

Calendar No. 82

118TH CONGRESS }
1st Session }

SENATE

{ REPORT
118-36

IDENTIFYING AND ELIMINATING WASTEFUL
PROGRAMS ACT

R E P O R T

OF THE

COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

TO ACCOMPANY

S. 666

TO AMEND TITLE 31, UNITED STATES CODE, TO REQUIRE
THE CHIEF OPERATING OFFICER OF EACH AGENCY TO
COMPILE A LIST OF UNNECESSARY PROGRAMS, AND FOR OTHER
PROGRAMS



MAY 30, 2023.—Ordered to be printed

U.S. GOVERNMENT PUBLISHING OFFICE

39-010

WASHINGTON : 2023

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

GARY C. PETERS, Michigan, *Chairman*

| | |
|---------------------------------|--------------------------|
| THOMAS R. CARPER, Delaware | RAND PAUL, Kentucky |
| MAGGIE HASSAN, New Hampshire | RON JOHNSON, Wisconsin |
| KYRSTEN SINEMA, Arizona | JAMES LANKFORD, Oklahoma |
| JACKY ROSEN, Nevada | MITT ROMNEY, Utah |
| ALEX PADILLA, California | RICK SCOTT, Florida |
| JON OSSOFF, Georgia | JOSH HAWLEY, Missouri |
| RICHARD BLUMENTHAL, Connecticut | ROGER MARSHALL, Kansas |

DAVID M. WEINBERG, *Staff Director*

ZACHARY I. SCHRAM, *Chief Counsel*

LENA C. CHANG, *Director of Governmental Affairs*

EMILY I. MANNA, *Professional Staff Member*

WILLIAM E. HENDERSON III, *Minority Staff Director*

CHRISTINA N. SALAZAR, *Minority Chief Counsel*

ANDREW J. HOPKINS, *Minority Counsel*

LAURA W. KILBRIDE, *Chief Clerk*

Calendar No. 82

118TH CONGRESS }
1st Session }

SENATE

{ REPORT
118-36

**IDENTIFYING AND ELIMINATING WASTEFUL
PROGRAMS ACT**

MAY 30, 2023.—Ordered to be printed

Mr. PETERS, from the Committee on Homeland Security and
Governmental Affairs, submitted the following

R E P O R T

[To accompany S. 666]

[Including cost estimate of the Congressional Budget Office]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (S. 666) to amend title 31, United States Code, to require the Chief Operating Officer of each agency to compile a list of unnecessary programs, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

CONTENTS

| | Page |
|--|------|
| I. Purpose and Summary | 1 |
| II. Background and Need for the Legislation | 2 |
| III. Legislative History | 3 |
| IV. Section-by-Section Analysis of the Bill, as Reported | 3 |
| V. Evaluation of Regulatory Impact | 4 |
| VI. Congressional Budget Office Cost Estimate | 4 |
| VII. Changes in Existing Law Made by the Bill, as Reported | 5 |

I. PURPOSE AND SUMMARY

S. 666, the *Identifying and Eliminating Wasteful Programs Act*, would create a process for identifying wasteful agency programs

and program activities to reduce spending and streamline delivery of government services through increased transparency.¹

II. BACKGROUND AND NEED FOR THE LEGISLATION

The federal government continues to face a long-term fiscal path characterized by an imbalance between federal revenue and spending.² In the short-term, opportunities exist for achieving financial savings by improving the efficiency and effectiveness of federal programs.³ S. 666 presents a pathway for realizing these cost saving opportunities by assisting Congress, the Government Accountability Office (GAO), and other transparency and accountability actors, in the identification of unnecessary, defunct, or duplicative federal programs.

S. 666 builds upon previous efforts to inventory federal programs to provide greater transparency and track costs and performance. The bill follows on the Government Performance and Results Act Modernization Act of 2010 (GPRAMA),⁴ the Taxpayers Right-to-Know Act,⁵ and the Congressional Budget Justification Transparency Act of 2021.⁶ S. 666 is based in part on section 11 of GPRAMA, which established a system for identifying and eliminating outdated agency reporting. Under section 11, agencies compile a list of statutorily mandated duplicative or outdated reports. Agencies then send the list of reports under section 11 to the Office of Management and Budget (OMB) for review, and OMB provides the list to Congress and may submit legislative recommendations for Congress's consideration that eliminate or consolidate reports identified on the list.⁷

Similarly, S. 666 would require agency Chief Operating Officers to compile a list of unnecessary programs in their annual Congressional budget justifications. The list of programs should include unnecessary, defunct, or duplicative programs; programs that could be performed more effectively by a different agency; and programs that could operate more effectively if consolidated with other programs. Each agency would send the list of programs, along with legislative recommendations to eliminate or consolidate any of the programs, to certain Congressional committees, including authorizing and appropriations committees of the Senate and the House of Representatives.

S. 666 establishes a process for identifying unnecessary, defunct, or duplicative federal programs. Once these programs have been identified, Congress can craft legislation to rescind statutory authorization for these programs and realize any accompanying cost savings.

¹On February 2, 2022, the Committee approved S. 2135, the Identifying and Eliminating Wasteful Programs Act. That bill is substantially similar to S. 666. Accordingly, this committee report is in many respects similar to the committee report for S. 2135. See S. Rep. No. 117-216.

²Congressional Budget Office, *The Budget and Economic Outlook: 2023 to 2033* (CBO Publication No. 58848), at 28-31 (February 2023).

³Government Accountability Office, *2021 Annual Report: New Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Billions in Financial Benefits* (GAO-21-455SP) (May 2021).

⁴Government Performance and Results Act Modernization Act of 2010, Pub. L. No. 111-352.

⁵William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021, Pub. L. No. 116-283, Sec. 9601.

⁶Congressional Budget Justification Transparency Act of 2021, Pub. L. No. 117-40.

⁷*Supra* note 4, Sec. 11.

III. LEGISLATIVE HISTORY

Senator Margaret Hassan (D–NH) introduced S. 666, the *Identifying and Eliminating Wasteful Programs Act*, on March 7, 2023, with original cosponsor Senator Mike Braun (R–IN). The bill was referred to the Committee on Homeland Security and Governmental Affairs.

The Committee considered S. 666 at a business meeting on March 29, 2023. At the business meeting, the bill was ordered reported favorably by roll call vote of 12 yeas to 0 nays, with Senators Peters, Hassan, Sinema, Rosen, Padilla, Ossoff, Blumenthal, Paul, Lankford, Romney, Scott, and Hawley voting in the affirmative, and with Senators Carper, Johnson, and Marshall voting yea by proxy, for the record only.

IV. SECTION-BY-SECTION ANALYSIS OF THE BILL, AS REPORTED

Section 1. Short title

This section establishes the short title of the bill as the “Identifying and Eliminating Wasteful Programs Act.”

Section 2. Identification and elimination of unnecessary agency programs or program activities

Subsection (a) requires OMB to include annual budget justification materials for each program in the federal program inventory, the OMB website that publicly lists information about each federal program.

Subsection (b) amends chapter 11 of title 31 of the United States Code by adding Section 1127 at the end.

Subsection (a) of Section 1127 defines the terms “agency,” “program,” and “program activity.”

Subsection (b) of Section 1127 requires each agency’s Chief Operating Officer to compile a list of programs in its annual budget. The list of the agency’s programs should include: unnecessary, defunct, or duplicative programs; programs that could be performed more effectively by a different agency; and programs or activities that could operate more effectively if consolidated with other programs or activities. Subsection (b) of Section 1127 further requires OMB to publish the list of wasteful programs as part of the federal program inventory and any federal program inventory pilot programs. Lastly subsection (b) of Section 1127 requires OMB to submit the compiled list of programs to the Senate and House Committees on Appropriations, the Senate Committee on Homeland Security and Governmental Affairs, and the House Committee on Oversight and Accountability.

Subsection (c) of Section 1127 permits agencies to submit recommendations for statutory changes to eliminate or consolidate programs or program activities identified under subsection (b).

Subsection (c) makes a clerical amendment for section 1127 of title 31 to be added to the table of sections.

Subsection (d) sets the effective date as 120 days after the date of enactment.

V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill and determined that the bill will have no regulatory impact within the meaning of the rules. The Committee agrees with the Congressional Budget Office's statement that the bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

VI. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

| S. 666, Identifying and Eliminating Wasteful Programs Act | | | |
|---|------|---|---------------|
| As ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on March 29, 2023 | | | |
| By Fiscal Year, Millions of Dollars | 2023 | 2023-2028 | 2023-2033 |
| Direct Spending (Outlays) | 0 | * | * |
| Revenues | 0 | 0 | 0 |
| Increase or Decrease (-) in the Deficit | 0 | * | * |
| Spending Subject to Appropriation (Outlays) | * | * | not estimated |
| Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034? | No | Statutory pay-as-you-go procedures apply? Yes | |
| | | Mandate Effects | |
| Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034? | No | Contains intergovernmental mandate? | No |
| | | Contains private-sector mandate? | No |
| * = between zero and \$500,000. | | | |

S. 666 would require the Office of Management and Budget to provide guidance to federal agencies for identifying programs and activities for elimination or consolidation, within the current budget process and to compile a list of such programs after the President submits the budget each year.

The federal government currently reviews different ways to reduce, eliminate, or manage the overlap and duplication within its agencies. Because of that ongoing activity, CBO expects that implementing the bill would not significantly affect federal spending over the 2023–2028 period. The budgetary effects of eliminating or consolidating programs will be estimated when the Congress considers legislation specifically related to the programs identified by each agency. CBO estimates that the administrative costs to implement the bill would be less than \$500,000 over the same period; any spending would be subject to future appropriation action.

Enacting S. 666 could affect direct spending by some agencies that are allowed to use fees, receipts from the sale of goods, and other collections to cover operating costs. CBO estimates that any net changes in direct spending by those agencies would be negligible because most of them can adjust amounts collected to reflect changes in operating costs.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

PHILLIP L. SWAGEL,
Director, Congressional Budget Office.

VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is printed in *italic*, and existing law in which no change is proposed is shown in roman):

UNITED STATES CODE

* * * * *

TITLE 31—MONEY AND FINANCE

* * * * *

Subtitle II—The Budget Process

* * * * *

CHAPTER 11—THE BUDGET AND FISCAL, BUDGET, AND PROGRAM INFORMATION

* * * * *

Sec.
1101. * * *
1102. * * *

* * * * *

1127. Identification of unnecessary agency programs or program activities.

* * * * *

SEC. 1122. TRANSPARENCY OF PROGRAMS, PRIORITY GOALS, AND RESULTS.

(a) * * *

* * * * *

(3) * * *

* * * * *

(D) * * *

(i) * * *

* * * * *

(v) * * *

(vi) to the extent practicable and consistent with guidance issued by the Director of the Office of Management and Budget, budget justification materials described in section 3(b)(2)(B) of the Federal Funding Accountability and Transparency Act of 2006 (31 U.S.C. 6101 note);

[(vi)] (vii) any other information that the Director of the Office of Management and Budget determines relevant relating to program activity data in priority areas most relevant to Congress or the public to increase transparency and [accountability; and] *accountability, including information included in the list compiled under section 1127(b)(1); and*

[(vii)] (viii) * * *

* * * * *

SEC. 1127. IDENTIFICATION OF UNNECESSARY AGENCY PROGRAMS OR PROGRAM ACTIVITIES.

(a) **DEFINITIONS.**—*In this section:*

(1) **AGENCY.**—*The term ‘agency’ has the meaning given the term in section 1108(a).*

(2) **PROGRAM.**—*The term ‘program’ has the meaning given the term in section 1122(a)(1).*

(3) **PROGRAM ACTIVITY.**—*The term ‘program activity’ has the meaning given the term in section 1115(h).*

(b) **AGENCY IDENTIFICATION OF UNNECESSARY PROGRAMS OR PROGRAM ACTIVITIES.**—*Not later than the 20 days after the date on which the President transmits the budget of the United States Government under section 1105(a) each year, and based on guidance provided by the Director of the Office of Management and Budget, the Chief Operating Officer of each agency shall—*

(1) *compile a list that identifies any program or program activity of the agency that—*

(A) *is unnecessary, defunct, or duplicative of another program or program activity of the agency;*

(B) *another agency could administer more effectively; or*

(C) *could operate more effectively if the program or activity were consolidated with other programs or activities;*

(2) *publish the list compiled under paragraph (1) in—*

(A) *with respect to each list compiled before the date of the implementation described in section 9601(b)(3) of title XCVI of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (31 U.S.C. 1122 note) of the program inventory described in section 1122(a)(2)(B)(i) of this title, the pilot program described in section 9601(b)(2)(B) of title XCVI of that Act; and*

(B) *with respect to each successive list, the program inventory described in section 1122(a)(2)(B)(i); and*

(3) *submit the list compiled under paragraph (1) to—*

(A) *the relevant congressional committees of jurisdiction of the agency;*

(B) *the Committee on Appropriations of the Senate;*

(C) *the Committee on Homeland Security and Governmental Affairs of the Senate;*

(D) *the Committee on Appropriations of the House of Representatives; and*

(E) *the Committee on Oversight and Accountability of the House of Representatives.*

(c) **RECOMMENDATIONS.**—*Based on guidance issued by the Director of the Office of Management and Budget, the head of an agency*

may submit to Congress recommendations for statutory changes to eliminate or consolidate programs or program activities identified under subsection (b)(1).

* * * * *

○