

GOVERNMENT CUSTOMER SERVICE IMPROVEMENT ACT

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JUNE 15, 2012.—Committed to the Committee of the Whole House on the State of
the Union and ordered to be printed
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Mr. ISSA, from the Committee on Oversight and Government
Reform, submitted the following

R E P O R T

[To accompany H.R. 538]

[Including cost estimate of the Congressional Budget Office]

The Committee on Oversight and Government Reform, to whom
was referred the bill (H.R. 538) to require the establishment of cus-
tomer service standards for Federal agencies, having considered
the same, report favorably thereon with an amendment and rec-
ommend that the bill as amended do pass.

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The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Government Customer Service Improvement Act”.

SEC. 2. DEVELOPMENT OF PERFORMANCE MEASURES AND STANDARDS FOR CUSTOMER SERVICE PROVIDED BY FEDERAL AGENCIES.

(a) REQUIREMENT.—

(1) **PERFORMANCE MEASURES AND STANDARDS.**—The Director of the Office of Management and Budget shall develop—

(A) performance measures to determine whether Federal agencies are providing high-quality customer service and improving service delivery to their customers; and

(B) standards to be met by Federal agencies in order to provide high-quality customer service and improve service delivery to their customers.

(2) **REQUIREMENT TO TAKE INTO ACCOUNT CERTAIN INFORMATION.**—The standards under paragraph (1) shall be developed after taking into account the information collected by Federal agencies under subsection (b).

(b) **CUSTOMER SERVICE INPUT.**—The head of each Federal agency shall collect information from its customers regarding the quality of customer services provided by the agency. Each Federal agency shall include this information in its performance report submitted under section 1116 of title 31, United States Code.

(c) **ANNUAL PERFORMANCE UPDATE.**—The Director of the Office of Management and Budget shall include achievements by Federal agencies in meeting customer service performance measures and standards developed under subsection (a) in each update on agency performance required under section 1116 of title 31, United States Code.

SEC. 3. IMPLEMENTATION OF CUSTOMER SERVICE STANDARDS.

(a) **CUSTOMER RELATIONS REPRESENTATIVE.**—The head of each Federal agency shall designate an employee to be the customer relations representative of the agency. Such representative shall be responsible for implementing the customer service standards developed under section 2 and the agency requirements under subsection (b).

(b) **AGENCY REQUIREMENTS.**—

(1) **GUIDELINES AND CONTACT INFORMATION.**—The head of each Federal agency, acting through its customer relations representative, shall—

(A) issue guidelines to implement the customer service standards developed under section 2 within the agency, including specific principles of customer service applicable to that agency; and

(B) publish customer service contact information, including a mailing address, telephone number, and e-mail address.

(2) **AVAILABILITY.**—The guidelines and the customer service contact information required under this subsection shall be available on the agency's public website.

SEC. 4. PERFORMANCE APPRAISAL.

Compliance with customer service standards developed under this Act shall be included in the performance appraisal systems referred to in sections 4302(a) and 4312 of title 5, United States Code.

SEC. 5. DEFINITIONS.

In this Act:

(1) The term “customer”, with respect to a Federal agency, means any individual or entity, including a business, State or local government, other Federal agency, or Congress, to which the agency provides services or information.

(2) The term “Federal agency” has the meaning given the term “Executive agency” by section 105 of title 5, United States Code, except that the term does not include an agency if the President determines that this Act should not apply to the agency for national security reasons.

SEC. 6. FUNDING FROM EXISTING BUDGETS.

Federal agencies shall implement this Act from funds available to the agency and may reprogram funds as necessary for such purposes.

SEC. 7. DEFICIT REDUCTION.

Any savings or reductions in expenditures resulting from this Act shall be used to offset the costs of implementation of this Act, and any additional savings shall be used to reduce the deficit.

COMMITTEE STATEMENT AND VIEWS

PURPOSE AND SUMMARY

The private sector has raised the bar for customer service and citizens expect the same from their government. H.R. 538, the “Government Customer Service Improvement Act,” ensures the

Federal Government keeps pace with the public's expectations and delivers better value to the taxpayer.

The bill requires the Office of Management and Budget (OMB) to establish customer service standards for Federal agencies and collect information on the quality of service provided to agency customers. Agencies would: (1) develop performance measures and standards for customer service; (2) designate a customer relations representative to ensure compliance with the standards; (3) collect information from customers to measure performance against the standards; and (4) incorporate the standards in employee performance appraisals.

BACKGROUND AND NEED FOR LEGISLATION

The American people rely on Federal agencies to provide important services and information, but these agencies often fall short of providing the customer service taxpayers expect. Only 31 percent of surveyed Americans are very satisfied with Federal Government customer service, and 79 percent said the government can do a better job.¹ Unfortunately, unlike in the private sector, many government agencies are the sole providers of a good or service. Without an alternative, the public must rely on a government agency that has employees who have few external incentives to optimize customer service.

Existing law falls short in promoting good customer and public service. Agencies currently have discretionary authority to include "courtesy demonstrated to the public"² in employee performance appraisals, and to grant awards based on superior performance. While some agencies have incorporated customer service standards in employee performance expectations, they do not always require good customer service to the public.

H.R. 538 will help ensure agencies streamline service delivery and improve the experience of customers. OMB and agencies will develop performance measures and standards for customer service provided by Federal agencies, with employees at all levels held accountable for achieving results.

In establishing standards to create a government that is more effective and responsive, agencies should ensure such standards do not inadvertently penalize individual employees for matters beyond their control. For example, as the Internal Revenue Service seeks to make services more accessible, convenient, and efficient for taxpayers, standards should not penalize employees for wait times associated with increased call volume during tax season. Instead, employees should be held accountable for the quality of service and accuracy of information provided during such calls.

LEGISLATIVE HISTORY

During the 110th Congress, the House of Representatives passed similar legislation, H.R. 404, under suspension of the rules by a vote of 383-0 (Roll no. 687). An amended version of H.R. 404 was reported favorably by the Senate Committee on Homeland Security and Governmental Affairs, without written report, and placed on

¹2011 Federal Customer Experience Study. Alexandria, VA: MeriTalk: The Government IT Network, 2011. Print.

²5 U.S.C. §4302.

the Senate Legislative Calendar under General Orders (Calendar No. 1107). No further action was taken.

SECTION-BY-SECTION

Section 1. Short title

The short title of the bill is the “Government Customer Service Improvement Act.”

Section 2. Development of performance measures and standards for customer service provided by Federal agencies

Requires the Office of Management and Budget (OMB) to develop performance measures and standards to determine whether Federal agencies are providing high quality customer service and improving service delivery to agency customers.

Requires agencies to collect information from their customers regarding the quality of services provided, and to include such information in agency performance reports. OMB must ensure customer feedback is used when developing customer service standards, and include agency progress in meeting customer service standards in the annual government performance report.

Section 3. Implementation of customer service standards

Each agency designates an employee to be its customer relations representative, responsible for meeting the customer service standards established in section 2. In meeting the standards, the customer relations representative will issue guidelines and make customer service contact information publicly available.

Section 4. Performance appraisal

Federal employee compliance with agency customer service standards will be measured in employee performance appraisals.

Section 5. Definitions

Defines “customer” as any individual or entity, including a business, State or local government, other Federal agency, or Congress, to which the agency provides services or information.

This section also grants the President authority to exempt executive branch agencies from the requirements of the bill for national security reasons.

Section 6. Funding from existing budgets

Requires funding for implementation to come from existing budgets within each agency.

Section 7. Deficit reduction

Requires any savings or reductions in expenditures resulting from the Act be used to offset costs of implementing the Act and to reduce the deficit.

EXPLANATION OF AMENDMENTS

Mr. Issa offered an amendment in the nature of a substitute (ANS). The ANS requires Federal agencies to improve service delivery to their customers, applies the provisions of H.R. 538 to all Federal employees, and eliminates the cash incentives program

proposed in the base bill. The amendment was agreed to by voice vote.

COMMITTEE CONSIDERATION

On April 18, 2012, the Committee met in open session and ordered reported favorably the bill, H.R. 538, as amended, by voice vote, a quorum being present.

APPLICATION OF LAW TO THE LEGISLATIVE BRANCH

Section 102(b)(3) of Public Law 104–1 requires a description of the application of this bill to the legislative branch where the bill relates to the terms and conditions of employment or access to public services and accommodations. This bill requires OMB to establish customer service standards for Federal agencies and collect information on the quality of service provided to agency customers. As such this bill does not relate to employment or access to public services and accommodations.

Legislative branch employees and their families, to the extent that they are otherwise eligible for the benefits provided by this legislation, have equal access to its benefits.

STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are reflected in the descriptive portions of this report.

FEDERAL ADVISORY COMMITTEE ACT

The Committee finds that the legislation does not establish or authorize the establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

UNFUNDED MANDATE STATEMENT

Section 423 of the Congressional Budget and Impoundment Control Act (as amended by Section 101(a)(2) of the Unfunded Mandates Reform Act, P.L. 104–4) requires a statement as to whether the provisions of the reported bill include unfunded mandates. In compliance with this requirement the Committee has received a letter from the Congressional Budget Office included herein.

EARMARK IDENTIFICATION

H.R. 538 does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of rule XXI.

COMMITTEE ESTIMATE

Clause 3(d)(2) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs that would be incurred in carrying out H.R. 538. However, clause 3(d)(3)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act.

BUDGET AUTHORITY AND CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 538 from the Director of Congressional Budget Office:

APRIL 30, 2012.

Hon. DARRELL ISSA,
*Chairman, Committee on Oversight and Government Reform,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 538, the Government Customer Service Improvement Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

DOUGLAS W. ELMENDORF.

Enclosure.

H.R. 538—Government Customer Service Improvement Act

H.R. 538 would set standards to increase the quality of customer service provided by government agencies. Under the bill, the Office of Management and Budget (OMB) would set customer service standards for federal agencies. Those agencies would collect information on their performance and report it to OMB. They also would have to display that information on their public Web sites. Agencies would also be required to designate an employee as a customer relations representative.

CBO estimates that implementing H.R. 538 would have no significant cost over the next five years. The bill could affect direct spending by agencies not funded through annual appropriations; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any net increase in spending by those agencies would not be significant. Enacting H.R. 538 would not affect revenues.

Most of the provisions of the bill would codify and expand current practices of the federal government. Executive Order 13571 directed agencies to develop customer service plans. OMB has already drafted guidance and created a Customer Service Task Force to identify best practices and to review agencies' plans. Con-

sequently, CBO estimates that implementing this bill would not significantly increase administrative costs to federal agencies.

H.R. 538 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Matthew Pickford. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW MADE BY THE BILL AS REPORTED

