Laboratory Services	HRD-78-60	7/6/78

TITLE	HRD NO.	DATE
Attainable Benefits of the Medicaid Management Information System are Not Being Realized	HRD-78-151	9/26/78
Problems in Auditing Medicaid Nursing Home Chains	HRD-78-158	1/9/79
Actions Needed to Stop Excess Medicare Payments for Blood and Blood Products	HRD-78-172	2/26/79
Home Health Care Services--Tighter Fiscal Controls Needed	HRD-79-17	5/15/79
Pennsylvania Medicaid Fraud and Abuse	HRD-79-113	9/24/79
Duplicate Payments for Medical Services by VA and Medicare Programs	HRD-80-10	10/22/79
States Should Intensify Efforts to Promptly Identify and Recover Medicaid Overpayments and Return the Federal Share	HRD-80-77	6/10/80
Reasonable Charges Under Part B of Medicare	HRD-81-12	10/22/80
Federal Funding for State Medicaid Fraud Control Units Still Needed	HRD-81-2	10/6/80
Validation of the Health Care Related Convictions Attributed to the Office of Investigations of the HHS	HRD-81-34	12/5/80
Programs to Control Prescription Drug Costs Under Medicaid and Medicare Could Be Strengthened and Punish Fraudulent Activities	HRD-81-36	12/31/80
Under the Medicare and Medicaid Programs	HRD-77-65	3/10/77

COST CONTROLS ON GOVERNMENT HEALTH PROGRAMS

QUESTION: Has GAO made recommendations in the past regarding ways to reduce fraud and abuse in these programs that have yet to be implemented? Would any of GAO's recommendations take changes in legislation to become effective? If so, please advise use of those recommendations and what actions it would take to make the changes.

ANSWER: In November 1979 we issued a report on the

status of 262 cost control recommendations contained in 84 reports on government health programs issued between January 1974 and January 1979 (HRD-80-6). The report noted that 164 of the recommendations to the Congress and Federal agencies had either not been carried out or only partially so. However, most of the recommendations addressing ways to reduce fraud and abuse have been carried out by legislation or regulation. The following are our most significant outstanding legislative recommendations relating to fraud and abuse.

In July 1978 we recommended that the Congress amend the Medicaid law to authorize competitive procurement of laboratory services and the direct procurement of such items as eyeglasses, hearing aids, oxygen, and certain items of medical equipment.1/ Although legislation consistent with our proposal has been passed by both Houses of Congress several times, it has not been enacted into law.

Recent disclosures by the FBI of the extent of fraud (kickbacks) involving laboratories and referring physicians make legislation authorizing the direct procurement of these services under Medicaid even more desirable. We believe that such action would go to the cause of the problem because in addition to saving the State's money, a laboratory would have little incentive to offer a kickback if it had competitively won a contract for such services on a per capita or total annual fee basis.

In February 1981, we recommended that the Congress amend the CHAMPUS law requiring that no benefits be payable to dependents of active duty military personnel when the benefit claimed is payable under another insurance plan obtained by employment or law, in which the beneficiary is covered. This recommendation would (1) prevent financial gain by beneficiaries as a result of double health insurance coverage, (2) reduce CHAMPUS program costs, and (3) administer the program consistently for all categories of beneficiaries.

COMPTROLLER GENERAL'S REPORT TO THE CONGRESS

HEALTH COSTS CAN BE REDUCED BY MILLIONS OF DOLLARS IF FEDERAL AGENCIES FULLY CARRY OUT GAO RECOMMENDATIONS

D I G E S T

The Congress and the Nation are concerned about the ever-increasing costs of health care in general and Federal health expenditures in particular. Over the

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1/"Savings Available by Contracting for Medicaid Supplies and Laboratory Services," HRD-78-60, July 6, 1978.

years, GAO has issued many reports on Federal and Federal/State health programs which contained recommendations to reduce program costs or control cost increases. GAO believed that a review of the status of implementation of these recommendations would provide the Congress, its Committees, and the Federal agencies responsible for administering the programs an overview of what has been done and what more could be done to control Federal health expenditures. The Congress and the agencies could then take a fresh look at those recommendations which have not been fully implemented and reevaluate their positions on them.

During the years 1974-78, GAO issued 84 reports containing 262 cost control recommendations related to Government health programs. Of these, 98 have been fully or substantially put into effect by the Congress or the administering agencies, saving millions of dollars.

However, 164 recommendations have been carried out only in part or not at all. Additional savings of millions of dollars can be realized if these recommendations are implemented. GAO believes that the Congress and the responsible agencies should take the actions necessary to implement the outstanding recommendations.

Examples of savings realized from implementing GAO recommendations are:

--The New Orleans Naval Hospital was closed and leased to a private operator. Annual savings of $2.4 million in operating expenses were realized, plus increased revenues of about $1.8 million a year from the lease.

--The number of beds planned for Indian Health Service facilities in the Navajo area was reduced by 296, saving $8.4 million in construction funds and $2.8 million in annual operating costs.

--Increased loaning and reissuing of medical equipment by the Veterans Administration resulted in 42,000 items valued at over $7 million being loaned and, subsequently, recycled.

--The Congress amended the Medicare law to provide incentives to patients with end stage renal disease to dialyze at home and to remove a disincentive toward receiving a kidney transplant. Based on 1972 data, home dialysis was about $15,000 a year less costly than facility dialysis, and kidney transplants saved about $30,000 a year per patient over facility dialysis.

--Medicare and Medicaid fraud and abuse control programs were tightened.

--Over $1.3 million was recouped in Medicare and Medicaid duplicate payments to a large, publicly owned nursing home.

--Repeal of the law requiring subordination of Medicare to the Federal Employees Health Benefits program brought first-year savings estimated at $48 million.

--The Congress amended the law to control non-arms-length dealings among Health Maintenance Organizations and those who own or control them.

--Detection of lead poisoning through increased screening was strengthened. This should result in preventing cases of mental retardation and save the cost of treating patients.

See appendixes IV, V, and VI for all fully or substantially implemented recommendations.

Examples of substantial additional savings available by fully carrying out GAO recommendations either only partially or not implemented:

--There is a need for greater sharing of health resources among the health delivery systems of the Departments of Defense and Health, Education, and Welfare and the Veterans Administration. Every 1-percent reduction in these systems' costs, achieved by sharing, saves taxpayers about $70 million.

--When nursing home beds are unavailable to Medicare and Medicaid patients, they stay in more costly hospital beds. Data indicate that about $73 million in Ohio and about $216 million in New York is being spent on hospital services for such patients who could be served adequately by nursing homes if beds were available.

--About $53 million could be saved in fiscal year 1981 if States were permitted to award contracts competitively for Medicaid laboratory services.

--Payments to States for Medicaid administration should be based on performance standards. Better administration through increased States controls of fraud, abuse, and waste should generate large savings in program costs.

--Improvements in deinstitutionalizing the mentally disabled would save the Government millions.

See appendixes I, II, and III for all partially and not implemented recommendations.

Appendixes VII through XI list by agency those recommendations made to the agency head which have not been fully implemented.

Appendixes XII through XVI list by agency program those recommendations made to the Congress which have not been implemented.

INCOME SECURITY AND SOCIAL SERVICES

QUESTION: Also on page Q-2, your justifications indicate that Federal outlays for Income Security and Social Services programs will total over $332 billion in FY 1982. Here again, this committee is very interested in any recommendations that GAO may have on ways to improve these various programs and, in some cases, to eliminate them. Give us some specifics of past GAO recommendations in this area.

ANSWER: In December 1980, we issued a report on the status of recommendations contained in 27 GAO reports issued between November 1976 and July 1980 (HRD-81-37, December 31, 1980). The report contains a number of legislative recommendations to cut, consolidate, or otherwise reduce Income Security and Social Services program benefits. Recommendations to increase program revenues and to improve the operational efficiency of the many programs are also discussed. Following are the highlights of some of these recommendations:

--Terminating Social Security benefits for post-secondary students effective in the fall of 1981 would result in net savings of about $1.1 billion during fiscal 1982;

--Requiring States to make more frequent Social Security deposits would earn additional interest of about $49 million in fiscal 1982 and about $290 million during fiscal years 1983-1985;

--Computing Social Security benefit amounts to the nearest penny or to the nearest dime would save at least $8 million in fiscal 1982 and at least $181 million during fiscal years 1983-1985;

--Eliminating the minimum Social Security benefit for new beneficiaries would result in net savings of about $35 million in fiscal 1982 and about $240 million during fiscal years 1983-1985;

--Determining SSI benefit eligibility and payment amounts on a monthly retrospective basis rather than the quarterly prospective basis would save at least $60 million in fiscal 1982 and at least $180 million in fiscal years 1983-1985.

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Following are specifics of a few of our recommendations subsequent to July 1980:

--In fiscal 1979, an estimated $125 million was overpaid to SSI recipients who own assets, such as bank accounts and real property (other than the recipients home) valued in excess of what is allowed under the program. Most overpayments occurred because assets were not detected through the eligibility interview process or because the Social Security Administration had not effectively monitored changes in ownership and values of identified resources. We made several recommendations to improve the identification and monitoring of resources. For example, SSA should develop and maintain detailed automated resource information to 1) include types and dollar values of resources owned by SSI applicants and recipients, 2) use the information to detect overpayments caused by changes in resource ownership and value, and 3) contact potentially eligible individuals, thereby enhancing SSA's outreach efforts. (HRD-81-4, February 4, 1981)

--The Social Security Administration has not adequately followed up on Disability Insurance (DI) beneficiaries to verify that they remain disabled. It has limited its reviews--referred to as continuing disability investigations (CDIs)--to a small percentage of beneficiaries. As a result, as many as 584,000 beneficiaries who do not currently meet SSA's eligibility criteria may be receiving benefits. If these persons are not in fact disabled and were removed from the rolls, the disability insurance trust fund would save over $2 billion a year. We recommended that SSA expedite efforts to reevaluate the DI rolls and to provide the necessary resources to support such efforts. We also made several recommendations to improve the management of the continuing disability investigation process. (HRD-81-48, March 3, 1981)

BY THE COMPTROLLER GENERAL
REPORT TO THE CONGRESS
OF THE UNITED STATES

Implementing GAO's Recommendations
On The Social Security Administration's
Programs Could Save Billions

This report summarizes actions taken on GAO's recommendations in 27 previous reports on the Social Security Administration's income security programs.

GAO believes the savings which would result from fully implementing its recommendations could help reduce the Federal deficit, reduce inflationary pressure, and improve the equity and integrity of income security programs. The recommendations that would produce the most substantial savings would affect the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds and would require changes to the Social Security Act.

Some of these recommendations have previously been considered by the Congress. However, the Congress should reconsider GAO's recommendations in view of the continuing emphasis on reducing the budget deficit, controlling inflation, and resolving the serious financial problems of the Old-Age and Survivors Insurance Trust Fund.

To the President of the Senate and the
Speaker of the House of Representatives

During the last several years, we have issued numerous reports recommending changes in income security programs managed by the Social Security Administration (SSA). Actions taken by the Congress and the Executive Branch on the matters discussed in our reports will save about $2 billion during fiscal years 1982-85. There would be additional savings of about $1.3 billion in fiscal year 1982 and about $4.5 billion in fiscal years 1983-85 if our recommendations were fully implemented. There would also be substantial savings in later years.

Legislative changes are needed to implement the recommendations that would result in the greatest savings. Some of these recommendations have been considered by the Congress. However, we believe further consideration is warranted as part of congressional efforts to reduce the budget deficit, control inflation, and resolve the serious problems of the Old Age and Survivors Insurance Trust Fund.

These matters are discussed below.

BACKGROUND

Income security programs account for over one-third of the Federal budget. SSA, within the Department of

Health and Human Services (HHS), 1/ administers some of the largest income security programs, including Old-Age and Survivors Insurance, Disability Insurance, Supplemental Security Income (SSI), and Aid to Families with Dependent Children (AFDC). We have issued many reports on these programs containing recommendations which, if implemented, could save billions of dollars. We made this review to determine what actions have been taken and what still needs to be done.

We obtained information from HHS on the actions taken in response to our recommendations and evaluated the adequacy of these actions. The actual or potential savings data were obtained from HHS. In some cases HHS projected savings through fiscal year 1986, but in other instances, data were readily available only for shorter time periods. In a few instances we made projections based on available data. We did not verify the savings data provided.

We also reviewed recent legislation and the status of legislative proposals to determine progress in implementing our legislative recommendations.

Appendix I summarizes our reports on the Old-Age and Survivors and Disability Insurance programs, appendix II summarizes our reports on the SSI program, and appendix III summarizes our reports on the AFDC and Emergency Assistance programs. Minor modifications have been made to some recommendations to recognize actions taken by the Congress or HHS to partially implement our recommendations.

We did not obtain written comments from HHS because this report principally reiterates those unresolved recommendations made in our prior reports and HHS has previously responded to those recommendations. However, drafts of the appendixes have been reviewed by SSA officials and revised, where appropriate, to reflect their comments.

WHY OUR RECOMMENDATIONS ARE IMPORTANT

Many believe that deficit Federal spending is a cause of or a major contributing factor to inflation. In his fiscal year 1981 budget message, the President stated that equitable budget restraint was essential to control inflation. The President's message cited several efforts needed to combat inflation, such as reducing dependence on foreign oil and enhancing economic productivity. However, he said that none of these efforts can succeed unless Federal spending is controlled.

1/On May 4, 1980, the part of the Department of Health, Education, and Welfare (HEW) responsible for most of the activities discussed in this report became HHS.

Also, although the largest income security programs are funded by payroll taxes rather than general revenues, serious financial difficulties are anticipated for the largest trust fund. The 1980 annual report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds states that, under present conditions, the assets of the Old-Age and Survivors Insurance Trust Fund are expected to be insufficient to pay benefits by late 1981 or early 1982.

In January 1980, the administration requested temporary authority for interfund borrowing, which would make the Old-Age and Survivors Insurance Trust Fund, the Disability Insurance Trust Fund, and the Hospital Insurance Trust Fund available to pay benefits under any of the three programs. Depending on the future course of the economy, interfund borrowing may be adequate to finance all three programs during the 1980s. Under adverse economic conditions, interfund borrowing would postpone but not eliminate the need for more income. Recent increases in social security taxes met with worker resistance and public debate as to whether to rescind the increases.

Finally, publicity about payments to the ineligible, over-payments, duplicate payments, and payments to people who are not needy have raised public concern.

Implementing our recommendations would help reduce inflation, enhance the financial condition of the trust funds, and improve the equity and integrity of income security programs.

ACTIONS TAKEN WILL SAVE ABOUT $2 BILLION IN FISCAL YEARS 1982-85

Action has been taken on the matters discussed in nine of our reports which will save about $2 billion during fiscal years 1982-85. For example, in March 1979, SSA instituted a procedure to verify that student beneficiaries were attending school full time as required to be eligible for student benefits. We estimate that this procedure will save about $36 million a year. In connection with our report on liberal deposit requirements of States' Social Security contributions, the Social Security Disability Amendments of 1980 (Public Law 96-265) was approved on June 19, 1980, which require States to deposit their contributions monthly instead of quarterly. This change is expected to result in additional interest of about $1.3 billion being earned during fiscal years 1982-85 and made available to the Social Security trust funds.

Also, in response to our recommendations, SSA has begun to (1) obtain pension and compensation data from the Department of Labor, Railroad Retirement Board, Veterans Administration, and Office of Personnel Management and (2) compare these data with those reported by SSI appli-

cants and recipients to assure that payments are correct. We estimate that this action will save the Federal Government about $244 million during fiscal years 1982-85. The table on the following page summarizes these and other achieved savings and refers to pages in the appendixes which describe in greater detail the basis for the anticipated savings.

It was not practicable to precisely quantify by fiscal years the savings achieved through implementing many of our recommendations. However, it is apparent that implementing these recommendations has resulted in large savings, in addition to the quantified savings discussed above. For example, actions have been taken to improve the collection of SSI overpayments, but it was not possible to quantify the savings attributable to these actions.

FURTHER ACTIONS CAN SAVE BILLIONS MORE

Fully implementing the recommendations in eight of our reports would save $1.3 billion in fiscal year 1982 and about $4.5 billion in fiscal years 1983-85. There would be similar savings in later years. In addition, there would be substantial, although unquantifiable, savings from implementing many other recommendations.

Following are examples of programs where our recommendations, if implemented, would result in substantial savings:

--Terminating Social Security benefits for post-secondary students effective fall 1981 would result in net savings of about $1.1 billion during fiscal year 1982 and recurring savings of similar or larger amounts in later years. As an alternative, if student benefits were gradually phased out beginning with fiscal year 1982, the estimated net savings would be $74 million in fiscal year 1982 and additional savings of about $2.4 billion during fiscal years 1983-85.

--Eliminating the minimum Social Security benefit would result in estimated net savings of $35 million in fiscal year 1982 and additional savings of $240 million during fiscal years 1983-85.

--Requiring States to make more frequent Social Security deposits would earn additional interest of about $49 million in fiscal year 1982 and about $290 million during fiscal years 1983-85.

--Calculating Social Security benefits to the nearest penny--or to the nearest dime, as HHS has proposed--would save at least $8 million in fiscal

Action taken	Appendix page references	Fiscal years 1982	1983	1984	1985	Total
				(millions)		
Student Social Security benefits: verifying full-time status	p. 1	$ 36.0	$ 36.0	$ 36.0	$ 36.0	$ 144.0
Student basic grants: interface with Social Security benefits	p. 1	5.8	5.8	5.8	5.8	23.2
Expedited deposits of States' Social Security contributions	p. 6	235.0	286.0	337.0	412.0	1,270.0
Improved collection of Social Security overpayments	p. 17	8.7	8.7	8.7	8.7	34.8
Reduced SSI benefits: interface with other Federal agencies	p. 23	61.0	61.0	61.0	61.0	244.0
Reduced SSI windfall benefits	p. 25	24.0	30.0	33.0	35.0	122.0
Reduced SSI payments to newly arrived aliens	p. 30	12.0	19.0	24.0	28.0	83.0
Reduced SSI disability payments to ineligibles	p. 34	2.4	2.2	(a)	(a)	a/4.6
Reduced AFDC payments to ineligibles	p. 51	7.1	7.1	7.1	7.1	28.4
Discontinuance of advance AFDC payments	p. 56	0.8	0.8	0.8	0.8	3.2
Total		$392.8	$456.6	$513.4	$594.4	$1,957.2

a/SSA did not have sufficient data to enable us to project savings for fiscal years 1984 and 1985.

year 1982 and at least $181 million during fiscal years 1983-85.

The table on the following page shows the quantifiable savings that would result from implementing our recommendations.

It was not practicable to determine the savings on a fiscal year basis that would result from implementing many of our recommendations. However, we believe that taking action on such recommendations can result in large savings, in addition to the quantifiable savings discussed above.

CONCLUSIONS AND RECOMMENDATIONS

We believe the savings which would result from fully implementing our recommendations could help reduce the Federal deficit, reduce inflationary pressure, and improve the equity and integrity of income security programs. The recommendations that would produce the most substantial savings would affect the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds and would require changes to the Social Security Act.

Some of these recommendations have previously been considered by the Congress. However, we believe the Congress should reconsider our recommendations in view of the continuing emphasis on reducing the budget deficit, controlling inflation, and resolving the serious financial problems of the Old-Age and Survivors Insurance Trust Fund.

Each of our recommendations to the Congress is stated below and referenced to the pertinent pages of the appendixes. For brevity, we are restating our recommendations to the Secretaries of HHS, Education, or State. Those recommendations are in the appendixes.

RECOMMENDATIONS TO THE CONGRESS

We recommend that the Congress amend the Social Security Act to:

--Discontinue student benefits for postsecondary students and take steps to assure that the Department of Education will have sufficient financial resources to meet any increased demand for aid arising from discontinuance of these benefits.

--Require States to deposit Social Security taxes semimonthly or biweekly. We also recommend that the Congress consider requiring States to deposit Social Security taxes using the same schedule that States now use to deposit withheld

Recommendation	Appendix page reference	Fiscal Years 1982	1983	1984	1985	Total
		(millions)				
Terminate student benefits	p. 1	$1,120.0	$1,120.0	$1,120.0	$1,259.0	$4,619.0
Reduce excessive student basic grants	p. 1	2.4	2.4	2.4	2.4	2.4
Further expedite deposits of States' Social Security contributions	p. 6	49.0	81.0	95.0	114.0	339.0
Rounding benefits to nearest penny	p. 8	8.0	37.0	62.0	82.0	189.0
Eliminate minimum benefits	p. 10	35.0	60.0	80.0	100.0	275.0
Use State data to compute benefits	p. 20	1.6	1.6	1.6	1.6	6.4
Reduce SSI payments to newly arrived aliens	p. 30	32.0	24.0	15.0	15.0	86.0
Prepayment review of retroactive SSI payments	p. 42	2.0	2.0	2.0	2.0	8.0
Compute SSI benefits on a retrospective basis	p. 45	60.0	60.0	60.0	60.0	240.0
Total		$1,310.0	$1 ,388.0	$1,438.0	$1,636.0	$5,772.0

income taxes. Such a requirement would enable the trust funds to earn additional interest income over the $339 million which could be earned by requiring remittances semimonthly or biweekly.

--Compute benefit amounts to the nearest penny or to the nearest 10 cents as proposed by the Secretary of HEW.

--Eliminate the minimum benefit provision for new beneficiaries. To minimize the hardship to the few needy beneficiaries not eligible for SSI, the Congress could authorize a limited SSI payment which would replace the portion of the Social Security benefit lost through eliminating the minimum provision.

--Revoke section 224(d) of the Social Security Act, which allows States to offset their portion of disability benefits, and require that the Social Security offset be made effective when workers' compensation benefits are awarded, rather than when SSA is notified of the award.

--Determine SSI benefits eligibility and payment amounts on a monthly retrospective basis, rather than the quarterly prospective basis.

We also recommend that the Congress:

--Consider whether the Emergency Assistance program should continue. If the Congress determines that the program should continue, it should review the positions of HHS and the courts, including the U.S. Supreme Court, concerning eligibility and the type and extent of emergencies covered. It should then, if necessary, amend the legislation to clearly indicate congressional intent.

--Determine, in cooperation with HHS, the controls that would best provide additional appropriate and feasible financial incentives and enact legislation to establish them to effectively control AFDC payment errors. The Congress should consider HHS' study to determine an ultimate error rate goal in establishing the needed financial incentives.

Finally, we recommend that the House and Senate Appropriations Committees retract the conference committee directive for Federal fiscal sanctions against the States, based on the AFDC quality control error rates.

EDUCATION, EMPLOYMENT, AND TRAINING

QUESTION: Page Q-3 sets forth your plans in the area of Education, Employment, and Training. You estimate that outlays of Federal funds for such programs will exceed $29 billion for FY '82. Provide for the record the past work that GAO has done in this area and set forth estimated savings that have resulted from GAO's audits.

ANSWER:

Savings and Other Accomplishments Resulting from GAO Reviews of Federally-Funded Education Programs

During the past several years, GAO has conducted many reviews of Federally-funded education programs and has issued reports to the Congress on the results of these reviews. The reports concern programs authorized by the Elementary and Secondary Education Act, the Emergency School Aid Act, and the Higher Education Act.

Some of the recommendations in these reports were implemented and resulted in substantial savings to the Federal Government. Other recommendations that were implemented resulted in benefits which resulted in more efficient, economical, and effective program management that is not readily measurable in dollars. Information on savings and improvements to education programs attributable to GAO's work follows.

Dollar Savings as a Result of General Accounting Office Reviews of Federal Education Programs

I. GAO issued a report on the Emergency School Aid Act (ESAA) on January 20, 1978. GAO's primary concern was that program funds had been used for general education rather than desegregation assistance because the administration allowed funding for (1) past desegregation efforts, (2) schools not affected by desegregation plans, and (3) activities not directly related to implementing the plans.

The report contained recommendations to the Congress and the Secretary of HEW. Almost all of them have been or are being implemented. Specifically, the Congress, in the Education Amendments of 1978, amended the ESAA in accordance with GAO's recommendations to (1) include recentness of desegregation efforts as a basis for awarding grant funds, (2) clarify a basis for eligibility for funds under the "integrated schools" provision, and (3) limit the amount of funds under the statewide competition. HEW has provided guidance to Office for Civil Rights officials and ESAA program officers about eligibility of desegregation plans and funding only those schools affected by, and only those activities that are related to implementing, the plans.

Based on GAO's reports the Office of Education (OE) took action in 1978 to link all funding to desegregation resulting in savings of about $22.5 million. In fiscal year 1980, the Congress reduced the President's initial budget request by $18.8 million and rescinded an additional $11 million from the general grants program. Thus, savings as a result of GAO's report on ESAA totaled about $52.3 million.

Relevant GAO Report - Better Criteria Needed for Awarding Grants for School Desegregation (HRD-78-36, January 30, 1978).

II. In a September 1977 report on OE's Basic Educational Opportunity Grant Program GAO stated that OE had not established adequate controls to guarantee that information supplied by applicants and parents is accurate. As much as $24.3 million may have been awarded to ineligible students. Other Basic Grants of as much as $117.9 million were awarded without resolving conflicts in information.

As a result of the GAO report, OE initiated a preaward verification procedure in the program. OE implemented a new computer check for inconsistencies or omissions in students' applications for grants. If the applications are rejected, students may submit corrected applications. However, the revised applications will be subjected to extra scrutiny. HEW conservatively estimated it had been paying $100-150 million annually to students who were ineligible or who were overpaid.

Relevant GAO Report - Office of Education's Basic Grant Program Can be Improved (HRD-77-91, September 21, 1977).

NON-DOLLAR BENEFITS AS
A RESULT OF GENERAL
ACCOUNTING OFFICE REVIEWS
OF FEDERAL EDUCATION PROGRAMS

I. In a December 1975 report, GAO identified a number of problems concerning reading activities under the Title I program of the Elementary and Secondary Education Act (ESEA). Some concerns were the need (1) to improve State administration and monitoring in order to evaluate projects better, (2) for assistance to local education agencies (LEA) in selecting project participants and identifying student needs, and (3) to increase parental involvement in the projects. The report contained numerous recommendations to the Secretary of HEW.

A number of these issues were addressed by the Congress in the Education Amendments of 1978. More specifically, the title I legislation was amended to (1) require States to submit detailed State monitoring and enforcement plans as part of the application, (2) require annual LEA needs assessments and define the intent of such assessments, (3) clarify the requirements for selecting and

retaining students, (4) require OE to prepare a title I Policy Manual which should, among other things, contain specific information on the development of title I program, and (5) require workshops for training parent advisory groups as well as assessing the existing methods of parent involvement and training. The House Committee on Education and Labor's Report on the 1978 Education Amendments specifically cites data from GAO's report for justification of the changes to State monitoring and LEA needs assessment requirements.

Implementation of these changes should help ensure better project design and improved administration of the title I program.

Relevant GAO Report - Assessment of Reading Activities Funded Under the Federal Program of Aid for Educationally Deprived Children (MWD-76-54, December 12, 1975).

II. In a February 1979 report GAO showed that, after 12 years and $700 million spent, the Strengthening Developing Institutions program had had few measurable results and was beset with problems. These problems were seen as so pervasive that the program as then structured was "largely unworkable." GAO made a number of recommendations concerning eligibility, selection, funding controls, choice of projects, and evaluations.

In response to GAO's findings and their own concerns, three Congressional committees held hearings on the program.

In reauthorizing the Higher Education Act of 1965 in 1980, the Congress made substantial changes to the Strengthening Developing Institutions program. Some of the changes included (1) submission of long-range plans by grantees, (2) less use of "assisting agencies" as consultants to grantees, (3) improved procedures for evaluating proposals, (4) requirement that schools must plan for self-sufficiency, (5) priority consideration for sound cooperative arrangements among schools and (6) increased set-aside funds for 2-year schools. Additionally, the Department of Education has agreed to improve program administration by making regular site visits to and financial audits of grantee institutions. Many of these changes were recommended in the GAO report. These changes, if properly implemented, should significantly improve administration of the program.

Relevant GAO Report - The Federal Program to Strengthen Developing Institutions of Higher Education Lacks Direction (HRD-78-170, February 13, 1979).

EMPLOYMENT AND TRAINING ISSUES

REPORTS ISSUED

Following is a listing of 69 GAO reports issued since October 1, 1976, relating to Employment and Training. Unless otherwise indicated the report was issued to the Congress.

1. Letter Report To The Secretary of HEW Regarding The Use Of Cooperative Agreements In The Vocational Rehabilitation Program Administered By The Indiana State Rehabilitation Agency. (November 26, 1976. HRD-77-20.)

2. Payment Problems In The Summer Youth Employment Program In New York City, To Congressman Fred Richmond. (February 2, 1977. HRD-77-18.)

3. Letter Report To Senator Thomas F. Eagleton On the Cardozo High School Summer Band Program. (February 15, 1977. GGD 77-16.)

4. Follow-Up Report On Services To Veterans In Delaware Under Title VI Of The Comprehensive Employment And Training Act to the Chairman, Senate Committee On Veterans' Affairs. (February 16, 1977. HRD-77-16.)

5. Employment Programs In Buffalo And Erie County Under The Comprehensive Employment And Training Act Can Be Improved to Congressman Jack Kemp. (February 18, 1977. HRD-77-24.)

6. The Employment Service--Problems and Opportunities For Improvement. (February 22, 1977. HRD-76-169.)

7. Letter Report On Allegations That Ineligible Applicants Were Enrolled In Programs Administered By The United Migrant Opportunity Service, Milwaukee, Wisconsin, to Senator William Proxmire. (March 22, 1977. HRD-77-59.)

8. Observations Concerning The Local Public Works Program, to the Chairman, Senate And House Committees On Public Works. (February 23, 1977. CED-77-48.)

9. More Benefits To Jobless Can Be Attained In Public Service Employment. (April 7, 1977. HRD-77-53.)

10. Inquiry Into Certain Alleged Irregularities In The CETA Program In Berkeley, California, to Congressman Ronald V. Dellums. (May 4, 1977. HRD 77-85.)

11. Controls Over Vocational Rehabilitation Training Services Need Improvement. (May 5, 1977. HRD-76-167.)

12. Property And Fiscal Management Problems At the Maryland Job Corps Center, to Congressman Goodloe Byron. (May 13, 1977. HRD-77-36.)

13. Certifying Workers For Adjustment Assistance--The First Year Under The Trade Act. (May 31, 1977. ID-77-28.)

14. Information On The Summer Youth Employment Program, to Congressman Parren J. Mitchell. (June 27, 1977. HRD-77-121.)

15. Stronger Controls Needed Over The Migrant and Seasonal Farmworkers Association Programs In North Carolina, to Senator Robert Morgan. (September 8, 1977. HRD-77-84.)

16. Activities Of The Adjustment Assistance Coordinating Committee and Certain Aspects Of H.R. 8442, to the Chairman Subcommittee On Trade--Committee On Ways and Means. (December 5, 1977. ID-78-5.)

17. Worker Adjustment Assistance Under The Trade Act of 1974--Problems In Assisting Auto Workers. (January 11, 1978. HRD-77-152.)

18. Information On The Buildup In Public Service Jobs, to the Chairman, Senate Committee On The Budget. (March 6, 1978. HRD-78-57.)

19. Letter Report Concerning The Implementation and Progress Of The Help Through Industry Retraining And Employment (HIRE) Program, to Congressman John Conyers. (March 9, 1978. HRD-78-83.)

20. Third Party Funding Agreements: No Longer Appropriate For Serving The Handicapped Through The Vocational Rehabilitation Program. (April 4, 1978. HRD-78-7.)

21. Unemployment Insurance--Need To Reduce Unequal Treatment to Claimants and Improve Benefit Payment Controls and to Tax Collections. (April 5, 1978. HRD-78-1.)

22. Questionable Need For Some Department Of Labor Training Programs. (April 10, 1978. HRD-78-4.)

23. Expenditure Of Funds Under Federal Employment Training, and Housing Programs In Buffalo, New York, to Congressmen Henry J. Nowak and Jack F. Kemp. (May 1, 1978. HRD-78-101.)

24. Adjustment Assistance Under The Trade Act Of 1974 To Pennsylvania Apparel Workers Often Has Been Untimely and Inaccurate. (May 9, 1978. HRD-78-53.)

25. Letter Report Concerning The Status Of Improving Cleveland's Management Of Its Employment and Training Programs, to Congresswoman Mary Rose Oakar. (June 7, 1978. HRD-78-126.)

26. Job Training Programs Need More Effective Management. (July 7, 1978. HRD-78-96.)

27. Poor Administration Of The 1977 Summer Program For Economically Disadvantaged Youth In New York City, to Congresswoman Elizabeth Holtzman. (July 26, 1978. HRD-78-123.)

28. Letter Report Concerning The Labor Certification Process For The Temporary Employment Of Aliens In The United States, to Senator Bob Packwood. (August 15, 1978. HRD-78-156.)

29. Need For Increased Emphasis On Timely Contract and Grant Closeout Activities, to the Secretary Of Labor. (September 21, 1978. HRD-78-142.)

30. Worker Adjustment Assistance Under The Trade Act Of 1974 To New England Workers Had Been Primarily Income Maintenance. (October 31, 1978. HRD-78-153.)

31. Letter Report Concerning Indian Employment and Training Programs Authorized By CETA, to Senator Henry Bellmon. (December 8, 1978. HRD-79-28.)

32. Firm Adjustment Assistance Under The Trade Act Of 1974--Income Maintenance Or Successful Adjustment. (December 21, 1978. ID-78-53.)

33. The Labor Department Should Reconsider Its Approach To Employment Security Automation. (December 28, 1978. HRD-78-169.)

34. Much More Could Be Done For Veterans In Employment and Training Programs, to the Chairman, Senate Veterans' Committee. (December 29, 1978. HRD-78-166.)

35. The Award Of Funds To The National Farmworkers Service Center, Inc. Was Poorly Managed, to Congressman Clair W. Burgener and 31 other members of Congress. (January 15, 1979. HRD-79-30.)

36. Considerations For Providing Adjustment Assistance Under The Trade Act Of 1974: A Summary Of Techniques Used In Other Countries. (January 18, 1979. ID-78-43.)

37. Letter Report Concerning The Skill Training Improvement Program (STIP), to Congressman John Conyers. (January 19, 1979. HRD-79-19.)

38. Correctional Institutions Can Do More To Improve The Employability Of Offenders. (February 6, 1979. GGD-79-13.)

39. More Effective Management Is Needed To Improve The Quality Of The Summer Youth Employment Program, to the Senate Committee On The Budget. (February 20, 1979. HRD-79-45.)

40. Administrative Weaknesses In St. Louis Comprehensive Employment and Training Act Programs, to Congressman William Clay. (March 2, 1979. HRD-79-15.)

41. Federal Efforts To Increase Minority Opportunities In Skilled Construction Craft Unions Have Had Little Success. (March 15, 1979. HRD-79-13.)

42. Letter Report Concerning Allegations Of Program Mismanagement At Service Employment Redevelopment (SER)-Jobs For Progress, Inc., Milwaukee, to Senator William Proxmire. (April 5, 1979. HRD-79-65.)

43. Evaluation Of Agency Comments On The December 29, 1978, Report On Employment Security Automation. (April 26, 1979. HRD-79-71.)

44. Federally Assisted Employment and Training: A Myriad Of Programs Should Be Simplified. (May 8, 1978. HRD-79-11.)

45. More Can Be Done To Identify and Help Communities Adjust to Economic Problems Caused By Increased Imports. (May 14, 1979. CED-79-42.)

46. Rehabilitating Blind and Disabled Supplemental Security Income Recipients: Federal Role Needs Assessing. (June 6, 1979. HRD-79-5.)

47. Job Corps Should Strengthen Eligibility Requirements and Fully Disclose Performance. (July 9, 1979. HRD-79-60.)

48. Review Of The Administration Of Research and Demonstration Grants by The Rehabilitation Services Administration, to Senator Dole. (July 24, 1979. HRD-79-103.)

49. A Single Federal Authority Is Needed For Establishing Or Constructing Rehabilitation Facilities. (August 23, 1979. HRD-79-84.)

50. GI Bill Benefits For Flight and Correspondence Training Should Be Discontinued, to the Chairman, Senate Committee On Veterans' Affairs. (August 24, 1979. HRD-79-115.)

51. Unemployment Insurance--Inequities and Work Disincentives In The Current System. (August 28, 1979. HRD-79-79.)

52. Letter Report On Improvements Needed In The Migrant Education Program, to the Secretary Of Health, Education, and Welfare. (August 28, 1979. HRD-79-127.)

53. Evaluation Of The Secretary Of Labor's Comments On "The Award Of Funds To The National Farm Workers Service Center, Inc. Was Poorly Managed", Letter Report to Congressman Charles Pashayan, Jr. (October 2, 1979. HRD-79-127.)

54. Moving Participants from Public Service Employment Programs Into Unsubsidized Jobs Needs More attention, to the Chairman and the Ranking Minority Member, Senate Committee On The Budget. (October 12, 1979. HRD-79-101.)

55. Letter Report On The Distribution Of Senior Community Service Employment Program Positions, to Congressman Charles E. Grassley. (November 8, 1979. HRD-80-13.)

56. Employee Protection Provisions Of The Rail Act Need Change, to the Chairman, Subcommittee on Government Activities and Transportation, House Committee on Government Operations. (December 5, 1979. CED-80-16.)

57. Restricting Trade Act Benefits to Import-Affected Workers Who Cannot Find A Job Can Save Millions. (January 15, 1980. HRD-80-11.)

58. Letter Report On The Department Of Labor's Efforts To Improve The Quality Of The 1979 Summer Youth Employment Program, to the Chairman, Senate Committee On The Budget. (February 5, 1980. HRD-80-39.)

59. Recruiting and Placing Puerto Rican Workers With Growers During The 1978 Apple Harvest Were Unsuccessful, to Senator Robert C. Byrd. (February 14, 1980. HRD-80-45.)

60. New Legislation and Stronger Program Management Needed To Improve Effectiveness of VA's Vocational Rehabilitation Program, to the Chairman, Senate Committee On Veterans' Affairs. (February 26, 1980. HRD-80-47.)

61. Report To The Secretary Of Health, Education, and Welfare On Better Reevaluations Of Handicapped Persons In Sheltered Workshops Could Increase Their Opportunities For Competitive Employment. (March 11, 1980. HRD-80-34.)

62. Need To Ensure Nondiscrimination In CETA Programs. (June 17, 1980. HRD-80-75.)

63. Congress Should Scale Down Redwood Employee Program Benefits. (July 8, 1980. HRD-80-63.)

64. Letter Report On The Use Of Comprehensive Employment and Training Act funds For Prisoners, to Congressman John Cavanaugh. (August 4, 1980. HRD-80-100.)

65. Allegations About The Ohio Bureau Of Employment Services' Operations In Cleveland, Ohio, Report to Congressman Louis Stokes. (August 27, 1980. HRD-80-105.)

66. Employment Service Needs To Emphasize Equal Opportunity In Job Referrals. (September 17, 1980. HRD-80-95.)

67. The Employment And Training Administration Should Stop Using State Agencies To Pass Funds Through To Contractors,

Letter Report to the Secretary Of Labor. (September 18, 1980. HRD-80-109.)

68. The Federal Mediation and Conciliation Service Should Strive to Avoid Mediating Minor Disputes. (October 30, 1980. HRD-81-14.)

69. CETA Demonstration Provides Lessons on Implementing Youth Programs. (December 8, 1980. HRD-81-1.)

FINANCIAL SAVINGS AND OTHER BENEFITS RESULTING FROM GAO'S AUDIT EFFORT IN THE ISSUE AREA

Some examples of measurable financial savings and other benefits attributable to GAO's work in the Employment and Training issue area follow. Measurable savings consist largely of actual or potential savings from actions taken by the Congress and Federal agencies in response to GAO's suggestions and recommendations. In most instances, the potential benefits are estimated. Some actions taken in response to GAO recommendations result in improvements or savings that cannot be readily measured or result in benefits other than financial savings.

--As a result of a GAO recommendation, the Department of Labor, in April 1980, terminated its Employment Security Automation Project at a savings of at least $129 million. (HRD-78-169, December 28, 1978.)

--A GAO report on the recruitment and placement of Puerto Rican workers with growers during the 1978 apple harvest and input GAO supplied to Senate hearings helped prevent a misuse of Comprehensive Employment and Training Act (CETA) funds during 1979, and resulted in savings of $275,000. (HRD-80-45, February 14, 1980.)

--As a result of a GAO report on CETA programs in Buffalo and Erie Counties, New York, Labor recovered $101,000 for ineligible participants employed in the programs. (HRD-77-24, February 18, 1977.)

--GAO's Trade Act report provided Congress with a basis for rejecting a bill which would have liberalized the Act's cash benefits, and added about $1.2 billion to the current yearly benefits. Additionally, if adopted, GAO's recommendations will result in over $3 billion in savings over the next 4 fiscal years. (HRD-80-11, January 15, 1980.)

--As a result of GAO's report on the use of CETA funds for prisoners, Labor questioned the District of Columbia's payment of over $426,000 in CETA salaries to prisoners who were ineligible because they had long sentences remaining. All ineligible prisoners were removed from the program and the case

has been referred to an Administrative Law Judge. Also, Labor revised its regulations effective February 4, 1980, to clearly limit the payment of wages to prisoners who could be released within one year. (HRD-80-100, August 4, 1980.)

--GAO recommended that Congress terminate GI bill benefits for flight and correspondence training because they tend to serve avocational, recreational, or personal enrichment rather than basic readjustment and employment objectives. As a result, the Congress passed the Veterans Rehabilitation and Education Amendments of 1980. Effective October 17, 1980, the amendments modify eligibility and program completion requirements and will save about $93 million from 1981 through 1985. (HRD-79-115, August 24, 1979.)

--The Redwood Employee Protection Program pays cash benefits to workers laid off due to expansion of the Redwood National Park. As a result of GAO's report on that program, Labor instituted a more narrow interpretation of the eligibility requirements for the program which will remove certain employees whose job-loss was not affected by park expansion. (HRD-80-63, July 8, 1980.)

--As a result of recommendations made in GAO's report on the Summer Youth Employment Program, Labor made major improvements in the administration of the program in 1979 and provided participants meaningful work tasks to enhance their future employability. (HRD-79-45, February 20, 1979.)

--GAO's report on Public Service Employment under CETA showed that, after spending $12 billion over 4 years, PSE programs had limited success in moving participants into unsubsidized employment. GAO recommended that the Congress amend CETA to (1) limit the time enrollees can remain in the programs and (2) extend the preferential treatment accorded members of low-income families under the 1976 amendments to the act to all public service employment jobs in order to serve those most in need. The 1978 CETA amendments included an 18-month limitation on participation in all public service employment programs and limited participation to "economically disadvantaged" persons. These amendments enable more persons to be served by the program and help assure that the programs serve those persons most in need. GAO also made 26 recommendations to the Secretary of Labor to improve the programs' operations, many of which were incorporated into Labor's regulations. (HRD-77-53, April 7, 1977.)

--In a report on the management of job training programs under CETA, GAO made many recommendations to the Secretary of Labor for improving classroom and

on-the-job training programs. At the time this report was issued, CETA did not give Labor express authority to take certain actions relating to GAO's recommendations. However, the CETA Amendments of 1978 gave Labor the clear authority to do so. (HRD-78-96, July 7, 1978.)

"LEGISLATION PLUS AGGRESSIVE ACTION NEEDED TO STRENGTHEN VA'S DEBT COLLECTION" HRD-81-5, 2/13/81

During our review we found that the amount of educational assistance overpayment written off by VA grew from $10 million as of June 1975 to $198 million as of June 1980. While conducting our review, we testified before the oversight Committees on four different occasions regarding the need for VA to adopt various private-sector debt collection practices including (1) reporting delinquent debts to commercial credit bureaus, (2) charging interest and recovering administrative collection costs and delinquent debts, and (3) giving VA authority to file suit to collect debts which cannot be referred to the Department of Justice for litigation. We also worked closely with the oversight Committees in developing and analyzing various legislative proposals which would enable VA to adopt these private-sector practices.

On October 17, 1980, the President signed P.L. 96-466 which enacted the private-sector debt collection practices stated above. The Congressional Budget Office has estimated that the legislation will result in cost savings totaling $641 million over the next 5 years by reducing VA's required budget authority and estimated outlays.

During our review we recommended that VA withhold the guaranteeing of home mortgages to persons having delinquent educational assistance overpayments. While VA initially resisted this approach, they began matching overpayment with home loan applications in April 1979 and to date VA has collected about $15 million from veterans having overpayments who have also applied for a guaranteed home loan. We also recommended that VA match persons having an educational assistance overpayment with Federal employment tapes maintained by the Office of Personnel Management. VA subsequently conducted such a match and identified 66,000 persons employed by the Federal Government whose debts to VA total $37 million. VA is currently in the process of notifying the agencies where such persons are employed in order to request their assistance in recovering these debts.

"GI BILL BENEFITS FOR FLIGHT AND CORRESPONDENCE TRAINING SHOULD BE DISCONTINUED" HRD-79-115, 8/24/79

We reported that flight and correspondence training programs have not achieved their intended purpose and that

these programs tended to serve avocational, recreational or personal enrichment rather than basic readjustment and employment objectives. Our report recommended that the Congress adopt VA's legislative proposal to terminate GI bill benefits for flight and correspondence training. In the event the Congress chose not to terminate these programs, we also included alternative recommendations to modify and clarify the 50 percent job placement rule.

On October 17, 1980, P.L. 96-466 was enacted which strengthened the 50 percent job placement rule. The law also included other provisions designed to eliminate some of the abuses noted in our review. The Congressional Budget Office has estimated that the provision of the new law will result in cost savings totaling $92.9 million over the next 5 years by reducing VA's required budget authority and estimated outlays.

"IMPROVEMENTS NEEDED IN VA'S EDUCATION LOAN PROGRAM" HRD-112, 5/11/78

We reported that VA's education loan program was not meeting congressional intent in that about 72 percent of the loans made were to veterans attending schools charging low or no tuition and that about 44 percent of the matured loans were in default. Also, VA had no assurance that loans were based on demonstrated financial need. We recommended that the Congress amend the law to give VA authority to restrict loans to veterans in high cost schools and shorten the required repayment period for small loans. We also made several recommendations to VA aimed at reducing the default rate and providing some assurance that loans are justified by a bona-fide education related financial need.

As a result of our review the law was amended to provide VA authority to restrict loans to veterans attending high cost schools and to shorten the repayment period for small loans. In addition VA revised its regulations governing the loan program in line with our recommendations. As a result of these changes, Congress reduced VA's Readjustment Benefits Appropriations for FY 1979 by $49.3 million in anticipation of fewer loans due to more stringent program regulations.

"REVIEW OF VA'S PRECHARGE EDUCATION PROGRAM" HRD-78-20, 12/8/77

In analyzing financial controls exercised by VA at nine schools and two consultants participating in VA's Precharge Education Program (PREP), we found that such schools and consultants had accumulated $9.9 million in surplus funds. We recommended that VA conduct audits at the schools and consultants we visited and, as appropriate, at the remaining 200 schools involved in PREP. We recommended that VA take action to recover surplus funds identified through such audits. We also recommended that if

it is determined that the Department of Defense is providing this type of training, legislation should be enacted to remove PREP from VA statutes and eliminate future VA activities in the program.

VA subsequently conducted audits at the nine schools and two consultants and identified over $10 million in surplus funds. Also, VA has audited or obtained financial data, as appropriate, from the remaining 200 schools. VA has initiated collection action to recover the surplus funds identified through its audits. On October 17, 1980, P.L. 96-466 was enacted which eliminated VA's PREP program. The Congressional Budget Office has estimated that this will result in cost savings amounting to $8.4 million during fiscal years 1981 through 1985 by reducing VA's required budget authority and estimated outlays.

"FOLLOW-UP REVIEW OF VA'S OUTREACH EFFORTS FOR INCARCERATED VETERANS" HRD-79-97, 6/29/79

Our report disclosed the actions taken by VA to implement the recommendations in our 1974 report (MWD-75-48) in order to assist incarcerated veterans in using their educational assistance benefits. As a result of our review, we identified an inconsistency on the part of VA regarding the payment of educational assistance benefits to incarcerated veterans. Such inconsistency, which is not related to outreach, was brought to the attention of a VA oversight Committee. The Committee subsequently introduced legislation which was enacted on October 17, 1980, (P.L. 96-466) and removed the inconsistency identified during our follow up review. The Congressional Budget Office has estimated that the provisions of the law enacted on October 17, 1980, will result in cost savings amounting to $23.4 million during fiscal years 1981 through 1985.

"IMPROVEMENTS NEEDED IN IMPLEMENTATION OF THE VETERANS EDUCATION PROGRAM" HRD-78-148, 11/30/78

In our report we discussed several factors which had limited participation in VA's education assistance program. Accordingly, we made recommendations to VA, DOD and the Department of Transportation (DOT) for improving program delivery and management. VA, DOD and DOT generally agreed with our recommendations and have taken action in line with our recommendations. Although we cannot relate cost savings to the actions taken on our recommendations, such actions have resulted in improving the delivery and management of VA's educational assistance program.

"NEW LEGISLATION AND STRONGER PROGRAM MANAGEMENT NEEDED TO IMPROVE EFFECTIVENESS OF VA'S VOCATIONAL REHABILITATION PROGRAM" HRD-80-47, 2/26/80

We reported that VA's vocational rehabilitation program could be more effective in restoring employability

lost due to service-connected disabilities. Several factors contributed to the program's limited effectiveness, the most significant being a lack of strong central program management and accountability for program results at the central office. VA generally concurred in our recommendations and action has been taken by VA to improve the effectiveness of this program. While we cannot attribute a cost savings to the actions taken in conjunction with our recommendations, it is apparent that such actions have had a definite impact on the effectiveness of VA's vocational rehabilitation program.

EMPLOYMENT AND TRAINING SERVICES

QUESTION: Another example is found on page Q-3 of your justifications where you indicate that your Human Resources Division plans to examine "whether comprehensive employment and training services have improved the employability and earnings of potential participants." Again this is a program the Administration hopes to terminate. Isn't there a danger that by placing resources in such areas you will be committing yourself to studies that will be overtaken by events?

ANSWER: GAO's efforts to examine whether comprehensive employment and training services have improved the employability and earnings of potential participants encompasses the provisions in titles II and VI of CETA. The President's proposal is to terminate the Countercyclical Public Service Employment Program under title VI and the Transitional Employment Opportunities for the Economically Disadvantaged under part D of title II. A number of other comprehensive employment and training services provided for in parts A, B, and C of title II will continue. These include services for youth, older workers and public assistance recipients, and occupational upgrading and retraining. Accordingly, our objective of improving the management of local training programs and the quality of services to participants still appears to have merit.

However, future actions on the basic CETA programs may further impact on the significance of this line-of-effort. We, therefore, are not committing any new resources to these areas at this time. Our current work in progress deals heavily with local management activities and the provisions of title II that are continuing. The reports on these reviews should prove extremely useful to the Congress when considering reauthorization of the Act.

TRAVEL

QUESTION: Your request for Other Expenses is $76,415,000 -- that's an increase of $13, 178,000 over the FY '81 level of $63,237,000. Of that amount, $16,427,000 is requested for Travel and Transportation

as opposed to $14,523,000 for FY '81. Why do you need an increase of $1,904,000 in travel funds?

ANSWER: The major portion ($1,485,000) of the $1,904,000 increase for fiscal year 1982 travel and transportation is to cover increases in the cost of transportation as well as an increase in the average per diem paid to our employees due to increased travel to high cost areas. The remainder of the increase ($419,000) is to cover the travel and transportation requirements of the additional 150 average positions requested for fiscal year 1982.

Despite these increases the GAO staff will only be traveling, in fiscal year 1982, at 96 percent of the fiscal year 1980 level of travel.

EFFECT OF FREEZE
ON TRAVEL

QUESTION: You are requesting $16,427,000 for travel expenses in fiscal 1982, an increase of $1,904,000 over your current budget. Can you tell the Committee how your activities would be affected if we were to freeze your travel budget at its current level?

ANSWER: If the travel budget for fiscal year 1982 was frozen at the fiscal year 1981 level of $14,523,000, the GAO staff would only be traveling, in fiscal year 1982, at 85 percent of the fiscal year 1980 level of travel. A reduction of this magnitude would be counterproductive to the work of General Accounting Office.

We carefully budget for the travel of our professional staff to insure attainment of the highest productivity possible. If there are reductions in this travel budget we would have to make changes in the long-standing audit techniques designed to produce the high quality products the Congress is accustomed to receiving. Many audits would be suspended. Our staff would have to remain at their home location irrespective of the fact that some high priority work requires travel.

RELATIONSHIP BETWEEN
STAFFING AND TRAVEL

QUESTION: Can you give us some idea of how much we should cut your travel budget for each position that we might cut from your request for increased staffing?

ANSWER: Funds for travel are a necessity for GAO to perform it misssion and effectively serve the needs of the Congress. Our travel budget is not directly proportional to the number of staff-years we have. Should Congress decide to disapprove our requested staffing increase of 150, our travel budget for FY 1982 could be reduced by $419,000.

We would not be able to perform the additional work envisioned for this increased staff, thus the travel associated with this work could be eliminated.

However, should Congress decide to reduce our staff for FY 1982 below the FY 1981 staff level, we would still attempt to perform the work required of GAO. This would mean that our remaining audit staff would have to spend more days in travel status. Thus, our travel budget would not decrease accordingly.

DUPLICATING EQUIPMENT

QUESTION: You plan to spend $523,000 for duplicating equipment in fiscal year 1982, an increase of 27.5 percent over your current budget. On page V-7 of your justification you state that "in FY 1980, GAO implemented a program to reduce the administrative copy workload by 10 percent" and state that this is one reason that you have been able to hold your costs down somewhat in this area. In view of this economy move, why is such a sharp increase in your duplicating equipment budget necessary in fiscal year 1982?

ANSWER: In FY 1980, with the implementation of this program, GAO was able to reduce the administrative copy workload by over 10 percent. Because of this program, we were able to limit our requested increase in FY 1982 to 28 percent. Without this program the requested increase in duplicating equipment would have been much higher.

The net increase of $113,000 requested for duplicating equipment will cover inflationary rate increases (+$53,000) associated with the rental of copier equipment as well as "per copy" charges. It will also permit the rental of more sophisticated machinery capable of handling a larger volume of materials in a shorter time (+$60,000).

OFFICE SPACE

QUESTION: For Rent, Communications, and Utilities, you seek $19,661,000 as opposed to $13,889,000 for FY '81. That's an increase of $5,772,000 over FY '81. The major increase in this category is for rental of office space. It goes up from $9,000,000 in FY '81 to $14,400,000 in FY '82. What is the reason for this increase of $5.4 million? What portion of this increase is due to increased charges from GSA? What portion is caused by your needs for additional space in your headquarters and field offices?

ANSWER: The increase of $5.4 million in rental of office space is mainly due to the increases in GSA rates at our headquarters office and at some of the audit sites and regional offices. The rental cost of office space in the GAO main building will increase 51 percent in FY 82,

and some of the audit site costs are expected to increase as much as 40 percent.

The remainder of the increase will provide 8,000 square feet of additional space in headquarters and approximately 10,100 additional square feet of space in the regional offices.

OFFICE SPACE INCREASES

QUESTION: Perhaps the largest increase appearing anywhere in your budget request is a proposed 60 percent increase in the costs of office space, which you indicate will cost $14.4 million in fiscal year 1982. In your justification narrative on page V-7 you attribute this increase to "(1) a substantial rate increase in our headquarters space, (2) additional space need requirements in our regional offices as well as headquarters and at our audit sites, and (3) payments for audit site space previously occupied free of charge."

Could you please break down into these three components your office space budgets for fiscal year 1980, 1981, and 1982 and provide for the Committee a detailed explanation of why you are anticipating sharp increases in each of these areas in fiscal year 1982?

ANSWER: By the end of FY 1982, the current GSA rates at 33 of the 46 sites will expire and new higher rates will be established. In addition, GAO plans to acquire approximately 18,100 more square feet in FY 1982.

	1980	1981	1982
Prior year cost or estimate	$7,220,000	$7,557,941	$9,000,152
Changes			
Increase in GSA SLUC rates	+ 111,891	+ 142,483	+5,179,428
Increase in space	+ 57,759	+ 779,449	+ 258,820
Audit sites	+ 168,291	+ 233,279	- 12,000
Other Services			
(Guard and cleaning services)	-	+ 287,000	+ 12,000
	$7,557,941	$9,000,152	$14,438,400

FY 1980 OBLIGATIONS FOR
PRINTING

QUESTION: On page C-8 of your justifications you indicate that you spent 40 percent of the total provided for printing and reproduction in fiscal year 1980 in the fourth quarter. Can you tell the Committee why such a large percentage of your printing and reproduction obligations occurred in the last three months of the fiscal year?

ANSWER: The major expense for Printing and Reproduction is incurred for the printing of GAO reports by the Government Printing Office. An estimated cost is computed for each printing job which is sent to GPO. These individual cost estimates are posted as obligations to our Allotment Ledger. As GPO bills us for the jobs these estimated obligations are removed and the actual costs are posted as accrued expenditures. During FY 1980, we found that our estimates substantially understated the actual costs incurred. This factor plus the normal time lapse in receiving billings from GPO made it necessary for us to obligate additional money in the last quarter to ensure sufficient funds would be available to pay FY 1980 bills received during the first quarter of FY 1981.

FY 1981 AND 1982 OBLIGATIONS
FOR PRINTING

QUESTION: Conversely you indicate that in fiscal year 1981 and 1982 the vast bulk of your printing and reproduction budget will be spent in the first quarter of the fiscal year. Why the big change?

ANSWER: During fiscal year 1981 and 1982 we plan to handle our print orders for the Government Printing Office in a different manner. Instead of posting individual print orders as they occur, we will post the total estimated obligation amounts furnished to GPO at the beginning of each fiscal year. We plan to adjust these obligations during the year should we find that our estimates understate the actual costs instead of waiting until the last quarter to make any necessary adjustments.

GOVERNMENT COMPUTER
SERVICES

QUESTION: You indicate on page C-3 of your justifications that you anticipate an increase of $78,000 in the cost of Government Computer Services as a result of converting services previously provided by commercial vendors to capacity available within the Federal government. What savings do you anticipate in the costs of commercial computer services as a result of this conversion?

ANSWER: The costs of commercial computer services we anticipate saving, is the amount we would spend should

we not convert to Government from commercial procurement of the services ($99,780).

NON-GOVERNMENT
COMPUTER SERVICES

QUESTION: On page V-8 your estimate for computer services shows an increase of $2,900,000 for FY 1982--$7,500,000 versus $4,600,000 in FY 1981. Why such a large increase?

ANSWER: The increase for non-government computer services is associated with the initial development and implementation of an integrated computer system to support GAO administrative activities in the area of administrative, financial and personnel management. At the present time, these services are provided by a number of different vendors. We believe that consolidation of all of the various systems into one integrated system will be more cost effective over the long run. We currently have 18 operational administrative ADP systems, 7 systems currently exist as part of an integrated information system called the Assignment Management and Planning System (AMPS), which was installed in 1979. These 8 systems are the GAO Form 50/Locator system; the Time and Attendance system which maintains appropriation-level financial status for GAO; the Allotment Ledger system which maintains budget, obligation, and expense data for the organization; the Staff Year Projection system which enables GAO to project staff year usage; the Travel Reporting system which provides statistics on travel by GAO auditors; the OGC Job Management system which provides management information on GAO's legal staff participation in audit work; and the Assignment system which provides GAO with data on budget allocations for jobs, actual resources utilized, and past and future milestones.

Administrative systems which are not a part of the AMPS configuration include the Automated Personnel Accounting System (APAS) which contains the master employee records for the agency; the Archival Personnel Data system; the Minority Recruitment system which is a file of organizations affiliated with minority groups; the Payroll system which is used to generate payroll tapes, time and attendance reports, etc.; the Travel and Miscellaneous Payables system (TAMPS) which processes data and reports on accounts payable; the Invoice Tracking system which keeps track of all vendor invoices received by GAO; the Travel Order Tracking system which monitors travel orders for GAO; the Funds Accounting and Control System (AFCS) which monitors GAO commitment and expenditure information for ADP procurements; the Property system which, when implemented, will support the ordering of goods and services, including the generation of purchase orders.

IMPACT OF NO INCREASES
FOR NON-GOVERNMENT COMPUTER SERVICES

QUESTION: You plan to spend $2,900,000 on the initial development of an integrated computer system to support GAO administrative activities in the area of administrative, financial and personnel management next year. What sort of an impact would a denial of these funds have on your operations?

ANSWER: The intent of this procurement is to develop and implement a logically integrated administrative/management system, consolidating GAO's 18 administrative/management systems which support assignment management, financial management, and personnel management. The impact of denying these funds, and subsequent development and implementation of the system would:

1) Handicap the Agency's ability to efficiently manipulate management data for comparative and forecasting purposes in numerous areas which are essential for effective management of resources as well as assignment management purposes which are critical to support of the Congress.

2) Force the Agency to continue to operate in an environment which:

- at present necessitates supporting redundant operations, data entry/storage, etc., and

- is extremely vulnerable to errors and the generation of conflicting data.

3) Force the Agency to recompete expiring service contracts which are essential for on-going administrative operations, thus perpetuating long-term operation/maintenance costs which we anticipate will be more excessive than that of a logically integrated/consolidated system.

GOVERNMENT TRAINING

QUESTION: On page V-8 of your justifications under "services by other government agencies" you indicate that you plan to increase your training budget to a total of $610,000 in fiscal year 1982, a 35 percent increase over current funding. Can you tell the Committee why you anticipate such a sharp increase in your government agency training costs?

ANSWER: A substantial proportion of the increase in our government agency training costs is attributable to a greater emphasis on government versus non-government training. In FY 1981, 29 percent of our training costs were for government courses; in FY 1982 we anticipate that government training will increase to 34 percent of

our total training costs. The remaining increase is due primarily to increases in the cost of training courses. The Office of Personnel Management estimates that the average annual increase for their courses is close to 10 percent. We also included additional training funds for the increased staff (+150 staff years) anticipated in FY 1982 as well as funds for executive development of the SES participants.

NON-GOVERNMENT TRAINING

QUESTION: In justifying your $1,172,000 request for non-government training in fiscal year 1982 you indicate that these funds will be used in part to pay costs for these attending college classes. Can you give us a rough idea of how much of your 1982 non-government training budget will be spent for this purpose and also indicate how you determine whether or not to pay for an employee's college tuition costs?

ANSWER: We estimate that 20 percent of our FY 1982 budget for non-government training will pay for GAO policy and requirements for external training in non-government facilities are set forth in GAO Order 0835.1, Policies and Procedures For Approving Requests For External Training, July 6, 1977. To assist in determining priorities, the following criteria were established:

a. Priority 1. Formal job-related training program which improve staff members' capabilities on current or anticipated assignments.

b. Priority 2. Job-related symposiums, conferences, and meetings related to staff members' current responsibilities which will improve their performance.

c. Priority 3. Other training programs that may enhance staff members' career development goals while also benefiting the office.

An employee may not attend college courses at GAO's expense for the purpose of obtaining an academic degree. The office will provide tuition assistance for training to develop the skills, knowledge, and abilities that will qualify the the staff members to perform his official duties, or to prepare the individual for those duties which may be anticipated in the near future.

CONTRACT SERVICES

QUESTION: Your request for contract services from non-government sources goes up from $4,339,000 in FY '81 to $5,105,000 in FY '82. What type of services are these?

ANSWER: Non-government contract services include microfilming, distribution of various publications, consul-

tant and investigative assistance, labor work, maintaining and updating source-books and various other services required for our audit and evaluation work.

USE OF CONSULTANTS
AND CONTRACTS FOR CONSULTING
SERVICES

QUESTION: You are requesting $5,105,000 in fiscal year 1982 for non-government contract services. You indicate on page V-10 of your justifications that these services include a certain amount of consulting work. Could you give the Committee your best estimate of how much you intend to spend on consulting firms and individuals in fiscal year 1982 as compared with your current consulting budget and give some rationale for the increase?

ANSWER: The General Accounting Office uses only a small portion of the funds provided under non-government contract services for consulting services--expert or professional advice on various subject matters on which GAO has limited expertise. We estimate that in FY 1982 we will use approximately one per cent of the $5,105,000 estimated cost for non-government contracts for services of this nature. This estimate is slightly lower than the two per cent of the non-government contract services that we anticipated spending for contract services in FY 1981.

In addition, we also budget for 30 average positions at an annual average salary of $50,100 under object classification 11.35 - Consultants.

STAFFING INCREASES FOR
PERSONNEL APPEALS BOARD

QUESTION: On page G-1 of your justification you indicate that you plan to double your Personnel Appeals Board positions to a total of six personnel in fiscal year 1982. There is no explanation for this 100 percent increase. Can you tell the Committee why this is necessary?

ANSWER: The Personnel Appeals Board currently has three full-time employees: a General Counsel, a Secretary for the General Counsel, and an Executive Assistant to the Board. It is anticipated that additional full-time employees will have to be hired by the Board to handle the case workload. We are presently assuming that three additional full-time employees will have to be hired in the next 3 to 6 months. This would probably include two investigators and a receptionist to replace the person who is now serving as the secretary to the General Counsel.

It is very difficult to estimate staff requirements for the Board at this early stage of development. The reason for this is that the GAO Personnel Act represents

for GAO a sharp departure from the past. It is even a sharper departure from the past than the Civil Service Reform Act is for the executive branch. For example, the Civil Service Reform Act codified, with some changes, the labor relations program that had already been in existence in the executive branch for almost two decades. Nevertheless, the Federal Labor Relations Authority has experienced a huge upsurge in third party activity. At GAO, there was no labor relations program in existence prior to passage of the Personnel Act. It is conceivable that, based on the experience of the executive branch, GAO may experience an upsurge in activities in the labor relations area. The creation and implementation of a new personnel system including new performance appraisal procedures and the merit pay system may lead to increased appellate activity for the Board. Also, like most executive branch agencies, the reduction in hiring and promotion actions is making the competition for promotions more keen than ever. This, too, can be expected to lead to greater scrutiny of the promotion process by the competing employees. We are already beginning to see evidence suggesting that the workload for the Board may increase dramatically in the coming months.

Taking all of these factors into consideration, we feel an increase of 3 staff-years for FY 1982 is a very conservative estimate of our needs as we enter our first full year of active operation.

REGIONAL OFFICE
STAFFING INCREASES

QUESTION: You are requesting a very substantial increase in field operations staffing in fiscal year 1982--a total of 75 more positions. Twenty-five of these slots are for support personnel, a 10 percent increase in staff as compared with a 3 percent increase in your professional staff. Can you tell the Committee why you require such a disproportionate increase in your support staff?

ANSWER: The Field Operations Division has for many years devoted a disproportionate share of its increases in average positions to its professional ranks. Concurrently, however, the administrative workload has increased substantially and will increase even further next year. This is due to the increased typing demands of more assignments being directed from the field and to the more timely information requirements of the assignment planning and management, staff year projection, and financial management systems.

DISTRIBUTION OF REGIONAL
AND OVERSEAS RESOURCES

QUESTION: On page 0-2 of your justifications you set forth the divisional affiliations of your regional office

staff. However the figures set forth on that page do not always agree with the field staff figures set out in other parts of your budget document. For example, although the figures given for field resources on page K-1 for your Accounting and Financial Management Division are identical to the figures given on page O-2, on page U-1 you show 295 field positions in fiscal year 1982 for your Procurement and Systems Acquisition Division while the table on page O-2 shows that you plan to have only 291 positions in the field for this division in fiscal year 1982. Perhaps the greatest discrepancy is between the figures given on R-1 for your International Division field staff--a total of 82 average positions--and the 21 positions set forth in the table on page O-2 for this very same division.

Could you explain these discrepancies and tell the Committee how field staff that are not being funded through your Field Operations Division are supported?

ANSWER: The General Accounting Office has 15 regional offices (a number of sub-offices) and 3 overseas Branches as depicted on page C-7 of the "Justification of Estimates". The regional office staff is funded under the Field Operations Division and the overseas staff is funded under the International Division. All of the GAO headquarters' operating divisions utilize regional office staff on their jobs while only some operating divisions utilize the overseas offices' staff. The chart on page C-6 of the "Justification of Estimates" shows the number of Field resources--both regional office staff and overseas office staff--programmed for each headquarters division. These resources and the funds that support them are shown in the chart and footnote in the individual division sections of the "Justification of Estimates". Page O-2 shows only the distribution of regional office staff for each headquarters' operating division.

The total staff for the overseas office is funded under the International Division as shown in the chart at the top of page R-1. However, the International Division only utilizes a part of the overseas staff on its jobs along with regional office staff. The chart at the bottom of page R-1 shows only the amount of regional office resources and overseas resources planned for utilization on International Division jobs.

ROLE OF ORGANIZATION
DEVELOPMENT STAFF

QUESTION: You are requesting $8,750,000 for the Office of General Services and Controller in fiscal year 1982. In discussing the work of the Organization Development Staff within that office you indicate on page H-2 of your justifications that their staff is responsible for improving GAO's productivity and quality of worklife by assisting work groups in organizational units, at all

levels, "to identify and resolve issues hindering effectiveness." Could you give the Committee a few examples of the types of issues you identified in 1980 as hindering agency effectiveness and how you resolved them?

ANSWER: The following examples are representative of the types of issues which the Organization Development Staff identified and worked on to improve agency effectiveness.

--In one unit the functions of typing, processing travel orders and travel vouchers, and other administrative tasks were taking too long to be completed. The OD Staff worked with the unit to improve word processing, job duties, and interpersonal relations to improve the units operation.

--In one unit the mid-level managers were concerned about the effectiveness of their organization. They cited a need for clearer goals, better defined projects and definition of staff roles. At the request of top management, the OD Staff worked with that unit to clarify the concerns.

--In a third unit the issue of travel policies and staff assignments was raised. The OD Staff normally works in such a situation to identify the problems and assist management and staff to reach a solution which meets staff needs and GAO's goals.

--In another organization, legislation mandated certain goals and objectives, which varied from the units' goals and objectives. The OD Staff worked with the managers in the unit to revise the goals and objectives consistent with the legislation and to establish specific programs to achieve the objectives.

SERVICES PROVIDED BY
OFFICE OF ADMINISTRATIVE
SERVICES

QUESTION: In discussing the work of your Office of Administrative Services you state that you expect continuing increases in workloads, in part because of increases in the variety of services being provided. Please tell the Committee what sort of new services this office will be providing in the coming fiscal year.

ANSWER: The Office of Administrative Services continually strives to improve and enhance the services it provides to the rest of GAO in the areas of space management, office renovations, telecommunications, parking, travel services, procurement of goods and services and several other services. For example, instead of just filling division requests for more space, OAS space management specialists work closely with the division to ensure

that the space is designed and furnished in a manner that will most efficiently help the office fulfill its assigned mission. During FY 1981 and FY 1982 OAS will be working closely with the Office of Security on the redesign of GAO office space to provide for better security. Enhancements such as the ones discussed above are also planned in some of the other OAS responsibility areas.

Despite this continual enhancement of the services provided, the staff of OAS will remain at a constant level.

RECORDS MANAGEMENT
FUNCTION

QUESTION: On page H-3 of your justifications you indicate that the Office of Administrative Services renders extensive support to the operating divisions, including records management. However on page H-4 you indicate that the Office of Information Systems and Services has the responsibility of providing records management services. Can you explain why both of these offices are seemingly involved in the same activity?

ANSWER: The responsibility for records management was originally held by the Office of Administrative Services. At the time of our budget formulation, the function was split between the Office of Administrative Services and the Office of Information Systems and Services. The Office of Administrative Services was responsible for insuring that internal directives were prepared in accordance with accepted standards, distributed only to the proper recipients, and were easily retrievable, while the Office of Information Systems and Services was responsible for the control, storage and disposal of records and forms. The Office of Information Systems and Services now has responsibility for the entire function.

GRANTS, SUBSIDIES AND
CONTRIBUTIONS

QUESTION: On page C-8 of your justifications you indicate that you spent $18,000 in fis
Grants, Subsidies and Contributions. This object classification does not appear in your fiscal years 1981 and 1982 estimates. Please explain the purpose of this spending.

ANSWER: During fiscal year 1980, the General Accounting Office contributed funds to the International Organization of Supreme Audit Institutions and paid membership dues to the American Consortium for International Public Administration.

We did not include any amounts for these items in fiscal year 1981 or fiscal year 1982, since continuation of this membership and the INTOSAI contributions will be up to the discretion of the new Comptroller General.

OFFICE OF TECHNOLOGY ASSESSMENT

STATEMENT OF DR. JOHN H. GIBBONS, DIRECTOR

ACCOMPANIED BY:

LIONEL S. JOHNS, ASSISTANT DIRECTOR
ALBAN LANDRY, CONTROLLER
THOMAS P. McGURN, ADMINISTRATIVE OFFICER

1981 APPROPRIATIONS AND 1982 BUDGET REQUEST

Senator MATTINGLY. The final witness this morning is Dr. John H. Gibbons, the Director of the Office of Technology Assessment.

The fiscal year 1981 request of the Office of Technology Assessment is $11,739,000. The figure includes three supplemental items totaling $740,000: pay supplemental of $370,000, program supplemental of $220,000 and a $150,000 request for OTA to take over control of its own administrative financial services currently performed by the General Accounting Office.

For fiscal year 1982, the Office of Technology Assessment is requesting $13,100,000 and 130 positions. This is an increase of $1,360,200 over fiscal year 1981 appropriations, and the number of employees stayed the same.

PREPARED STATEMENT

Dr. Gibbons, would you please proceed with your opening statement, and we will place the full statement in the record.

Mr. GIBBONS. Thank you, Mr. Chairman. I will summarize both statements for the fiscal year 1981 supplemental and fiscal year 1982 and offer the full statement for the record.

[The statement follows:]

STATEMENT OF JOHN H. GIBBONS

Thank you for the opportunity to discuss OTA's operations, services, and budget.

Overview of Testimony

1. OTA is the science technology arm of Congress. Its responsibility is to analyze current issues in technology and policy, such as alternative basing strategies for the MX missile; and to provide foresight on emerging issues such as the looming shortage of affordable, dependable, high quality water, and the potential contribution of technology in dealing with that problem.

2. OTA's job is to identify and analyze technology options and to clarify policy alternatives. Our unique function is to substitute objective analysis and facts for preconceptions and guesses--to apply highly technical skills to complex problems--solely in service to Congress. Sometimes OTA's work points toward major reductions in government involvement in an area (e.g., synfuel subsidies); other times it may indicate increased government involvement (e.g., funding of certain vaccinations for Medicare patients).

3. OTA is a shared resource to the Congress. It works for Committees but serves all Members who wish to avail themselves of OTA's reports. It undertakes about 20 formal assessments per year, almost invariably at the request of one or more Committees. OTA's Congressional Board must approve every assessment that is undertaken because the number requested substantially exceeds our resources. In addition briefer, highly-focused Technical Memoranda and background papers are provided to Committees.

4. The issues that OTA tackles include some of the most controversial and costly issues and programs the Congress must face. For example, the Federal government currently spends almost ten times OTA's total annual budget every month on the MX project alone, and MX missile basing is the subject of only one out of more than thirty analyses currently underway at OTA.

5. Following its Congressional mandate, OTA makes extensive use of information from the private sector as well as from government sources. For each assessment, we emphasize the process of pulling together diverse parties of interest and sources of information and expertise. OTA then analyzes and prepares a comprehensive report which goes through an extensive internal and external review process to guarantee quality, accuracy, and objectivity. This process assures that OTA fully builds upon, rather than duplicates, the work of others in industry, academia, and government.

6. OTA's output goes to the legislative process in a variety of ways. Besides the direct flow of reports and summaries, testimony, and briefings to Congress, the reports are sold by GPO, frequently reprinted by commercial publishers, and widely referred to by the print media. We received an average of 17 requests per day in 1980 from Congress for information previously developed. Non-Congressional requests to OTA for published information average about 60 per day.

7. Resources available to OTA, when inflation is taken into account, have shrunk by about 3% per year for the past four years. A number of actions have been taken, especially over the past 18 months, to increase OTA's productivity. Actions to further reduce such resources will result directly in a capability that is inadequate to respond to Committee requests for assistance.

I. Purpose of OTA

OTA's role as the analytical arm of Congress on technology is now more important than ever as the United States relies increasingly on technological innovation to strengthen national security and foster economic growth.

The function of OTA is to help Congress understand complex scientific and technological issues and provide both insight and foresight about how present and emerging technologies may affect--or be affected by--government policy. OTA does not take sides or recommend specific policy to the Congress; rather it identifies alternative federal policy responses and analyzes their respective implications. These responses cover the broadest feasible range of options from active government involvement in an issue to a reduced or completely curtailed involvement.

As of January 1, 1981, OTA was working on 34 formal assessment projects. In addition, it continues to provide a stream of other services related both to current and past assessments. Over the next three months, more than a dozen assessments will be delivered to the Congressional Board. (See attached lists with one-line descriptions--those scheduled for completion by April are circled.)

OTA Budget Request

The scheduled completion of assessments plus other services OTA renders will enable OTA to contribute significantly to the work of the 97th Congress. There is obviously an intense interest in making more effective use of Federal resources to achieve the goals of improving the economy, providing a climate to invest in our future; increasing our national security, and protecting the nation's health, safety, and environment. Because possible Congressional responses to achieve these goals are deeply imbedded in science and technology issues, it is natural to expect that OTA will be increasingly utilized by Congressional Committees. OTA's work in FY '82 will continue to emphasize the utilization of a small but

highly-qualified staff managing assessments and performing analysis of emerging technology and its applications. These people serve in the essential role of independently analyzing and integrating a wide range of knowledge and views obtained from Federal agencies as well as from diverse sources in the private sector and universities.

FY '82 Request ($13,100,000)

OTA's Congressional Board and its management recognize and concur with the imperative to hold down Federal spending. Therefore, we are requesting a budget comparable with FY '80, but hopefully enough to allow one additional assessment (average cost $400,000). No increase in staff is requested.

Request for Reappropriation

Mr. Chairman, we have been advised by the Chairman of the House Subcommittee on Legislative Branch Appropriations that the language in our budget requesting reappropriations of available funds in the following fiscal year (FY '83) is "legislation," and thus violates House Rule 21. Therefore, we ask that the language be deleted from our request.

Board and Advisory Groups

A unique feature of OTA is its bipartisan, bicameral Congressional Board, which provides continuing oversight regarding OTA's management, choice of work, and the relevance of its products to the needs of Congress. OTA may accept assessment requests from Chairmen of both House and Senate Committees acting alone, or at the request of a majority of committee members or at the request of the Ranking Minority Member. Frequently requests are made jointly by the majority and the minority and in many instances requests are sponsored by two or more committees. The 12 Member Congressional Board and OTA's Director are assisted by an Advisory Council

consisting of two statutory Members (the Directors of GAO and CRS) and ten distinguished individuals chosen from the private sector by the Congressional Board. These individuals include Nobel laureates and leaders of industry and academia across the country. The Council meets semi-annually to (1) review the quality, comprehensiveness and objectivity of OTA's work; and (2) provide foresight about emerging technologies.

OTA uses project advisory panels, contractors, consultants and special review procedures to ensure that it takes fullest advantage of existing knowledge in the public and private sectors, both national and international. In this way, OTA can keep abreast of the latest research, both completed and in progress, so it can build on the work of others rather than duplicate it. OTA report drafts are extensively reviewed, not only by advisory panels and the Congressional Board, but also by other experts in both government and the private sector, before they are published. This elaborate review process has enabled the Office to meet the test of quality and nonpartisanship despite the fact that most subjects of assessments are both complex and highly controversial.

The role of the relatively small OTA professional staff is to develop the scope of each project, define and monitor the tasks to be done by outside experts, integrate and analyze technical information, perform policy analysis, organize and write the final report and participate in a variety of follow-on activities, e.g., testimony and briefings. In a typical assessment, two or three OTA professionals, including a Project Director, draw upon about 30 or more other individuals for analysis and review. Most of these individuals are drawn from industry or universities. When an assessment request is approved by OTA's Congressional Board, a project advisory panel is established to help refine the plan of the study, identify available knowledge and resources, offer guidance on the analysis, and critique report drafts. Each panel is carefully chosen to include both expertise and broad representation of the views of the parties at interest so that OTA, in receiving their counsel, can be assured that it is both accurate and fair.

For example, the following summarizes the make up of the advisory panel established for a project on Cancer Risk:

	Number
Academics	
Environmental health specialist (Chairman)	1
Epidemiologists	2
Economists	2
Statistician	1
Toxicologist	1
Physicist (and risk assessor)	2
General physician	1
Industry	
Chemical industry (two Ph.D.s, one M.D.)	3
Drug Industry	1
Unions	
AFL/CIO	1
Steel Workers	1
State government	1
Law (and former state government official)	1
Public interest groups	1
	18

The products of OTA consist primarily of comprehensive analytical reports on critical and enduring issues; however, OTA has found it can be of additional service to the Congress by providing a variety of other special responses to Congress including testimony, Technical Memoranda, and Staff Background Papers and briefings associated with and drawn from the assessments.

Summaries of assessments are sent to all Members of Congress, along with a one-page publication brief. Copies of full reports go to requesting Committees and staff and to other Members of the Congress upon request. All of OTA's studies are made available to the public through GPO and NTIS. They are also widely reported in the news media as well as in trade and professional journals.

Despite the fact that all OTA assessments are printed and sold by the GPO, many have been reprinted by various leading publishers for commercial sale. Eleven are already in print or soon to be published. During 1980, formal visits and discussions were arranged with professional staff at OTA

upon request by senior officials of the following countries: Australia, Austria, Canada, Denmark, France, Germany, Great Britain, Japan, Rumania, Sweden and U.S.S.R. At least one of these countries (France) has recently developed legislation to create an OTA-type organization for its government. These developments reflect the growing interest in OTA's work and recognition of its unique, substantial contribution to an understanding of the implications of science and technology for public policy.

The subjects given priority consideration by OTA are those that are most critical to the future of our economy, national security and public health. The subjects typically involve potentially large expenditures of Federal dollars and substantial Congressional responsibility through legislation, appropriation, and oversight. Such subjects tend to have high visibility and to be a magnet for controversy.

The potential leverage of OTA's work in terms of more effective and efficient use of Federal resources is very large. For example, if OTA's study on oil from shale can result in even a one percent improvement in shale development, the federal monetary savings over the next decade will pay for about sixty years of OTA's entire proposed FY '82 budget. It can easily be argued that a savings of substantially greater than one percent should result from that study alone.

OTA works especially close with its sister agencies both to avoid duplication of work and to share expertise. During FY '80, OTA worked with CBO on 15 topics, CRS on 30, and GAO on 46. Topics are screened for duplication by the four support agencies before a major piece of work is undertaken. Professional staff of the four agencies working in similar fields meet together periodically to facilitate close coordination and cooperation.

II. OTA's Performance and Services

As a source of expertise and analysis on scientific and technological issues for all Committees of Congress, OTA provides a variety of services—

all emerging from its comprehensive assessments of extremely complex, controversial subjects on critical and enduring issues. All assessments must be approved by OTA's Congressional Board. They range in cost from $100,000 to $1,000,000 and average about $400,000. The time required to carry out assessments ranges from six months to over two years and averages about 15 months.

During FY '80, OTA delivered to Congress eighteen Assessment Reports, along with associated summaries, Publication Briefs, and Appendices; we also delivered four Technical Memoranda; six Background Papers; and three manuscripts for publication as Committee Prints.

FY '81 testimony was sought by 17 different Committees and Subcommittees of Senate and House on 27 occasions (10 times before the Senate, 17 House). A total of 136 briefings and workshops for Congressional staff and Members were provided. OTA staff also responded to a very large number of Congressional inquiries for specific ad hoc assistance. In addition, 3,000 individual requests were received from Congressional offices for OTA documents (average 17 per day).

Nongovernment requests to OTA for its publications (mostly referred by OTA to GPO and NTIS) averaged 60 per day. GPO's estimated gross sales of OTA publications exceeded $215,000 for the nine month period ending September, 1980. This amounted to nearly half the total OTA sales since 1976. GPO has stated that OTA's documents number among its most popular sales; some reports have gone through second and even third printings. It is also significant that 11 of OTA's recent studies are being reprinted by commercial publishers, despite the presence of a competing GPO edition in the marketplace.

Examples of Work Completed

The following are brief discussions of six assessments completed in FY '80. These examples were chosen to illustrate some of OTA's continuing work in three of its nine Program areas.

ISSUE -- DOMESTIC ENERGY SUPPLY

Assessment Examples

1. Energy from Biological Processes. This assessment is the most comprehensive examination ever made of the potential supply and impacts of energy derived from crops, wood, ocean kelp, and other biological sources. Information was assembled and analyzed from a wide range of sources in government, universities, and industry. Analytical tools from engineering, biology, forestry, and economics were used. Major findings included the following:

a) Present federal policy, using tax credits and other subsidies to spur ethyl alcohol production from food crops to produce gasohol, is not the best approach to developing biomass. The potential production of ethyl alcohol from foodstuffs is such that at more than about two billion gallons per year (or about 1% of current gasoline use) food prices will begin to rise from the food as fuel competition. Furthermore, with Federal and many state waivers of road taxes on gasohol, the revenue available for road maintenance diminishes.

b) Major opportunities do exist before the end of this century for obtaining much more energy from biomass, especially from wood and grasses. Prior to OTA's study, the extent to which biomass could contribute to our domestic energy supply was generally underestimated. Many forecasts of national energy supply showed no contribution from biomass at all. OTA's study shows that as much as the equivalent of 50% of the oil produced in the U.S. (5M/B Day) could be obtained from biomass by the end of the century.

c) The most interesting energy product from biomass may be methyl ("wood") alcohol. This alcohol, also produceable from coal, can be readily adapted to a large variety of existing uses for liquid fuels.

d) Important technological opportunities exist to improve the economics and net energy from biomass. The present DOE R&D programs do not reflect these opportunities.

2. Oil Shale Technologies. This work included assessment of alternative technologies to produce oil from shale; examination of the likely price of (and markets for) the outputs; and considerable analysis of the regional impacts of western shale development on water availability, communities, worker health and safety, and the environment. The following are some of the main conclusions of the OTA study that were taken into consideration by Congress when it scaled down the Administration's (1979) proposed $80 billion synfuels subsidy program.

a) The price of shale, when upgraded to the equivalent of crude oil, will likely be in the range of $48 to more than 62/bbl (1980 $), substantially above current world petroleum prices. The nature and size of demand for the product, especially at the upper price range, is uncertain.

b) The uncertainty in the projected price largely reflects the total dearth of experience in building and operating full scale plants. This uncertainty is increased by inadequate knowledge concerning costs of mitigating negative regional socio-economic impacts, and local inflationary pressures during the "boom" construction conditions in areas hit simultaneously with major and diverse energy and military projects.

c) Surplus surface water could be available to support a 500 thousand barrel per day industry until shortly after the year 2000, after which water scarcities may limit all regional growth.

d) Production targets contained in the President's 1979 Synfuels proposal for 1990-2000 were generally over-optimistic.

e) A serious candidate option would be to proceed with several full-scale pioneer commercial plants to gain operating experience,

test alternative designs, and obtain cost data before making commitments to (proposed) massive Federal subsidies. A sudden commitment to large numbers of production plants could prematurely freeze the technology and cut short the chance to utilize improved technology.

ISSUE -- U.S. INDUSTRIAL COMPETITIVENESS

Two projects were completed in a series of studies related to the role of technology in innovation, productivity and international competitiveness of industry. The common theme that emerges from these studies is that the Federal government's industrial policies and their administration need careful re-evaluation by policymakers. Tax policy could be used to provide greater incentives for both innovation and capital investment. Trade policy (including anti-trust considerations) could be changed to produce a climate more conducive for U.S. industries to expand international trade.

Assessment Examples

1. Technology and East-West Trade. Concern remains high about how the U.S. national interest is affected by trade between the U.S. and Russia, Eastern Europe, and China. The OTA study, completed the month before (November, 1979) the Soviet invasion of Afghanistan, clarified the opportunities that the federal government has -- and doesn't have -- to use federal control over foreign trade as an instrument of U.S. foreign policy.

a) The study showed that some of our allies (e.g., France) have different trade policies that can effectively block any U.S. action to stem technology transfer. For example, the U.S. capability to unilaterally either help or hinder technology development in the U.S.S.R. is very limited.

b) The government could improve the way it works with American industry to foster trade. Availability of credit is, for example, a key factor for trade with the Soviets and China.

c) While Western nations cooperate quite well on restricting trade involving technology directly linked to military weapons and their delivery systems, there is a vast middle ground of "dual use technologies," (e.g., heavy trucks) that are treated very differently by different Western trading partners. Neither the U.S. nor its allies has evolved a consistent policy, despite the fact that they could have extremely important implications for world trade and international stability.

2. Technology and Steel Industry Competitiveness. The competitiveness issue with respect to domestic steel producers is both complex and varied. The OTA study of integrated and specialty producers in the U.S. and comparisons with the situation in other countries, indicated that while U.S. specialty steel producers (using advanced technology) are highly successful on the world market, the integrated producers are having serious difficulties.

a) Capital reinvestment needed to remain competitive in steel is enormous compared to funds currently available. Deferral of all pollution retrofit costs would only supply about 10 percent of needed capital.

b) Advanced technologies (e.g., continuous casting) do exist that if installed in new or existing plants would result in major energy savings, higher labor productivity, lower pollution, and improved competitiveness in world markets.

ISSUE -- MEDICAL TECHNOLOGIES

Medical technology continues to advance rapidly, thus offering new opportunities to prevent, diagnose, and treat disease and disorders. However, the cost of medical services also continues to increase rapidly. This rapid and continuing growth of expenditures is a central issue in policy decisions, and has raised questions about the value of specific technologies, as well as policies for encouraging or discouraging the development and use of certain technologies. OTA studies summarized here

focus on two areas: (1) the ways of evaluating medical technologies in terms of costs and benefits, and (2) the Federal role in the development, regulation, and use of vaccines..

Assessment Examples

1. The Implications of Cost-Effectiveness Analysis of Medical Technology. Because of concerns about rising costs, and questions about the value of benefits received from health care, the use of cost-effectiveness analysis or cost-benefit analysis is increasingly advocated as a possible means of making the medical care system more efficient. In particular, these techniques are suggested for use in Federal health care programs - for example, by the Medicare program in its coverage for reimbursement decisions. Because of confusion and disagreement surrounding the usefulness and feasibility of applying these techniques, they were critically examined by OTA and a number of specific case studies of important technologies were developed.

a) The study found that performing an analysis of costs and benefits can be helpful to decisionmakers because the process of analysis gives structure to the problem, allows an open consideration of all relevant effects of a decision, and forces the explicit treatment of key assumptions - something that is seldom done. The techniques, however, have too many methodological and other limitations to justify relying solely on the results of formal cost-benefit studies in making decisions regarding medical technologies.

b) The study found that cost-effectiveness studies by themselves are not an effective cost-constraining mechanism. Under a system of free enterprise, such as that of the United States, no direct tradeoffs are imposed. In this system, the analysis might change the mix of expenditures, leading to substitution among technologies, but could not be expected to limit expenditures.

c) Up to the present, reimbursement programs such as Medicare,

Professional Standards Review Organizations, and health planning agencies, frequently have not used formal analysis of costs and benefits in making their decisions. However, the use of cost-effectiveness and cost-benefit studies by these programs is likely to increase substantially. The study suggests ways to assure sound use of the techniques.

2. A Review of Selected Federal Vaccine and Immunization Policies. The Federal government is the single most important determinant of this nation's commitment to vaccine research, development and use. Public moneys are used to support vaccine development and to purchase vaccines for public immunization programs.

a) The study found that between 1968 and late 1979 the number of vaccine manufacturers active in this country has dropped from 37 to 18, while the number of licensed vaccine products has plummeted from about 380 to 150. The exact reasons for this decline are unknown, although low profits, high capital investment requirements, extensive Federal regulations, and unpredictable vaccine liability risks contribute to the decline.

b) Liability problems may be eroding the commitments of vaccine manufacturers. Some courts have ruled that the vaccine manufacturer should compensate injured vaccinees, even when there is no negligence. In some cases, injured vaccinees may have no legal recourse to compensation, even though immunization may be required by law (as in the case of children entering school). OTA outlined how Congress could develop a federal program for compensating vaccinees who are seriously injured in public immunization programs.

c) The study included a cost-effectiveness analysis of the new vaccine against pneumococcal pneumonia. Vaccination proved to be apparently cost-effective, particularly among the elderly. However, the study pointed out that the Medicare program (the

health insurance system for the elderly) pays for no preventive measures by law. Based upon the OTA findings, legislation was introduced in both chambers of Congress to permit Medicare reimbursement for pneumococcal vaccination. The Congressional Budget Office (CBO) was asked to assess the consequences of enacting the legislation, and it validated the OTA findings that pneumococcal immunization is a relatively inexpensive health care benefit that would improve the health of the Medicare population. Over a five year period the CBO analysis found that 5,000 aged Medicare enrollees would have their lives saved by immunization. CBO calculated that after four years pneumococcal vaccinations would yield net savings to the Medicare program. Late in 1980, Congress responded by passing an amendment to cover pneumococcal vaccine under the Medicare program.

III. OTA Management and Productivity.

OTA now has fewer employees than it had two years ago. Its FY '81 anticipated spending (in constant dollars) is about 12% lower than FY '80 spending. The vacated positions of Deputy Director and associated support staff have been deliberately left open in order to shift resources to the professional program area. Other staff and budget reductions have been initiated in the OTA general and administrative operations in order to provide as much funding as possible to the substantive program areas. Nevertheless, the number of Programs, organized around major issue areas, has been reduced from eleven to nine. We also combined two programs into one to be able to maintain the minimum critical amount of resources in each of the other Programs. Most recently, we have revised downward the scope of several OTA assessment projects resulting in less contracted work. This has resulted in deferral of some completion dates. Furthermore, we have deferred initiation of several new projects despite the urgency of requests and potential importance of the analyses. If resources shrink further, some additional Programs must be eliminated and with them some of the capability to serve Congressional Committees.

In order to meet additional Congressional requests with constant or declining budget resources, OTA has been using every traditional management tool plus a variety of innovative approaches to make its operations more efficient while improving the quality, timeliness and usefulness of its work. Much progress has been made over the past two years in this regard.

During FY '80 several notable activities related to improved productivity were undertaken:

- o A variety of internal management policies and procedures was established. These include procedures for screening requests for pre-proposal funds; correspondence control; streamlined procedures for small contracts; shared workload among administrative staff; and other cost-cutting policies regarding travel and advisory panel meetings, telephone usage, commercial express service, and commercial temporary clerical help.

- o An internal financial control system was developed to provide (1) the OTA Director and Controller a method for flagging potential problems; (2) the Assistant Directors and program managers with more timely and accurate financial information on a project-by-project basis; and (3) the operations manager with more timely information on the status of all support activities. Use of this system began at the start of FY '81 and results to date have been encouraging. A financial audit was recently completed by an independent accounting firm. After reviewing our financial operations for the first quarter of the current fiscal year, they stated that "In our opinion, the interim statements generated internally by OTA's Project Management Information System are accurate, complete and reliable." This means that we now have strong controls over obligations; these controls aid in preventing improper expenditures of funds and decrease the likelihood of error and waste. Complementary to our financial controls is our system of administrative controls. Here we prevent any one individual from authorizing the purchase of goods and services,

acting as a receiving agent for them, and then executing the payment transaction. It is fundamental to our organization that we have segregated these duties and assigned these key control procedures to different persons or different organizational elements.

- OTA's Information Center now provides to a wider variety of services, including computerized literature and legislative reference searches, newsletters and other user services. At least $12,000 in cost savings have resulted from better management and consolidation of periodicals, greater use of microfiche copying vs paper documents, and avoiding unnecessary costs through user orientation sessions.

- Interactions and mutual assistance among the four Congressional sister agencies continued to improve. Related work is now more carefully cross-linked. Special expertise in one agency is made available to help another agency in carrying out tasks and providing expert advice. A common information package was developed for Congressional Members and staff that describes the function and services of GAO, CRS, CBO, and OTA.

- An internal OTA Task Force on Technology Assessment Methodology and Management was formed early in FY '80 to recommend ways to improve efficiency and quality in OTA's operations and products. The objectives of the task force were:

  -- To improve the methodology and management of technology assessment projects carried out by OTA.

  -- To learn from and build on six years of assessment experience, and on the assessment experience of others in both the public and private sectors, as well as other countries.

  -- To find additional ways to increase productivity in OTA and ultimately improve cost effectiveness and build a stronger team

effort among OTA staff through cross-program and cross-divisional cooperation.

Among the recommendations being implemented are:

1. Development of an OTA orientation program to help newer staff, contractors and consultants gain an earlier and more complete understanding of the OTA assessment process.

2. Preparation of an OTA operations manual to bring together all of the guidelines and procedures for contracting, publishing, preparing project budgets, and the like under one cover.

3. Revision of OTA internal policies and procedures for preparation of project proposals and review and approval of reports.

4. Preparation of a technology assessment workbook for internal staff use. When completed, it will represent a major improvement in consolidating useful lessons learned from past OTA experience.

5. Revision of project review checkpoints to encourage cross-Program and cross-Divisional review at key points in the assessment process. This will result in a significant savings in time by identifying and solving problems far earlier.

6. Improvement in OTA's use of office information systems such as word processors, computers, typesetting, and telecommunication equipment, drawing in part upon work already completed by the House Administration and Senate Rules and Administration Committees.

7. A survey of technology assessment methodology and strategy employed by selected private firms and foreign countries is being conducted in order to learn from the experience of others.

- OTA now develops and publishes short (about 15-25 pages) Summaries and one-page Publication Briefs of its Assessment Reports and distributes these, rather than the lengthy and expensive complete report and appendices, to all Members and Congressional staff. Copies of the full Reports are automatically sent to all Members of the requesting committee(s) and also to other Members upon their request.

- To keep Congress aware of its activities and developments of interest, OTA now issues quarterly progress reports to its Congressional Board, its Appropriations and Oversight Committees in the House and Senate, as well as to all Congressional Committees. In addition, a "Current Assessment Activities" booklet is provided to all Members. Updated every six months, this publication gives brief descriptions of all current assessment projects, their projected completion dates, names of requestors, and the appropriate telephone contact at OTA.

- OTA's mailing list has been computerized and updated, resulting in elimination of many redundant and inappropriate names as well as addition of more appropriate names.

- Telephone and mail requests for information and publications are now directed to a centralized location (the OTA Publishing Office) which has improved service to the Congress and the public.

- OTA's telephone system was changed in an effort to increase economy of use.

- A variety of actions were taken to reduce the cost of publishing OTA documents, including decreasing the number of copies and pages in each run, reducing the average cost per copy (from $1.99 to $1.66), and holding down total expenditures despite the fact that the number of publications issued increased from 1979 to 1980 (42 vs 26) and GPO printing charges have risen with inflation. During FY '80 the average total (set-up plus printing) cost per

publication was reduced by nearly one third (from $7,250 to $5,500).

Summary

The 97th Congress will face a large number of complex decisions directly related to technology that will have very important, persistent, expensive consequences. Congress must also make tough choices between competing demands on limited resources. Decisions that are less than optimal can be very costly. OTA is organized to help provide Congress with the sound, objective analyses that are needed to make wise decisions. OTA is an uncommon resource -- a "shared staff" -- for Congress.

CURRENT OTA ASSESSMENTS

DESCRIPTION	REQUESTOR(S)	BOARD DELIVERY*
Energy, Materials and International Security Division		
SOLAR POWER SATELLITE SYSTEMS Analyses of key technical and social issues that would affect the possible future development of solar power satellites as a potential long-term energy option.	House Committee on Science and Technology	Mid-February 1981
ALTERNATIVE ENERGY FUTURES (Energy & the Cities; Industrial Conservation; Energy Policy Considerations) Describes and compares different energy futures and their effects on major issues cutting across society.	House Committee on Banking, Finance and Urban Affairs House Committee on Interstate and Foreign Commerce House Select Committee on Population	10/31/81
SYNTHETIC FUELS FOR TRANSPORTATION Explains in detail the technology issues controlling future composition of, and market for, synthetic and conventional fuels for transportation.	Senate Committee on Commerce, Science and Transportation	6/30/81
DECENTRALIZED ELECTRIC ENERGY GENERATION SYSTEMS Studies the economic and technical effects of decentralized electric energy systems on the operation of electric utilities.	House Committee on Banking, Finance and Urban Affairs	4/30/81
ANALYSIS OF NUCLEAR POWERPLANT STANDARDIZATION PROBLEMS Examines the feasibility of standardizing the design and manufacture of nuclear power plants to improve their safety and licensibility.	House Committee on Interior and Insular Affairs	2/15/81

* Estimated date of delivery to the OTA Congressional Board.

CURRENT OTA ASSESSMENTS

DESCRIPTION	REQUESTOR(S)	BOARD DELIVERY
DEVELOPMENT AND PRODUCTION POTENTIAL OF FEDERAL COAL LEASES As mandated by the Federal Coal Leasing Amendments Act (PL 93-377), analyzes all outstanding Fedeal coal development rights, which includes 533 developed and undeveloped leases and 172 preference-right lease applications.	Mandated by Public Law 94-377	3/31/82
ASSESSMENT OF NONNUCLEAR INDUSTRIAL HAZARDOUS WASTE Will look at four aspects of the hazardous waste problem: the concepts of degree of hazard and risk benefit and analysis; existing dump sites that pose a threat to health and the environment; safe storage and disposal of presently-generated hazardous wastes; and process and/or product modification to reduce the amount and/or hazard of the hazardous wastes.	House Committee on Interstate and Foreign Commerce	6/30/82
IMPACT OF TECHNOLOGY ON COMPETITIVENESS OF THE U.S. ELECTRONICS INDUSTRY Explores the factors that determine the competitiveness of the U.S. electronics industry vis-a-vis Japanese and Western European firms, including among the factors the effects of Federal policies.	Senate Committee on Commerce, Science and Transportation	6/30/81
U.S. INDUSTRIAL COMPETITIVENESS: A COMPARISON OF STEEL, ELECTRONICS, AND AUTOMOBILES Compares the three industries primarily in a domestic context. Present competitive positions, future prospects, and the role of public policies are discussed.	Senate Committee on Commerce, Science and Transportation	Mid-March 1981

CURRENT OTA ASSESSMENTS

DESCRIPTION	REQUESTOR(S)	BOARD DELIVERY
TECHNOLOGY AND SOVIET ENERGY AVAILABILITY Assesses Soviet energy prospects and the contribution that American, as opposed to other Western, equipment and technology might make to Soviet energy availability by 1990.	House Committee on Foreign Affairs Senate Committee on Banking, Housing and Urban Affairs	5/31/81
MX MISSILE BASING Assesses the technical feasibility, strategic utility, cost, regional impacts, and future consequences of various multiple protective structure ICBM basing modes, and of selected alternative basing concepts.	Chairman and Vice Chairman of OTA's Congressional Board	5/31/81

CURRENT OTA ASSESSMENTS

DESCRIPTION	REQUESTOR(S)	BOARD DELIVERY
Health and Life Sciences Division		
U.S. FOOD AND AGRICULTURAL RESEARCH Evaluates the U.S. agricultural research efforts and public policy options for making the most of our research potential	Senate Committee on Appropriations Senate Committee on Agriculture, Nutrition and Forestry	6/30/81
IMPACT OF TECHNOLOGY ON PRODUCTIVITY OF THE LAND Explores the impacts of current and emerging technologies on the sustainability of croplands and rangelands as productive resources.	Senate Committee on Environment and Public Works Senate Committee on Appropriations House Committee on Agriculture	5/31/81
TECHNOLOGIES FOR DETERMINING CANCER RISKS FROM THE ENVIRONMENT Examines the various estimates of cancer caused by the environment, the methods of identifying chemical carcinogens and to project human risk, and the elements involved in deciding that a carcinogen poses an unreasonable risk to human health.	OTA Director, with approval of the Congressional Board	2/28/81
EVALUATION OF VETERANS ADMINISTRATION AGENT ORANGE PROTOCOL As mandated by PL 96-151, reviews the V.A.'s epidemiologic studies regarding long-term health effects of veterans exposed to dioxins in Viet Nam.	Mandated by Public Law 96-151	Indeterminate
STRATEGIES FOR MEDICAL TECHNOLOGY ASSESSMENT Analyzes the appropriateness and validity of existing methods of assessing medical technologies with the intent of identifying alternative strategies of assessment.	House Committee on Interstate and Foreign Commerce	9/30/81

CURRENT OTA ASSESSMENTS

DESCRIPTION	REQUESTOR(S)	BOARD DELIVERY
MEDICAL TECHNOLOGY AND THE HANDICAPPED Examines technology that prevents or ameliorates handicapping conditions along with the processes to assure the appropriate development and use of such technology.	Senate Committee on Labor and Human Resources	12/31/81
IMPACTS OF APPLIED GENETICS Studies the benefits, costs, and environmental, legal and ethical issues that arise from the introduction of nonhuman applications of genetic technologies in agriculture and industry.	OTA Director, with approval of the Congressional Board Support: Senate Committee on Human Resources House Committee on Interstate and Foreign Commerce	Delivered: In galleys
TECHNOLOGY AND WORLD POPULATION Looks at birth planning technologies and the factors affecting their development and use primarily in the Third World.	OTA Director, with approval of the Congressional Board Support: House Committee on Science and Technology	4/30/81

CURRENT OTA ASSESSMENTS

DESCRIPTION	REQUESTOR(S)	BOARD DELIVERY
Science, Information and Natural Resources Division		
TECHNOLOGY FOR LOCAL DEVELOPMENT Examines several prototype technologies that stress self-help and the use of renewable resources in community and regional development.	Senate Committee on Governmental Affairs House Select Committee on Population House Committee on Interior and Insular Affairs	Was delivered December 1980
TECHNOLOGICAL INNOVATION AND HEALTH, SAFETY AND ENVIRONMENTAL REGULATIONS Weighs whether Federal regulatory policies encourage or discourage private innovation in the achievement of health, safety, environmental and economic goals.	Senate Committee on Commerce, Science and Transportation	2/28/81
THE PATENT SYSTEM AND ITS IMPACT ON NEW TECHNOLOGICAL ENTERPRISES Assesses the operation (procurement, use, enforcement) and administration of the patent system with respect to its effect on new technological enterprises.	Senate Committee on the Judiciary House Committee on the Judiciary	3/31/82
HIGH-LEVEL RADIOACTIVE WASTE MANAGEMENT DISPOSAL Looks at the technologies for the safe disposal of commercial, high-level radioactive waste and evaluates a range of disposal strategies.	House Committee on Merchant Marine and Fisheries Support: House Committee on Science and Technology Senate Committee on Energy & Natural Resources House Committee on International Relations	6/30/81
IMPACTS OF ATMOSPHERIC ALTERATIONS Develops a range of impact scenarios of the social, economic and environmental consequences of atmospheric changes caused by long-range transport of air pollutants (e.g., acid rain, photochemical oxidants, and potential global climate modifiers).	House Committee on Interstate and Foreign Commerce	3/31/82

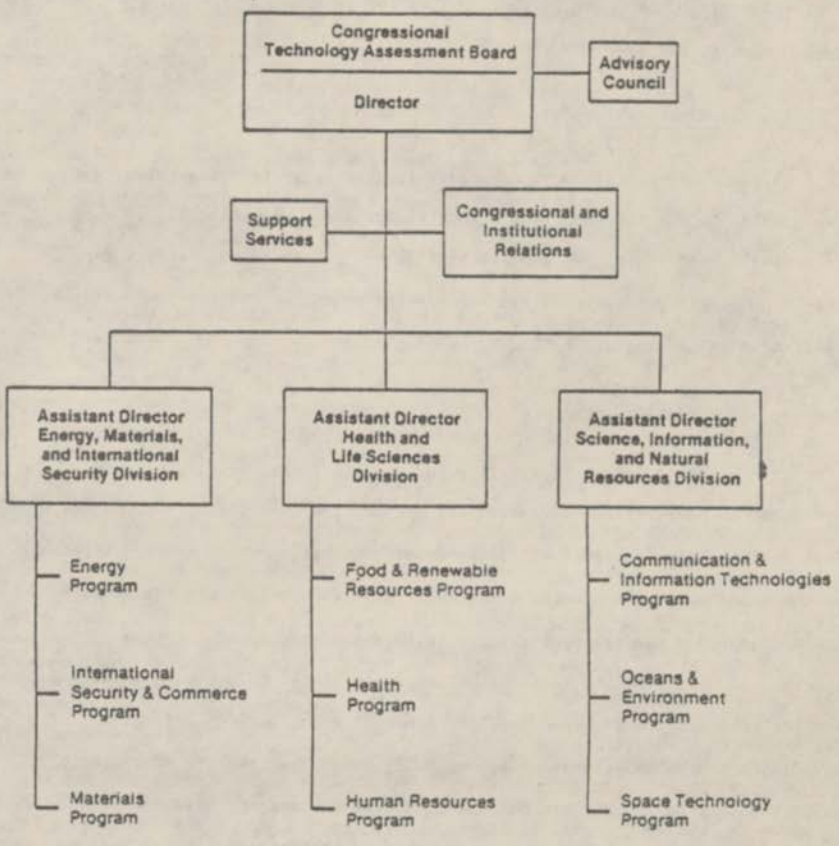
CURRENT OTA ASSESSMENTS

DESCRIPTION	REQUESTOR(S)	BOARD DELIVERY
FRESHWATER RESOURCES MANAGEMENT, PLANNING AND POLICY: AN ASSESSMENT OF MODELS AND PREDICTIVE METHODS Evaluates the wide range of computer models and methods to preduct the work of water resources projects and regulations.	House Committee on Interior and Insular Affairs	3/31/81
OCEAN RESEARCH TECHNOLOGY Identifies the most effective technologies and management systems in researching important ocean-related phenomena.	Senate Committee on Commerce, Science and Transportation	2/28/81
ASSESSMENT OF THE SOCIETAL IMPACT OF NATIONAL INFORMATION SYSTEMS Explores the societal implications of three national information syatems: (1) National Crime Information Center, (2) Role of the U.S. Postal Service in electronic message systems, and (3) preliminary assessment of electronic funds transfer systems.	Senate Committee on the Judiciary House Committee on the Judiciary House Committee on Pose Office and Civil Service	4/30/81
SOCIETAL IMPACT OF TELECOMMUNICATIONS TECHNOLOGY Reviews the entire technology base and structure of the telecommunications industry and sketches a range of future policy options and their likely implications.	Senate Committee on Commerce, Science and Transportation	2/28/81
IMPACTS OF THE 1979 WORLD ADMINISTRATIVE RADIO CONFERENCE Will assist in determining the implications of the Final Acts, which are a treaty instrument setting forth a world-wide plan for use of the radio spectrum.	Senate Committee on Commerce, Science and Transportation	6/30/81

CURRENT OTA ASSESSMENTS

DESCRIPTION	REQUESTOR(S)	BOARD DELIVERY
INFORMATION TECHNOLOGY AND EDUCATION Examines the potential education impacts of new developments in computers on worker productivity, government manpower, and special education programs.	House Committee on Education and Labor	3/31/82
SPACE POLICY AND APPLICATIONS Examines alternative future national space policies and considers the important emerging space technology applications for the balance of this century.	Senate Committee on Commerce, Science and Transportation	6/30/81
IMPACT OF ADVANCED AIR TRANSPORT TECHNOLOGY (Financing and Program Alternatives, Low Density Air Service, Air Cargo) Explores the impacts of introducing or not introducing second-generation SSTs into our commercial fleet (including financing and management alternatives) and the likely futures of low density (commuter) air service and air cargo operations.	House Committee on Science and Technology Support: Senate Committee on Commerce, Science and Transportation	2/28/81
AIRPORT AND AIR TRAFFIC CONTROL SYSTEM Studies the alternative technological and operational ways to improve the airports and air traffic control systems over the next 30 years and examines their respective impacts and policy alternatives.	House Committee on Appropriations Support: Senate Committee on Commerce, Science and Transportation	5/31/81

OTA Organization Chart



76-536 O - 81 - 56

FY '81 Supplemental Request

The Office of Technology Assessment's FY '81 Supplemental Request is broken down as follows:

A. Pay Raise ($370,000)

This supplemental request is to provide the cost-of-living raise that was granted to Federal employees effective October, 1980. The $370,000 requested in the FY '81 pay supplemental is equivalent to the average annual cost of 10 to 11 professional employees - the equivalent of the professional staff of a large Program at OTA.

B. Program ($220,000)

Much of OTA's budget flexibility for a given fiscal year is already committed to Board-approved assessments by the time that fiscal year begins. This reflects the fact that OTA assessments require, on the average, fifteen months to complete. Because there is so little flexibility for its small staff, OTA has a management challenge to be responsive to some of the special but unpredictable requests of Congress related to our work (e.g., to provide testimony, short analyses, or Technical Memoranda) while still carrying out complex assessments. Generally, when the priority of a special request justifies it, the schedule of an assessment project may be allowed to slip (e.g., 60 days) in order to accommodate the request within the constraints of a fully committed staff. Similarly, OTA must sometimes delay the completion of an assessment or the award of a contract for reasons of quality control or the loss of a key analyst. As a consequence of these events in FY '80 about $300,000 of Program obligations orginally projected for FY '80 funds were returned to the U.S. Treasury. The unanticipated delays caused corresponding additional demands on our FY '81 resources, thus eroding a significant amount of the FY '81 budget flexibility to respond to requests for new work.

This cost, or mortgage is an especially difficult adjustment to make under our reduced FY '81 authorization. We are requesting $220K to help offset the cost of conducting this work in FY '81.

c. Administrative Portion of Request ($150,000)

We have requested $150,000 to help us shift the conduct of necessary administrative and financial services needed by OTA from GAO to an in-house operation or alternatively to a different external institution such as the Library of Congress. GAO has provided these services to OTA since its inception. The GAO Controller General and I have agreed that it is our mutual best advantage that this change be made. The target transition date is the start of the FY '82 fiscal year, but it is necessary that we be prepared for this event several months ahead of the target date.

The FY '81 supplemental administrative request includes:

1.	Support Staff Two and one-half person years for six months during FY '81 (three accounting technicians, one data base administrator, one payroll clerk).	$ 70,000
2.	ADP Softwear Development $20,000 for program support to develop and test accounting systems and $55,000 for timesharing costs.	75,000
3.	ADP Equipment and other Terminals, printers and other interferface equipment.	5,000
		$150,000

We are conducting discussions with the Library of Congress to assist us with our financial operations. If arrangements can be made with the Library, we believe that the funds required in FY '81 can be reduced from $150,000 figure. It could be very helpful if appropriate language were provided by the Committee to enable the Library to undertake this service for OTA.

1981 SUPPLEMENTAL REQUEST

Dr. GIBBONS. Would you prefer I cover the fiscal year 1981 supplemental first?

Senator MATTINGLY. Either way.

Dr. GIBBONS. Since it won't take but a moment, I will start with that.

The pay supplemental is $370,000, equivalent to about 10 to 11 professional people years at the Office of Technology Assessment. It reflects directly the cost of living granted Federal employees in October 1980.

The program supplemental request has to do with the fact that because work of the Office of Technology Assessment primarily involves projects that go for more than 1 year and are from time to time interrupted or delayed in order to provide services for the Congress that match the legislative calendar. At the end of the year we have a problem in maintaining the program of work as planned in the beginning of the year. Work lapses into the next year in order to intersperse other services for the Congress. Fiscal year 1980 was an example, in which nearly $300,000 worth of planned and programed work had to be postponed into fiscal year 1981 in order to do work for various committees of the Congress that we felt had higher priority. That meant we returned money to the Treasury at the end of 1980; but it didn't mean that those costs were avoided; they were transferred into 1981. This program supplemental, therefore, is a reflection of our need to recoup those funds that were returned to the Treasury at the end of fiscal year 1980. It is a management problem. We need the flexibility to be able to make these responses to the legislative calendar but at the same time we create year-end budget problems because our programs are inherently multiyear.

The administrative portion request, $150,000, was mentioned near the end of the General Accounting Office testimony. This has to do with a planned transition Mr. Staats and I agreed to, from the General Accounting Office providing the Office of Technology Assessment's financial services to an in-house operation. As I state in my full testimony, we have found over the past month that there is a possibility that we can transfer those functions to the Library of Congress—which currently does similar services for the Congressional Research Service and Congressional Budget Office. If we are able to accomplish this, we think this will save not only money, but slots. We would not have to shift the Office of Technology Assessment personnel to this activity and it would enable us also to do with less cost as well. I mention this at the end of page three of my formal testimony. I am very hopeful that we will be able to get the Library to undertake this work. It would be helpful if appropriate language were supplied by your subcommittee that would enable the Library to undertake the service.

Mr. Chairman, with respect to fiscal year 1982, I would like to cover in summary form the fairly lengthy testimony we provided to you.

Senator MATTINGLY. We have already submitted that for the record.

Dr. GIBBONS. Thank you.

SERVICE TO THE CONGRESS

As you know, Mr. Chairman, we are the science and technology arm of the Congress. Our responsibility is to analyze both current issues before the Congress, such as the alternative basing strategies for the MX missile, and we also have responsibility for foresight on issues that are emerging, that are coming or will shortly be coming before the Congress. An example is the looming shortfall of affordable, dependable, quality water and the contribution of technology to ameliorate the water issues in their various forms across the country. Our job is to identify and analyze technological options and to clarify, but not to recommend, policy alternatives to the Congress. Our unique function is to substitute objective analysis and facts as best we can determine them for preconceived conceptions and guesses and to apply highly technical skills and analysis to these problems. We do this solely in service to the Congress and believe that such a resource is an important asset to the Congress in carrying out the legislative responsibilities of Government.

Sometimes our work suggests that there should be major reductions in Government expenditures, such as the work a year ago on synthetic fuels. Sometimes it may indicate the need for increased governmental involvement, such as the funding of certain vaccinations for medicare patients. We are a shared resource for Congress. We undertake only about 2 dozen assessments each year.

Almost invariably these studies are undertaken at the request of one or more committees of the House or Senate. The Office of Technology Assessment's congressional board must approve every assessment that is undertaken because the number of requests considerably exceeds the resources we have. The issues we tackle include some of the most controversial and costly issues that are before the Congress. For example, even though full deployment is not underway, the Government now spends about 10 times the total annual budget of the Office of Technology Assessment every month on the MX missile project alone, and the MX missile basing is the subject of only one of about 30 current analyses underway at the Office of Technology Assessment.

Following our congressional mandate, we make extensive use of information from the private sector as well as from Government sources. Our job is not to be the source of all wisdom, but to be the place that gathers it up, wherever it can be found, whether Government or private and distill it into a form needed by committees. We emphasize the process of pulling this information together, identifying the parties of interest and then bringing them to the table to make sure the analysis we do is not only comprehensive and objective, but also fairly representative of the various points of view and facts that can be found.

Once a study is organized we use contractors to carry out many of the specialized tasks. Ultimately Office of Technology Assessment staff does the final analysis, and then the report undergoes extensive review not only in our agency and among our sister agencies, but among other experts across the country. In so doing, we seek to guarantee quality, accuracy, and objectivity in the work. The process assures that we fully build upon rather than duplicate the work of others, either in industry or academia or in Government.

WORK PRODUCTS TO THE CONGRESS

Our output goes into the legislative process in a variety of ways. Besides the direct flow of reports and summaries and testimony or briefings to the Congress, the reports are sold through the Government Printing Office. They are frequently reprinted by commercial publishers, and they are widely referred to in the media because they are based on such comprehensive analysis and careful review.

We testified about twice a month last year, and briefings and other interactions with committee staffs amounted to about another 12 a month.

We received an average of 17 requests a day last year from the Congress for information that was previously developed at the Office of Technology Assessment. Noncongressional requests for published information run about 60 a day.

IMPACT OF INFLATION

The funds spent by the Office of Technology Assessment, when we take into account inflation, have shrunk about 3 percent per year for the last 4 years. A number of actions have been taken, especially since my arrival in June 1979, to increase our productivity, and I cover some of those in the testimony I submitted.

Further reduction of support will result in a capability that the Office of Technology Assistance's Board feels is inadequate to respond to the requests for assistance that we receive from the Congress.

WORK METHODOLOGY AND USES

In my testimony I have summarized the purpose of the Office of Technology Assessment, how we do our work, sources of requests that come from the chairman and/or ranking minority of committees, and I summarize the way we organize advisory panels to fully represent parties of interest from the private sector. On page 7 of my testimony I talk about the kinds of priority that the Office of Technology Assessment's congressional board and I give to requests so that there is a consistent way of choosing the most important pieces of work for the Congress.

I talk a bit about the potential leverage of the work we do, and one example is in our work on oil from shale rock. If our study can result in even a 1-percent improvement in shale development—and we believe it is at least that high—the Federal savings over the next decade alone will pay for about 60 years worth of our entire budget. This is an example of one of our roles—to try to determine how the Nation might do better by spending less money rather than more money in the Federal system.

We work closely with our sister agencies, and I would be happy to cover that in more detail during the question period, Mr. Chairman.

On page 9 of my testimony I summarize the kinds of deliveries we made to the Congress during the past year, and I speak of the interest exhibited through purchases at the Government Printing Office as well as commercial publishers of the products that have come from the Office of Technology Assessment. For example, the Government Print-

ing Office sold about 280,000 dollars' worth of Office of Technology Assessment publications last year. The Government Printing Office has indicated to us that the Office of Technology Assessment's reports are among their best sellers.

WORK PRODUCT EXAMPLES

On pages 10 to 19 of my testimony I summarize half a dozen examples of work we completed during the year and how those results were used by the Congress. I would like to spend just a minute or two on one of those examples.

One study we completed pertains to energy from biological materials such as wood or ocean kelp or soybeans. We did the most comprehensive study yet done on the whole issue of energy from biological processes. We tried to see what one can do in adding an energy and chemicals component to the food and fiber uses of wood and other biological matter, without unduly perturbing or cutting into the costs involved in the process. In other words, we tried to determine what point you could produce, for example, alcohol from corn before the food chain started to be affected. I brought along an example of the study because it indicates——

Senator MATTINGLY. How much did that project cost?

Dr. GIBBONS. About $600,000.

Senator MATTINGLY. How long did it take?

Dr. GIBBONS. About 24 months—and that is not atypical. Our studies range from 6 months on the short end to 2 years on the longer end. In cost they range from perhaps $50,000 to $1 million.

This assessment, as I said, was the most comprehensive look at energy from biological processes that has been done.

To illustrate the quantity of work done, I thought I would show you what some of our results look like.

We feel that if we can't meaningly summarize the results of a study on one page, then a lot of people who are very busy won't have a chance to know what happened. So we always force ourselves to get the kernel of the work down to one page: the publication brief.

For those that have a little more time we publish and circulate a summary to all members and some staff in Congress. This is less expensive than trying to circulate the full report—which is available on request to any member—and we find that this procedure has been very well received.

The full report is a documented piece of work in which the reader can go back to primary references and be able to track the numbers. I feel, Mr. Chairman, the last thing Congress needs is poorly thought out information. One reason I came to Washington was to make sure that Congress would be provided with some of the highest quality and best integrated information that can be had in terms of not only technology and cost analysis, but also of its relevance to the policy process.

In the middle of the biomass project the issue of gasohol came up before Congress. We were only halfway through the study, but on request we deferred this work for 1 month and produced a special analysis—a technical memorandum—on gasohol, which drew from what we knew about that one specific issue from the whole larger issue of

energy from biological processes. This was delivered in the course of the work. It is our intention to continue to carry out such long-term studies which give us a very important basis of expertise for the Congress, but also to be relevant to the policy process and time lines that have to be met in each session.

The results of this project are summarized in my testimony. We showed rather clearly where the limits are with respect to gasohol production and where it does or does not make sense. At the same time, we also showed a substantial opportunity for additional energy from this particular resource.

In a similar way, our work on oil shale, completed last summer, indicated that the intended program of Federal subsidy of Federal shale oil was very difficult to justify.

Mr. Chairman, I covered our efforts on management and productivity at the end of my prepared testimony, and I attached a list of current assessment activities for your information. I will be happy to respond to questions. I see my chairman is here.

Senator MATTINGLY. By the way, I read that. It was very good.

Senator Hollings is here and Senator Stevens.

HISTORY OF OFFICE

Senator HOLLINGS. Mr. Chairman, we have a markup in the Budget Committee in just a little while, so I will be brief and file a full statement.

I am glad to support this particular request, and I do it in light of the cutting of the budget, the economy, and all the other particular initiatives going on at this time in the Congress to get on top of this deficit and on top of inflation.

The Office of Technology Assessment has had a rather stormy beginning. For one thing, it had charges of political overtones because its chairman, Senator Kennedy, was looked upon as a potential candidate so there was concern that they weren't interested in science. We also got by the jealousy between the House and Senate that the House was using it as an extension of their Science and Research Committee over there, and that was clarified. The truth willed out, and we really started producing some excellent final products.

EFFECTING ECONOMIES

I think today we have the finest director we have ever had. We are on top of the expense. The costs are down. Personnel are down. It has been kept at a minimum level. You will find in your other budgets, like the General Accounting Office has got 5,000 people. Any Senator that wants to investigate anything—they can talk about cutting the budget of the Congress 10 percent—but if they increase the request of the General Accounting Office 30 percent, and they have *x* number of studies going, there are no limitations other than the money you give them. You, as the chairman, must be looking to limit that money, which I did in the case of the Congressional Research Service of the Library of Congress. When I came on board in the chairman's position we stopped their writing high school term papers. At that time they were honoring

requests like that from every Congressman who wrote the Library of Congress. We had more nonsense going on like that.

This particular subcommittee has been astute to watch these expenses, and particularly the size, and make sure this didn't grow, because the Office of Technology Assessment could take over the National Science Foundation. Given the demand, the Office of Technology Assessment could easily take on 10 times the present level at any particular time.

They have been working on alternative basing modes for the MX missile and the costs involved. The Armed Services Committee couldn't meet that need. Here is an impartial group that in a scientific way is trying to project the cost and what the alternatives might be.

They are assessing technology on oceanographic work.

Their product, as indicated by the buys from the Government Printing Office is right there at the top of the list, and they have got the respect of the scientific community and entire Congress.

STATEMENT OF SENATOR ERNEST F. HOLLINGS

So I wanted to come over and file a little statement and support Dr. Gibbons because I didn't know if my distinguished chairman could get here, but I will be glad to yield to him.

Senator MATTINGLY. Senator Hollings, your prepared statement will be placed in the record.

[The statement follows:]

As one of the original members of the Technology Assessment Board I have been concerned that as OTA matures it remain the small, flexible, expert agency that was intended in the original legislation. I am pleased to report that OTA has in fact stayed true to the original concept. The line has been held on staff size; the Office actually has fewer employees today than it did 2 years ago. Budgets have also been kept under control. The proposed budget for fiscal year 1982 in constant dollars would allow for only one additional assessment over fiscal year 1980 despite the growing volume of requests. Management has introduced a variety of cost saving measures over the last 2 years including the consolidation and elimination of some programs.

At the same time the output of the Office has risen steadily both in quantity and quality. Dr. John Gibbons will speak to these details in more depth but let me point out, that there are 32 formal, full-length assessments presently underway plus a number of shorter technical memoranda and staff papers. OTA is in increasing demand to provide testimony at congressional hearings. Last year the Office testified on the average of twice a month and it can be confidently predicted that the number will be even higher this year. In addition to formal testimony, the Office has provided an average of 12 briefings and workshops per month for committee staff.

The Technology Assessment Board is a unique congressional institution. Composed in equal measure of Members from both Chambers and both sides of the aisle, it was created to oversee, monitor, and establish the basic priorities and direction of the Office. I believe it has, on the whole, performed its job conscientiously and effectively. The proposed appropriation for OTA is a vote of confidence in the Office by those Members who have followed its activities quite closely.

OTA services a broad spectrum of committees including, at the present moment, 9 in the Senate and 16 in the House. The Office receives many more requests that it can handle and many potential requests are never actually made because it is evident in advance that OTA is already "overbooked." That the services of the Office are in increasing demand should not be surprising. Never has the Nation or the Congress had a greater need for objective, expert knowledge about the increasingly powerful, pervasive, and expensive products of modern science and technology. If we are to take advantage of the power of technology, while avoiding the potential pitfalls, if we are to make the most efficient use of our resources, we must have the best information and analysis available. In this instance, ignorance is not bliss; it can only be costly and painful.

I can best speak to the utility of the Office by citing four specific ongoing assessments with which I have a particular familiarity.

(1) *Alternative basing modes for the MX missile.*—OTA is nearing completion of an assessment of the basing options for the next generation U.S. ICBM. The costs and stakes are enormous. OTA can provide Congress with the kind of expert, unbiased information that will be vital to a wise congressional judgment on this matter.

(2) *Ocean research technology.*—This study will assist Congress in evaluating the Federal Government's annual $1 billion investment in oceanographic programs and equipment. The costs and benefits of these technologies will be analyzed as well as options for getting the most out of existing equipment and management systems.

(3) *Radio frequency spectrum management and use.*—This report will provide valuable information to assist the Senate in its deliberations concerning ratification of the final acts of the 1979 World Administrative Radio Conference. Alternative U.S. strategies for forthcoming international conferences on the availability of the radio spectrum and satellite orbits will be analyzed.

(4) *Telecommunications technology.*—This report will assist the continuing review by Congress of communications issues looking toward a revision of the Communications Act of 1934. Many complex issues remain to be resolved if the public is to obtain full benefits of rapidly evolving telecommunications technologies.

In each instance we are dealing with complex issues that involve substantial sums of money. It is essential that Congress have available to it the most expert, objective information available. OTA's findings are available to the entire Congress. Thus, as Senator Stevens has observed, OTA serves as "shared staff" for all committees with an interest in a particular topic. If congressional efficiency is to be improved, we must make increasing use of such shared staff. In this way, fragmented congressional resources can be better consolidated and coordinated.

I hope this committee will approve the Board-recommended appropriation so that OTA can be of maximum possible assistance to the Congress.

STATEMENTS OF SENATOR STEVENS AND REPRESENTATIVE UDALL

Senator MATTINGLY. Senator Hollings, referring to the nonsense of the term papers, since I have been here 4 days in a row, I am suggesting there is nonsense left.

Senator STEVENS. Mr. Chairman, let me file my statement and that of the Vice Chairman of the Office of Technology Assessment for the record.

[The statement follows:]

STATEMENT OF SENATOR TED STEVENS

Over the past decade, Congress has been attempting to develop a capability to analyze major issues facing our Nation--independent of the Executive Branch. The Congressional Budget Office is one part of that effort; the Office of Technology Assessment is another part of that same effort.

As we go into the decade of the 80's, we in Congress need, more than ever before, the ability to get an independent and nonbiased assessment of technical issues. In the defense area for example, we are going to have to make some hard decisions about MX missile basing. OTA is currently doing a study of that very issue. Some of you may have had the opportunity to get a preliminary briefing on this study. We do not all have to agree with all the options and discussion presented by OTA to find their analysis useful.

It is important to understand what an assessment is and how it gets started. Most requests for studies come from the various committees of Congress. Out of the 33 assessments underway, committees initiated or were directly involved in requesting 27 of them.

As was mentioned earlier, OTA is doing an assessment on MX basing. In addition, it is doing assessments on: Technology and Soviet Energy Availability, the Impact of Technology on Productivity of the Land, the Patent System and Its Impact on New Technological Enterprises, and the Impacts of Atmospheric Alterations. There are others, but this gives a cross section of the types of work which OTA is doing for the committees of Congress--work which would have to be done by committee staffs themselves were it not for OTA.

The assessments, as you know, involve the analysis of complex technical issues. One of the major purposes is the suggestion of policy options. No one is bound by the options

prepared by OTA. The Board, of which I am Chairman, is not bound and certainly the requesting committee is not bound. What they get from the assessment, if OTA does its job right, is the whole range of policy options available to aid us in making our decisions.

This information can be invaluable to all of us because it augments the work of our committee staffs. OTA then serves as a reservoir of expert staff knowledge which all of us in Congress can draw upon. We are in effect sharing staff and, by doing so, improving our productivity level.

If OTA's budget is cut back too far, then all of us in Congress will suffer. If Jack Gibbons has to start cutting into the muscle of OTA to meet substantial budget reductions, then the staff expertise, which all committees had drawn upon in the past, will no longer be available. The committees of Congress will have to come to you for increased staff to cover this void.

I think we will all agree that, if government spending is to be brought under control, we must know what the effect of certain expenditures will be and what constitutes wise and unwise use of the taxpayers' dollars. The Office of Technology Assessment was created to provide Congress with this information; it is presently doing so. Its services will be more important than ever in the months and years ahead.

STATEMENT OF REPRESENTATIVE MORRIS K. UDALL

Let me begin by endorsing the views expressed by Senator Ted Stevens in his capacity as Chairman of the Technology Assessment Board of OTA. I would particularly like to associate myself with his remarks concerning the performance of the Office under its present Director, Dr. John H. Gibbons. In recent years, OTA has begun to fulfill the hopes that the Congress had for it when the Office was created.

It is perhaps worth recalling how difficult an assignment was given to this new agency. It was to be a part of the Congress, overseen by a Congressional Board and servicing Congressional Committees; yet it was also to be nonpartisan, objective, and technically expert enough to command the respect of the professional scientific community. Its expertise was to cover the entire span of the physical, biological, and social sciences. It was not simply to analyze complex scientific and technological issues confronting the Congress -- a difficult enough task. It was to help Congress anticipate issues that were not yet on the legislative agenda. It was to assess the full range of implications of technological change -- economic, technical, social, environmental, political, military, health, etc. -- as appropriate. It was to do all this in a manner that would fit Congressional timetables and Committee jurisdictions. This is a very tall order, indeed. What is remarkable is the extent to which OTA is now fulfilling its mandate.

The Office has acquired an international reputation among the professional scientific and technological community for the quality and authoritativeness of its work. Increasingly within the Congress, one hears comments acknowledging the high caliber of OTA's analysis. It is always difficult to provide hard measures of quality. Still, it is surely indicative that OTA's reports have become among GPO's "best sellers" and, as Senator Stevens noted, commercial publishers are now reprinting many OTA studies. Media attention given to OTA's findings has been extensive and grows steadily. Foreign interest in OTA has increased rapidly as evidenced by the number of senior-level visitors from Europe and Asia that come to OTA in order to obtain first-hand knowledge of how the Office functions. Several European countries have legislation under consideration that would establish agencies analogous to OTA. France has recently established a Ministry of Technological Evaluation after careful examination of OTA. Most

important, the volume of Congressional Committee requests for OTA assistance has risen steadily.

At the request of various Congressional Committees, OTA has tackled many of the most difficult and controversial issues confronting the United States in such diverse fields as health, energy, transportation, telecommunications, environmental protection, national defense, and regulatory policy. To a truly remarkable degree, it has dealt with these issues in a manner that has earned it the respect of the variety of often-conflicting parties of interest concerned with the particular issue.

In the past year, major efforts have been made to make OTA's findings more readily accessible and usable for the Congress. Perhaps I can best illustrate by citing a specific assessment, OTA's report on Energy from Biological Processes. Following a technical memorandum on gasohol, released in September 1979, the main report, consisting of some 200 pages, was delivered to the requesting Commitee and other interested Committees last July. The report was also distributed in response to other requests from Congressional members and staff and sold to the public through GPO. Summaries of the report were sent to all Congressional offices and to the majority and minority staff of each Committee. For those with a specialized or detailed interest in the subject, a second volume detailing the technical and environmental analyses and various unconventional approaches to biomass was published and distributed to interested staff. In addition, several of the more useful contractor reports were released as technical appendices, now available through the National Technical Information Service of the Department of Commerce. And one contractor report on ocean kelp farms was released as a Committee print. In this way, OTA fulfills its mandate to serve the Congress first, and then the broader community of interested professionals in and outside the Government.

In addition to the written report, OTA has assisted Congressional deliberations through numerous inputs during and

after the assessment. OTA testified before both House and Senate Committees considering bio-energy related legislation and consulted with conference committee staff and critiqued draft legislation prior to preparation of the final draft of the Energy Security Act. The results of OTA's biomass assessment were used to provide authoritative input to OTA's critique of DOE's conservation and solar programs. The OTA biomass report was also drawn on extensively in preparing background information that accompanied the recent solicitation of membership in the newly-formed wood energy caucus. Finally, OTA has provided numerous written and telephone responses to Members about questions of gasohol, methanol from biomass, utilization of rice hulls, and ways to aid the forest products industry in the Northwest, to name only a few.

Finally, I would like to emphasize the value of the objective, bi-partisan character of the Office. For a Congress in which the House and Senate are controlled by different Parties, it is particularly important that Congress have access to in-house analysis that is both expert and done without consideration to partisan politics. OTA's bi-partisan, bi-cameral Board is unique among Congressional institutions and one whose value is particularly evident in the present context. As Senator Stevens notes, the problems the United States will face in the years ahead will be complex and difficult and the resources available to deal with them are not limitless. If we are to identify and implement coordinated, efficient solutions we, the Congress, will require the best information and analysis obtainable. OTA is an important source of such assistance - more important now than ever.

I join Senator Stevens and the other Members of the Technology Assessment Board in requesting this Committee's approval of OTA's proposed budget.

BUDGET REQUEST

Senator STEVENS. Let me assure while there may still be nonsense, I have worked in the past on this subcommittee, too. The Office of Technology Assessment is not one of the areas. As a matter of fact, we currently are in the position of having to turn down requests from committees and from chairmen of both Senate and House committees for technology-related assessments because we have already cut this budget.

For instance, I am in the process of going over to see my old friend in the House, a chairman of a committee, who wants us to make an assessment of the feasibility of the Alaska gas pipeline. We just can't afford that, and that would be very important to me, but we still can't afford it.

We have pared this budget down, and it is a budget that has to be viewed properly. If we don't do this function, then there will be a series of committees doing the same things we were doing, and they will be duplicated. One of the reasons we created the Office of Technology Assessment was we found House and Senate committees were making studies, or two or three subcommittees on each side were making studies, of similar technology-related matters. We have now developed a concept which I call shared staff. This staff that works under the direction of Dr. Gibbons is doing studies for committees on both sides of the Capitol, and at the specific request of committee chairmen. But they are reviewed by the Office of Technology Assessment Board to determine whether we really have to spend money for it. If we don't think we can, we send it back to the committee and the committee has to make the decision whether they will spend their money for it.

STAFF STUDIES

We basically have chosen subjects where there is a redundancy as far as committee jurisdiction is concerned. By using a shared staff, I think we are saving the Congress money. One thing is for certain, we cannot go back to the time when we had a whole series of committees bringing in studies purporting to show the impact of technology on proposed legislation. We have an Office of Technology Assessment staff that is building up a track record. By the time we get this MX study completed and Members of Congress get a chance to listen to it and study it, they will see it is very thorough and very deep. Contrary to the New York Times report, I don't think we have taken a position in that study as to which basing mode is the correct one. We will issue a statement on that today. But it is an in-depth study. We are the only people that can do that and have the confidence of the Congress.

That is what we are trying to maintain. It is bipartisan. The chairmanship shifts from the House to the Senate and back to the House. It is completely bipartisan. It is equal. We have an equal number of Republicans and Democrats from both the House and Senate. There is no politics in this. It is really immune from the political trends that would affect the Congress as a whole.

It is one body that must be maintained. If it is not maintained, the cost of running the Congress is going to skyrocket as we deal with more and more high technology items that affect our legislative process. I am

not talking about the use of computers in our process, I am talking about the impact of technology on the substance of the programs we are trying to analyze. The Office of Technology Assessment has a unique capability to analyze that.

Some of us here, like my friend from South Carolina, have been on it since its inception, and we have seen it through some tough days. But we have insisted on developing a track record—which has sometimes been a little costly for the people who run—to make sure we don't get involved in politics.

EFFECT OF BUDGET REDUCTIONS

As my statement says, we have gone over these assessments. We have put some on the back burner because we know we are in a budget crunch. But the money we are obligated to spend this year is absolutely essential, in our opinion. There was not a House or Senate Democrat or Republican opposed to the budget proposal that we presented on a bipartisan basis to the Office of Technology Assessment Board.

I am sure we are all looking for places to cut, and I have heard people say this would be a nice place to cut, but it really isn't because we are performing studies that will go to several committees. If you cut here the committee budget requests are going to go up, and they will perform those studies. But they have no mechanism to make sure one committee can trust the other in terms of output. We have established that track record of trust, and I think we are saving the Government money in the long run.

So I urge you to take a look at the studies. I have been critical of some myself; but I am not critical of the process, I am critical of some of the conclusions. I know it would cost us more to do it any other way. So I urge you to support us. We would urge your staff to take a look at some of the things we are doing and some of the things we said we wouldn't do. But I would appreciate it if you would print my statement and Congressman Udall's statement, and we would be prepared to answer any questions you may have concerning the proposal.

Senator MATTINGLY. Thank you very much.

Dr. Gibbons, you have two strong advocates there.

Dr. GIBBONS. I think I could leave the room now.

Senator STEVENS. We will leave you to answer the dirty questions.

[Laughter.]

GASOHOL ANALYSIS

Senator MATTINGLY. While you were giving your original statement, you were talking about the gasohol analysis. The Congress established a National Alcohol and Fuel Commission in the 96th Congress and gave it $3 million to do a gasohol and alcohol fuel analysis. It had six Senators, six House Members and seven members of the public. They have been working on that study for 18 months; they have just about completed their study. Were you all aware they were doing this study?

Dr. GIBBONS. If I might check with my staff.

Senator MATTINGLY. And you were doing similar type work.

Dr. GIBBONS. The people that established that study, Mr. Chairman—incidentally, I should introduce Mr. Johns, who is Division Director for Energy, Materials, and our National Security Work.

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We knew of that activity and they also knew of our activity. The people that established that study were aware of the work that was ongoing in our program. We completed our gasohol work in September 1979, which preceded that other work by nearly 18 months and I would daresay that our results were helpful to them.

Senator MATTINGLY. $3 million was a lot of money.

Dr. GIBBONS. Our gasohol technical memorandum was developed from a study whose total cost was only a fifth of that whole study.

DUPLICATION OF EFFORTS

Senator MATTINGLY. There have been a great deal of statements made this week during the hearings that there is no overlap; everybody checks with everybody else on certain studies. I just want that to be made part of the record.

Dr. GIBBONS. Yes, sir, I think that is important, and relates to one of the procedures used at the Office of Technology Assessment. When we have a proposal or request for work, before we carry our proposal to OTA's Congressional Board, I insist that we know what has been done—what is in the literature—what is being done but not published yet both in Government and in the private sector, and what our colleagues, both public and private sector, are planning to do on that issue. So before we go in with a proposal—and this is something you have to be very deliberate about—we know the territory. We knew the people that know the most about that work before we actually take our proposal into the Board.

Senator MATTINGLY. Does that mean then there is no duplication?

Dr. GIBBONS. As far as I am concerned, when we do work there is no duplication because we bring in the people who know the most about that subject already.

LIMITING TO STUDIES UNDERWAY

Senator MATTINGLY. What portion of your fiscal year 1981 request for supplemental funds could be eliminated if we wanted to limit your activities to only those studies you currently have underway?

Dr. GIBBONS. The program supplemental—$220,000—represents additional funds needed for currently ongoing assessments. None of this supplemental would be used to finance future fiscal year 1981 new starts. Therefore, if our activities were limited to those currently underway, we would still request the supplemental.

1982 BUDGET REQUEST

Senator MATTINGLY. What portion of your fiscal year 1982 budget is related to new studies that you want to initiate later this fiscal year or in fiscal year 1982?

Dr. GIBBONS. A substantial portion of the fiscal year 1982 budget is for studies that will be initiated some time between now and 1982.

Senator MATTINGLY. Could you provide us with a dollar amount for the record?

Dr. GIBBONS. $2,200,000 in fiscal year 1982 is for new starts in that fiscal year.

REAFFIRMING USEFULNESS OF CURRENT WORK

Senator MATTINGLY. What studies do you currently have underway by past committee chairmen who are no longer members, and if you don't have that information can you provide that?

Dr. GIBBONS. I will be happy to supply it. In many instances the requests came from the chairman and ranking minority, and during the time since the new Congress came in we have gone back specifically project by project to assure that the new leadership is still interested in the work.

Senator MATTINGLY. You have been to each chairman?

Dr. GIBBONS. We have virtually completed that work, and we have not found anyone so far that does not want the product.

Senator MATTINGLY. Each of those chairmen know that? Does somebody specifically go to each one, and is it documented you went to each chairman?

Dr. GIBBONS. We have memoranda to file. We have not asked the chairman to formally write us a letter because we felt——

Senator MATTINGLY. You have not asked for a response from the chairmen?

Dr. GIBBONS. In many cases the senior staffers with whom we work on a professional basis.

Senator MATTINGLY. Well, the chairmen are the Senators, not the senior staff. What I am getting at is we have new chairmen in the U.S. Senate with the new Republican majority. Somebody from your agency would be in communication with that Senator to ask him if he still wants that study, not necessarily his staff member on that committee?

Dr. GIBBONS. Perhaps it is my fault as much as anybody's, but in many instances if I have been assured that the new chairman's senior staffer reaffirms for his boss that he is quite interested in that study, I have not tried to bother the Senator personally over that.

Senator MATTINGLY. The reason I ask is because they went from an interim period from January 5 when they didn't have those people.

Dr. GIBBONS. That is correct. That has been one of the problems in reaching either the Senator or senior staffer. We are attempting to reconfirm with each new committee chairman that the requirement for the assessment still exists and that our work plan will result in a valued product. Though the process is incomplete, in each case where contact has been made the results have certified the need for the study. Also, I am meeting with each Senate committee chairman as schedules permit, and will continue this effort until all the chairmen concerned have been contacted.

STUDIES COMPLETED

Senator MATTINGLY. How many studies has the Office of Technology Assessment completed since it first started?

Dr. GIBBONS. I would have to supply it for the record, Mr. Chairman. Last year it was about 19 completions and formal assessments, and that is detailed in my testimony.

Senator MATTINGLY. How many of these studies were completed on schedule and how many were completed later than they were originally scheduled for completion?

Dr. GIBBONS. In the past we have formally given the board a schedule that says if we are not interrupted, this is our estimated completion.

Senator MATTINGLY. Well, what I want is how many that were completed on schedule, for the record. Could you get that for us?

Dr. GIBBONS. I would be happy to give you that.

[The following information was supplied subsequent to the recess of the subcommittee:]

As of March 19, 1981, the Office has completed and delivered to Congress: 86 separate studies involving 131 reports, 7 technical memoranda, 4 hearing reports, and 3 proceedings on conferences.

Of these studies, the following 30 have been completed and delivered since January 1979: Analysis of Laws Governing Access Across Federal Lands: Options for Access in Alaska; Changes in the Future Use and Characteristics of the Automobile Transportation System; The Direct Use of Coal: Prospects and Problems of Combustion; Residential Energy Conservation; Management of Fuel and Nonfuel Minerals in Federal Land; The Effects of Nuclear War; Selected Topics in Federal Health Statistics; Drugs in Livestock Feed: Materials and Energy from Municipal Waste; Open Shelf-Life Dating of Food; Railroad Safety: U.S. Canadian Comparison; A Review of Selected Federal Vaccine and Immunization Policies; Technical Options for the Conservation of Metals; Pest Management Strategies; Technology and East-West Trade; Environmental Contaminants in Food; Impact of Advanced Group Rapid Transit Technology; Alternative Energy Futures: The Future of Liquefied Natural Gas Imports; Impact of Advanced Air Transport Technology; Advanced High Speed Aircraft; Forecasts of Physician Supply and Requirements; Taggants in Explosives; An Assessment of Oil Shale Technologies; Conservation and Solar Energy Programs of the Department of Energy: A Critique; Technology and Steel Industry Competitiveness; Energy from Biological Processes; The Implications of Cost Effectiveness Analysis of Medical Technology; An Assessment of Technology for Local Development; Impacts of Applied Genetics; Solar Power Satellite Systems; and An Analysis of Nuclear Powerplant Standardization Problems.

In addition to the deliveries given above, OTA has provided other analyses and testimony. Over the 1 year period January 1980 through December 1980, OTA was asked to testify 17 times before congressional committees and provide a total of 249 briefings and special responses to congressional members and staff.

ASSESSMENTS EXPERIENCING DELAYS

Senator MATTINGLY. And could you specify which ones were late and tell us how late they were, if you could just for the record, and whatever reasons.

Dr. GIBBONS. I think that is important that I add that last point you mention. As an example the biomass project, it was delayed in order to be able to do the work for the committee.

[The following information was submitted subsequent to the recess of the subcommittee:]

Twenty-eight assessments experienced delays in completion. The assessments, and the reasons for delay, are as follows:

Assessment	Months Delay	Delay Caused by:
Energy, the Economy, and Mass Transit	3	Need for additional data on escalating gas prices and cost of mass transit; need to refine computer model used in project.
Food Information Systems	16	Extent of project underestimated at time of TAB approval.
Coastal Effects of Offshore Energy Systems	17	Project was suspended and staff reassigned to other more urgent studies; contractor reports had to be redirected and rewritten.
Federal Retail Food Grading	9	Delay in staffing project.
Organizing and Financing Basic Research to Increase Food Production	9	Delays in receipt of contractor reports. Extensive editing of final draft required for quality control.
Saccharin and Cancer Testing Technology	4	To await completion of short-term tests of mutagenicity of saccharin; and to complete final editing.
Solar Technology Applications	35	Study did not pass quality control and was restarted two years after original start.
Emerging Food Marketing Technologies	21	Delay in USDA's assignment of detailee to OTA for this project.
Future Use and Characteristics of Automobile Transportation Systems	3	Conflicting comments from advisory panel of final draft report required additional time to resolve; resulting changes had to be incorporated into final report.
Direct Use of Coal	17	Extent of project underestimated when first proposed to TAB.
The Effects of Nuclear War	2	Delay in completion of SALT II Treaty. Committee requested expansion of project scope.

Assessment	Months Delay	Delay Caused By:
Use of Drugs in Livestock Feed	12	Quality control; new project director brought in to completely revise the report.
Residential Energy Conservation	27	Scope of project originally underestimated. Project suspended for 15 months to staff and perform other, more urgent studies.
Open Shelf-Life Dating of Food	14	Delay in receiving and need to edit certain contractor reports; scope of project expanded to include new legislative activities.
Metals Conservation	31	Too much work was taken on in the early stages of program. Staff not adequate to handle workload.
Pest Management Strategies	8	(1) Project re-scoped to include public participation component. (2) Delay in receipt of several contractor reports.
Environmental Contaminants in Food	2	Minimal delay due to need to revise final report based on extensive outside review.
Taggants in Explosives	4	Unexpected experimental result in late stage of project necessitated revision of analysis to conform to new scientific data.
Oil Shale Technologies	4	Project director returned to his job at CSMRI. Final stages completed with project director 2,000 miles away and working only part time. Also, large number of reports reviewed and produced at same time caused delays.
DOE Conservation and Solar Energy Programs	3	Expanded scope of work at request of Committee.
Technology & Steel Industry Competitiveness	3	Extensive outside review of draft and internal review which was delayed due to large number of OTA reports completed at the same time.
Energy from Biological Processes	6	Underestimated scope of project when first proposed to TAB.

Assessment	Months Delay	Delay Caused By:
Cost Effectiveness of Medical Technologies	4	Delay in receipt of contractor reports.
Technology for Local Development	11	(1) Delays in receipt of, and quality control of contractor reports. (2) Additional work at OTA required to integrate contractor data into OTA report. (3) Departure of project leader before completion of study.
Solar Power Satellite	5	Held off delivery until Congress reconvened, with consent of requesting Committee.
Nuclear Power Plant Standardization	2	Held off delivery until Congress reconvened, with consent of requesting Committee.

COST OVERRUNS

Senator MATTINGLY. Also, how many of your completed studies have had cost overuns above the amount originally approved? And if you don't have that information, can you please supply it?

Dr. GIBBONS. I have that information. Would you be particularly interested in the last year or two?

OFFICE TRACK RECORD

Senator MATTINGLY. Senator Stevens referred to the track record of the Office of Technology Assessment. Let's see what the total track record is.

Dr. GIBBONS. I might add to that, Mr. Chairman, in the past the Office of Technology Assessment, perhaps like other Federal agencies but unlike the private sector, in making cost estimates did not assume any contingency cost or inflationary pressures. I think the record will show that our increased costs pretty much reflect inflationary pressures we have encountered.

Senator MATTINGLY. When you do this and give this information to us, please identify those studies and tell us the cost overruns for each and total cost overall for all these studies.

[The following information was submitted subsequent to the recess of the subcommittee:]

COSTS OF OTA ASSESSMENTS

Assessment	Total Cost ($000)	Obligations in Excess of Board Approval[b] ($000)
World Futures	62(a)	(38)
Strategies for Medical Technology Assessment	325(a)	--
Mx Missile Basing	620(a)	130
Technology & Soviet Energy Availability	343(a)	3
Steel, Electronics, & Auto Industry Competitiveness	141(a)	16
Airport & ATC System	361(a)	(17)
Impacts of 1979 WARC	282(a)	(18)
U.S. Food & Agricultural Research	380(a)	30
Productivity of the Land	300(a)	50
Ocean Research Technology	394(a)	(8)
Freshwater Resources Management	168(a)	19
Disbursed Electric Generating Systems	319(a)	41
Synthetic Fuels & Auto Fuel Efficiency	704(a)	82
Technology & World Population	546(a)	57
Space Policy & Applications	499(a)	(191)
Cancer Risks	223(a)	24
Regulations & Technological Innovation	587(a)	61
Advanced Air Transport	595(a)	(18)
Telecommunication Technology	359(a)	(2)
Radioactive Waste Disposal	1,087(a)	117
National Information Systems	811(a)	10
Electronics Industry Competitiveness	418(a)	73
Federal Coal Leases	898(a)	98
Impacts of Applied Genetics	592(a)	3
Solar Power Satellite	259(a)	9
Technology for Local Development	380(a)	58**
Cost Effectiveness of Medical Technologies	616(a)	35
Energy from Biological Processes	575	40
Technology & Steel Industry Competitiveness	403	52
Oil Shale Technologies	735	61
Taggants in Explosives	176	1
Physician Supply & Requirements	48	3
Alternative Energy Futures - LNG	35	5
Environmental Contaminants in Food	325	1
Pest Management Strategies	279	58
Metals Conservation	991	604**
Open Shelf-Life Dating of Food	149	24
Residential Energy Conservation	623	448**
Drugs in Livestock Feed	270	115
Effects of Nuclear War	327	202*

Direct Use of Coal	1,093	978*
Future Use & Characteristics of Auto Transportation Systems	1,434	785**
Access Across Federal Lands: Alaska	293	193
Emerging Food Marketing Technologies	51	7
Solar Technology Applications	1,115	815**
Renewable Ocean Energy Sources	267	197
Liquefied Natural Gas	98	26
Federal Retail Food Grading	227	102
Food Information Systems	367	117
Rail Rapid Transit	310	170
National Railroad Issues	6	2
Financial Viability of Conrail Rail Rehabilitation	42	9
Outer Continental Shelf Oil & Gas OCS Exploration and Production	87	62
Auto Collision Data	67	22

(a) Total Cost given is estimated, since not all obligations for printing and other costs have been closed out.

(b) It is important to recognize that for the past two years a Board policy has been in effect that gives discretion to the Director to exceed Board-approved budget amounts by 15% without further recourse to the Board. Previously, each project was reviewed separately as costs approached the budget level.

* Budget changed in response to major change in scope of work.

** Budget changed due either to delays caused by other, higher priority work or due to quality control measures.

AVERAGE COST OF STUDIES

Is there an average cost for an Office of Technology Assessment study?

Dr. GIBBONS. There is an average cost, but the range of cost is broad.

Senator MATTINGLY. Would you say your studies are more or less costly than the General Accounting Office, the Congressional Research Service, or the Congressional Budget Office?

Dr. GIBBONS. On the average ours are probably more costly.

Senator MATTINGLY. Why?

Dr. GIBBONS. Because they are much more comprehensive.

CURRENT STUDIES

Senator MATTINGLY. I see on page 35 of your justification that you had 34 studies underway as of October 1, 1980. Of those studies, how many are overdue and how many have cost overruns from when they were originally approved?

Dr. GIBBONS. My board has arranged with me that when and if I encounter a projected cost overrun of 15 percent or more for one reason or another, or a substantial delay in time, that I report to them before

that fact happens. They consider it with me and approve or disapprove my requested change.

Senator MATTINGLY. What I want is that information. Do you have that?I would like to have those for this committee.

Dr. GIBBONS. We would be happy to submit them.

[The following information was submitted subsequent to the recess of the subcommittee:]

Of the 34 studies listed in our justification, four have been completed and one is suspended pending discussions with the requesting committee. Of the remaining 29, 16 have experienced delays in the estimated completion date of from 2 to 7 months. We estimate that 15 assessments will exceed the Board-approved budget. However, OTA makes no contingency budget for inflation. Overall inflation during 1980 was 12 percent and all of the 15 assessments were within the 15 percent contingency margin permitted to the DIrector by the Board. The average overrun in real terms was on the order of 3 percent.

RATIO OF PROFESSIONALS TO SUPPORT PERSONNEL

Dr. GIBBONS. The first part of the answer to that question is we have an unusually high ratio of professional to support personnel at the Office of Technology Assessment. I believe our ratio is about 4-to-1, which is as slim as you can get in terms of maximizing the number of professionals. I would like to ask my controller if he could furnish those two numbers you wanted, the fiscal year 1981 salary and projected fiscal year 1982.

Mr. LANDRY. For fiscal year 1981, about $34,000, and for fiscal year 1982, about $36,000.

Senator MATTINGLY. And you are saying your staff is more professional?

Dr. GIBBONS. We have a higher ratio of professionals to support.

Senator MATTINGLY. In other words, you say all the studies you do are so much more technical and that is why you need professionals and higher skilled staff?

Dr. GIBBONS. And because we involve people who are very senior in universities and industry around the country, and we have to deal with them as peers.

AVERAGE STAFF SALARIES

Senator MATTINGLY. I understand that your average salary in fiscal year 1980 was around $33,000. That is several thousand dollars higher than average salaries of the General Accounting Office, the Congressional Budget Office, and the Congressional Research Service. What is your average salary for 1981 and what would it be for 1982?

[The following information was submitted subsequent to the recess of the subcommittee:]

The Office of Technology Assessment requires that its professional employees be accomplished individuals who can (and do) relate comfortably with equally highly accomplished persons in the private and public sectors. We recruit the most qualified persons in the hard and social sciences. For example, 67 of 84 professional employees have a Ph. D. or an advanced degree, some with degrees in more than one discipline. The ratio of professional to support persons at OTA is exceedingly high (and must be so to accomplish our work), and fully one-third of the support staff is have degrees.

Typically, a professional at OTA manages and coordinates the work of several dozen contractors, consultants, and reviewers, and up to 20 panelists who help scope and advise on work.

The fiscal year 1982 average salary, anticipated to be $35,700, is rougly comparable with other agencies in the executive and legislative branches (CBO's is anticipated to be $32,000—as is NRC's; CEA's nearly $40,000). Operating with fewer employees than it had 2 years ago, OTA and its productive staff continue to provide the Congress with sound analysis of highly controversial, complex, and costly issues. The provide such services, OTA must compete for and attract superb talent. Its average salaries reflect the emphasis on seasoned people who can do what the Congress requires of us.

PERSONS ASSIGNED TO STUDIES

Senator MATTINGLY. Getting back to the personnel, how many people do you generally assign to a study?

Dr. GIBBONS. The in-house professional staff ranges from two to perhaps four or five.

OUTSIDE CONTRIBUTORS AND CONTRACTORS

Senator MATTINGLY. How many outside people usually work on the study?

Dr. GIBBONS. A large number, because we have a large number of individualized tasks that we bring into the study either through pro bono or through contract. I would say typically on a study there would be at least 20 to 30 people, different people, on the outside involved. Typically about half of the money involved in the study is spent on the outside, for bringing in an advisory panel that is tailored for each study or in contracting specific tasks to be done by one or another expert.

HOUSE STUDY

Senator MATTINGLY. We have a study done by the House Commission on Information and Facilities which was done in 1976. On page 26 of that report, it stated:

A major factor contributing to the organizational confusion of the Office of Technology Assessment is the board's official policy and practice of encouraging board members to designate professional staff to the Office of Technology Assessment, without reference to any salary or qualification standards and without any ground rules governing their assignment, utilization, supervision, or assimilation within the organization.

Would you care to comment on that?

Dr. GIBBONS. That practice ended in 1978, Mr. Chairman, before I arrived here.

Senator MATTINGLY. Page 34 of that study states that OTA has no position classification or job evaluation system and follows no uniform standards of salary determination. Salary often bears little relationship to discernible qualifications or identifiable responsibilities. Have you changed that?

Dr. GIBBONS. The salary plan was introduced early in 1978, and we are using that salary plan in a very consistent way across the organization. As all salary plans should be periodically examined, we are in the process of that. But there is a formal plan that has been in use for 4 years.

BUDGET REQUEST: EXTERNAL SUPPORT

Senator MATTINGLY. I saw on page 20 of your justifications that $5,705,000 is requested for external support. That is roughly 44 percent of the budget. Is this the amount of your budget that goes to pay contractors?

Dr. GIBBONS. Yes; most of that is for contractors and consultants.

Senator MATTINGLY. Since the Office of Technology Assessment is supposed to give Congress an unbiased look at the issues addressed in its studies, I am sure you are very careful in selecting consultants and contractors. What procedures does the Office of Technology Assessment use to insure the objectivity and professionalism of its contractors and consultants?

CONTRACTOR AND CONSULTANT SELECTION PROCESS

Dr. GIBBONS. Mr. Chairman, I would like to give you a short answer.

Whenever we undertake a study, our job is to understand where the best and most widely recognized sources of wisdom are on that particular subject or issue, and then we go to those sources. Therefore, we do a lot of limited bid and sole source contracting for that reason. Another point I can't overemphasize is our very careful assemblage of an advisory panel for each project in which we carefully—without looking at individual names—identify the parties at interest. We then assemble a panel of anywhere from 12 to 20 people, representing as best we can determine the parties at interest in that discussion. Those people meet early on in the study to review the statement of work with us. They meet in the midst of the study to review drafts and proposed contracts for the work, and they meet once or twice near the end to review the documents—not to approve them, but to give us their best view whether the information we are developing is fair, free of bias, accurately portraying what the real situation is. So we have a multiple series of checks and balances. Even after the panel is finished we do some additional external reviewing, both in Government and in the private sector.

Senator MATTINGLY. Do you have any method of checking with the executive branch to see whether any of your contractors or consultants may be doing work for the executive branch or who may have done work in the past with the executive branch in the same fields they want to do work for the Office of Technology Assessment?

Dr. GIBBONS. If I might ask Mr. McGurn, my Administrative Officer to respond to that.

Mr. MCGURN. For each of the contracts we let, we ask the contractor for a list of current clients and recent past clients in the field in which he will be doing work for us.

Senator MATTINGLY. How long has that policy been in effect?

Mr. MCGURN. The policy has been in effect since the beginning of the Office, sir.

Senator MATTINGLY. We have information developed by the Appropriations Committee staff which appears to show that at various times in the past the Office of Technology Assessment has hired 264 individual consultants and 24 individuals on contract who were either doing consulting work for the executive branch, or were formerly executive branch employees. In a memo to our staff from the Office of Personnel Management, the Office of Personnel Management concluded that, after comparing the work those people were doing for the Office of Technology Assessment versus the occupational job series of those individuals in the executive branch, there is cause for concern that Office of

Technology Assessment is not receiving independent, unbiased information. What response would you have for that?

Dr. GIBBONS. I guess I would have to have more detailed information than what you have given me, Mr. Chairman, to be able to adequately respond to that.

Senator MATTINGLY. We have detailed information, and we will provide that for you.

Dr. GIBBONS. Thank you. I will be happy to respond.

[The following information was furnished subsequent to recess of the subcommittee:]

The information provided by OPM (dated January 1, 1979) for calendar years 1976 through 1978 is not adequate to make a determination of lack of objectivity in the individual's work for OTA. The occupational job series gives only the broadest description of the individual's field (for example, metallurgy, psychology). If more detail could be provided, OTA will be happy to respond. We can say generally, however, that it is likely that many of the consultants, contractors, or former executive branch employees appearing on OPM's list were advisory panel members at OTA, providing general observations on assessments falling within their areas of expertise. The basis for OPM's analysis and rationale to the committee would be most interesting to examine.

CONSULTANTS: INDIVIDUALS AND WITH FIRMS

Senator MATTINGLY. Dr. Gibbons, does the Office of Technology Assessment from time to time employ individuals as consultants while these same individuals may be connected with firms with whom you also have contracts? If so, tell us what the extent of this practice is and the reason for it.

Dr. GIBBONS. Our usual form of contracting is to either contract with an individual or with a firm but in which the individual is specified because we are usually after the expertise found in a particular individual. I can't personally think of our contracting with a firm and at the same time with an individual within that firm unless it is one and the same contract.

If Mr. McGurn has something he wants to add to that, I would be happy to ask him.

Senator MATTINGLY. Yes.

Mr. MCGURN. I think that is correct.

Dr. GIBBONS. I think there may be some confusion. We very seldom contract with firms. We do contract with firms sometimes in which the individual is specified.

Senator MATTINGLY. I was talking about employing individuals as consultants while these individuals may be connected with the firm with whom you also have a contract.

Mr. JOHNS. On occasion we will have a contract with a corporation for an individual to do a particular task. The reason we do that is for quality control. We don't want to ask for a particular job to be done by just anyone; we want an individual whose background we are acquainted with to be assigned for a specific task.

EXAMPLES OF CONTRACT AWARDS

Senator MATTINGLY. We have information, for example, that a Dr. Curtis Seltzer did work in the past for the Office of Technology Assessment in the following capacities. Let me just give you some. That

Dr. Seltzer was a consultant September 12, 1977 to December 19, 1977 for $8,178, working on the subject assist with the direct coal utilization project. Dr. Seltzer was contracted February 1, 1979 to September 30, 1979 for $28,200 and worked on contract No. 933–1540–0; the subject was to assist the Office of Technology Assessment on the alternative fuels assignment.

Then there was Kendrick and Co., which was also Dr. Curtis Seltzer, from November 23, 1977 to February 23, 1978, was paid $30,786 on the Office of Technology Assessment contract C–78–080, to do a study on social and economic impacts of coal production and use in Eastern coalfields. Then another, Broysby, B-r-o-y-s-b-y, Associates, which is also Dr. Curtis Seltzer, did a study from December 19, 1977, to December 19, 1978, contracted for $23,323, the Office of Technology Assessment study C–78–127, a report analyzing issues affecting coal miners presently and in the future. There are several more here that we will put for the record for Dr. Curtis Seltzer and also companies that had Dr. Seltzer.

Are you familiar with the work done by Dr. Seltzer and the companies he was associated with?

Dr. GIBBONS. I am only slightly familiar because most of those times that you mentioned there, Mr. Chairman, were times before I came to the Office of Technology Assessment. I would add, however, what you just read to me indicates that in all those instances the Office of Technology Assessment contracted for specific tasks with an individual because of his particular expertise in coal and related activities. The firm he was located with meant very little to us. We were after that individual because of his professional expertise.

If I might, I would like to ask Mr. Johns, who was I believe involved in that work, to comment.

Senator MATTINGLY. Before you answer, let me ask one other question. What was the relationship to Kendrick and Co. and Broysby Associates? What was Dr. Seltzer's relationship?

COAL ASSESSMENT AND HEALTH, MINES, AND SAFETY

Mr. JOHNS. I don't recognize Broysby and Associates. But essentially what Dr. Gibbons indicated is correct. Curt Seltzer was working for a period of time on a direct use of coal assessment and did several tasks that related to health, mines, and safety background. He had a Ph. D. in social science and was a registered coal miner, had lived and operated in West Virginia and Kentucky and had strong experience in the particular area of expertise that we were after. He was affiliated with several firms during the course of that time. I believe that he was a consultant initially, then affiliated with the Kendrick firm, and we continued to work with Dr. Seltzer. We were not interested in the corporation for their management or other activities that they may bring, we were interested in the individual and expertise that individual brought. I don't recognize the name of the other firm.

Senator MATTINGLY. Kendrick Co., was that just one person do you know?

Mr. JOHNS. No, sir, I don't believe so. I believe it was an affiliation of consultants, not an uncommon practice to share overhead in an office with a group of individual consultants.

Senator MATTINGLY. Was he a partner?

Mr. JOHNS. I don't know if he was a principal or not.

Senator MATTINGLY. Was Dr. Seltzer a former Federal employee?

Mr. JOHNS. We would have to supply it for the record. He may have been affiliated with the Appalachian Commission at some juncture in time.

Dr. GIBBONS. Mr. Chairman, I believe the other firm is Brophy, B-r-o-p-h-y.

Senator MATTINGLY. It could be.

To me it seems like a lot of money—$133,601 paid out in a relatively short period of time, from September 1977 to September 1979, to Dr. Seltzer and two companies. Let me just ask you, I assume that you all were pleased with the studies done?

Dr. GIBBONS. Yes, sir.

Senator MATTINGLY. Have those studies been completed?

Dr. GIBBONS. Yes; I will be pleased to provide more complete information.

[The following information was submitted subsequent to recess of the subcommittee:]

Curtis Seltzer was a consultant to Kendrick & Co., a D.C. corporation employing six persons which did business in 1977 consisting of 30 percent commercial contracts, 48 percent Government prime contracts and 22 percent Government subcontracts. Kendirck's project director on the contract was Doug Arnett of the University of Kentucky. Within the first 2 months of this 4 month contract, Seltzer performed 10 days of consulting work for Kendrick at $150 per day for a total of $1,500 out of a total amount of $30,786 obligated for the contract.

Seltzer was the principal investigator on an OTA contract awarded to Brophy Associates, Inc., a nonprofit Virginia corporation with eight employees doing 50 percent independent research and 25 percent each Government and commercial work. The record reveals that Seltzer's OTA consultancy was terminated as a consequence of his accepting the position with Brophy. Brophy Associates collected $20,667 on the contract, $5,700 of which was paid to Seltzer as salary. When the Brophy contract terminated, Seltzer became an individual contractor with OTA at the rate of $150 per day.

Seltzer had previously worked as a consultant for ERDA in July and August 1977. Our records reveal no other Federal employment.

CONSULTANTS WORKING FOR COMPANIES WORKING FOR THE OFFICE

Senator MATTINGLY. Can you check and see what similar situations you now have at OTA where you might be employing individuals as consultants who are also working for companies doing work for the Office of Technology Assessment?

Dr. GIBBONS. I would be happy to clarify.

Senator MATTINGLY. Could you provide us with a report of such situations if you have them and the reasons for it?

Dr. GIBBONS. I will be happy to.

Senator MATTINGLY. And if you have any done by former Federal employees.

[The following information was submitted subsequent to recess of the subcommittee:]

The committee has asked several questions regarding interlocking relationships between OTA consultants and contractors and other Government agencies. Specifically, the committee has requested the following information: documentation of cases where OTA retains the services of a person who is already in the employ of a company which has a contract with OTA; a list of OTA consultants or contractors who were formerly employed by the Federal Government; and OTA contractors who also have contracts with the executive branch.

OTA staff will be happy to gather this information. However, at this point, it may be helpful to the committee to describe both OTA's perception of these kinds of interlocking relationships and the legal framework in which it operates.

OTA considers that the mere existence of an interlocking relationship, without more information, is not cause for objection. This is the view not only of OTA but also of the Office of Federal Procurement Policy within the Office of Management and Budget as reflected in the draft of the Federal Acquisition Regulations, subpart 9.5, dealing with organization conflicts of interest. These proposed regulations state: "* * * the existence of [an interest sufficient to disqualify a contractor] should not necessarily be inferred from the mere existence of a past or present relationship, particularly if the contractor is an independent testing or consulting firm with many customers or clients. The nature and importance of the relationship, as well as internal controls to avoid bias, should be considered." These regulations say also that at times it is impossible to avoid a conflict of interest and that in such a case steps are taken to mitigate the conflict [see FAR section 9.505; see also letter of the Department of Justice (Harmon) to the Food and Drug Administration (Cooper), June 29, 1978 which states that Government services may be accepted from an individual where the agency determines that his interest in a particular matter is not so substantial as to be likely to affect the integrity of the service which the agency may expect of him.]

Multiple contracts are a problem if the contractor is in a position of evaluating or advising the Government concerning his own products or activities, those of a competitor, or those of its clients or others when it has a substantial interest it would be inclined to protect. OTA guards against these situations before, during, and after a contract is let.

Before contracting, OTA does an extensive literature and agency search, utilizing CRS's research notification system among other sources, which reveals who is working in a particular field. Solicitations contain an information disclosure requirement and contracts contain a continuing disclosure clause. Contract task statements are carefully worded to avoid areas where a contractor has an interest which may affect his objectivity. The draft and final work product are subject to the scrutiny of a widely diverse panel of experts in the field. Contractors are aware of the vigorous examination their work will receive; therefore, professional pride and peer review as well as personal integrity operate to insure objectivity.

In regard to each category of information listed above, OTA makes the following additional response: no statute or regulation prohibits an OTA consultant or contractor from also working for a company which holds an OTA contract. However, as a matter of fiscal integrity, it is OTA's policy not to employ any person in a dual capacity to avoid the possibility of double-invoicing either through deliberate fraud or error. OTA's contracts contain a provision prohibiting an individual contractor from serving as an appointed consultant or providing assistance on another OTA contract without prior approval of the administrative office; OTA often enlists the services of individuals who are currently or who were formerly employed by the Federal Government, usually precisely because of the technical expertise resulting from the affiliation. In each case, an examination of the record will reveal that the Federal employment relationship was known to OTA in advance and was made known to the advisory panel on the particular assessment; and OTA knows of no case in which a contractor has sold the same work to the Government twice—once to OTA and once to an executive branch agency. OTA is aware of several OTA contracts in which a contractor was hired to draw on or build on work performed for another agency of the Government. Being able to capitalize on work already done as input to our work is one way OTA is able to prepare comprehensive assessments at low cost.

Two other points should be noted. First, in addition to OTA's internal checks on improper conduct, OTA benefits from the full range of statutes in the criminal code designed to protect the Government from contractor and employee fraud, undue influence, and conflict of interest. Second, the nature of OTA's assessments should be

kept in mind. OTA's goal is to give committee staff a critical synthesis of an entire problem, including a description of the present state of affairs on which any future solution must build. It has been OTA's experience that the individuals most qualified to provide this information are the very ones who are actively engaged in the area. To the extent the Federal Government has established itself in an area, relationships between many of these experts and the Government—either as employees, special employees, or contractors—are inevitable.

REMUNERATION OF DR. SELTZER

Mr. JOHNS. I wanted to clarify for the record the amounts of money you were citing were not exclusively for the services of Mr. Seltzer. There was a team involved from Kendrick of additional individuals who were employed.

Senator MATTINGLY. But Dr. Seltzer was a member of that company or a partner?

Mr. JOHNS. I am not sure. But I am quite sure Dr. Seltzer was not remunerated at an annual rate indicated by the number you gave—$133,600 over 2 years.

OTA/HEW CONTRACTORS

Senator MATTINGLY. Dr. Gibbons, let me ask you on another matter. We also have a list of contractors who apparently were doing contract work with the Department of Health, Education and Welfare during fiscal year 1977 and fiscal year 1978 who were also under contract with the Office of Technology Assessment at amounts above $25,000. The lists are long ones. There are 29 such contracts in fiscal year 1977 and 19 in fiscal year 1978. Included in the lists are the Stanford Research Institute, General Research Corp., Booz-Allen & Hamilton, and so on. Do you have any way of determining the objectivity of these studies?

INTERACTION WITH AGENCIES ABOUT DATA

Dr. GIBBONS. Mr. Chairman, you are asking about some past history I haven't even read, much less know much about. Dr. Lashof, who is my assistant director for Health and Life Sciences work didn't arrive at the Office of Technology Assessment until late 1978, so I would have to do some historical work for you there.

Senator MATTINGLY. It appears there would be a good chance maybe these contractors are telling Health, Education, and Welfare one thing and the Office of Technology Assessment something else; or they may be telling both the Office of Technology Assessment and Health, Education, and Welfare the same things, in which case we don't need two studies done on one subject.

Dr. GIBBONS. That is one reason we constantly interact at the professional level with the Executive agencies about data—not about policy interpretation of data, but about the data that are being provided to the agency.

[The following information was submitted subsequent to recess of the subcommittee:]

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The committee expressed concern about contractors doing work for OTA and at the same time doing work for an executive branch agency. In particular the committee was concerned that these contractors might be providing conflicting information or that the contracts might be duplicative and therefore wasteful. The committee provided OTA with a list of contractors working for both OTA and HEW during 1977 and 1978.[1]

An examination of the contracts indicated by the committee shows that in every case, but one, the work performed for OTA was in a different discipline than that performed for HEW.

In the remaining case, concerning the contractor Tracor Jitco, Inc., the work was in the same broad area of expertise. Tracor had a long-standing contract to do laboratory analyses for HEW—in this case, bioassays of various suspected carcinogens. Tracor was hired to do a literate search for OTA on three specified food contaminants (only one of which was a suspected carcinogen) to provide documentation supporting the risk factor and to indicate where the literature revealed gaps in analysis. Tracor's bioassay experience was known to OTA and contributed to their ability to do a critical review of the literature for OTA. At the same time, however, there was clearly no duplication of effort.

This review utilizing the list of contracts provided by the committee is an indication of the success of OTA's efforts to avoid duplication of effort in spending its contract dollars.

[1] A tabular analysis of the contracts performed by these contractors is attached. The list provided by the committee is also attached.

1977 HEW Contractor	Work Scope	Comparable OTA Contract?	OTA Contract Number	OTA Work Scope	OTA Program	Conflict/Added Information
University of Pennsylvania 240-0A-38	Emergency Medical Service Systems	None	'77 (none) '78 78-407	Biological production of liquid fuels	('78) Energy	N/A
Tracor-Jitco NO1 CP43340	Bioassay of Chemicals (Carcinogenicity)	None	'77 (none) '78 78-287	Environmental contaminants in food - literature search only	Food	Search to provide how "risk" determined, as well as "gaps" in data support
Stanford Research Institute 299-77-0005	Health planning capital investment	None	C-29	EPA 5 year research plan	EPA study	None
S.R.I. 300-76-0025	Education policy analysis	None	C-47	200-mile fishing zone	Oceans	None
S.R.I. 100-76-0176	Cost impact of 12 month school	None	C-54	Nuclear proliferation control	Energy	None
S.R.I. 100-77-0095	Title I impact on policy/ management	None	C-60	Alternatives for import-dependent materials	Materials	None
			C-79	Future characteristics of Auto Systems	Transportation	None
George Washington University 300-77-0041	Training costs for Education Staff Seminar	None	C-13	Materials Information System	Materials	None
			C-109	Materials Conservation Impact	Materials	None
General Research Corporation 500-75-0004	Medicaid fraud/ abuse	None	C-104	Coal Slurry pipeline technology	Energy	None
G.R.C. 100-77-0010	Trends in state equalization	None				

1977 HEW Contractor	Work Scope	Comparable OTA Contract?	OTA Contract Number	OTA Work Scope	OTA Program	Conflict/Added Information
Booz-Allen & Hamilton 500-76-0501	Analysis of AFDC (Aid to Families with Dependent Children) Administration and management		C-221	Utility conservation in building and housing	Energy	None
1978 **HEW Contractor**						
Battelle	Protocol Toxicology Studies	None	78-098 (extension of C-62)	Industrial/consumer product volume for materials conservation assessment	Materials	None
Booz-Allen & Hamilton	Technical Assistance Computer Systems	None	78-085 (extension of C-221)	Utilities conservation	Energy	None
			78-353	Literature review on import dependency and non-fuel minerals policy	Materials	None
General Research Corporation	Right-to-Read Inexpensive book distribution	None	'78 activities none	See above '77 listing C-104		
General Research Corporation	Right-to-Read Special Emphasis Project	None				
George Washington University	HES III EGG Parameters	None	'78 activities none	See above '77 listing C-13, C-109		

1978 HEW Contractor	Work Scope	Comparable OTA Contract?	OTA Contract Number	OTA Work Scope	OTA Program	Conflict/Added Information
George Washington University	Washington Policy Seminar	None	'78 activities none			
George Washington University	Educational issues training	None	'78 activities none			
Peat, Marwick, Mitchell & Company	Work measurement for state agencies	None	'78 activities none '77 activities none			
Rand Corporation	Patient package inserts	None	78-026 (extension of C-76)	Potential use of demonstration projects to promote Federal & Civilian R&D		Our effort started prior to '78 contracts
Rand Corporation	Process & management study of consolidated programs					
Rand Corporation	Analysis of chemical laboratory industry					
Rand Corporation	Educational governance and finance issues					
Stanford Research Institute	Colorado expanded medical coverage	None	78-055 (modifies C-079)	Auto assessment	Transportation	None
S.R.I.	Educational Policy Research Analysis	None	78-109 (Modifies C-160/216)	Assessment of FBI's National Crime Info. Center	Telecommunications	None
S.R.I.	Survey of consequences of alcohol/marijuana	None	78-251	Environmental contaminants in food supply	Food	None
			S.R.I. 78-286	Review comments automotive technology	Transportation	None

1978 HEW Contractor	Work Scope	Comparable OTA Contract†	OTA Contract Number	OTA Work Scope	OTA Program	Conflict/Added Information
Teknekron	Physicians income practice	None	78-061 (modifies C-180)	Direct coal utilization	Energy	None
			Teknekron 78-121	Same as 78-061 (modifies C-180)	Energy	None
Urban Institute	Physician pricing patterns	None	'78 activities none			
			'77 C-56, C-88	Mobility issues	Transportation	None
University of Pennsylvania	Physicians income practice	None	78-407	Biological production of liquid fuels	Energy	None
University of Pennsylvania	Health for non-researcher	None	'78 activities none			
			'77 activities none			

HEW FY 1977 Contracts
(Same Contractors as OTA)

University of Pennsylvania 240-0A-38	Financial Self-Sufficient of Emergency Medical Services Systems
Tracor Jitco, Inc. NOI CP43340	Provide management and support and scientific expertise in the biossay of selected chemicals for carcinogenicity.
Stanford Research Institute 299-77-0005	Develop and apply an analytic methodology which will be used by State and Area-wide Health Planning Agencies in expanding their decision making capabilities in carrying out their Capital Investment Review responsibilities.
George Washington University 300770041	Educational Staff Seminar Provision of a training program which will provide an indepth exposure to educational issues for professional policy making staff members of the Education Division and other participating agencies.
Stanford Research Institute 300760025	Education Policy Research Center - responsible for policy analyses in areas of compensatory education, handicapped education, and desegregation/
General Research Corporation 500-75-0004	Medicaid and AFDC Fraud and Abuse Control and Restitution Efforts by States and Localities (AFDC-Aid to Families with Dependent Children)
Booze-Allen & Hamilton 500-76-0501	Comprehensive Analysis of AFDC Administration and Management.
General Research Corp. 100-77-0010	Conduct analysis of recent trends in State equalization with particular attention paid to dispartities in educational opportunity, state school finance plans, and the Federal role.
Standford Research Institute 100-76-0176	Thés project will develop a cost analysis methodology for studying the cost impacts of the year-round school program.
Stanford Research Institute 100-77-0095	The purpose of this study is to determine the impact of the Title I evaluations performed over the years on management or policy decisions, particularly at the local level.

(Same Contractors as OTA)

Battelle Memorial Institute	Prime contract to perform protocol toxicology studies.
Booz, Allen & Hamilton, Inc.	To provide technical assistance in the general area of computer systems engineering.
General Research Corp.	Evaluation of the Right to Read Inexpensive Book Distribution Program
General Research Corp.	Evaluation of Right to Read Special Emphasis Project
George Washington University	Measurements of HES III EGG Parameters
George Washington University	Washington Policy Seminar
George Washington University	Develop training program in educational issues for HEW and other Federal Government personnel
Peat, Marwick, Mitchell & Co.	To provide consultation in OFA's efforts to organize a national conference on work measurement for State agencies.
Rand Corporation	Study effects of patient package inserts as a function of critical variations
Rand Corporation	Process and management study of consolidated programs.
Rand Corporation	Research Studies and Empirical Analyses of the Clinical Laboratory Industry.
Rand Corporation	Education Policy Research Center. Educational governance and finance issues.
Stanford Research Institute	Evalaution of the Colorado Clinical Psychology Expanded Mental Health Coverage Experiment.
Stanford Research Institute	Education Policy Research Center. Perform policy analyses.
Stanford Research Institute	Survey Items for assessment of perceived consequences of alcohol and marihuana.
Teknekron, Inc.	Analysis of Survey Data Gathered by HCFA on Physicians Income Practice and otherSocio-Economic Variables
The Urban Institute	Physician Pricing Patterns in California.
University of Pennsylvania	Analysis of Survey Data gathered by HCFA on physicians income practice and other Socio-Economic Variables
University of Pennsylvania	Develop, Plan, and Conduct Workshops or [illegible] for HEW Researchers

HEW FY 1978 Contracts
(Same Contractors as OTA)

Stanford Research Institute	Survey Items for assessment of perceived consequences of alcohol and marihuana.
George Washington University	Measurements of HES III EGG Parameters
University of Pennsylvania	Develop, Plan, and Conduct Workshops on Health for NON-Researchers
Rand Corporation	Study effects of patient package inserts as a function of critical variations
General Research Corp.	Evaluation of Right to Read Special Emphasis Project
General Research Corp.	Evaluation of the Right to Read Inexpensive Book Distribution Program
George Washington University	Washington Policy Seminar
Rand Corporation	Process and management study of consolidated programs.
George Washington University	Develop training program in educational issues for HEW and other Federal Government personnel
Rand Corporation	Education Policy Research Center. Educational governance and finance issues.
Stanford Research Institute	Education Policy Research Center. Perform policy analyses.
Rand Corporation	Research Studies and Empirical Analyses of the Clinical Laboratory Industry.
Stanford Research Institute	Evalaution of the Colorado Clinical Psychology/ Expanded Mental Health Coverage Experiment.
Teknekron, Inc.	Analysis of Survey Data Gathered by HCFA on Physicians Income Practice and otherSocio-Economic Variables
The Urban Institute	Physician Pricing Patterns in California.
University of Pennsylvania	Analysis of Survey Data gathered by HCFA on physicians income practice and other Socio-Economic Variables
Booz, Allen & Hamilton, Inc.	To provide technical assistance in the general area of computer systems engineering.
Peat, Marwick, Mitchell & Co.	To provide consultation in OFA's efforts to organize a national conference on work measurement for State agencies.
Battelle Batelle Memorial Institute	Prime contract to perform protocol toxicology studies.

EXECUTIVE AGENCY CONTRACTORS

Senator MATTINGLY. Does the Office of Technology Assessment continue to contract with parties that are doing similar contract work for Executive departments?

Dr. GIBBONS. I think the answer to that is if it is the case, it is certainly fully disclosed in advance of signing the contract, so we know the nature of the work of these individuals, as Mr. McGurn described.

Senator MATTINGLY. What procedures do you use there to insure there isn't duplication by these reports?

Dr. GIBBONS. I outlined some of that in my written testimony. Let me see if I can cast it in the light in which you ask the question.

First of all, we know the individuals involved and the work they have done. We have access to reports, whether they be classified or unclassified, that go to the Executive agencies. We are intimately familiar with that literature. So if someone is trying to sell us a piece of work and also at the same time one of the Executive agencies, we are going to know about it. In retrospect, we have not found any evidence that that has been the case.

I am sure that in many areas of high technical expertise there are individuals whose expertise is sought both by the executive branch and by us. In instances wherever we can, we ride on the back of work supported by the executive branch, especially since they spend 99.8 percent of the Federal budget. So when we organize a project, one of our first stops is with the relevant Federal agency or agencies to know what they are doing now as well as what they have been doing. We have individuals from those agencies sit in on our advisory panel meeting and help critique the work. The place we separate from Executive agencies is not in the data—we can't afford to do the kind of studies the Executive agencies do—but in the interpretation of those data and translation to policy alternatives. We would be out of business if we couldn't depend on the very expensive studies done by the Executive agencies as input to our work.

As an example, Mr. Chairman, the work we are finishing on solar power satellites, which costs about a half a million dollars at the Office of Technology Assessment, just the environmental analysis alone of one satellite option costs the executive branch many times the entire cost of our comprehensive analysis which covered several options. We used the work developed by the Executive agency. It was a stack of documents 4 feet high, and it cost millions of dollars. If we didn't know that existed, our project would have been more costly. It is our business to know what is known and what is being done.

Senator MATTINGLY. Is there any way for the record only you could provide us with a list of contractors over the past 2 years that have done contract work with the executive branch and also contract work for the Office of Technology Assessment?

AVERAGE AMOUNT OF CONTRACT AWARDS

Dr. GIBBONS. I am not sure it is possible because many of our contracts are very small. Our average contract is less than $10,000, and we would have to go back to some of those individuals and ask, as we have

in several special occasions, just what they have done for what Federal agency. But I would be happy to provide you with what I think will be that kind of information.

Senator MATTINGLY. It should be a matter of public record.

Dr. GIBBONS. May I ask Mr. McGurn if it is possible.

We will have some information on that, but in some instances when we have gone back to the contractor and asked for that information, as we have had to do in a couple cases with respect to the MX missile basing options, it was difficult. One example is a contract we had for was about $20,000 with a company that had about a hundred different divisions—and most of its work is for the Federal Government. We asked them if they would tell us what else they are doing for the Department of Defense in a certain area and they threw up their hands and said, "We hardly know ourselves from our various divisions," but they gave us a partial answer. I could supply you with the information we have. If you would like to have additional information, we would be willing to work on it.

Senator MATTINGLY. I take it from what you say you check with those people before you do a study so at the same time you check you also find out who the contractors were, so it shouldn't be any problem finding them.

Dr. GIBBONS. To the extent that that information is disclosed, that is correct. The details of what kind of work they are doing for which agency is not a part of our record, nor is it I believe a part of anyone's record who is contracting with the Federal Government.

OVERLAPPING STUDIES

Senator MATTINGLY. How do you tell if they are overlapping or not overlapping in the studies?

Dr. GIBBONS. Our route is back through the relevant agencies, which is a fairly restricted set of people in the Federal system, rather than the millions of people who contract with the Federal Government in a variety of ways. Our much more efficient route is to go to the places that are gathering the information rather than going to all the people supplying the information. So we go to the agencies.

Mr. Chairman, there is a point when we make our inquiry about a potential contractor, we talk about the work they are doing that is in the area of interest that we are engaging them in, not all the work they are doing for the Federal Government.

Senator MATTINGLY. Also the agencies, if you are doing a comparable study to Health and Human Services, you would go to them and find they did a study, who they did it for, find out that. That is the front end you were talking about at the beginning that you do.

Dr. GIBBONS. That is correct. We do know the literature very well.

Senator MATTINGLY. The other question——

Dr. GIBBONS. Excuse me, Mr. Chairman, there is one additional thing we do require of contractors, and that is a statement about their knowledge of any potential conflict of interest, and that is part of our formal contracting process.

CONTRACTOR, CONSULTANT, ADVISORY PANEL EXPENSES

Senator MATTINGLY. What kinds of expenses does the Office of Technology Assessment pay for its contractors, consultants, and advisory panel members?

Dr. GIBBONS. When requested, the advisory panel members are paid for travel and for per diem. Typically, for university people, private citizens, or people who are with public interest organizations, we will furnish them with an honorarium, which is typically from $100 to $150 a day. By and large, most of the members of our advisory panels travel on their own time, and about two-thirds of the advisory panel members even pay their own transportation expenses.

Senator MATTINGLY. What about contractors and consultants?

Dr. GIBBONS. Contractors and consultants are paid for their time on a negotiated basis and their travel on the basis of the Office of Technology Assessment's standard travel policy.

PARKING

Senator MATTINGLY. Do you provide parking space to those people?

Dr. GIBBONS. Our parking space is unique in that we are the only congressional agency, Mr. Chairman, which charges its employees and people who are working in the place—our contractors—for parking.

Senator MATTINGLY. Do you allow those people to make long-distance calls at the expense of the Office of Technology Assessment?

TELEPHONE AND LUNCH EXPENSES

Dr. GIBBONS. When a contractor is working at the Office of Technology Assessment or when an advisory panel member is at the Office of Technology Assessment and needs to make a call on Office of Technology Assessment business, we allow them to use our WATS line.

Senator MATTINGLY. Do you provide meals and lunches, such things, for panel members and contractors?

Dr. GIBBONS. Not for contractors, but when panel members come to the Office of Technology Assessment, in order to keep the maximum productivity of that group we keep them on site through lunch, rather than adjourning for lunch and reassembling. When we do that, they pay for the lunch but are able to claim it on the travel voucher.

LIQUOR

Senator MATTINGLY. Do you pick up any liquor bills for panel members, consultants or contractors?

Dr. GIBBONS. We spend no appropriated money on liquor bills. We have a trust fund that consists of funds that are grants or given to the Office of Technology Assessment, or honoraria that are turned in by the staff. The staff has to turn this source of income into the trust fund. In doing so we have a source of funds that we can use for that purpose. The trust fund does have a limit placed on it in the language of the Appropriations Act last year. The total amount of money spent in that regard amounts to none last year, as I recall, Mr. Chairman, but perhaps several hundred dollars this year.

TRAVEL REIMBURSEMENTS

Senator MATTINGLY. What is the total of the above expenses that the Office of Technology Assessment pays for these people during this fiscal year?

Dr. GIBBONS. By "these people," you mean advisory panel members?

Senator MATTINGLY. Advisory panel members, contractors and consultants.

Dr. GIBBONS. The contractors are included in our external costs. I could ask Mr. Landry to break out those.

Senator MATTINGLY. Could you for the record give us the estimated totals for fiscal year 1979, 1980, 1981 and also the estimate for fiscal year 1982.

Dr. GIBBONS. For panelists, contractors and consultants?

Senator MATTINGLY. Right.

Dr. GIBBONS. Yes, sir.

Excuse me, Mr. Chairman, you want the totals for their travel plus any——

Senator MATTINGLY. Whatever expenses.

Dr. GIBBONS. I will furnish that information.

[The following information was submitted subsequent to the recess of the subcommittee:]

Compenation and travel costs for panelists, contractors, and consultants by fiscal year

1979	$4,602,000
1980	4,412,000
1981 (est.)	4,300,000
1982 (est.)	5,200,000

TECHNOLOGY ASSESSMENTS

Senator MATTINGLY. I am sure you are aware that former Comptroller General Elmer Staats has testified in the past that the Office of Technology Assessment often gets into assessments which have nothing to do with technology and which are not connected with so-called early warning. He cited several such Office of Technology Assessments assessments in testimony before congressional committees. For example, he questioned whether the Office of Technology Assessments needed to do the following studies:

The financial viability of Conrail. This was basically an economic study with virtually no technological content. Alternative approaches to Federal funding of rail rehabilitation. Here again, this was basically an economic study. Organizing and financing basic research to increase food production. This dealt primarily with the management and funding of food and agricultural research. An assessment of alternative stockpiling policies. This was primarily an economic study with little technological content.

Why did the Office of Technology Assessments undertake these studies, and who asked for them?

Dr. GIBBONS. Mr. Chairman, first of all, I would venture to guess when Mr. Staats made those comments was at least 2 or 3 years ago so I think we are talking about past history, and if you were to ask Mr. Staats that question today I dare say he would give you a different answer.

Second, the Office of Technology Assessments charter by the Congress is not exclusively focused on just hardware. The very words of our charter include that we analyze the impacts of technology, including economic and social impacts. So our charter requires us to take those into account. Now to the extent possible we fully utilize those capabilities in our sister agencies, but we are not excluded—in fact, we are charged to look far more comprehensively than just hardware.

Finally, the things you mentioned, for instance, food production, as I am sure you are well aware, is increasingly dependent on technology. While I am not at the moment familiar with the details of the study you mention I am confident that there is a lot of technology in it.

Now the Conrail and railroad rehabilitation analysis was, I believe, 2 years ago, and I again have to do more homework on that past history.

Senator MATTINGLY. And there would be nothing excluded, in your purview, that wouldn't have a technological impact?

Dr. GIBBONS. We are charged with analysis of current technological issues and the foresight of emerging technologies and their impacts—good and bad. I have the filters of having to do work at the request of committees, having filtered it through a bipartisan, bicameral board and my own internal filters as well as those in my advisory panel. Those filters are unique and I think invaluable. To say that the Office of Technology Assessment should only work on pieces of existing hardware is not the proper interpretation of our legislative or my board's intent. Mr. Chairman, I know Mr. Staats well and have great regard for him. He is on the Office of Technology Assessment's advisory council, as is Mr. Gude. I believe if you asked Mr. Staats even a year ago, and even more so today, if his statement made 3 years ago still holds true, I think he would say no.

Senator MATTINGLY. That is conjecture at this point.

Dr. GIBBONS. That is correct. But I am talking about today, not years ago.

TECHNOLOGY ORIENTATION OF STUDIES

Senator MATTINGLY. Of the studies you presently have underway, I have some concern that a number of these studies are not technology oriented, which you say doesn't make any difference.

Dr. GIBBONS. I am sorry, sir, it does make a difference. I didn't mean to imply that it didn't.

Senator MATTINGLY. For example, the assessment of societal impact of national information systems; alternative energy futures; U.S. Food and Agricultural Research; evaluation of Veterans' Administration Agent Orange protocol; and airport and air traffic control systems—this has been studied by the General Accounting Office and the Senate Appropriations Committee investigative staff. Their report is already printed and has caused the Federal Aviation Administration to review their plans for a new $2 billion air traffic control system. And also MX missile basing.

Dr. GIBBONS. We are quite familiar with those reports.

Senator MATTINGLY. And the General Accounting Office has also done work in this area.

I know you are supposed to coordinate with the General Accounting Office, the Congressional Research Service, and the Congressional

Budget Office to avoid duplication, but I wonder how many of the studies you now have underway couldn't be done by one of those agencies, if they are necessary at all.

Dr. GIBBONS. Let me try to answer that in a couple of ways. First of all, those Office of Technology Assessment studies you listed, if you would take a look even at the summary account, you will find that there is a great deal of very complex technology involved in every one of those studies. Another agency like the Office of Technology Assessment could undertake that work, but you would have to recreate the same kind of conditions as the Office of Technology Assessment. Now in doing so, if you did it at the General Accounting Office, you would have to direct the mission of the General Accounting Office away from auditing and retrospective analysis of how well programs are being carried out.

As an example, in the MX, the General Accounting Office is indeed currently working on the MX issue. In fact, we are working very closely together. They have furnished us with much of the cost data we use on the base line MX system. OTA specifically excluded any independent development of these particular cost data. Similarly, the General Accounting Office has specifically excluded any analysis of alternative basing modes from its study. These factors are explicitly cross-referenced in our classified briefings as well as in the General Accounting Office account. The ATC work we are familiar with and the work we are doing builds upon the work that has been done.

I could go through each one of those studies, but I think if you will take that list of the Office of Technology Assessment projects you just read to me, I will be happy to show where there is a great deal of sophisticated technology involved in every one of those areas.

Senator MATTINGLY. I know in the case of the MX missile there was one printed document that said there have been something like 30 studies done on the MX missile. I hope you availed yourself of those.

Dr. GIBBONS. We have indeed. The level of our analysis would not have been possible without our having access to a great deal of classified as well as unclassified unformation.

SAVINGS EFFECTED BY STUDIES

Senator MATTINGLY. Can you tell us how much money the Federal Government saves as a direct result of the Office of Technology Assessment studies?

Dr. GIBBONS. No; I can't because we don't try to make recommendations; we try to provide analysis and alternative options. I will provide you with more information concerning the benefits of OTA's work.

Senator MATTINGLY. The General Accounting Office decided they could save $20 for every dollar appropriated over the past 4 years. I just wondered if you could give us any examples.

Dr. GIBBONS. I gave you one earlier this morning. We have every reason to believe we made a major contribution on Federal involvement in shale oil. We made a strong case for reducing the proposed Federal commitment by about $70 billion. If our involvement made only one percent difference in the Federal expenditures alone, that would pay for 60 years of our entire operations, Mr. Chairman.

QUESTIONS AND RESPONSES

Senator MATTINGLY. I have additional questions which I submit for responses.

[The following questions were not asked at the hearing but were submitted to the Department for response subsequent to the hearing:]

Additional Committee Questions

Congressional Impacts of Selected OTA Reports

The following are examples of congressional uses of information contained in certain OTA reports. This is not meant to be a comprehensive list of citings and impacts of OTA's work since gathering these would require an enormous expenditure of time and effort by various support and professional staff members at OTA and in various committees. Included here are the highlights of the impacts of these studies resulting from conversations with the OTA staffers who worked on them and cursory research into OTA's follow-up files.

It should be noted that it is extremely difficult to document the impacts of most of OTA's reports because the nature of their influence is often subtle, complex, and indirect. OTA's reports are not only used by Congress, but by numerous interested groups in the executive branch, state government and the private sector who have a stake in the legislative process. It is next to impossible to evaluate the influences on Congress from these groups that develop wholly or in part from OTA's work.

Furthermore, an array of influences are brought to bear on a given decision maker on a particular issue. How does one then trace a vote on a piece of legislation to a specific Congressional agency report? For the most part, subtle impacts on legislative decision makers are non-quantifiable.

Sometimes information drawn directly from OTA's reports is used in developing particular bills. For example, OTA's Assessment of Oil Shale Technologies and Energy from Biological Processes studies were used to help write The Energy Security Act of 1980. However, OTA's reports are not necessarily written with the intent to foster legislative change, and the instances in which they do are unusual. More often, OTA's work poses new questions to Congress and heightens sensitivity around particular issues and policies.

OTA works closely with the requesting committees throughout the assessment process and provides short-term advice at hearings, workshops, and briefings, and sometimes performs brief, topical analysis for immediate use. These contacts with Congress are listed here, but to shed additional light on the impacts of some of OTA's completed work, it might be useful to contact the users themselves. The committees requesting OTA reports have special interests in these particular areas of study and are undoubtedly aware of recent action that OTA's work has influenced either implicitly or explicitly.

Finally, an additional example will illustrate OTA's value as a special source of technical expertise. OTA was contacted by a Committee staff concerning a major, costly study

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they were about to request of an executive agency. OTA pointed out to the committee that the information they sought could already be assembled at very little cost, whereupon the Committee withdrew its request. The information and guidance provided by OTA enabled the executive agency to avoid a costly request. This kind of activity is frequent at OTA but it is too expensive to attempt to keep a formal record of these responses.

Technology and East-West Trade: 11/79

Date	Congressional Contact	Subject	Nature of Contact
11/28/79	Senate Banking Housing and Urban Affairs	Technology transfer to Communist World	Testimony*
03/24/80	Staff member -- Senator John Glenn	Export of high technology	Discussion
06/24/80	House Committee on Science and Technology, in association with House Committee on Interstate and Foreign Commerce and Subcommittee on International Trade, House Committee on Banking, Finance, and Urban Affairs	Role of technology in East-West Trade	Testimony
04/80	Staff members -- House Committee on Foreign Affairs	U.S. trade policy, technology transfer	Briefing
02/05/80	Udall inserts OTA report on technology and east-west trade	East-West Trade	Congressional Record, p. E351, CSI80-36279
01/18/80	Senate Committee on Banking, Finance, and Urban Affairs and House Foreign Affairs	Implications and likely impacts of President Carter's embargo of high technology commodities	Briefing

*During the same hearing Prof. McGeorge Bundy, a reknown authority on the issue, stated to the Committee that the OTA study was the best piece of work he'd seen on the subject in the past 30 years.

Technology and East-West Trade: 11/79 (Continued)

Although OTA's report on Technology and East-West Trade was not released until after the passage of the Export Administration Act in September of 1979, project personnel interacted closely with Committee staff throughout the spring of 1979 during the committee stages of the various Export Administration bills. An Interim Report was prepared in May 1979 to coincide with the markup of the Senate Banking Housing and Urban Affairs bill. Technology and East-West Trade itself was released in Senate Banking, Housing, and Urban Affairs oversight hearings in November 1979. Since that time, OTA staff have been able to provide both formal and informal briefings on the effects of the post-Afghanistan technology embargo, and are currently engaged in a follow-up study on Technology and Soviet Energy Availability. There are indications that several committees are interested in holding hearings on the latter subject.

Taggants in Explosives: 4/80

Date	Congressional Contact	Subject	Nature of Contact
4/80 - Several Times	Staff members -- Senate Committee on Government Affairs and House and Senate Appropriations Committees	Taggants	Briefing
06/04/80	Senate Committee on Government Affairs	Taggants	Attended mark-up session (by staff invitation)
04/30/80	Snyder cites OTA study which he says "clearly supports" C/Public Works decision to delete explosives tagging provision from H.R. 2441, Antiterrorism Act; summarizes OTA rebuttals to supporting arguments by Bureau of Alcohol, Tobacco & Firearms	H.R. 2441, antiterrorism bill	Congressional Record, p. F2141, CSI80-121176
06/17/80	Udall commends OTA review of explosive taggant concept, concluding that taggant could be useful in tracking terrorists and criminals but questioning safety in production	S. 333, antiterrorism bill; summary & article	Congressional Record, p. E3023

After the Senate Committee on Government Affairs received the OTA report, the Chairman scheduled a markup on S. 333 without further hearings. During the debate in the mark-up session, several members explicitly quoted and cited the OTA report. Committee members defined the task of the markup as choosing among the three options OTA had defined, and in the end chose option 3 over option 2 by an 8-7 vote.

Advanced High Speed Aircraft: 4/80

Date	Congressional Contact	Subject	Nature of Contact
02/07/80	Subcommittee on Transportation, Aviation and Communications House Committee on Science and Technology	Financing and program for Advanced Air Transports	Testimony

This study was used by the Subcommittee on Transportation, Aviation, and Communications of the House Committee on Science and Technology to determine whether or not to continue authorizations for the NASA research and development program for supersonic cruise aircraft. The committee was particularly interested in alternative financing methods for new aircraft. OTA submitted its findings to the committee during the fall of 1979 and the program was subsequently continued.

Railroad Safety: U.S. -- Canadian Comparison: 8/79

Date	Congressional Contact	Subject	Nature of Contact
01/25/78	Staggers introduced his bill authorizing FY79 funds for rail safety programs administered by the Federal Railroad Administration	OTA study on rail safety needs	Congressional Record, p. E131, CSI78-25198
03/15/79	Skubitz discussed results of OTA study	Adequacy of Federal Railroad Safety Laws	Congressional Record, p. H2099, CSI78-79735

This study delayed for one year legislation on railroad safety in the United States pending the results of OTA's work. OTA furthered cooperation between government, industry, and labor during the debate over United States rail safety issues. In addition, the Federal Railroad Administration altered its policies and improved its accident reporting and analysis system as a result of OTA's findings.

Impact of Advanced Group Rapid Transit Technology: 1/80

Date	Congressional Contact	Subject	Nature of Contact
03/04/80	Udall inserts summary of OTA report	Impact of advanced group rapid transit technology	Congressional Record

As a result of OTA's study on advanced group rapid transit technology, the Subcommittee on Transportation of the House Committee on Appropriations denied the President's request to eliminate the program and voted to appropriate additional funds for advanced group rapid transit development.

Future of Liquid Natural Gas Imports: 2/80

Date	Congressional Contact	Subject	Nature of Contact
01/14/80	Senate Committee on Finance	LNG	Memorandum
08/05/80	Rep. Moffett	Propane/Natural Gas	Briefing
04/23/80	Udall submits summary of LNG report along with article from the Christian Science Monitor citing OTA's report.	LNG supply	Congressional Record, p. E2002

The LNG report was delivered to the Senate Finance Committee and the House Committee on Energy and Power in February 1980. Because of other energy issues that emerged as the study was being completed (fall of 1979), Congressional interest in LNG had all but disappeared upon delivery. All legislation that had been introduced in the 96th Congress about LNG was submerged by the focus on synthetic fuels and conservation. Further compounding this was the apparent success of the Natural Gas Policy Act in expanding domestic natural gas reserves and reducing demand which reduced pressures to import gas. The study has provided Congressional staff with a careful analysis of LNG, its potential and costs, and a detailed discussion of the workings of the NGPA. We expect interest in LNG to increase in the next year or two and will reissue the summary, updated, when and if this occurs.

Oil Shale Technologies, Volume I: 6/80

Date	Congressional Contact	Subject	Nature of Contact
03/11/80	Subcommittee on Energy, Nuclear Proliferation and Federal Services, Senate Committee on Government Affairs	S. 1699, The Energy Impacts Assistance Act of 1979	Testimony -- based in part on material assembled from oil shale assessment
01/11/80	Majority staff members -- House Committee on Interior and Insular Affairs	Oil shale	Panel meeting
03/06/80	Staff members -- Senate Committee on Energy and Natural Resources	Oil shale report	Briefing
07/26/80	Staff member -- House Committee on Interior	Oil shale	Briefing
08/21/80	Staff member -- Congressman Pat Schroeder	Oil shale	Briefing

Federal Prototype Oil Shale Leasing Program, Volume II: 7/80

Date	Congressional Contact	Subject	Nature of Contact
02/15/80	Staff members -- House Budget Committee	Financial incentives for oil shale development	Briefing

The economic analysis and the feasibility evaluation contained in these documents were used in the development of the Energy Security Act of 1980. Other information drawn from this study prompted amendments to the Mineral Leasing Act.

Materials and Energy from Municipal Waste: 6/79

Date	Congressional Contact	Subject	Nature of Contact
03/11/80	Subcommittee on Energy Development and Applications, House Committee on Science and Technology	H.R. 6638, the Municipal Waste to Energy Act of 1980	Testimony
03/31/80	Subcommittee on Energy Development and Applications, House Committee on Science and Technology	H.R. 6638, the Municipal Waste to Energy Act of 1980	Testimony

OTA testified that the target for total energy derived from waste contained in the act was unrealistic. The target was then stricken from the act. OTA also testified that even though the rate of increase in oil prices was rising faster than that of inflation, that energy from municipal wastes were not necessarily going to be competitive with other forms of fuel. The proposed Municipal Waste to Energy Act of 1980 was not passed into law.

Technical Options for Conservation of Metals: 9/79

This report was delivered to the Subcommittee on Science, Technology, and Industry of the Senate Committee on Commerce, Science, and Transportation. Requested by Senators Tunney and Magnuson, this study grew out of congressional concern over critical materials in the mid-1970's. Some of this concern had dissipated by the time the study was released, but the problem of conserving scarce metals is re-emerging as a national issue. The current Administration is considering stockpiling certain critical metals, many of which were analyzed in OTA's report. In the event that Congress acts on this subject now or in the future, this OTA report remains a timely potential source for technical information that is available to Congress.

Technology and Steel Industry Competitiveness: 6/80

Date	Congressional Contact	Subject	Nature of Contact
12/04/80	Senate Committee on Environment and Public Works	Steel Industry	Testimony
12/05/80	Subcommittee on Industrial Growth & Productivity, Senate Committee on Budget	Steel Industry	Testimony
08/21/80	House Steel Caucus Staff Director	Steel Industry	Briefing
07/30/80	Senate Steel Caucus (several Senators, plus Secretary of Commerce and Industry Executives)	Steel Industry	Briefing
07/02/80	Congressman Gibbons (Fla.)	Steel Industry	Briefing
07/01/80	Rep. Vanik summarizes OTA report -- Technology and Steel Industry Competitiveness -- for the Congressional Record	Imports, structural adjustments, and targeted tax relief	
06/23/80	Senate Steel Caucus	Steel Industry	Briefing
06/12/80	House Steel Caucus	Steel Industry	Briefing
06/12/80	Rep. Vanik	Steel Industry	Briefing
07/17/79	D. Stewart inserted OTA report into Congressional Record	Scrap-based electric furnace steel-making in connection with proposed revision Export Administration Act	
01/14/80	Staff members -- Senate Committee on Commerce, Science, and Transportation	Steel and Electronics	Briefing

Technology and Steel Industry Competitiveness: 6/80 (Continued)

Date	Congressional Contact	Subject	Nature of Contact
04/10/80	Staff members -- Senate Committee on Commerce	Industrial Competitiveness	Briefing

There has been repeated contact with various congressional staff members from several committees in connection with this study. Information requests have been filled, memorandums have been submitted, and a variety of follow-up work has been performed for Congress on this project. This study has also indirectly influenced legislation on trade, the environment, labor, and a host of other issues associated with steel. Acts such as the Multilateral Trade Agreement of 1979 and the Export Administration Act were developed by individuals aware of the OTA study on steel.

Environmental Contaminants in Food: 12/79

Date	Congressional Contact	Subject	Nature of Contact
01/18/80	Staff members -- Subcommittee on oversight and investigations House Committee on Interstate and Foreign Commerce	Environmental contaminants in food	Briefing
12/20/79	Rep. Ritter -- cites OTA study	Environmental contaminant levels in food	Congressional Record
01/25/79	Staff member -- Health Subcommittee of House Commerce Committee	Environmental contaminants in food	Briefing
01/25/79	Staff members -- Senate Environment Committee	Environmental contaminants in food	Briefing
01/30/79	Staff member -- Science Subcommittee of Senate Commerce Committee	Environmental contaminants in food	Briefing
02/02/79	Staff member -- Sen. Riegle	Environmental contaminants in food	Briefing
02/16/79	Staff member -- Consumer Protection and Finance Subcommittee of House Commerce Committee	Environmental contaminants in food	Briefing
02/08/79	Staff member -- Health Subcommittee of Senate Human Resources Committee	Environmental contaminants in food	Briefing
02/08/79	Staff member -- Environment Subcommittee of House Science Committee	Environmental contaminants in food	Briefing
02/14/79	Rep. Andrew Maguire	Environmental contaminants in food	Briefing

Environmental Contaminants in Food: 12/79 (Continued)

Date	Congressional Contact	Subject	Nature of Contact
05/04/79	Staff member -- Rep. Andrew Maguire	Environmental contaminants in food	Briefing
05/14/79	Environment Subcommittee of House Science Committee	Environmental contaminants in food	Briefing
05/16/79	Staff member -- Rep. Garcia	Environmental contaminants in food	Briefing
07/10/78	Staff member -- Rep. Dingell	Environemtnal contaminants in food	Briefing
08/09/79	Staff member -- Rep. Maguire	Environmental contaminants in food	Briefing
08/15/79	Staff member -- Health Subcommittee of House Commerce Committee	Environmental contaminants in food	Briefing
10/05/79	Staff member -- Oversight and Investigations Subcommittee of House Commerce Committee	Environmental contaminants in food	Briefing
	Staff member -- Rep. Maguire	Environmental contaminants in food	Briefing
07/10/79	Staff member -- Rep. Dingell	Environmental contaminants in food	Briefing

This OTA report provided background for two sets of hearings held by the Oversight and Investigations Subcommittee of the House Commerce Committee. A primary concern of these hearings was policy regarding storage and disposal of PCBs which the OTA report discussed in detail. This study also caused the FDA and USDA to place greater emphasis on addressing the problem of environmental contaminants in food even though no new legislation was passed concerning this subject.

A Review of Selected Federal Vaccine and Immunization Policies: 9/79

Date	Congressional Contact	Subject	Nature of Contact
12/05/80	Rep. Roth -- report cited	Cost savings to medicare of pneumococcal vaccine	Congressional Record
09/04/80	Staff member -- Subcommittee on Health and the Environment, House Committee on Interstate and Foreign Commerce	Pneumococcal vaccine -- pending amendment to permit medicine reimbursement for the vaccine	Briefing
02/06/80	Subcommittee on Health, House Committee on Ways and Means	Federal vaccine and immunization policies	Report
02/80	Staff -- Senate Finance Committee	Value of pneumococcal vaccine	Telephone Consultation
02/80	Staff member for Congressman Mickey Leland	Vaccine and immunization policies	Briefing
01/04/80	House Committee on Interstate and Foreign Commerce	Payment for Medicare	Briefing
10/15/79	Rep. Mazzoli -- OTA report cited	Ability of government to develop a successful vaccination program	Congressional Record

The study reviewed Federal vaccine policies and used pneumococcal vaccine as a case study. The cost-effectiveness analysis of the pneumococcal vaccine included in the study led directly to an amendment to the Medicare law to cover pneumococcal vaccine under that program. The amendment was signed into law late in 1980. Other issues in the report

A Review of Selected Federal Vaccine and Immunization Policies: 9/79 (Continued)

have also been of interest, in particular, the problems of vaccine liability and postmarketing surveillance of vaccines. The House Energy and Commerce Committee has requested a study (now completed) analyzing legislative approaches to compensation for those injured by vaccines. That Committee has also asked OTA to do further work on postmarketing surveillance. The issue of cost-effectiveness of vaccine has also been of interest, and the House Energy and Commerce Committee requested OTA to examine the cost-effectiveness of influenza vaccine using a similar method to that used in the vaccine policy report. On 10/15/79 Rep. Mazzoli cited the OTA report in discussing the ability of the government to develop a successful vaccination program.

Open Shelf-Life Dating of Food: 09/79

Date	Congressional Contact	Subject	Nature of Contact
11/78	Staff-Health Subcommittee of House Committee on Interstate and Foreign Commerce	Open shelf-life dating	Briefing
11/78	Staff-Consumer Subcommittee, Senata Commerce	Open shelf-life dating	Briefing

This report, requested by the Senate Commerce Committee, was used as the primary background document for hearings conducted by the Subcommittee on Health of the House Committee on Interstate and Foreign Commerce on food labeling legislation during July 1978. The requesting committee also used this document for its own hearings on the same subject in July 1978.

Drugs in Livestock Feed: 6/79

Date	Congressional Contact	Subject	Nature of Contact
06/12/80	Subcommittee on Health and the Environment, House Committee on Interstate and Foreign Commerce	Drugs in livestock feed	Testimony

This report was cited in the Dingell-Waxman bill H.R. 7285, the Antibiotic Preservation Act, limiting the antibiotic drugs which may be used in subtherapeutic doses in animal feed (May 7, 1980).

Residential Energy Conservation: 7/79

Date	Congressional Contact	Subject	Nature of Contact
04/10/79	Subcommittee on Energy Conservation and Supply, Senate Committee on Energy and Natural Resources	Residential energy conservation	Testimony
07/16/79	Subcommittee on Energy and the Environment, House Committee on Interior and Insular Affairs	Residential energy conservation	Testimony
07/31/79	Subcommittee on Energy Conservation and Supply, Senate Committee on Energy and Natural Resources	Residential energy conservation	Testimony
10/12/79	Subcommittee on Energy and Power, House Committee on Interstate and Foreign Commerce	Residential energy conservation	Testimony
10/22/79	Subcommittee on Housing and Community Development, House Committee on Interstate and Foreign Commerce	Residential energy conservation	Testimony
11/20/79	Senate Government Operations Committee	Residential energy conservation	Testimony
12/12/79	Subcommittee on Energy Conservation and Supply, Senate Committee on Energy and Natural Resources	Residential energy conservation	Testimony
02/14/80	Subcommittee on Housing and Urban Affairs, Senate Committee on Banking, Housing, and Urban Affairs	Residential energy conservation	Testimony

This report provided the basis for much of the Congressional analysis and legislative proposals leading up to the conservation portions of the Energy Security Act. In addition to the testimony described above, briefings and assistance were provided on numerous occasions in 1979 to the Joint Economic Committee, the Subcommittee on Housing and Urban Development of the House Committee on Banking, Finance and Urban Affairs, the House Speaker's ad hoc Committee on energy, the Senate Energy Committee, and staff of several members involved with conservation proposals in the 96th Congress.

Energy from Biological Processes: 7/80

Date	Congressional Contact	Subject	Nature of Contact
01/09/80	House Committee on Agriculture	Gasohol	Briefing
01/30/80	Majority and Minority Council of Senate Committee on Energy	S. 932 Conference -- Biomass	Briefing, critiqued draft of biomass section of the Energy Security Act
01/03/80	House Agriculture Committee	Biomass	Technical comment at briefing
01/03/80	Constituents -- Congressman Shelton	Gasohol	Discussion
01/03/80	House Committee on Science and Technology	Biomass	Supplied information and suggested witnesses for hearings
01/03/80	Staff -- Congressman Simon	Automobile use of methanol	Discussion
01/09/80	Senator Jim Sasser -- Senate Committee on Appropriations	Gasohol -- asked to evaluate the President's proposal to make alcohol fuel from embargoed grain, OTA concluded that the plan was technically impossible	Brief document
01/24/80	Congressman Fuqua -- House Committee on Science and Technology	Analysis of biomass gasification and legislation	Information on technical issues

Energy from Biological Processes: 7/80 (Continued)

Date	Congressional Contact	Subject	Nature of Contact
02/28/80	Congressman Jim Weaver -- Chairman, Subcommittee on Forests House Committee on Agriculture	Strategies to maintain employment in wood	Sent list of policy steps and draft of
10/06/80	Congressman Grassley	Gasohol prices	Briefing
12/08/80	Staff member -- Rep. Caldwell Butler	Gasohol energy balance	Briefing
07/2,7,8/80	Staff member -- Rep. Dingell	DOE studies of ethanol/ methanol toxicity	Briefing
12/18/80	Subcommittee on Energy and Power, House Committee on Interstate and Foreign Commerce	Production and use of methyl fuels	Testimony
05/23/80	Staff member -- Congressman McClory	Wood energy	Briefing
05/14/80	Staff member -- Congressman Simon	Methanol as transportation fuel	Draft of study
05/14/80	Joint Committee on Taxation	Biomass	Report
11/15/79	Subcommittee on Energy Development and Applications, House Committee on Science and Technology	Biomass	Testimony
02/09/80	Subcommittee on Energy Conservation and Supply, Senate Committee on Energy and Natural Resources	Use of wood energy in New Hampshire	Testimony
12/79	Constituents -- Senator Pryor	Biomass	Seminar (presentation)

Energy from Biological Processes: 7/80 (Continued)

Date	Congressional Contact	Subject	Nature of Contact
03/14/80	Constituents -- Rep. Ike Skelton	Alcohol Fuels	Discussion
03/24/80	Subcommittee on Energy, Nuclear Proliferation and Government Processes -- Senate Committee on Government Affairs	Biomass Alcohol Fuels	Testimony
11/08/79	Congressional Record S16237	Gasohol	Floor Debate on Synfuels

The creators of the Energy Security Act of 1980 drew information for the biomass portion of the act from the OTA study on Energy from Biological Processes. This study also prompted the formation of the congressional Wood Energy Caucus.

Future Use and Characteristics of Automobile Transportation System 2/79

Date	Congressional Contact	Subject	Nature of Contact
02/20/79	Senate Committee on Commerce, Science, and Transportation	Future fuel economy standards, CARP, R&D needs	Testimony
05/09/79	Subcommittee on Transportation, Aviation and Communications of the House Committee on Science and Technology	Auto R&D needs, and the results of the assessment	Testimony
10/09/79	Senate Committee on Commerce, Science, and Transportation, and House Committee on Science and Technology	Needs and opportunities for R&D for auto fuel efficiency	Workshop
02/12/80	House Appropriations Committee	Evaluation of the Cooperative Automotive Research Program (CARP)	Briefing
05/02/80	Senate Committee on Commerce, Science, and Transportation, Subcommittee on Science, Technology, and Space	Research needs in auto R&D, CARP	Testimony
06/30/80	Subcommittee on Energy and Power, House Committee on Interstate and Foreign Commerce	Strategies for auto industry assistance	Background paper

During the course of the study and after its completion, OTA maintained close contact with staf members of the requesting committee and with the staff of several other House and Senate committees with jurisdiction over various aspects of the automobile transportation system. These informal contacts, in addition to providing support or background information relating to immediate legislative interests, led to the above, more formal presentations to

Congressional committees. The appearance before the Senate Commerce, Science, and Transportation Committee also led to a formal request by the committee that OTA undertake a study of the comparative costs and benefits of synfuels and improved auto fuel economy as means to reduce petroleum imports. This assessment, now in progress, is scheduled for completion in the summer of 1981.

Conservation and Solar Energy Programs 6/80

Date	Congressional Contact	Subject	Nature of Contact
02/8, 12/80	Subcommittee on Energy and Power, House Commerce Committee (minority and majority staffs	Special interests and concerns of committee staff	Discussion
02/80	House Committee on Science and Technology	Solar energy	Discussion
03/20/80	Minority and Majority staff--House Committee on Science and Technology	Preliminary assessment results	Briefing
06/11/80	Congressman Ottinger and staff	Assessment results	Briefing
06/12/80	Ottinger Subcommittee of the House Committee on Science and Technology	Assessment results	Testimony
06/80	Subcommittee on Conservation, Senate Energy and Natural Resources Committee (Staff)	Assessment results	Briefing
09/80	House Committee on Science and Technology	Solar energy	Prepared background paper for hearings

This report, requested by the majority and minority members of the House Committee on Science and Technology, was used by the committees and subcommittees with authorizing jurisdiction for solar programs during the summer of 1980. Currently, it is being used by authorizing committee staffs in preparation for budget recommendations. We anticipate that it will be used throughout this session, as a reference, since many of the programs reviewed in the document are slated for reduction or termination.

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Implications of Cost-Effectiveness Analysis of Medical Technologies 8/80

Date	Congressional Contact	Subject	Nature of Contact
12/17/80	Chief Council-Subcommitee on Health and the Environment House Committee on Interstate and Foreign Commerce	Cost-effectiveness	Briefing
08/ /80	Staff members of Senate Committee on Labor and Public Welfare, and the House Committee on Interstate and Foreign Commerce	Cost-effectiveness	Briefing
07/ /80	Staff members for Congressman Weiss	Cost-effectiveness	Briefing
01/17/80	Senate Committee on Labor and Human Resources	Cost-effectiveness	Briefing
01/09/80	House Committee on Interstate and Foreign Commerce	Benefits and costs of medical technology	Briefing

The cost-effectiveness report examined both the methods for analyzing cost-effectiveness of medical technologies and the potential uses of such methods in policymaking. The report was undertaken because of concerns in the Senate Labor and Human Resources Committee about trends to mandate the use of such techniques in decisionmaking without full evaluation of the implications of such mandates. The report was used by the Committee on Labor and Human Resources and the Senate Committee on Finance, as well as by the House Ways and Means Committee. The report both heightened sensitivity to an important issue and assisted committees in their oversight function. For example, the Senate Committee on Finance has encouraged the Health Care Financing Administration (HCFA) to formalize its decisionmaking process. The cost-effectivenss report indicated ways that this could be done. On the other hand, the report was skeptical of the value of cost-effectiveness in drug approval process and in setting priorities for biomedical research. The report may have discouraged statutory actions aimed at bringing financial considerations into such decision processed.

Pest Management Strategies in Crop Protection 10/79

Date	Congressional Contact	Subject	Nature of Contact
07/25/79	Joint hearings of Conservation and Credit Subcommittee of House Agriculture Committee and Environmental Subcommittee of House Committee on Science and Technology	Pest Management	Testimony

This study reinforced concern over pest management control in the United States and abroad and has influenced United States Department of Agriculture policy with regards to this subject. Under the USDA Science and Technology Administration, a policy of increased research based on OTA's models is being undertaken in all regions of the country in government and academia. U.S. pest management needs as outlined in the OTA report are identified in USDA Science and Technology Administration FY 82 and FY 83 budget documentation. The USDA is following a policy of increasing instruction, training, and manpower in the fields of livestock commodities exchange, pest control technologies, and research manual development.

Forecasts of Physician Supply Requirements 4/80

Date	Congressional Contact	Subject	Nature of Contact
04/23/80	Rep. Udall--Inserted summary of OTA report and New York Times article into the Congressional	Physician Supply and Requirements Report	
03/27/80	Subcommittee on Health and the Environment, House Committee on Outer state and foreign	Forecast of Physician Supply and Requirements in conjunction with hearings on renewal of the Health Professions Educational Assistance Act of 1976	Testimony
02/12/80	Senate Committee on Labor and Human Resources	Physician Supply and Requirements Report	Briefing
02/12/80	Subcommittee on Health and the Environment House Committee on Interstate and Foreign Commerce	Physician Supply and Requirements Report	Briefing

The report on forecasts of physician supply and requirements examined models for making such projections, and concluded that projections that the U.S. is facing a potential oversupply of physicians is basically sound. The report was extensively used by the Senate Labor and Human Resources Committee and by the House Interstate and Foreign Commerce (Now Energy and Commerce) Committee. Testimony was given before the Interstate and Foreign Commerce Committee. The evidence concerning numbers of physicians in the future was an important factor in the consideration of whether the Federal government should continue to support mediccal schools. The outcome of the deliberations will apparently be a phasing out of support to medical schools.

Computer Technology in Medical Education and Assessment 9/79

The computer technology report is not a policy document, but is a background report for reference on the subject. The major Committee interested in this subject has been House Science and Technology (especially the Subcommittee on Domestic and International Scientific Planning, Analysis, and Cooperation, Chaired by Congressman Sheur). In addition, the National Center for Health Services Research funds evaluations of computer systems, and the report was discussed by Committee staff and staff of that agency, so may have influenced research priorities.

Financial Viability of Conrail: 9/75

This study includes a series of assessments used by the Congress in its deliberations leading to the Railroad Revitalization and Regulatory Reform Act of 1976. Citations of the OTA studies were made by the Senate Committee on Commerce (10-7) and the House Committee on Interstate for Foreign Commerce (11-81) in their reports.

In addition, references to the OTA studies were made by Senator Hartke during the Senate floor debate (5-S20944 and S21045). In a letter to Mr. Daddario, OTA Director, Vance Hartke, Chairman, Surface Transportation Subcommittee, Senate Committee on Commerce, stated: ". . . I want to take the opportunity of congratulating the Office of Technology Assessment for the fine work undertaken at the request of this Committee and the substantial contribution that OTA has made to develop when I consider to be the most significant piece of rail transportation legislation enacted in the last half century . . . . OTA's work in this field has been of great assistance to the Congress in formulating and enacting more sound policies for improved rail transportation; the work of OTA in this instance provided a very good example of the value of OTA to the Congress."

An Assessment of Community Planning for Mass Transit: 2/76

A major subpart of this assessment was summarized in a separate report entitled Major Issues in Transit Finance which was the subject of the Congressional Hearings before the requesting Committee on April 7, 1975 ((7-906); 13).

The report was also used to critique the Department of Transportation's Proposed Federal Policy for Major Urban Mass Transportation Investments.

Future Hearings may also draw upon this assessment's findings (see dicussion under Automatic Train Control assessment).

Automobile Collision Data: 2/75

This study arose because the House and Senate had disagreed for three years over whether there was a need for one of the programs proposed by the National Highway Traffic Safety Administration (NHTSA). This program proposed to collect data on the physical forces in automobile collisions by means of recorders installed in cars which would be retrieved after collission (similar to crash recorders in airplanes). To resolve the controversy it was suggested in conference in 1974 that OTA undertake a study of this issue.

A major finding of the OTA study was that there was a need for better data on the relationships between physical forces in collision and actual injury but that the NHTSA program as proposed would probably be inadequate. Even more important was a critical need for a national system for collecting accident data which could be used to evaluate existing and proposed automobile standards. The study was cited by the House and Senate in aiming at and resolving their disparate positions with regard to a crash recorder program. The importance of a national accident sampling systems was noted (2-28; 3-24). The NHTSA has also implemented certain recommendations in the report.

Food Information Systems -- Summary and Analysis: 8/75

Date	Congressional Contact	Subject	Nature of Contact
11/74	Congressional delegation to the World Food Conference	Early warning agricultural and information system	Briefing
09/75	Staff -- Senate Select Committee on Nutrition, Senate Agriculture Committee, and House Agriculture Committee	Report	Briefing
09/75	OTA Board	Timeliness of information on U.S. and World Agriculture	Hearings
12/75	OTA Board	Information requirements for a national food policy	Hearings
04/76	OTA Board	Advanced technology in agricultural information systems	Hearings

The World Food and Agricultural Outlook and Situation Board was created and the Departmental Commodity Information System reorganized by executive order (June 15, 1977). This was one of the options outlined in the OTA report.

Background material taken from this study was used and analyzed for:

1. Hearings before Foreign Agricultural Policy Subcommittee of Senate Agriculture Committee on "Implementation of World Food Conference Recommendations" (November 6, 1975).

Food Information Systems -- Summary and Analysis: 8/75 (Continued)

2. Hearings before Census and Population Subcommittee of House Post Office and Civil Service Committee on "The Need for Improvement and Coordination in Federal Government Statistics" (February 1976).

3. Publication by Senate Select Committee on Nutrition entitled "The U.S., FAO and World Food Policies: U.S. Relations with an International Food Organization" used assessment materials (June 1976).

Specific legislation based on material developed by this assessment: H.R. 12397 by Rep. Neal Smith, a bill "to relieve the Secretary of Commerce of the responsibility for taking the census of agriculture every fifth year and require the Secretary of Agriculture to collect comparable information using sampling methods" (February 13, 1976); and companion bill S 3215, by Sen. Hubert Humphrey (March 26, 1976); H.R. 688 by Rep. Neal Smith, "to assure more timely census data for agribusness" (January 6, 1977); H.R. &@^ BY Rep. Alexander, "to provide for a 50-percent reduction of the burden on respondents in the censuses of agriculture taken in 1979 and thereafter" (January 6, 1977).

An option included in this assessment, that Congress might improve analytic capability in food and agriculture area, was used as the basis for several meetings with OTA, CRS, GAO, CBO, and relevant House and Senate food, agriculture, and nutrition committees` staffs.

The study was used by the Office of Management and Budget as background for a paper prepared for the President on prospective reorganization of the food, agriculture, and nutrition components of the Federal Government.

The study was also used by the USDA in testimony before Agricultural Subcommittee of House Appropriations Committee (March 9, 1978).

Organizing and Financing Basic Research to Increase Food Production: 6/77

Date	Congressional Contact	Subject	Nature of Contact
06/77	Staff -- House Science and Senate Agriculture Committees	Food R & D	Briefing
06/75, 9/75, 10/75	Science Subcommittee and Domestic and International Scientific Planning and Analysis Subcommittee of House Science Committee	Food R & D	Hearings

This study was used by Senate Agriculture Committee to draft the food and agriculture research bill introduced in 95th Congress as part of the Omnibus Farm Bill (S 275, Title VIII), which became P.L. 95-113 (Title XIV), signed by the President on September 29, 1977.

The report was also used by the executive branch in preparation of fiscal year 1978 budget submission to the Congress providing $27 million for high-priority basic research, which was later appropriated at $15 million.

OTA developed an annotated bibliography and summary of selected reports of agriculture research and development for the requesting committees.

The Office of Management and Budget used the report as background for a paper prepared for the President on prospective reorganization of the food, agriculture, and nutrition components of the Federal Government.

The Senate Judiciary Committee made use of NCIC working documents in its consideration of the FBI requests for an NCIC front-end computer processor purchase and NCIC mainframe upgrade.

More specifically, on June 26, 1979, the Senate Judiciary Committee Chairman asked OTA for a review of the FBI front-end computer processor and submitted a reply memorandum to the Committee on August 10, 1979. This OTA special response was a significant input to the September 12, 1979 letter from Senators Kennedy and Thurmond to FBI Director Webster authorizing acquisition of the processor subject to certain conditions.

On January 2, 1980, OTA submitted an extensive set of NCICI working papers to the Senate and House Judiciary Committees. On January 4, a copy of these materials was forwarded by Chairman Kennedy to the FBI Director, and subsequently served as a significant input to the authorization of the mainframe upgrade. OTA findings were specifically referenced in a January 7, 1980, letter from Webster to Kennedy with respect to FBI plans for a pilot test of the interstate identification index concept.

Automated Guideway Transit -- An Assessment of Personal Rapid Transit and Other New Systems: 6/75

Date	Congressional Contact	Subject	Nature of Contact
06/09/75	Transportation Subcommittee, Senate Committee on Appropriations	Report	Testimony

The OTA report was available to the Senate but was not complete at the time the House deliberated on the UMTA appropriations. The impact of the report can be seen in the difference between House and Senate budget allocations and in the fact that the Senate position prevailed in conference. Funds which had been deleted by the House for the High Performance PRT program were partially restored. Two new projects were added to the UMTA program. First, a feasibility analysis to look at the potential for automated guideway transit technology in an urban setting was funded (thus meeting the need for more urban applications of R & D). Second, a program of socioeconomic research (to provide data on the value of automated systems in urban areas) was added. The OTA report was cited in the Senate report (3-31,32) in justification of its changes to the UMTA budget and to the House allowance.

In reporting to the Senate before conference, the committee referred to the OTA report in the Congressional Record (5-S13743) as it did after conference (5-S19804). The latter citation commended OTA for its analysis of both automated guideway transit and its study of energy, the economy and mass transit stating that: "Both of these assessments were extremely useful resources of the position adopted by the Senate Appropriations Committee and ultimately accepted by the conference."

The new UMTA programs are being continued by the Congress. For example, for FY 1977, both House and Senate have recommended funds for shuttle and loop transit ($5.250 million), for advanced GRT ($2.5 million) and for automated guideway transit. For socioeconomic research, the Senate has recommended $0.4 million, but the House recommended no funding (6-35).

Energy, Economy, and Mass Transit: 12/75

Date	Congressional Contact	Subject	Nature of Contact
06/23/75	Transportation Subcommittee, Senate Committee on Appropriations	Report	Testimony
07/18/75	Transportation Subcommittee, Senate Committee on Public Works	Report, and community planning for mass transit	Testimony

OTA was commended in the Congressional Record for its assistance to the Senate Appropriations Committee through these reports (5-S19804).

DOT Secretary Coleman, in a letter to Representative Bud Shuster, cited the OTA assessment of Energy, Economy and Mass Transit as follows: "I fully subscribe to the conclucions of the recent report prepared for the Congressional Office of Technology Assessment that both transit incentives and auto disincentives will be required to achieve significant diversion of commuters from automobiles to public transportation."

January 14, 1980

The Honorable Morris K. Udall
Chairman
Congress of the United States
Office of Technology Assessment
Washington, DC 20510

Dear ~~Congressman~~ Mo Udall:

Thank you for your letter of December 31 requesting comments on the services the Office of Technology Assessment provided me last year.

As you noted, my direct work with OTA in 1979 concerned steel issues exclusively, and I have been most impressed by the quality and timeliness of the product. I consider Joel Hirschhorn a thoughtful and exceptionally well-informed analyst of the steel industry and future trends in that sector. Both his testimony at the November 19 hearing and his written work have been of considerable help to me and to other Senators interested in the problems of the steel industry. I am anxious to see his final study and hope that after it appears OTA will continue to devote a portion of its resources to steel issues.

Sincerely,

John Heinz
United States Senate

January 11, 1980

The Honorable Morris K. Udall, Chairman
Technology Assessment Board
Congress of the United States
Office of Technology Assessment
Washington, D. C. 20515

Dear Mo:

Thank you for your letter of December 31, 1979, asking for my views on service rendered by the Office of Technology Assessment to the Banking Committee. The Subcommittee on International Finance, chaired by Senator Stevenson, has received testimony from OTA on two occasions in recent months: November 19 on trade and technology in the steel industry and November 28 on East-West trade and technology transfers. Studies by OTA were the focus of both oversight hearings. I understand that the OTA staff have been most helpful to the Subcommittee staff during preparation of these hearings and on other occasions.

You may wish to contact Senator Stevenson, and the Ranking Minority Member of the Subcommittee, Senator Heinz, directly for their views. My impression is

that OTA has rendered valuable technical assistance to this Committee during the past six months.

All best wishes,

Sincerely,

William Proxmire, Chairman
Committee on Banking, Housing
and Urban Affairs

January 8, 1980

The Honorable Morris K. Udall
Chairman, Technology Assessment Board
Congress of the United States
Office of Technology Assessment
Washington, D.C. 20510

Dear Congressman Udall:

I am pleased to say that I have found both the reports produced by the Office of Technology Assessment and the staff itself to be most helpful in my work as a member of the Subcommittee on Health and Scientific Research. In particular, the health report on "A Review of Selected Federal Vaccine and Immunization Policies" published in September, 1979, served as the impetus for my introducing legislation that would allow Medicare to reimburse for influenza and pneumococcal pneumonia immunizations. The wealth of information in that report has convinced many of my colleagues as well that this new policy should be adopted. We are looking forward to speedy passage of the bill.

I have found the reports to be concise yet comprehensive and supply me with sufficient materials to make important policy decisions. I hope that OTA can continue to produce these valuable materials that have become an important resource in my office.

Sincerely,

Howard M. Metzenbaum
United States Senator

January 11, 1980

Honorable Morris K. Udall
Chairman
Office of Technology Assessment
Washington, D. C. 20510

Dear Mr. Chairman:

I appreciate the opportunity to comment on the work that OTA has done for the Subcommittee on Transportation, Aviation, and Communications over the past year. As you know, the Subcommittee is responsible for authorizing the NASA Aeronautics Program each year. As such, we are faced with making decisions on research and development that will affect the shape of aviation in the next decade and beyond.

One such R&D decision, namely whether to increase funding for an advanced supersonic transport, will be a difficult one. It will be difficult, not only because of the cost implication, but because of the emotionalism surrounding the subject. Yet we must try to look at it objectively and decide what is best for our country. For this reason, former Chairman Teague requested an assessment of the impact of the introduction of large numbers of AST's.

Although the final product is not yet available, the preliminary draft is excellent. To my mind, this project represents the ideal functioning of OTA. It is a true technical assessment that provides highly credible information which is unavailable elsewhere. I'm sure it will assist Congress in making a legislative decision that will have immense future implication.

In another area, the Subcommittee undertook a comprehensive look at the need for an expanded federal role in automobile R&D. The OTA study on "Changes in the Future Use and Characteristics of the Automobile" provided valuable background for both hearings and legislative drafting sessions.

The workshop on Automobile R&D will also be important. I expect to use the results as a roadmap for monitoring the direction and achievements of the new federal automotive R&D program that is envisioned in our pending bill.

Sincerely,

Tom Harkin

TOM HARKIN, Chairman
Subcommittee on Transportation,
Aviation, and Communications

January 14, 1980

Hon. Morris K. Udall, Chairman
Technology Assessment Board
Office of Technology Assessment
Washington, D. C. 20510

Dear Mr. Chairman:

This is in response to your request of December 31, 1979 for comment on the utility of several assessments which OTA undertook on our behalf. I am quoting below from comments received from the two subcommittees most involved with those reports.

From the Subcommittee on Energy Development and Applications, the following:

We are happy to comment on the interactions we have had with the

Office of Technology Assessment during 1979. Mr. Udall noted in his letter the two reports on coal and municipal wastes. As you may know, the report, "The Direct Use of Coal", was originally requested by the Science and Technology Committee and, concurrent with its release by OTA, the Subcommittee on Energy Development and Applications, chaired by Mr. Ottinger, held hearings on May 3, 1979. At that time the details of OTA's efforts were outlined. The background work on environmental and health effects of increased use of coal provided by OTA's contractors seems to have become a significant addition to the literature.

The efforts in the report, "Materials and Energy from Municipal Wastes", were also timely, since the Subcommittee on Energy Development and Applications held hearings during July and September on energy from waste. This report was a helpful document in providing a general introduction into the technology and issues surrounding the utilization of waste for energy production. The hearings more directly addressed the current DOE and EPA programs, since we are anxious to see the utilization of waste for energy accelerated.

A report which was not mentioned in Mr. Udall's letter is OTA's recent effort on residential conservation. The Committee is responsible for the research and development programs in residential conservation and we expect to undertake a serious oversight effort in this area during 1980. We are sure that this document will provide an important starting point for the Committee. We have also requested and received the assistance of OTA in a review of DOE's fiscal year 1981 conservation budget and programs. We are looking forward to working with OTA and know the assistance in identifying programmatic issues in the conservation programs will be as useful as the general assessments provided in the residential conservation report.

From the Subcommittee on Natural Resources and Environment, the following:

First, the coal report. As you know, most of the things one has to worry about in direct use of coal are environmental impacts. So the report has been useful in our oversight of DOE's environmental programs and EPA's research programs. It contains a great deal of useful information.

The resource recovery report. We actually worked with Chris Hill as he was working on this project. The Brown subcommittee put out a committee print, "The Status of Resource Recovery", based on a series of site visits. Chris accompanied us on several of the visits and was a great help. His knowledge enabled him to ask some questions that did not occur to us, and we compared notes after the visits. So we benefited from this OTA effort even before it came out. Based on a rather cursory review of the final version, the report seems to be quite good: the findings are reasonable and there is a good deal of information.

I should also like to mention that I have requested, on behalf of the Full Committee, an assessment from OTA involving identification and effects of inflationary factors as they pertain to Federally supported research and development. While this assessment has not yet been received, we are anxiously looking forward to it as a critical input to our legislative efforts involving multi-year authorization for research. I should also mention that OTA has agreed to assist us in preparing an important "futures research" study which is now required by House Rules with regard to the planning of future Committee operations.

I hope that this information will be useful to you in your survey.

Sincerely,

Don

DON FUQUA
Chairman

January 10, 1980

Morris K. Udall, Chairman
Office of Technology Assessment
Washington, D.C. 20510

Dear Congressman Udall: Mo

I want to thank you for contacting my office with reference to your preparation for the FY 1981 appropriation request for the Office of Technology Assessment.

As you know, one of the OTA Reports, entitled " A Review of Selected Federal Vaccine and Immunization Policies(September 1979)" was distributed to the members of the House Appropriations Subcommittee on Labor, Health, Education, and Welfare. I have found this publication to be most informative in its evaluation of Federal policies and regulations on the development of vaccines in this country. These programs are supported through the subcommittee on which I serve, and it is most vital that they be objectively evaluated for cost-effectiveness and efficacy. The Director of the Division of Venereal and Communicable Diseases for the Massachusetts Department of Public Health, Dr. Nicholas Fiumara, has likewise found this Report to be extremely comprehensive and responsible in its findings.

Other summaries of OTA Reports have also been very informative for staff preparation of briefs in the health field.

Thank you again for contacting me.

With best regards, I am

Sincerely,

Joe

JOSEPH D. EARLY
Member of Congress

January 31, 1980

Honorable Morris K. Udall
Chairman, Technology Assessment Board
U.S. Congress
Office of Technology Assessment
600 Pennsylvania Avenue, S.E.
Washington, DC 20003

Dear Mr. Chairman:

In response to your inquiry, I want you to know that the Office of Technology Assessment has been a great aid to my Subcommittee. I commend the Office for the great work it has done in formulating and assessing energy policy.

This year, OTA has been particularly responsive to the needs of Congress, playing an exemplary role in assisting Congress and providing important insights into the possible solutions to our energy problem. As you know, this was a very important year for conservation and solar energy legislation. OTA played a major part in shaping the Solar Bank and Taxable-Grants bills. I look forward to OTA's continued work in these and other areas.

In the future, I will be conducting oversight hearings on the Administration's solar and conservation programs, and I will, of course, look to OTA for assistance.

Thank you for asking for my comments.

Sincerely,

John A. Durkin

January 29, 1980

The Honorable Morris K. Udall
Chairman
Technology Assessment Board
Office of Technology Assessment
United States Senate
Washington, D.C. 20510

Dear Mr. Chairman:

During the past year, the Office of Technology Assessment completed five reports requested by the Commerce Committee, and cooperated closely with the Committee in a number of areas, particularly in connection with OTA's report on "The Future Uses and Characteristics of the Automobile." That report, OTA's testimony before the Committee in March, 1979, and a highly productive joint workshop on "Automotive R&D" held in September, suggest that OTA's value as a Congressional resource extends well beyond the publication of its assessments. I applaud Director Gibbons' efforts to develop this flexibility and explore additional modes of cooperation with Congressional committees.

The Consumer Subcommittee found OTA's report on "Open Shelf-Life Dating of Food" of great help in its continuing examination of food issues. OTA's response to questions regarding S. 411, the Pipeline Safety Act, was of additional assistance to the Subcommittee. The Subcommittee on Science, Technology, and Space found OTA's studies of "Metals Conservation" and "Municipal Waste Recycling" of considerable interest.

The Commerce Committee has been one of OTA's principal clients from the beginning and has generally found its assessments to be thorough, well-done and helpful. Our major concern has been OTA's recurrent problems in meeting its scheduled completion dates. However, I am aware of Dr. Gibbons' efforts to improve OTA's performance in this area, and trust that progress has been made.

Of OTA's 30 assessments in progress, 10 are being performed at the request of the Commerce Committee (sometimes in conjunction with other Committees' requests). We look forward to the timely completion of these studies and to continued cooperation with the Office of Technology Assessment.

With best wishes, I am

Sincerely,

HOWARD W. CANNON
Chairman

76-636 O - 81 - 61

January 16, 1980

Honorable Morris K. Udall
Chairman
Office Technology Assessment
600 Pennsylvania Avenue SE
Washington, D. C. 20510

Dear Mr. Chairman:

Thank you very much for your recent letter concerning the services provided to the Subcommittee on Trade by the Office of Technology Assessment.

The two reports which OTA supplied us in 1979 were very timely, of good quality, and highly useful to the Subcommittee. We are looking forward to the final report on the steel technology situation and the Trade Subcommittee will probably hold hearings which will discuss the final report.

The steel technology issue is likely to become a more important issue in the months ahead, and I believe that the funds spent on this project are important.

Trade Subcommittee Chairman Vanik, whose Subcommittee has been working on the steel issue, agrees with my assessment of this important work.

Sincerely yours,

Al Ullman
Chairman

January 11, 1980

Dear Mr. Chairman:

Thank you for your letter requesting my comments, as Chairman of the Senate Committee on Labor and Human Resources, concerning the value and importance of the work prepared by the Office of Technology Assessment (OTA).

Let me assure you that the two reports you have asked me to comment on have been of immeasurable assistance to the Committee in exploring the complex issues associated with health care policy.

In addition, when the Committee was looking into the saccharin issue in 1977, OTA released their report titled "Cancer Testing Technology and Saccharin". This report assisted the Committee in developing a legislative response through Public Law 95-203, the Saccharin Study and Labeling Act.

Be assured that I have always appreciated the technical insight which OTA has provided.

With best wishes,

Sincerely,

Harrison A. Williams, Jr.
Chairman

ASSESSMENT COMPLETION TIME

Question: On page 34 of your justifications you indicate that as of the end of fiscal year 1980, 19 assessments that were begun in fiscal year 1979 were still ongoing. On the next two pages you list the 34 assessments that were in progress as of October 1, 1980. I am somewhat concerned over the length of time it takes you to complete an assessment, particularly in view of the sharp changes in policy the new Administration hopes to implement, changes which may affect the timeliness of some of your work. Can you provide for the record a list of your current assessments in progress with the date on which each assessment was started and the intended date of completion? I would also like to know at this time whether you think the usefulness of any of these assessments may be diminished by the Administration's decision to substantially cut funding for certain science projects over the next few months.

Answer: A list of current assessments, with requested information, is shown on the attached chart. It should be noted that progress is being made in reducing the average duration of assessments. The overall average duration for all projects on the chart is 24 months. However, the duration of those projects started since June 1979 has dropped to 17 months.

There are several ways in which OTA's work is useful:

A. Direct use by members and Committee staff of reports, testimony, briefings:

-- Reducing government expenses (e.g., Shale Oil, Ocean Drilling, etc.)

-- Increasing effectiveness of federal investments (e.g., Biomass, Vaccines, DOE Conservation and Solar overview)

-- Avoiding federal actions that could be costly (e.g., Taggants)

-- Avoiding Congressional requests to executive agencies that are not necessary

B. Indirect:

-- Use by executive agencies

-- Use by state and local governments

-- Use by media in public discussion of issues

In addition, the assessments that are undertaken by OTA generally deal with issues that are enduring as well as highly complex and technical. The usefulness of the work can be measured several ways:

(1) Completed Assessments provide a base of integrated information that can be relatively quickly updated and applied to the current congressional debate. For example, OTA's past work on the Direct Use of Coal contains directly relevant information on the issue of federal activity in coal utilization. Our comprehensive Oil Shale Technologies study addresses the impact of oil shale development on environmental issues. Future energy source estimates from biomass (wood and other plant material) are set forth in OTA's Energy from Biological Processes study. The political and economic costs and benefits to the United States of trading with the Communist world are reviewed in our Technology and East-West Trade work. Finally, in OTA's study, A Review of Selected Federal Vaccine and Immunization Policies, options were discussed for Congressional selection that would help ensure the Federal Government's promotion of safe and effective vaccines.

(2) Current Assessments, such as the list given in the FY 1982 justification of estimates, are directly related to the current debate over the Administration's budget austerity plan. For example:

- Work to date on MX basing alternatives, which won't be completed until May, was made available to Congress (briefing and testimony) in early March.

- Our work on synfuels and transportation is directly relevant to the relative merits of increasing various synfuel sources compared with improving automobile efficiency in terms of total cost of transport. The project won't be completed until Summer (1981) but testimony was provided in December 1980 and March 1981 on methyl fuels, which drew directly from that ongoing work.

- The Nuclear Waste study will focus, in part, on whether utility companies would prepay or reimburse the federal government for disposal services. This would be in lieu of current payment by the federal government of about $300,000,000 per year.

- Work just completed on "Technology for Local Development" addresses questions about the opportunities for local self-help tailored to local resources and needs.

In general, OTA has been able to provide hard, objective analysis on the merits of various alternative actions regarding technology. We feel that the value to Congress of such a source of bipartisan information is increased, rather than decreased, in the face of Administration proposals for action related to science and technology. When decisions with great consequences are being made, the potential cost of a less-than-optimum decision is great. OTA can help provide the sharp scalpel of objective, analytical appraisal that is sorely needed if Congress intends to exercise independent judgment about the merits of the requests from the Executive branch. OTA's past and current work is already being used by various Committees and members, as well as (selectively) by the Executive branch (e.g., synfuel development, nuclear waste management) to determine the advantages and disadvantages of various actions. One reason that OTA's current and past work is useful in the present situation is because most of the problems undertaken are highly controversial and seldom resolved by other than an evolutionary process.

With only about 0.2% of the total federal budget it is difficult for Congress to maintain an independent analysis capability comparable to the Executive Branch, but it must be attempted nonetheless.

Duration of Assessments in Progress as of October 1, 1980

Assessment	Start Date	Completion Date[1] Estimated or Completed[c]	Duration[2] Est. (Mos.)
Federal Coal Leases (mandated by law)	(Oct. 1976)	May 1981	55[3]
Industry Competitiveness - Electronics	Jan. 1979	Aug. 1981	31[4]
National Information Systems	Oct. 1978	Jun. 1981	32[4]
Technology for Local Development	Dec. 1978	Dec. 1980[c]	24
Disposal of Radioactive Waste	Sep. 1978	Aug. 1981	35[4]
Alternative Energy Futures	Feb. 1978	Oct. 1981	44[4]
Solar Power Satellite Systems	Jun. 1979	Mar. 1981[c]	21

NOTES:

(1) Completion date of a given project can change in response to a variety of factors, including change of scope in response to things learned in the research; temporary delays of work in order for the staff to do a higher priority job; and for reasons of quality control.

(2) In most cases a variety of deliveries occurs throughout the course of the project. These include Technical Memoranda, Testimony, Staff and Background Papers, Committee Prints, and briefings.

(3) OTA sought to have this study carried out by the Department of Interior or GAO during the first several years. However, it was mandated to OTA and carried out despite lack of reasonable resource capability.

(4) These projects were postponed or intentionally delayed.

Assessment	Start Date	Completion Date[1] Estimated or Completed[c]	Duration[2] Est. (Mos.)
Impacts of Applied Genetics	Oct. 1978	Jan. 1981[c]	27
Telecommunications Technology	Oct. 1978	Apr. 1981	30[4]
Advanced Air Transport	Oct. 1978	Jun. 1981	32[4]
Regulations & Technological Innovations	Oct. 1978	Jun. 1981	32
Health Promotion & Disease Prevention -- Cancer Risk	Mar. 1979	Mar. 1981[c]	24
Space Policy Applications	Mar. 1979	Aug. 1981	29[4]
Technology & World Population	Jun. 1979	Apr. 1981	22
Synthetic Fuels in Transportation	Oct. 1979	Jun. 1981	20[4]
Dispensed Electricity Generation Systems	Nov. 1979	Jun. 1981	19[4]
Freshwater Resources Management	Oct. 1979	Jun. 1981	20[4]

NOTE:

(1) Completion date of a given project can change in response to a variety of factors, including change of scope in response to things learned in the research; temporary delays of work in order for the staff to do a higher priority job; and for reasons of quality control.

(2) In most cases a variety of deliveries occurs throughout the course of the project. These include Technical Memoranda, Testimony, Staff and Background Papers, Committee Prints, and briefings.

(4) These projects were postponed or intentionally delayed.

Assessment	Start Date	Completion Date(1) Estimated or Completed(c)	Duration(2) Est. (Mos.)
Ocean Research Technology	Sep. 1979	Apr. 1981	19
Impact of Technology on Land Productivity	Jan. 1980	Jun. 1981	17
U.S. Food and Agricultural Research	Dec. 1979	Jun. 1981	18
Impacts of 1979 WARC Conference	Mar. 1980	Jul. 1981	16(4)
Va. Agent Orange Protocol (mandated by law)	Mar. 1980	(Indeterminate)+	--
Airport & Air Traffic Control Systems	Apr. 1980	Jul. 1981	15(4)
Nuclear Power Plant Standardization	Jun. 1980	Mar. 1981	9
Industry Competitiveness: Steel, Auto, Elec.	Jun. 1980	Apr. 1981	10

NOTE:

(1) Completion date of a given project can change in response to a variety of factors, including change of scope in response to things learned in the research; temporary delays of work in order for the staff to do a higher priority job; and for reasons of quality control.

(2) In most cases a variety of deliveries occurs throughout the course of the project. These include Technical Memoranda, Testimony, Staff and Background Papers, Committee Prints, and briefings.

(4) These projects were postponed or intentionally delayed.

+Mandated review of Veterans Administration project -- time table dependent on the VA.

Assessment	Start Date	Completion Date[1] Estimated or Completed[c]	Duration[2] Est. (Mos.)
Technology and Soviet Energy Availability	Jun. 1980	Aug. 1981	14
MX Missile Basing	Jun. 1980	May 1981	11
Strategies for Medical Technology Assessment	Jul. 1980	Sep. 1981	14
Non-nuclear Industrial Hazardous Waste	Aug. 1980	Jun. 1982	22
Technology and the Handicapped	Oct. 1980	Dec. 1981	14
Patent System and Technology	Oct. 1980	Mar. 1982	17
Impacts of Atmospheric Alteration	Oct. 1980	Mar. 1982	17
Information Technology and Education	Oct. 1980	Mar. 1982	17
World Futures	Oct. 1980	Jun. 1981	8

NOTE:

(1) Completion date of a given project can change in response to a variety of factors, including change of scope in response to things learned in the research; temporary delays of work in order for the staff to do a higher priority job; and for reasons of quality control.

(2) In most cases a variety of deliveries occurs throughout the course of the project. These include Technical Memoranda, Testimony, Staff and Background Papers, Committee Prints, and briefings.

USE OF OTA REPORTS

Question: Of course, the Office of Technology Assessment is an arm of the Congress and I assume that its primary reason for existence is to provide the Congress with the information needed to legislate in an effective and efficient manner. One standard you use to indicate your effectiveness is the rising demand for your publications. I am much more interested in the extent to which the Congress has used your technology assessments. Could you give us a few examples of how your work has affected the Congressional decision making process and provide for the record an indication of what impact each of the studies listed on pages 38 through 57 of your justifications has had on the legislative process?

Answer: Please see our response to Senator Mattingly on page 76.

ADMINISTRATIVE SUPPORT TO OTA

Question: Your budget request summary narrative indicates that in the past the General Accounting Office has provided administration support to OTA but you have now determined that it is to your best advantage to satisfy most of your administrative and financial requirements through the use of your own staff. Can you tell us what savings you expect to achieve through performing these functions in-house?

Answer: OTA has unique managerial and administrative requirements due to the complex information needed in order to properly control the performance and costs of each individual Technological Assessment project. This includes, for example, a large number of small contracts -- nearly as many as used by GAO, which is twenty times larger than OTA in personnel and budget.

Technology assessments may be undertaken at any time during a Fiscal Year. On many occasions these assessments run fully or partially through the course of two or three different fiscal years. The budget for each assessment approved by the Technology Assessment Board is approved for the performance period (life) of the assessment; however, the funds for each assessment come from an annual appropriation for each fiscal year for all the assessments undertaken and their support functions.

In order to make the project-cost management information system work right, OTA must capture all the information currently captured by GAO at a much more detailed level. GAO has stated that in order for them to provide OTA with

information required for good management and budget control, they would have to make substantial changes to their current system to match OTA's unique requirements.

As a result the Controller General and the Director of OTA both agreed that OTA's support needs could be better satisfied outside of GAO, and that this work would be phased in during 1981.

OTA's first thought was to meet these needs internally by expanding the project-cost management information system. However, because of time restrictions for development and the uncertainty of funds inherent in operating on a continuing appropriation basis, OTA decided to look elsewhere for this support. Exploration of other means disclosed that the Library of Congress would be more compatible with OTA's needs. The Library appears to have a formal accounting system with attributes more similar to OTA's requirements. In addition, the Library has its own disbursing capacity, has the advantage of its geographic proximity to OTA and provides a cost savings to OTA when compared to GAO.

OTA is currently negotiating with the Library for this support.

HIGH AVERAGE SALARIES

Question: Your office has a rather high average salary. The appendix to the President's budget indicates that your average salary in fiscal year 1982 will be $35,700 and the table on page 17 of your justifications shows that almost one quarter of your employees make over $47,000 per year. In view of the fact that so much of your work is done under contract, why is it necessary to have such a top heavy salary structure?

Answer: The Office of Technology Assessment requires that its professional employees be accomplished individuals who can (and do) relate comfortably with equally highly accomplished persons in the private and public sectors. We recruit the most qualified persons in the hard and social sciences. For example, 67 of 84 professional employees have a Ph.D. or other advanced degree, some with degrees in more than one discipline. The ratio of professional to support persons at OTA is exceedingly high (and must be so to accomplish our work), and fully one-third of the support staff have college degrees.

Typically, a professional at OTA manages and coordinates the work of from a few to dozens of contractors, consultants and reviewers, and up to 20 panelists who help scope and advise on work. The final analysis, discussion of policy options, and report is written by OTA staff, however, not contractors.

The FY 1982 average salary, anticipated to be $35,700, is roughly comparable with some other agencies in the Executive

and Legislative Branches (CBO's is anticipated to be $32,000 -- as is the Nuclear Regulatory Commission; the Council of Economic Advisors' is nearly $40,000). Operating with fewer employees than it had two years ago, OTA must continue to provide the Congress with sound analysis of highly controversial, complex and costly issues. To provide such services, OTA has no other alternative than to compete for and attract the best possible talent.

CONTRACTING OUT

Question: The staff was given a memo from your financial services office indicating that you spent $4,054,000 on contracts in fiscal year 1980, more than a third of your 1980 budget. This is an extremely high level of contracting for a Congressional support agency. I wonder if all this contracting is necessary. For example you paid J.J. Prescott and Associates $30,253 to provide orientation tapes to describe the OTA technology assessment process and how OTA interacts with the Congress. Why couldn't this have been done in-house?

Answer: Because it must respond to Congress on a wide variety of issues, OTA requires the intermittent use of many kinds of scientific and technical talent. Dozens of private sector and other government experts and panelists are called upon for assistance each year. OTA has not found it possible, nor would it be economical, to maintain the required experts as in-house staff, because the talent needed at any time depends entirely on the particular, relatively short-term, assessments being performed. OTA's situation is therefore unusual in that it must rely heavily on the use of outside consultants and experts. The Congressional Board of OTA's management feels that it would be a mistake for OTA not to make continuous and extensive use of special expertise located elsewhere in government and especially for contracting in the private sector. OTA's job is to be the catalyst to identify, analyze and integrate information from all sources. In this way it taps the full national wisdom on issues and avoids any duplication. Without supplementing its small staff in this way, OTA could not discharge its statutory responsibilities.

OTA chose to contract for the orientation tapes because this was more economical than creating an in-house, film-making capability to satisfy a one-time need, although assistance in the script preparation is being done in-house. The purpose of the tape is to provide a much-needed orientation for new employees, contractors, panelists, and consultants. These people are typically highly trained in a variety of disciplines, but are not as familiar with the processes of government or OTA's methods and procedures as they need to be in order to make a maximum contribution. The tape will enable OTA management to avoid the more costly alternative of frequent personal briefings and orientations.

PAYMENTS FOR OUTSIDE SERVICES

Question: I note that in fiscal year 1979 you paid Dr. Thomas Sladek $52,673 to serve as a principal investigator and prepare a final draft of a report assessing oil shale technology. Do you have to adhere to the Federal pay cap in compensating contractors and consultants and, if not, what sort of limitations are placed on your payments for outside services?

Answer: In the case of Dr. Thomas Sladek, the daily rate paid for his services was equal to the pay he would have received had he continued in his previous position as Senior Project Engineer at the Colorado School of Mines, Golden, Colorado. It should be noted also that only $41,655 was paid as compensation for services; the rest was reimbursement for other expenses.

While OTA is not bound directly by the federal pay cap, its policy is to pay no more for expert services than the rate the expert is paid by other government agencies. These rates must be fully documented by the contractor and confirmed by OTA.

TRAVEL BUDGET

Question: Your $13.1 million budget request for fiscal year 1982 includes some very substantial increases in a number of functions. For example, you are requesting $370,000 for travel in fiscal year 1982, an increase of almost 20 percent. You are also requesting an increase of one-third in the amount of funding devoted to the transportation of things. Can you tell the Committee why you need such substantial increases in these two object classes?

Answer: Approximately 18% of the travel increase is required to meet price increases in this area, including transportation and per diem. An additional 2% will fund incremental travel increases associated with one additional assessment planned for the year.

Approximately 25% of the increase in the category "Transportation of Things" is required to meet price increases that have occurred during the past two fiscal years. Some of the increase is due to our heavier reliance on freight, messenger and express services used to communicate with outside advisors in lieu of the more expensive alternative of travel or telecommunications.

OTHER SERVICES

Question: You are requesting $5,630,000 for "other services" in fiscal year 1982, an increase of 21.6 percent over your current budget. Can you tell us how you arrived at this figure and also indicate what would happen if we held you in your current budget for "other services"?

Answer: The majority of the increase required for "other services" reflects an effort by OTA to meet rising price levels for the past two years. A small portion of that increase (approximately $200,000) is required to fund contracting associated with the proposed workload increase of one additional assessment.

If OTA is held to its current budget for "other services," the net effect would be a loss of approximately $1,000,000 (in current dollars) in purchasing power. OTA would, in effect, be required to reduce its contracting and other services activities to a level which, although more than the one that existed in FY 1978, would be less than the level that was available in FY 1979 or FY 1980. Hence, such a move requires a step backwards of more than three years. An immediate and grave effect would be a requirement to modify our policy of heavy involvement with the private sector as well as reimbursable details from federal executive agencies in supplying input to Congressional technology assessments. These external resources made available through the OTA process constitute a vital source of information to the Congress.

SUPPLIES AND MATERIALS

Question: Another area in which your expenses seem to be increasing sharply is supplies and materials. You are proposing to spend $230,000 on this object class in fiscal year 1982, an increase of 21 percent over your current budget. Furthermore, your equipment budget will have more than doubled between fiscal year 1980 and 1982 if we provide the $50,000 you are requesting for equipment. Why do you need a 21 percent increase in supplies and materials costs and why is your equipment budget going up so sharply?

Answer: The majority of the increase in the costs of supplies and materials ($30,000) reflects an effort by OTA to meet the rising price levels of the last two years.

The majority of the increase in cost of equipment is associated with overcoming the cumulative effect of rising price levels during the last two years. In addition, we will be reclassifying expenses for our permanent research materials collection into this category for the first time. A small

amount of the increase would be associated with one additional assessment.

END OF YEAR SPENDING

Question: The table on page 15 of your justifications indicates that you spent 57.8 percent of your printing and publications dollars in fiscal year 1980 in the last quarter of the year. In addition, you spent 40.8 percent of your "other services" dollars in the last quarter. Can you tell us why your last quarter spending was so high in these two areas?

Answer: Increased spending often occurs during the final quarter of the fiscal year because of the cyclical nature of our program requirements. The timing of the work is, more often than not, beyond the immediate control of OTA. Committee work schedule requirements are the driving force behind the rate of OTA obligation rates (except for fixed costs such as building lease expenses) and these vary between committees. However, we are aware of the concern that such year-end spending might be attributed to the lack of program management and control. Hence, we try to avoid last quarter surges to the degree we can and have had some good results. For example, our fourth quarter obligation rate for FY 1979 was 36 percent; for FY 1980 it was 32 percent. We expect to continue this improvement in the current fiscal year.

SUPPLIES AND MATERIALS -- SPORADIC SPENDING PATTERNS

Question: In fiscal year 1980 you spent almost 85 percent of your supplies and materials dollars in the first and last quarters of the year. This is a very irregular spending pattern. Can you tell the Committee why you spent so little of your supplies and materials dollars in the second and third quarters of fiscal year 1980?

Answer: As outlined elsewhere in our responses Committee work schedule requirements are the driving force behind the rate of OTA obligations (except for fixed costs such as building lease expenses). These requirements vary between Committees and contribute to an irregular spending pattern. The heavy commitments to supplies and materials in the first and fourth quarters are answered in part in our answer to the previous question. Also, they are used as one of management's few controls for an inherently multi-year project agency to match annual appropriations. Another reason is that OTA's calendar of contracting, appropriations hearings, and project work for staff peaks in the other two quarters so there is a natural tendency to shift other activities to the first and fourth quarters.

Senator MATTINGLY. I appreciate your testimony. Thank you.

Dr. GIBBONS. Thank you.

Senator MATTINGLY. That concludes the hearings. The subcommittee will recess and convene at the call of the Chair.

[Whereupon, at 10:05 a.m., Thursday, March 12, the hearings were concluded and the subcommittee was recessed, to reconvene at the call of the Chair.]

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