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LEGISLATIVE BRANCH APPROPRIATIONS FOR 2009

HEARINGS

BEFORE THE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

ONE HUNDRED TENTH CONGRESS

SECOND SESSION

SUBCOMMITTEE ON LEGISLATIVE BRANCH

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TOM FORHAN, *Staff Assistant*

PART 2

FISCAL YEAR 2009 LEGISLATIVE BRANCH APPROPRIATIONS REQUESTS

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(II)

LEGISLATIVE BRANCH APPROPRIATIONS FOR 2009

THURSDAY, FEBRUARY 7, 2008.

CAPITOL VISITOR CENTER

WITNESSES

STEPHEN T. AYERS, AIA, ACTING ARCHITECT OF THE CAPITOL

BERNARD UNGAR, CAPITOL VISITOR CENTER PROJECT EXECUTIVE, ARCHITECT OF THE CAPITOL

TERRIE S. ROUSE, CEO FOR VISITOR SERVICES FOR THE CAPITOL VISITOR CENTER, ARCHITECT OF THE CAPITOL

TERRELL DORN, DIRECTOR, PHYSICAL INFRASTRUCTURE ISSUES, GOVERNMENT ACCOUNTABILITY OFFICE

CHAIR OPENING REMARKS

Ms. WASSERMAN SCHULTZ. I would like to call this hearing to order for the Subcommittee on the Legislative Branch of the Committee on Appropriations. It is a pleasure to be here with everybody this morning. This is our eighth oversight hearing on the Capitol Visitor Center. It has been just about a year since we started these monthly oversight hearings, and I have been really proud of the progress that we have made. We have been able to get this project back on track and headed towards a landing on time so to speak, at least the definition of "on time" that we established about a year ago, and we have been able to stick to the number of $621 million that was settled on by GAO and the CVC team and the Architect of the Capitol.

But, of course, now is not the time for us to be complacent. We need to continue to be diligent and focus hard on making sure that we can open the CVC for the November target that we have been talking about for quite some time now.

I am really pleased to welcome our new ranking member, Mr. Latham of Iowa. It will be a pleasure to work with you. I know that you have a lot of experience on the Appropriations Committee and look forward to having your input and advice and continue the wonderful working relationship I had with Mr. Wamp, who we will miss, who did an amazing job on this committee helping me keep an eye on the CVC and also be a good steward of the facilities that we are responsible for in the Capitol complex and the Legislative Branch agencies.

So that having been said, Mr. Latham, your opening remarks.

OPENING REMARKS—CONGRESSMAN LATHAM

Mr. LATHAM. Thank you very much, Madam Chairman, and it is a pleasure and honor to be on this committee that I served on when I first came to the Appropriations Committee about 12 years ago, I served on the legislative branch and I want to continue the bipartisan efforts that I felt at that time because it was a great experience to learn so much about the workings of our environment here, and I look forward to working with you. I appreciate your kindness yesterday with the chocolate cake and everything, I had a chance to sit down, visit and get better acquainted. I really look forward to it.

I would like to introduce Doug Bobbitt back here who actually did this bill about 25 years ago. I look forward to working with you and the staff. I cannot be here and not thank Zach Wamp for his help and the information that he's given me, and I look forward to following in that tradition of working together, because this is extraordinarily important for the operations and obviously the safety of our campus here and everything that we do.

Mr. Ayers, I appreciate the tour yesterday. It looks like we are making tremendous progress and you should be commended for what has happened in the last year. I think that the subcommittee has played a large role in that also, as far as keeping everyone's feet to the fire. I look forward it, the progress that is being made there and really appreciate the chance to be a part of this, thank you.

Ms. WASSERMAN SCHULTZ. You are welcome, we look forward to working with you.

I also would be remiss if I didn't thank Congressman Virgil Goode for his service on the subcommittee. He has also moved and is now on the Subcommittee for Financial Services. It was a pleasure to work with him, however briefly, and I am glad to have Mr. LaHood here as well, who is our veteran member of the subcommittee.

We have had a really wonderful tradition on this subcommittee of bipartisan cooperation and that has been the case with the CVC, and I know it will be the case as we move through the budget hearings that will be coming up over the next several weeks.

With that, I would like to welcome the witnesses that are here today who at this point probably need no introduction: Stephen Ayers, the Acting Architect of the Capitol; Bernie Ungar, the CVC Project Executive; Terry Dorn, the Director of Physical Infrastructure issues at GAO; and Terrie Rouse, the CEO of Visitor Services at the CVC.

The witnesses' statements will be in the record and we will proceed under the 5-minute rule. If you can summarize your statements we would appreciate it, and then I look forward to taking questions from the members. Mr. Ayers.

OPENING STATEMENT—STEPHEN AYERS

Mr. AYERS. Good morning, and thank you, Madam Chair, Congressman Latham, and members of the subcommittee. It was one year ago that I began serving as Acting Architect and nearly a year ago that I first testified before this subcommittee. I am pleased to

say that much has changed over the past year, and much progress has been made. I would like to thank the subcommittee for their support and guidance on this project over the course of that past year.

I, too, would like to welcome Congressman Latham to the subcommittee, and look forward to working with you, sir. I would like also to offer my thanks to Congressman Wamp for his exceptional and unparalleled knowledge of the history of the Capitol building, his clear professionalism and bipartisan spirit. He's played a very important role on this committee as well as on this project. His work is very much appreciated.

ACCOMPLISHMENTS OVER THE PAST YEAR

In the past year, we have worked with GAO and reached agreement on an estimated cost to complete figure of $621 million and an opening date of November 2008, on which both agencies fully agree. We also established and met a November 15th, 2007 substantial completion date, effectively stemming project delays and associated delay costs which assured that the complex fire and life-safety testing process could begin on schedule on November 16th.

FIRE ALARM ACCEPTANCE TESTING

We are making good progress on this final Fire Alarm Acceptance Testing, and since our last hearing, we have completed or are well under way with the testing of a number of systems and devices, including emergency generators, fire pumps, fire dampers, sprinkler systems, FM 200 suppression systems, kitchen hoods, the pollution control system, elevators and escalators.

These are very complex and sophisticated tests and the systems are performing well. We are pleased with the overall project and we remain on schedule. As expected, minor progress with the Fire Alarm and Control System have arisen but have been quickly corrected by the contractor.

We are currently addressing a short-circuit test and analysis where a portion of the fire alarm system is not responding as we would have expected. We don't expect this to affect our completion date and are poised to address it and future issues as they arise.

MINOR CONSTRUCTION ACTIVITIES

There are five remaining areas of the CVC where Minor Construction activities continue. These include the Library of Congress Tunnel, the House Hearing Room, the East Front, the exterior grounds, and the House and Senate atria stairs. All other construction activities are complete, have been inspected, and the contractor is working on punch list activity. As you know, none of these will affect our testing and acceptance program and none of them will affect our completion date.

In the stairwell atriums, masons have completed stone work and are making minor adjustments to the precast terrazzo stair treads and handrails. In the East Front, crews completed the gallery level ceiling plaster work and masons have completed the stone insulation around the rotunda door and are making good progress on the floor stone installation on the gallery level.

Outside construction trailers are being removed from the south egg so landscaping can begin there in the near future. Paver installation is ongoing on the east side of the site and repair work to the pavers closer to the Capitol Building, where they were damaged, will begin this spring.

While fire alarm testing is ongoing, we have been completing construction activities in these five remaining areas. While some schedule slippages have occurred in these areas, we expect all of this basic interior work to be done by the end of May 2008 and it will not affect our ability to open the CVC in November 2008 nor will it affect our cost to complete figure of $621 million.

PUNCH LIST ITEMS

Crews are working to complete punch list items such as mill work, wall stone, floor stone and ceiling panels. A further indication that we are successfully transitioning from a construction project to a visitor services operation is that audio visual technicians are now on site, adjusting the projection systems and projection screens in the Orientation Theaters. All of the exhibit cabinetry and components are in place in the exhibition hall, and restaurant furniture has been received and is in storage awaiting installation.

We are pleased with the overall progress, and at this time, believe we are on schedule to receive a temporary certificate of occupancy on July 31st, as planned. Between November and January 30th, 70 Change Orders have been settled. Since our last hearing, the magnitude of Change Order proposals being received has continued to diminish, with most of the proposals coming in at below $10,000.

CVC OPERATIONS

Madam Chair, we have also been working with our oversight committees and congressional leadership on plans for the CVC's visitor services operation. While I'll let Ms. Rouse discuss the details of the work she has done, I would like to note that I believe she has made tremendous progress and has built strong relationships and coalitions in her efforts to address the numerous open issues.

I have enjoyed working with this subcommittee and look forward to our continued work together to prepare for the official opening of the CVC. This project will undoubtedly enhance the visitor experience and provide the necessary amenities to the millions of people that visit each year. It is designed to match the Capitol in quality and endurance, and generations of Americans will continue to benefit from all it has to offer. That concludes my statement, I will be happy to answer any questions.

[The statement of Mr. Ayers follows:]

STATEMENT OF STEPHEN T. AYERS, AIA
ACTING ARCHITECT OF THE CAPITOL

Regarding the Capitol Visitor Center Project

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

February 7, 2008

Good morning, Madam Chair, Congressman Latham, and members of the Subcommittee. It was one year ago that I began serving as Acting Architect of the Capitol, and nearly a year ago that I first testified before this Subcommittee on the Capitol Visitor Center (CVC) project. I am pleased to say that much has changed over the past year and much progress has been made. I want to thank the Subcommittee for their support and guidance as we worked, as the Chair has often said, to bring this project in for a landing.

We look forward to working with Congressman Latham over the next several months. I enjoyed taking you on a tour of the CVC recently, sir. I would like to take a brief moment to recognize the great leadership and contributions Congressman Wamp has made to this monumental and historic project. His knowledge of the history of the Capitol, professionalism, and his bipartisan spirit on behalf of completing this project successfully is very much appreciated by me and by the AOC. We wish him well with his new Subcommittee assignment.

Joining me today is Mr. Bernie Ungar, CVC Project Executive, and Ms. Terrie Rouse, the Chief Executive Officer for Visitor Services. I want to thank them for their efforts and leadership over the past several months. I also want to thank the great team of people who have been working diligently behind the scenes for their part in this collaborative and cooperative team effort to not only build the CVC, but to ensure a safe, memorable, and educational visitor experience when it opens.

In the past year, we have worked with the Government Accountability Office (GAO) and reached agreement on an estimated cost-to-complete figure of $621 million and an opening date of November 2008, on which both agencies fully agree. We also established and met the November 15, 2007, substantial completion date, effectively stemming project delays and associated delay costs, which assured that the complex fire and life-safety pre-testing could begin on schedule on November 16, 2007. In that regard, I am pleased to report that tests did commence on November 16, and we are making good progress on the final fire alarm acceptance testing. Since our last hearing, we have completed or are well underway with testing of a number of systems and devices including, but limited to, the emergency generators, fire pumps, fire dampers, sprinkler systems, FM 200 suppression systems, kitchen hoods, the pollution control system, and elevators.

As you know, these are very complex and sophisticated tests and the systems generally are performing well. Coordination and cooperation between the testing team and the contractors is excellent. We are pleased with the overall progress being made and we're on schedule.

As expected, minor issues with the fire alarm and control system have arisen and have been quickly corrected and re-tested by the contractor. We're currently dealing with a short-circuit test and analysis where a portion of the system is not responding as expected. We do not expect this to affect our completion date, and are well poised to address any future issues that arise with the testing regimen.

Finishing activities continue in several areas. For example, in the House stairwell atrium, masons have completed the major stonework at the lowest level and are making minor adjustments to the pre-cast terrazzo stair treads. Work on the terrazzo stair landings are expected to begin in February. Metal workers are nearly complete with the installation of the bronze hand railings. In the East Front, crews have completed the Gallery Level ceiling plaster work and have removed the scaffolding. Masons have completed the installation of stone around the Rotunda Door and floor stone installation has begun at the Gallery Level. Workers also continue to install way finding and room signs in the CVC.

Crews are working to complete punchlist items such as millwork, wall stone, floor stone, ceiling panels, plaster work, carpeting, doors, and other finishes. Professional crews have been thoroughly cleaning all of the CVC's major public spaces, including Emancipation Hall. Metal workers continue installing the bronze foot grilles in the CVC entrance zone, and carpenters are completing finishing work on the wood panel stage components in the Congressional Auditorium. All major plaster and stone work has been completed in the Library of Congress tunnel and in the Jefferson Building transition zone.

In the House Expansion Space, workers have begun to install bronze handrails in the House Hearing Room and the adjacent spaces and, in the two large meeting rooms adjacent to the House Hearing Room, installation of the millwork panels on the partition walls that divide those meeting rooms into two smaller rooms has begun.

Outside, construction trailers are being removed from the South Egg of Capitol Square so that landscaping there can begin. Recently, workers completed placing the aggregate concrete for the south curving approach ramp to the CVC entrance zone. The installation of pavers is on-going on the east side of the site, and our construction manager continues to inspect the paver work as areas are completed. Repair work in the areas closer to the Capitol where pavers have been damaged during the course of construction is expected to begin in the spring.

Between November 2007 and January 30, 2008, 70 change orders were settled. Since the last hearing, the magnitude of the change order proposals being received has continued to diminish, with most new proposals coming in below $10,000. Gilbane and the CVC Project Team continue to focus their efforts on settling the largest outstanding change orders first and as quickly as possible.

A further indication that we are successfully transitioning from a construction project to a visitor services operation is that audio-visual technicians are making adjustments to the projection screens in the Orientation Theaters, all of the major exhibit cabinetry components are in place in the Exhibition Hall, and the restaurant furniture has been received and is in storage awaiting receipt of a temporary Certificate of Occupancy.

We are pleased with the overall progress of the project, and at this time we believe that we are on schedule to receive the temporary Certificate of Occupancy by July 31 as planned. We have been actively recruiting facilities management staff and these new hires have been fully involved in the testing and commissioning activities to ensure that the transition will be smooth and without incident. Budget and schedule risks remain during the final alarm system testing, and we will take any actions necessary to mitigate potential impacts to the project.

While fire alarm system testing has been underway, we have been completing construction in specific areas of the facility, such as the East Front, the tunnels, and the atria stairs. While some schedule slippages have occurred in these areas since November's hearing, we expect all of the basic interior construction to be done by the end of May, and it will not affect the CVC's availability for the opening in November 2008 or our cost to complete figure of $621 million.

Madam Chair, as we have discussed at prior hearings, we have been working with our Oversight Committees and Congressional leadership on plans for CVC's visitor services operations. While I'll let Ms. Rouse discuss the details of the work she has done on the operations front, I would like to note that she has made tremendous progress over the past five months that she has been on the AOC team, and has built strong relationships and coalitions in her efforts to address a number of issues. She's been a great asset to the AOC team and I'm greatly impressed by her commitment and drive to make the opening of the CVC an historic success.

I have enjoyed working with this Subcommittee over the past year and look forward to our continued work together as we prepare for the official opening of the CVC later this year. As I have noted at prior hearings, the CVC will greatly enhance the visitor experience, provide additional educational opportunities, and provide necessary amenities to the millions of people who visit their Capitol Building each year. It is designed to match the Capitol in quality and endurance, and generations of Americans will greatly benefit from all it has to offer including the educational exhibits and the inspirational orientation film; providing everyone with the opportunity to learn about Congress and our legislative process.

This concludes my statement. I would be happy to answer any questions you may have.

Ms. WASSERMAN SCHULTZ. Thank you. Mr. Ungar, do you have anything to add?

Mr. UNGAR. No, ma'am. I will respond to questions.

Ms. WASSERMAN SCHULTZ. Okay. Ms. Rouse.

OPENING STATEMENT—TERRIE ROUSE

Ms. ROUSE. Good morning, Madam Chair, Congressman Latham, members of the subcommittee, I am pleased to be here to update you on the progress we have made to stand up the organization that will become the AOC's Offices of Visitor Services for the CVC.

I echo Mr. Ayers remarks concerning Congressman Wamp and his dedication to the success of the CVC, and welcome Congressman Latham. I look forward to our continued work on this amazing project as we prepare to open the CVC. Since testifying before the subcommittee in November and in the 5 months since I arrived in Washington, I have been building upon the operations plan framework that was developed by the AOC, Congressional Leadership, and Oversight Committees. Essentially, we have built a new organization from the ground up that will be responsible for improving visitor orientation and enhancing the educational experience of visitors to the U.S. Capitol.

CVC ADMINISTRATION

My first priority was to create a hiring plan and recruit a team of experienced professionals. This month, the first six members of my staff reported for duty and have hit the ground running. In addition, as Mr. Ayers reported to the subcommittee in November, three contracts have been awarded over the past several months. The first was to provide food service in the CVC restaurant, another was awarded to a small business to develop an Advanced Reservation System, and a third was awarded to a woman-owned small business for designing the CVC Web site.

We are now developing the necessary tools to assist the public in finding the information they need to plan their trip to the Capitol, as well as to learn more about Congress, the legislative process, the Capitol, and the CVC.

ADVANCED RESERVATION SYSTEM

Specifically, Members offices can more easily facilitate constituent tours by making real-time reservations for guests in the Orientation Theaters in order to start the new visitor experience with the viewing of the orientation film. The Advanced Reservations System will also assist us in reducing crowds in the Capitol during peak tourist season by optimizing the number of opportunities that people will have to visit the Capitol, as well as further ensure the safety of those in the building by not exceeding the maximum capacity for the Capitol.

CVC WEBSITE

The new Web site will not only be an introduction to the CVC, it will serve as the primary tool in our comprehensive public education campaign to let people know about the CVC, as well as how

to arrange a visit to the Capitol and their Members' offices, and how Congress works.

Most importantly, with millions of visitors anticipated in the CVC's first year of operation, the Web site will help manage expectations by helping the visiting public become well prepared and well informed by providing clear, accurate and up-to-date information.

COMMUNICATION PLAN

We are also developing a communication plan which complements the goals of the Advanced Reservation System and Web site by executing an effective public education campaign about the CVC and all it has to offer. Our communications efforts will be multi-faceted and will reach a variety of diverse audiences from Capitol Hill residents to international travelers, to Members' offices, visitors' bureaus, tour bus operators, to public school children.

CAPITOL TOUR ACTION PLAN

To prepare for this influx of visitors once the CVC opens, we have been working with the Oversight Committees on a Capitol Tour Action Plan to ensure a positive visitor experience. Included in this plan is the introduction of a new program, the Congressional Historical Interpretive Training Program, or "CHIP". CHIP training is being designed to facilitate the Congressional need to have all staff giving tours appropriately trained to conduct constituent tours of the historic Capitol Building and the CVC exhibits; provide for the safety needs of constituents; and ensure that information provided is correctly and accurately portrayed and interpreted.

After receiving CHIP training, congressional staff will be properly equipped to lead constituent tours while providing the personal touch and including local flavor on tours that is preferred by Members of Congress.

PROGRAMS AND EVENTS

Madam Chair, along with these exciting initiatives we have been developing a series of first year programs and events which we would launch on opening day of the CVC. These programs would reflect the important impact of the Constitution, Congress, and our legislative process on the growth and evolution of our Nation and the Federal Government. By orchestrating these special events and programs, we will be able to better pace the use of the building and fully test our processes and procedures prior to the arrival of busloads of cherry blossom tourists and eighth graders on class trips. This is the standard practice when opening a major museum or tourist attraction, so we intend to pattern our inaugural year events in accordance with the industry's best practices.

CVC TO-DO LIST

Although we have made tremendous progress, we still have a To-Do list before the CVC's official opening date is set. Most notably, Congress must pass legislation to formally establish the Office of the Capitol Visitor Center within the AOC. I look forward to con-

tinuing to work with our Oversight Committees to ensure a seamless transition into the new visitor services organization. I want to, again, thank the Subcommittee, our Oversight Committees, Congressional Leaders and my new staff for their support and commitment to ensuring the succesful opening operation of the CVC. This concludes my statement, I would be pleased to answer any questions that you may have.

Ms. WASSERMAN SCHULTZ. Thank you, Ms. Rouse.

[The statement of Ms. Rouse follows:]

Statement of Ms. Terrie S. Rouse,
Chief Executive Officer for Visitor Services
for the Capitol Visitor Center, Office of the Architect of the Capitol

Before the Subcommittee on Legislative Branch
Committee on Appropriations

Regarding
Capitol Visitor Center Operations

February 7, 2008

Madam Chair, Congressman Latham, members of the Subcommittee, I am pleased to be here today to update you on the progress we have made to stand-up the organization that will become the AOC's Office of Visitor Services for the Capitol Visitor Center (CVC). I want to echo Mr. Ayers' remarks concerning Congressman Wamp and his dedication to the success of the CVC, and welcome Congressman Latham. I look forward to our continued work with the Subcommittee on this amazing project as we prepare to open the CVC to the public later this year.

Since testifying before this Subcommittee in November, and in the five months since I arrived in Washington, I have been building upon the operations plan framework that was developed by the Office of the Architect of the Capitol (AOC), Congressional Leadership, and Oversight Committees. Essentially, we have been building a new organization from the ground up that will be responsible for fulfilling our mission to improve the visitor orientation and enhance the educational experience of those who visit the U.S. Capitol.

My first priority was to create a hiring plan and recruit a team of experienced professionals to help me achieve our mission. This month, the first six members of my staff reported for duty and have hit the ground running. They are high-energy individuals who are committed to providing exceptional service to each and every visitor to the CVC.

In addition, as Mr. Ayers reported to the Subcommittee at November's hearing, three contracts have been awarded over the past several months. The first was to provide food service in the CVC restaurant; another was awarded to a small business to develop the advanced reservation system, and a third was awarded to a woman-owned, small business for designing the CVC Web site. We are now in the process of developing the necessary tools to assist the public in finding the information they need to plan their trip to their Capitol, as well as learn more about Congress, the legislative process, the Capitol, and the CVC.

Specifically, Members' offices can more easily facilitate tours for their constituents by making real-time reservations for their guests in the orientation theaters in order to start the new visitors' experience with the viewing of the inspiring orientation film. The advanced reservation system will also assist us in reducing crowding in the Capitol during peak tourist season by optimizing the number of opportunities people will have to visit the Capitol, as well as further ensure the safety for those in the building in the event of an emergency by not exceeding the maximum capacity for the building.

The new Web site will not only be an introduction to the CVC, it will serve as the primary tool in our comprehensive public education campaign to let people know about the CVC, how to arrange a visit to the Capitol and their Members' offices, as well as how Congress works. Most importantly, with millions of visitors anticipated in the CVC's first year of operation, the Web site will help manage expectations by helping the visiting public become well prepared and well informed by providing clear, useful, accurate, and up-to-date information.

In conjunction, we are developing a communications plan which compliments the goals of the advanced reservation system and Web site — executing an effective and valuable public education campaign about the CVC and all this new facility has to offer. Our communications efforts will be multi-faceted and will reach a variety of diverse audiences from Capitol Hill residents, to international travelers, to Members' offices, to visitors' bureaus, to tour bus operators, to public school children.

To prepare for the influx of visitors once the CVC opens, we have been working with our Oversight Committees on a Capitol tour action plan to ensure a positive visitor experience. Included in the plan is the institution of a new program: the Congressional Historical Interpretive Training Program, or CHIP. CHIP training is being designed to facilitate the Congressional need to have all staff giving tours appropriately trained to (1) conduct constituent tours of the historic Capitol Building and CVC exhibits; (2) provide for the safety needs of constituents; and (3) ensure that information provided about events surrounding and involving the Capitol, pertinent architectural features, legislative history, and/or current issues and legislative actions is correctly and accurately portrayed and interpreted. Once receiving CHIP training, Congressional staff will be properly equipped to lead constituent tours while still providing the personal touch and including the local flavor on tours that is preferred by Members of Congress.

We have also been working with the U.S. Capitol Police, the District of Columbia, and others on a transportation plan, as well as putting the final touches on our exhibits and other informational materials in anticipation of moving into the facility upon the AOC's receiving the Certificate of Occupancy.

Madam Chair, along with these exciting initiatives, we have also been developing a series of first year programs and events, presented to the Congress for approval, which we would launch on the opening day of the CVC. These programs would reflect the important impact that the Constitution, Congress, and our legislative process has had on the growth and evolution of our nation and federal government. These programs and events would consist of rotating exhibits, lectures, films, family activities, educational programs and seminars, and the commemoration of historical dates and events.

By orchestrating these special events and programs, we will be able to better pace the use of the building and fully test our processes and procedures prior to the arrival of the bus loads of cherry blossom tourist and 8th graders from across the country on their class trips. This is a standard practice when opening a major museum or tourist attraction, so we intend to pattern our inaugural year events in accordance with industry's best practices.

We have made tremendous progress, but we still have numerous items on our "to do" list before Congress sets the CVC's official opening date later this year. Most notably, Congress must pass legislation to formally establish the Office of the Capitol Visitor Center within the AOC.

Last week, Congressman Brady, Chairman of the House Committee on Administration, and Congressman Ehlers, Ranking Member of the Committee, introduced legislation that does establish this organization which provides for the management and administration of the CVC. I look forward to continuing to work with our Oversight Committees in the House of Representatives and the Senate to assure a seamless transition into this new organization. Of course, in establishing this new organization, we will also need to hire the additional 240+ employees necessary to make the new visitor experience an incredible, patriotic, educational, and inspiring one.

I want to again thank the Subcommittee, our Oversight Committees, Congressional leaders, and my new staff for their support and commitment in ensuring the successful opening and operations of the Capitol Visitor Center.

This concludes my statement. I would be pleased to answer any questions you may have.

Ms. WASSERMAN SCHULTZ. Mr. Dorn.

OPENING STATEMENT—TERRELL DORN

Mr. DORN. Thank you, Madam Chair, Mr. Latham, members of the subcommittee. I would like to start off this morning by noting our team is losing two of its starters this month, those that have been on the engagement since before construction began and survived over 20 CVC hearings.

First I would like to recognize Mr. Bradley James, a GAO assistant director and civil engineer who is sitting here next to the Fire Marshal. Brad is leaving the government after over 30 years of Federal service with the Corps of Engineers and GAO. His insight on project management and suggestions for the CVC over the past 4 years has been invaluable.

This is also the last hearing for Mr. David Merrill, a senior analyst with our financial managment team who has been involved with the CVC since 2001 and has dealt with the almost monthly accounting and reconciliation of appropriations and obligation plans and estimates to make sure that there are no surprises in these areas. We will miss them both very much.

PUNCH LIST ITEMS

Meanwhile work on punch list items, minor construction items and fire alarm testing continues. Gilbane reports that the project is now 99 percent complete. The punch list, however, continues to grow. As of yesterday, it listed over 14,000 items to be corrected. In fact, the punch list has more than doubled since the last hearing, and if printed out would yield a book that is about 400 pages long.

Not all items on the punch list are created equally, of course, but as the list continues to grow, the challenge the AOC faces to complete all by November 2008 increases. For example, if the list stopped growing yesterday, which is highly unlikely, the AOC and its contractors would need to complete and reinspect over 50 punch list items every day of the week between now and November.

AOC and Gilbane deserve credit for thoroughly inspecting the contractor's work and creating the punch list. And if the list goes to 20,000 items so be it. My point is in this late stage of the project, 99 percent complete, much remains to be done before opening. Correcting the punch list items may slow or even undo some of the cleaning and preparations for the opening. Continued attention in this area is still needed.

NEAR-CRITICAL PATH FOCUS

Since the last hearing, work on most of the near-critical paths such as the East Front, exhibit gallery, and House hearing room have slipped and bear watching. AOC and Gilbane still expect that the work in these areas will be complete before the fire alarm testing is completed.

For example, work on the East Front has slipped by another 4 weeks, but is still scheduled to be finished more than 3 months before the Fire Marshal is scheduled to issue his temporary certificate of occupancy.

FIRE ALARM TESTING

Fire alarm testing remains the most critical activity for achieving the project's certificate of occupancy making the CVC available to open some time in November of 2008. As AOC mentioned this morning, testing is ongoing. As expected, a few hiccups have occurred conducting the testing, and the CVC is working to addresss issues with programming and wiring. Additional cost to the project, if any, is still unknown. The effect on the project since the last hearing has been to push several activities beyond the scheduled date to receive a temporary certificate of occupancy from the Fire Marshal and has reduced the available scheduled contingency or float.

Future impact to the schedule will depend on AOC's ability to concurrently make changes to the fire alarm system and continue acceptance testing. While the AOC does maintain a schedule of fire alarm testing, with the amount of retesting required in some areas and other schedule changes, it is unclear what percent complete that testing actually is. AOC may want to consider developing a metric to reflect the level of effort remaining to get the job done.

Ongoing discussions between AOC and the Fire Marshal and the Office of Compliance may find ways to reduce the amount of acceptance testing required so preparations for operations may begin earlier, and mitigate the cost and schedule impact of system changes that may continue to arise.

OPEN CHANGE ORDERS

Almost 3 months after the AOC declared the CVC project to be substantially complete, over 25 percent of the PCOs open for sequence 2 are still open, along with the associated budget risk. The number of PCOs that are still open remains in the 400 range, but as Mr. Ayers said, the magnitude of each one of these changes has dropped. I agree. This is about the same number in total as it was in November of '07. In other words, new ones have continued to come in at about the same rate that the CVC has been able to resolve them.

Since the last hearing, AOC issued two unilateral contracting modifications to address delay issues lingering because of sequence 1, that they were unable to resolve bilaterally with the contractors. It is unfortunate that the two sides were unable to come to an agreement, but AOC's action is consistent with the earlier GAO recommendations about unresolved disputes in general.

CVC CONSTRUCTION COST

The CVC's estimated cost remains unchanged at $621 million, which includes contingency amounts for delays, change orders and remaining uncertainties related to the project's fire alarm testing. About $566 million has been approved for CVC construction. AOC has $16.2 million in FY 2008 appropriations that it plans to use for construction after it obtains congressional approval to obligate the funds.

In the budget discussions with AOC next week you may want to consider that AOC has estimated it will need an additional $5.9 million in this fiscal year to fund construction. In addition, in the

'09 budget AOC has requested $31.1 million for construction and this will leave them $2 million short of the $621 million estimate.

That concludes my statement this morning, and I am prepared to answer any other questions.

[The statement of Mr. Dorn follows:]

United States Government Accountability Office

GAO

Testimony
Before the Subcommittee on the Legislative Branch, Committee on Appropriations, House of Representatives

For Release on Delivery
Expected at 10:00 a.m. EST
Thursday, February 7, 2008

CAPITOL VISITOR CENTER

Update on Status of Project's Schedule and Cost as of February 7, 2008

Statement of Terrell G. Dorn, Director,
Physical Infrastructure Issues

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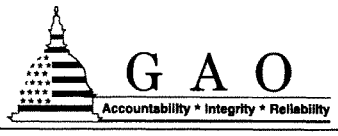


GAO-08-475T

Madam Chair and Members of the Subcommittee:

I appreciate the opportunity to be here today to assist the Subcommittee in monitoring progress on the Capitol Visitor Center (CVC) project. My remarks will focus on (1) the Architect of the Capitol's (AOC) construction progress since the last CVC hearing on November 14, 2007,[1] and (2) the project's expected cost at completion and funding status.

Today's remarks are based on our review of schedules and financial reports for the CVC project and related records maintained by AOC and its construction management contractor, Gilbane Building Company; our observations on the progress of work at the CVC construction site; and our discussions with the CVC team (AOC and its major CVC contractors), AOC's Chief Fire Marshal, and representatives from the U.S. Capitol Police. We also reviewed AOC's construction management contractor's periodic schedule assessments, potential change order log, and weekly reports on construction progress. In addition, we reviewed the contract modifications made to date.

Summary

Since the November 14, 2007, CVC hearing, the project's construction has progressed, and AOC is still anticipating an early November 2008 opening date. But risks to the project's schedule remain in several time-critical activities, especially fire alarm acceptance testing, which, under the current schedule, must be completed on time for the CVC to open on time. Delays in work on the East Front, the Exhibit Gallery, and the House Hearing Room also pose risks to the project's schedule, as do the many items on the project's punch list and a steady number of proposed change orders. At this time, however, AOC does not expect the punch list items or the proposed change orders to affect the project's completion date.

AOC's current estimate of the cost to complete the CVC project's construction, first reported at the September 25, 2007, hearing, is about $621 million. We believe this estimate is reasonable, provided there are no unusual delays. To date, about $566.2 million has been approved for CVC construction, and AOC has $16.2 million more in fiscal year 2008 CVC appropriations that it plans to use for construction after it obtains

[1]GAO, *Capitol Visitor Center: Update on Status of Project's Schedule and Cost as of October 31, 2007*, GAO-08-227T (Washington, D.C.: Nov. 14, 2007).

congressional approval to obligate these funds.[2] AOC has estimated that it will need an additional $5.9 million in fiscal year 2008 to fund construction, and it has requested $31.1 million in fiscal year 2009 funds for CVC construction. Based on its current cost-to-complete estimate, AOC believes it may need an additional $2 million to complete the project in fiscal year 2009.

Construction Is Nearly Complete, but Risks Remain

According to AOC's construction management contractor, in dollar terms, the overall CVC project is 99 percent complete,[3] as compared with 98 percent reported at the November 2007 CVC hearing. Yet even at this late stage in the construction process, delays in a number of time-critical activities related to the fire alarm system pose risks to the project's schedule.

Work on the project's current critical path,[4] fire alarm acceptance testing, is underway and is within a week of being on schedule. Since the last CVC hearing, delays have occurred in this activity because of required changes in the fire alarm system's planned sequence of operations. However, prompt attention by the CVC team reduced the time lost to 3 days and AOC still expects the CVC to be ready to open on November 3, 2008. Moreover, the opening could be sooner if AOC reduced the amount of fire alarm acceptance testing required, as AOC's consultants have suggested. Nonetheless, AOC's fire marshal has determined that the fire alarm acceptance testing will proceed as planned.

Delays in less time-critical areas such as the East Front, the Exhibit Gallery and the House Hearing Room also continued. For example, in the East Front Upper Levels, the planned work schedule slipped by 4 weeks after AOC determined that additional sprinkler heads would be needed and other design changes were required. Work in the Exhibit Gallery was

[2]For fiscal year 2008, AOC received $28,753,000 (before rescission) in appropriations for the CVC project. Pub. L. No. 110-161. Of that amount, AOC is allowed, but not required, to use up to $8.5 million for operations. AOC is currently planning to use the $8.5 million for operations.

[3]In other words, the sequence 2 contractor has received about 99 percent of the current contract value. This value does not include the costs of unsettled proposed change orders, potential claims, and work performed outside the current contract, such as the fire marshal's fire alarm acceptance testing.

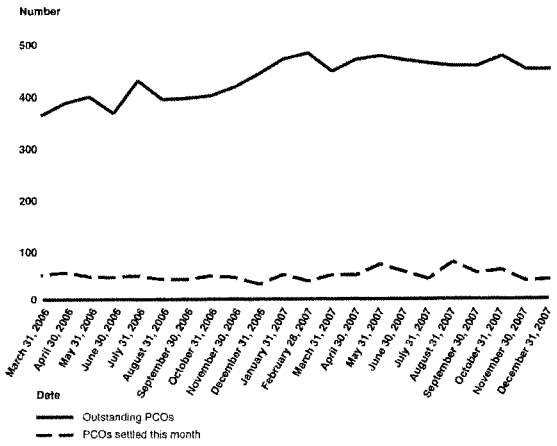
[4]The critical path is the single longest path of activities through a project's schedule. Each day of delay in the critical path could delay the completion of the entire project.

delayed by 3 weeks when AOC did not receive replacement pieces for the glass floor as scheduled.

Delays in addressing items on the project's extensive punch list pose a further risk to the CVC's schedule and call for continued prompt attention by AOC and its contractors. For example, work in the Exhibit Gallery may fall behind schedule while AOC and its design team address deficiencies in the Wall of Aspirations, which failed a test of its fire protection system. In addition, damage to pavers on the East Front plaza has not been repaired, and extensive work may be required to prevent further damage. Efforts to relocate PEPCO electrical vaults, which are too high for the current landscaping plan, are still unresolved and may delay completion of the work in that area by 5 months.

Proposed change orders continue to pose risks to the project's schedule and to be identified by the CVC team each month. AOC and its contractors have continued to work together to reduce the number of open (outstanding) proposed change orders, but the number of open orders has remained essentially unchanged. Sustained attention to this issue is needed to reduce uncertainty about the project's costs and to avoid risks to the project's schedule as new proposed change orders come in. Figure 1 compares the number of outstanding proposed change orders with the number settled each month.

Figure 1: Outstanding and Settled Proposed Change Orders by Month, March 2006 through December 2007



Source: AOC's construction management contractor.

AOC's Cost Estimate Remains the Same, and Additional Funds Will Be Needed

In September 2007, AOC increased its estimate of the cost to complete the CVC project's construction to about $621million, which remains unchanged. The $621 million estimate includes, among other things, contingency amounts for delays, change orders, and remaining uncertainties related to the project's fire alarm testing.

To date, about $566.2 million has been approved for CVC construction, and AOC has $16.2 million more in fiscal year 2008 CVC appropriations that it plans to use for construction after it obtains congressional approval to obligate these funds. AOC has estimated that it will need an additional $5.9 million in fiscal year 2008 to fund construction, and it has requested $31.1 million in fiscal year 2009 CVC appropriations for construction. Based on its current cost-to-complete estimate, AOC believes it may need an additional $2 million to complete the project in fiscal year 2009.

Madam Chair, this completes my prepared statement. I would be pleased to answer any questions that you or Members of the Subcommittee may have.

Contacts and Acknowledgments

For further information about this testimony, please contact Terrell Dorn at (202) 512-6923. Other key contributors to this testimony include Shirley Abel, Lindsay Bach, Maria Edelstein, Elizabeth Eisenstadt, Jeanette Franzel, Jackie Hamilton, Bradley James, David Merrill, and Joshua Ormond.

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STAFFING CHANGES

Ms. WASSERMAN SCHULTZ. Thank you so much, Mr. Dorn. Before we move into questions, Mr. Latham, with your indulgence, I do want to mention that we have had a staff change on your side as well. Jeff Shockey, who was the Deputy Staff Director of the minority side of the staff and has been lead minority staff for this subcommittee since I have been the Chair, has now moved on to be the minority Staff Director for the full committee. Liz Dawson, after a number of years of service to the committee, is now the lead minority staff for the subcommittee. We welcome the opportunity to work with you once again and continue to work with you in your new capacity.

Mr. LATHAM. As well.

STAFF-LED TOUR PROGRESS REPORT

Ms. WASSERMAN SCHULTZ. I thank you. Ms. Rouse, I want to start with you. We spent the bulk of the last hearing talking about the staff-led tour issue. As you know, the omnibus appropriations Act that was signed into law by the President included language that made sure that staff-led tours would not be eliminated, and that was the result of language that this committee inserted into the bill.

I want to hear about the progress that you have made in planning for staff-led tours and tours in general, but I want to tailor my question a little more specifically. One of the main things that Members are concerned about and one of the main services we are able to provide to our constituents when they come to the Capitol is scheduling the Capitol tour and providing that tailored service. And I know that the feedback that I get and that many Members get from constituents, even people that I didn't see when they were in the Capitol while taking their tour, they stop and thank me on the ball fields and in the supermarkets for the wonderful experience that my staff gave them and that was the thing that was most memorable for them of their time in Washington, D.C. That is obviously something we don't want to lose or to die on the vine for lack of attention. So the devil is in the details in terms of how you are going to implement it.

ADVANCE RESERVATION SYSTEM

I know that you issued a contract for an advance reservation system, and the design of that reservation system and how it directs people to sign up for tours is going to be incredibly important in terms of whether or not they actually get connected to their Member. I think it would be a travesty if we fail to preserve that connection. I know we had over 140 Members sign a Dear Colleague, along with about half of the Senate, on the importance of staff-led tours.

So how do you plan to make sure that when a constituent goes onto the advance reservation system that they can be connected with their Member? When we spoke the other day you indicated that there would be an option on the screen to either go through a guide-led tour or a tour scheduled by their Member's office, but I am concerned that it would be—I want to make sure that the

screen is set up so that they most likely will go through their Member.

Ms. ROUSE. Thank you. After our conversation, I spent a couple of hours with my team so I could get a clear understanding. I will explain to you what I understand it to be.

There will be multiple screens. In about 6 to 8 weeks we will have a prototype that we will be able to beta test. As described to me, when someone goes to our Web site a screen will come up. In that screen you will have the option to go and book your own tour. In addition, a screen will come up that says find your House Member, find your Senator. You would then be directed to your Representative's or Senator's Web site, and then if someone wanted to book a tour, they would link into your Web site, which allows either your staff person or the individual to go ahead and book the tour.

Now if your staff person is booking a tour for an individual, they have the option of either sending them back an e-mail confirmation to say they have been booked on a tour, or they can attach whatever they want to that link, whether it is support information or whatever it is about the office that might be worthwhile.

If someone has called that doesn't have Internet service, and they want a hard copy, then your office will have the option to package it any way they want. A screen will come up giving people options. The public can go right in if they want to, an international visitor, because this Web portal of course makes it so they're able to book, so that individuals will be able to do that or they can find their Senate or House offices.

MEMBER OF CONGRESS REPRESENTATION

Ms. WASSERMAN SCHULTZ. If I can just interrupt you for a second. On the Capitol guide button, so to speak, that someone would click on to go through a Capitol guide tour as opposed to going through their Member's office, one of the things that I think is very important and I know other Members do too is that every visitor to the Capitol that is an American citizen and has a Member of Congress representing them or a legal resident that has a Member of Congress representing them, needs to be able to find out and be told through that reservation system who their Member is. So if you can—I think you very much should be focused on making sure that even if the person goes through the Capitol Guide Service reservation system that they are told somewhere in that system who their Member is and where our office is, so that they can have an opportunity to connect with us, even if they choose not to have a tour from their Member.

Ms. ROUSE. That is a very good question. I probed on that yesterday. There may be a way to harvest zip code numbers.

Ms. WASSERMAN SCHULTZ. You just have to ask them to put it in.

Ms. ROUSE. Yes, we have to ask them to put it in. From that, they will be able to know who the Representatives are of their State. Depending upon how much more detail you get, you can then get them linked directly. Most importantly, they can always find their Representatives through the various links. We can provide this information back to the individual office about the people

who are coming from their district. So I think that that will be helpful. It helps you plan, it helps us plan. Our goal is to have enough information to know exactly what we are doing, the Capitol police will know in advance; we are all tied together in knowing what our capacities or what our vacancies are at any given time.

VISITOR-MEMBER CONNECTIONS

Ms. WASSERMAN SCHULTZ. My time has expired and I don't want to go over too much, but I do want to express the importance, if it hasn't been clear already, that I think it is incredibly important that an individual, even if they choose not to go through the tour from their Member, that they are told and connected to their Member in some way through that other button. There is an easy way to do it. In terms of constituent correspondence, in order to communicate with a Member you have to put your address in, and our system is set up that way already. So I feel quite certain that the advance reservation system could be set up that way as well.

You also talked about printing a keepsake certificate. That keepsake certificate will hopefully also tell the person who their Member is.

Ms. ROUSE. Exactly, each Member office can control that.

Ms. WASSERMAN SCHULTZ. But even through the Capitol Guide Service, it is every single person——

Ms. ROUSE. With the zip code.

Ms. WASSERMAN SCHULTZ. What I am saying is the system should automatically have the person put in, in order to keep going through the steps, put in their zip code or their address because zip codes don't always do it, so that they can be told through the process who their Member of Congress is.

Ms. ROUSE. We will, we will.

Ms. WASSERMAN SCHULTZ. Thank you. My time has expired.

Ms. MCCOLLUM. A zip code, that is nine digits, right?

Ms. ROUSE. Correct.

Ms. MCCOLLUM. We are up here thinking zip codes one way and it may be different; I don't know my 9-digit zip code.

Ms. WASSERMAN SCHULTZ. I don't know mine either. It will probably be the address, because I can tell you that in the zip codes that almost all of us represent there is overlap in our districts, so it really needs to be the address—but there is a system that pulls up your congressional districts very easily.

Ms. MCCOLLUM. Thank you, Madam Chair.

Ms. WASSERMAN SCHULTZ. You're welcome.

Mr. HONDA. It should link through the Post Office.

Ms. WASSERMAN SCHULTZ. If we can go through the Chair, every Member will have an opportunity, and I want to give Mr. Latham his. Thank you.

BUDGET SHORTFALL

Mr. LATHAM. Thank you, Madam Chairman. I share your concern about the tours and having the staff involved. Mr. Ayers, Mr. Dorn just mentioned that there is going to be a shortfall as far as your budget this year, $5.9 million. Can you just go through so the public knows about how you plan on addressing the shortfall this year and what needs to be done?

Mr. AYERS. Yes, sir, I'd be happy to do that. I think, as we testified several hearings ago, to complete this project we require an additional $39 million. We thought that some of that $39 million may be required in fiscal year 2008. So as we prepared our quarterly spending plan and analysis in October we felt that about 8 million of that might be needed in fiscal year 2008 and the remaining 31 million would be needed in 2009. That 8 million that we potentially needed in 2008, over and above what we had requested, would be for delay claims that we would get from a contractor, but that was October.

As we have progressed through the year those delay claims aren't coming, so our need for additional money in 2008, we are projecting, now has been reduced to about 6 million. The 39 million stays the same so our '09 request would be from 31 to 33 million. So as of today, our projections still say we'll need a little less than 6 million. This is what we will need in '08. We won't need any of that, we believe, until the fourth quarter of 2008.

So what we have done to date is we have submitted a reprogramming request to the committee to fence about $3.2 million of that 6 million, taking that out of completed projects and other funds in our budget that are available, and we will hold that until the fourth quarter. I know Mr. Ungar and I expect that this 6 million will continue to decrease in 2008 and we may need a little less than that. We have reprogrammed and outlined a method by which we will fund a portion of that money and as we go through the course of the fiscal year, if we think we will need all of it, we will find those resources from within our budget from completed projects and other kinds of efforts to fund that in 2008. But the overall number doesn't change, $621 million doesn't change.

ANTICIPATED SHORTCOMINGS

Mr. LATHAM. On another note, I would really like to thank you for finding the money elsewhere for the two nurses that are going to be required for the CVC. Apparently this fell through the cracks last year in conference, but do you anticipate any other shortcomings like this that are going beyond the 5.9 million and any other items out there right now that will need reprogramming?

Mr. AYERS. On the construction of the CVC I don't anticipate any. Ms. Rouse can talk about on the operations side. I am not aware of any.

Ms. ROUSE. On the operations side I don't anticipate any. We have been able to address our most crucial need, which is training, in our existing '08 budget.

Mr. LATHAM. All right.

TRAINING AND STAFFING

Ms. ROUSE. We have been able to address our pressing need and concern, which is training, and been able to deal with that. Our concern is ramping up time; we will bring on 226 additional staff. In general I think we are on track.

Mr. LATHAM. I am not sure how this effects the CVC, but we have just become aware that there is going to be a reprogramming request that is imminent, apparently, for a new initiative—the metering in the Capitol, in the office buildings. From my under-

standing Mr. Boehner is not aware of it on the committee that is supposed to have oversight. I was just curious where that is going to come from or what you are proposing as far as this metering. Are there any other initiatives out there that we don't know about?

Ms. WASSERMAN SCHULTZ. Mr. Latham, that issue is unrelated to the CVC. We will deal with it when the AOC has their budget hearing next week.

Mr. LATHAM. It won't?

Ms. WASSERMAN SCHULTZ. No.

Mr. LATHAM. I will respond when I come back to another round.

Ms. WASSERMAN SCHULTZ. Ms. Lee.

Ms. LEE. Thank you very much, Madam Chair. Let me also welcome Mr. Latham to this committee, and I say to you I look forward to working with you but also that we are neighbors right across the hall. And this is going to be, I think, a committee that is looking forward to working with you, but also it is a committee that we have worked together under our Chair's leadership in a bipartisan fashion, and we will miss Mr. Wamp and I know that your leadership will continue in these efforts.

I was very pleased to hear from Mr. Ayers and Ms. Rouse, especially learning of this temporary certificate of occupancy by July 31st. I want to thank all of you and I have to commend our Chair, because when I heard this and you said that, I said if it hadn't been for your prodding and your diligence——

Ms. WASSERMAN SCHULTZ. Thank you.

Ms. LEE [continuing]. And your focus, I didn't know if we would be there, but I thank you very much for that. It has really been remarkable to see how far we have come in such little time.

60 DAY POLICY LETTER

Let me thank the entire committee and all of you for support in our efforts that we have a real renewed commitment to minority owned and small businesses.

I wanted to ask Mr. Ayers, first of all, a couple of questions with regard to the letter or the policy that should be developed, I think it was within 60 days. I want to see how we are coming on that, and the implementation of this policy. And when do you think we will be able to see what the 60-day requirement entailed. I am not sure if we passed the 60 days yet or not, I think we still have some time. I want to get a progress report on that.

And to Ms. Rouse, I will just ask you about the contracts that you mentioned, food service, advanced reservation and the CVC Web site. You mentioned, I am glad to hear, small business is one. I don't know if food service is a small business.

And CVC Web site, women-owned business. Do we have any minority-owned businesses involved at this point?

Let me start with Mr. Ayers first and then go to Ms. Rouse.

MINORITY-OWNED AND SMALL BUSINESS INITIATIVES

Mr. AYERS. Thank you, Congresswoman Lee. As you know and we have testified previously, we are working two initiatives on this program. First is to create a set-aside in our construction contracts, those construction contracts that are over a million dollars. We have set some goals for ourselves to ensure those contractors are

subcontracting to small businesses, small disadvantaged businesses, small women-owned businesses and the like. Those goals have been set up in writing and they are in place and being followed by our procurement staff. We implemented that, I believe, in August of 2007.

Ms. LEE. Do we know how we are doing yet or is it too soon?

Mr. AYERS. I don't have a statistical analysis. I can give you some good examples of projects I do have with me.

Ms. LEE. Thank you very much.

Mr. AYERS. I thought that question may be coming.

A couple of good examples, small, disadvantaged, minority-owned, black contractor, $3 million project, recently awarded for the Library of Congress lighting upgrades in the stacks there. Lawn mowing and snow removing services for the Botanic Garden awarded to a small, disadvantaged, minority-owned black company. Shuttle bus service awarded to a small, disadvantaged, minority-owned black company. Sidewalk repairs and janitorial services, over $2 million, to a small business, minority-owned Hispanic company, as well as several others, but I can give you a full accounting.

Ms. LEE. I would like to see that, and the dollar amount.

Mr. AYERS. I will be happy to do that.

[The information follows:]

Minority and Women-owned Business Involvement

Question. Please provide a full accounting and dollar amount awarded to minority and women owned businesses.

Response. Enclosed are reports for both contracts and small purchases for FY 2007 and FY 2008.

The contracts table (spreadsheet A) lists contracts that were awarded in FY 2007 and FY 2008 under the AOC Procurement Statute 41 U.S.C. 5. This statute requires full and open competition of all procurements greater than $100,000 unless otherwise exempted.

The small purchases spreadsheets (spreadsheets B through F) list purchases between $5,000 to $100,000 that were awarded to small businesses in FY 2007 and FY 2008. The total dollar amount awarded to all small businesses listed below is $2,381,969.25. Each work sheet shows purchases in each of the following small business categories where such data was captured in the AOC's procurement vendor database:

- (B) Small Businesses ($1,758,175.50)
- (C) Small Disadvantaged Businesses ($17,356.00)
- (D) Veteran-owned Small Businesses ($354,976.00)
- (E) Women-owned Small Businesses ($193,761.75)
- (F) HubZone Small Businesses ($57,700.00)

Spreadsheet A

Contracts Awarded to Small Businesses, to include Minority and Women-Owned, that were awarded in FY2007 and FY2008 under the AOC Procurement Statute 41 U.S.C. 5. This statute requires full and open competition of all procurements greater than $100K unless otherwise exempted.

Contractor	Contract No.	Description	Contract Amount	Business Size
Excell Management	AOC08C0005	Lawn Mowing and Snow Removal Services for the Botanic Garden	$536,353.75 (Base + 4 Options)	Small Disadvantaged (Minority Owned - Black)
RHG Group	AOC08G0033	Shuttle Bus Services	$1,254,129.34	Small Disadvantaged (Minority Owned - Black)
GT Contracting	AOC07C0099	Sidewalk Repairs	$731,700.00	Small Disadvantaged (Minority Owned - Hispanic American)
Redmon Group	AOC08G0031	Website Development and Public Awareness, etc., U. S. Capitol Visitors Center, Washington, D.C.	$414,927.49	Small Business - Women Owned
Makro Services Inc.	AOC07C0090	Janitorial Services USCP	$1,499,734.10 (Base + 4 Options)	Small Business - Minority Owned Hispanic American
Air Cleaning Technologies	AOC07C0017	US Capitol Building 95% Air Filters	$121,095.00	Small Business
Morcom International, Inc.	AOC07C0049	Study Design Tunnel Communications System	$130,000.00	Small Disadvantaged Business (Minority Owned - Hispanic American)

Marzik	AOC07C0093	Provide ONStor Back-up System for the AOC IT Division	$127,300.00	Small Business
Strickland Fire Protection, Inc.	AOC07C0013	Attic Sprinkler and Fire Alarm System Upgrades, Russell Senate Office Building	$977,263.00	Small Business
Hunt Consulting, LLC	AOC07C0097	Library of Congress Jefferson Building Stack Lighting	$2,903,110.00	Small Disadvantaged Business (Minority Owned - Black)
The CFP Group	AOC08C0015	Fire Alarm and Life Safety Acceptance Testing of the U.S. Capitol Visitor Center	$2,344,400.00	Small Disadvantaged Business (Minority Owned - Hispanic American)

Spreadsheet B
Small Business

Order Number	Contractor	Order Date	Order Amount
AOC08P0382	CAPITOL EXHIBIT SERVICES	11/21/2007	$48,634.00
AOC07P0821	CAMPANIA IMPORTS INC.	4/5/2007	$12,004.98
AOC07P0892	Severn Graphics	4/25/2007	$7,215.00
AOC07P1438	POWERLIFT CORP	8/29/2007	$13,800.00
AOC07P1561	PANNIER	9/20/2007	$11,970.00
AOC08P0476	AMES INC.	12/11/2007	$7,999.00
AOC08P0562	ANTRONNIX	12/21/2007	$27,761.00
AOC07P1006	DAEDALUS, INC.	5/23/2007	$96,887.00
AOC07P1480	Vertical Access LLC	9/7/2007	$52,211.50
AOC07P0437	AMES INC.	1/9/2007	$6,998.00
AOC08P0699	BALTZELL AUDIO DESIGN	1/17/2008	$53,020.00
AOC07P1273	S.A.S. Finishes Inc.	7/25/2007	$38,725.00
AOC07P0795	DAEDALUS, INC.	4/3/2007	$39,800.00
AOC07P1222	SHEPHERD ELECTRIC SUPPLY CO.	7/11/2007	$11,184.15
AOC07P0918	SHEPHERD ELECTRIC SUPPLY CO.	5/2/2007	$21,067.00
AOC08P0455	Green Depot LLC	12/7/2007	$11,079.83
AOC07P1022	SHEPHERD ELECTRIC SUPPLY CO.	5/25/2007	$81,084.15
AOC08P0498	Green Depot LLC	12/13/2007	$5,692.92
AOC08P0387	SHEPHERD ELECTRIC SUPPLY CO.	11/23/2007	$16,155.27
AOC08P0753	SHEPHERD ELECTRIC SUPPLY CO.	1/30/2008	$12,633.68
AOC08P0708	SHEPHERD ELECTRIC SUPPLY CO.	1/17/2008	$8,125.75
AOC07P0237	SHEPHERD ELECTRIC SUPPLY CO.	11/3/2006	$10,416.00
AOC07P1597	SHEPHERD ELECTRIC SUPPLY CO.	9/25/2007	$6,430.00
AOC07P0882	SHEPHERD ELECTRIC SUPPLY CO.	4/23/2007	$26,700.00
AOC07P1287	Ourisman Ford, Lincoln, Mercury	7/26/2007	$39,154.00
AOC07P1288	Ourisman Ford, Lincoln, Mercury	7/26/2007	$24,825.00
AOC07P1278	Sewer Equipment Co. of America	7/26/2007	$99,890.00
AOC07P1445	Ourisman Ford, Lincoln, Mercury	8/29/2007	$34,994.00
AOC07P0629	WOOD PRESERVERS INC.	2/23/2007	$11,840.00
AOC07P0655	SPECTRACOM CORP.	3/1/2007	$19,430.00
AOC07P0456	SPECTRACOM CORP.	1/12/2007	$17,287.50
AOC07P0784	DMS INTERNATIONAL, INC.	3/30/2007	$37,430.00
AOC07P1375	STEEL FIXTURE MFG. COMPANY	8/17/2007	$25,712.00
AOC08P0733	PRITZ ENTERPRISES INC.	1/24/2008	$8,085.00
AOC07P1250	Cosmed USA, Inc.	7/18/2007	$5,500.00
AOC07P0849	PRITZ ENTERPRISES INC.	4/17/2007	$8,085.00
AOC08P0669	Marg Inc. t/a American Striping	1/11/2008	$26,536.00
AOC07P1392	CENTRAL ELECTRIC SUPPLY LTD. dba City Electric Supply	8/22/2007	$40,040.00
AOC07P1270	Arpeggio Acoustic Consulting, LLC	7/27/2007	$5,000.00
AOC07P0513	PaperThin, Inc.	1/26/2007	$25,025.00
AOC07P1608	Audio Fidelity Comm. Cor. dba The Whitlock Group	9/26/2007	$30,456.50
AOC08P0697	AMES INC.	1/16/2008	$16,447.00
AOC08P0681	Alliance Fabrication Inc.	1/15/2008	$5,000.00
AOC07P1110	CENTRAL ARMATURE WORKS	6/15/2007	$8,500.00
AOC07P0860	C.N. ROBINSON LIGHTING SUPPLY CO.	4/18/2007	$10,871.37
AOC07P0113	PATH CON LABS	9/21/2006	$5,166.00
AOC08P0752	AEROSOL MONITORING and ANALYSIS INC	1/30/2008	$5,630.00
AOC07P1574	IRcameras, Inc.	9/22/2007	$6,025.00
AOC07P1631	VICTOR STANLEY, INC.	9/28/2007	$5,840.00
AOC08P0037	PATH CON LABS	9/13/2007	$5,120.00
AOC07P0670	COEN COMPANY	3/6/2007	$9,156.00
AOC07P1100	ROSS INFRASTRUCTURE, LLC	6/12/2007	$15,000.00

Small Business

Order Number	Contractor	Order Date	Order Amount
AOC07P0947	ROSS INFRASTRUCTURE, LLC	5/8/2007	$29,000.00
AOC08P0470	Marshall Miller & Associates, Inc.	12/7/2007	$57,700.00
AOC07P0814	ROSS INFRASTRUCTURE, LLC	4/5/2007	$27,400.00
AOC07P1366	SOUTHERN TECHNOLOGIES, INC.	8/16/2007	$5,500.00
AOC08P0278	COEN COMPANY	11/2/2007	$9,500.00
AOC08P0054	POWER DISTRIBUTION INC.	9/17/2007	$10,020.00
AOC08P0169	SPONGE CUSHION INC.	10/10/2007	$8,185.00
AOC08P0488	POWER DISTRIBUTION INC.	12/12/2007	$9,864.00
AOC08P0743	CONNEAUT LEATHER	1/28/2008	$7,375.00
AOC08P0383	TRINITY FURNITURE, INC	11/21/2007	$30,750.30
AOC08P0334	Reliable Paper Inc.	11/14/2007	$13,350.00
AOC08P0760	W.T. WEAVER and SONS	2/2/2008	$13,520.00
AOC07P0683	CALICO INDUSTRIES, INC.	3/9/2007	$8,400.00
AOC07P0534	CALICO INDUSTRIES, INC.	2/1/2007	$9,625.00
AOC07P0533	SHEPHERD ELECTRIC SUPPLY CO.	2/1/2007	$5,700.00
AOC07P0370	SPECTRACOM CORP.	12/12/2006	$99,656.75
AOC07P0346	AMERISYS, INC.	12/6/2006	$7,425.00
AOC07P0282	SHEPHERD ELECTRIC SUPPLY CO.	11/13/2006	$7,120.00
AOC07P0449	ESSBAR SOUTH	1/11/2007	$15,474.24
AOC07P0776	CONNEAUT LEATHER	3/29/2007	$7,373.40
AOC07P0848	SPONGE CUSHION INC.	4/16/2007	$7,735.00
AOC07P1341	CALICO INDUSTRIES, INC.	8/11/2007	$21,550.00
AOC07P1257	Glass Dynamics LLC	7/18/2007	$28,450.51
AOC07P1117	ENGINEERED LIGHTING PRODUCTS (ELP)	6/19/2007	$47,253.20
AOC07P0865	J AND R SUPPLY	4/18/2007	$7,458.00
AOC07P0864	AMERISYS, INC.	4/18/2007	$6,687.50
AOC07P0255	SPONGE CUSHION INC.	11/4/2006	$9,944.00
AOC07P0214	SHEPHERD ELECTRIC SUPPLY CO.	10/24/2006	$19,824.00
AOC07P0747	AMERICAN SCIENCE and ENGR., INC.	4/2/2007	$46,695.00
		Total	**$1,758,175.50**

Spreadsheet C
Small Disadvantaged Business

Order Number	Contractor	Order Date	Order Amount
AOC08P0001	Auto Flex, Inc.	8/22/2007	$ 12,336.00
AOC08P0301	Media Plumbing & Heating Inc. dba Kinetix	11/6/2007	$ 5,020.00
	Total		**$17,356.00**

Spreadsheet D
Veteran-owned Small Business

Order Number	Contractor	Order Date	Order Amount
AOC07P0818	RICHARD A. COCOZZA	4/6/2007	$6,500.00
AOC07P1157	BETHESDA IRON WORKS, INC.	6/26/2007	$52,020.00
AOC07P1218	VIC INTERNATIONAL CORP	7/10/2007	$17,350.00
AOC07P1385	J W K Machinery Sales Co.	8/21/2007	$18,301.00
AOC07P0495	ATLANTIC ELECTRIC SUPPLY CORP.	1/23/2007	$8,247.00
AOC07P1368	BETHESDA IRON WORKS, INC.	8/16/2007	$27,536.00
AOC07P1589	ATLANTIC ELECTRIC SUPPLY CORP.	9/24/2007	$63,890.00
AOC07P1637	ATLANTIC ELECTRIC SUPPLY CORP.	9/29/2007	$21,950.00
AOC07P0827	ATLANTIC ELECTRIC SUPPLY CORP.	4/9/2007	$11,582.00
AOC08P0520	ATLANTIC ELECTRIC SUPPLY CORP.	12/17/2007	$54,800.00
AOC07P1617	Jason Vandervliet	9/27/2007	$72,800.00
	Total		**$354,976.00**

Spreadsheet E
Women-owned Small Business

Order Number	Contractor Name	Order Date	Order Amount
AOC08P0374	PRESERVAR INC.	11/21/2007	$25,250.00
AOC08P0498	Green Depot LLC	12/13/2007	$5,692.92
AOC08P0455	Green Depot LLC	12/7/2007	$11,079.83
AOC07P1337	SITA BUSINESS SYSTEMS, INC.	8/10/2007	$5,758.00
AOC07P0921	SITA BUSINESS SYSTEMS, INC.	5/2/2007	$38,464.50
AOC07P1031	SITA BUSINESS SYSTEMS, INC.	5/29/2007	$10,008.50
AOC07P1039	SITA BUSINESS SYSTEMS, INC.	5/30/2007	$7,539.00
AOC07P1534	SITA BUSINESS SYSTEMS, INC.	9/17/2007	$19,240.00
AOC07P1621	Boiler Pressure Vessel Inspection Agency	9/27/2007	$6,800.00
AOC08P0748	COASTAL SAFETY and HEALTH SERVICES	1/29/2008	$7,930.00
AOC07P1235	INDUSTRIAL PRODUCTS SUPPLY	7/13/2007	$13,789.00
AOC08P0080	Ms. Sam's Cleaning Service	9/19/2007	$8,100.00
AOC07P0684	INDUSTRIAL PRODUCTS SUPPLY	3/9/2007	$13,689.00
AOC07P1348	APPLIED ENVIRONMENTAL, INC.	8/11/2007	$7,771.00
AOC07P0175	COASTAL SAFETY and HEALTH SERVICES	10/12/2006	$12,650.00
	Total		**$193,761.75**

Spreadsheet F
HubZone Small Business

Order Number	Contractor	Order Date	Order Amount
AOC08P0470	Marshall Miller & Associates, Inc.	12/7/2007	$57,700.00
	Total		**$57,700.00**

The second initiative is working to create a set-aside for small businesses, of all categories, for all of our contracts between $5,000 and $100,000. This will take some considerable effort, and we are working with the Small Business Administration to develop an MOU whereby they will help us develop that program. They will also help us adjudicate issues that come up under such a program.

We have also reached out to the Department of Transportation and the USDA to meet with them. Those two organizations are ranked "Green" on the President's Quarterly PMA Scorecard under their small business goals so we thought they would be good organizations to meet with and learn from. So this particular set-aside will take us a little time to fully implement. I know our staff is diligently working on it.

Ms. LEE. Thank you very much. I would like to talk to you further maybe about the 100,000 limit, because as you know, I think that is much too low.

Mr. AYERS. That is in statute.

Ms. WASSERMAN SCHULTZ. Your time has expired.

Ms. LEE. I am sorry, we will come back.

Ms. WASSERMAN SCHULTZ. We will come back.

Mr. LaHood.

OPENING CEREMONY PLANS

Mr. LAHOOD. Mr. Ayers, what is planned for the opening of the visitor center?

Mr. AYERS. In terms of ceremonies?

Mr. LAHOOD. Right.

Mr. AYERS. Ms. Rouse is planning those activities. She may be the best one to answer that question.

Ms. ROUSE. We are still at the talking stage on planning, but what we are trying to do is use some best practices from the field that deals with museums and visitor services and plan a series of celebrations over 18 months in honor of the opening of this historic facility. We are still putting things on paper, and vetting it with leadership and oversight. We intend to have our first round of meetings towards the end of February, and hopefully some time in March we will have some ideas. But, I must add, we are still trying to gather our ideas, we have gotten a lot of feedback from the Sergeant at Arms on the House and the Senate sides and we are also looking to historians to note what has been done in the past.

CVC GOVERNANCE

Mr. LAHOOD. Can you tell us, Mr. Ayers, about the governance of the CVC and what has been put in place or what is happening with that?

Mr. AYERS. Yes, sir. In April of 2007, I received a letter from the four leaders of the Congress assigning the responsibility for the day-to-day operation of the visitor center to the Architect of the Capitol. So the Architect is responsible for the day-to-day operation. We then went out and recruited Terrie Rouse, our Chief Executive Officer for Visitor Services, to run that business element for us.

CVC OVERSIGHT

Mr. LAHOOD. In terms of oversight, who will have responsibility for the CVC, legislatively, either on the House or Senate side?

Mr. AYERS. I believe that will be the Committee on House Administration and the Senate Committee on Rules and Administration.

Mr. LAHOOD. So there really is no overarching organization made up of leadership; it will be primarily the committees of the House and Senate under House Administration and whatever the counterpart is in the Senate?

Mr. AYERS. For the day-to-day operation of the visitors center, yes, sir, that is correct.

Mr. LAHOOD. And for oversight, just general oversight, I assume that the House Administration and the Senate counterpart will have that jurisdiction?

Mr. AYERS. Yes.

Ms. WASSERMAN SCHULTZ. And this subcommittee as well, since we are going to appropriate the funds.

Mr. LAHOOD. Since they didn't say it, I wondered if that is the case.

Ms. WASSERMAN SCHULTZ. They can't operate without the money we appropriate. So there will be oversight coming from us, too.

Mr. LAHOOD. There will be?

Ms. WASSERMAN SCHULTZ. As long as I am the Chair of the subcommittee there will be.

CVC COST ESTIMATES

Mr. LAHOOD. Mr. Dorn, do you think they will stay within the amount of money that Mr. Ayers gave today? We have gone from the beginning of this project estimated at 230 million to over 600 million. Do you think they are going to stay within that figure?

Mr. DORN. The 621?

Mr. LAHOOD. Yes, sir.

Mr. DORN. Yes, sir, at this point we do. We have some delays that have occurred, internal delays that have not affected the completion date of the project. Some hiccups have happened, some other things have come in at less cost than what AOC had anticipated earlier. But considering that we have a contingency built into the 621 estimate, we are still comfortable that's a good number.

Mr. LAHOOD. On the day that the CVC opens officially in the fall of this year, you believe that the final figure for the construction and opening will be the figure that is in Mr. Ayers' testimony today?

Mr. DORN. The 621 is the best estimate we have at this point.

Mr. LAHOOD. Based on what you experienced and what you know, do you think that will hold?

Mr. DORN. At this late stage of the job and knowing the contingency amounts we put in, I feel comfortable with that, and I hope Bernie feels comfortable with that.

Mr. LAHOOD. Do you, Mr. Ungar?

Mr. UNGAR. At this point I do. I am always nervous, but at this point we are on track for that 621.

Mr. LAHOOD. Thank you.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. LaHood. Mr. Honda.

Mr. HONDA. Thank you, Madam Chair, and also let me add my welcome to Mr. Latham. A couple of quick ones so I won't waste a lot of time. In our next meeting, Ms. Rouse, would you mind reporting back on the exact process by which a constituent can tell who their congressional representative is? There seems to be a little bit of confusion here.

Ms. ROUSE. I will.

CVC GOVERNANCE STRUCTURE

Mr. HONDA. In terms of governance, I would like to get back to the clarity of that since it was not mentioned. Is it in writing, the governance structure of the CVC, so that when people ask the question again, it is under the subcommittee, and not because the Chair took the responsibility. Is it in some form where people understand that it is under the subcommittee?

Mr. AYERS. Mr. Honda, I am not aware that that is in writing anywhere.

Ms. WASSERMAN SCHULTZ. If I can just help to clarify the answer to that question. Mr. Brady and Mr. Ehlers, who chair and are the ranking member of the House Administration Committee, have introduced legislation on how the CVC would operate and the whole way that process would unfold. It is a very detailed piece of legislation. The governance per se is not laid out in that legislation, but House Administration and this subcommittee will be responsible for oversight just like we were responsible for the oversight of the construction process as well.

Mr. HONDA. For the future, it just seems like things will change, people will change, their potential will change, and I think that somehow that clarity has to be some place in written form so there is no mistake or assumptions made. If we will be ultimately responsible, it seems that area should be there, but we can continue to discuss that.

DESIGN PROGRAM CONCEPTS

On the historian issue, you mentioned, Ms. Rouse, that historians will be involved in designing the programs for the next few months, and in the process are you as comprehensive as possible where you not only include the African American, Latinos, but the Asian American communities in this country, and how will you know that the list that you have is validated?

Ms. ROUSE. A very good question. In our programming thinking we are trying to look to partnerships with groups who are experts at putting together programming concepts. So we are still at the point of putting names down, putting concepts together for how we would do programming and then we'll begin to vet that. We would recommend and take any suggestions people have for possible programs. The way we'd like to address it at this point is seminars, talks, family days, and activities for young people, particularly inspiring young people to want to be their fullest range of citizen. Encouraging them to vote is a key cornerstone of what we are trying to engage in. So any suggestions that would be available, we are willing to do it. We want to make sure our partnerships with people are thorough and that there is a voice for everyone. That is

a key piece of what we would like to do. We do have that voice in the exhibition in many ways, but there is always room for improvement.

Mr. HONDA. Okay.

Ms. WASSERMAN SCHULTZ. Mr. Honda, you still have some time.

MINORITY RECRUITING

Mr. HONDA. Oh, okay. I guess the other one would be the presence of people of color in the upper echelons of our organizations, not only represented in the workforce but in the leadership. Are there any plans that you have in looking at ways to fill slots in the future with minorities?

Ms. ROUSE. We have been aggressively working to make sure that our job postings—we have 246 more positions to search for. Many of them are in place, but we are also placing our ads in places, in medium which are non-traditional, so people aren't just going to USA JOBS. We are reaching out to various minority communities and professionals to gather in candidates, because that will be important for us.

We have been talking aggressively about doing a job fair, actually, to fill the visitor assistant positions, what will become the gift shop positions. So we have presence of people. My gift shop staff has even expressed interest in making sure that we have people who speak different languages to be able to address the new audiences that will come into the CVC. Between the CVC and the Library of Congress, we will probably have 4 million people introduced to the Hill here in the next year, so we need to be able to welcome everyone.

Mr. HONDA. Last question, Madam Chair.

Ms. WASSERMAN SCHULTZ. Sure.

Mr. HONDA. You mention language and I think that is going to be critical in getting the information out and having the community feel comfortable that they have a shot at a contract and have a way into being part of that process. And so I would be interested in how the language component would be utilized, because the possibility of many other communities being involved in what we have to offer is out there. I am not going to say I don't have any confidence in the Library of Congress, but I think there are issues that they have also.

Ms. ROUSE. Right, Library of Congress, in terms of communicating.

I will respond for the record on that issue.

[The information follows:]

Question. Provide details on contract language to ensure minority competition.

Response. The provisions and clauses that follow are currently incorporated into the AOC's solicitations and contracts.

AOC52.219-1 Utilization of Small Business Concerns (Aug 2004)

(a) It is the policy of the Government as declared by the Congress that a fair proportion of the purchases and contracts for supplies and services for the Government be placed with all types of small business concerns as determined by the size standards in 13 CFR 121.

(b) The Contractor agrees to accomplish the maximum amount of subcontracting to all types of small business concerns that the Contractor finds to be consistent with the efficient performance of this contract.

(End of clause)

AOC52.219-2 Small Business Representations and Certifications (NOV 2007)

(a) If this procurement exceeds $100,000 the North American Industry Classification System (NAICS) code for this procurement is _____ and the small business size standard is _____ employees (if this requirement is for manufacturing or trade) *or* $_____ (if this requirement is for services, including construction).

(b) The Architect of the Capitol maintains information on the types of contractors to whom contract and order awards are made in order to monitor the success of our efforts to improve contracting opportunities in the small business community. Therefore, each offeror shall complete the information regarding the classification of its type of entity.

(c) Definitions. As used in this provision—
"Small business" means a business concern that is organized for profit, has a place of business in the United States, *and* does not exceed the size standard for its industry. It may be a sole proprietorship, partnership, corporation, or any other legal entity.
"Service-disabled veteran-owned small business concern" means a small business concern (1) not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and (2) the management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a service-disabled veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.
"Veteran-owned small business concern" means a small business concern (1) not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and (2) the management and daily business operations of which are controlled by one or more veterans.
"Women-owned small business concern" means a small business concern (1) that is at least 51 percent owned by one or more women or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and (2) whose management and daily business operations are controlled by one or more women.
"Large business concern" is an entity that is organized for profit, has a place of business in the

United States, *and* exceeds the size standard for its industry.
"Nonprofit organization" is an entity that is not organized for profit, e.g., the American Red Cross, universities, and foundations.
"Foreign contractor" is an entity organized for profit that is not in the United States.

(d) Small disadvantaged business, women-owned small business, veteran-owned small business, service-disabled veteran-owned small business, and HUBZone small business concerns are subcategories of small business. Small disadvantaged business and HUBZone small business concerns require certification by the U. S. Small Business Administration. Additional information is available at http://www.sba.gov

(e) For entities organized for profit, the size standards for each industry can be found at http://www.sba.gov/gopher/Government-Contracting/Size/ A business is large if the number of employees or revenue amount exceeds that shown in the applicable industry.

(f) Indicate below the information that best describes your organization and check all categories that apply. For example, if your organization is a women-owned *and* veteran-owned small business, then check "Small business", "Women-owned small business", and "Veteran-owned small business".

____ Nonprofit organization (do not check any other box).
____ Large business (do not check any other box).
____ Foreign contractor (do not check any other box).
____ State/local/Federal government agency (do not check any other box).
____ Small business (see 13 CFR Part 121).
____ HUBZone small business (see 13 CFR Part 126).
____ Small disadvantaged business (see 13 CFR 124.1002).
____ Service-disabled veteran-owned small business (see 38 U.S.C. 101(2) and 38 U.S.C. 101(16)).
____ Veteran-owned small business (see 38 U.S.C. 101(2).
____ Women-owned small business.

(End of provision

AOC52.219-3 Small Business Subcontracting Plan (NOV 2007)

(a) This clause does not apply to small business concerns.

(b) *Definitions.* As used in this clause –
"Individual contract plan" means a subcontracting plan that covers the entire contract period (including option periods), applies to a specific contract, and has goals that are based on the contractor's planned subcontracting in support of the specific contract.
"Subcontract" means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime contractor calling for supplies or services required for performance of the contract or subcontract.

(c) Within ten (10) calendar days after award of the contract, the contractor shall submit an individual subcontracting plan that separately addresses subcontracting with small business, small disadvantaged business, HUBZone small business, veteran-owned small business, service disabled veteran-owned small business, and women-owned small business concerns. The minimum goals that the AOC views as attainable in the District of Columbia metropolitan area are available on www.aoc.gov/business/index.cfm.

(d) The contractor's subcontracting plan shall include the following -

(1) Goals, expressed in terms of percentages of total planned subcontracting dollars, for the use of the small business concerns listed in (c) above.

(2) A statement of –

(i) Total dollars planned to be subcontracted to large business concerns;

(ii) Total dollars planned to be subcontracted to small business concerns;

(iii) Total dollars planned to be subcontracted to small disadvantaged business concerns;

(iv) Total dollars planned to be subcontracted to HUBZone business concerns;

(v) Total dollars planned to be subcontracted to veteran-owned small business concerns;

(vi) Total dollars planned to be subcontracted to service-disabled veteran-owned small business concerns;

(vii) Total dollars planned to be subcontracted to women-owned small business concerns; and

(viii) Total dollars planned to be subcontracted to all concerns.

(3) Assurances that the contractor will –

(i) Cooperate in any studies or surveys as may be required;

(ii) Submit periodic reports so that the Government can determine the extent of compliance by the contractor with the subcontracting plan;

(iii) Submit AOC Form 294, Subcontracting Report for Individual Contracts. The report shall provide information on subcontract awards to small business concerns listed in (c) above. Reporting shall be in accordance with the instructions on the form or as provided in agency regulations;

(iv) Assist all business concerns listed in (c) above by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation by such concerns. Where the Contractor's lists of potential small business, small disadvantaged business, HUBZone small business, veteran-owned small business, service disabled veteran-owned small business, and women-owned small business subcontractors are excessively long, reasonable effort shall be made to give all such small business concerns an opportunity to compete over a period of time; and

(v) Confirm that a subcontractor representing itself as a HUBZone small business concern is identified as a certified HUBZone small business concern by accessing the Central Contractor Registration (CCR) database.

(e) The Contractor shall submit the following report: (1) AOC Form 294, Subcontracting Report for Individual Contracts. This report shall be submitted to the Contracting Officer semiannually and at contract completion. The report covers subcontract award data related to this contract.

(End of clause)

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

Ms. McCollum.

Ms. MCCOLLUM. Thank you, Madam Chair, and look forward to getting to know you better, Mr. Latham.

I would be in big trouble with my grandmother who is watching from above, if we didn't mention the first Americans as well as all the communities that represent the vast diversity of the United States.

CHANGE ORDER—PUNCH LIST

I would like to talk to Mr. Dorn and Mr. Ayers and Mr. Ungar, maybe then the three of you could just have a conversation. Change orders and the punch list: 55 per day from now to opening. Hmm, sounds like a problem. And the fact that as you are clearing change orders, more change orders come in. What is the plan here, guys, to get this—I don't want to say under control, because you have. If you are keeping your change orders even you have a semblance of control, but you are really not on top of it. You have managed to keep the problem from getting worse, but you haven't been able to clear up the problem.

What do you need from us to help you be successful at this? Are you having problems with contractors fulfilling their obligation to meet things in a timely fashion or to do the job right in the first place? This concerns me. This seems to be a problem all over, including with our embassies. We are doing a little better than with the embassy work being done around here, but what is your plan?

Mr. AYERS. If I could just offer one clarification on punch list and maybe, Bernie, you could talk about the plan to remediate those. In terms of a punch list, I think Mr. Dorn may have mentioned that the objective is to complete that punch list by November. That is not necessarily the way a construction contract is done. A punch list could be simply a touch of paint on 2 square inches of wall or——

Ms. MCCOLLUM. Mr. Ayers, I understand all of that.

Mr. AYERS. But there are many things on a punch list that won't be done in November 2008 is my point. So we are not driving to a November date to complete a punch list.

Ms. MCCOLLUM. Mr. Ayers, I think you know I am not worried about touch-up paint. There are big things on that punch list. What are you doing to clear them up?

Mr. AYERS. Bernie.

Mr. UNGAR. Let me clarify one thing. Terry is right, the list is 14,000, but not all of those are open, a number of those have been closed. I don't have the exact count, I will get that for you.

[The information follows]:

PUNCH LIST CLOSED ITEMS

Question. Provide a count of the number of punch list items that have been closed.

Response. As of February 7, 2008, approximately 1,170 items have been closed. Further, work for many other items has been completed, but the work has not yet been inspected. The number of items on the punch list will go up and down over the next few months as work in the East Front and a few other areas is finished. Further, we are constantly reviewing the list and going through it with the construction manager to make sure that any items that could hold up opening are addressed in sufficient time.

The process we have set up with our construction and management contractor, Gilbane, is to basically systematically ask the construction contractor to notify us when an area is ready to recheck and then go and recheck the areas. We have been doing that for some time now on our House and Senate expansion spaces. We just recently started with our main CVC to do that and that is in process. As you indicated, some of the items are bigger than others, some aren't major items, but we are in process and we probably will not be done by November. We certainly will have all the major items that are necessary for opening done well before then.

CONTRACTOR PERFORMANCE

The contractor is performing well in this area. I need to clarify that we have instructed our contractor to give first and top priority to supporting the acceptance testing that is going on, because that is what is going to drive the opening day for the CVC, and they have been doing very well at that. We have not asked them to ignore the punch list to do that, but that is the second priority right now. But we are working on it and we are making progress.

CHANGE ORDERS

Ms. MCCOLLUM. Change orders?

Mr. UNGAR. Yes, on change orders, as Mr. Dorn said, we use a slightly different number. We are looking at the numbers that have not been settled, and that has been about 340, give or take. These are open ones that have not been settled, but just not yet concluded for some time. I expect that number to remain about the same until some time in March when—maybe mid to late March-when the basic construction is going to be winding down. We will still get some, but right now both our construction management contractor and our Sequence 2 Contractor are focusing first on the high priority change orders by mutual agreement, and we are working on the others as we can. Once we start to have a smaller number come in, they will be able to work this off. It will take some time, but the change orders right now that we have that haven't been processed are not slowing up construction. We have a mechanism by which we can still authorize the work and get the work done.

Mr. UNGAR. I don't think that number is going to drop very significantly until probably summertime. We will be working toward a resolution of those.

Ms. WASSERMAN SCHULTZ. The gentlelady's time has expired. Mr. Latham.

CR IMPACT ON THE CVC

Mr. LATHAM. Thank you, Madam Chairman. You know, if we have learned anything from history around here, and I share Mr. LaHood's concerns about costs and things like that, but one thing that certainly has plagued both parties in control of this place is we have not been able to get our work done on time. I am very, very concerned about the impact of a CR on the CVC, because I would hate to have us go through the estimated $621 million, have everything in place, go to all this work, and the day of opening we do not have any funds to operate the place. I just pledge to the

chairwoman that I will do everything on my part to make sure we get this done on time and make sure we get a bill signed.

Ms. WASSERMAN SCHULTZ. Me, too.

Mr. LATHAM. Please describe the operational impacts and tell us any contingency plans, and what the effects would be on the CVC if we did not have our bill done on time?

Mr. AYERS. Yes, sir. It is best to categorize that analysis in three areas. First on the construction project, then our maintenance of the building, then on the operations side. From a construction contract standpoint, it is not going to have a significant effect on us. We may have to delay payment on a delay claim. If that is the case, our costs may increase a little because of that.

On the facilities maintenance portion, the day-to-day operation, the nuts and bolts of the building, a CR is not going to have a significant impact because I think our base is at a level now where we can sustain that into 2009.

CR IMPACT ON CVC OPERATIONS

It will have a pretty extensive impact on the operations side. Ms. Rouse can speak to this as well, but I know that under the CR guidance it is going to be based on the amount of money we have in 2008. The amount of money we have in 2008 is not sufficient to meet our monthly payroll requirements starting in October, the next fiscal year. So I know she is going to have serious issues if there is a continuing resolution.

Ms. ROUSE. That is an understatement. We have 252 people we know need to be deployed to deal with the maximum numbers of capacity. If things bear fruit, as you well know, when a new destination opens in Washington, D.C., the residents flood in before the tourists flood in. So in March, we can expect, eighth graders from all over the world, eighth graders from the United States, and in the fall it will be residents. So if we are not able to deal with that capacity, we will try to work towards a management structure to do what we can, but we will not be at our best. I think what I would like, and I am sure what the Members of Congress would like, would be for us to be at our best.

Mr. LATHAM. How about the education programs? There is going to be, you know, public programs that you have in place. How about——

Ms. ROUSE. They would suffer. The historians and curators who are on staff, who are volunteering their time to help us do programs, because it is a good chance to show off what they can do and have been doing for decades, we can probably institute them. Anything that was a partnership activity we would have to delay doing because it would require some other activities. So it would have an impact. Hopefully, we would know far enough in advance that we could come up with some alternatives, and we would work toward those alternatives, but it would have an impact.

CVC CONTINGENCY PLANS

Mr. LATHAM. Is there any contingency plan, any thought—since this is obviously not out of the realm of possibilities. It has happened the last 2 years under both parties' control around here.

Ms. WASSERMAN SCHULTZ. We didn't have a year-long CR this time.

Mr. LATHAM. I have heard the rumor that there is probably not going to be a lot of bills sent up to the White House this year until after the elections.

Mr. AYERS. Congressman Latham, we have not addressed contingency plans yet, and I think it is also important to think broader than the Architect of the Capitol. Certainly in terms of the CVC it could affect Police operations, the Senate and House Sergeants at Arms, the Chief Administrative Officer of the House, all of whom have a stake in the successful opening of the CVC. So it would be good to consult with them as well. It is early in our fiscal year. Quite frankly, we have not addressed contingency plans for fiscal year 2009 yet.

Mr. LATHAM. I would just hate to see us have this big opening and then have the place not operational. Thank you very much.

CVC—MEETING ITS NEEDS

Ms. WASSERMAN SCHULTZ. Let me just say that I am not concerned about whether we end up in a CR. We got through this last fiscal year. Moving from the minority to the majority, we had a continuing resolution in 2007, and in 2008 we had an omnibus act where we made sure that the needs were met. And I feel quite certain that we will make sure that needs are met in this fiscal year as well.

Obviously, there always needs to be contingency plans. This is a very nimble subcommittee. The Appropriations Committee is nimble. We have the ability to move money around to make sure that the operations that we need to continue will do so. So I feel quite confident that we will be able to make sure that we manage regardless. But we should all be committed to working diligently to make sure we do not have a CR, and that we get our bills passed and sent to the President and do the work of the American people that we were sent here to do.

FIRE ALARM ACCEPTANCE TESTING

I have a number of questions about the fire alarm acceptance testing. I noted in Mr. Dorn's statement that we have made good progress. I want to compliment the Architect and the Fire Marshal and all the team of people that are working together to try to make sure that this massive, massive project is going along at a good clip. And I can see that we have made economies and probably doubled up on testing and things that we could do simultaneously. That having been said, I know there have been consultants that have advised that perhaps the process that has been laid out does not have to be as lengthy as it is. And Mr. Dorn, you noted in your statement that the fire alarm testing is largely on schedule. But obviously that is the biggest pitfall that we are facing potentially if a wrench gets thrown into the works. So any economies that we can make that obviously do not jeopardize safety we should be making.

The recommendations that came from consultants, so far those have not been accepted by the Fire Marshal. Can you talk about

that, Mr. Dorn, and talk about perhaps what the differences are and the concerns and how we might resolve that?

Mr. DORN. I can talk about just some generalities, but they are certainly closer to the details than I am. My understanding is, again, there are a number of consultants, and also the internal fire protection engineers from AOC, who recommended that not quite as much testing of the smoke detectors, in particular, would be needed. We would not have to take every one of them down to test it. The Fire Marshal disagrees for his reasons. And there may be some other testing that also could possibly be shortened. AOC has been looking into this, and they—I believe they brought in the Office of Compliance to try to see what their opinions are.

Ms. WASSERMAN SCHULTZ. Their recommendations are forthcoming on the economies that might be able to be made?

Mr. AYERS. I have them now. They were delivered yesterday.

Ms. WASSERMAN SCHULTZ. You have them now? Okay. Bernie?

Mr. UNGAR. I might be able to summarize for you.

Ms. WASSERMAN SCHULTZ. Okay.

Mr. UNGAR [continuing]. The suggestions we have gotten and where we stand with the acceptance testing plan. We had some advice from the General Services Administration and from some other fire protection engineers. There were three areas that they identified where we might be able to economize to some extent. One was the number of tests we did on each smoke detector. Another was the extent to which we test subsystems every time we do the smoke detector tests. Thirdly, how much we test what has been referred to as the CONOP, the different sequences. Basically, there are different professional opinions on whether or not we should do all the testing on each smoke detector, the three separate tests. The Office of Compliance, we just got their report yesterday, they believe that we should do the testing that the Fire Marshal has suggested, where the other consultants believed we do not need to do all three tests.

Ms. WASSERMAN SCHULTZ. I see.

Mr. UNGAR. I believe Mr. Ayers is going to go ahead and do what the current plan calls for. The other items would not be quite as much savings, but there is still some potential there. I do not know that any decision has been made on whether we might be able to do less subsystems testing and use some technology to help out there or not. There are two other suggestions that the Office of Compliance made. One was that we might be able to do, in effect, some probability sampling of this CONOP. I do not know that the Fire Marshal has actually made a decision on that yet. But another recommendation that was made could be very helpful to us in meeting the time frame. And that is a suggestion that we should consider allowing the operations staff to begin preparing for operations prior to the time that we have a temporary certificate of occupancy, assuming the testing is done in such a way as the building would be safe to do that. That could be a very helpful suggestion if it is adopted.

Mr. AYERS. Madam Chair, if I may?

Ms. WASSERMAN SCHULTZ. Yes, Mr. Ayers. My time has expired.

OFFICE OF COMPLIANCE REPORT

Mr. AYERS. I did read the report from the Office of Compliance this morning. I would just like to commend Mr. Eveleth and Charles Tetro who wrote the 16-page report. It is an absolutely outstanding analysis of the issues. It is very well written. And it takes a very sophisticated and complicated issue and boils it down to something that is very readable and easily understood. So I would encourage all of you to read it. And I will give you two sentences: The Architect of the Capitol's Life Safety Acceptance Plan for the CVC represents a reasonable and reliable means to confirm the function and performance of the CVC's complicated Life Safety System. Accordingly, we agree with the determination of the Architect of the Capitol to proceed with the acceptance testing as set forth in the plan. So I think we are doing the right thing.

Ms. WASSERMAN SCHULTZ. Okay. Great. Thank you very much. My time has expired.

Ms. Lee.

CVC HIRING AND STAFFING DIVERSITY

Mr. LEE. Well, just following up on my previous questions, I just want to ask Ms. Rouse, first of all, let me commend you for your efforts at ensuring that the hiring process and the staffing reflect the diversity of the millions of Americans who should be reflected in the staffing of the center. A couple of things with regard to some of the openings. As you do your job fairs, it would be helpful if you would send information to of course the Hispanic Caucus, Asian Pacific Caucus, and the Congressional Black Caucus in terms of postings, because we may be able to help you just in your outreach efforts. And secondly, I would like to get an understanding of the process of how you select suppliers, and the difference between that process and the contracting process, or is it all centralized, or how does this work?

Ms. ROUSE. And I will try to do my best, and I will provide any additional information for the record. What we will be using moving forward with the CVC is an initiative to reach out to minority-owned businesses and small businesses. A lot of the highly craft objects that will go into the gift shop, for example, will probably come from small vendors. So we have been gathering names. We have also put an initiative out in the community, and our new gift shop manager is very familiar with that assortment of artisans. So we want to make sure that they are represented, and also make sure that they understand our process, and are not overwhelmed by what looks like government. So there will be a little bit of hand holding.

We did hire someone in the procurement department who can be helpful in answering questions that often come from someone who is not familiar with the system.

TRAINING INITIATIVES

We have some other initiatives regarding training. We are also trying to gather names of various types of training organizations who could be responsive to our RFP about training for what is going to become our CHIP program and then our staff program. It

is a particular passion of mine that we be able to have people be well prepared on the floors, not only just on simple questions, but if they are also doing guided service. Also as we train staff, that we are providing them with the best possible opportunity. So it is gathering people in. It is a combination of us having some initiatives and making sure people know about them and it is a procurement process, larger procurement or RFP.

Mr. LEE. Is this national? Is it a national search that you engage in or is it primarily regional, local?

Ms. ROUSE. The gift shop, to my understanding, is national. It is knowing who is out there, if you will, and then the more people know, they seek us out. I guess with the general RFP, that would go as far as we possibly could.

Mr. LEE. Okay. Mr. Ayers, in terms of the contracting process with regard to say the construction, the big contracts, is this centralized?

Mr. AYERS. The way we run our procurement function is we actually have a decentralized procurement office. We have a central procurement office with our contracting officer and contract specialists, and then, as you know, we operate with 10 separate appropriations and what we sometimes call jurisdictions, the House, the Senate, the Supreme Court, Library of Congress, Capitol Building. Each of those respective offices or business units have procurement professionals in them as well.

Mr. LEE. I see, okay.

Mr. AYERS. So in that regard we run a decentralized procurement operation. Typically, we compete construction contracts through the standard Federal procurement guidelines, and we advertise, and people nationally can bid on those things. They typically are won by more regional companies, because they can obviously do it cheaper.

Mr. LEE. So all of the branches, the 10 branches understand what the new requirements are——

Mr. AYERS. Absolutely.

Mr. LEE [continuing]. As it relates to small businesses, minority, women-owned businesses?

Mr. AYERS. Right.

Mr. LEE. Thank you very much.

RECRUITMENT EFFORTS

Mr. AYERS. If I could just further embellish and compliment Terrie on her recruitment efforts, I know that she has advertised all of those jobs to the Federal Asian Pacific Council, the Blacks in Government, the American Association of African American Museums, the Society of American Indian Government Employees, and the list goes on and on. She has really done a great job of casting a wide net to recruit the talent to run the CVC.

Mr. LEE. Great. Thank you.

Ms. WASSERMAN SCHULTZ. Thank you, Ms. Lee.

And Mr. LaHood, I apologize for skipping you. Mr. LaHood.

GOVERNANCE AND LEGISLATION

Mr. LAHOOD. Not at all. I want to go back to this governance thing, because I think it is going to be a serious problem. Unless

you are intimately involved in the legislation, or our subcommittee is, things change very quickly around here, vis-a-vis Mr. Latham assuming the ranking member position. And, you know, I know that while you are Chair of this subcommittee you will pay attention to this. But I assume that if an opportunity is provided for you to move to another subcommittee and chair it, you would take advantage of that. And I am just saying this, when this project was started it was started under Republican leadership. It was started by people who are no longer in the Congress. And we need to have some say in whatever legislation is developed. If we do not, we are going to be sitting on the sidelines, and when complaints come in about who is running things and who is responsible, we are not going to be at the table. So if the House Administration Committee is developing the legislation, I hope we are going to be in the room when it is developed.

And I hope our subcommittee is going to have some role to play. And I would even ask, if Mr. Dorn can play a role here by looking at the legislation that is being developed, because eventually if this thing is not working right, your office is going to be called in to find out and figure out what the problems are. And I do not know if you can play that kind of a role, Mr. Dorn, but we need to make sure that all the people that are going to have some say over this are at the table and in the room when the legislation is developed so that on day one, when the facility is opened, people around here know who is running this place and who has ultimate responsibility. So I will make that point.

STAFF TOURS

The other point I want to make is on these tours, I have a Web site like most Members, probably like all the 434 Members of the House, and I assume all 100 Senators do, I have a Web site where people can click in and order a flag, request a tour, but the vast majority of people call my office. You need to be sure that there is in place an opportunity for all 435 offices and 100 Senators' offices, there has to be clear lines of understanding here or you are going to have a huge mess on your hands when individual Members want their staffs to give staff tours.

That has become, I think, one of the services that our offices have provided that people have really appreciated. And I agree with what the chairwoman has said about this. People care more about a staff tour than they do about any bill that is ever passed around here. And if you do not get it right, you are going to be in for you know what around here by Members.

This is as important as any piece of legislation that has ever passed. This is critical. And you know, the idea in your description of how people can click in and all that sort of stuff, a lot of people around this country do not have computers and do not have the ability to click onto a Web site, but they do have a telephone. Everybody in this country has a cell phone, and they know how to call their Congressperson in order to get a tour. And listen, we do not want to mess this up. I want you to get it right from the beginning, because if you do not, there is going to be you know what to pay around here.

That is my admonition on that. Thank you.

CVC OPERATIONS—APPROPRIATIONS COMMITTEE INVOLVEMENT

Ms. WASSERMAN SCHULTZ. No, thank you. I agree with you 100 percent. And let me just add that the legislation, as I understand it, I have not read it yet, but the legislation that has been introduced by Mr. Brady and Mr. Ehlers related to the CVC operation includes the Appropriation Committee's involvement, our signoff on the various processes that they will go through. As I review it, I will make sure that we have the appropriate amount of involvement, if we do not already.

Mr. Latham, I would ask your assistance in that, because obviously we are going to be expected to appropriate whatever funds are needed to operate the CVC. And let me just remind all the witnesses that you made reference to your oversight committees. Those are not limited to just the Senate Rules Committee and the House Administration Committee. This committee is an equivalent when it comes to oversight. And we would expect that you would include us and keep us apprised and involved, not just told, but involved in the process as you go forward with your plans to begin opening and operating the CVC. Thank you, Mr. LaHood.

FIRE ALARM ACCEPTANCE TESTING PROGRESS

Obviously the fire alarm acceptance testing plan is really significant. It could potentially be the biggest factor in whether or not we get thrown off track. And through our oversight hearings, we will continue to keep close tabs on the progress of that. I have really been pleased with the progress we have been making. The margins are very close, we do not have a lot of wiggle room, so we have to make sure that we are vigilant, that you get what you need from us, and that you are paying very close attention to it. And the homework that I have is related to that as well.

ELECTRICAL VAULT CONCERNS

I want to jump to the electrical vault issue, because that is also another problem that potentially could result in throwing the schedule off. I know that you have been working hard to resolve the three existing electrical vaults that were inhibiting the paving portion of the plaza. They were put in the wrong place, and that that is in the process of being worked through. I have been reading the weekly reports. Can you give us, Mr. Ungar, a status update on where we are with that?

Mr. UNGAR. Yes, Madam Chair. Actually, as we speak our architectural consultant is surveying the area. By the end of this month we would hope to have a design from them as to how to do the construction. Then our Sequence 2 Contractor is ready to roll. We also have to have a contractor that has been approved by Pepco to do a major portion of this work. We will need to get Pepco's signoff on our design. They have agreed to give us expedited service in reviewing that once we get the design done. So we hope to start the first part of March. Then it will take several months to do that. I do not suspect it will adversely affect the opening, because we hope to have that work done by the end of August or early September at the latest.

Ms. WASSERMAN SCHULTZ. What about the 621 number?

Mr. UNGAR. It is going to be more than we anticipated, but we do have contingency funds available. So I do not believe at this point in time that it is going to affect that.

Ms. WASSERMAN SCHULTZ. In the spirit of making sure that something like this does not happen again, how is it that this happened?

Mr. UNGAR. The best I can determine, and we will look more into this, Madam Chair, apparently a while ago, when the firm that was doing the initial survey work for us did it, it apparently did not do thorough enough research on the depth of these manholes and the Pepco requirements. It was not until recently that we learned that we were not going to have enough distance to meet Pepco's requirements. So that is what threw us off. Once we learned we had the problem, we obviously got right on it.

Ms. WASSERMAN SCHULTZ. Okay. Well, I know you are monitoring it very closely, and the reports that we get give us very specific detail on the progress. So I appreciate that. When were those installed? I know we realized it fairly recently, but at what point in the process were those installed?

Mr. UNGAR. I do not know that they are new. I believe there are two existing ones. The problem is that we do not have enough distance between those manholes and the electric vaults with the cable. We have to add a third one. Of course, we will have the distance requirements for that.

CHANGE ORDER MONITORING

Ms. WASSERMAN SCHULTZ. Okay. On the issue of change orders, I watch the change order section of the report every week. There are some weeks that you have come in where you have resolved more change orders than you have had come in. The last couple weeks we have had more change orders come in than you have resolved. And they are starting to drop in terms of the amount that they cost, but it is a little disturbing that we are not changing the number. Mr. Dorn referenced that that could eventually—I mean months ago he referenced that the change orders issue could eventually become a problem in terms of the critical path.

Mr. Dorn, do you still have that concern or do you think that the progress that has been made has been made steadily enough that they will not affect the opening?

Mr. DORN. As far as schedule, the AOC has been able to work around these change orders by giving the contractor permission to start on some of them with a not-to-exceed number, so he has been able to mitigate most of the schedule impacts so far. What you have I think more than schedule impact is just an unknown cost. We have got estimates put together to give a range of where we think those costs are going to be, but it is still an uncertainty.

Ms. WASSERMAN SCHULTZ. When do we anticipate the number of change orders coming in will begin to slow? Because that would be nice.

Mr. UNGAR. We hope that will take place in March, Madam Chair. We have only a few areas of the CVC for which construction is not complete. The East Front, the House Hearing Room, the Tunnels and exterior landscaping. We are still, unfortunately, running into some structural issues and some conflicts in the East

Front. I suspect we will have a few more of those. I hope not, but I suspect so. I think they are dying down in the Hearing Room. I suspect we will have a few more come in. We also are beginning to do what we have termed some auxiliary projects. We may get a few on those. For example, congressional leadership would like to have us install information desks in the CVC. We have intentionally held off on doing that until after substantial completion so we can get the acceptance testing done. There are a few projects like that that we have held off on. My suspicion is we may get a few changes. They will not be significant. But in terms of count, I mean the numbers, the dollar amount will not be high, but the count will be there. But I think in reality the only way to do this any quicker would be to ask our construction manager to bring on more staff to process these quicker. But if we were to do that, the Sequence 2 Contractor and subcontractor would also have to add staff. At this point, I think everybody has concluded that it is not a major problem. We would certainly like to get them reconciled, but it is not a major problem.

PUNCH LIST ITEMS

Ms. WASSERMAN SCHULTZ. As long as you are still anticipating it is not a major problem. On the punch list items, we recognize that you can open the CVC with punch list items left. I mean 50 a day is not a number that scares me that much. But of the significant punch list items that need to be dealt with before, do you have any concern about dealing with those and getting those put aside? And then obviously the little touch-up paint issues and smaller ones could continue after the opening. Do you have any concern about not getting those accomplished by the time we open?

Mr. UNGAR. At this point we do not, Madam Chair. We are going to sit down shortly and go through these. I just might add that the punch list right now is going to go up and down because we have not finished work in the East Front yet and a few other areas. We are going to be obviously reviewing those and adding to the list at the same time it is going to be going down. We are going to be going through that with our construction manager, and we are going to make sure and work with our contractor to make sure that anything that possibly could hold up opening is addressed in sufficient time. Our contractor has been very good about working with us in areas like that.

Ms. WASSERMAN SCHULTZ. In the change order section, or wherever you think it is appropriate on the weekly report, if you could add a progress report on how we are doing on——

Mr. UNGAR. Punch list?

Ms. WASSERMAN SCHULTZ. punch list items, that would be great.

Mr. UNGAR. Sure.

CVC TRAINING PROGRAM

Ms. WASSERMAN SCHULTZ. Let me just flip back to the staff-led tour issue, and we can close it out on that. Ms. Rouse, we have all stressed how important it is that accurate information be relayed by Capitol guides and by our staff when they are giving a tour. And I know you are developing that CHIP training program. I am a little bit concerned about whether or not a 12-hour training program,

which is more than 2 days in terms of a workday, is necessary. Why is 12 hours a magic number? I mean 6 hours out of 2 different days for any staff person that you want to get fully trained seems a little excessive. We do not want to love the training program to death so that it is difficult to get our staff members trained.

Ms. ROUSE. Well, we can always look at the hours. The 12 hours, I think, works well. We worked with the training department. Because it is not only just the historical information, it is safety issues, it is trying to get them comfortable with this process, integrated into what has to be done, giving voice to the Senate and the House side in terms of the type of information that is there and their comfort level. Also it is a way for us to have staff who are short-term as well as long-term really become embodied with the services of the Capitol Visitor Center, to have them become part of us and part of Congress. So that is the reason for the 12 hours.

I would also like to be able to, as we develop our volunteer policy, some of these staffers may want to become part of our volunteer corps as that is improved. So it is really a way to get people engaged. So that is the notion of the 12 hours. We were hoping, and we had talked to some of the Representatives' offices, that in those first series of classes, to use the congressional auditorium so we can do 400 at a time, so within a couple of weeks we could have almost one thousand people trained.

Ms. WASSERMAN SCHULTZ. How often are you planning on running those? Because I saw that your proposal was monthly, once a month. That may not be enough.

Ms. ROUSE. That is true. When we first start we are going to try to backload and get as many done as we possibly can. Then we will be able to test the waters and see how it is all going. But initially, it will be to do as many as the demand supplies. Of course, we will be scheduling around other events in the Congressional Auditorium. We are also going to explore, if necessary, a space that is not directly on the Hill, or across the street or someplace in the event that, we get bumped out of the Congressional Auditorium.

TRAINING PROGRAM OUTLINE

Ms. WASSERMAN SCHULTZ. Do you have an outline of the proposed training program? If you could submit that for the record I would appreciate that.

Ms. ROUSE. Sure.

[The information follows:]

Congressional Historical Interpretative Training Program - C.H.I.P.

Question. Provide an outline of the proposed Congressional Historical Interpretative Training Program (C.H.I.P.).

Response. Following is an outline of the proposed program.

Congressional Historical Interpretative Training Program - C.H.I.P.
(Staff, temporary employees and interns)

The CVC staff, in close collaboration with AOC's training office, is developing a scope of work for a contract to launch the Congressional Historical Interpretative Program (CHIP) in late-fall 2008.

Need – Well Trained Staff

Facilitate the Congressional need to have interns, permanent, and temporary staff adequately trained to perform the following activities:

- conduct tours for constituents of the historic Capitol building and CVC exhibition,
- provide for the safety needs of constituents; as well as ensure the correct portrayal and interpretation of:
    - the information provided about events surrounding and involving the Capitol,
    - pertinent architectural features,
    - legislative history or current issues affecting their employing office,
    - and other legislative actions which impact the constitutional rights and privileges of citizens

To that end, a certifying Congressional Historical Interpretative Training Program is being proposed with the following features:

- Place: CVC Congressional auditorium
- Maximum Participants: 200 per session (2,400 annual participants)
  (Participants will be broken down into small groups for activities.)
- Frequency: Monthly – During the first month of the program, the goal will be to hold four to six sessions in a three week period for a maximum capacity of 1,800 trained staff
- Time: twelve hours – three, four-hour (half day) sessions
- Evaluation: All attendees will be evaluated with successful candidates receiving "Certificates" of completion
- CVC First Year Participants will receive CVC Opening Year Commemorative Pin
- Coordination: CVC Training Program in coordination with the AOC Training Division and the USCP, as well other relevant Congressional resources.
  (Note: The Guides will be merged into the Capitol Visitor Center staff as the Visitor Services Department.)

The details of the training, along with an itemization of a proposed budget, will require further development.

Elements of the program:

- Development of seasoned tour guides (including Congressional Staff and members of the Professional Guides Association) who can explain the key historical features and events as they relate to the collections of the Capitol
- Guest Speakers / Presenters including Senate and House historians, curators, and archivists who can provide greater depth and understanding of the importance of the Capitol for the participants of the training
- Film / audio to support the training
- Demonstration of best practices, including life-safety training
- Material – background (books, DVD & etc.)
- Training Material – (interpretative) that supports the training and can serve as future job aids and references

Ms. WASSERMAN SCHULTZ. So we can see what process you are taking that through for training. And then my last question before we wrap up and I give you the monthly homework is I am a little bit concerned about your communication plan, because we do not really have a sense of just how many visitors are going to come through right at the beginning. Like you said, you have D.C. Residents that will come in initially, and we expect a big influx in the spring, and obviously with any opening you have kinks that you are going to have to iron out, which is why you are going through that first annual series of activities. I would strongly suggest you not implement a marketing and outreach and communication plan until after the kinks are ironed out. You are not planning on inviting the world at the point that we open, are you?

Ms. ROUSE. We are in the reverse problem. I think everybody will know that we are opening. Our goal is to make sure that everyone who comes to the Hill is properly prepared. That is our whole public awareness approach, that people know they should not bring bottles of water, they should not bring their backpacks. We often run into the fact that people do not know how to access the people's House. So there is a lot of confusion in the tourism publications. So we want to get the word out so it is correct, so people are prepared from that standpoint. That is how we see it is not marketing proactively, it is marketing to inform. So that is our public awareness approach.

Ms. WASSERMAN SCHULTZ. As far as the proactive marketing, though, because eventually I assume you will market and encourage people to come. That is down the road? Good.

CHAIR CLOSING REMARKS

Okay. Again I want to welcome Mr. Latham. I am truly looking forward to working with you, and appreciate all the input that we have had from Members over time. I also want to thank the whole CVC team and the Architect of the Capitol for the progress that we have made. We have a long way to go, but we have come really far in the last year. But what has become clear to me from this hearing and over the last number of months is the fire alarm acceptance testing is really going to be the key to whether the project stays on schedule. All these other things, they are sort of an annoyance, they are an irritant, but they are not what makes my heart pound at night. I never thought fire alarm acceptance testing would make my heart pound at night, but it does.

CHAIR'S ADDITIONAL ASSIGNMENT

Mr. Dorn, you testified about the consultants having different advice and different opinions. And I know you have chosen at this point to go with the Fire Marshal's recommendations according to the existing plan. But we need a clear understanding. If you can give us each recommendation that has been made with regards to the testing plan, which consultant or agency made each recommendation, what the potential impact of each recommendation would be on the CVC's project cost and schedule, and what has been done to implement each recommendation or the reasons why a particular recommendation has not been pursued. And if you

could prepare that in a summary paper no later than noon, next Friday, February 15th, I would appreciate it.

Mr. Latham, you have anything else to add?

Mr. LATHAM. No. I just appreciate the panel, say thank you very much for the great job you are doing, and quite honestly, I hope I do not get to the point where my heart pounds——

Ms. WASSERMAN SCHULTZ. I hope not either.

Mr. LATHAM [continuing]. Over fire testing.

Ms. WASSERMAN SCHULTZ. With that, the subcommittee stands in recess, subject to the call of the Chair.

Capitol Visitor Center Hearing
February 7, 2008 at 10:00 am
Rayburn – Room 2362A

Additional Assignment
Ms. Debbie Wasserman Schultz, Chair
Subcommittee on the Legislative Branch, Committee on Appropriations
U.S. House of Representatives

Question. As this hearing has made clear, the CVC's fire alarm acceptance testing is the key to whether this project stays on schedule and within budget. Mr. Dorn has testified that consultants have suggested changes to the testing plan that might shorten the length of time required for testing, but that the Fire Marshal has decided to proceed according to the existing plan.

We on this subcommittee need a clear understanding of each recommendation made with regards to the testing plan; which consultant or agency made each recommendation; what the potential impact of each recommendation would be on the CVC project's cost and schedule; and what's been done to implement each recommendation (or the reasons why a particular recommendation hasn't been pursued). To get this understanding, I want the Architect of the Capitol to submit a summary paper with this information no later than NOON next Friday, February 15.

Response. This information will be kept in the subcommittee's files for a limited period of time.

WEDNESDAY, FEBRUARY 13, 2008.

ARCHITECT OF THE CAPITOL

WITNESS

STEPHEN T. AYERS, AIA, ACTING ARCHITECT OF THE CAPITOL

CHAIR OPENING REMARKS

Ms. WASSERMAN SCHULTZ. Good morning. I am pleased to call to order this hearing of the Legislative Branch Subcommittee of the House Committee on Appropriations.

This is our first in a series of hearings on the Legislative Branch agencies. Collectively, the agencies have asked for an approximately 19 percent increase. Given that in the last two cycles we have had either a 2 or a 3 percent increase in the Legislative Branch overall, I think that we are going to need to pare down expectations and inject some realism into what is likely to happen versus what I think most of us would like to happen.

I certainly am committed to making sure that we do as much as we can and, like we did in the 2008 cycle, deal with the "must haves," the "got to haves" and the essentials as opposed to the, "gee, it would be nices." We are going to be considering a $3.7 billion request from the Legislative Branch, a $587 million increase over FY 2008. If you add the Senate items, we end up going over $4.7 billion.

That having been said, I know the Acting Architect of the Capitol, Mr. Ayers, has put together a proposal. Based on the long-term hearings that we had last year, you got a pretty clear indication of what my priority is in terms of making sure that we look forward towards what the needs are as far as shoring up the Capitol complex and in making sure that we address the facilities' needs and the infrastructure's needs. I know, in your proposal, you have done that. You have definitely indicated all of the needs that you have and have laid them all out there. So I appreciate that. It helps in terms of understanding the magnitude of the problem that we are facing.

So I do not want you to take my expression of realism to be a criticism of your request, because I completely understand why you have laid it all out there and have expressed to us just exactly what we are facing in terms of needs.

Our job as the Legislative Branch Subcommittee is to be the stewards of these facilities, the financial stewards of these facilities. House Administration oversees the day-to-day operations, but we are the ones who fund the infrastructure. If something is crumbling, it is our responsibility to make sure it gets taken care of.

I know that your budget proposal this year looks toward making sure that we are fiscally responsible by trying to focus on paying for today what we can get done so that it is not more expensive

tomorrow. And I think that is a really responsible way to approach it. But we are still going to have some very tough choices, just like we always do.

I am looking forward to hearing your remarks.

Mr. Latham, welcome to your first budget hearing on the Legislative Branch Subcommittee.

CONGRESSMAN LATHAM'S OPENING REMARKS

Mr. LATHAM. Thank you very much.

I look forward to the testimony today and to hearing your request.

I have a particular concern about all of the deferred construction and all of the pending problems that we have out there. Hopefully, we can target our funding to things that are really needed. I look forward to hearing your testimony but also to asking you a few questions. So thank you.

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

Mr. Ayers, your statement has been received and will be entered into the record at this time. If you could proceed with a short summary of your statement.

OPENING STATEMENT—STEPHEN AYERS

Mr. AYERS. Thank you, Madam Chair and Congressman Latham. Thank you for the opportunity to testify today regarding our fiscal year 2009 budget request.

It was a little over a year ago that I began serving as Acting Architect and nearly a year ago that I first testified before this subcommittee on our budget operations and accomplishments.

This budget represents change for the AOC. It represents a change in leadership and a change in direction. It represents change from a reactive organization, one that has often been caught flatfooted and faced with significant problems, to one that looks forward, plans and takes action to anticipate problems and to prevent a crisis.

This has also been a year of growth for the AOC. Specifically, we have seen our scope of responsibility grow from 15 million square feet to nearly 16.5 million square feet and from 370 acres of land to more than 450 acres today. With that additional responsibility comes added cost for maintenance, staff, utilities and physical security.

At the same time, the historic buildings and other physical infrastructure in our care continue to age. In addition, as fire and life-safety standards have become more stringent since these buildings were constructed, we face significant requirements to abate Office of Compliance citations and improve fire safety conditions throughout the Capitol complex. We are committed to ensuring that these deficiencies are corrected and that significant resources are put toward these issues.

UNFUNDED REQUIREMENTS

We have a backlog of more than $600 million in deferred maintenance and $800 million in capital renewal projects. As the AOC continues to be unable to fund these projects, this "bow wave" of

unfunded requirements continues to grow. We have developed this budget through a deliberate planning process, and it reflects only the highest-priority initiatives for funding our core activities. We have already made some difficult choices and have not requested funding for a long list of projects, additional staffing, and several operational initiatives.

We also recognize that this is a significant request in a time of fiscal restraint. We believe that, without this important investment in facilities, they will continue to deteriorate. We believe it is fiscally responsible to request the funding needed now instead of waiting until facilities are in a crisis and beyond repair, thereby costing millions more to restore, renovate and renew.

If not addressed, facility requirements will only continue to grow more serious and more expensive. Therefore, we are requesting $642.7 million for fiscal year 2009.

Our 2009 annual operating budget request of $384.4 million provides funding for operations and for maintaining the infrastructure that supports the Congress as well as AOC's internal infrastructure systems. This increase of $48.1 million is driven primarily by the upfront investment requirement to meet legislated energy usage decreases as well as to fund the initial full-year operations of the Capitol Visitor Center.

The second component of our budget request is $258.2 million for capital projects. Chief among our responsibilities is maintaining, preserving and upgrading the national treasures entrusted to our care. Determining which work is done first and where our limited resources are best used involves a deliberate approach and multi-year project planning. Our primary focus is on ensuring that fire and life safety deficiencies are corrected first.

AOC ACHIEVEMENTS

Madam Chair, as I noted earlier, the past year has been one of significant achievement for the AOC. In addition to meeting the substantial completion date for the Capitol Visitor Center, some of our other accomplishments include adding the Library of Congress's new National Audio Visual Conservation Center to our inventory; signing into effect a collective bargaining agreement with AFSCME Local 626; completing office moves for the 110th Congress, including 181 House offices, 20 House committees, 21 Senate offices, and nearly 840 Senate staffers. Additionally, we have closed out 65 of 98 items or citations from the Office of Compliance. We also have closed out 54 of 72 GAO recommendations aimed at improving the organization. And we have received our fifth consecutive clean financial audit opinion from our independent auditors.

Internally, we continue to foster a results-oriented workplace and encourage communication and teamwork throughout the organization. I am pleased to report that a direct result of our efforts is a decrease in our injury and illness rate for the eighth year in a row.

We greatly appreciate this subcommittee's support and the investment that Congress has made in our facilities and infrastructure in recent years. However, as these buildings continue to age, they will require significant repairs and renovation, and this will require significant investment. We are committed to working with

the Congress to address this backlog of maintenance and repair projects.

Over the past year, the AOC has accomplished much and has experienced several successes. These achievements can be directly attributed to the dedicated and professional individuals that make up our team. In my role as Acting Architect, it is a great privilege and an honor for me to work alongside them every day.

Thank you once again for the opportunity to present our FY2009 budget, and I am happy to answer any questions you may have.

[Mr. Ayers' statement follows:]

STATEMENT OF STEPHEN T. AYERS, AIA
ACTING ARCHITECT OF THE CAPITOL

Regarding Fiscal Year 2009 Appropriations
For the Office of the Architect of the Capitol

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

February 13, 2008

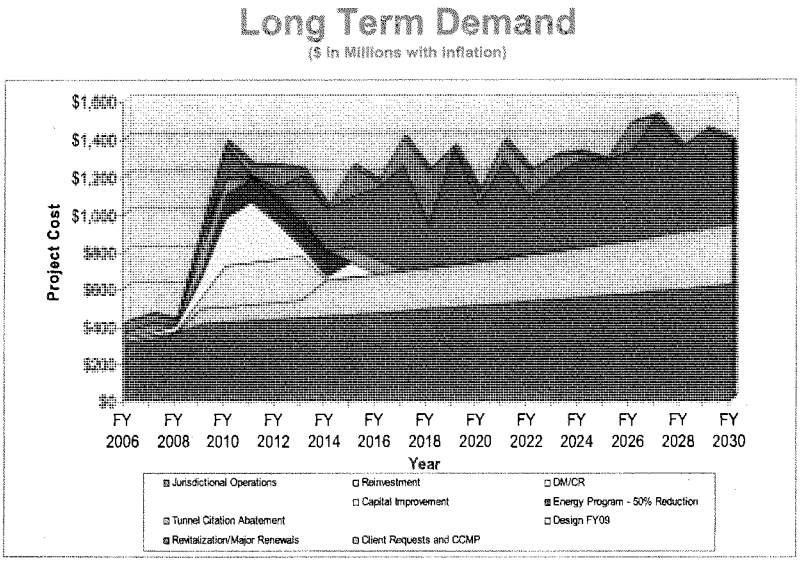
Madam Chair, Congressman Latham, and members of the Subcommittee, thank you for the opportunity to testify today regarding the Office of the Architect of the Capitol's (AOC's) Fiscal Year 2009 budget request. It was a little over one year ago that I began serving as Acting Architect of the Capitol, and nearly a year ago that I first testified before this Subcommittee about the AOC, our budget, our operations, and our accomplishments.

It has been a year of change and growth for our Agency, and also one in which we had many accomplishments and achievements. Specifically, we have seen our scope of responsibility grow from 15 million square feet of buildings to 16.5 million square feet of facilities, and from 370 acres of land to more than 450 acres. With that additional responsibility comes added cost for maintenance, staff, utilities, and physical security.

At the same time, the historic buildings and other physical infrastructure in our care continue to age. They require extensive maintenance in order to preserve them, as well as ensure that they continue to serve as functioning, professional working environments for years to come. Our buildings range in age from 27 years old for the Library's Madison Building, to more than 200 years old for parts of the Capitol Building. This year we are celebrating the 100th anniversary of the Cannon House Office Building, and next year will be the 100th anniversary of the Russell Senate Office Building. The Cannon Building was occupied by all Representatives serving in the 60th Congress. Today, in the 110th Congress, it is one of three House Office Buildings housing members, their staffs, and committees, and it is clearly showing its age.

In addition, as fire and life-safety requirements and standards have become more stringent since the buildings were constructed, we face significant requirements to abate Office of Compliance citations, and improve fire safety conditions throughout the complex. We are committed to ensuring that deficiencies are corrected and significant resources are devoted to protecting the people who work in and visit the Capitol complex. Life-safety projects, such as the utility tunnel repair program, are very high priorities.

Based on Facility Condition Assessments (FCAs) that have been conducted throughout the Capitol complex since 2004, we have been prioritizing projects based on a set of objective criteria. The FCAs indicate a backlog of more than $600 million in Deferred Maintenance and $800 million in Capital Renewal projects, with $900 million of the total $1.4 billion being urgent or high priority. As the AOC continues to be unable to fund Deferred Maintenance, Capital Renewal, and new projects and initiatives, the "bow wave" of unfunded requirements continues to grow, as demonstrated in the following table.



We have developed this budget through a deliberate planning process, and it reflects only the highest priority initiatives and funding for our core activities. We made some difficult choices in our efforts to be good stewards of the Capitol complex. We have not requested funding for a long list of projects, additional staffing, and several operational initiatives and resources.

While we recognize this is a significant request at a time when fiscal restraint is necessary, we believe that without this important investment Capitol complex facilities will continue to deteriorate. It is fiscally responsible to request the funding needed now instead of waiting until facilities are in crisis and beyond repair, thereby costing millions more to restore, renovate, and renew.

If not addressed, facility requirements will only grow more serious and expensive over time. Thus, we are requesting $642.7 million for Fiscal Year 2009. This is more than $228 million greater than what was appropriated to our Agency in FY 2008, or a 55 percent increase.

A large portion of that increase, however, is for our Utility Tunnel Improvement Program. In order to meet the five-year schedule as per the agreement with the Office of Compliance signed last spring, we have requested $126.6 million for the Utility Tunnel Improvement Program in FY 2009. Without the Tunnel Improvement Program request, our budget request would be 24.5 percent over what was appropriated in FY 2008.

Madam Chair, we look forward to working with this Subcommittee, the Senate Subcommittee on the Legislative Branch, and our Oversight Committees to address the backlog of maintenance and repair projects, as well as find ways to improve and modernize Capitol complex facilities, so that a crisis situation is averted.

Annual Operating Budget Request

Our FY 2009 annual operating budget request for $384.4 million provides funding for continuing the routine activities of operating and maintaining the infrastructure that supports the Congress, other Legislative Branch Agencies, and the public, as well as AOC internal infrastructure needs in information management systems and operations. The increase of $48.1 million is driven primarily

by the upfront investment requirement to meet legislated energy usage decreases; as well as fund the initial full-year operations of the Capitol Visitor Center (CVC).

To date, the appropriation for the CVC has provided funding for the construction of the CVC and minimal operational start-up costs and facility maintenance. Beginning in FY 2009, this appropriation will need to fund full-time, annual CVC operations and administration, as well as potential construction claims. In addition to salaries, equipment, and supplies, our FY 2009 request will provide funding for the printing of informational brochures, educational public programs, exhibits, training, and other programs associated with the opening of the new facility.

We are also looking to increase our investment in information technology (IT) in FY 2009 to ensure a sustainable life-cycle replacement and upgrade program. Over the past four years, the AOC has not been able to replace or upgrade aging network, storage, server, and desktop systems at a rate required to sustain a secure and reliable IT infrastructure.

Many of these systems were last upgraded or replaced in 2002 following the terror attacks of September 11, 2001, and are now nearing or past their expected life span. They have not been replaced due to budget shortfalls and restrictions under the continuing resolutions of the last few years. Those same shortfalls have also impacted our ability to perform the overdue certification and accreditation of our IT systems and to implement industry and government standard IT security capabilities, such as secure remote access and encryption. In FY 2009, we will also complete the modernization of our computing infrastructure to take advantage of new "green" virtualization technologies and move to a Microsoft Exchange e-mail system, which is the de facto standard throughout the government.

In addition, new energy reduction and management initiatives, the utility tunnel upgrade projects, and the digitization of our curatorial photo archives are significantly increasing costs related to the management and storage of our electronic data. We are also working to migrate to a Web-based time and attendance system that will integrate with our facilities management system to enable more effective cost accounting for projects and integrate with the time clocks required under our recently signed union agreement.

Finally, we are also continuing to develop and expand the capabilities of our automated human resources and financial management systems to keep pace with evolving technological and process changes and improve efficiency and usability of those systems.

Capital Project Budget Request

The second component of our FY 2009 budget request is $258.2 million for capital projects. As I discussed earlier, chief among our responsibilities is maintaining, preserving, and upgrading the national treasures entrusted to our care by Congress. This includes the facilities, grounds, art work, and other assets. Determining which work is done first and where our limited resources are best used involves a deliberate approach and multi-year project planning.

A vital tool that we rely on during this process is our Facility Condition Assessments (FCAs). The AOC has been conducting FCAs throughout the Capitol complex since 2004, to help us catalog and prioritize projects based on a set of objective criteria that allow us to evaluate the merits of each project. FCAs also provide us with a method for measuring the current condition of all facilities in a uniform way to assess how much work is necessary to maintain or upgrade their conditions to acceptable levels to support organizational missions, prevent further deterioration, and help to determine when this work should occur.

Once an FCA is completed on each facility, the information is rolled into a five-year Capital Improvement Plan (CIP). The CIP is used to evaluate projects based on a set of pre-established criteria. These criteria include whether the work addresses fire and life-safety issues; code compliance; preservation of historic or legacy elements; economics and life cycle cost considerations, physical security and other considerations, such as environmental and energy efficiency. The projects are further evaluated based on the conditions of the facilities and their components, and the urgency in correcting the deficiencies.

We are also developing the Capitol Complex Master Plan (CCMP) which requires executing necessary deferred maintenance and renewal work to keep existing facilities functioning while planning for major renewal projects. The CCMP and individual Jurisdiction Plans seek to address these growing problems through a flexible investment strategy incorporating reinvestment and new construction. Each Jurisdiction Plan is being evaluated to ensure sequencing of short- and long-

term priority work is properly expedited and aligned to ensure successful execution and avoid duplication of efforts. Ultimately, the CCMP will establish a framework that will help the Congress to prioritize the maintenance, renovation, and construction of facilities over the next five, 10, and 20 years while allowing for prudent budgeting of the costs for necessary upkeep and construction.

Using the CIP process, we are able to comparatively vet the projects to ensure that the most urgent get addressed most quickly. Setting these priorities and setting limits resulted in some projects not rising to the top of the list based on the objective criteria used as part of the CIP process. It is not that these projects are not important. They are all needed and are mission critical, but the fiscally responsible thing to do is address the most urgent needs first. This multi-step methodology was used to produce the project priority list included in our FY 2009 budget request submitted for the Subcommittee's consideration.

As in previous budgets, our primary focus is on ensuring that fire and life-safety deficiencies are corrected and that significant resources are devoted to protecting the people who work and visit the Capitol complex. An example of a major life-safety project is the Utility Tunnel Improvement Program.

In May 2007, the AOC and OOC signed a comprehensive settlement of a complaint and three citations involving safety in the utility tunnels. The AOC will permanently abate safety and health hazards within five years unless extended by mutual agreement of the parties or necessitated by funding shortfalls. Receipt of the $126.6 million requested in FY 2009 assures that the AOC remains on schedule to meeting its obligations under the settlement agreement with the OOC.

Other key capital projects included in the AOC's FY 2009 budget request are:

- U.S. Capitol Grand Stairs Smoke Control System
- Smoke Control System – Adams Building
- Prescriptive Egress Improvements – Longworth House Office Building
- Refurbishment of FOB-8
- Various Energy Conservation Studies

In addition to these new capital projects, we have nearly completed construction of the Capitol Visitor Center project and are preparing to open the facility later this year.

Capitol Visitor Center Budget Request and Project Update

Our FY 2009 budget request for the CVC includes $31 million to finish the construction phase of the project. Specifically this money will be used to fund delay costs associated with increased scope, fire alarm changes, and the final acceptance testing. Last year, I testified before this Subcommittee that CVC construction was 91 percent complete. Today, we are 99 percent complete with construction and are well underway with the final acceptance testing of the complex fire and life-safety systems in the facility.

In the past year, we made much progress on the project. We worked with the Government Accountability Office (GAO) and reached agreement on an estimated cost-to-complete figure of $621 million and an opening date of November 2008. We also established and met the November 15, 2007, substantial completion date, effectively stemming project delays and associated delay costs, which assured that the complex fire and life-safety pre-testing began on schedule on November 16.

With regard to progress with completing construction, as I informed the Subcommittee at last week's CVC hearing, crews are working to complete punchlist items such as millwork, wall stone, floor stone, ceiling panels, plaster work, carpeting, doors, and other finishes. Professional crews have been thoroughly cleaning all of the CVC's major public spaces, including Emancipation Hall.

A further indication that we are successfully transitioning from a construction project to a visitor services operation is that audio-visual technicians are making adjustments to the projection screens in the Orientation Theaters, all of the major exhibit cabinetry components are in place in the Exhibition Hall, and the restaurant furniture has been received and is in storage awaiting receipt of a temporary Certificate of Occupancy. In addition, workers also continue to install way finding and room signs in the CVC. We are pleased with the overall progress, and at this time we believe that we're on schedule to receive the temporary Certificate of Occupancy by July 31, 2008, as planned, and that the CVC will be available to open in November 2008.

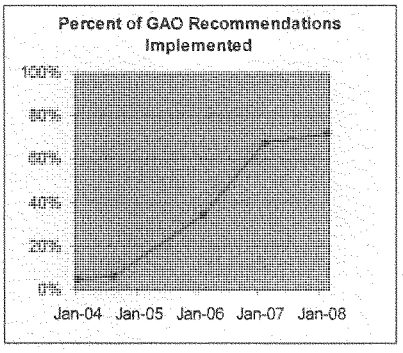
On the operations front, we hired a Chief Executive Officer for Visitor Services in September 2007 to join the AOC/CVC team, Ms. Terrie Rouse. She, in turn, has begun hiring staff to prepare for the CVC's opening to the public. In addition, she has been developing a communications plan which focuses on executing an effective and valuable public education campaign about the CVC and all it has to offer. We have also been working on a transportation plan, as well as on the exhibits and other informational materials in anticipation of the opening later this year.

The AOC also has awarded three contracts. The first was to provide food service in the CVC restaurant; another was awarded to a small business to develop the advanced reservation system, and a third was awarded to a woman-owned, small business for designing the CVC Web site.

A Year of AOC Accomplishments

Madam Chair, as I discussed earlier, the past year has been one of significant achievement for the AOC in addition to seeing substantial completion of the CVC. I would like to sum up my testimony by listing a few of our many accomplishments.

- Added the Library of Congress' new 415,000 square-foot National Audio Visual Conservation Center located on the Packard Campus in Culpeper, Virginia, to our facilities inventory.
- Signed into effect a Collective Bargaining Agreement with the American Federation of State, County, and Municipal Employees (AFSCME) Local 626, representing approximately 500 laborers, custodians, gardeners, and other workers in the House and Senate Office Buildings, U.S. Capitol, and the U.S. Botanic Garden.
- Completed office moves for the 110th Congress, including 181 House Offices and 20 House Committees with a customer satisfaction level of 96 percent, and twenty-one Senate Offices and 840 Senate staffer moves with a 96 percent satisfaction rating.
- Completed the purchase of the Senate Mail Facility.
- Completed the start-up, personnel training, and initial operation of the Capitol Power Plant's West Refrigeration Plant Expansion.
- Closed 65 of 98 items from the 39 Office of Compliance citations, as of December 2007.



In addition, we closed out 54 out of 72, or 75 percent, of the Government Accountability Office's general management recommendations. As many of the remaining actions are larger, long-term efforts, we continue to focus on moving them forward.

In October 2006, we implemented our new FY 2007 – FY 2011 Strategic and Performance Plan which emphasizes our mission areas and enabling services and focuses on results. In order to comply with the spirit and intent of the Government Performance and Results Act (GPRA), the AOC submits to Congress a Strategic Plan for program activities in accordance with the guidelines under Section 306 (Strategic plans) of the GPRA. The AOC consults with its employees and the Congress, and solicits and considers the views and suggestions of those entities potentially affected by or interested in such a plan.

AOC employees also prepared an annual performance plan in accordance with the GPRA. The annual performance plan establishes objective, quantifiable, and measurable performance goals for each activity. In addition, we submit an annual report on performance for the previous fiscal year in the performance section of the AOC Performance and Accountability Report, in accordance with the GPRA. Using these important tools, we have continued to improve our cost accounting procedures and internal controls. The results have been significant: We have just received our fifth consecutive clean audit opinion on our financial statements.

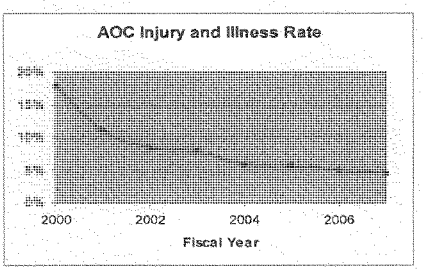
Over the past year we have also been working to create a healthy and productive work environment where environmental awareness and conservation are the normal ways of doing business in the Capitol complex. There are a number of initiatives that the AOC has been engaged in for several years, and we continue to see results in our efforts to improve energy efficiency throughout the Capitol complex.

Some of our energy-saving initiatives include:

- Installing an E-85 fueling station.
- Replacing conventional incandescent light bulbs with compact fluorescent lamps (CFLs) across the Capitol complex.
- Incorporating standards from the Leadership in Energy and Environmental Design (LEED) Green Building Rating System into our design standards to start new construction from a "green" baseline. The Capitol Visitor Center is a prime example of this practice.
- Replacing old, inefficient windows with airtight, insulated ones in buildings across the Capitol complex, including the Supreme Court and the Ford House Office Building.
- Purchasing and leasing only Energy Star ™ appliances and equipment
- Using Energy Savings Performance Contracting to increase building energy efficiencies and upgrade infrastructure.
- Installing modern heating/cooling systems and adjusting and controlling HVAC schedules.
- Upgrading elevators and escalators with energy-efficient solid state equipment, including high-efficiency motors.
- Installing restroom fixture motion sensors and additional low-flow devices for water conservation.
- Implementing a pilot program to upgrade controls on heating, ventilating and air conditioning (HVAC) terminal units in Senate offices and Committee rooms to reduce energy usage while increasing comfort levels.
- Implemented a pilot program to install dimmable lighting ballast systems with daylight and occupancy sensors in overhead lighting to maintain consistent lighting levels in Senate offices. A similar pilot is ongoing in the Capitol Building.
- Installing occupancy sensor light switches for offices, conference rooms, and Committee rooms upon request.

Internally, we continue to foster a results-oriented workplace and encourage communication and teamwork throughout the Agency. This involves holding regular staff or shop meetings, conducting biannual town hall meetings with all AOC employees, and providing a variety of training opportunities.

I am pleased to report that a direct result of our efforts is a decrease in our Injury and Illness Rate for the eighth year in a row. We dropped to 4.41 cases per 100 employees in FY 2007, down from 4.88 in FY 2006, and significantly lower from a high of 17.9 in FY 2000.



In addition, we are institutionalizing best practices throughout the organization. We have joined the Construction Users Roundtable (CURT), Construction Industry Institute (CII), Construction Managers Association of America (CMAA), and Building Owners and Management Association (BOMA), and several other professional associations, to learn about industry best practices and find ways to incorporate and engage those practices into our Agency. We have developed extensive core competencies in our procurement, financial management, and project management organizations and have seen our efforts pay off over the past year.

Most importantly, we have improved our delivery of services to our clients as demonstrated by our annual Building Services Customer Satisfaction Surveys. In FY 2007, we received high marks from our clients – more than 95 percent satisfaction -- on areas such as maintenance and cleaning standards, services provided by AOC shops, and responsiveness.

Conclusion

Madam Chair, we greatly appreciate this Subcommittee's support and the investment Congress has made in our facilities and infrastructure over the past several years. However, as these buildings age, they will require significant repairs, renovations, and upgrades to continue to be safe and healthy working environments for Members and their staffs. This will require a significant investment.

My goal is to begin reducing the backlog of Deferred Maintenance and Capital Renewal work that has been identified over the past several years through Facility Condition Assessments, and address the "bow wave" of unfunded requirements that has continued to grow for our Agency.

We are committed to working with Congress to address the backlog of maintenance and repair projects, as well as improve and modernize Capitol complex facilities, so that a crisis situation is averted. The longer we wait to address these issues, the greater the cost will be to fix the problems over time.

The AOC is committed to being good stewards of the Capitol complex, and in that regard, over the past year; we have accomplished much and experienced numerous successes. These achievements can be directly attributed to the dedicated, professional individuals that make up the AOC team; including a strong senior leadership team. In my role as Acting Architect, I am honored and privileged to work along side them. Because of their efforts and commitment to excellence, we continue to provide exceptional service to Congress and the visiting public.

Once again, thank you for this opportunity to testify today. I'd be happy to answer any questions you might have.

FDA BUILDING PROJECT

Ms. WASSERMAN SCHULTZ. Thank you very much, Mr. Ayers. I appreciate your testimony, and I also appreciate that you are focusing on life-safety and security issues. We did have a big security focus last fiscal year, and we continue to have one.

I note that you have the list of recommended construction projects versus deferred construction projects. I am going to want to ask you about that at some point during the hearing.

Because I know it will come up, I would like to ask you to touch on the FDA building for a couple of minutes. We made an investment in security enhancements for the FDA building last year of $16 million so that it could be used as swing space and so that we could work toward getting that ready for our plans to begin renovating and addressing the life-safety issues in the Cannon building. That is around 2012, from what I understand. So, in order to be able to use that space, we have to get it ready. That decision was the result of bipartisan approval in the 108th Congress, and it was signed off on by the House leadership at the time.

This fiscal year you have requested $15 million, which, to my understanding, begins the reconfiguration of the interior of the FDA building. Can you briefly describe what the whole project entails, why it is important to the future of the Capitol complex, and just describe the current state of the 100-year-old Cannon building and the 75-year-old Longworth building for us, please?

Mr. AYERS. Yes, ma'am.

The Cannon building is celebrating its 100th anniversary this year. It has never had a top-to-bottom major renovation, and we do have some significant infrastructure problems there. It is one of the buildings that is in the worst condition throughout the Capitol complex. So, as you noted, it is in deteriorating condition. We have several HVAC issues. We have numerous life-safety issues. We have egress problems, electrical problems and the like. That building does need a top-to-bottom renovation, and we do hope to be able to do that in accordance with our Capitol Complex Master Plan in 2012 or 2013. That is a major investment.

So, to enable that to happen, of course as building managers we would love for that building to be vacant. That is the most expeditious way to do it and, of course, the least expensive way to do it. That is simply not a reality here in the Capitol complex, so we have to go out and find space in a phased way to go about that Cannon renovation.

FOB–8 is, we think, the best alternative to do that. As you noted, we were directed by the Congress to acquire that space in 2003. In that building, we plan to lease, approximately 200,000 square feet of space so that we can renovate the Cannon building one floor at a time. So to do that, first, we have to acquire some leased space and renovate that leased space to accommodate staff. Our position is we cannot move Members to FOB–8, so we are going to have to reconfigure Longworth and reconfigure Rayburn suites to be able to move Members, floor by floor, out of Cannon and then move staff and other committees and the like to FOB–8.

BEST ALTERNATIVE FOR SWING SPACE

Ms. WASSERMAN SCHULTZ. Let me interrupt you for a quick second and ask, I know that there were different options considered for how to deal with the swing space. Why is leasing space in the FDA building the best alternative to get the swing space that we need? There were other options that were looked at. Why was this settled on as the best one?

Mr. AYERS. It was the least expensive.

Two of the other options that we looked at, one of them was to add an addition to the Rayburn building. If you look at the west front of the Rayburn building, that end of the building is open, and there is a plaza there that faces west. So we could fill that end of the Rayburn building in and do that construction and use that as swing space. That was significantly more expensive than leasing space.

Similarly, we looked at new construction and what that would cost, and that was also more expensive than leasing space.

Ms. WASSERMAN SCHULTZ. I would like to, at this time, enter into the record a letter that was signed by former Speaker Hastert, former Majority Leader Tom DeLay, and former Minority Leader Nancy Pelosi, dated June 4th, 2003, which requests the approval to move forward with the renovation of the FDA building and obligates the House to move forward.

[The information follows:]

Washington, DC 20515

June 4, 2003

The Honorable J. Dennis Hastert
Chairman
House Office Building Commission
U.S. House of Representatives
Washington, D.C. 20515

Dear Mr. Chairman:

House Report 108-10, Making Further Continuing Appropriations for the Fiscal Year 2003, and for Other Purposes, states the following: "The conferees anticipate that the House of Representatives will be the primary tenant of FOB 8." The building, Federal Office Building 8 (FOB 8), formerly known as the Food & Drug Administration (FDA) building, is a 557,700 square foot building located at 2nd and C Streets, SW, in Washington, D.C. adjacent to the Ford House Office Building.

The General Services Administration (GSA) is presently in the design phase for this project. They have requested the House of Representatives specific intent as being the buildings primary tenant. A recent study conducted by the House Superintendent's Office undertaken at the direction of the Office of the Speaker shows a need for an additional 200,000 square feet of office space. This study was conducted with the premise of moving a majority of the administrative functions of the Chief Administrative Officer of the House and the Architect of the Capitol to the Ford House Office Building, free up much needed space in the Capitol and the House Office Buildings for use by Members and Committees. In order to facilitate this move, 200,000 square feet of office space in another building is required to move the current occupants of the Ford Office Building displaced by this move.

I request your approval to begin working closely with GSA in the design of 200,000 square feet of space within FOB 8 to insure it meets the needs of the House of Representatives. Upon doing so, this will commit the House of Representatives to leasing this office space when construction is complete, which is scheduled for August 2007.

Should you have any further questions, please feel free to contact me or have a member of your staff contact Frank Tiscione, House Superintendent at 202-225-7012.

Sincerely,

Alan M. Hantman, FAIA
Architect of the Capitol

Enclosure

Approval

J. Dennis Hastert, Chairman
House Office Building Commission

Tom DeLay, Member
House Office Building Commission

Nancy Pelosi, Member
House Office Building Commission

Doc No. 030602-07-01

My time has just about expired, so I will move on to Mr. Latham.

LONG-TERM COSTS

Mr. LATHAM. Yes, I just want to maybe follow up on that.

Long-term, what is going to be the cost to renovate Cannon, and the cost of the FDA building? What are we looking at and how long?

Mr. AYERS. The FDA building, we have invested approximately $19 million in that to date. We think the total security upgrades and fit-out of that space to accommodate the swing space would be about $45 million to $50 million. On top of that, our annual lease costs are estimated by GSA at $10 million to $15 million per year for that 200,000 square feet. So that is the FDA building, or FOB–8.

CANNON RENOVATION

In terms of the Cannon renovation, our parametric estimates now are about $450 million for that top-to-bottom, phased renovation.

In terms of schedule, we believe that the FOB–8 building will be finished around 2012. We could, through 2012, begin moving people into that building, leading to the potential to start on Cannon in late 2012 or 2013.

Mr. LATHAM. Okay. And you are saying that you are not going to move Members over there? You are going to move committee staff, other staff in the Cannon building over there? So it will be disruptive, obviously. How are you going to do it? Floor by floor?

Mr. AYERS. We still need to go through all of those planning assumptions, but, certainly, our going-in position and, I think, the Committee on House Administration's going-in position is that moving Members to FOB–8 just won't work. So we are going to have to do that through staff moves and committee moves and support function moves.

At this time, we do think that the best way to do Cannon is floor by floor.

Mr. LATHAM. Okay. How many suites on each floor are you talking about?

Mr. AYERS. I think there are 40 or 41.

Mr. TISCIONE. The maximum is 41.

HOUSE METERING PROJECT

Mr. LATHAM. Okay. On the metering issue, I brought it up in the last hearing on the CVC, I think it does relate to the CVC. The reprogramming request for the metering project—and it is a little frustrating to me that this, apparently, was—a request or a directive was given at a time when we were under a CR, and negotiating with the Senate. We underfunded the Members' representational accounts, yet we are still, at the same time, asking for about $4.2 million to be put in the metering.

Can you tell me what all this entails? What actually are you trying to do? Is $4.2 million enough in the scope of this project?

Mr. AYERS. The metering effort is focused on the House side of the Capitol complex, so we intend to meter all utilities. That would be water, steam, chilled water, and electricity at the power plant.

So that would entail the installation of about 130 meters throughout the House side. Most of our buildings are configured where we have multiple feeds for electricity, steam and chilled water for redundancy issues and maintenance purposes. So each of those feeds to every building will need a meter so that we can get accurate metering.

So, to do that, we will install all of those meters. They need to be tied back through wiring and infrastructure, back to a central computer station; then, from that computer, wired back out to each facility. Part of the scope of this effort is to provide a display in the lobby, in some cases multiple displays in each of the House buildings, which will show real-time the energy usage for that particular building.

We do think $4.3 million is the right amount of money. We have engaged a third-party cost-estimating consultant to prepare that cost estimate for us, and we have had a long-term relationship with that company. They do very good work.

Mr. LATHAM. Okay. I think my time has expired.

Ms. WASSERMAN SCHULTZ. Yes.

Mr. LaHood.

CVC GOVERNANCE LEGISLATION

Mr. LAHOOD. Madam Chair, I just want to note for the record that the House Administration Committee has passed a bill designating the House Administration Committee and the appropriate Senate committee to have jurisdiction, or governance, over the CVC. There is no mention of any other committees. It would be my intention—and, I would hope you would support this—that either you or this subcommittee would go to the Chair of the House Administration Committee and see if there is a possibility of amending the bill to include other committees that are going to have responsibility for funding. Otherwise, I think we ought to consider amending the bill on the floor.

So I will just state that for the record, because we had quite a discussion about who is going to have governance over the CVC. You made it pretty clear that you thought our committee or at least a committee of Appropriations should have some say in who is going to have governance, and that is not apparent at all in the bill that was passed out of the committee. So that is just for the record.

Ms. WASSERMAN SCHULTZ. If the gentleman would yield——

Mr. LAHOOD. Yes.

Ms. WASSERMAN SCHULTZ. I completely agree with you. My understanding was that we were referenced in that legislation. If we are not referenced adequately, then I would support an amendment at any point in the process to ensure that we are. And I would go to the House leadership and ask Mr. Latham to go to his leadership to ensure that the appropriators are part of that process.

Mr. LAHOOD. Thank you.

Ms. WASSERMAN SCHULTZ. Absolutely.

JACKSONVILLE BANDSTAND

Mr. LAHOOD. Mr. Ayers, as you might recall, I gave you a note about a very parochial issue that I have been working on for a number of years as a member of this subcommittee having to do with the moving of the so-called "Jacksonville bandstand" to the Capitol complex. I do not want to take the time of the subcommittee, but if you could provide a written response to me as to what direction I should go to make that happen, I would appreciate that.

CONTINGENCY PLAN FOR CRITICAL NEEDS

You know, this idea of renovating buildings and your budget submission here are probably—well, it is overwhelming to me, as one committee member, because I think it is very difficult for this subcommittee to get our arms around that and to really fully understand the importance of it, which leads me to ask you:

What happens if the subcommittee and the full committee do not allocate the amount of money that you are requesting? Do you have contingency plans for staging some of these things and for alerting us to what are the most urgent? I mean, are all of these things urgent and of high importance, or are there ways that you can alert us to the ones that are most important?

You know, a $48 million increase is quite extraordinary. You know as well as I do the kind of fiscal constraints that we are facing around here. I have no idea what we are going to do, but I wonder if you have given thought to the idea that you may not get all of the money that you are requesting.

How do you come up with a plan to accommodate what you feel are critical needs around here for aging buildings?

Mr. AYERS. Yes, sir. Of course, I did receive your note, and we have been in contact with your Chief of Staff on the Jacksonville bandstand, and I will provide a written response to you on that as well.

Mr. LAHOOD. Thank you.

Mr. AYERS. I am happy to do that.

In terms of the contingency plans, this organization, I think, has really grown in recent years, and we now have the tools at our disposal so that we can look forward and make predictions as to what is our worst building and why. We have this computer program that can predict what investments need to be made and how they will affect the condition of a particular building. That is called the "Facility Condition Index." It is a standard tool from the Federal Facilities Council that we have been using for about 2 years now.

So I think we have the tools in place to help predict when we need to make certain investments. So that tool, combined with the Capitol Complex Master Plan, helps us phase over time everything that needs to be done in all 33 buildings in the Capitol complex. They are important tools that enable us to inform you effectively of what needs to be done and when it needs to be done.

PROJECT PRIORITIZATION PROCESS

Secondly, our project prioritization process that we have described in past hearings and in our budget book, we do classify

every project that is on this list as immediate, meaning it needs to be done now, and that is what we have included in our budget request; high urgency, which needs to be done in the next 2 to 4 years; and then medium and low urgency.

So we have mapped out what we think needs to be done right now, what needs to be done in the next 2 to 4 years, and what can really be pushed out for several years. We have those tools at our disposal, and we will continue to work with the committee using those tools to evaluate various funding scenarios.

PROJECT BACKLOG

Ms. WASSERMAN SCHULTZ. The gentleman's time has expired.

I want to follow up on the question that Mr. LaHood asked because, really, we have a resources-versus-demands concern with your agency.

We held a hearing last year on your long-term needs. You noted a large backlog of projects that exist. We had some back-and-forth last year on where your program put the projects, above the line or below the line, and we moved some projects in this committee from below the line to above the line, which I would not be surprised if we did again.

As I get a better understanding of what is on the list above and below your line, we will ask you specific questions about how those things fell out. You know, we tried to fund what we could, and we tried to help you prioritize, and you did a good job prioritizing.

Can you give us a sense of how high your annual appropriation would need to be sustained for the foreseeable future to really address your infrastructure needs and demands?

Then the other issue is I know you are doing things internally to address the backlog because, obviously, you are not going to get everything that you have requested. So what tools and funds are you using that are available to you to address the needs that we cannot provide directly for you?

Mr. AYERS. Yes, ma'am. In our budget binder, we worked to map out on that chart, graphically, ultimately, what is in front of us, and I am sure you have taken a look at that.

Ms. WASSERMAN SCHULTZ. Yes.

REINVESTMENT IN FACILITIES

Mr. AYERS. One of the important parts of that chart is this gray bar, which represents the reinvestment in facilities. Typically, the Federal Facilities Council and other agencies recommend a 2 to 4 percent reinvestment in your facilities based upon your plant value. Our plant value is about $8.9 billion, which would lead us to an approximate $180 million reinvestment in deferred maintenance and capital renewal projects. You will see that we have mapped that out on this chart at the 2 percent level, and are escalating that for inflation over the next 20 years. That kind of an investment over the long haul is what is necessary to prevent this kind of backlog from recurring. That's item A.

Item B reflects that we need to make some investments now to abate the backlog so that we can get to sustaining those deferred maintenance and capital renewal projects at a flat rate versus sort of spiking up and down every fiscal year.

Ms. WASSERMAN SCHULTZ. Are you able to move money around? Have you been doing that to address the backlog? I know we approve your reprogramming requests from time to time. What kinds of things internally are you doing to address the need to maximize your efficiency?

APPROPRIATION BUDGET INITIATIVES

Mr. AYERS. One of the important initiatives that I wanted to take as I became Acting Architect was to get one budget view of the AOC. We have often used our 10 separate appropriations in a parochial way, that only money from that particular appropriation can be used, for example that only House money can be used in the House. Well, I think the responsible thing to do is to take a much broader look at all 10 appropriations and move money around to address the most important needs.

So, over the course of the past year, we have done that and have taken money from one appropriation to place it on a more important need. So we have that ability now. We have been using that for the past year.

I think our minor construction funds that the committee provides annually in the House and Senate and Library of Congress also help us to take care of a backlog of maintenance and deferred maintenance and capital renewal projects on an ongoing basis.

LONG-TERM APPROPRIATION CONCERNS

Ms. WASSERMAN SCHULTZ. Can you describe in the next 5 years, if your appropriation does not rise significantly, what is likely to happen? I mean, what are some of your key concerns?

Mr. AYERS. Certainly. We are going to have electrical problems and temperature and humidity control problems in many of our buildings. Of course, we will work to abate those by taking money from everything else that is in our budget so that we work to abate those problems, because that is the core mission.

Ms. WASSERMAN SCHULTZ. But you are robbing Peter to pay Paul.

Mr. AYERS. We are robbing Peter to pay Paul, but our core mission is to ensure that Congress can do their business. You need electricity, you need water, you need heating and cooling and electricity to do that. So we will take away from every other project we have to focus on those mission-critical areas.

PRIORITY PROJECTS NOT IN REQUEST

Ms. WASSERMAN SCHULTZ. Before my time expires, do you have any immediate priority projects that were not included in your request?

Mr. AYERS. Yes.

Ms. WASSERMAN SCHULTZ. You do. What were they and why?

Mr. AYERS. The reason we did not include them in our request is because the first stab we took is to take all immediate priority projects. Then we looked at those and said, does each one of those make sense?

Some of them did not make sense. For example, the Dirksen infrastructure renovation project, we just received the money to fund

phase one of that, so phase one is going to take us this entire fiscal year, so it makes no sense to ask for phase two money now.

There were probably five or six of those kinds of phasing decisions that we made because, if you appropriated the money, we really could not use it right now.

Ms. WASSERMAN SCHULTZ. So you had other projects that were more ready than—even though those were an immediate priority, you had other things that were more ready than an immediate priority?

Mr. AYERS. We could not physically execute them, that is the key.

Ms. WASSERMAN SCHULTZ. I understand.

My time has expired. Mr. Latham.

Mr. LATHAM. Thank you.

MINOR CONSTRUCTION REPROGRAMMING CONCERNS

I think you are making the point of my concern in this reprogramming request. I think $2.4 million is proposed to be reprogrammed for minor construction. Can you give us some examples of what that is? Are there any life-safety-type projects that are being deferred because of this?

Mr. AYERS. Yes, sir. Well, several of our appropriations have a minor construction account. In the House, it is, I believe, $5 million a year. In the Senate, it is probably comparable. It is $1 million or $2 million at the Library of Congress. I think it is $3 million or $4 million at the Capitol Power Plant. That money is used for emerging requirements in any given fiscal year.

For example, this year in the House, we are using that money to take care of a new egress point for the Longworth building. We have some pretty significant egress concerns in the Longworth that were brought to our attention by the Police and the House Sergeant at Arms, so we are using much of that money this year to fund that project.

On an ongoing basis, we will use that money for life-safety projects that come up. We use it for emerging congressional items. For example, I recall that the Committee on Homeland Security, if that is right, Frank, was developed—

Mr. LATHAM. My point here is you are taking half of that money for this reprogramming request from these emergencies that you are talking about, which would tie your hands if you did have, you know, other emergencies. You know, looking at the——

Mr. AYERS. That is true.

DEFERRED CONSTRUCTION PROJECTS

Mr. LATHAM [continuing]. Request, you have two full pages of deferred construction projects here that are not being done. You know, where I come from, if you have a hole in the roof, you do not go out and buy a new electrical meter to find out how much energy is going up through the hole in the roof. You fix the roof.

I am just very concerned. You have over $800,000 in reprogramming that is going to stop the backup connections as far as the data center from Ford. I mean, there are a lot of very important things that are not going to happen because we are doing this thing that unfortunately no one knew about. I mean, even the

House Building Committee, there was no consultation, no talk about it.

My concern, really, is that we are spending money on things that maybe sound good, but we have real needs here that are not going to be met because we are diverting resources to things like this. I don't know if you have any comment.

Mr. AYERS. Your point of minor construction money being there for emergencies and emerging requirements, that is exactly what it is for. If those come up, our ability to use that account for those emergencies would be diminished.

Mr. LATHAM. Okay.

HOUSE METERING AND ENERGY REDUCTION

Ms. WASSERMAN SCHULTZ. Just to follow up on Mr. Latham's question and comment, it is important to note that the AOC is required by statute to reduce its energy use by 30 percent by 2014, and the estimated cost of that is $300 million.

So, Mr. Latham, with all due respect, the House metering project did not come out of the clear blue sky. It is part of the ongoing effort, including the Greening of the Capitol Initiative, but the statutory requirements on the part of the AOC to reduce its energy use by 30 percent. And the specific funding that is being used for the House metering project is something that will—the analogy that I know that has been used by some of the staff in the Architect of the Capitol's Office is that, if you are dieting, you do not know how much you need to lose unless you have a scale that you can stand on. Knowing that, the energy use of the House office buildings is going to be important for us to know how far we have to reach our goals.

So, with all due respect, this is not funding that came out of the clear blue sky, and it is not a requirement that was just made up. It is a statutory requirement that we have to work toward.

Mr. LATHAM. Will the gentlelady yield?

Ms. WASSERMAN SCHULTZ. I would be happy to yield.

Mr. LATHAM. Was there any discussion between the Speaker, the Majority Leader and the Minority Leader who sit on the House Building Committee about this?

Ms. WASSERMAN SCHULTZ. I cannot specifically answer that question, but there is a statutory requirement that the AOC reduce its energy use by 30 percent, and there are a variety of ways of doing that. And this is one in which we can move the ball down the field significantly in order to accomplish that goal.

I am hoping, Mr. Latham, that we are not going to quibble about this House metering project. It is an incredibly important project. We need to make sure—I mean, it is $4.5 million that was able to be moved around internally by the Architect of the Capitol. We absolutely need to know the energy usage that we have in order to make sure that we can reduce our energy usage, which is important. I was someone who pushed, since the beginning of the time that I took over this committee, to ensure that the most important fire and life-safety and security projects are funded and have held the Architect's feet to the fire to ensure that.

So we have a combination of priorities. We are certainly not going to be jeopardizing the security or the safety of the people who

work here and who visit here. We are going to make sure that we get the things that we need to done.

CR PLANS FOR THE CVC

I want to ask you about the issue that came up last week related to the potential for a continuing resolution, because I do not want there to be the perception left that we would somehow not be able to operate the CVC in the event of a CR.

So what are your plans, Mr. Ayers, for mitigating any impacts on the CVC if there is a continuing resolution for part of fiscal year 2009? What help would you need from this committee?

Mr. AYERS. Well, I think the most important thing that we talked about at the CVC hearing was the operations of the Visitor Center. We think we are going to be okay on the construction side. On the facility maintenance side, we think we will be okay. But there will be significant issues on the operations side, as we will have to fund our full-year contingent of employees, and we will not be able to make our monthly payroll.

I think, in order to do that, first we would need some flexibilities in the CR language from this committee, allowing us to adjust the percentages there. I think that would really be helpful for us.

Secondly, we would simply need to——

Ms. WASSERMAN SCHULTZ. Is that how you have managed under past CRs?

Mr. AYERS. We did receive flexibilities specifically for the Visitor Center in 2007 that enabled us to continue the construction and operations portion. So similar language, I think, would be helpful and would help us to avert a crisis in early 2009.

Ms. WASSERMAN SCHULTZ. Good.

Mr. AYERS. Similarly, we would work to reprogram funds from other sources if we needed to.

Ms. WASSERMAN SCHULTZ. My time has expired.

Mr. Latham.

Mr. LATHAM. To that point, what does that do to other projects? I mean, just in Roll Call this morning—the House, I know, has the best intentions of getting its work done. The Senate, apparently, from the story——

Ms. WASSERMAN SCHULTZ. Apparently.

Mr. LATHAM [continuing]. Has thrown it off already, so we could be looking toward at least—you know, last year, it was 3 months under CR. This next year, it could be easily from October 1st to March, 6 months.

What does that do to your operations—I mean, you are moving funds around, but we have a lot of maintenance projects and a lot of other things that are going to be real problems. And I do not want to see the CVC open up and then have to close the next day because we cannot pay staff or because we cannot, you know, operate the facility. I mean, that would not be a good start for us.

CVC REPROGRAMMING—FUNDING SOURCES

Where do you see the money coming from? What effect is that going to have on the maintenance?

Mr. AYERS. Certainly, with any continuing resolution, we lose buying power. We cannot start any new construction projects that

we would typically start in October or November. If we are not going to start those until January, February or March, we lose some buying power through that process, of course, with inflation of construction materials. So there is clearly that concern.

There is no doubt that with the money in our budget that we would reprogram that something else would not get done because of that. We have not specifically identified which projects they would be at this point, but we would develop that list and work with the committee on those priorities to determine what projects we would put on hold or would delay or cancel to move funds around.

GREENING OF THE CAPITOL INITIATIVE

Mr. LATHAM. One of the parts of the Greening of the Capitol Initiative is that it requires you to purchase 100 percent renewable electricity and only natural gas for the House portion of the Capitol plant. Are there additional costs to that, or how much more is this costing us to fill that requirement?

Mr. AYERS. There are several requirements. One is the purchase of natural gas, and we did receive money this year to do that. It is $2.7 million to purchase natural gas for the House's portion of our gas usage.

Mr. LATHAM. Is that additional from what the normal costs would be?

Mr. AYERS. Additional, correct. That is exactly right.

In addition, to purchase renewable electricity, we have estimated that to be about $512,000, and that is in addition to our normal electricity costs, and that money was provided this year. We are working to implement both of those right now.

ONGOING INITIATIVES—CAPITOL POWER PLANT

Mr. LATHAM. Are there any other ways that we could look at redoing the power plant, or any other suggestions out there to maybe modernize the generation plant here with fuel cells or energy cells, anything like that? Have you looked at what that would cost to actually do something to make the facility efficient?

Mr. AYERS. We have several ongoing initiatives to increase the efficiency of the power plant as well as to reduce its carbon output. One of them is a cogeneration facility. We have completed a feasibility study for installing a cogeneration plant. That will increase efficiency significantly, but it requires a very significant upfront investment of $150 million to $200 million, so we have not put that forth at this point.

We have not looked at fuel cells to date, but we are looking at some options currently, mapping out a feasibility study for a carbon sequestration project. We have completed a study to convert from our general fuel oil to an environmentally friendly fuel, and that looks like it is going to be feasible for us. We are working through the permitting process now to see if it has any effect on our environmental permit.

Mr. LATHAM. Being from Iowa, I think you ought to use ethanol or soybeans.

I will be right back.

Ms. WASSERMAN SCHULTZ. Mr. Udall, are you ready?

Mr. UDALL. Yes, I am ready.

Ms. WASSERMAN SCHULTZ. Okay. You are up.

Mr. UDALL. Thank you, Madam Chair.

CAPITOL POWER PLANT OPERATIONS

I am very interested in what the power plant is running on right now. I think one of the facts that has not been pointed out to everybody is that the folks living right in the shadow of the power plant are the House pages. If it is running on coal, then we are putting out all of the pollutants that you get from that.

So what is the power plant running on now, Mr. Ayers? Is it running on gas rather than coal?

Mr. AYERS. We use three fuels at the power plant: coal, natural gas and fuel oil.

Mr. UDALL. What is the mix right now? What percentages are coal and natural gas?

Mr. AYERS. I do not know those off the top of my head. I will respond for the record, unless my staff knows.

Mr. WILLIAMS. Approximately fifty percent coal, 45 percent gas and 5 percent fuel. But that is from an annual perspective.

Mr. AYERS. Approximately at 50 percent coal, 45 percent gas, and the remainder is fuel oil today.

Mr. UDALL. Has anybody ever looked at the impact on the area in terms of the emissions that are put out?

Mr. AYERS. Certainly, as to the emissions that come out of the power plant, we are in compliance with our permit from EPA and the District of Columbia. As part of that permitting process, certainly they look at those critical local areas as well as the broader community in issuing those permits.

Mr. UDALL. Has the power plant always met all of the EPA standards and laws and regulations? Has it ever been in violation in terms of its permit?

Mr. AYERS. There are occasions where their emissions will spike, and it requires us to report those to the District of Columbia, and we do that. So we had one of those. In my recollection of many years at the AOC, I recall one. That, quite frankly, happened about 4 or 5 months ago, and this was a duration——

Mr. UDALL. What was the spike, or what was the violation there?

Mr. AYERS. We were burning fuel oil and had a fuel oil valve failure, so that caused the fuel mixture to be incorrect. So the opacity of the product coming out of the stacks went over our opacity limits for 3 or 4 minutes.

So anything like that we are required to report, and we do that.

Mr. UDALL. Talking about CO2 now, if you are burning coal 50 percent of the time, if you are emitting coal 50 percent of the time in that power plant and there are the CO2 emissions from that, all of the other work that we are doing on Capitol Hill to reduce our carbon footprint would be dwarfed by what you do in that coal plant. So I would just encourage you to try as much as possible to shift over to natural gas and to look like you are doing a cogeneration in other kinds of areas where you can make a real difference in terms of CO2 and the pollution.

Yes, go ahead.

Ms. WASSERMAN SCHULTZ. You voted, didn't you?

Mr. UDALL. Yes. Yes. Thank you.

Ms. WASSERMAN SCHULTZ. Okay.

ETHANOL 85 FUEL PUMP

Mr. UDALL. My understanding is that the AOC has installed an ethanol 85 fuel pump. Is that right?

Mr. AYERS. No, sir, it is not installed yet.

Mr. UDALL. But you are planning to do that?

Mr. AYERS. We did receive direction and funding to do that, so we will move out to do that.

Mr. UDALL. When do you think that will be complete?

Mr. AYERS. That is probably 6 months, approximately 6 months from now.

Mr. UDALL. How many vehicles do you have that would be able to utilize that in your fleet right now?

Mr. AYERS. Our vehicle fleet is about 120 vehicles, and today we have, I would estimate, 10, maybe less than 10, vehicles that are capable of that.

So once we have that product, we will begin to renew our fleet and to renew our leases with E85-compatible vehicles. Not only do we fuel AOC vehicles, but we fuel many other vehicles on the Capitol complex as well.

Mr. UDALL. So as soon as you get that pump up and running, your push is going to be to move your fleet so that many more of your vehicles can do that, I hope, can utilize the pump.

Mr. AYERS. Correct. Yes.

Mr. UDALL. Thank you.

Thank you, Madam Chair.

Ms. WASSERMAN SCHULTZ. You are welcome.

UTILITY TUNNELS REMEDIATION UPDATE

I want to shift the focus to the utility tunnels remediation. We had an entirely separate hearing on this issue last year, and I want to get a sense of where we are in terms of the progress on this project. We have allocated $50 million in supplemental funds to begin making those tunnels a safe working environment for your employees. Now, this year, you have requested another $127 million for fiscal year 2009. There is a 5-year timeline.

So if you can give me a status update, including what has been accomplished to date. Are we still on schedule and on budget? Specifically and most importantly, are we doing everything we can to guard the health and safety of the tunnel workers? I know that we have been, and I want to make sure that we are continuing to do so.

Mr. AYERS. Yes, ma'am, we are continuing to do that. We don't have any concerns with health and safety issues at the moment. We don't believe the Office of Compliance does either. We are on schedule; we are on budget to finish the utility tunnel reconstruction at the end of 5 years, which I think is June 2012. It does require significant investment, obviously.

To date, we are working extensively in the Y tunnel, doing some asbestos abatement and debris and dust cleanup in that tunnel. We have under construction two new egress points in the Y tunnel at

this point. We have done some major electrical upgrades, some significant fan upgrades.

So we are comfortable with where we are. I believe the Office of Compliance is comfortable with where we are. They have reviewed our 2009 budget request as well and are in agreement with where we are going.

PROJECT BUDGET REQUEST

Ms. WASSERMAN SCHULTZ. The total cost of this project is approximately $300 million, and you have requested almost half of that amount in this fiscal year. Why so significant a chunk of the project in 1 year?

Mr. AYERS. Well, most importantly, our tunnel work needs to get started this summer, it needs to continue. If we do not continue that on an ongoing basis, we are going to face, I think, increased costs by not doing that.

Our team has mapped out how we are going to fix that project by the end of that year. You can see, in any typical construction project, you ramp up and then you ramp down. So we are in this year now, which is really the most significant budget request. I think, next year, we will be in the $80 million range, and you will continue to see that go down until we finish that job in 2012. So this year is the most expensive year on that project.

OFFICE OF COMPLIANCE CITATIONS

Ms. WASSERMAN SCHULTZ. On the Office of Compliance citations, can you talk about where those citations—how you prioritize those and where those are? How many of the requested funded projects are Office of Compliance citations? What is the total dollar value of all of your existing citations, and how do you prioritize those generally?

Mr. AYERS. Well, our prioritization process generally will move all of those citation projects to the top of the list. So as to the first 10 projects that are on that priority list, all 10 of them have citations against them. So the prioritization system worked, and that totals $148 million, so it is the first 10 that take care of that.

In terms of citations, since 1998 when the Office of Compliance really became effective at reviewing facilities, they have issued 39 citations comprising 98 items. Of those 98 items, we have closed out 65. Much of the work you see here will continue to help us abate those. You will notice, if you look at——

Ms. WASSERMAN SCHULTZ. How are you doing in avoiding having more citations? Is your number of citations going down?

Mr. AYERS. Absolutely. We have not received any new citations since the utility tunnels, and prior to that, it was sometime well before that. So there is nothing new out there. We have a pretty aggressive safety and health program that we use to prevent those things from happening.

You will note in the project list that our prioritization process does not focus on House or Senate or Capitol or anywhere else. You will see that the Library of Congress has nine open citations and that our budget is filled mostly with Library of Congress money. So that prioritization seems to work.

Ms. WASSERMAN SCHULTZ. You will note that the Senate does not even have any items on the list, so you are right; apparently, you do not favor one or the other.

My time has expired. Mr. Latham.

MEETING ENERGY REDUCTION REQUIREMENTS

Mr. LATHAM. Thank you.

You are under the energy-efficient mandate as far as the 30 percent reduction. Additionally, the Greening of the Capitol, the 50 percent reduction.

Can you just, for my benefit, being new on the committee, give us an idea of the specific projects you are doing to meet the mandates and what it is going to cost and how long—by 2015, as to the reductions, the 30 percent mandate reduction? What exactly are we going to do, and what is it going to cost to get there?

Mr. AYERS. Your numbers are correct, that the Energy Policy Act of 2008 does require a 30 percent energy reduction per year over 10 years. This is over a 2003 baseline.

So, to do that, the most important thing we think we need to do to achieve those reductions is to conduct formal energy audits of our buildings. You will see some budget requests in our project list to conduct those energy audits. That is the most important thing, that we get those professional energy surveyors in to look at those projects and to scope those and to do the life-cycle cost analysis that tells us, "Don't waste your money here, but invest it here, here, here, and here. This is where you are going to get the most savings." So we need to do that first and foremost.

Secondly, our estimate of the 30 percent reduction is nearly a $300 million investment to get that over 10 years. We recognize that that is going to be very, very difficult to do. We are working now and have been for several months on using the flexibilities of energy savings performance contracts, which are pretty extensively used in the executive branch, sponsored by the Department of Energy, where companies will come in, review your facility and say, "I will replace all of your lighting systems, and I will replace these 17 motors, and I will make the investment of $50 million," and it does not cost you any money up front. You repay that company over the course of many years through the savings generated in your electricity bill.

So we think that, really, to achieve the 30 percent and the 50 percent, we are going to have to make extensive use of these energy savings performance contracts. We are close to being able to kick that off in the Capitol Power Plant, the House office buildings and the Senate office buildings now.

ENERGY REDUCTION PROJECTS

Mr. LATHAM. The audits that you are asking funding for, have they specifically noted the types of projects? Or is it just changing light bulbs? Are we talking insulation? Are we talking refurbishing.

Mr. AYERS. In terms of what is in our energy savings performance contracts, the contractor that reviewed the House has recommended extensive lighting upgrades throughout all buildings, and has recommended fairly extensive HVAC upgrades.

I think those are the big ones, lighting upgrades and HVAC upgrades and control of all of that mechanical equipment.

Mr. LATHAM. Okay.

Ms. WASSERMAN SCHULTZ. Thank you.

LIFE-SAFETY SECURITY PROJECTS

You know, we focus in this committee on life-safety and security projects with your agency, and this year is going to be no exception. You have requested about $24 million worth of life-safety and security projects for fiscal year 2009, and that is excluding the utility tunnels.

What are some of the most significant life-safety and security projects? How critical is it that we fund those in 2009? And like I said, if you can more specifically tell the projects that were not included that were high priority.

Mr. AYERS. Certainly, the most important life-safety ones are those first 10 that are on the list. So I think we really need to fund those first.

If we look at 11 and 12, you will see two really important security projects that I know are important to the Sergeant at Arms and to the Capitol Police. So focusing on those first I think is very, very important.

In terms of what we did not put on the list, there are a couple of important concerns, immediate requirements that we didn't put on the list, but I think those are genuinely not executable for us, so I wouldn't recommend we do anything about those: Adams Building exterior doors, egress studies——

Ms. WASSERMAN SCHULTZ. So they weren't ripe yet? The ones that we need to do as a high priority aren't ripe to do yet?

Mr. AYERS. Yes.

Ms. WASSERMAN SCHULTZ. That is basically why they didn't make it to the fund-this-year list.

Mr. AYERS. They are ready to be executed. If you funded them, we could execute them. The designs are complete and ready to go. But we don't think it makes sense. Like the Dirksen project, we can't do phase two before we do phase one.

Ms. WASSERMAN SCHULTZ. Right.

Mr. AYERS. We just started phase one because of funding issues. So it doesn't make sense. Even though it needs to be done now, we simply can't do it.

POWER PLANT OUTSOURCING

Ms. WASSERMAN SCHULTZ. Right, okay.

Shifting to power plant outsourcing, there are a lot of Members in the past that have talked about outsourcing the operations of the Capitol Power Plant. And GAO recently reported that the AOC doesn't have the information that you need to make a decision on that, and they recommended that you collect information so that you can do that.

What are you doing to act on GAO's recommendation? Because the power plant has been a significant issue and will continue to be a significant issue for this committee and for other Members and for this community.

Mr. AYERS. Madam Chair, GAO got it right this time. Their recommendations were right on the money. You can't make staffing projections of going from 85 to 46 or 57 or all of those without the real data in front of you. So to get that data, we have to go through every piece of equipment that is in the plant, develop a preventive maintenance and operating plan for each of those pieces of equipment, map those out into the number of work hours required to care for each piece of equipment and to operate it. You map all of those hours out, then you add them up and determine what your real staffing needs are.

We are engaged in that process now and have been for 4 to 5 months. I think it is going to be towards the end of this fiscal year before we have that data in our hands. So I think we are really not going to be in a position to make decisions until then.

Ms. WASSERMAN SCHULTZ. Okay. And it is this fiscal year?

Mr. AYERS. Yes.

Ms. WASSERMAN SCHULTZ. Okay. That concludes the questions that I have.

Mr. Latham, do you have anything else?

Mr. LATHAM. I do not.

CHAIRS CLOSING REMARKS

Ms. WASSERMAN SCHULTZ. I wouldn't be me if I didn't issue some homework. You have really laid out well this year what the Architect of the Capitol office is facing in terms of our infrastructure needs, and I am happy about that. Chairman Obey has asked each subcommittee to look toward the future and think beyond fiscal year to fiscal year. Although we are a little bit of a weird duck when compared to other subcommittees, we need to try to do that as well.

It is obvious that without significantly higher appropriations over time you will struggle to properly maintain our facilities and the grounds, and that is going to begin to exponentially increase the costs the later and later we put them off.

So what I would like you to do is submit a report to us by next Friday, February 22nd, with information on the total value of the Capitol complex, the amounts now available to maintain and renew it, industry best practices on what percentage of the facility's value should be spent on maintenance and renewal, and given these factors, the level of appropriations you need in fiscal year 2009 and beyond to address infrastructure demands.

I want to start to lay out the next several years and to begin to plan how we are going to do this and be able to help you and work in partnership. It will also help me figure allocations.

We sometimes are the stepchild of the appropriations process, but we have to make sure that these facilities remain intact, not just structurally but also historically for future generations. So if you would submit that information to us.

With that, the subcommittee stands in recess, subject to the call of the Chair.

HEARING ON THE ARCHITECT OF THE CAPITOL'S FY 2009 BUDGET REQUEST
February 13, 2008 at 10:00 a.m.
H-144 Capitol

Additional Assignment from the Chair
Chair Debbie Wasserman-Shultz

Question. What is the total value of the Capitol Complex?

Response. For 2007, the estimated total value of the buildings on the Capitol complex, including offsite facilities such as those located at D.C. Village, Fort Meade, and the National Audio Visual Conservation Center in Culpeper, Virginia, and the value of leased facilities, is $8.96 billion. The 2007 estimated total value of the Capitol complex and the offsite facilities, including land, land improvements, parks, and parking lots is $10.11 billion.

Question. What amounts are now available to maintain and renew the Capitol Complex?

Response. The FY 2008 budget includes projects that will address Deferred Maintenance (DM), which is defined as fixing building components that have failed, and Capital Renewal (CR), which is defined as fixing building components predicted to fail in the very near future. These are:

Deferred Maintenance
Elevator and Escalator Modernization, Thomas Jefferson Building 1 & 2, James Madison Memorial Building D-1 through D-4, Escalator 1, $2,560,000.
Stabilization and Life-Safety Improvements, Summer House, $540,000.
Condensate and Water Piping and Valve Replacement, Capitol Power Plant (Design), $400,000.
Exterior Envelope Study, Russell Senate Office Building, $250,000.

Deferred Maintenance Subtotal, $3,750,000.

Capital Renewal
Legislative Call System Replacement, House Office Buildings, $400,000.
Legislative Call System Replacement, Senate Office Buildings, $350,000.
Fire Alarm System Replacement, Daniel Webster Page Dorm, $650,000.
Fire Alarm System Replacement, Senate Employee Child Care Center, $400,000.
Steam Pressure Reducing Values Replacement, Hart Senate Office Building (Design) $100,000.
Back-Up Blow-Down System Installation and Heat Recovery (Design), Capitol Power Plant, $110,000.

Capital Renewal Subtotal, $2,010,000.

Total, FY 2008 Deferred Maintenance and Capital Renewal Projects, $5,760,000.

The value of Deferred Maintenance and Capital Renewal construction and design projects in the FY 2009 request is $15.3 million. Requests such as the $126.6 million for the Utility Tunnel Improvement Program (Revitalization/Major Renewal) include significant portions of work that are considered to be DM and CR, but there is also work considered to be Capital Improvements. It is estimated that nearly $70 million of the $126.6 million requested for the utility tunnel program is applicable to correcting DM/CR issues. Therefore, as a rough estimate, approximately $85 million of the FY 2009 request for projects is directly applicable to DM/CR.

In addition to these specific construction, design, and study efforts, each Superintendent's Office receives annual operations and maintenance funding to carry out routine maintenance and repair, and as well as improvements to the facilities under their care. During the course of each year, some of these funds are applied to the work elements identified in the Facility Condition Assessments (FCAs). The AOC is working to develop a routine process to capture these costs in a consistent manner.

Question. What are industry best practices on what percentage of a facility's value should be spent on maintenance and renewal?

Response. The National Academies, in their publications, "Stewardship of Federal Facilities" and "Committing to the Cost of Ownership: Maintenance and Repair of Public Buildings," suggest two-to-four percent of replacement value as an average range of funding to spend on Deferred Maintenance (DM) and Capital Renewal (CR). It should be noted that the two-to-four percent reinvestment does not reflect the need to perform major building revitalization/renewals when they reach the end of their useful life expectancy.

Question. Given the factors noted above, what level of appropriations is required in FY 2009 and beyond to address the burgeoning infrastructure demands?

Response. As stated at the February 13 hearing, the AOC has prioritized its budget to successfully address and execute its most immediate needs in FY 2009. The request of $194.2 million concentrates on the most immediate requirements for abating Office of Compliance citations, addressing infrastructure demands and other immediate priority projects. The value of Deferred Maintenance and Capital Renewal construction and design projects in the FY 2009 request is $85 million, which includes the estimated $70 million in DM/CR for the utility tunnel repairs as noted above.

During strategic budget briefings, the AOC noted it now has Facility Condition Assessment (FCA) data on most of its facilities, and that a significant backlog of DM and CR exists that must be addressed in the coming years. Most of the projects in the FY 2009 budget request pre-date the FCAs, and whereas they represent requirements that will address some of the cataloged DM and CR backlog, they were not originally identified in that process. During the strategic budget briefings, the AOC has graphically indicated a "ramping up" to more fully address the significant DM and CR backlog beginning in FY 2010 and continuing for several years. It is paramount to note that the FY 2009 budget request begins a transition to necessary resource levels that start to address the long-term facility demand.

The FY 2009 budget request does not include the total facility demand for FY 2009. The AOC did not include Immediate urgency requirements that cannot be executed due to sequencing or construction phasing concerns, nor did we include any High urgency requirements.

As stated during staff briefings on the burgeoning infrastructure demands, the AOC and Congress must work together to develop a reasonable path forward. This cooperative approach is necessary for several reasons: 1) a growing backlog of Deferred Maintenance and Capital Renewal exists; 2) there are significant external cost drivers such as abating citations and achieving energy reductions mandated by law that are beyond our control; 3) the present budget posture will lead to system failures and unmet requirements.

The process through which the AOC and Congress can begin to address these requirements includes focusing on the Capitol Complex Master Plan, which was developed with significant Congressional input as the long-term plan for the preservation and improvement of our facilities. The Master Plan is our proactive strategy for managing and meeting Congressional needs and outlines requirements, timing, drivers, and impacts. A major derivative of the Master Plan is the development of a Capital Improvement Plan that will map out the five-year campus requirements. The second purpose is to develop logical campus-wide phasing and sequencing plans, based on addressing both FCA-driven needs and jurisdiction facility requirements identified in the individual Jurisdiction Plans. This effort is underway, and as it is being developed in conjunction with our Congressional stakeholders. Additional drivers such as resource and execution capacity also are being addressed. The final plan will lay out a reasonable path forward based on input from all Congressional stakeholders.

Based on our documentation, cost modeling and Facility Condition Assessment analysis to date, we need approximately $900 million for significant backlog of DM and CR, and $120 million for the DM and CR portion of the Utility Tunnel Improvement Program that must be addressed in the coming years. Additionally, for emerging needs to be addressed, we need approximately $320 million in reinvestment in the coming years. These amounts are approximately three percent of the value of our facilities. Please note that this is needed in addition to the amount spent by the jurisdictions from their operating funds on an annual basis on minor DM and CR projects. This work accomplished by the jurisdictions represents only one-half to one percent of our facility value, and more costly DM and CR projects are required to extend the life of our facilities.

The backlog of DM and CR is only a portion of our needs. We have projected that we need up to $2.875 billion ($3.2 billion escalated over five years) in the coming years for DM and CR, Reinvestment, Capital Improvements (which includes Office of Compliance citations), and Revitalization/Major renewals. This "get well" amount does not include jurisdictional operations and general administration, energy program requirements, and client requests. After this "get well" point, the AOC will still require funds for Revitalization/Major Renewals and Reinvestment, well as operational and general maintenance funds.

Question for the Record from
The Honorable Tom Udall
Subcommittee on the Legislative Branch, House Committee on Appropriations

U.S. House of Representatives
Hearing on the Architect of the Capitol FY 2009 Budget Request
February 13, 2008 at 10:00 a.m.
Capitol Building – Room H-144

Energy Usage Reductions

Question. Both the AOC's budget estimate and your testimony mention your Emergency Conservation and Management Plan, and you mention that the AOC has exceeded the required Energy Policy Act reductions – achieving a 6.5% reduction versus the required 2% reduction. Do you see this trend continuing?

Response. The AOC does not see this trend continuing at this time. FY 2007 required a 4 percent reduction. Preliminary calculations (which still must be verified) indicate that the AOC just achieved this benchmark. As one would expect, continued energy reductions will continue to become more and more difficult and costly to achieve.

Question. I know that the AOC is required to reduce energy usage by 30% by 2014. Do you believe this goal will be reached prior to 2014? If so, by when?

Response. At this time, the AOC cannot accurately determine when the goal of 30 percent energy reduction will be met. The AOC plans to use Energy Saving Performance Contracts (ESPCs) to accomplish a portion of the required energy reductions. The remaining required energy savings will need to be accomplished through projects funded with direct appropriations. Many ESPC initiatives have begun throughout the AOC, but no surveys (necessary to predict what level of energy savings can be accomplished) have been completed yet. Once these surveys are complete, the ESPC vendors will provide initial proposals, which will outline their specific proposals to achieve energy savings. At this point, the vendors also will identify the amount of the projected savings. The AOC plans to have all of the initial proposals completed by April 2009. As the details of the ESPC programs are developed and progress is made, the AOC will be able to establish a projected energy savings timeline.

Question. I know that the AOC requested $1.1 million for energy surveys and Congress appropriated $400,000. How many surveys were conducted with this funding? What have been the results so far?

Response. The AOC received $400,000 for energy surveys after the Consolidated Appropriations Bill was enacted in late-December 2007. The AOC has scoped out the survey work, and currently is evaluating all buildings to determine which are the most energy-intensive

(greatest energy use per square foot) in order to apply the funding where there is the greatest energy savings potential. The surveys also will be coordinated with the work that will be preformed using the ESPCs. At this point, given that the surveys have not begun, the AOC cannot identify results.

Question. I noticed that all your FY09 tables for 20%, 30%, and 50% energy savings options include $3 million for studies. Can you explain what studies will be done with this requested funding?

Response. The $3 million will be used to study potential energy savings projects and to perform surveys. The studies will refine cost projections, establish life cycle costs, and examine the opportunities to develop these efforts into future design and construction requests. The funds requested in the FY 2009 budget will be used to examine a number of potential energy savings efforts. They include lighting control methods such as daylight harvesting; night dimming and occupancy sensors; converting existing constant volume HVAC systems to variable air volume fans; replacing existing motors with premium efficiency motors; re-calibrating HVAC systems; sub-metering internal circuits within buildings to better manage utility use; studying the water supply and return systems to reduce sewer charges, and installing separate computer server complex HVAC systems. The AOC request also includes additional funds to continue energy surveys required by the Energy Policy Act of 2005.

Use of Proceeds for Environmental Efforts

Question. Some of your legislative requests pertain to the use of proceeds from the AOC recycling program, from energy and water savings, and the coins collected from numerous fountains throughout the complex. If I understand correctly, you want the proceeds to be applied to other environmentally friendly efforts. Where do the proceeds from these activities currently go? Do you know approximately how much revenue is currently received from these activities? How much do you see these revenues increasing as the CVC opens and more visitors come to the Capitol? What environmentally friendly efforts do you see this revenue going to should you receive this authority?

Response. The AOC does not have legislative authority to allocate funds from a recycling program for projects. Coins and recycling proceeds are deposited in the U.S. Treasury. The proceeds generated from energy and water savings vary greatly from year to year based on billing rates (the cost to purchase electricity, fuels, and water services), weather conditions, and actual energy saved. When cost reductions are achieved through reduced energy use, funds are identified and reapplied to other energy saving projects and objectives. For example, in FY 2007, funds were realigned within the Capitol Power Plant accounts to purchase the initial chilled water flow meters in accordance with the AOC's energy plan. In terms of coins collected from fountains, the AOC estimates that less than $3,000 is collected annually.

There is the potential that the CVC opening may generate an increase in recycling proceeds; however, this cannot be determined at this time. Energy and water consumption (and thus overall cost) is anticipated to increase upon the opening of the CVC. The CVC has internal and external fountains, so there is also the potential that the AOC will see a slight increase in coins collected; however, this cannot be determined at this point.

The AOC has established a list of priority energy and water saving projects, based on a ratio of energy savings to initial costs. The AOC will compare these projects with existing funding requests, ESPCs, and jurisdiction in-house work to ensure there is no overlapping work. This project list includes items such as electrostatic air filtration; lighting upgrades; modernization of elevators; and Capitol Power Plant boiler and controls modernization. Funds collected from fountain coins are anticipated to be minimal, but could be applied to environmentally-friendly projects on the Capitol Grounds and with the CVC.

Longworth Building Egress Improvements

Question. You are asking for $5.5 million for Prescriptive Egress Improvements in the Longworth House Office Building, and state that this funding will be used to provide additional egress stairs, code compliant exits, and enclose the exit stairs and exit passageways in fire-rated construction. The request also mentions that Horizontal exits will also be provided on the third through ground floors.

As someone whose office is located in Longworth and who has seen firsthand the evacuation problems with the building because of the exit capacity, I am glad to see that these improvements are being made. I have a question about the logistics of this. How does the AOC create new egress stairs in this building? Will office space be used for this effort? How about the horizontal exits from the third through ground floors? How will this be accomplished?

Response. The Longworth House Office Building currently has four main stairs, one at each corner of the building. These stairs are not enclosed and therefore, do not provide code-compliant protection against vertical smoke and fire spread between the floors of the building. The Prescriptive Egress Improvements Project will resolve this compliance issue. Fire-rated construction and doors will be added in the corridor at each level of each stair to separate the stair from the remainder of the building. The doors will be held open with magnetic devices so normal circulation in the corridors will not be affected. The doors will close upon activation of fire alarm system.

In addition to enclosing the existing stairs, the project includes a new exit from the basement floor at the southwest corner of the building leading to C Street. This new exterior exit will provide additional egress capacity on the south side of the building to help alleviate egress congestion at that location.

Horizontal exits include fire-rated walls and doors that effectively divide a building into separate fire compartments. Exiting through a horizontal exit is considered by code to be similar to entering a fire stair, where occupants are protected from a fire located in the compartment from

which they have exited. The horizontal exiting approach will help manage the large occupant loads in the building by providing a safe egress compartment where occupants remain until they exit the building. The AOC will create horizontal exit walls by using existing walls combined with new fire-rated doors across the east and west corridors. This will separate the building into four distinct compartments. The cross-corridor doors will be held open with magnetic devices so normal circulation in the corridors will not be affected. The doors will close upon activation of the fire alarm system.

The AOC has worked very hard to design the stair enclosures and the new horizontal exits so that all existing office space will be retained.

WEDNESDAY, MARCH 5, 2008.

LIBRARY OF CONGRESS BUDGET

WITNESSES

JAMES H. BILLINGTON, THE LIBRARIAN OF CONGRESS
JO ANN C. JENKINS, CHIEF OPERATING OFFICER
DEANNA MARCUM, ASSOCIATE LIBRARIAN FOR LIBRARY SERVICES
JAMES GALLAGHER, ACTING ASSOCIATE LIBRARIAN FOR STRATEGIC INITIATIVES
RUBENS MEDINA, LAW LIBRARIAN
MARYBETH PETERS, REGISTER OF COPYRIGHTS
DANIEL P. MULHOLLAN, DIRECTOR, CONGRESSIONAL RESEARCH SERVICE
JEFFREY PAGE, CHIEF FINANCIAL OFFICER

OPENING REMARKS—CHAIR WASSERMAN SCHULTZ

Ms. WASSERMAN SCHULTZ. Good morning. I would like to call this hearing of the Legislative Branch Subcommittee of the House Committee on Appropriations to order. Welcome, Dr. Billington, Ms. Jenkins.

Today we are going to proceed with the budget hearing on the Library of Congress' appropriations request.

We have a number of items that we need to go through. I appreciate the opportunity to talk about the Library's request today, and I appreciate very much, Dr. Billington, that you have put together a very reasonable and sound budget proposal that recognizes the really extreme and unfortunate budget difficulties that we find ourselves in, some of which are reflective of the economy, but a lot of which are reflective of the fact that we are and have been hemmed in by an administration that has limited the number, the top line number, that we are able to work with. So it is not through lack of trying that we have been unable to provide you with the resources that I know you very much need.

I can assure you that we will continue to fight to get you the resources that you need. And I think it is pretty unpredictable what the outcome will be in terms of the appropriation process in this fiscal year, but I know that I am committed as the Chair of the subcommittee to make sure that we not cut beneath the bone and start to really damage and harm your agency. I am absolutely committed to making sure we don't do that.

Before I proceed, I would like to welcome Mr. Bonner to the subcommittee. Mr. Bonner is the newest member of the Appropriations Committee and the newest member of our subcommittee, and when he gets here, today will be his first hearing.

The Library has made a $606 million request for fiscal year 2009. That is a 7.7 percent increase. As I said, it has no new initiatives in it. There are only $12 million worth of program increases.

There are only two legislative branch agencies of all the agencies that we will be hearing from that have asked for less than a double-digit increase. So I appreciate the effort that you have made, because I know it is a very difficult circumstance and situation.

I appreciate that you have asked for only $12.5 million for the Digital Talking Book program. We obviously want to make sure that we proceed in a timely way to accomplish that, recognizing the letter that you sent to our committee last year that you would be able to manage with the $12.5 million over a 6-year time period and, importantly, only have about a 10-percent drop in the amount of players available. I am glad that we are able to operate within those parameters.

That having been said, we are still going to be in a very tight budget environment, and we are going to do our best to provide you with the resources that you need, but it is still going to be hard.

And with that, I would like to turn to Mr. Latham for any opening remarks he has.

OPENING REMARKS—MR. LATHAM

Mr. LATHAM. Thank you, Madam Chairman, and welcome to the folks in the Library of Congress, which I consider to be a national treasure, and Dr. Billington a national treasure also; and share your affection, I think, for the people of Russia; my interest goes back many years ago. I just welcome you and look forward to hearing your testimony.

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

Mr. LaHood, do you have any remarks you want to make at this time?

Mr. LAHOOD. No, ma'am.

WELCOME WITNESSES

Ms. WASSERMAN SCHULTZ. Great.

Well, I would like to welcome our witnesses this morning. We have received your statements. Each of the statements will be entered into the record. We have Dr. James Billington, the Librarian of Congress, and Ms. Jo Ann Jenkins, the Library's Chief Operating Officer. There are also a cadre of Library staff that I recognize in the audience.

And I do have to say, Dr. Billington, it has been an absolute pleasure to work with you and your staff over the last year. We have been able to spend quite a bit of time on a variety of issues and a variety of programs, and I am privileged to have been included in some of the rollouts of your programs and really want to commend you on the tremendous leadership that you show as the steward of the Library.

I know you often talk about the Congress being the largest and most important patron of the Library, but your stewardship of the Library is second to none. And the Library is the beacon that it is in the world because of your leadership.

So if you would proceed with a summary of your statement, we welcome you to the committee.

OPENING STATEMENT OF THE LIBRARIAN

Dr. BILLINGTON. Thank you very much, Madam Chair, Mr. Latham, Mr. LaHood and members of the subcommittee. It is an honor to be here to present the Library of Congress' fiscal year 2009 budget along with our Chief Operating Officer, Ms. Jo Ann Jenkins, to my right, and behind me other members of the Executive Committee.

I want to thank you, first of all, Madam Chair, for your continued interest in the vision and goals of the Library demonstrated by your participation in our Veterans History Project, in your eloquent opening of our Kislak exhibit, and for your support on many other fronts.

And, Mr. Latham, I also want to welcome you back to the subcommittee. I enjoyed being on your "Congressional Report" to Iowa show several years ago and look forward to working with you and with all the members of the subcommittee. And Mr. LaHood, we are working with him on the Lincoln project and he is a great friend of the Library's as well.

We have submitted a very modest budget request for fiscal 2009 based on fiscal 2008 operating levels, levels that were achieved with some painful cuts in the Library's budget. We limited ourselves to requesting funding only to meet mandatory pay raises and unavoidable price level increases—that is a great majority of the increase—and also just to sustain basic current services, and to rescue from the brink of collapse the unique program that the Congress mandated and funded in 2001 for preserving the growing volume of important information and knowledge that is needed to serve Congress, but is produced only in impermanent digital form.

NDIIPP RESCISSION

The fiscal 2007 rescission of $47 million from the National Digital Information Infrastructure and Preservation Program, NDIIPP, resulted in a total loss to the program of $84 million. We have requested $6 million in fiscal 2009 and have provided a 5-year plan for keeping this program alive. Collecting and preserving ephemeral digital content is increasingly important for serving information needs of the Congress and for validating our new network way of doing business by sharing ongoing costs and expertise with a trusted network of vetted partners in states like Florida, Iowa, California, Minnesota and many others.

DIGITAL TALKING BOOK PROGRAM

We have had to accept that our long-planned rollout of the transition to a digital format for talking books and playback machines will be prolonged from 4 to 6 years with difficulties for the blind community that I explained in my longer statement. We understand that in order to provide even this reduced level of annual funding for this critical program, Congress reduced funding levels in several of the Library's other accounts, including a $10 million reduction to the Copyright Office's no-year funding balance, a $4 million general pay reduction, and over $5 million in reductions to our Library Services program. In addition to these direct cuts, the

Library has also had to absorb roughly $16 million in mandated cost-of-living increases in fiscal 2007 and 2008.

LIBRARY MISSION AND RESOURCES

Madam Chair, as you have already said, and as I repeat and always will with a certain awe and appreciation, deep appreciation, the Congress of the United States has been the greatest single patron of a Library in the history of the world. I think Congress can be proud of the record of acquiring and preserving, even in difficult financial periods, the largest and most varied collection anywhere in human history of the world's knowledge and of this nation's creativity. We respect the Congress' understandable desire for austerity in this year's budget request, and its authority to limit and redirect funds within the Library's appropriations, but I feel obligated to say that if we are stretched much further, we may soon reach a breaking point.

We now have more than 1,000 fewer staff to do far more work than was done 20 years ago when I became Librarian, and that was before we began the Herculean task of superimposing a digital library and services on top of a traditional analog library. We have already cut back on vital core missions and are stretching out the useful life of the technological infrastructure of the Library, but we cannot and should not put in jeopardy the important role that the Library plays in the information infrastructure of America, particularly in this information age.

Despite the many challenges, this is a time of great promise for the Library, as we continue using digital technology to transform the way we do our work and deliver our services to Congress and the Nation in all divisions of the Library. Relying largely on private philanthropy and in-kind donations, our outstanding, dedicated staff will in the year ahead transform the public spaces of the Jefferson Building into an interactive learning center for the increased number of visitors who will be coming to the Library when the Capitol Visitors Center opens. We will also bring into full operation the magnificent new National Audio-Visual Conservation Center in Culpeper with the support and funding of the Congress and of the unprecedented gift of more than $150 million plus expert guidance from the Packard Humanities Institute. And we will begin putting on line, with the support of UNESCO and a number of other national libraries, a World Digital Library of primary cultural documents in seven languages.

Madam Chair, we recognize that difficult choices will continue to have to be made during this time of extraordinary budget constraints, but the Library is an essential part of our knowledge-based democracy. The Library collects, preserves and makes accessible free of charge, both here on Capitol Hill and everywhere else on the Internet, important materials in languages and formats that no one else does. We are in many ways the Nation's strategic information reserve. This Library has never been more important for the economic security and civic health of America than now in the midst of the transforming digital revolution. So I ask for your support for our modest funding request for fiscal 2009, and we look forward to working with this committee to craft a budget for fiscal 2010 that will be able to ensure for the future the Library's historic

mission of serving the Congress and the Nation in very challenging and changing times.

Thank you. I would be glad to answer any questions.

[Dr. Billington and the Library's other prepared statements follow:]

Statement of Dr. James Billington
The Librarian of Congress
before the
Subcommittee on the Legislative Branch
Committee on Appropriations
U.S. House of Representatives
Fiscal 2009 Budget Request
March 5, 2008

Madam Chair, Mr. Latham, and Members of the Subcommittee:

It is an honor to be here to present the Library of Congress fiscal 2009 budget request. Madam Chair, I thank you for your continuing interest in the vision and goals of the Library. Mr. Latham, I also want to welcome you back to the Subcommittee and look forward to working with you and all the members of the Subcommittee.

We have submitted a very modest budget request for fiscal 2009, based on fiscal 2008 operating levels—levels that were achieved with deep and painful cuts to the Library's budget. The Library has requested a total fiscal 2009 budget of $645.8 million, representing an increase of 5.3 percent over fiscal 2008. With this request, we have limited ourselves mainly to asking for funding to meet mandatory pay raises and unavoidable price-level increases, and a much smaller amount mainly to rescue from the brink of collapse the unique National Digital Information and Infrastructure Preservation Program (NDIIPP) that the Congress mandated and funded in 2001 for preserving the growing volume of valuable information and knowledge produced only in highly impermanent digital form.

The Congress of the United States has been the greatest patron of the library in the history of the world. We respect the understandable desire of the Congress for austerity in this year's budget request. And we respect the Congress's authority to limit and redirect funds within the Library's appropriations. But I feel obligated to say that if we are stretched much farther, we may soon reach a breaking point. We are extending the useful life of the technical infrastructure of the Library, but we cannot and should not put in jeopardy this important part of the information infrastructure of America in this information age.

This is a time of great promise for the Library. In all areas, digital technology is being used to transform the way we do our work and deliver services to Congress. Copyright's reengineering program, Library Services' digital acquisitions program, the Office of Strategic Initiatives' NDIIPP initiative, the National Library Service the Blind and Physically Handicapped Digital Talking Book program, and the Law Library's Global Legal Information Network are but a few examples of a broader institutional goal: to add digital content and services on top of traditional Library programs. The relatively modest increases we are requesting are almost all designed to sustain the progress we have been making in the digital transformation of our collections, services and internal

procedures. Our digital initiatives are not miscellaneous, unrelated activities; they are related pieces in transforming all Library functions for the future. The digital transformation will occur over several years and will require continuity of Congressional support. Beginning with our fiscal 2010 request, we will provide detailed advanced projections of what we will propose both to add and to reduce over the next few years in order to sustain our historic mission for the Congress and the nation at a time of revolutionary change in the generation and communication of knowledge.

The fiscal 2008 appropriation, including the across-the-board rescission, resulted in a 0.83 percent increase for the Library of Congress over the fiscal 2007 funding level. While total funding for fiscal 2008 included a $12.5 million increase to support the Digital Talking Book program, the Congress reduced funding levels in several of the Library's other accounts, including a $10 million reduction to the Copyright Office's no-year funding balance, a $4 million general pay reduction, and more than $5 million in targeted reductions to our Library Services program. In addition to these direct cuts, the Library has had to absorb roughly $16 million in cost-of-living increases in fiscal 2007 and 2008.

We now have more than 1,000 fewer staff to do far more work than was done 20 years ago when I became Librarian and before we assumed the Herculean task—and national leadership we have achieved—of superimposing digital library collections and services on top of our continuing role as the world's largest and most diversified repository of analog materials (books, maps, movies, music, etc.). We already are having to begin cutting back on one of our most vital core missions: the comprehensive acquisition of information and knowledge that we alone collect and preserve for the nation's strategic information reserve. With difficulty and a focus on fiscal restraint, the Library's Executive Committee and I eliminated more than $52 million in critical funding needs from this fiscal 2009 budget request, committing either to forgo or seek to fund internally those items or activities in fiscal 2009.

All service units within the Library have been affected by the austere budgets of fiscal 2007 and 2008, but two programs were affected severely:

Books for the Blind and Physically Handicapped
Digital Talking Book Program

The Digital Talking Book Program (DTB) was funded at $12.5 million, rather than our original request for a $19.1 million increase, which means that our long- planned roll-out of the transition to a digital format for talking books and playback machines will be prolonged from four to six years. During the appropriations cycle, the Library made an appeal for $15 million for the DTB program, but this appeal was rejected in light of budget austerity across the broader Legislative Branch.

Recognizing the very difficult budget environment that the Congress and the entire Federal government face, Library leadership accepted the necessity of managing the Digital Talking Book program at the current (fiscal 2008) funding level and over the

extended (six-year) transition period. Production of the playback machines is well underway, and digital books are being created, but the current funding level will, during this transition period, reduce the number of books on the shelf for blind readers, for whom we are the sole source of free reading material. The blind community continues to express its displeasure with the consequences of the lower funding level.

National Digital Information and Infrastructure Preservation Program (NDIIPP)

NDIIPP was founded and funded by the Congress in 2001 on the principle of shared stewardship and costs. The fiscal 2007 rescission of $47 million from NDIIPP resulted in a total loss to the collaborative national digital preservation effort of $84 million. We are living in an unprecedented period of unbounded creativity where important knowledge creation, legislative proceedings and political discourse are increasingly documented only in ephemeral digital formats. We cannot as a national cultural institution of the United States afford to walk away from our mission responsibility to save these valuable records for future generations. The rescission to NDIIPP forced us to reduce by 75 percent the commitments we had already made to our partners in fiscal 2007. The rescission to NDIIPP has taken away the means by which we can save more content, expand the joint stewardship network, and build out the necessary underlying technical infrastructure.

We have requested an increase of $6 million in fiscal 2009 and have provided a five-year plan for keeping this program alive. Without these program funds, we will be forced to begin shutting down the joint stewardship program and walk away from shared stewardship and costs with our sustaining network partners. Absent this funding, we will be left only to voice our alarm at the risks of loss and remain on the sideline in hopes that others will have the means to save our digital cultural heritage records.

Collecting and preserving ephemeral digital content is essential if we are to continue serving the information needs of the Congress. This program is also important for validating our new way of doing business, by sharing ongoing costs and expertise with the network of NDIIPP partners we have built up in Florida, Iowa, California and Minnesota.

The Library has developed specific goals it will achieve during the next five years. The program has acquired 66 terabytes of at-risk digital content collected and preserved by its partners within a network of repositories. This is equivalent to the content in approximately 66 million books. It has developed a network of more than 130 partners in the content, technology, research, government, and business sectors across 25 states; 10 of these partners are federal agencies.

The NDIIPP partners have created, for free download, publicly available tools for preserving digital content. These tools make the life cycle management of at-risk content easier. Together with our partners, we have created, standardized, and shared the means to harvest content from the web, prepare content metadata, prepare content for long-term storage, and allow sharing and exchanging content across digital libraries.

During the next five years NDIIPP will increase by tenfold (to 650 terabytes) the digital content under national stewardship. It will create a National Alliance for Content Stewardship that reaches all 50 states. This alliance will establish a formal presence in every state to champion and catalyze digital preservation efforts and investments from the public and private sectors, and also construct the technical architecture necessary for storage of the 650 terabytes of content distributed across the partnerships.

Other than funding for mandatory pay and price-level increases and a $6 million increase for the NDIIPP program, the Library has limited its fiscal 2009 program funding requests to $5.8 million in order to maintain the services of our most critical programs. We have requested $3 million to cover the increased assessment for the State Department Capital Security Cost-Sharing program to keep alive our all-important overseas offices; $0.9 million for the final increment of a five-year adjustment for inflationary cost increases in the Library's Acquisitions Program; $1.8 million to restore salary funding for staff operating the Packard Campus for Audio-Visual Conservation in Culpeper, Virginia; and $156,000 for an additional staff member in the Library's Office of the Inspector General.

Library Services

Beginning in fiscal 2006, Library Services (LS) began realigning its base funding in order to meet new requirements and support needed innovation without requesting new funding from the Congress for such programs and activities as upgrading of its preservation research and testing lab; acquiring historically important special collections that should rightly be included in the national library; and refurbishing many of the Library's most heavily used public spaces.

With the reductions to the LS budget in fiscal 2007 and fiscal 2008, current funding levels no longer support many important programs and activities. For example, the Packard Campus preservation laboratories are not yet operational. Even though staff and collections have been moved to Culpeper, fully half of the capacity to preserve at-risk collections at the New Packard Campus for Audio-Visual Conservation cannot be realized.

LS has absorbed part of the fiscal 2008 cuts by delaying hiring. This has resulted in gaps in critical language and subject-matter expertise. It has also meant that important supervisory and managerial vacancies in LS remain open at a time when anticipated retirements are at an all-time high. The long-term effects of the budget reductions are significant. Salaries and benefits of critical new hires will be annualized in fiscal 2009. As a result, major preservation contracts for mass deacidification and binding, and collections management contracts that provide care and service of collections items, must be reduced. This directly affects the stewardship of the collections built over the past 200 years and their availability for future generations. Finally, the Library will be unable to acquire many special collections that are appropriate for the Library's collections.

Copyright

The Library's fiscal 2009 budget justification includes a net appropriation request of $12.9 million to support the Copyright Office's core operations. Of this amount, $10 million represents a request to restore funding the Congress temporarily reduced in the fiscal 2008 budget. The Congress directed the Copyright Office to use a no-year balance to fund normal operating expenses in fiscal 2008. As the balance of the no-year account will be depleted in fiscal 2008, the Copyright Office must have appropriated funding restored in order to maintain operations.

The total increase in net appropriations requested for the Copyright Office also includes $1 million to support the implementation of the Copyright Records Preservation Project. This funding will remain in place for six years for digital imaging of pre-1978 public records, supporting at a very basic level the Copyright Office's preservation and access goals.

Congressional Research Service (CRS)

The CRS Director's testimony identifies four ways in which the Library's Congressional Research Service fulfills a unique niche for the Congress. First, CRS has experts in the worlds that Members and committees inhabit. They understand Congress as an institution, its work processes, Members' responsibilities, and legal and constitutional contexts. Second, the Service is in a unique position to analyze issues that arise from and are often dominated by the operations of executive agencies and their missions. Third, CRS is uniquely equipped to offer multi-disciplinary, analytic approaches to identifying relevant public-policy issues and to offer solutions to address them. The fourth is the Service's ability to rally and immediately offer support when the Congress is faced with an emergency or other unexpected major event.

Funding cuts and shortfalls in mandatory pay increases were mitigated by reducing the CRS staffing plan, deferring equipment purchases, and placing additional constraints on the acquisition of research materials. The plan for reducing FTE from 705 to 675 in the fiscal 2008 Operating Plan targets support functions to avoid any loss of direct research capacity. CRS has reduced equipment expenses by deferring or eliminating upgrades or replacement of IT and office equipment. Research material costs were lowered by reducing user access to electronic resources; canceling selective print titles; not purchasing new resources; and continuing to partner with Library Services to acquire public policy research materials.

Law Library

The Law Library of Congress has placed special emphasis on the content of the U.S. legal material in the Global Legal Information Network (GLIN) and THOMAS to incorporate all laws published in the United States Statutes-at-Large and all Congressional hearings. This will be expanded to include summaries and associated metadata for 100 U.S. treaties and other international agreements. The Law Library's

highest priority remains the need to re-classify books formerly categorized as "Law" into the K class in order to ensure a complete, current, and accessible law collection and provide timely responses to congressional requests for foreign legal law information. The Law Library has completed a comprehensive redesign of its public website and launched four RSS feeds thus far in fiscal 2008 that allow users to easily stay up-to-date with areas of interest by delivering news, such as the latest Research Report or issue of the Global Legal Monitor, to a desktop computer or other Internet device.

In response to fiscal 2008 funding shortfalls related to the rescission and unfunded mandatory pay increases, the Law Library has realigned base funding from contractual services and equipment accounts in order to absorb payroll costs and to support key staff who provide important services to the Congress. The impacts of these include the shortening of performance periods for contractual services necessary to perform core law collections maintenance services, elimination of contracts providing GLIN data development and program support, and scaling back technological enhancements to the Law Library Multi-Media Center.

Future Projects and Resource Needs

The Library's budget formulation process highlighted other highly critical activities that support the Library's customers, to increase the use of the Library's digital resources to promote knowledge and better world understanding and increase use of Library resources to inform scholarly, educational, and public-policy discourse. However, we chose not to bring forward a number of these important activities as requests for funding in this budget.

The New Library of Congress Experience will give a greatly expanded number of visitors the opportunity to experience expanded exhibits and learn interactively from the breadth of our collections and knowledge of our curators and staff, all at the end of the passageway from the United States Capitol through the New Capitol Visitors Center. The journey will begin with a new orientation experience and travel though the Great Hall, as various new gallery spaces and educational content are delivered through state-of-the-art technology that will greatly enhance the in-person experience. To fulfill this journey, the Library will need to hire new specialized staff and create new systems, applications and interactive components to integrate and deliver complex technological services. In fiscal 2009, the Library will do what is possible with available resources and the significant private funds we have raised to implement these plans. However, given the scope of this effort, the Library will need to seek Congressional support for the New Library of Congress Experience in fiscal 2010.

Demand for online services, increased pressure on web services operations to enhance THOMAS, the World Digital Library (WDL), and the Legal Information Services (LIS) databases, and the need to develop new configurations and applications have severely strained technical assistance and infrastructure support provided by the Office of Strategic Initiatives (OSI) and Information Technology Services (ITS). Since 1995, THOMAS has provided free legislative information on the web. Our congressional

and public constituencies have for several years been requesting upgrades to both THOMAS and LIS to enhance content and searchability. Again, the Library will attempt to use the prioritizing tools of the Strategic Plan to address these demands with existing resources. However, the IT and digital demands on the Library will need support from the Congress in fiscal 2010 to sustain the Library's ability to provide services to the Congress and its constituents.

Conclusion

2008 will be an exciting year in which our outstanding, dedicated staff will be working to build a new constituency for the Congress's Library. We will transform with mostly private funding the public spaces of the Jefferson Building into a learning center for the large number of visitors who will be coming when the Capitol Visitors Center opens; we will begin operations in the magnificent new National Audio-Visual Conservation Center made possible by the unprecedented gift of more than $150 million by the Packard Humanities Institute and funding from the Congress; and we will begin putting online, with the support of UNESCO and a number of other national libraries, a World Digital Library of primary cultural documents in seven languages.

Madam Chair, we recognize that difficult choices will continue to have to be made during this time of extraordinary budget constraints. But this Library is an essential part of our knowledge-based democracy. I ask for your support for our modest funding request for fiscal 2009 and look forward to working with this Committee to craft a budget for fiscal 2010 that will sustain the Library's historic mission of serving the Congress and the nation.

Statement of Daniel P. Mulhollan
Director, Congressional Research Service
Before the
Subcommittee on Legislative Branch
Committee on Appropriations
U.S. House of Representatives
Fiscal 2009 Budget Request
March 5, 2008

Madam Chair, Mr. Latham, and Members of the Subcommittee:

Thank you for the invitation to testify on the fiscal year 2009 budget request for the Congressional Research Service (CRS). We appreciate this opportunity to present a summation of our request, to illustrate how we fulfill the mission Congress established for the agency, and to outline the steps we continue to take to maintain a cost-effective organization.

Fiscal Year 2009 Budget Request

The CRS budget request for fiscal year 2009 is $107,323,000, which is about $1.4 million below our 2008 request. Over the past two years, the accumulated shortfall for funding 705 full time equivalents (FTE) and a constant level of support services exceeds $7 million. With almost 90 percent of the budget devoted to pay and benefits for staff, an unavoidable consequence is that we must reduce our workforce by 30 FTEs, resulting in an FTE level of 675, the lowest in 33 years. Our staffing plan specifies that the loss of these positions will be within the supporting offices to protect the analytical capabilities of the Service.

The budget request for fiscal year 2009 includes only the mandatory pay increases and price-level increases due to inflation that are necessary to sustain this reduced level of staff and services made necessary by the 2007 and 2008 funding levels provided to the Service. We are not asking for any funds for new initiatives or program growth. Any initiatives we might be able to undertake will have to be within current funding. The 11 percent of the budget that does not support staff and salaries has been flat over four years and has not increased to take into account the rate of inflation.

In fiscal year 2008, as we have in previous fiscal years, we scrutinized and reduced the costs of services. We examined every activity and program for efficiencies, eliminated programs, reduced staff size in our infrastructure offices, and eliminated all non-essential spending. We are a responsible legislative branch agency and, mindful of the demands on the Congress, we have taken these steps to sustain our analytic capacity to support your deliberations and legislative decisions. However, it is also incumbent upon me to outline for you the potential consequences of continuing budget erosion on our services to you.

Given the interdependency of many of our services to the Congress, the multiple ways we meet your needs, and past actions to streamline, it is impractical to target a single direct service to Congress that we would eliminate or a specific issue area that we would no longer cover. We are stretched and will do our best to sustain our level of services. However, there likely will be times when your colleagues and their staff will feel the consequences of reduced staffing and resource levels. Our services may not meet congressional expectations.

Support for the 110th Congress

In fiscal year 2009 and in the years to come, we will continue to fulfill a unique niche for the Congress. Our work for the first session of the 110th illustrates our unique contribution in four ways.

- First, we are experts in the legislative world that Members and committees inhabit. We understand Congress as an institution, its work processes, and its legal and constitutional contexts.
- Second, we are in a unique position to analyze issues arising from and often dominated by the operations and missions of executive agencies.
- Third, we offer multidisciplinary, analytic approaches to identify relevant public policy issues and to assess possible solutions to address them.
- Finally, we are able to rally and offer immediate support when Congress is faced with an emergency or other unexpected major event.

We demonstrated our unique expertise in the worlds of Members and committees following the 2006 congressional elections and a change in majority party leadership in both chambers. We addressed issues relating to congressional procedure, the administration of committee organization and funding, and establishment of House-wide staffing levels. We assisted a number of committee counsels in revising committee rules and offered procedural training sessions for committee staff in both chambers.

With the new majority of a different party than that of the sitting President, executive-legislative relations issues came to the fore. Our expertise extended to the exercise of congressional oversight prerogatives, including congressional subpoena and contempt authority, executive privilege and congressional access to executive branch material, and the testimony of presidential advisors. Our analysis extended beyond theoretical and scholarly treatises; it offered timely and authoritative analysis in politically sensitive situations with extraordinarily high stakes.

Immediately, after the election, we sought multiple opportunities to introduce new Members to our staff. We collaborated with the Committee on House Administration to present the policy orientation seminar for new Members in Williamsburg, VA, and continued our outreach throughout the year in a variety of programs and in regular work settings.

The second way we offer unique services is our ability to ensure that the legislative branch can compete in the policy arena with executive branch agencies and experts. In the first session, we continued to examine issues associated with Department of Defense funding requests, especially for military operations in Iraq and Afghanistan and the global war on terrorism operations. We analyzed defense-spending priorities and worked with our sister agencies, the Congressional Budget Office and the Government Accountability Office, to estimate the current and future cost of the Iraq and Afghan military operations, and to track defense spending on outsourcing contracts.

When Congress took on high-stakes foreign policy debates on nuclear proliferation, we provided comprehensive analyses, such as exploring publicly known aspects of the technical progress of Iran's nuclear program and options to counter the perceived threat. We participated throughout the deliberations to develop the United States-India Peaceful Atomic Energy Cooperation Act.

The third way we uniquely serve the Congress is by offering multidisciplinary approaches to analyzing public policy issues and solving policy problems. We helped when Congress sought to maintain access to higher education by reducing the cost burden on students. We analyzed options to determine eligibility for need-based student assistance, for altering Pell Grant award rules, and for modifying subsidies to student loan borrowers and lenders. Modeling and simulations offered Congress a clear picture of the anticipated outcomes for the cost-reducing measures under consideration.

As the economy slowed in the aftermath of the sub-prime mortgage crisis, we helped the Congress find ways to offer relief. We analyzed lending and foreclosure issues, conducted a seminar that examined the current situation, and reviewed options for reform and homeowner relief. We also identified options to reach more effectively underserved borrowers.

Another pressing issue that benefited from our multidisciplinary approach is energy security. In conjunction with our work on traditional sources of energy supply, we examined ethanol and biofuels markets, studied oil import trends and explored the potential for producing liquid fuel from domestic coal. We examined proposals related to National Interest Electricity Transmission Corridors; the controversial royalty relief inadvertently provided to certain federal Gulf of Mexico oil and gas leases; and the energy efficiency aspects of the Corporate Average Fuel Economy issue, including the potential effects of multiple scenarios on fuel savings and on the automobile industry.

Congress sought our multidisciplinary expertise on the resource demands of ethanol production, greenhouse gas emissions from biofuels, the potential for expanded U.S. and worldwide production of ethanol, and federal and private research and development on advanced biofuels. Our work in this important issue area continues. With a generous grant from the Joyce Foundation to examine the range of options for alternatives in advancing energy technology in the context of U.S. energy security needs,

we are expanding the analysis available to the Congress. The grant of $539,000 extends over the course of three years.

Recognizing perhaps the expertise enhanced in CRS since the elimination of the Office of Technology Assessment, Congress called on us as Members explored a number of emerging technologies. Our experts conducted research on new technologies to detect nuclear and radioactive devices, on electronic voting, on telecommunications and Internet policy, on the impacts of the February 2009 deadline for all U.S. television broadcasting to be in digital format, and on how emerging technologies may affect other policy issues.

The fourth way we fulfill our unique niche is our ability to rally when Congress faces an unexpected event. Our rapid response to major events has come to be a benchmark of our capacity to serve, and we are committed to a protocol to provide Congress shortly after a major event a well-thought-out framework identifying the CRS experts who are immediately available on all aspects of the issues. We will post an experts list on the Service's website and draft informative letters to the interested Members and committees. The Service will then produce analyses addressing the specific event and will review and revise all relevant existing reports. All needed research support will be in place. We demonstrated this responsive capacity after the bridge collapse in Minnesota, the California wildfires, the drought in the U.S. Southeast, and the turmoil in Pakistan. Already in the second session, we responded to rapidly rising concerns about the state of the economy, with timely assistance on proposals for an economic stimulus package.

I am committed to executing successfully the CRS mission. I am committed to doing my best to attract and retain expert staff who offer you some of the best thinking on our nation's critical public policy problems and their solutions. Moreover, I am committed to protecting our core values of confidentiality, authoritativeness, objectivity and nonpartisanship. I will do the best I can within the resources you give me to provide the Congress with analysis that it can trust to inform its deliberations.

Management Initiatives

Staffing

Despite having constrained resources during fiscal years 2006, 2007 and the first quarter of fiscal year 2008, we are improving and streamlining our processes in innovative ways. Reductions in staffing have not affected our analytic corps. We continue to ensure that Congress has access to the best and most comprehensive analytic capacity available to any legislative body in the world, that staff have the resources needed to conduct research and analysis, and that daily operations are efficient and cost effective.

Over the past few years, I have reported to you about succession planning as the retirements of many long-time staff have opened the door for a new cadre of experts.

New analysts are working daily with their more seasoned peers to assimilate into the unique role that we have in serving the Congress and to gain a solid understanding of the context in which Congress operates. I want to assure the committee that this succession planning continues. Last year we launched a formal mentoring program to strengthen further the informal mentoring and coaching that takes place regularly. New staff and long-tenured staff alike are enthusiastic, hard-working, dedicated public servants who make certain that Congress receives the best support available.

With our succession plan for the analytic corps well established, at the end of last year we turned our attention to succession planning for another important component of our workforce – the leadership. To sustain an effective and streamlined system that brings together our best intellectual expertise on any given issue, we are implementing a change to our first-line management structure in our analytic divisions. We are replacing the indefinite, rotating section head position with permanent section research managers. This initiative has two major goals. First, these section research managers will play a vital role in facilitating the work of the Service to help us maintain our unique niche and stay abreast of the legislative challenges facing the Congress. With their leadership, we are confident that collaborative, multidisciplinary research and analysis, aligned directly with Congress, will become even stronger. Second, we view these new section research managers as a critical pool of potential candidates to fill vacancies in our senior leadership team, as we face retirements among this group. We have made every effort to generate wide interest among our current staff in these positions.

Research Tools

We are also taking steps to improve the tools we use to prepare and present our analysis to you. We have just launched a project to redesign our website and have another project underway to identify a new system to increase our responsiveness to congressional needs. This system, dubbed Mercury, will better manage the workload of congressional requests and identify research requirements. At the same time, we will be able to maintain the absolute confidentiality of our interactions with the Congress. Mercury will foster collaboration and readily identify Service-wide activity by policy issue area. It will also incorporate the request-tracking features of the present Inquiry Status and Information System (ISIS), which will be retired.

We continue to work closely with the Library on other tools to support our work for Congress. This year CRS and the Library will release LIS 2.0, the newest iteration of the Legislative Information System. This initiative represents the single most significant change to the Legislative Information System since its beginning in 1997. Other projects underway in partnership with the Library are implementation of a Library-wide performance management system, enhanced analysis through geographic information system capability, and comprehensive access to electronic information resources. We are also working together to expand remote access to our internal systems for the research staff and on coordinated emergency readiness and continuity of operations planning.

Conclusion

In making our fiscal year 2009 budget request of $107,323,000, we recognize that fiscal restraint is the responsibility of every agency within the legislative branch. Our challenge is to be frugal while doing everything possible to preserve the qualities that the Congress has come to rely upon and to trust in – analytical rigor, comprehensive issue coverage, personal and tailored support, confidentiality, timeliness and objectivity. My colleagues and I are committed to doing the very best we can in assisting the Congress. What is imperative is that we continue to provide each of you as Members of Congress with assistance needed to address the many complex policy problems faced by our country.

I respectfully ask the Congress to consider our request for fiscal year 2009. I welcome discussion of the budget in more detail.

Statement of Marybeth Peters
The Register of Copyrights
Subcommittee on Legislative Branch Appropriations
House Appropriations Committee
United States House of Representatives
Fiscal 2009 Budget Request
March 5, 2008

Madam Chair, Mr. Latham, and other Members of the Subcommittee:

Thank you for the opportunity to present the Copyright Office's Fiscal 2009 budget request.

In Fiscal 2009 the Office is requesting two changes in the Basic appropriation: a permanent $9.975 million restoration of net appropriations that the committee temporarily reduced while directing the Office to use the remaining funds in the no-year account, and a temporary $1 million increase in net appropriations for the Records Preservation Project. The net impact of these two requests on the total spending authority is zero.

I will discuss these requests in more detail after I provide some brief highlights of the Office's work and an overview of our accomplishments in reengineering during 2007.

Highlights of Copyright Office Work

Policy and Legal Activities

The Office continued to work closely with the House Committee on the Judiciary and in particular with its Subcommittee on Courts, the Internet and Intellectual Property. The Committee's primary focus continued to be orphan works – works of authorship (literary works, photographs, motion pictures, sound recordings and other creative works) for which the potential user cannot identify or locate the copyright owner. At the request of Senators Leahy and Hatch, supported by Congressmen Berman and Smith, the Office conducted a yearlong study of the problems and potential solutions associated with orphan works. Our report, delivered in January 2006, recommended a new section 514 of the Copyright Act which would allow a good faith user to use a work if, after conducting a reasonably diligent search, the user was unable to locate the copyright owner. If the copyright owner emerged, he or she would be entitled to reasonable compensation from the user in most cases. Legislation based on our recommendations was introduced in the House during the 109th Congress and was widely debated. A new bill is expected to be introduced shortly, and the Subcommittee has tentatively scheduled a hearing for March 13, 2008. During the past year, the Office has worked closely with the congressional staff on legislative text that would address the concerns and issues of many stakeholders. Additionally, at the request of Senators Leahy and Hatch and in collaboration with Representatives Berman and Coble, the Office organized " Technology and Orphan Works:

The State of the Art," an event held in December at the Dirksen Senate Office Building, to acquaint staff with technologies that can be used to assist in identifying and locating copyright owners. Six companies participated -- Google, Corbis, DigiMarc, Infoflows, Copyright Clearance Center, PicScout and PLUS. Corbis and Audible Magic sent materials for distribution. On display were a broad array of software and related tools that demonstrated image recognition, audio recognition, fingerprinting, watermarking and technical tagging capabilities.

The Office also worked closely with congressional staff on other copyright issues, including legislation relating to expanding the public performance right for sound recordings to cover over the air radio broadcasts, protection for fashion designs, updating of statutory licenses, and issues relating to copyright registration and statutory damages. In January, at the request of the Subcommittee, the Office conducted an all day roundtable discussion examining whether statutory damages should be available for component parts of compilations and derivative works.

In 2007, the Copyright Office assisted federal government agencies with a number of multilateral, regional and bilateral negotiations and served on many U.S. delegations. Notable among these meetings were special sessions of the World Intellectual Property Organization's Standing Committee on Copyright and Related Rights, which met to consider a possible Treaty for the Protection of Broadcasting Organizations.

The Office assisted the Justice Department in a number of important court cases. Among the most significant cases were several constitutional challenges to various provisions of Title 17 involving copyright and related rights.

Registration of Copyright Claims, Recordation of Documents, and Deposit of Copies of Copyrighted Works

During Fiscal 2007, the Copyright Office received 541,212 claims to copyright covering more than a million works and registered 526,738 claims, more than 10 percent of which were submitted electronically through eCO and the CORDS prototype. The Office recorded 11,534 documents which included more than 500,000 titles of works. During the year, the Office transferred 1,077,152 copies of registered and nonregistered works valued at more than $45 million to the Library of Congress for its collections and exchange programs.

Public Information and Education

The Office logged millions of external hits on key pages of its website during the year, including over 2 million public searches of the database and 50,000 hits on Spanish language pages. In Fiscal 2007, the Office responded to 304,688 telephone, letter, and email requests for direct reference services and assisted more than 20,000 visitors. The Public Information Office took in 12,547 applications for registration and 3,206 documents for recordation.

In response to public requests, the Office searched 18,292 titles and prepared 444 search reports. The Office published twenty-nine issues of *NewsNet*, an electronic news update about the Copyright Office and copyright-related activities, to more than 6,000 subscribers.

Statutory Licensing Activities

The Licensing Division collected nearly $234 million in royalty payments during Fiscal 2007, and distributed royalties totaling nearly $280 million. The Office is in the process of updating its regulations to deal with issues related to the carriage of digital broadcast signals by cable systems. Additionally, we are in the process of reengineering the functions of the Licensing Division.

Reengineering Program

By the end of Fiscal 2007, the Copyright Office neared completion of its multi-year business process reengineering (BPR) project, which began in Fiscal 2000 with your support. Major BPR tasks completed include an Office-wide reorganization, the renovation of Office facilities, and the implementation of re-designed business processes and an integrated IT system. Fiscal 2008 is a challenging transition period. We must complete the work remaining from the old processes and at the same time we must adjust to and become competent in the new IT system, eCO (electronic Copyright Office), and the new processes.

Organization

To implement its new processes, the Office reorganized its divisions and modified most of its position descriptions. The reorganization took effect on August 5, 2007; it affected all staff in the Receiving and Processing, Examining, Cataloging, Information and Reference, and Acquisitions Divisions. The Examining and Cataloging Divisions no longer exist; their functions were merged and organizationally they are now located in the Registration and Recordation Program (RRP) which includes three new divisions - Literary, Performing Arts, and Visual Arts and Recordation, headed by an Associate Register for Registration and Recordation.

One hundred twenty five new positions were created to align job duties with the new business processes. Most staff were transferred directly into new jobs at the same grade. A small number of staff applied and were selected for jobs with very different duties and/or higher grades. The impact of the reorganization was bargained with the labor organizations before implementation. Support from the labor organizations was a key factor in the success of the reorganization and the reengineering project as a whole.

Extensive training was provided in 2007 to prepare staff for their new jobs. In addition to training in the use of eCO, staff reeeived training in basic computer skills, the new Copyright Voyager system for copyright public records, and a computer application that utilizes optical character recognition technology to transfer data from scanned application images. Training was also provided to prepare former catalogers and examiners for the combined duties of the new registration specialist position, and for all Office staff to help them deal effectively with the interpersonal issues and stress that often accompany major changes in the workplace.

Information Technology

In July 2007, the Office began implementing the new eService component of the eCO system by opening a beta test for filing copyright claims, which represent approximately 82 percent of the fee services provided by the Copyright Office. Well over 10,000 individuals and organizations have been invited to test the system; more than 11,000 electronic claims have been received. A Help Desk, modeled on the Patent and Trademark Office Help Desk, was established to support both Office staff and users of the eCO system. The testing period has allowed us to gain experience with the system and use feedback from test participants to improve system performance and functionality. System testing has also validated one of the key justifications for engaging in reengineering -- electronic claims are more easily and efficiently processed than paper claims. The Office will conclude the test phase of efiling and open eService to the general public in the next few months.

The Office is also developing a portable document format (pdf) "smart" form that incorporates 2-D barcode technology. The pdf form, which applicants will complete online and then print out for mailing, includes a scannable barcode that enables efficient processing. This option, which will be ideal for applicants who are reluctant to use a credit card online, will be released in conjunction with eService.

In August, the Office began processing paper claims in eCO by scanning applications and using optical character recognition software to transfer data from the scanned images. At the same time fee processing, including prepaid deposit accounts, was migrated from legacy systems into eCO. Processing paper claims in eCO is cumbersome and time consuming. The result is a current backlog of 48,000 claims, representing $2.2 million in fees that need to be entered into the system and 231,000 claims to process. We are taking steps to reduce the backlog; the real solution is a fully trained staff. Opening eService and offering the 2-D barcode application are also critical steps to improving claim processing.

In September, eCO Search, the new on-line copyright records search system, was implemented. The 20 million plus copyright records from 1978 to the present, available world wide via the Internet, now have an improved format and a superior index and word searching capability. The new search system is based on the same software used for the Library's bibliographic records, and consequently, the public can now use the same search tool to find both bibliographic and copyright information.

This year the Office will implement the functionality for processing additional types of copyright claims, recording documents, supporting the deposit of published works for Library collections, and managing internal work. Our experience during this year will assist in adjusting and refining the system so that the full benefits of an integrated on line system can be realized.

Facilities Renovation

There were two milestones in Fiscal 2007. First, the Architect of the Capitol completed all phases of the space renovation in the Madison Building. Second, in a series of twelve moves,

550 employees and contractors successfully relocated from temporary swing space in Crystal City, VA, and in the Madison and Adams buildings to permanent renovated space in the Madison. The twelfth and final move occurred in early October 2007.

Remaining facilities-related work continues in Fiscal 2008 and will be completed in Fiscal 2009. Graphic displays for division entrances and public areas and an historic copyright law timeline are being designed and will be fabricated and installed in Fiscal 2009. Also in Fiscal 2009, a much needed audio system for the new Copyright Hearing Room will be installed.

FY 2008 Budget Request

Restoration of Base Funds

To continue current operations, the Copyright Office requires a restoration of $9.975 million in net appropriations that was temporarily reduced by the committee with direction to use the remaining funds in the no-year account. The no-year fund balance will be depleted by the end of Fiscal 2008, leaving a shortfall of $9.975 million in Fiscal 2009.

If the Office's net appropriation for Fiscal 2009 does not include the restoration of $9.975 million, the Office will simply not be able to fulfill its statutory mandates. First and foremost, the Office will need to reduce the number of staff (FTEs) by approximately 115. This will affect all of our services. Registrations that people rely on to enforce their rights will be significantly delayed. Documents concerning copyright transactions (assignments/mortgages) will not be processed in a timely manner resulting in potential harm to a wide variety of businesses. The number of copies acquired for the collections of the Library through registration and administration of the mandatory deposit program will be significantly reduced. A reduced staff will also mean reduced service to the Congress, the Department of Justice and other federal agencies. Response to congressional and public inquiries will suffer. The unfortunate result will be that after all the efforts and promises to reengineer our processes to be more efficient and responsive to the public, the Office will lack the resources to carry on the fundamental functions of its mission and services could come to a standstill.

Copyright Records Preservation

The Office requests $1 million in net appropriations authority to fund the first stage of digitization of 70 million pre-1978 copyright records. Although the Copyright Office was authorized in Fiscal 2008 to use $1 million in offsetting collections authority to fund the project, the lack of sufficient funds in the no-year account requires that all annual receipts have to be used to fund base operations and the reengineering project. In Fiscal 2009, annual receipts are estimated to be $28.7 million, one million less than Fiscal 2008 receipts. The lower annual fee projection is based on lower fees associated with a discounted fee for electronic submissions and a gradual decline in receipts over the past several years. The first stage of the Records Project would cost approximately $6 million over a six-year period and would achieve the preservation goal and very basic online access. The second stage would add item level indexing, enhanced searching and retrieval, costing between $5 million and $65 million depending on the number of fields indexed.

The key objectives of this record digitization project are (1) disaster preparedness preservation of pre-1978 public records and (2) provision of online access to those public records. Copyright records are vital to the mission of the Library and the Copyright Office and they are important to the public and the copyright industries that are a significant part of the global economy. The pre-1978 records document the ownership and copyright status of millions of creative works. Loss of these sole-copy public records due to a site disaster would trigger a complex and expensive intellectual property ownership dilemma.

Conclusion

Madam Chair, I ask you to support the Fiscal 2009 Copyright Office budget request for the Basic Appropriations funding changes. Our request includes the restoration of net appropriation base funds and the non-recurring net appropriation funding for the Records Preservation Project. I cannot emphasize enough how important it is for the Office to receive the $9.975 million restoration of funds. Without this funding, the Office will have to shut down a good portion of its services and doing so will significantly harm the public and copyright owners who so heavily depend on the Copyright Office for services.

I thank the Congress for its past support of the Copyright Office requests and for your consideration of this request in this time of fiscal austerity.

DIFFICULT FUNDING CHOICES

Ms. WASSERMAN SCHULTZ. Thank you so much, Dr. Billington. I do have to tell you that I look forward to presiding over the subcommittee in times when we are more flush so that I can craft a bill that is not as disappointing as I know our bill in the last cycle was. We have been in a "do the best we can" situation. The Speaker always talks about how the budget is a reflection of our values, and certainly we are in a little bit of a battle right now over which expression of values we should be making. And so that struggle will continue, I think, for a number of months until it is finally resolved one way or the other.

I do have a number of questions. I am sure Mr. Latham and Mr. LaHood do as well. I want to just focus on some of the more difficult things that we have facing us.

The choices that this subcommittee has to make are between the wonderful programs that exist in the Library of Congress and the crumbling infrastructure that we have in terms of our facilities here; the life safety and security issues that we have to address, both short-term and long-term needs. And all of that is in the same bill, and it is a very small pie. And it is juxtaposed with the other appropriations subcommittees whose programs affect individual people's lives. So we are not just competing against ourselves, but we are competing against the other subcommittees who have significant needs. And so our allocation is always the most difficult thing, because once we get the allocation, where we go from there is what we have to work with.

DIGITAL TALKING BOOK PROGRAM

So I want to get right into the Digital Talking Book issue because we provided about $67 million for Books for the Blind and the Physically Handicapped in the 2008 omnibus, and that was almost a 25 percent increase over fiscal year 2007. And you noted in your statement that part of that increase was the $12.5 million that we gave the Library so it could move forward with the Digital Talking Book program. We also gave you transfer authority so that you could move additional resources into that effort if available, and we felt that was important because we wanted to make sure that if you had the ability to move some money around and provide additional resources, that that would be possible.

The Digital Talking Book program is extremely important, and we want to be able to provide you with enough funding in 2009 to keep it on track. You sent us a letter last year affirming that you could get through a 6-year rollout of this program with $12.5 million, and begin the additional work that GAO outlined, and address some of the concerns that they rolled out. So I would like to know what progress you have made to date. When do you plan to start distributing the first Digital Talking Book players?

Dr. BILLINGTON. Well, maybe I should ask the Associate Librarian for Library Services, Dr. Deanna Marcum, to address it.

Ms. WASSERMAN SCHULTZ. If you want to step to the table.

Dr. MARCUM. We have done a lot of work with the existing funds. The contract has been let for the production of the playback units. Work is under way to convert books to the new format. We realize

that with the smaller amount, the difficulty we are going to have this year is that we won't be able to convert to digital form as many of the retrospective titles as we had planned. But the work is moving forward. I think Mr. Cylke and his staff have done a very good job of making the best use of the money available.

Ms. WASSERMAN SCHULTZ. That is good to hear. And I want you to know that it is a priority for me to make sure that we go this far and no farther with this program, because your original request last year of $19 million was just too large a nut for the proportion of the bill that we were crafting from last year. And I really appreciate the effort that you made in working with us to try to find the sort of bottom-line number, which I know we are at now, that could make sure the program moved forward and we didn't lose the opportunity.

The worst thing that would happen is if we had the technology that is in use now become completely obsolete, the players go out of existence or lose their useful life, and not have players to replace them. We can debate about whether or not you should be going into the private sector for commercial players or should we be developing one on your own, and I know we had that discussion last year. But for the most part, I think we are on track now, and I hope Mr. Latham is willing to work with me to make sure that we proceed over the next 5 remaining fiscal years to make sure we don't go below the $12.5 million.

And my time has expired.

Mr. Latham.

Mr. LATHAM. Thank you very much, Madam Chairman.

Mr. Bonner apparently has a Budget Committee——

Ms. WASSERMAN SCHULTZ. I just wanted to make sure people knew he was welcome.

NDIIPP FUNDING REQUIREMENTS

Mr. LATHAM. And we welcome him to the subcommittee.

Dr. Billington, to what extent have the Library's long-term digital transformation plans been disrupted by the rescission? You talked $47 million in the rescission. If you could just speak to that, what effect that has had.

Dr. BILLINGTON. Well, with the NDIIPP program, we lost not only the $47 million that had been appropriated long before, but we also lost $37 million in matching money that had been pledged.

Mr. LATHAM. Who pledged that; private donors outside?

Dr. BILLINGTON. No, no. Collaborative partners. We have a whole bunch of collaborative partners. We have an enormous number of people who are involved. And it took a long time to negotiate these arrangements. Of the original appropriation of $100 million, $75 million of that was for matching funds to enlist partners, because the mandate from the Congress was to plan and begin implementing a national program to archive what is important to retain from the Internet. So we have already done a fair amount of matching, but for a lot of these arrangements you have to get the approval of State legislatures and all kinds of trustees of private repositories, and do all kinds of legal work.

So there was still a fair amount of unspent money for which we already had pledges. It was already committed, but not spent, and

in the rescission, all of this was picked up. So we have now reconfigured in view of the rescission, and therefore we come in with a request for $6 million to keep this program alive and to keep the network principle alive so that everything doesn't fall to Federal appropriations.

NDIIPP ACCOMPLISHMENTS

I think a lot of that good work will go on because people realize how important it is. And there have been a lot of meetings, a lot of work in setting metadata standards, the electronic equivalent of cataloguing, and establishing a whole lot of procedures, looking into the whole question of how we maximize access as well as preservation.

This information found on the Internet is very impermanent. It changes a lot. A lot of it has been lost already. We already have data in the system, in addition to developing the standards and the architecture that can be ramped up even with the certain fact that the technologies are going to change—you don't want to have to redo the system each time. That has taken a long time; a lot of progress has been made. We already have 66 terabytes of stored information in the system in various repositories. We have developed a 5-year plan based on this very much-reduced level of $6 million a year that will increase stored information 10 times over to 650 terabytes. A terabyte equals about the content of 1 million books. So you are talking about the equivalent content of 650 million books. It is an awful lot of information.

We estimate roughly that we lost 75 percent of the content in that rescission, but that we can recapture a great deal of it with this program. And so we have here a very detailed 5-year plan with rollouts and figures and statistics which we will give the committee to indicate what can be saved.

A good deal has been lost. A good deal was lost before we began this program, but NDIIPP is still the major program for enlisting and involving partners. It is a good thing because a lot of institutions have been thinking only of their own, what they want to save for their own faculties or for their own research purposes. Now they have to think in terms of the national need, and they are going to make—even though it may be stored in another institution—it available to the Congress at all times so that we can get instant access as if we physically had the materials ourselves.

Mr. LATHAM. How are we doing on time?

Ms. WASSERMAN SCHULTZ. A couple more seconds. We will give you a little leeway.

Mr. LATHAM. Okay. So, in essence, what the rescission costs in outside money, $84 million, can we recover some of that outside with the $6 million a year that you are talking about? Are we going to be able to get these people to come back into the fold with the $37 million that was lost?

Dr. BILLINGTON. We would hope so. I mean, we have a lot of them already in the fold. In fact, the major point of this is to maximize partnerships. We may not have as much money to give them, but we want to keep as many of those partners as we can. In the 5-year plan, we have—I forget the exact number, but we can give you the rollout—something like 130 partners we project to get back

into the system. Many of them are already here. They never left us.

This program has already had a great impact because it has alerted a wide variety of institutions. There was a beautiful article, an op-ed piece, in the Washington Post by Francine Berman, who heads the San Diego Supercomputer Center; and James Barksdale, the founder of Netscape, who is one of our principal guides on the technology side. They wrote that, if we were to stop and not be able to continue to archive the Internet, it would be like destroying the Library in Alexandria because more and more things are available only in digital form. This country invented this technology, and we still have the world's greatest intellectual industry doing all kinds of interesting studies, and more and more of which is only in digital form.

This is the business of superimposing acquisitions, digital knowledge and information. This is of enormous value to the United States, which invented the technology, and so many ideas, but if we don't archive these acquisitions and keep them, we aren't going to be able to answer questions that will only be answerable from digital content, increasingly from Congress, and also for the support of the government and our economy in general.

Mr. LATHAM. Thank you.

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

Mr. LaHood.

THANKS TO THE LIBRARIAN

Mr. LAHOOD. Dr. Billington, thank you for being here.

I agree with what has been said earlier. I think the Library is the jewel in Washington, D.C. I think that the actual building is one of the most beautiful buildings in Washington. I tell people to be sure and come into the building and see the beauty of it. I also think that under your leadership and your team, the Library has really moved into the 21st century in ways that probably most Members of Congress have no way of knowing.

I also want to thank you on two counts: One, for accepting our suggestions to find ways to get more Members of Congress to come to the library. I know you are working on that very hard and have come up with some creative ways to do that, to get Members to use the Members room, and to come to the Library and see the great exhibits that you have. And I also want to thank you and your staff for all of the work that you have done to make the Abraham Lincoln Bicentennial Commission successful by allowing the staff of the Commission to work in your facilities and to use many of the resources that are available in the Library.

DIGITAL TALKING BOOKS FUNDING REQUIREMENTS

I know that this budget request for the Books for the Blind and the Physically Handicapped is very troubling to you.

And I will just tell you this, Madam Chair, I am going to be one member of this subcommittee that is going to try to find a way to find the money. Look, budgets are about priorities. Our priority ought to be a way to not extend our ability to move books into the digital world by extending it 2 years, but to try to find the money to do it in 4 years. Budgets are about priorities, and one of our pri-

orities on this subcommittee should be to find the money to do this. And so we haven't been given our allocation. The Congress hasn't even adopted a budget yet.

And so I want you to know, and I want the Librarian to know, and I want the blind community to know this is one Member that is going to try and find the money so that we can do these digital books in 4 years, which is the commitment which we made to these people, the commitment that Congress made to them. To extend it out 2 years means that a lot of these people are not going to have the ability to have access to these books because they are going to be sitting on shelves. And I think it is incumbent upon the Congress to say to the handicapped community, we care enough and think enough about your ability to read important literature and books to give you the ability to do that. That ought to be one of the priorities of Congress, and it ought to be one of the priorities of the subcommittee.

So I am going to do everything I can to find the money, to offer amendments if we can't find the money as a subcommittee to offset our ability to fund this. I think it is one of the most critical things we can do for the blind community and to send a message that reading is important, that having access to these books is important, and that because you are handicapped, it shouldn't delay your ability to read books. And——

Ms. WASSERMAN SCHULTZ. Will the gentleman yield?

Mr. LAHOOD. Of course.

Ms. WASSERMAN SCHULTZ. Because I would also ask that you speak to the President of the United States when you have an opportunity and encourage him to be willing to compromise on what the overall top-line number is that we have to work with, because it is programs like this one that end up suffering when we have an austere and incredibly difficult number to work with.

We have talked about the nice-to-haves and the got-to-haves in this bill. This Committee is one of the committees that suffers the most as a result of the allocation decisions that have to be made, because when they are choosing—when either your leadership or our leadership is forced to choose between Labor-HHS programs, and infrastructure needs, and transportation and energy and water projects, there is no way that we will be made a priority, and you have programs like this one that end up suffering because they are housed within the allocation that is given to this committee.

Mr. LAHOOD. Look, Madam Chair, I am not going to lay the blame on the President, I am going to blame the Congress. We are the one that passed the rescission, we are the one that cut these programs, we are the one that made the decision. We are on this subcommittee as freely elected Members of Congress to make priorities. We are going to set our own budget.

Do you know what I told some folks back home? The President proposes his budget, which he has done on February 5th, and we dispose. We are going to have our own budget. It is going to be on the House floor here one of these days. And as members of this subcommittee, we have an obligation to fund programs that we think are a high priority. And I happen to think this one is a very high priority, and I am going to fight like hell to make sure we can find the money somewhere within our allocation to speed up the

digitizing of these books from 6 years to 4 years. We owe it to these folks to do that. That ought to be our priority.

You know, the President can propose his own budget. We have our obligation and our responsibility. That is why we are elected. That is why we are on this subcommittee. That is why we have these hearings, to set our priorities. This ought to be our top priority this year.

Ms. WASSERMAN SCHULTZ. Thank you. I hope that yours and your colleagues on your side of the aisle's votes reflect both priorities as well when it comes to the needs that we have in this subcommittee as well as others, because there are many competing needs in this subcommittee.

Mr. LAHOOD. Well, look, Madam Chair, I will work very hard on my side of the aisle. When our Legislative Branch Subcommittee comes to the full committee and comes to the House floor, this Member will be out front working very hard to make sure that this program is a priority for the Congress. I think it sends a good message across the country.

Ms. WASSERMAN SCHULTZ. It is my responsibility, and I will mention that your time has now expired, but it is my responsibility to make sure that all of the competing priorities in this committee, of which there are many, and the Talking Books for the Blind and the blind program is only one of them, and not one that I can say is the most important—there are many competing priorities in this subcommittee. This a program that received $67 million in the last fiscal year, $67 million and a 25 percent increase, one of the largest increases in our entire bill. So there should not be an impression left that this is a community that has been forgotten or left out in the cold or ignored.

This particular program most likely will have to be stretched out over a longer period of time, and there is only going to be a 10 percent reduction in the amount of players available. So let us make sure that we provide the resources and not politicize an issue unnecessarily.

Mr. LAHOOD. Well, look, I want to respond to that.

Ms. WASSERMAN SCHULTZ. Yes, Mr. LaHood.

Mr. LAHOOD. It is also my responsibility as a member of the committee, too. I know you are the Chair, but I am an equal member of this committee.

Ms. WASSERMAN SCHULTZ. You certainly are.

Mr. LAHOOD. If you don't see this as a priority, I am putting you on notice, Madam Chair——

Ms. WASSERMAN SCHULTZ. I am reclaiming my time, Mr. LaHood.

Mr. LAHOOD. I ask unanimous consent to speak for 1 minute.

Ms. WASSERMAN SCHULTZ. Mr. LaHood.

Mr. LAHOOD. If you want to do it that way, I will do it that way. I yielded to you when you asked to be yielded to on my time.

Ms. WASSERMAN SCHULTZ. And I have let you speak for 8 minutes. So if we are going to have a give and take, then we can have a give and take.

Mr. LAHOOD. Well, you don't want to give me a give and take, so I will come back a second round.

Ms. WASSERMAN SCHULTZ. Okay. Thank you.

Mr. LAHOOD. If you can't have it your way, then you don't want it anybody's way.

Ms. WASSERMAN SCHULTZ. Mr. LaHood, with all due respect, I gave you an opportunity, a lengthy opportunity, to speak. And if we are going to have a give and take, I am happy to have one. I didn't interrupt you.

Mr. LAHOOD. Then let us have a give and take.

Ms. WASSERMAN SCHULTZ. Well, let us just proceed under regular order, and that way we can make sure that we are not arguing.

Ms. Lee, welcome to the committee.

Ms. LEE. I am welcome to be here. At the right time, I think. I apologize for being late. I had three things going on at one time. But thank you, Madam Chair, for this hearing, and good to see you both.

CONTRACTING WITH MINORITY AND WOMEN-OWNED BUSINESSES

Let me just ask you a couple of things with regard to the minority and women-owned business contracting initiative that we began last year. We are, I guess, waiting to see some draft language as it relates to the involvement and utilization of minority and women-owned business. Can you kind of tell us where you are on that and what the status is; and the type of contracting that you actually do in terms of procurements; and if you know whether or not what the numbers are at this point?

Ms. JENKINS. I can't give you the exact numbers right now, but we have submitted to the committee the appropriate language that you asked for in the past bill to capture data and design a program for minority contracting.

I will tell you that roughly 50 percent of our contracts already go to small businesses with the exception of some few technology contracts. Almost all of our contracts are small-dollar contracts. I started my career being a competition advocate in the Small Business Administration, so I know a lot about this area, and it is something that we are putting in place to try to capture that data.

I don't have the exact percentage of the number of minority businesses, but we have just gotten the authority to also do 8(a) contracting, and so we are moving forward with putting that program in place as well.

LITTLE SCHOLARS CHILD CARE CENTER

Ms. LEE. I look forward to reviewing that.

Let me ask you also about the child care center, the status of the child care center, and also this issue about the low-income assistance for the child care center, and also an update. Do you have any renovation plans at this point, and where? Again, based on our initial conversations, do we know yet where children will be housed during the interim?

Ms. JENKINS. I will answer the question first about the subsidy. Right now we do not have a direct subsidy from the Congress to subsidize the child care center tuition cost. We have a very active fundraising committee with the Little Scholars program and we do a number of employee fundraising events. I myself contribute to the Little Scholars Child Care Center.

But I know that the House employees have an authorization from Congress to subsidize tuition. We don't have that at the Library, so we do not currently subsidize the tuition. We have about 27 employees at the Library of Congress and about 21 Members of the House have kids who are at the Little Scholars Child Care Center.

Ms. LEE. Madam Chair, sooner or later I would like to really look at that, because I think the employees should have that available at the Library of Congress.

Ms. JENKINS. And then you were also asking about St. Cecelia's and the renovation?

ST. CECELIA'S RENOVATION

Dr. BILLINGTON. When this was originally purchased for the Library through the Architect of the Capitol by Congress at a reasonable price, the first priority was to establish a daycare center, which was much needed, and so we did that right away. The understanding was that the Congress, having purchased this property, would turn to the Library to convert it into low-cost housing for people who come to the District to use the immense scholarly and cultural resources in Washington. These are mostly young and international people who really can't afford Washington-area prices. That need has become all the more urgent since the cost of hotels and living space in Washington has skyrocketed. Most people are on expense accounts; journalists, lobbyists and others.

I had consulted with the French and German Governments on setting up something similar to this. Frankly, Paris and Berlin have plenty of low-cost housing; they don't really need it. Washington is probably the world's greatest repository of underused scholarly material for a host of reasons. The Library of Congress first and foremost, but also the National Archives and many government libraries, are huge resources in this city that are underused because it is too expensive for younger scholars to do research work here. We are trying privately to raise the necessary funds.

We have been encouraged by local foundations to come up with a plan, and we have privately raised about half the amount of money that would be needed to renovate the building. We have to pay something to sustain the whole complex. The basic building is very solid. We have worked out plans, which we have discussed over the years with the community. I think it would be a real addition to Washington and a tremendous help to people who really want to use the research facilities, but just can't afford to come here. It would accommodate between 35 and 40 people at a time for a couple of weeks of intensive work.

We hope to complete the private fundraising and have it run professionally.

Ms. LEE. So the children who will be displaced as a result of the renovation?

Dr. BILLINGTON. The private fundraising involves funds for the temporary displacement of the child care center, but that will continue to run. We won't go ahead with the renovation project unless we are sure that the child care center is provided for.

Ms. LEE. The Board hasn't decided where the children will go?

Ms. JENKINS. The Board has a couple of options that we are looking at, but it would be within a 3-month period of time once we secure all the funding.

[The information follows:]

CENTER FOR VISITING SCHOLARS

Question. What is the current plan for renovating the St. Cecelia's facility, including accommodating the childcare operation while the facility is closed for renovation?

Answer.

• Under the current plan, the facility at 601 East Capitol Street, SE., would be renovated to house the Library of Congress Center for Visiting Scholars along with the childcare facility. Funds needed for renovation would come from donations (no appropriated funding for construction would be requested by the Library).

• The AOC has conducted condition assessments and the LOC, using a contract architecture and engineering firm, has determined the extend and cost of renovation required. The AOC is working with the LOC and its contract architecture and engineering to explore design options that will accommodate the programmatic and technical requirements in the most economical fashion.

• Accommodation of the existing Little Scholars Child Development Center is a major consideration. Under the current plan, the Center would be relocated during renovation to modular buildings in Page School Park. The earliest that relocation would occur is Summer 2009, but the project plan is still evolving and may be impacted by AOC utility tunnel work on Second Street between North Carolina Avenue and the Senate buildings.

• The Library is working closely with the AOC and the Child Development Center's Board of Directors and Center Director to coordinate utility tunnel work with all aspects of the temporary childcare operation; including planning, schedule, accessibility, environmental impact, security and safety compliance.

• Because of utility tunnel work and to reduce costs, other temporary childcare options are also being explored. Other options may include relocation to modular facilities on Library grounds, accommodation on the existing site, and temporary use of local school and daycare facilities during summer months.

Ms. LEE. Thank you.

Ms. WASSERMAN SCHULTZ. Thank you. And I absolutely agree and look forward to working with you on the child care center.

5-YEAR PLAN FOR NDIIPP

I want to follow up on some of the things that Mr. Latham talked about in the NDIIPP program. I do want to commend you for developing the 5-year plan, and I realize we have, again, a difficult budget situation. You are choosing between your children when you put together this budget proposal. But with the 5-year plan and the $6 million that you have requested, it appears, and correct me if I am wrong, that you have made some good progress in terms of making adjustments to ensure that you could continue to progress down the path that has been laid out to accomplish your goals. Is that a fair assessment?

Dr. BILLINGTON. Yes.

Ms. JENKINS. Yes.

[The information follows:]

COLLECTING AND PRESERVING DIGITAL CONTENT

NATIONAL DIGITAL INFORMATION INFRASTRUCTURE AND PRESERVATION PROGRAM

PROGRAM AND RESOURCE PLAN
FY2008 – FY2013

FY2008

NDIIPP: MAKING THE TRANSITION TO SUSTAINABLE STEWARDSHIP

Goal

Align strategic direction of the NDIIPP program with available resources while fulfilling pre-2007 agreements with partners.

FY2008 Objectives

- Operate existing network
- Follow through on multi-year partnership agreements made in FY2007, to the extent possible with limited resources (see charts on page 5)
- Transition the no-year, term-limited program scenario to an annual operating program
- Prepare NDIIPP Report (2003-2008)

Program Achievements FY2003-2008

Content	• 66 terabytes[1] at-risk digital content collected and preserved by partners • Provide access for Congress to partner content
Network	• Network of 130 partners in content, technology, research, government and business sectors across 25 states • 10 federal agencies collaborating to develop standards to preserve and sustain at-risk content on a national level • Report of Section 108 Copyright Working Group
Technical Infrastructure	• Storage and transfer infrastructure for 66 terabytes of partner content • 12 shared tools and technology services built and customized especially for digital content capture, storage and management

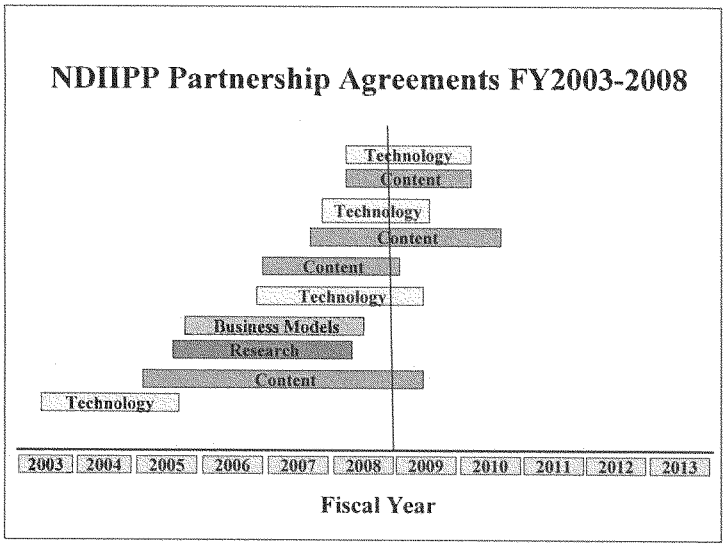
[1] A terabyte is the equivalent of the digital text of 1 million books

FY2008

FY2008 Program Operating Plan
Sources and Uses of Funds
(Original Planned vs. Current Budget) ($M)

Fund Type	Description	FY2007 Original Planned *	Current Budget
NDIIPP No-Year Funds			
Fund Source	FY 2008 Beginning Balance	$5.513	$5.748
	FY 2008 Restoration Request	$21.500	$0.000
	Total No-Year Funds	**$27.013**	**$5.748**
Fund Use	Staff **	$1.478	$0.000
	Program Mgmt & Network Admin	$1.249	$0.412
	Grants to / Contracts with Partners		
	States Regional Demonstration Projects	$13.500	$2.291
	Content Partnerships	$6.000	$1.688
	Repositories & Infrastructure Partnerships	$2.000	$1.357
	Total No-Year Funds	**$24.227**	**$5.748**
FY2008 Ending Balance (Projected)		**$2.786**	**$0.000**
NDIIPP Base Funds			
Fund Source	FY2008 Enacted	**$0.000**	**$1.478**
Fund Use	Staff **	**$0.000**	**$1.478**
FY2008 Ending Balance (Projected)		**$0.000**	**$0.000**

* Original Planned amounts developed in February 2007
** Request for staff salaries to be supported by Base Funds in the FY2008 Operating Plan



FY2009 to FY2013

Investments

From FY2009-2013, the NDIIPP Program will invest resources in three areas;

- Content will focus on bringing at-risk content under stewardship through a network of national partners.
- Network will focus on expanding digital preservation action by establishing the National Alliance for Content Stewardship.
- Technical Infrastructure will collaborate with partners to enable cost-effective storage and management of a variety of types of content brought under stewardship.

Projected Achievements FY2009-2013

Content	• 650 terabytes of at-risk digital content under national stewardship, representing nearly a ten-fold increase over current levels
Network	• The National Alliance for Content Stewardship operational in all 50 states
Technical Infrastructure	• Cost effective storage and management of 650 terabytes of at-risk digital content distributed across the partnerships

NDIIPP Funding FY 2009-2013 ($M)*

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Staff	$1.478	$1.478	$1.478	$1.478	$1.478
Content	$3.499	$3.499	$3.499	$3.499	$3.499
Network	$0.724	$0.724	$0.724	$0.724	$0.724
Technical Infrastructure	$1.810	$1.810	$1.810	$1.810	$1.810
Total	$7.511	$7.511	$7.511	$7.511	$7.511

NDIIPP Funding by Object Class FY 2009-2013 ($M)*

Object Class	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
11xx Pay	$1.478	$1.478	$1.478	$1.478	$1.478
21xx Travel	$0.050	$0.050	$0.050	$0.050	$0.050
24xx Printing	$0.015	$0.015	$0.015	$0.015	$0.015
25xx Contractual Services	$2.968	$2.968	$2.968	$2.968	$2.968
31xx Equipment/Software	$1.000	$1.000	$1.000	$1.000	$1.000
41xx Grants	$2.000	$2.000	$2.000	$2.000	$2.000
Total	$7.511	$7.511	$7.511	$7.511	$7.511

* Does not reflect Price Level or Mandatory changes

FY2009 to FY2013

Content - Annual Investment ($M)*					
Investment Area	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Cartographic/Geospatial	$0.475	$0.502	$0.479	$0.460	$0.444
Web Sites	$1.519	$1.623	$1.797	$1.885	$1.928
Audio Visual	$1.366	$1.232	$1.084	$1.011	$0.977
Images and Text	$0.138	$0.141	$0.140	$0.144	$0.150
Total	$3.499	$3.499	$3.499	$3.499	$3.499

Network - Annual Investment ($M)*					
Investment Area	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Membership	$0.290	$0.145	$0.145	$0.145	$0.145
Standards Development	$0.217	$0.290	$0.290	$0.290	$0.290
Professional Development	$0.145	$0.217	$0.217	$0.217	$0.217
Outreach	$0.072	$0.072	$0.072	$0.072	$0.072
Total	$0.724	$0.724	$0.724	$0.724	$0.724

Technical Infrastructure - Annual Investment ($M)*					
Investment Area	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Tools	$0.362	$0.543	$0.543	$0.543	$0.543
Services	$0.724	$0.543	$0.905	$0.905	$0.905
Transfer Protocols	$0.362	$0.362	$0.181	$0.181	$0.181
Storage Capacity	$0.362	$0.362	$0.181	$0.181	$0.181
Total	$1.810	$1.810	$1.810	$1.810	$1.810

* Does not reflect Price Level and Mandatory Changes

FY2009 to FY2013

CONTENT

Goal

By 2013, place over 650 terabytes of high value at-risk digital content of particular interest to Congress and its constituents under national stewardship.

Links to Library's Strategic Plan

Content goal, Outcome 3: Increased shared content stewardship among libraries and other cooperating bodies.
Content goal, Outcome 4: Increased creative and intellectual output that contributes to the body of knowledge available to the Congress and other constituencies.

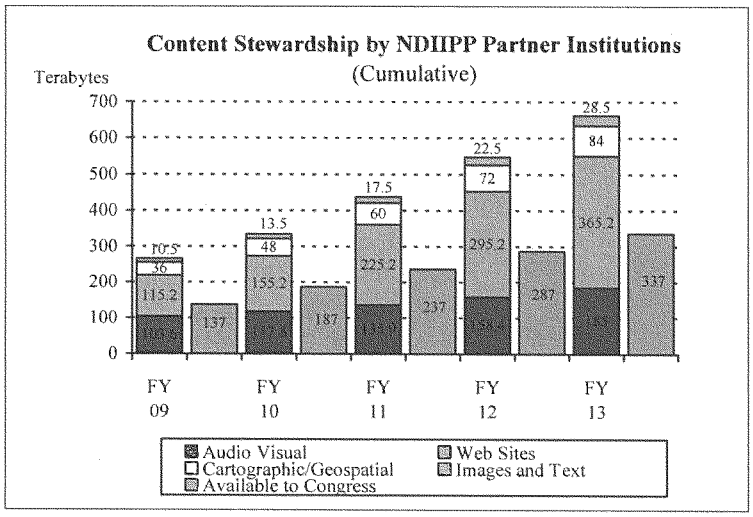
Investments

The following four categories of content (see table below) represent high priorities:

Content Categories

Category	Description	Examples
Cartographic/Geospatial	Today's maps are born digital and are rich with data critical to land use management, disaster relief, environmental planning and homeland security.	• Congressional cartography • At-risk state, regional and local government geospatial data (e.g., emergency response assets, jurisdictional boundaries, infrastructure maps) • Aerial and satellite imagery, including coastal imagery
Web Sites	The Web is an increasingly important source of information by and about government, as well as a mirror of the political and social events of our time. Much of the documentation of our daily lives, as well as public discourse and debate, has moved to this new digital landscape in which content appears and vanishes at incredible speed.	• Materials related to critical public policy issues (e.g., public health and medical preparedness, water quality management, foreign investment and international outsourcing, personal privacy protection and data security) • State and local digital publications and agency policy documents
Audio Visual	The very nature of broadcast distribution makes television and radio one of the most at-risk forms of content. Non-commercial programming from both the U.S. and foreign countries is of particular interest.	• Foreign news broadcasts • U.S. television broadcasts • Radio broadcasts
Images and Text	These materials represent substantial information investments that have been made by the government, cultural heritage institutions and other segments of society.	• State and local agency records (e.g. court records, vital records, land ownership records) • Databases containing the results of research and surveys • Previously digitized content

FY2009 to FY2013



Content Types

Content under stewardship by NDIIPP partners includes geospatial, digital television, web sites, social science datasets, business records and digital cultural heritage collections. Adding access functionality for search and retrieval and user interfaces, increases the cost of stewardship beyond basic maintenance costs of secure, monitored storage and data management. There is also a cost multiplier effect across complex and diverse content types.

FY2009 to FY2013

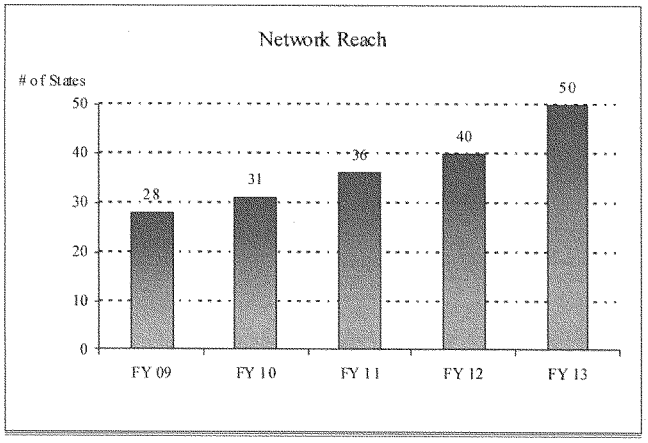
NETWORK

Goal
By 2013, establish agreements with diverse stakeholders in all 50 states to sustain a digital preservation network.

Links to Library's Strategic Plan
Outreach goal: Increase awareness of the value and utility of the Library.

Investments
Network investments are in

- Membership: Building on FY2003-2008 partnerships, establish the National Alliance for Content Stewardship
- Standards Development: Collaborate with partners from content, technology, government and business sectors to develop standards to sustain at-risk digital content
- Professional Development: Promote awareness and adoption of good preservation practices through professional development for digital content stewards
- Outreach: Promote public awareness through a Web site and various media outlets



FY2009 to FY2013

TECHNICAL INFRASTRUCTURE

Goal
By 2013, enable cost-effective storage and management of 650 terabytes of a variety of types of digital content.

Links to Library's Strategic Plan
Content Goal, Outcome 2: Enhanced preservation and accessibility.
Content Goal, Outcome 3: Increased shared content stewardship among libraries and other cooperating bodies.
Organization Goal, Outcome 1: Optimized cultural, physical and technology environment maximizing quality, efficiency and creativity.

Investments
The partners work collaboratively to develop the NDIIPP technical infrastructure by building the information systems, tools and services that support the digital programs.

Projected Outcomes for FY2009-FY2013*

Category	Outcome
Tools	Systems and utilities that can be used by content collectors and managers to automate tasks and processing
Services	Operational services for digital content management offered to stewardship communities
Transfer Protocols	Robust and scalable digital content delivery mechanisms among partners and between the Library's preservation and access technical environments
Storage Capacity	Architecture to store more by reducing cost per byte over time

*See next page for detailed milestones chart by technical infrastructure components.

FY2009 to FY2013

Milestones: Technical Investment Components

		FY09	FY10	FY11	FY12	FY13
Tools: Systems and utilities that can be used by content managers and content collectors to automate tasks and processing						
FY09	Suite of published tools usable across digital preservation partnership					
FY10	Interoperability with tools from other research oriented communities					
FY11	Integration with commercial provider tools					
FY12	Expansion of rules-based tools to implement policies					
FY13	Preparation for efficient migration to next generation of tools					
Services: Operational options offered to user and stewardship communities for management of digital content						
FY09	Services matched to the type, volume and access goals for content					
FY10	Development of repeatable rule-based services for content types					
FY11	"Turnkey" operational workflow for digital content					
FY12	Improvements in economies of scale for volume-oriented operations					
FY13	Planning for next generation of network technologies					
Transfer Protocols: Establishment of robust and scalable pipelines to deliver digital content (among partners; between preservation and access						
FY09	Simple media types and formats					
FY10	Moderately-complex media types and formats					
FY11	Complex and large media types and formats					
FY12	Integration of transfer protocols into efficient services					
FY13	Planning for next generation of network technologies					
Storage Capacity: Build architecture to store more by reducing cost per byte over time						
FY09	Invest in greater storage density					
FY10	Invest in efficient and timely media migration processes					
FY11	Invest in state-of-the-art error prediction processes					
FY12	Invest in resource-efficient architecture components					
FY13	Plan for migration to next generation of storage technologies					

Ms. WASSERMAN SCHULTZ. So I just want to make sure, obviously, again with this program as well that we can't get any worse. I mean, the $47 million rescission that occurred, which occurred in the fiscal 2007 cycle as a result of that year's budget not being accomplished, and with us having to first do a CR and then focus on the 2008 fiscal year, really caused us a significant problem. I know that NDIIPP is a high priority for the Library. And I think it is important to point out that these are materials that if we don't make sure that we continue down the path of preserving them, that they could be—well, many will be lost; is that right?

Dr. BILLINGTON. Absolutely. It is impermanent in two senses. It is impermanent because it is very short-lived material that is very perishable. The systems for decoding have changed. A lot of early digitized material can't be read anywhere, so it is impermanent in that sense.

It is also impermanent in the sense that a great deal of value-added material is lost; for instance, venture capitalists all over the place are coming up with new services. A lot of scientific work is on line, but if nobody subscribes to the service that somebody is providing, it just vanishes. It is not as if it is printed and there are only a few copies; it just simply vanishes. Nobody maintains the source, and a lot of things have vanished that way.

PRESERVING LIBRARY COLLECTIONS

This is an attempt to preserve and add to the Library's artifactual collections and have digital materials and to integrate it so you can have one-stop shopping. It is really a program that, for every year it is deferred, you lose. You don't even know exactly what you have been losing.

Perhaps the least understood and underappreciated thing that the Library of Congress does is simply preservation. Everything on which creativity, intellectual advances, scientific studies are recorded since 1850 has been on perishable paper or perishable magnetic tape. This is the price, and it is a price worth paying, of a democratic society. Everybody gets access to things. But information is on high-acid paper, on acetate or nitrate film, on any of a variety of impermanent media.

We have all the audio-visual heritage consolidated at last in one place in Culpeper, Virginia. We have a better chance of preserving that. The Library of Congress produces three-quarters of all the film preservation of archival quality ever done in this country. Our role in preservation of the Nation's cultural creativity and intellectual production is absolutely central in our throw-away society. The Congress itself recognizes the importance of this preservation by creating boards for film preservation and for sound preservation.

Ms. WASSERMAN SCHULTZ. My time is going to expire. I want to be respectful of the other Members.

CAPITAL SECURITY COST-SHARING

The payments to the State Department to provide security to your field offices, that is, I know, a frustration for you, and it is becoming an increasing frustration for me. I really think it is significant to note, again in the category of competing priorities, it is clearly critical that you have overseas field offices. I know that that

is related to your ability to collect international collections, and there is a lot of important work that is being done by those offices. But 32, almost 33 percent of your entire request goes to funding the security that is provided to you by the Department of State. Is this the last increase that you have coming down the pike, or is there more in the future?

Ms. JENKINS. For costs of security?

Ms. WASSERMAN SCHULTZ. For the assessment.

Ms. JENKINS. No. In fact, they have told us that next year's request will be $5.4 million as part of our shared costs.

Dr. BILLINGTON. This is very high overhead, about 49 percent overhead on direct program cost.

Ms. WASSERMAN SCHULTZ. My understanding, and I sort of asked a question that I already know the answer to, but at some point doesn't the security cost actually eclipse the cost of the program?

Dr. BILLINGTON. Not quite, but it is——

Ms. WASSERMAN SCHULTZ. It is close, isn't it?

Dr. BILLINGTON [continuing]. Getting there.

Ms. JENKINS. We are not sure whether or not the State Department is going to continue this indefinitely. Part of this was a result of 9/11, and they had to enhance security in all of the embassies, and they fair-shared it. We are hoping that it is not indefinite.

[Staff Note: The Library is required to make payments for this program through 2018.]

Ms. WASSERMAN SCHULTZ. I think it is something that we really need to address, and I will ask the subcommittee members for their help when that time comes.

Mr. Latham.

DIGITAL TALKING BOOKS AMENDMENT

Mr. LATHAM. First of all, I want to associate myself with Mr. LaHood as far as the digital book program. The subcommittee last year, going to full committee, only had $7.5 million in the appropriations bill. Mr. Kingston and I had an amendment in full committee to raise that; we compromised $12.5 million, which was successful, but it kind of robbed Peter to pay Paul in the entire budget. But this is an absolutely critical need as far as I am concerned. I very much agree with Mr. LaHood that we have got to do something about it.

IMPACT OF A CR AND UNFUNDED CRITICAL NEEDS

There are a couple of concerns I have. One, as far as the Senate, I know we are going to do our work in the House. The Senate has said they are probably not going to do any appropriations bills this year, so we are going to be in the CR. What effect is that going to have?

Also, in your statement you talked about $52 million you did not request for critical needs. If you could kind of give us an idea of maybe the most significant part of the critical needs that are not in your request, that would be very, very helpful to me.

Dr. BILLINGTON. I am glad to do that. First of all, almost half of our critical needs are technological infrastructure. We are world leaders in providing high-quality, dependable, educational things K

through 12 for a very, very large audience. We get over 5 billion electronic transactions every year.

We have about 100 million repeat users.

I can get you the exact figures, but it is straining our technological capacity.

Library Services has been eroded a great deal. They have taken about 70 percent of the substantial erosion of staff since 1992. I have statistics on that I can give you as well.

There is a whole list I can give you of all those divisions. It is nearly $52 million that we identified as important needs.

We didn't go forward. We also didn't go forward with a very much needed logistics center, which we have been proposing for several years. We didn't even put that in this budget. Added together, you are getting close to $100 million in infrastructure needs.

[The information follows:]

Question

What were the $52 million in "critical funding needs" mentioned in the Librarian's statement that were eliminated from the 09 request? Just a high level listing (with associated dollar amounts) and a brief description of each major item will be fine. Also, please indicate for each major item whether the Library decided to forgo that item in FY09, or rather to fund it internally:

Answer

Program/Project/Initiative	Description	Funding
Information Technology Infrastructure	Infrastructure investment for ACF, NAVCC, Web Services, and New Visitors Experience	$21.177
Digital Talking Books	Restore funding to original 4 year implementation timeframe	$ 13.2
Library Services Base Restoration	Partial restoration of fiscal 2007 – 2008 base cuts.	$ 8.998
New Visitors Experience	Enhance awareness of LoC programs and collections	$ 4.423
Facility Services	Business Process Reengineering	$ 1.247
Law Library	GLIN expanded access and Law Materials	$ .540
Human Resources	Career Development	$ .161
Contracting	Contract Specialist Support	$ .188
Security	Reading Room contract guards	$ .142
Congressional Research Service	Enhanced Access	$ 1.761
Total, Fiscal 2009 Funding Requirements Eliminated from Request		**$51.837**

All initiatives will be re-evaluated and re-prioritized for consideration for submission in the fiscal 2010 budget.

Mr. LATHAM. Did you request, if I may interrupt——

Dr. BILLINGTON. We did not.

Mr. LATHAM. You didn't request OMB?

Dr. BILLINGTON. I beg your pardon?

Mr. LATHAM. Did you make in your request submission—did OMB cut this, or did you——

Ms. JENKINS. We don't go through OMB. We decide——

Dr. BILLINGTON. This is our decision.

Mr. LATHAM. We have a mutual disadmiration for OMB.

Ms. JENKINS. This is actually our internal process.

Dr. BILLINGTON. This is our internal process for establishing critical resource requirements. This isn't just a vague wish list; these are things in our process. We have identified infrastructure needs that are pretty crucial, particularly the information technology infrastructure.

Mr. LATHAM. Okay. Well, that is—I appreciate it.

Dr. BILLINGTON. Also some requests from CRS.

RETIREMENTS IN CRS

Mr. LATHAM. That is where I was going next. I just wanted to ask Dan one question.

Going back to when I was first on the subcommittee, about 12 years ago, CRS had a real problem with retirements.

The institutional knowledge that we are going to be losing is significant. I just wondered if, for the record, you would talk about that and where you are today with the problem.

Mr. MULHOLLAN. Thank you very much.

Over a decade ago, back in 1996, we identified the problem that 50 percent of the CRS staff were eligible to retire by 2006. We went to the Congress and said we need to have knowledge transfer. For example, as new agricultural economists come in, they need to be working with the agricultural economist who has been here for six farm bills. So we asked the committee, and the committee was able to give us additional funding for 2 years in a row to be able to assist us in this succession plan.

And so every year we have asked CRS staff, when do you anticipate retiring, knowing plans change. So if six experts in natural resources are here and three of the six may retire, then that would be our top priority.

Over the years what we have done with our staff's cooperation is to determine when they plan to retire; and then we are able to place the highest priorities on competencies facing a total loss of expertise, like we have one geneticist, we have one gerontologist. You need those competencies to be able to maintain the complete faculty of experts available to you. We have been successful with the CRS staff working together on this.

And if you recall, the reason for these concerns is that we expanded our staff by over 2½ times as a result of the Legislative Reorganization Act of 1970, and these people are now retiring. We are now undertaking this same effort for our senior levels as well, with succession planning utilizing new management positions because our leadership is also able to retire.

And in the last 5 years we now have 41.8 percent new staff on CRS. And our planning is working, and I think it is a good model.

It is my understanding some elsewhere in the House may be looking at what we did. It shows that all the staff in CRS were committed to making this work.

Mr. LATHAM. It is a real success story. I know the Government Printing Office has a similar problem. Maybe they could talk to you about how to do this.

AGING LIBRARY WORKFORCE

Dr. BILLINGTON. I might add that about a quarter of the entire staff of the Library of Congress could retire right now, including expert curators. We have collected items that nobody else would have. Who would have thought 10 years ago that places like Kosovo, Chechnya, Burundi, Darfur—for that matter, even Afghanistan—10 or 15 years ago would be in the headlines. Not to mention Iran; we have tripled our exchanges with Iran.

We are collecting all these great works from overseas. We don't just collect where the overseas offices are, in Islamabad for example, but also all through Central Asia and Afghanistan. They acquired on their regular collection routes a mimeographed copy of the autobiography of Osama bin Laden.

There is a tremendous amount of expertise that we are in danger of losing, and we didn't even put that on the critical, critical list.

Ms. WASSERMAN SCHULTZ. Right.

Dr. BILLINGTON. So this is the——

Ms. WASSERMAN SCHULTZ. I know. That is my concern, that there are items here that aren't even on the critical list, and we still have to keep priorities.

Ms. McCollum, my apologies for skipping you. I didn't see you when you came in.

PRESERVING MUSIC IN DIGITAL LIBRARY

Ms. MCCOLLUM. I want to talk about some of the future projects and resources, especially the issue for preserving things in the digital library. My question is: I am working with public television in Minnesota, and they are trying to preserve things like Newton's Apple and some of the other kinds of science programs and educational programs that they have before they disappear.

And I think the way that you described it is absolutely fantastic. It does just literally disappear if it isn't recorded into a readable format.

Where are you on having the music collection being available digitally? Because I know we have focused on books, but there is also the issue of music which is enjoyed by everyone. And even some in the deaf community, depending upon what they can do to speakers and amplifiers in the privacy of their own home, can have a sensory delight that they might not have been able to enjoy several years ago.

And I am sure, you know, people who listen to Talking Books also listen to great music. So where are we in preserving and moving forward with the music collection?

Dr. BILLINGTON. The music collection is one of the glories of the Library. In our American Memory program, we have digitized numerous items of American history and culture, and have put online the papers of Washington, Lincoln, Madison, Jefferson and so forth.

We are also now putting on more and more of the cultural materials, particularly in musical notation. We, in fact, had—and you were kind enough to welcome him—Tom Hampson, the great American baritone, singing songs of the Library's music collection in ten cities across America. We have a lot of his recordings, the songs that were popular throughout American history, online.

We have two recording labs in the new Packard Center, the new Packard Campus, for preserving music. We have a lot of new equipment. We are both preserving it and putting it online to make it accessible. All of this stuff is free online.

We are adding the cultural materials, particularly musical materials. We already have quite a few. The next stage of our American Memory digitization is to develop an online encyclopedia of American music.

There is even a certain amount in the process that includes producers, and distributors. It is probably the best, most comprehensive music collection in the world.

ACCESSIBILITY OF MUSIC COLLECTIONS TO THE BLIND AND DEAF

Ms. MCCOLLUM. I understand that. But my question is, how are you coming along with it?

You are underfunded in that particular category and you are underfunded in other categories—as was discussed earlier—and while the Chair is working to move the Talking Books forward, access to the music collection also has an impact on many in our diverse communities.

Let me give you a concrete example. I am a former history teacher. One of the best ways to engage and really understand the Civil War is the music of the era. Much of this music reflects the experience of the immigrant communities that were torn apart after coming here and finding themselves in war, which many of them came here to escape. Recordings also demonstrate how one of the most famous songs, Amazing Grace, went back and forth between the North and the South.

So if I am a studious reader of Civil War history, and historians refer to Civil War songs quite a bit; and I want to round out that educational experience, and I have been, let's say, using Talking Books, what kind of funding do we need to get the music that would go with that? If I read the history—if I listen to or read the history books, I should also have the opportunity to truly understand what that historian was telling me about by experiencing the music myself.

Ms. JENKINS. Great. And we can provide that for the record.

[The information follows:]

DIGITIZING SOUND RECORDINGS

Question. What music has been digitized and made available online? What are your plans for future digitizing and making accessible recorded sound material from the Library's collections?

Response. Sound recordings are tied up by copyright term restrictions for a period of time, longer than for any other creative works. Because audio recordings did not come under federal copyright protection until 1972, all recordings released before that date, even those dating back to the 1890s, are still protected by state and common law. Without rights holder permissions, the Library would not be able to place the first 80-plus years of our music recording heritage online until the year 2067.

The only exception to this are recordings made by the Edison Company, many of which the Library has made available on the American Memory website.

Licensing recordings for internet usage is a complex and specialized function that the Library has been unable to undertake on a large scale. Last year we obtained permission from several record labels to stream about thirty commercial recordings in their entirety on the Library's "Amazing Grace" website. While modest in scope, this agreement was precedent setting. On a much larger scale, the Library is actively pursuing an agreement with Sony/BMG Music that will allow us to stream audio on the web from the pre-1926 acoustic-era recordings in their catalog, which includes all Columbia and Victor recordings. This website, which we are calling the National Jukebox, will make thousands of long out-of-print recordings available for instantaneous listening.

In 2003 the Library began the transition from analog to digital audio preservation. Since that time, approximately eight terabytes of digital audio have been created from a number of significant collections, including thousands of live concerts recorded by the Voice of America, jazz pianist Billy Taylor's collection, the Ann Sneed collection of live jazz performances, and the Charles Mingus Collection.

Dr. BILLINGTON. There is a fair amount online, and there is much more, including lesson plans, that the teachers we have trained have developed. In fact, seven congressional districts have established programs for training teachers in how to use these online lesson plans.

The idea of getting music back into the curriculum was an important part of the Song of America tour that we did with Tom Hampson; he conducted Master classes. We hope to repeat the tour.

Invading the audiovisual world with things of quality takes you to where kids are living and gets them back into reading, gets them to ask questions, gets them inspired as well as excited.

The correlation between music and math is very, very strong.

Ms. JENKINS. Deanna.

Dr. MARCUM. I do want to note, we have a plan in the Music Division for putting pre-1923 music, the public domain music, online in the Performing Arts Encyclopedia; and we will be happy to send you the list of the collections that have already been digitized, along with those that are scheduled to be digitized.

Ms. MCCOLLUM. Madam Chair, just a little follow-up, because I am thinking ahead.

If we have got the music online, what kind of bridging are we putting in for those with visual impairments who are using online to access the music? Are we planning our technology far enough ahead so we can adapt?

Are we working with the deaf community and the blind community to find out how they access the Internet, so that we make sure that we don't start setting up these parallel systems, which are expensive to run, but at some point we are running one efficient system that serves all Americans?

You can get back to me on that.

Ms. JENKINS. Okay. Because everything we put up online is Section 508 compliant, and we are very much including access for the blind community in our thinking.

Ms. WASSERMAN SCHULTZ. The gentlelady's time has expired so I would appreciate it if you would get back to her.

[The information follows:]

PROVIDING DIGITAL SOUND RECORDINGS TO THE BLIND AND DEAF COMMUNITIES

Question. How are you addressing the needs of the blind and deaf communities with the digital collections?

Response. Audio digitization at the Packard Campus includes the production of a preservation quality sound file and a browse quality access file. We have just initiated a digital audio playback service from Culpeper to researchers in the Recorded Sound Reference Center on Capitol Hill via a secure closed network. We will soon bring online a streaming server that will hold access copies of all our digitized audio. The content in this server will grow at an increasingly high rate as the preservation capabilities of the Packard Campus develop. This growing digital content will be available to the public for instantaneous listening and playback-on-demand in the reference center.

There are more than 10,000 patrons on the music rolls of the National Library Service for the Blind and Physically Handicapped (NLS). Each year NLS serves approximately 1,400 patrons with braille and large print sheet music, and also recorded materials that include general music appreciation as well as self-instruction on various instruments and/or songs on certain instruments. The special format music collection grows each year with the addition of hundreds of new music titles, recorded and sheet music.

Ms. WASSERMAN SCHULTZ. Mr. LaHood.

DIGITAL TALKING BOOKS FUNDING

Mr. LAHOOD. Dr. Billington and Ms. Jenkins, could you provide for the record the amount of money it will take to speed up digitizing the books from 6 years to 5 years and from 6 years to 4 years? I think the distinction here for digitizing books is that the Library is the sole source of these materials. People can't go in their own communities, they can't go to other places in the country to get these books. You are the source of—you are the sole source of it.

And, again, to slow down this process, I think is a real unfairness. And so if we have these figures, then we will know precisely what we need to do to find the dollars to make this one of the priorities of this subcommittee, of the Appropriations Committee and of the Congress.

Ms. JENKINS. Yes, sir.

[The information follows:]

DIGITAL TALKING BOOK PROGRAM COST OF FOUR AND FIVE YEAR IMPLEMENTATION

Total program implementation cost is $76.4 million. $12.5 million was appropriated in fiscal 2008. Annual costs of a four year implementation would be: $12.5 million in fiscal 2008 and $21.3 million (or additional funding of $8.8 million) in fiscal 2009, 2010, and 2011. Annual costs of a five year implementation would be: $12.5 million in fiscal 2008 and $15.975 (or additional funding of $3.475) in fiscal 2009, 2010, 2011, and 2012.

THANKS TO LIBRARY STAFF

Mr. LAHOOD. Thank you again for being here. Thank you for the services that you and your team provide not only to the Members of Congress—Dan and his team do a great job.

Dan, I know that over the years you and your folks have done a great job in making all of us look very good in the way that we write bills and the way that we submit bills and the way that we gather information and make sure the bills we do introduce make sense, based on good research.

So again, we are grateful to all of you for what you do.

Dr. BILLINGTON. Could I just say one more brief word? Because I have talked about a lot of things and services; we haven't talked about the staff and the people. We have many people who are doing incredible work.

The country can be proud of the Library staff. You are talking to me and Jo Ann and others; but the fact of the matter is that everything the Library accomplishes depends on the quality of the staff, and we haven't even discussed our needs in that area.

We have one regular training budget. We aren't able yet to have the kind of succession planning that was present in CRS with such positive results. We have a lot of training to do. We are going to have to replace a lot of people who are retiring.

There is a dedication and there is a quality in the staff. That is why actually most of our requests this year are really just to make sure we get the mandated pay raises and don't have to squeeze other programs further.

I just did want to make it clear. I have been here a fairly long time, and I really do feel that there is a tremendous amount of work that is hardly noticed. It is really a tribute to the public service and dedication and the idealism of the Library's staff. When we are talking about these other things that we are going to do, we are only able to do them because of the staff. For instance, in cataloguing, it is a basic service the Library provides to the country. With many, many less people, Dr. Marcum's people are cataloguing more. They have steadily increased the amount of output.

Ms. WASSERMAN SCHULTZ. A big number?

Dr. BILLINGTON. I mean, to a very significant degree. 363,000 print items in fiscal 2007 versus 270,000 in fiscal 2003.

We talked about infrastructure. The real infrastructure is the people that bring all of this static material to life and make it interactive, abroad or nationally.

Ms. WASSERMAN SCHULTZ. You are absolutely right. That is the factor that always is underrepresented and "underrecognized," if that is a word or an appropriate word.

FUND-RAISING COORDINATION

I want to focus on some of the other parts of your request. We have the Audiovisual Center that has now been completed. There has been a grand opening, and you have a $2 million request to fill 22 positions at the Audio Visual Conservation Center. We talked about this before.

The center is a wonderful addition to the facilities that we have, and it will obviously go a long way towards advancing the goal, preserving these collections. But when we—when you are in the process of seeking private funds, it does result in a difficulty if you have not sought and received all of the private funds necessary to both build and operate a facility like this. Your successful collection of the donation results in an additional obligation on the Congress to fund the needs of the center that you have raised money for.

So I cautioned you in our conversation in my office, and I will do so publicly, that—I really want to encourage, when you are doing that fund-raising, which I encourage you to do—we all do it, because obviously we clearly need some relief on the public resources that we can provide—that you raise all of your needs, at least get yourself as much of the way there as possible, and coordinate with us a little bit more closely on how we can make sure we know what is coming down the pike for our planning purposes.

STAFFING REQUEST-AUDIO VISUAL CONSERVATION CENTER

But what are some of the examples of the work that the Library will be able to do if you fill those positions that you can't do now? And what will happen if we can't fund those positions?

Dr. BILLINGTON. Well, the center is simply not fully operational. This isn't a new request, but restoring money that was taken out in last year's budget, the last year of 5 years on the program. Frankly, the success of the enormous private donations by the Packard Humanities Institute was dependent on Congressional assurances of support.

Funding for the staff was reduced by $2.374 million. Because of building delays, staff were not hired, creating a surplus in no-year funds for the program. Congress reduced the funding for staff, taking annual funding rather than no-year funding, which resulted in a shortfall for fiscal year 2009.

So what we are requesting now is $1.781 million to be restored for 23 positions. The Packard Campus now is only about half operational in terms of what it will be able to do.

Ms. WASSERMAN SCHULTZ. What will we be able to do if they are funded, and what will we not be able to do if they are not funded?

Dr. BILLINGTON. If they are not funded—I can give you the exact amount of what we won't be able to preserve.

This moving image and recorded sound material has now been, for the first time, pulled together in one place. A lot of it has been in caves, in storage, and in various warehouses. We really need to move full steam ahead.

The fundamental business of preservation is cut in half on this. This is not a new request. We have funding to continue for 1 year, but we are not able to attract people to Culpeper, Virginia, if they only are being offered a 1-year assignment.

This is essential if we are going to develop that, if we are going to honor what was the understanding under which we were able to get this enormous donation. In reality, it is much more than $150 million because there was a lot of in-kind support—I mean, David Packard is one of the world's great experts on the technical side of film preservation. We have the benefit of his expertise as well as his money and his architectural skills, hopefully, with the landscape.

It is a great credit to the Congress, but we will only be able to do about half as much as we could with full funding. I can't tell you how many films, but I can tell you that our audiovisual heritage, which has not been well preserved by those who generated it, is in a very perilous state. The Culpeper facility is by far, technologically, the best and largest in the country—I think in the world, really.

I can give you, if you want estimates of what this means more precisely than that——

Ms. JENKINS. We will provide it for the record.

[The information follows:]

IMPACT OF NO ADDITIONAL FUNDING FOR CULPEPER STAFF

Currently, Library Services' staffing and production levels in the areas of acquisition, processing, and preservation are lower than they were prior to the transition to Culpeper. Without the requested Packard Campus staffing, the Library:

• Will not be able to take advantage of the dramatic increase in the capacities and capabilities of the Packard Campus for preserving and providing access to the collections.
• Will not be able to bring online new preservation programs built into the campus, including color film preservation. Digital video reformatting will be limited to the simpler formats.
• Will not be able to administer and maintain the facility's complex systems, equipment, and software.
• Will not be able to acquire as many new collections and make them available for researchers.

Dr. BILLINGTON. This is to close out the agreed basis on which we proceeded to raise the private money.

Ms. WASSERMAN SCHULTZ. It is in the spirit of making fully informed decisions about the tradeoffs that we will have to make.

Dr. BILLINGTON. I want to assure you that next year we will deliver to you all that will be needed if we privately fundraise for something; and we will also let you know what we may be able to reduce with your help and the help of the staff.

Ms. WASSERMAN SCHULTZ. Thank you.

Mr. Latham.

LAW ENFORCEMENT FUNCTIONS OF OFFICE OF INSPECTOR GENERAL

Mr. LATHAM. Dr. Billington, is your inspector general here today? I have a couple questions.

Mr. Schornagel, the question relates to the law enforcement authority that apparently you have or believe. I just ask what statutory authority do you have to perform law enforcement functions like carrying a firearm, making arrests and executing warrants?

Mr. SCHORNAGEL. Like most inspectors general in the Federal Government—and there are over 60, and they all have criminal investigators and some have statutory law enforcement, the larger ones. The rest of us get our law enforcement authority through deputation from the U.S. Marshals Service, and we need that to obtain and execute search warrants and make arrests.

Mr. LATHAM. The legislation basically granting independent IG authority to Library of Congress, Capitol Police, Architect of the Capitol inspectors general specifically excludes law enforcement authority. Is this something you think Congress intended to have for the inspector general?

Mr. SCHORNAGEL. Well, none of the statutory language for the non-Presidentially appointed IGs specifically address law enforcement authority. So our language is similar to everybody else's, including the Government Printing Office. That office exercises law enforcement authority.

So we are really no different than other agencies such as the National Archives or the Smithsonian.

Mr. LATHAM. Are there other people deputized also under the Marshals Service?

Mr. SCHORNAGEL. Yes. As a matter of fact, probably about 30-some inspector general offices are.

Mr. LATHAM. No, under your Library.

Mr. SCHORNAGEL. Just our criminal investigators.

Mr. LATHAM. How many?

Mr. SCHORNAGEL. There is one full-time and two part-time.

Mr. LATHAM. The request to be deputized from the Marshal's office has to come from the entity, and in this case, the Library of Congress. Who submitted the request for you?

Mr. SCHORNAGEL. I did.

Mr. LATHAM. You did?

Mr. SCHORNAGEL. Yes.

Mr. LATHAM. Okay. The agency is actually supposed to do that.

I am curious. It says basically you are deputized in the Department of Justice.

Mr. SCHORNAGEL. Correct.

Mr. LATHAM. What kind of authority do you have? And specifically, have you had any ability to do intercepts or wiretaps?

Mr. SCHORNAGEL. No.

Mr. LATHAM. You do not. Okay.

Do you have a memo of understanding from the Department of Justice?

Mr. SCHORNAGEL. Yes, we do. Correct.

Mr. LATHAM. Okay. Where does the liability lie?

Mr. SCHORNAGEL. The liability for what specifically—

Mr. LATHAM. If, in fact, something happened, is it the Justice Department, is it the Library?

Mr. SCHORNAGEL. It is the Justice Department.

Mr. LATHAM. Okay. I have a real concern here that we basically have—a separation of powers issue where we are funding the position that is supposed to work for the legislative branch. It is deputized under DOJ.

Who is your authority as far as any kind of enforcement authority? Is it the Attorney General?

Mr. SCHORNAGEL. Well, he is the one who we are required to refer criminal cases to. It is the same organization, whether it is a leg branch IG or the executive branch.

For example, the Government Printing Office has been exercising the exact same law enforcement authority that I do ever since they have been statutory, for like 15 years.

Mr. LATHAM. Can you cite the statutory permission?

Mr. SCHORNAGEL. Well, the Inspector General Act of 1978 is a law that is referred to in my act; it has the same language in the IG Act for the Government Printing Office.

Mr. LATHAM. Okay. From my understanding, it is excluding——

Mr. SCHORNAGEL. It is implied rather than explicit, the law enforcement authority, and it is common operation that all statutory, non-Presidentially appointed IGs get their law enforcement authority through deputization from the U.S. Marshals Service.

We are considered by the Federal Government a law enforcement organization. And we cannot rely on police organizations to help us fulfill our mission. We found police organizations unreliable, and I have also experienced delays when we have had to rely on these organizations.

Mr. LATHAM. Well, my concern is you are basically under the control of the administration—the executive branch, Madam Chair——

Ms. WASSERMAN SCHULTZ. Yes.

Mr. LATHAM [continuing]. You know, I don't care what administration it is—but being paid through the legislative branch; and there is a real concern I have here with the separation of powers.

The Government Printing Office has specific authority, and from my understanding, you are specifically excluded from having law enforcement authority.

Mr. SCHORNAGEL. No, I don't believe that that is true. As a matter of fact, this whole thing came up on the Senate side last year, and we went through the same types of issues. It was referred by Senate Appropriations to the GAO for a legal opinion, and it confirmed my position. There are no legal barriers from our exercising law enforcement authority just like all the other IG offices do.

Mr. LATHAM. Would you provide a copy of the GAO opinion?

Mr. SCHORNAGEL. Sure.

Ms. WASSERMAN SCHULTZ. If you could do that for the record, we would appreciate that.

[The information follows:]

GAO Opinion on Whether Investigators of Library of Congress' Office of Inspector General Have Legal Authority to Carry Firearms

From: "Susan A Poling" <PolingS@gao.gov>
To: "Susan A Poling" <PolingS@GAO.GOV>
Date: Tue, Feb 20, 2007 3:17 PM
Subject: Fwd: Library of Congress Inspector General

FYI. Please feel free to call me if you have any questions. -- Susan

>>> Susan A Poling 2/20/2007 2:25 PM >>>
Carrie,

This provides the informal views you requested on whether the investigators of the Library of Congress's Office of Inspector General (OIG) have the legal authority to carry firearms to carry out their duties. I am aware that the General Counsel and the Inspector General (IG) have different views on this issue. Both agree that the IG does not have specific statutory authority in the enabling legislation. 2 U.S.C. § 185. After examining the various statutes and opinions of the General Counsel and the IG, I think the better legal view is that nothing precludes the IG from deriving authority from the U.S. Marshal's Service for deputization and carrying of firearms. I express no views on the wisdom of or necessity for the staff of the OIG to carry firearms.

When personnel of other agencies that perform investigations carry firearms, they do so either pursuant to specific statutory authority or authority derived from the authority of the U.S. Marshal's Service to deputize federal employees. Under certain circumstances, the U.S. Marshal's Service may designate individuals to be a deputy U.S. Marshal with the approval of the Associate Attorney General and carry firearms for self-protection purposes. 28 U.S.C. § 566; 28 C.F.R. §§ 0.19(a)(3), 0.112. Inspectors General at designated federal entities (5 U.S.C. App. § 8G) derive their authority to carry firearms in this manner through the U.S. Marshal's Service's deputization program.

The Legislative Branch Appropriations Act, 2006, established the Office of Inspector General at the Library of Congress to be headed by an IG, who shall be appointed by, report to, and be under the general supervision of, the Librarian. 2 U.S.C. § 185(c). For the most part, the IG's authorities are defined by reference to certain sections in the Inspector General Act, as amended, (IG Act) codified at 5 U.S.C. Appendix. I do not see any statutory provisions prohibiting staff of the Library's OIG from deriving authority to carry firearms from the U.S. Marshal's Service similar to the way the IGs at designated federal entities do, as long as the IG or his staff otherwise qualify under the U.S. Marshal's Service deputization program. We initially shared some concerns with you over the provision in the Library OIG's enabling statute that excluded from the IG's authority investigations of "incidents involving violence and personal property." 2 U.S.C. § 185(b)(1). One could argue that because Congress limited the IG's authority to exclude incidents of violence, Congress intended to prohibit the IG from carrying firearms. However, upon further research and in order to give a logical meaning to the exclusion, I think Congress meant to exclude investigation of federal crimes that would normally be under police jurisdiction, such as theft of a wallet or a crime against a

person. To interpret it otherwise would result in the Library's IG being excluded from investigating an offense under the Library's programs and operations, such as theft of Library collections, in a case in which a suspect may use violence. I found no evidence that this is what Congress intended.

The General Counsel argues that the exclusion of applicability of the authorities in section 6(e) of the IG Act to the Library's IG indicates Congress intended to prohibit the Library's IG from deriving his authority from the U.S. Marshal's Service. Section 6(e) was a specific grant of authority given only to the IGs appointed by the President and confirmed by the Senate, which the Library IG is not. Since the provision has no applicability to the Library OIG, it was logical for the Congress to exclude it from the Library OIG authorizing legislation. However, excluding section 6(e) does not constitute a limitation on the authority of the U.S. Marshall's service to grant deputization to other IGs: paragraph 8 of section 6(e) specifically states that nothing in section 6(e) shall limit the exercise of law enforcement powers established under any other statutory authority, including U.S. Marshal's Service special deputation. If we were to take the General Counsel's view, it would mean that IGs under the IG Act that are appointed by the heads of designated federal entitles would be prohibited from deriving their authority to carry firearms from the U.S. Marshal's Service, which they currently do.

I think the better conclusion is that the Library's OIG can derive authority to carry firearms from the U. S. Marshal's Service authority, as long as staff is otherwise qualified under the U.S. Marshal's Service deputization program. I express no views on the wisdom of or necessity for staff of the OIG to carry firearms. If you have any questions, give me a call. I will provide copies of these informal views to the General Counsel and the Inspector General. -- Susan

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Ms. WASSERMAN SCHULTZ. Mr. Latham, if you could begin to wrap up.

Mr. LATHAM. Just on the issue of the firearms, who issued the guns to you and your staff? And who certified the qualification for the firearms?

Mr. SCHORNAGEL. We buy the guns ourselves and we certify the same facilities——

Mr. LATHAM. You personally buy them?

Mr. SCHORNAGEL. Yes. We borrowed them for quite some time from the Library's police force. We certify under the same procedures and the same facilities as the Library of Congress and Capitol Police and the other inspectors general.

Mr. LATHAM. So you personally bought the guns, but you did borrow them for a while?

Mr. SCHORNAGEL. Correct. And that is common practice in the inspector general community.

Mr. LATHAM. I have nothing further for now. I just have real concerns about separation.

Ms. WASSERMAN SCHULTZ. I am going to follow up right now.

Mr. SCHORNAGEL. Well, I would like to clarify one thing.

Ms. WASSERMAN SCHULTZ. Mr. Latham's time has expired, and I want to continue this conversation, because my understanding is, your general counsel suggested that you did not have the authority to carry firearms.

Mr. SCHORNAGEL. That is what brought this issue up a little over a year ago.

Ms. WASSERMAN SCHULTZ. Excuse me. If your general counsel suggested that you do not have the authority to carry firearms, why did you hire a different attorney to write you a different opinion that you liked better?

Mr. SCHORNAGEL. Because inspectors general—in fact, specifically in legislation that is in both the House and Senate now, changes to the Inspector General Act of 1978 recognize that an agency's general counsel does not have the best interest of the inspector general in rendering opinions. And that is why one of the requirements in this legislation is that IGs have their own counsel and not rely on the opinions of the agency's General Counsel.

Ms. WASSERMAN SCHULTZ. My understanding is that statutory authority was very limited and that you were not included in that.

Mr. SCHORNAGEL. I don't believe that is correct.

Ms. WASSERMAN SCHULTZ. Well, according to the general counsel who was the one that you hired to give you advice——

Mr. SCHORNAGEL. I disagree with our general counsel.

Ms. WASSERMAN SCHULTZ. Okay. But we don't go around hiring attorneys until we get the opinion we want.

I appreciate your bringing this issue up, Mr. Latham. And we'd appreciate the information that we requested for the record.

Mr. LATHAM. GAO statement, if I may.

Ms. WASSERMAN SCHULTZ. No. Go ahead.

Mr. LATHAM. I want to see the opinion from the GAO noting the authority to do this.

Ms. WASSERMAN SCHULTZ. Sure.

Dr. Billington, if you could provide that information for the record, we would appreciate that.

And I can assure you, Mr. Latham, that we will spend some time on this, because it is a matter of concern. I appreciate your raising it.

I am sorry. Mr. LaHood.

Mr. LAHOOD. I am fine.

Ms. WASSERMAN SCHULTZ. You are all done.

FOOD SERVICE PROVIDER AND CAFETERIA STAFF

All right, there has been some concern about the Library's cafeteria union and your interim food service provider IL Creations, which I know has taken over for a 3-month period. Their interim contract is expiring, and I guess there is an opportunity to extend that contract for a period of months, but I am concerned about the benefits issue that exists right now.

On the one hand, IL Creations appears to have said that it doesn't make sense for them to negotiate with the union because they are only a temporary replacement for the former contractor; but at the same time they feel confident enough that they rewrote benefits packages for at least some, if not all, of the employees. It sounds like, to me, the company is trying to not negotiate with the employees because they are only a 3-month contractor, but change their benefits without negotiations.

So it seems to me there is a problem going on here. Can you address that, please?

Ms. JENKINS. Absolutely.

Let me first state that we have a procurement out to find a new vendor for the cafeteria services. We did that because of the large number of complaints that we had received.

We have gone through the bid process twice, trying to get other vendors to come in and bid on this. But there are some limitations because of the small time window in which they can sell food to the general public—unlike here in the Capitol, where there are thousands of people. So we actually went out under my direction to find a vendor.

We found IL Creations, which has a number of other government contracts providing similar services. They have now a short-term contract, but the intent is for them to operate under a bridge contract for a 20-month period, which is the processing time that it takes for us to put the bid back out.

Ms. WASSERMAN SCHULTZ. My understanding is that they are now considering, if they haven't already, applying for the actual full contract.

Ms. JENKINS. We haven't put it back on the street. Our intent would be that they would be open to bid on it, just like anybody else would.

Ms. WASSERMAN SCHULTZ. They will continue past the 3-month period?

Ms. JENKINS. The intent is they would have a 20-month bridge contract.

Ms. WASSERMAN SCHULTZ. Why wouldn't they be subject to negotiating a collective bargaining agreement with the union if they are going to be here for 20 months? That is almost 2 years. That is ridiculous.

Ms. JENKINS. They are, in fact, negotiating with the unions right now, with IL Creations.

Ms. WASSERMAN SCHULTZ. According to the information I have, they have been refusing to negotiate with the union and, at the same time, changing benefits indiscriminately without negotiating.

Can you specifically address the benefits issue?

Ms. JENKINS. Sure. It is absolutely untrue that they are not negotiating. They have had several negotiating sessions. The contractor has discussed the possibility of providing full costs for all the employees for health benefits.

There is one employee who would not have full coverage for her children, and that was the issue. So it is not—85, 90 percent of the employees——

Ms. WASSERMAN SCHULTZ. Twenty-eight workers, total.

Ms. JENKINS. Twenty-eight workers, but for 27, the contractor would be paying the full cost.

Ms. WASSERMAN SCHULTZ. But that is just because 27 of the 28 of them don't need family coverage; they are single-coverage employees.

So we are talking about—that is the purpose of negotiation in collective bargaining, that you make sure that you can bargain for all of the workers and not just say, Well, it is only one, no big deal; we will take care of the 27 out of 28.

Ms. JENKINS. Absolutely, I agree. They are in the middle of bargaining; and I think that what we have here is the communication between the employees and the union and the contractor.

We spoke to them as late as yesterday to make sure they had set up additional bargaining sessions to try to resolve this before we even entered into the 20-month contract. I had been assured by the existing contractor that he has reached out not only to the union, but also to the employees.

Ms. WASSERMAN SCHULTZ. Is he specifically negotiating the benefits—the health care benefits?

Ms. JENKINS. Yes.

Ms. WASSERMAN SCHULTZ. He is? What I have been told—

Ms. JENKINS. Those are preliminary discussions.

Ms. WASSERMAN SCHULTZ. That is not a final decision?

Ms. JENKINS. No.

Ms. WASSERMAN SCHULTZ. If you could, keep us apprised on the negotiations.

Ms. JENKINS. Yes.

[The information follows:]

I.L. CREATIONS AND CAFETERIA EMPLOYEES

• The Library's contract with Sodexho Inc. for the provision of food services at Library facilities expired on December 21, 2007. The Library awarded a 90-day contract on December 31, 2007 and signed an 18-month "bridge" contract with the I.L. Creations on Friday, March 7, 2008. During this period, the Library will issue a request for proposals and vendors, including I.L. Creations, will have an opportunity to bid for the Library's food service business.

• In accordance with District of Columbia law, I.L. Creations retained the former Sodexho employees during the initial 90-day period and provided training on their system and procedures. The Library, as far as the law allows, has encouraged I.L. Creations to communicate and negotiate in good faith with its employees.

• John Boardman, executive secretary-treasurer of the Hotel and Restaurant Employees Unitehere, Local 25, which represents the cafeteria workers at the Library, and I.L. Creations are scheduled to meet on Friday, March 14, at 2 p.m. to begin

negotiating a new bargaining agreement. A new contract will include terms for benefits. These issues are central to the current dispute between I.L. Creations and its new employees.

Ms. WASSERMAN SCHULTZ. I realize those workers are not direct Library employees; but I have experience in my own congressional district with a similar issue, and it is not something that I would like to see happen again the way it happened in my own district.

We are going to have a vote coming up, and I don't want to bring the members back.

Mr. Latham, do you have anything?

Mr. LATHAM. I may have one or two for the record, but we will have votes soon.

Ms. WASSERMAN SCHULTZ. I have a couple others, so I am just going to continue.

OFFICE OF WORKPLACE DIVERSITY

The Office of Workplace Diversity. It has been brought to my attention that the Library has plans to just completely shut it down and eliminate the employees. And you are shaking your head, so apparently that might not be the case.

But the information that I have is that the Office of Workplace Diversity staff is being subject to a reduction in force. They have 16 people. The overall staffing of that office is about 8 percent minority and 56 percent female.

What is going on with the Office of Workplace Diversity? If you are subjecting all the employees to a reduction in force, then what are your plans to make sure that there continues to be an Office of Workplace Diversity.

Ms. JENKINS. There will absolutely be an Office of Workplace Diversity.

It is no secret that we have had a number of performance issues in the office. I asked earlier this year for the IG to come in and do a management review. He completed that assessment, I believe about 3 or 4 months ago, and made a number of recommendations, many of which address the issues of the performance in the office as well as the high number of people working in that office compared to other leg branch agencies.

I have to say that I came to the Library 14 years ago to deal with workforce diversity issues, so it is something that is very near and dear to me. Of those 16 people in there, about 85 percent are eligible to retire.

What we are doing now is trying to address the inspector general's recommendations to us about how to create the Office of Workplace Diversity that the Library is going to need in the future so that it is able to focus on recruiting underrepresented populations, like Hispanics and the disabled.

We have briefed the staff.

Ms. WASSERMAN SCHULTZ. Are you reducing the entire force, all 16? Because the EEOCO has not been subjected to the same comparative criticism as the rest of the office. So there were concerns.

Ms. JENKINS. No. What we are doing is, we are going through a process in which we have met with each individual staff member. They have been allowed to submit recommendations or changes concerning areas in that office that need improvement.

We will probably come back to the Congress to ask for authority to offer early-out retirement.

We will be putting in place a structure of what the office needs to look like, and those people will be placed appropriately according to their skills within that office. But it is not our intent to put anyone on the street, and I don't think anyone mentioned the words "reduction in force."

Ms. WASSERMAN SCHULTZ. Does that mean you do not have plans for there to be a gap between whatever plans you have to change the Office of Workplace Diversity and your reinvention of it, to where there won't be a period of time——

Ms. JENKINS. There won't be gaps in service. Absolutely not.

Ms. WASSERMAN SCHULTZ. I am concerned about it in light of the issues you have had recently in terms of hiring and diversity specifically and want to make sure you don't leave a gap that would result in more problems than what you already have.

CLOSING REMARKS AND ADDITIONAL ASSIGNMENT

That concludes the questions that I have.

I do want to reiterate and stress my appreciation for the Library's really significant and successful effort in giving us a budget that is realistic and that we can use to try and make sure that we limit the pain that we have had in the last couple of years.

I want to ask you for your assistance with some of these issues, specifically as it relates to the Office of Workplace Diversity. If you can by next Friday, March 14, give us a report that has an explanation of what exactly you are proposing to do with the Office of Workplace Diversity and when your plans are to do that; an explanation of why you have decided to pursue such a broad course of action and why you think it is the best option available, and how you will continuously maintain the functions of the office regardless of how you decide to proceed from here.

I would also like you to give us some information about the Department of State security payments and any suggestions as to how we might address it differently.

It is untenable to have a program that is eclipsed by its security needs; given that we have a number of competing priorities, we have got to try to stem the tide on that situation.

With that, the subcommittee stands in recess until tomorrow morning at 10 a.m. when we will hear from the Public Printer on GPO's FY 2009 request.

Hearing on the Library of Congress' FY 2009 Budget Request
March 5, 2008 at 10:00 AM
H-144 Capitol

Additional Assignments from the Chair
Ms. Debbie Wasserman Schultz, Chair

OFFICE OF WORKFORCE DIVERSITY

I'm concerned about the Library's planned actionswith regards to the Office of Workplace Diversity. By next Friday, March 14, I want the Library to submit a report that includes: an explanation of what exactly you're proposing to do with the Office of Workplace Diversity and when you're planning to do it; an explanation of why you've decided to pursue such a broad course of action and why you think this is the best option available; and a plan on how you will continuously maintain the functions of the Office regardless of how you decide to proceed from here.

The Library's response follows:

Background

A critical component to achieving the Library's Strategic Plan (2005-2013) goals is our workforce. Our current Office of Workforce Diversity (OWD) organizational structure and baseline competencies do notallow the Library to achieve optimum efficiency and effectiveness. Specifically, the program lacks tailored approaches to aid managers in recruiting and hiring highly talented diverse individuals; the ability to conduct assessments of the workforce profileand environment and offer recommendations for improvement; a system of measures to continually monitor and evaluate the effectiveness of Library diversity initiatives; and, a willingness by OWD staff to resolve their own internal conflicts resulting in anoverwhelming number of complaints being filed against one another.

The need for change was especially highlighted by questions asked of legislative branch agencies last year by the House Subcommittee on Federal Workforce, Postal Service, and the District of Columbia. Chairman Danny Davis highlighted the importance to legislative branch agencies of successfully integrating tenets of diversity management into their overall workforce planning.

Action

- In September 2007, at the request of the Chief Operating Officer (COO), the Inspector General conducted a management review and issued a report concluding that the OWD lacked clear performance measures and opportunities to gauge effectiveness; lacked operating data and internal controls; did not reflect the fundamental functions and structure to achieve the Library's diversity goals and objectives; and lacked proper alignment to support its mission and responsibilities. Furthermore, some of the OWD program costs exceeded similar costs of operations at other comparable agencies.

- The COO met with OWD staff (all of whom are non-bargaining) and provided copies of the IG report as well as Annual Program Performance Goals for OWD. She shared that in order to achieve the Library's strategic goals for transforming itself and the workforce for the 21st century, we would need to refocus OWD core functions.

- The Acting OWD Director has also met preliminarily with OWD staff and encouraged suggestions and comments about restructuring the office.

Timeline

Given current budgetary constraints and staffing costs, the Library can only realize the critical skill sets and competencies through retirement incentives. An overwhelming majority of OWD staff are retirement eligible.

- By the end of March 2008, a retirement incentive package will be finalized, and the Librarian will seek the following authority:

    - Voluntary Early Retirement Authority from the Office of Personnel Management *(VERA)*

    - Voluntary Separation Incentive Payout Authority from Senate Rules and House Administration *(VSIP)*

- Concurrent discussions will be scheduled with Senate and House Committees to discuss future plans for the OWD.

- Once all of the necessary approvals are obtained, staff will be notified, appropriately counseled, and guided through the VERA and VSIP separation processes. Staff not eligible for retirement will be reviewed for employment opportunities for which they qualify, in accordance with Library regulations.

- By the end of March, the vacancy announcement for the new Director of OWD will be posted and advertised.

- A final restructuring plan will be implemented by May 30, 2008.

OVERSEAS FIELD OFFICES

I want a better understanding of the reasons why each of the Library's overseas field offices is necessary and the best option for acquiring collection materials.

Question. Please explain the need for each overseas office.

Response. The overseas office acquisitions network (with offices in Brazil, Egypt, India, Indonesia, Kenya, and Pakistan) was established in the 1960s because of 1) the Library's difficulty in obtaining materials from developing countries due to their lack of an established publishing industry; 2) poor distribution systems in those countries; and 3) the political complexities of the areas in which the six offices were established. In the 75 countries covered by the offices, there continues to be an underdeveloped book trade and almost no viable national bibliographies, making it very difficult to learn what publications are available. Being on the scene is the only solution to adequate coverage and acquisitions for the Library's collections.

In fiscal year 2007, the offices acquired over 260,000 items for the collections from South America, South and Southeast Asia, North Africa and the Middle East and Eastern and Southern Africa. The offices collect research material in approximately 35 languages. Staff in the offices have the language expertise to catalog and classify in the many foreign languages acquired. In fiscal year 2007, the offices created over 58,000 bibliographic and authority records, all of which were distributed via the Library's Cataloging Distribution Service for use by other libraries in the U.S. Language expertise by trained librarians for many of the languages that are of increasingly vital importance can be extremely difficult to find in the U.S.

In addition to acquiring material for the Library's collections, each of the offices maintains a Cooperative Acquisitions Program whereby it purchases research material on behalf of approximately 100 libraries located in 31 states of the U.S. and 14 foreign countries. The programs are run on a cost-recovery basis at no cost to the U.S. taxpayer. In fiscal year 2007, the Cooperative Acquisitions Programs acquired and cataloged over 500,000 pieces for their participating libraries. Acquisitions of these materials for these libraries and institutions would be extremely difficult, if possible at all, without the overseas offices.

Question. How much it costs to run each office?

Response. Operating costs in FY2007 for the offices were:

Operating Costs for LC

Brazil:	$1.378 million
Egypt:	$1.346 million
India:	$2.615 million
Indonesia:	$1.725 million
Kenya:	$1.611 million
Pakistan:	$0.952 million

Operating Costs for the Cooperative Acquisitions Programs (recoverable costs)

Brazil:	$ 52,983
Egypt:	$ 45,859
India:	$205,164
Indonesia:	$ 89,449
Kenya:	$136,849
Pakistan:	$ 54,357

Question. What alternative methods could be used to gather the materials currently acquired by overseas staff?

Response. The situation as stated above continues to exist in the 75 countries covered by the six overseas offices. No alternative method to having a presence in the regions has been identified to acquire the types of high quality research materials

for the Library and the Cooperative Acquisitions Program participants. Some of the material that would likely not be acquired include valuable government publications and gazettes from most of the countries, along with a large number of major daily newspapers from cities in the regions. The Library and other libraries would be dependent upon unreliable local bookstores and the vagaries of foreign postal systems and custom inspectors.

Question. What is the ratio between the material collected for the Library and for the other participating libraries?

Response. In FY 2007, the six offices acquired approximately 750,000 items; 260,000 for the Library of Congress and approximately 500,000 items for the 104 participants in the six Cooperative Acquisitions Programs.

Question: What is the average time it takes from receipt of these materials until they're available to Congress?

Response: Because bibliographic records are created in the six offices before the material is shipped, material is immediately available to Congress when it is received by the Library on Capitol Hill.

Certain items are shipped immediately and directly to Capitol Hill for use by the Congressional Research Service, the Law Library, and the Federal Research Division. These include certain newspapers and periodical issues that are checked in by the Law Library.

The processing time for general material within each office varies depending on the material's nature, subject area, format, and the location of the office. Issues of periodicals that do not require new cataloging are sent weekly by APO from five of the offices and take less than two weeks to arrive in Washington. Books acquired may take from a few weeks to a few months to be cataloged before being shipped to Washington. Most newspapers are collated and sent for microfilming, either in New Delhi or here in Washington. These may take several months as they are cumulated.

Question. Is there any duplication of effort in collecting these materials between the Library and other institutions?

Response. The Library fills a unique role in collecting the types of foreign items acquired by the overseas offices. Major U.S. research libraries located in 31 states use our services to acquire material they need for their research and teaching programs. This includes the National Library of Medicine and the National Agricultural Library; most major research universities in the U.S. (including the University of Florida); the national libraries of Australia, Japan, Singapore,South Africa, and the United Kingdom; and international organizations such as the International Criminal Court in the Hague and the International Labour Organization in Geneva. Without the work being done in the six overseas offices, important research material from flashpoints around the globe in which the offices are located would not be available to Congress or researchers in the United States.

Hearing on the Library of Congress' FY 2009 Budget Request
March 5, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record
Ms. Debbie Wasserman Schultz, Chair

STATE DEPARTMENT CAPITAL SECURITY COST-SHARING PROGRAM

Question. Why is the Library required to make these payments to the State Department?

Response. In the Consolidated Appropriations Act for fiscal year 2005, Congress included language requiring all agencies with overseas personnel using facilities under the supervision of the State Department to provide funding, in advance, for their share of costs of providing new security enhancements at these facilities. The funding owed by an agency is determined on the basis of the total overseas presence of each agency, as determined annually by the Secretary of State, in consultation with the agency. Office space used by Marine Security Guards was expressly excluded from this requirement. The Act further prohibited the State Department from constructing office space in any diplomatic facility for any agency is in arrears on its security cost-sharing.

[FY 2005 Consolidated Appropriations Act, P.L. 108-447, Division B, Title VI, Secs. 629 and 630]

Question. How much longer will the Library have to make payments?

Response: The CSCS Program is designed to generate $17.5 billion over 14 years. The Library began participating at the beginning in FY 2005 and is required to make payments through 2018.

The Library has sought an exemption from having to pay a CSCS fee because we are the only non-executive branch agency for which the payment is required, and payment represents a highly significant share of available funding within the Legislative Branch allocation. This exemption would place the Library and the unique efforts on behalf of the Congress and the Nation of the six overseas offices in proper context in relation to the benefits and costs of their operation.

Under the Library's proposal, subsection (3) of this provision would be amended as follows:

(3) EXCLUSION.-- For purposes of this subsection "agency" does not include the Marine Security Guard **or the Library of Congress.**

Suggested report language: Exempts the Library of Congress from payment to the Department of State for capital security upgrades to embassy facilities where the Library has facilities through which it acquires foreign research materials for the national collection, the Congressional Research Service and major research libraries throughout America.

Question. Will the amount of the payments increase beyond FY 09's $5.4 million?

Response. The Department of State has established per capita charges that reflect the costs of construction of the various types of space in New Embassy Compounds (NECs). The proportional amount of those construction costs is then multiplied by the target annual budget amount of $1.4 billion. This determines the actual dollar amounts for those proportional construction costs. These dollar amounts are divided by the total number of billable positions overseas and results in the per capita charges for each category. The per capita charge is therefore related to the total number of U.S. Government employees located in embassies around the world and the number of Library of Congress employees at the six posts. The FY 2008 - FY 2010 invoices are based on a per capita charge to the Library of $20,488. It is conceivable that the Library=s payments could vary up or down, depending on other agencies' staffing and our own between 2011 and 2018.

Question. How does the cost of these payments compare with the annual cost to run your overseas offices?

Response. The Library's operating costs in FY 2007 (including the operating costs of the Cooperative Acquisitions Programs, which are recovered) were $8,105,304. The Library's CS invoice for FY 2007 was $4,448,742 or approximately 55% of the cost to run the office.

Hearing on the Library of Congress' FY 2009 Budget Request
March 5, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record
Mr. Latham, Ranking Member

Inspector General Firearms Issue

Provide a copy of all documents related to the Inspector General's request to the U.S. Marshals for deputation of himself and his employees.

Provide a copy of the Deputation Certificate issued by the U.S. Marshals for the Inspector General and his employees.

Provide a copy of the MOU between the Library and U.S. Marshals related to the deputation.

Provide a copy of the LOC General Counsel's legal opinion on statutory law enforcement authority.

Provide a copy of the IG counsel's opinion on statutory law enforcement authority and the related contract for services.

Provide a copy of the certification of qualifications for a specific fire arm for the Inspector General and his employees.

Provide a copy of the purchase orders for the purchase of fire arms.

Provide a copy of any Congressional approval for law enforcement authority, including the purchase of firearms.

Inspector General – Law Enforcement Authority/Firearms

The following addresses the general issues discussed during the March 5, 2008 hearing concerning law enforcement authority and the corresponding use of firearms, and a separation of powers issue relating to the Inspector General receiving law enforcement authority from the executive branch, via the U.S. Marshals Service.

Law Enforcement Authority Framework

The Library of Congress Inspector General Act of 2005 created a statutory Inspector General at the Library of Congress, which incorporated Section 4 of the Inspector General Act of 1978. Section 4 authorizes Inspectors General to conduct criminal investigations and requires them to report expeditiously to the Attorney General whenever they have reasonable grounds to believe there has been a violation of Federal criminal law. Law enforcement authority has been used extensively by Library IG special agents/criminal investigators in cases of theft, embezzlement, drug offenses, contract fraud, and other offenses.

One vehicle through which IG agents obtain law enforcement authority is a special deputation from the U.S. Marshals Service. This deputation enables IG agents to carry weapons and exercise law enforcement authority within their respective agencies. Special deputations for IG agents are not new; IG agents have been conducting criminal investigations and exercising law enforcement authority through special deputation by the U.S. Marshals Services for 30 years. While Section 6 of the IG Act was amended to make it easier for Presidentially appointed IGs and Designated Federal Entity IGs to acquire law enforcement authority, this provision clearly also contemplates that other IGs may continue to acquire law enforcement authority through special deputation, irrespective of the new authorities granted to certain IGs.

Separation of Powers

The special deputation of Library IG agents does not violate the separation of powers doctrine. The special agents do not become subject to executive branch control. The terms of the U.S. Marshals Service special deputation clearly limit the appointee's law enforcement authority to their respective agency. The appointment document also specifically notes that the appointment does not constitute employment by the U.S. Marshals Service or the U.S. Department of Justice. (**attachment A**)

Furthermore, Library IG special agents are not Members of Congress and not empowered to make or influence laws or legislation; therefore, the special deputation does not impinge upon a core function of the legislative branch or interfere with accomplishment of a constitutionally assigned function. Nixon v. Administrator of General Services, 433

U.S. 425, 443 (1977); see also, Commodities Futures Trading Comm's v. Schor, 478 U.S. 833, 851 (1986). Also, a legal opinion written by Richard L. Shiffrin, Deputy Assistant Attorney General, Office of Legal Counsel (OLC), to Janie S. Gorelick, Deputy Attorney General, dated April 10, 1995 (1995 OLC LEXIS 26; 10 Op. O.L.C. 99; see also, 1995 OLC LEXIS 26; 19 Op. O.L.C. 99) (**attachment B**), cites another memorandum endorsed by the OLC that concluded that deputation of a congressional employee on the personal staff of a U.S. Senator would not violate the separation of powers because the staff member was not a Member of Congress and exercised no legislative power under Article 1 of the Constitution.

The separation of powers doctrine does not prevent the sharing of tasks among the branches when necessary for efficient and effective government. For example, the U.S. Capitol Police, a legislative branch agency, as well as the Library's OIG, conduct criminal investigations, generally an executive branch function. The President appoints the Librarian of Congress, a legislative branch agency. Also, Library Office of General Counsel employees are detailed from time to time to work for the U.S. Department of Justice, which is an executive branch agency.

Use of Law Enforcement Authority

Currently, IG special agents occupying two positions have special deputations, including the Assistant Inspector General for Investigations. The IG agents are trained by the Federal Law Enforcement Training Center, as required for deputation, and per their job series are law enforcement officers. The deputation was requested for investigating specific Title 18 violations. The deputation has been used many times over the last several years. In the last few months, the IG agents have executed federal search warrants at residences and seized evidence in two criminal investigations involving Library employees and made an arrest in a theft case. The IG is not deputized because he does not conduct criminal investigations.

Investigators need to carry firearms for protection when conducting surveillance, searches, seizures, and arrests in environments that put their safety at risk. Assistance from other law enforcement agencies is not practical or reliable, and in many cases the jurisdiction of police agencies is too limited. For example, the USCP's jurisdiction is limited to Capitol Hill. Library IG special agents investigate crimes in the District of Columbia, Virginia, Maryland, and other states. In addition, the Inspector General's independence would be compromised if he had to rely on third party support.

The case for law enforcement authority is stated in the Inspector General's December 8, 2006 memorandum to the Librarian referenced in the next section. In short, law enforcement authority is both legally appropriate and necessary to effectively and efficiently carry out his investigative responsibilities under the Library of Congress Inspector General Act of 2005.

Legal Opinions and Approval

Library IG use of law enforcement first became an issue in FY 2007 when the IG started to acquire firearms for the special agents who had previously borrowed them from the Library Police. The budget officer at the time requested an opinion on IG law enforcement authority from the Library's General Counsel. The opinion stated that because a certain section of the original Inspector General Act of 1978, as amended, was omitted from the Library of Congress Inspector General Act of 2005, that Congress had not intended for the Library IG to exercise law enforcement authority.

The Library General Counsel's October 13, 2006 opinion (**attachment C**) incorrectly states that the Inspector General requested the Library General Counsel's opinion. To the contrary, the Inspector General already had his own counsel and obtained her opinion due to the significance of the issue. Hence, the IG did not "shop" for an opinion as was characterized during the hearing. The IG only obtained one opinion, and it was from his own Counsel.

The IG's Counsel and the Inspector General also consulted with several other IG counsels and obtained unanimous support for their position. The IG Counsel's opinion, dated December 7, 2006 (**attachment D**), concluded that the omission of the section of the IG Act of 1978, as amended, from the Library of Congress Inspector General Act of 2005 was not an indication of Congressional intent to preclude the use of law enforcement authority. The section was omitted because it applied only to executive branch IGs appointed by the President.

The Inspector General also wrote a memorandum to the Librarian dated December 8, 2006 (**attachment E**) on this subject. The Librarian verbally agreed with the IG position, as did the Library's Director of Security and Emergency Preparedness (both parties were concerned about a potential detrimental effect on collections security if the IG was not able to exercise law enforcement authority). The implications relating to collections security are addressed in the IG's memorandum.

Due to the differing opinions, the GAO General Counsel's office was informally consulted for its perspective. That office had been involved in drafting the language for the Library of Congress Inspector General Act of 2005. In a February 20, 2007 email on the subject (**attachment F**), GAO's Managing Associate General Counsel opined that there were no legal issues that precluded the Library IG from exercising law enforcement authority, and agreed with the IG and his Counsel that the specific law enforcement reference was omitted because it was not applicable to the Library IG.

After receiving the GAO perspective, the IG obtained via telephone conversations and emails (**attachment G**) approval from senior majority staff from House and Senate appropriations committees in April 2007. The IG then went forward with purchasing the weapons.

A summary of events in FY 2007 related to IG law enforcement authority were reported in the Inspector General's March 2007 Semiannual Report to Congress (**attachment H**).

Please contact the Inspector General on 707-2637 if you have any questions.

Karl W. Schornagel
Inspector General
The Library of Congress

March 12, 2008

Attachments

Attachment A

Request letters and applications for special deputation: Keeler, Hawe, and Jackson

THE LIBRARY OF CONGRESS

Washington, D.C. 20540

OFFICE OF THE
INSPECTOR GENERAL

June 7, 2007

Mr. Thomas Nunley
Acting Chief
Special Deputation Unit
U.S. Marshal Service
Suite 1200, CS-4
Washington, D.C. 20530-1000

Dear Mr. Nunley:

This letter is to request special deputation for Supervisory Special Agent Kenneth Keeler of the Office of Inspector General at the Library of Congress, 101 Independence Avenue, S.E., Washington, D.C. 20540-1060. This special deputation request relates to three ongoing investigations involving violations of Title 18 U.S.C. § 641.

One investigation involves the theft of Library property from the Library's loading dock in January 2007. One suspect has been arrested and we anticipate more arrests. The second investigation involves the theft of rare and valuable Library collections material. We have identified a suspect in this case. The third investigation involves the theft of property from our Landover Maryland warehouse. We anticipate conducting surveillance, searches, and arrests in all three investigations.

Supervisory Special Agent Keeler has been a federal criminal investigator for over 21 years, and has reviewed and agreed to comply with the Federal Law Enforcement Training Centers Use of Force Policy. I certify that he meets all the requirements outlined in Section E of the Special Deputation Program (99-13).

Please address any questions or need for additional information to me at (202) 707-2637.

Sincerely,

Karl W. Schornagel
Inspector General

Enclosures

U.S. Department of Justice
United States Marshals Service

APPLICATION FOR SPECIAL DEPUTATION

Applicant Name Kenneth R. Keeler (Print or type)
Date of Birth August 18, 19 48
Social Security Number [redacted] - ____
Telephone [redacted]

Employer Library of Congress OIG (Full Name and Address)
Office of Inspector General - Invs.
101 Independence Ave., SE
Washington, DC 20540-1060

To be completed by the applicant: (Fill in all the blanks and put your initials by each true statement.)

KRK I am a citizen of the United States (includes naturalized citizens).

KRK I am employed with a federal, state, or local law enforcement agency, or an agency approved by the USMS.

KRK I have successfully completed the following basic law enforcement training program:
Course Name Military Police Academy - Date Completed 1968 Ft. Gordon, GA
(Give full name and location including city and state)
Criminal Investigator Basic Training - FLETC - 1987

KRK I have previous law enforcement experience of at least one year:
Agency Library of Congress Office of Inspector General - Washington, DC
(Give full name and location including city, and state)

KRK I have not been convicted of a crime of domestic violence as defined in Title 18, U.S.C., Section 922 (g)(9) Lautenberg Amendment.

KRK I have qualified with my primary authorized firearm:
Full Description Sig Sauer P-228 Serial Number: B218915
(Give firearm manufacturer, model, caliber)
Date June 6, 2007 (Qualification date must be within the past year.)
(Day/Month/Year)

KRK I have read and I agree to comply with the deadly force policy of either my agency or the Department of Justice.

I certify that the above statements are true and accurate. (False or fraudulent information knowingly provided on this form is criminally punishable pursuant to federal law, including Title 18 U.S.C. Section 1001.)

Signature of Applicant [signature] Date 6/7/07

SPONSORING AGENCY INFORMATION: To be completed by the sponsor or chief administrator.

Name of Agency Library of Congress OIG Contact Person Karl Schornagel
Agency Address 101 Independence Ave,. SE
City Washington, State DC Zip 20540-1060
Agency Telephone 202-707-3324 Type of request: [X] First Time [ ] Renewal

JUSTIFICATION: (Check)

____ To serve as a special agent of an Inspector General's Office through an MOU with the Department of Justice
____ To protect persons under federal assault statutes
____ To carry or transport firearms for personal protection
____ To make arrests or execute search warrants supporting a federal task force
____ To operate electronic surveillance or support the violent crime initiative
X To investigate other Title 18 violations
____ To serve as a prison guard or other (please explain) ____

For USMS Staff Use Only:
[ ] Approval [ ] Disapproval [ ] Application incomplete [ ] Other
Signature, Chief, Special Deputation Program ____ Date ____

Form USM-38
(Rev. 10/98), Automated 11/00

THE LIBRARY OF CONGRESS

Washington, D.C. 20540

OFFICE OF THE
INSPECTOR GENERAL

May 23, 2007

Mr. Tom Nunley
Acting Chief for Special Deputation
U.S. Marshals Service
Special Deputation Program
Executive Services Division
600 Army Navy Drive
CS-3, Suite 1003
Arlington, VA 22202-4210

Dear Mr. Nunley:

This is to request special deputation for Special Agent Pamela DeGeorge Hawe of the Office of Inspector General, Investigations Division, Library of Congress, Washington, D.C. This deputation request relates to ongoing investigations involving possible violations of Title 18 U.S.C. § 641, Theft of Government Property, and Title 18 § 2252, Receipt and/or Distribution of Child Pornography [via Government computers].

This office is investigating several instances of the theft of Library of Congress collections and equipment, and is involved in an initiative to uncover and investigate the use of Library of Congress computers for illegal purposes.

Special Agent Hawe has been a federal criminal investigator for over sixteen years, and has reviewed and agreed to comply with the Federal Law Enforcement Training Center's Use of Force Policy. I certify that she meets all the requirements outlined in Section E of the Special Deputation Program (99-13).

Please address any questions or need for additional information to me at (202) 707-3324 or kkee@loc.gov. Thank you for your assistance.

Sincerely,

Kenneth R. Keeler
Assistant Inspector General for Investigations

cc: Karl Schornagel, Inspector General
Pamela DeGeorge Hawe

U.S. Department of Justice
United States Marshals Service

APPLICATION FOR SPECIAL DEPUTATION

Applicant Name Pamela D. Hawe (Print or type)
Date of Birth February 3, 19 69
Social Security Number [redacted]
Telephone [redacted]

Employer Library of Congress - OIG (Full Name and Address)
Office of Inspector General - Inv.
101 Independence Ave., SE
Washington, DC 20540-1060

To be completed by the applicant: (Fill in all the blanks and put your initials by each true statement.)

PDH I am a citizen of the United States (includes naturalized citizens).
PDH I am employed with a federal, state, or local law enforcement agency, or an agency approved by the USMS.
PDH I have successfully completed the following basic law enforcement training program:
Course Name Criminal Investigator Basic Training Date Completed April 1991
(Give full name and location including city and state)
Federal Law Enforcement Training Center, Glynco, Georgia
PDH I have previous law enforcement experience of at least one year:
Agency Library of Congress - Office of Inspector General, Washington, DC
(Give full name and location including city, and state)
PDH I have not been convicted of a crime of domestic violence as defined in Title 18, U.S.C., Section 922 (g)(9) Lautenberg Amendment.
____ I have qualified with my primary authorized firearm:
Full Description Sig Sauer P-225 Serial Number: M586232
(Give firearm manufacturer, model, caliber)
Date May 23, 2007 (Qualification date must be within the past year.)
(Day Month Year)
PDH I have read and I agree to comply with the deadly force policy of either my agency or the Department of Justice.

I certify that the above statements are true and accurate. (False or fraudulent information knowingly provided on this form is criminally punishable pursuant to federal law, including Title 18 U.S.C. Section 1001.)

Signature of Applicant _____ Date _____

SPONSORING AGENCY INFORMATION: To be completed by the sponsor or chief administrator.

Name of Agency Library of Congress - OIG Contact Person Kenneth R. Keeler
Agency Address 101 Independence Ave., SE
City Washington, State DC Zip 20540-1060
Agency Telephone 202-707-3324 Type of request: ☐ First Time ☒ Renewal

JUSTIFICATION: (Check)

____ To serve as a special agent of an Inspector General's Office through an MOU with the Department of Justice
____ To protect persons under federal assault statutes
____ To carry or transport firearms for personal protection
____ To make arrests or execute search warrants supporting a federal task force
____ To operate electronic surveillance or support the violent crime initiative
X To investigate other Title 18 violations
____ To serve as a prison guard or other (please explain) _____

For USMS Staff Use Only:
☐ Approval ☐ Disapproval ☐ Application Incomplete ☐ Other
Signature, Chief, Special Deputation Program _____ Date _____

Form USM-38
(Rev. 10/00), Automated 11/00

THE LIBRARY OF CONGRESS

Washington, D.C. 20540

OFFICE OF THE
INSPECTOR GENERAL

June 18, 2007

Mr. Thomas Nunley
Acting Chief
Special Deputation Unit
U.S. Marshal Service
Suite 1200, CS-4
Washington, D.C. 20530-1000

Dear Mr. Nunley:

This letter is to request special deputation for Special Agent Donya Jackson of the Office of Inspector General at the Library of Congress, 101 Independence Avenue, S.E., Washington, D.C. 20540-1060. This special deputation request relates to three ongoing investigations involving violations of Title 18 U.S.C. § 641.

One investigation involves the theft of Library property from the Library's loading dock in January 2007. One suspect has been arrested and we anticipate more arrests. The second investigation involves thefts of rare and valuable Library collections material. We have identified several suspects in these cases. A third investigation involves the theft of property from our Landover Maryland warehouse. We anticipate conducting surveillance, searches, and arrests in all three investigations.

Special Agent Jackson has been a federal criminal investigator with the U.S. Secret Service for seven years. She has reviewed and agreed to comply with the Federal Law Enforcement Training Centers Use of Force Policy. I certify that she meets all the requirements outlined in Section E of the Special Deputation Program (99-13).

Please address any questions or need for additional information to me at (202) 707-3324.

Sincerely,

Kenneth R. Keeler
Assistant Inspector General
for Investigations

Enclosures

U.S. Department of Justice
United States Marshals Service

APPLICATION FOR SPECIAL DEPUTATION

Applicant Name (Print or type) Donya M. Jackson
Date of Birth October 16, 19 77
Social Security Number [redacted]
Telephone [redacted]

Employer (Full Name and Address) Library of Congress - OIG
Office of Inspector General - Inv.
101 Independence Ave. DS.E.
Washington DC 20540-1060

To be completed by the applicant: (Fill in all the blanks and put your initials by each true statement.)

DMJ I am a citizen of the United States (includes naturalized citizens).

DMJ I am employed with a federal, state, or local law enforcement agency, or an agency approved by the USMS.

DMJ I have successfully completed the following basic law enforcement training program:
Course Name Criminal Investigator Basic Training Date Completed 10/2000
(Give full name and location including city and state) Federal Law Enforcement Training Center, Glyno Georgia

DMJ I have previous law enforcement experience of at least one year:
Agency United States Secret Service Washington DC -
(Give full name and location including city, and state)

DMJ I have not been convicted of a crime of domestic violence as defined in Title 18, U.S.C., Section 922 (g)(9) Lautenberg Amendment.

DMJ I have qualified with my primary authorized firearm:
Full Description Sig Sauer P-225 Serial Number M586232
(Give firearm manufacturer, model, caliber)
Date June 15, 2007 (Qualification date must be within the past year.)
(Day Month Year)

DMJ I have read and I agree to comply with the deadly force policy of either my agency or the Department of Justice.

I certify that the above statements are true and accurate. (False or fraudulent information knowingly provided on this form is criminally punishable pursuant to federal law, including Title 18 U.S.C. Section 1001.)

Signature of Applicant Donya M. Jackson Date 6/15/07

SPONSORING AGENCY INFORMATION: To be completed by the sponsor or chief administrator.

Name of Agency Library of Congress - OIG Contact Person Kenneth R. Keeler
Agency Address 101 Independence Ave., SE
City Washington State DC Zip 20540-1060
Agency Telephone 202-707-3324 Type of request: [X] First Time [ ] Renewal

JUSTIFICATION: (Check)

____ To serve as a special agent of an Inspector General's Office through an MOU with the Department of Justice
____ To protect persons under federal assault statutes
____ To carry or transport firearms for personal protection
____ To make arrests or execute search warrants supporting a federal task force
____ To operate electronic surveillance or support the violent crime initiative
_X_ To investigate other Title 18 violations
____ To serve as a prison guard or other (please explain) ____

For USMS Staff Use Only:
[ ] Approval [ ] Disapproval [ ] Application Incomplete [ ] Other
Signature, Chief, Special Deputation Program ____ Date ____

Form USM-30
(Rev. 10/00), Automated 11/00

Attachment B

Special Deputation Appointments: Keeler, Hawe, and Jackson

U.S. Department of Justice
UNITED STATES MARSHALS SERVICE

SPECIAL DEPUTATION APPOINTMENT

OATH OF OFFICE

I, Kenneth R. Keeler (Use name as stated on authorization) do solemnly swear (affirm) that I will faithfully execute all lawful orders issued under the authority of the United-States directed to the United States Marshal, the United States Marshals Service, or to an appropriate Federal Official. I will perform the duties of a Special Deputy United States Marshal with integrity, professionalism, and impartiality. I will exercise the authorities as limited by this Special Deputation solely in furtherance of the mission for which I have been specially deputized, and only while this Special Deputation shall be in effect. I agree to abide by the conditions set forth in the appointment. So help me God.

Subscribed and sworn to me this

26th day of June, 2007.

at Washington, D.C.
City State

Hon. George B. Walsh, United States Marshal
Signature of U.S. Marshal or Officer Administering Oath

District of Columbia
District or Division

Signature of Appointee

June 30, 2010
Expiration Date of Special Deputation

AGENCY EMPLOYMENT

Appointee's Employer: Library of Congress Sponsoring Agency: LOC, D/DC

Sponsoring Agency Contact during Special Deputation (U.S. Marshal or Designated Federal Official):
Kenneth Keeler LOC, D/DC (202) 707-3324

Questions in reference to Special Deputation should be referred to the appointee's sponsoring agency.

LIMIT OF SPECIAL DEPUTATION AUTHORITY

- [x] To serve as a special agent of an Inspector General's Office through an MOU with the Department of Justice
- [ ] To protect persons under federal assault statutes
- [ ] To seek and execute arrest and search warrants supporting a federal task force
- [ ] To monitor Title III intercepts
- [ ] To serve as a prisoner guard
- [ ] Other (please explain): „

TERMS OF SPECIAL DEPUTATION

The individual named herein is appointed, under authority delegated by the Attorney General, to perform the duties of the Office of Special Deputy United States Marshal as directed by an appropriate official of the United States Marshals Service or some other appropriate Federal Official as so designated. This appointment does not constitute employment by the United States Marshals Service, the United States Department of Justice, or the United States Government. The appointee agrees to perform the duties required under this Special Deputation with the knowledge that he or she is neither entering into an employment agreement with the Federal Government or any element thereof, nor being appointed to any position in the Federal Service by virtue of this special deputation. The appointee understands and acknowledges that the authorities vested in him or her by this special deputation can only be exercised in furtherance of the mission for which he or she has been specially deputized and extend only so far as may be necessary to faithfully complete that mission. Moreover, those authorities terminate at the expiration of the term of the Special Deputation.

U.S. Department of Justice
UNITED STATES MARSHALS SERVICE

SPECIAL DEPUTATION APPOINTMENT

OATH OF OFFICE

I, Pamela D. Hawe (Use name as stated on authorization) do solemnly swear (affirm) that I will faithfully execute all lawful orders issued under the authority of the United-States directed to the United States Marshal, the United States Marshals Service, or to an appropriate Federal Official. I will perform the duties of a Special Deputy United States Marshal with integrity, professionalism, and impartiality. I will exercise the authorities as limited by this Special Deputation solely in furtherance of the mission for which I have been specially deputized, and only while this Special Deputation shall be in effect. I agree to abide by the conditions set forth in the appointment. So help me God.

Subscribed and sworn to me this

6th day of June, 2007,

at Washington, D.C.
City State

Hon. George B. Walsh, United States Marshal
Signature of U.S. Marshal or Officer Administering Oath

District of Columbia
District or Division

Signature of Appointee

May 31, 2009
Expiration Date of Special Deputation

AGENCY EMPLOYMENT

Appointee's Employer: Library of Congress Sponsoring Agency: LOC, D/DC

Sponsoring Agency Contact during Special Deputation (U.S. Marshal or Designated Federal Official):
Kenneth Keeler LOC, D/DC (202) 707-3324

Questions in reference to Special Deputation should be referred to the appointee's sponsoring agency.

LIMIT OF SPECIAL DEPUTATION AUTHORITY

- ☐ To serve as a special agent of an Inspector General's Office through an MOU with the Department of Justice
- ☐ To protect persons under federal assault statutes
- ☐ To seek and execute arrest and search warrants supporting a federal task force
- ☐ To monitor Title III intercepts
- ☐ To serve as a prisoner guard
- ☒ Other (please explain): "To investigate other Title 18 violations."

TERMS OF SPECIAL DEPUTATION

The individual named herein is appointed, under authority delegated by the Attorney General, to perform the duties of the Office of Special Deputy United States Marshal as directed by an appropriate official of the United States Marshals Service or some other appropriate Federal Official as so designated. This appointment does not constitute employment by the United States Marshals Service, the United States Department of Justice, or the United States Government. The appointee agrees to perform the duties required under this Special Deputation with the knowledge that he or she is neither entering into an employment agreement with the Federal Government or any element thereof, nor being appointed to any position in the Federal Service by virtue of this special deputation. The appointee understands and acknowledges that the authorities vested in him or her by this special deputation can only be exercised in furtherance of the mission for which he or she has been specially deputized and extend only so far as may be necessary to faithfully complete that mission. Moreover, those authorities terminate at the expiration of the term of the Special Deputation.

U.S. Department of Justice
UNITED STATES MARSHALS SERVICE

SPECIAL DEPUTATION APPOINTMENT

OATH OF OFFICE

I, Donya M. Jackson (Use name as stated on authorization) do solemnly swear (affirm) that I will faithfully execute all lawful orders issued under the authority of the United-States directed to the United States Marshal, the United States Marshals Service, or to an appropriate Federal Official. I will perform the duties of a Special Deputy United States Marshal with integrity, professionalism, and impartiality. I will exercise the authorities as limited by this Special Deputation solely in furtherance of the mission for which I have been specially deputized, and only while this Special Deputation shall be in effect. I agree to abide by the conditions set forth in the appointment. So help me God.

Subscribed and sworn to me this

26th day of June, 2007,

at Washington, D.C.
City State

Hon. George B. Walsh, United States Marshal
Signature of U.S. Marshal or Officer Administering Oath

District of Columbia
District or Division

Donya M Jackson
Signature of Appointee

June 30, 2010
Expiration Date of Special Deputation

AGENCY EMPLOYMENT

Appointee's Employer: Library of Congress Sponsoring Agency: LOC, D/DC

Sponsoring Agency Contact during Special Deputation (U.S. Marshal or Designated Federal Official):
Kenneth Keeler LOC, D/DC (202) 707-3324

Questions in reference to Special Deputation should be referred to the appointee's sponsoring agency.

LIMIT OF SPECIAL DEPUTATION AUTHORITY

- [x] To serve as a special agent of an Inspector General's Office through an MOU with the Department of Justice
- [ ] To protect persons under federal assault statutes
- [ ] To seek and execute arrest and search warrants supporting a federal task force
- [ ] To monitor Title III intercepts
- [ ] To serve as a prisoner guard
- [ ] Other (please explain): "

TERMS OF SPECIAL DEPUTATION

The individual named herein is appointed, under authority delegated by the Attorney General, to perform the duties of the Office of Special Deputy United States Marshal as directed by an appropriate official of the United States Marshals Service or some other appropriate Federal Official as so designated. This appointment does not constitute employment by the United States Marshals Service, the United States Department of Justice, or the United States Government. The appointee agrees to perform the duties required under this Special Deputation with the knowledge that he or she is neither entering into an employment agreement with the Federal Government or any element thereof, nor being appointed to any position in the Federal Service by virtue of this special deputation. The appointee understands and acknowledges that the authorities vested in him or her by this special deputation can only be exercised in furtherance of the mission for which he or she has been specially deputized and extend only so far as may be necessary to faithfully complete that mission. Moreover, those authorities terminate at the expiration of the term of the Special Deputation.

There is no MOU because such an agreement is not needed for the type of deputation we use. A clerical error was made on two of the three U.S. Marshals Service-issued Special Deputation documents noting the request was under the MOU with the Department of Justice rather than the "other" category to investigate Title 18 violations that does not Require an MOU. The Inspector General's letter to the U.S. Marshals Service clearly stated in both cases that deputation was requested for investigating specific Title 18 violations.

Attachment C

Library General Counsel Opinion: October 13, 2006

RECEIVED

OCT 16 2006

INSPECTOR GENERAL

UNITED STATES GOVERNMENT

Memorandum

Office of the General Counsel
Library of Congress

DATE: October 13, 2006

TO: Karl Schornagel, Inspector General

FROM: Elizabeth Pugh, General Counsel

SUBJECT: Authority of Library of Congress Inspector General Criminal Investigators to Carry Firearms

You have asked whether the criminal investigators on the staff of the Library of Congress Inspector General (LC IG) may carry firearms in the performance of their official duties, and, if they may, whether appropriated funds may be used to purchase firearms, secure the firearms, and train LC IG investigators to use them.

We conclude that the Library of Congress Inspector General Act of 2005 (Pub.L. 109-55, § 1307, Aug. 2, 2005, 2 U.S.C. § 185) (the "LC IG Act") does not authorize LC IG investigators to carry firearms. After review of the LC IG Act and the provisions of the Inspector General Act of 1978 specifically incorporated therein, we conclude that Congress did not intend to grant to LC IG investigators the authority to carry firearms or to make arrests. We must therefore also conclude that seeking a blanket deputation from the U.S. Marshals Service to carry firearms and make arrests under Department of Justice authorities at 28 U.S.C. § 562 and 28 C.F.R. 0.112 would improperly circumvent the intent of the Congress.

Because we conclude that the Congress did not intend for LC IG investigators to carry firearms, we conclude that the purchase of firearms and related training would not be a proper use of appropriated funds.

Background

We understand that the Library's Office of Investigations and the criminal investigators on its staff were formerly part of the Office of Security and Emergency Preparedness (OSEP), along with the Library police force. While part of OSEP, an investigator sought and received deputation from the U.S. Marshal Service to carry firearms and make arrests. The paperwork indicates that the deputation was a blanket deputization to carry firearms and make arrests in connection with any violation of criminal law.

Section 1307 (e) of the LC IG Act transferred the Office of Investigations from OSEP to the Office of the Inspector General (OIG). When transferred out of OSEP in 2005, the investigator who had been deputized by the U.S. Marshals Service retained the handgun she had been issued by the Library police. The OIG would like for this individual to retain authority to

carry a firearm and make arrests, and would like to extend this authority to the other investigators in the office, either under authority of the LC IG organic statute or by requesting additional deputations from the U.S. Marshals Service. Additionally, the OIG seeks to use appropriated funds to purchase new handguns for its investigators and to send them for appropriate weapons training and certification.

LC IG Act

The LC IG Act established an independent OIG within the Library and tasked the office with the following specific functions:

(1) [to] conduct and supervise audits and investigations (excluding incidents involving violence and personal property) relating to the Library of Congress;

(2) [to] provide leadership and coordination and recommend policies to promote economy, efficiency, and effectiveness; and

(3) [to] provide a means of keeping the Librarian of Congress and the Congress fully and currently informed about problems and deficiencies relating to the administration and operations of the Library of Congress.

§ 1307 (b)(1)-(3). Pursuant to § (b)(1), the investigation responsibility of the LC IG under the new statute specifically *excludes* investigations of incidents involving violence and personal property.

Section 1307 (d) of the LC IG Act further defines the scope, responsiblities, authority and reporting requirements of the LC IG by incorporating by reference select statutory provisions from the Inspector General Act of 1978 (the "1978 Act"). The 1978 Act established independent and objective offices of inspector general in designated executive branch and independent agencies (including the Department of Defense and other cabinet departments and smaller "designated federal entities" such as the National Archives and Records Administration.) 5 U.S.C. App. §§ 12 and 8G. The basic duties, responsibilities, and authorities of these inspectors general are set forth in sections 4 through 7 of the 1978 Act. Congress did not, however, simply incorporate all of these sections into the LC IG Act. Instead, § 1307 (d)(1) of the LC IG Act only provides that: "Sections 4, 5 (other than subsections (a)(13)), 6(a) (other than paragraphs (7) and (8) thereof), and 7 of the Inspector General Act of 1978 shall apply to the Inspector General of the Library of Congress."

Significantly, this explicit list of provisions that apply to the LC IG does not include § 6(e) of the 1978 Act. Subsection 6(e) is the provision that authorizes executive branch IGs to receive authorization from the Attorney General to carry firearms and make arrests.[1] Because

---

[1] In pertinent part, the 1978 Act provision that was omitted from the LC IG Act reads:

(e) (1) In addition to the authority otherwise provided by this Act, each Inspector General

this provision was not incorporated into the LC IG Act and the Act fails to include any other language regarding such authority, the LC IG organic statute does not provide authority for investigators or any one else on the staff of the LC IG to carry firearms or to make arrests.

Seeking Alternate Authority to Carry Firearms

Because the list of provisions from the 1978 Act that apply to the LC IG is so specific, we must conclude that Congress intentionally omitted the provisions that are not listed. With regard to § 6 of the 1978 Act, Congress specifically applied parts of § 6(a) to the LC IG and did not apply §§ 6(b), 6(c), 6(d), or 6(e). By intentionally omitting § 6(e), Congress declined to authorize the LC IG to carry firearms and make arrests. There is no language in the legislative history of the LC IG Act to suggest that Congress intended to bestow such authority on the LC OIG.[2] The absence of such authority is consistent with Congress' determination in § 1307 (b)

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appointed under section 3, ... may be authorized by the Attorney General to—

(A) carry a firearm while engaged in official duties ... ;

(B) make an arrest without a warrant while engaged in official duties ... for any offense against the United States committed in the presence of such Inspector General, ... or for any felony cognizable under the laws of the United States if such Inspector General ... has reasonable grounds to believe that the person to be arrested has committed or is committing such felony; and

(C) seek and execute warrants for arrest, search of a premises, or seizure of evidence issued under the authority of the United States upon probable cause to believe that a violation has been committed.

With the exception of certain major agency OIGs listed in § 6(e)(3), the 1978 Act does not automatically grant the power to carry weapons and make arrests. Section § 6(e)(2) provides that:

The Attorney General may authorize exercise of the powers under this subsection only upon an initial determination that -

(A) the affected Office of Inspector General is significantly hampered in the performance of responsibilities established by this Act as a result of the lack of such powers;

(B) available assistance from other law enforcement agencies is insufficient to meet the need for such powers; and

(C) adequate internal safeguards and management procedures exist to ensure proper exercise of such powers.

[2] The Conference Report on H.R. 2985 simply states that "Section 1307 authorizes a statutory Inspector General for the Library of Congress," with no elaboration on the authorities of the LC IG. H. Rept. 109-189, July 26, 2005, p. 39. The LC IG provision was not part of the legislative branch appropriations bills before the legislation went to conference, and accordingly is not addressed in the

that the scope of LC IG investigations excludes investigation of incidents involving violence.

We conclude, therefore, that seeking authorization from the Attorney General to carry firearms and make arrests under some other statutory or regulatory authority – including the U.S. Marshals Service special deputation authority at 28 CFR 0.112 – would contravene the intent of Congress.

Use of Appropriations for Firearms-Related Expenses

Funds appropriated to the Library of Congress for the OIG are appropriated for the statutory purposes of the OIG. Based on our analysis of the LC IG Act and related authorities, we conclude that carrying firearms is not within the statutory scope of the OIG. Use of appropriated funds for OIG firearms expenses would therefore be inconsistent with 31 U.S.C. § 1301, the "appropriations purpose statute," which requires that appropriated funds may only be applied to the objects for which the appropriations were made.

Conclusion

As discussed above, the content and structure of § 1307 (d)(1) of the LC IG Act demonstrates that the statute was drafted with great specificity, leading to the conclusion that Congress performed a section-by-section analysis of the 1978 Act and purposefully decided to apply some of its authorities to the LC IG and to reject others. Staff members of the LC OIG are not statutorily authorized to carry firearms or make arrests. Accordingly, the gun which has been retained by the deputized individual within the OIG should be returned to the Library police and this individual should no longer invoke the blanket deputation authority formerly granted by the U.S. Marshals Service.

cc: Donald Scott, DLC
Jeffrey Page, CFO
Inspector Thomas Reynolds, USCP

Senate or House committee reports. H. Rept. 109-139, June 20, 2005; S. Rept. 109-89, June 24, 2005,

Attachment D

IG Counsel Opinion and IG Memorandum: December 7 and 8, 2006

December 7, 2006

TO: Karl Schornagel, Inspector General

FROM: Judith K. Leader, Esq. Judith K. Leader

SUBJECT: Authority of Library of Congress Inspector General Criminal Investigators to Carry Firearms

You asked me whether the Library of Congress Inspector General Criminal Investigators may carry firearms in the performance of their official duties, and if they may, whether appropriated funds may be used to purchase firearms, secure the firearms, and train LC IG criminal investigators to use them. I have reviewed the relevant legal authorities, the October 13, 2006 legal memorandum from the General Counsel (GC), your draft memorandum on this subject to the Librarian, and the history of this issue in the wider Inspector General community. Based on this review, I conclude that the answer to both of these questions is, "Yes".

The Inspector General Act of 1978 (IG Act) clearly contemplated that Offices of Inspector General would perform criminal investigations. (Pub. L. 95-452, § 4, Oct. 12, 1978, 5 U.S.C. App. 3, § 4). Furthermore, over the last 28 years, most inspectors general have acquired law enforcement authorities, including the authority to carry firearms, in various ways. True, the Library's IG is not referenced in the 6(e) provision added to the 1978 IG Act in 2002,[1] and did not become statutory until 2005. However, nothing in the applicable statutes or their legislative histories prohibits the Library's IG from continuing to acquire and exercise law enforcement authorities under 6(a) of the1978 IG Act, including the carrying of firearms, through special or blanket deputations, when adequate need has been demonstrated.

Background

As stated in your draft memorandum, LC IG criminal investigators have exercised law enforcement authority on an as-needed basis through special deputation from the U.S. Marshals Service for 10 years. Currently, one agent remains deputized.

As mentioned, over the last 28 years, most IGs have acquired and exercised law enforcement authorities, including the authority to carry firearms. Some IGs have acquired law enforcement authorities from special statutory authorities, some from pre-existing offices which held relevant powers when their OIGs were created, some from

[1] Homeland Security Act of 2002, Pub. L. 107-296, § 812, Nov. 25, 2002, 6 U.S.C. 101 note.

delegations of authority from their agency heads, some from special deputation from the U.S. Marshals Service[2] some from blanket deputation from the Attorney General, and more recently, some from Section 6(e) of the IG Act, pursuant to its amendment in 2002.

IG Act of 1978

Although the Inspector General Act of 1978 as originally passed, contemplated criminal investigations, it did not provide specific grants of law enforcement authority to IG investigators. Congress could have prohibited the exercise of law enforcement authorities by inspectors general, but it did not. To the contrary, law enforcement authorities have been conferred on inspectors generals in various ways historically and these grants of authorities continue.

6(e) of the IG Act of 1978

Subsection 6(e) of the IG Act authorizes Presidentially appointed IGs to receive law enforcement authorities and other IGs to seek these authorities through U.S. Marshals Service special deputation. The legislative history relating to this section of the Homeland Security Act is silent concerning the legislative intent of 6(e). The GC concludes from the lack of reference in the LC IG Act to 6(e) that Congress therefore intended that LC IG criminal investigators should not be able to acquire and exercise law enforcement authorities. I disagree.

A close examination of 6(e) discloses that it contemplates three ways of obtaining law enforcement authorities for certain specified agency inspectors general: first, one group of agencies acquires it automatically, by statute; another group requires a specific determination from the Attorney General for blanket deputation; and a third option is provided by 6(e)(8), which reads: "No provision of this subsection shall limit the exercise of law enforcement powers established under any other statutory authority, including United States Marshals Service special deputation." In short, Congress intended for the U.S. Marshals Service to continue to use its special deputation authority, when warranted[3]. Again, Congress could have included a specific prohibition to agencies not specifically referenced in 6(e), but it chose not to do so.

Also, significantly, the very first phrase of 6(e)(1) states: "In addition to the authority otherwise provided by this Act...". This phrase clearly contemplates that IGs may continue to exercise other authorities acquired under the subsection 6(a) of the IG Act, as they did before the existence of 6(e), irrespective of the new authorities granted by 6(e).

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[2] CRS Report to Congress: Statutory Offices of Inspector General: A 20th Anniversary Review, CRS 7-8, (1998).
[3] See 28 C.F.R 0.112(d) and 28 C F.R. 0.19.

Library of Congress IG Act

As mentioned earlier, the LC IG Act, enacted in 2005, Pub. L. 109-55, Aug. 2, 2005, 2 U.S.C. § 185, does not include a specific reference to 6(e). I believe that 6(e) was rightfully excluded because 6(e) was directed at the larger, presidentially appointed IGs. The 6(e) provision was added to the Homeland Security Act by the Senate. The Senate had previously introduced similar legislation, S. 2530, in May 2002. The Report of the Senate Committee on Governmental Affairs accompanying that legislation stated in its introductory comments that the purpose of this legislation was to provide "specific statutory authority for the Attorney General to grant certain law enforcement powers to Presidentially appointed Federal Inspector's General (IGs) and their investigative personnel."[4] However, provision was made for smaller IGs as well in 6(e)(8). The same rationale should apply to those not subject to section 6(e) of the IG Act, as described earlier.

Additionally, while the LC IG Act does not contain a specific grant of law enforcement authorities to LC IG investigators, the law enforcement authority of LC IG criminal investigators from the pre-existing office transferred with them, when the LC IG became a statutory and separate entity, pursuant to the Transfer of Function section of the LC IG Act, §(e). As mentioned earlier, currently, one Special Agent remains deputized.

The GC points out that pursuant to 1307(b)(1), the investigative responsibility of the LC IG, excludes investigations of incidents involving violence and personal property. She concludes that LC IG criminal investigators will therefore have no need for law enforcement authority. However, this exclusion refers to incidents of violence that normally fall under the state or another agency's specialized jurisdiction, such as crimes against persons (physical assault), bomb threats, acts of terror, etc., which are not considered to be part of LC's programs and operations. Moreover, as described in detail in the IG's draft memorandum to the Librarian on this subject, LC IG criminal investigators investigate many Title 18 crimes, such as theft, drug offenses, contract fraud, false claims, bribery, etc., which have a potential for violence and which are related to LC's programs and operations. These investigations require them to execute search and arrest warrants and place themselves in harms way. Hence, the authority to carry firearms is critical to their effectiveness and to the safety of themselves and others.

For the same reason, NARA and the Smithsonian IGs, who have missions similar to LOC's, have sought and acquired law enforcement authorities. In fact, NARA has recently obtained blanket deputization from the Attorney General.

The focus of our analysis, then, should be on whether the Library of Congress investigators need law enforcement authorities to effectively and efficiently perform their functions. Specifically, the focus should be on the three issues for determination by the Attorney General, pursuant to 6 (e), namely, that:

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[4] S. REP. NO. 107-176 at 3 (2002).

(A) the affected OIG is significantly hampered in the performance of responsibilities established by this Act as a result of the lack of such powers;
(B) available assistance from other law enforcement agencies is insufficient to meet the need for such powers; and
(C) adequate internal safeguards and management procedures exist to ensure proper exercise of such powers.

These issues are all addressed in some detail and a compelling case for continued law enforcement authority is made in the LC IG Memorandum to the Librarian on Law Enforcement Authority.

Conclusion

The IG Act, as amended and as implemented over the years, and the LC Act establishing a statutory IG provides ample authority for the acquisition and exercise of law enforcement authorities, including the carrying of firearms, by LC IG Criminal Investigators. The LC IG has a legal right to purchase firearms and train LC IG Criminal Investigators. The GC memorandum of October 13, 2006, stating a contrary opinion, should be rescinded.

UNITED STATES GOVERNMENT LIBRARY OF CONGRESS

Memorandum *Office of the Inspector General*

TO: James H. Billington
Librarian of Congress

December 8, 2006

FROM: Karl W. Schornagel
Inspector General

SUBJECT: Continuing Need for Law Enforcement Authority

For 10 years before becoming "statutory" via the Library of Congress Inspector General Act of 2005, 2 U.S.C. §185, (the Act), our criminal investigators/special agents exercised law enforcement authority on an as-needed basis through special deputation from the U.S. Marshals Service. Deputation provides authority to make arrests, execute search warrants, and carry a weapon. Currently, one agent is deputized.

The Library's General Counsel recently issued an opinion holding that our use of deputation to make arrests and carry firearms circumvents the intent of the Act. In the attached October 13, 2006, legal opinion, the General Counsel bases her argument on the fact that the Act excludes §6(e) of the Inspector General Act of 1978, as amended, 5 U.S.C. App. 3. (1978 Act). The primary purpose of the subsection is to bestow specific statutory law enforcement authority on certain inspectors general. To the contrary, §6(e) was excluded from the Act because its statutory law enforcement authority applies only to inspectors general appointed by the President.[1] Other inspectors general obtain their authority through the Attorney General and the U. S. Marshals Service.

Moreover, nothing in the applicable statutes or their legislative histories prohibits inspectors general, including this office, from continuing to acquire and exercise law enforcement authority by deputation under §6(a) of the 1978 Act (included by reference in our Act). Deputation is both legally appropriate and necessary to effectively and efficiently carry out our investigative responsibilities under the Act. The attached December 7, 2006, legal opinion rendered by a separate, independent, counsel to my office substantiates this position.

[1] Section 6(e)(1) states that the section applies to those inspectors general appointed under §3 of the 1978 Act. Section 3(a) states in part "...[t]here shall be at the head of each Office an Inspector General who shall be appointed by the President..."

Furthermore, §(e) of the Act transferred "all functions" of the Library's Office of Investigations, including law enforcement authority through deputation, to the Office of the Inspector General.

Inspector General Use of Deputation

Section 4 of the 1978 Act is also included in the Act by reference, and mandates that this office conduct investigations to prevent and detect fraud. Federal crimes relating to fraud permeate Title 18 of the U.S.C.; in effect, any type of theft by deception is a type of fraud. The Act requires us to report criminal violations that may result from these investigations to the Attorney General. The Act excludes investigations "involving violence and personal property." This exclusion refers to incidents of violence that normally fall under police jurisdiction, such as crimes against persons (physical assault), bomb threats, or acts of terrorism.

While acts of violence are not generally investigated by inspectors general, many other criminal investigations have a potential for violence, including many of the cases investigated by our special agents. These cases have involved theft of Library property and collections, embezzlement, drug offenses, and contract fraud. In pursuing these cases, our agents have conducted surveillance and interviews in high crime neighborhoods, searched residences, and made arrests. Recent cases that have put our agents at risk involved investigating a patron for multiple thefts of various Library property, a contract security guard (who had an extensive record of violent crimes) for stealing a large quantity of computer equipment, an employee for destroying Library property, a mail handler for stealing Library funds, a contractor for stealing laptop computers, an employee for selling heroin, and two individuals for stealing rare collections materials. Anyone making arrests, conducting searches or surveillance, or in any other way assuming personal risk while conducting investigations needs to be armed.

For more than 28 years the vast majority of inspectors general, aside from a few small offices that may not employ special agents, have sought and obtained their own law enforcement authority to carry out criminal investigation responsibilities.[2] The exclusion of inspectors general not appointed by the President from §6(e) of the 1978 Act, as amended, does not preclude those offices from obtaining deputation,[3] and to my knowledge, no one has made the argument that those offices are circumventing the intent of Congress by obtaining law enforcement authority. Our agents (series 1811 criminal investigators) work cases that mirror those investigated by deputized special agents at the National Archives and Records Administration (NARA) and Smithsonian Institution offices of inspector general. In fact, NARA has recently acquired blanket[4] deputation from the Attorney General. These agents are armed because they must be prepared to make arrests and protect themselves from inherent dangers related to surveillance, searches, and confrontational interviews, especially in high crime neighborhoods.

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[2] Examples include the National Archives and Records Administration, Smithsonian Institution, Peace Corps, the Corporation for National and Community Service, and others.

[3] Section 6(e) contemplates three ways of obtaining law enforcement authority for certain specified agency inspectors general: first, one group of agencies acquires it automatically, by statute; another group requires a specific determination from the Attorney General for blanket deputation; and a third option is provided by § 6(e)(8), which reads: "...[n]o provision of this subsection shall limit the exercise of law enforcement powers established under any other statutory authority, including United States Marshals Service special deputation."

[4] Blanket deputation is a broader designation of law enforcement authority than the special case-by-case deputation our office uses.

The issue of applicability of §6(e) of the 1978 Act, as amended in 2002, does not pose a legal obstacle to our exercising law enforcement authority, as the General Counsel has suggested. Significantly, the very first phrase of §6(e)(1) states: "[i]n addition to the authority otherwise provided by this Act, each Inspector General...may be authorized by the Attorney General to..." This phrase clearly contemplates that inspectors general may continue to exercise other authorities acquired under §6(a) of the 1978 Act, as they did before the existence of §6(e), irrespective of the new authorities granted.

Assistance from Third Party Law Enforcement Organizations

The alternative to having our own law enforcement authority is to rely on the U.S. Capitol Police (assuming the pending merger of the Library's police force with the Capitol Police), the FBI, or another inspector general. If we did, we would lose both our independence and the ability to control Library investigations. Inspectors general that are co-located with police organizations do not use police officers to conduct or assist in the types of criminal investigations that are conducted by inspectors general.[5] The critical factor in separating police and inspector general functions gets to the core of why inspectors general were created in the first place: the need for independence in evaluating agency activities.

Reliance on a third party, which may not share the Library's priorities and sense of investigative urgency, and over which the Library has little control, may impede investigations, and introduce inefficiencies into the process:

- In carrying out surveillance operations, our ability to make independent determinations as to timing and other circumstantial decisions could be substantially limited. Control of timing and circumstances are critical to successful investigations. Without law enforcement authority, it may be difficult at times to arrange for outside support of surveillance activities. If support was not present, we could not act quickly to make a needed arrest. Our agents have effectively used independent surveillance to make several arrests.

- Our agents would lose the authority to independently request and execute search warrants. We have needed to quickly search a suspect's residence when thefts have occurred. As a result, agents have successfully recovered a significant amount of stolen collections material. The agency that would most likely support our agents, the Capitol Police, has jurisdiction limited to the Capitol grounds. Going off Capitol grounds (which is where most searches are likely to occur) would require the enlistment of yet another law enforcement agency. This could significantly delay the execution of a search warrant and introduce additional logistical hurdles into the process. The next logical candidate, the FBI, has a very high workload and, consequently, threshold for involvement in criminal cases, and has often declined assistance to the Library.

[5] Examples include the Government Printing Office; Smithsonian Institution; Departments of Justice, Treasury, and Homeland Security; and others.

Consequently, available assistance from other law enforcement agencies is insufficient to meet our needs.

The collections security program would be impaired if we do not retain law enforcement authority. Kenneth E. Lopez, the Library's Director of Security and Emergency Preparedness commented that..."the Library believes that its collections security program would be significantly less effective if its investigators could not respond quickly when allegations of collections theft occur. Having the authority to independently request and execute search warrants, conduct investigations, and be proactive are critical to the Library's collection security program."

Additionally, our office provides, and will continue to provide, adequate internal safeguards and management controls to ensure proper use of our authority. Agents are current in firearms training and have just been brought up-to-date on criminal law by the Federal Law Enforcement Training Center.

Conclusion

You have supported our need for deputation in the past and given our need for effective and timely investigations, we believe it is in the Library's best interest that this special deputation from the U.S. Marshals Service continues. Deputation will enable us, independently of third parties, to effectively conduct investigations, including searches, arrests, and surveillance on behalf of the Library. I believe that §6 (a) of the 1978 Act, included by reference in our Act, provides the legal basis to continue to use deputation to meet the Library's investigative needs.

Attachments: December 7, 2006 memorandum from Judith K. Leader
October 13, 2006 memorandum from Elizabeth Pugh

cc: Donald L. Scott, Deputy Librarian
Jo Ann Jenkins, Chief of Staff
Kenneth E. Lopez, Director of Security and Emergency Preparedness
Elizabeth A. Pugh, General Counsel
Jeffrey Page, Chief Financial Officer
Inspector Thomas Reynolds, U.S. Capitol Police

Attachment E

Firearms Certifications for 2008 and 2007: Keeler, Hawe, and Jackson

FIREARMS CERTIFICATION
PPC HANDGUN QUALIFICATION COURSE

DATE: Jan 17, 2008 **SCORE** 285 **OF 300 SCORE**

Applicant's Name/Address: Agent Kenneth R. Keeler

Agency/Address: 101 Independence Avenue, SE, Washington, DC 20540-9530

Qualification was conducted at the following range: MSAR, Upper Marlboro, MD

The applicant, Agent Kenneth Keeler **(circle one) has met the 70% score/criteria established by the following agencies below and certified by:** 95%

Firearms Instructor: Craig N. Collins

Must Circle One:

1. **Metropolitan Police Department, DC SOMB, #4938, Exp 03-05-08**
2. **Maryland State Police, #212-0325, Exp 6/30/2008**
3. **NRA Instructor Number# 146703246, Exp 2/28/2010**
4. **Department Of Justice-CA, #105822, Exp 3/20/2011**
5. **International Association of Law Enforcement Firearms Instructors, Exp 04/15/2008**
6. **Dept Of Public Safety-UT Concealed Firearms Instructor, #I101110, Exp 3/1/2011**

Instructor's Signature

Notary: **Subscribed and sworn to this** 17thday of Jan 2008

Maryland Firearms Training Group, Security Firearms Training Certification
301-855-4030
www.firearmstrainiggroup.com

Maryland Firearms
Training Group

Issues this certification for the successful completion of the Law Enforcement Officer's Handgun Qualification Course of Fire:

Agent Kenneth R. Keeler
LOC/OIG

Weapon Used: Glock23

Issued at Maryland Small Arms Range on: 17 January 2008

Score: 285 **of possible** 300

Firearms Instructor: Craig N. Collins
Maryland State Police Instructor # 212-0325
Metro Police Dept, SOMB, Washington, DC # 4938
NRA Instructor Number# 146703246
Department Of Justice-CA, #105822
Bureau of Criminal Identification-UT # I101110

International Association of L.A.L.E.F.I. Law Enforcement Firearms Instructors

NRA CERTIFIED INSTRUCTOR

SECURITY OFFICERS FIREARMS CERTIFICATION
HANDGUN QUALIFICATION COURSE

DATE: 6 JUN 2007 **SCORE** 287 **OF 300 SCORE**

Applicant's Name/Address: Kenneth R. Keeler

Agency/Address: LOC/OIG

Qualification was conducted at the following range: MSAR, Upper MARLBORO, MD
MDFTG, Owings, MD

The applicant, K. Keeler **(circle one) has met /has not the criteria established by the following agency circled below and certified by:**

Firearms Instructor: Craig N. Collins

Must Circle One:

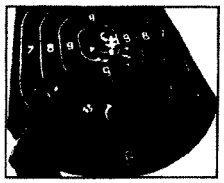
1. **Metropolitan Police Department, DC SOMB, #4938, Exp 03-05-09**
2. **Maryland State Police, #212-0325, Exp 6/30/2008**
3. **NRA Instructor Number# 146703246, Exp 2/28/2010**
4. **Department Of Justice-CA, #105822, Exp 3/20/2011**
5. **International Association of Law Enforcement Firearms Instructors, Exp 04/15/2009**
6. **Dept Of Public Safety-UT Concealed Firearms Instructor, #I101110, Exp 3/1/2011**

Instructor's Signature C. N. Coll

NOTARY PUBLIC
Notary CRAIG N. COLLINS
CALVERT CO., MD
My Commission Exps. Feb. 16, 2010

Subscribed and sworn to this 6th **day of** JUNE **2007**

Maryland Firearms Training Group, Security Firearms Training Certification
301-855-4030
www.firearmstraininggroup.com



Maryland Firearms
Training Group

Issues this certification for the successful completion of the Law Enforcement Officer's Handgun Qualification Course Of Fire:

Agent Kenneth R. Keeler
LOC/OIG

Weapon Used: Sig 228

Issued at Maryland Small Arms Range on: Wednesday, June 6th, 2007

Score: 287 **of possible** 300

Firearms Instructor: Craig N. Collins
Maryland State Police Instructor # 212-0325
Metro Police Dept, SOMB, Washington, DC # 4938
NRA Instructor Number# 146703246
Department Of Justice-CA, #105822
Bureau of Criminal Identification-UT # I101110

International Association of L.A.W.E.F.I. Law Enforcement Firearms Instructors

NRA CERTIFIED INSTRUCTOR

FIREARMS CERTIFICATION
PPC HANDGUN QUALIFICATION COURSE

DATE: Jan 17, 2008 **SCORE** 298 **OF 300 SCORE**

Applicant's Name/Address: Agent Pamela Hawe

Agency/Address: 101 Independence Avenue, SE, Washington, DC 20540-9530

Qualification was conducted at the following range: MSAR, Upper Marlboro, MD

The applicant, Agent Pamela Hawe **(circle one) has met the 70% score/criteria established by the following agencies below and certified by:**

Firearms Instructor: Craig N. Collins

Must Circle One:

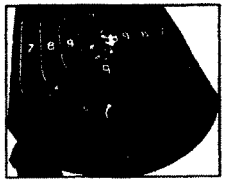
1. **Metropolitan Police Department, DC SOMB, #4938, Exp 03-05-08**
2. **Maryland State Police, #212-0325, Exp 6/30/2008**
3. **NRA Instructor Number# 146703246, Exp 2/28/2010**
4. **Department Of Justice-CA, #105822, Exp 3/20/2011**
5. **International Association of Law Enforcement Firearms Instructors, Exp 04/15/2008**
6. **Dept Of Public Safety-UT Concealed Firearms Instructor, #I101110, Exp 3/1/2011**

Instructor's Signature

Notary: **Subscribed and sworn to this** 17thday of Jan 2008

My Commission Exps.

Maryland Firearms Training Group, Security Firearms Training Certification
301-855-4030
www.firearmstrainninggroup.com



Maryland Firearms
Training Group

Issues this certification for the successful completion of the Law Enforcement Officer's Handgun Qualification Course of Fire:

Agent Pamela Hawe
LOC/OIG

Weapon Used: Glock23

Issued at Maryland Small Arms Range on: 17 January 2008

Score: 298 **of possible** 300

Firearms Instructor: Craig N. Collins
Maryland State Police Instructor # 212-0325
Metro Police Dept, SOMB, Washington, DC # 4938
NRA Instructor Number# 146703246
Department Of Justice-CA, #105822
Bureau of Criminal Identification-UT # I101110

International Association of L.A.E.F.I. Law Enforcement Firearms Instructors

NRA CERTIFIED INSTRUCTOR

FIREARMS CERTIFICATION
PPC HANDGUN QUALIFICATION COURSE

93.7%

DATE: 23 May 2007 **SCORE** 280 **OF 300 SCORE**

Applicant's Name/Address: PAMELA D. HAWE

Agency/Address: LIBRARY OF CONGRESS - OTG 101 INDEPENDENCE AVE, SE WDC 20540

Qualification was conducted at the following range: MSAR, Upper MARLBORO MD

The applicant, PAMELA D. HAWE **(circle one) has met /did not /meet the 70% score/criteria established by the following agencies below and certified by:**

Firearms Instructor: Craig N. Collins

Must Circle One:

1. **Metropolitan Police Department, DC SOMB, #4938, Exp 03-05-07**
2. **Maryland State Police, #212-0325, Exp 6/30/2008**
3. **NRA Instructor Number# 146703246, Exp 2/28/2010**
4. **Department Of Justice-CA, #105822, Exp 3/20/2011**
5. **International Association of Law Enforcement Firearms Instructors, Exp 04/15/2007**
6. **Dept Of Public Safety-UT Concealed Firearms Instructor, #I101110, Exp 3/1/2011**

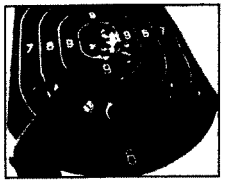
Instructor's Signature Craig N. Collins

Notary: NOTARY PUBLIC CRAIG N. COLLINS CALVERT CO., MD

My Commission Expires Feb. 16, 2010

Subscribed and sworn to this 23rd **day of** MAY **2007**

Not valid unless you feel the MDFTG Seal within this box



Maryland Firearms
Training Group

Issues this certification for the successful completion of the Law Enforcement Officer's Handgun Qualification Course Of Fire:

Agent Pamela DeGeorge Hawe
LOC/OIG

Weapon Used: 225 Sig

Issued at Maryland Small Arms Range on: Wednesday, May 23, 2007

Score: 280 **of possible** 300

Firearms Instructor: Craig N. Collins
Maryland State Police Instructor # 212-0325
Metro Police Dept, SOMB, Washington, DC # 4938
NRA Instructor Number# 146703246
Department Of Justice-CA, #105822
Bureau of Criminal Identification-UT # 1101110

International Association of L.A.E.F.I. Law Enforcement Firearms Instructors

NRA CERTIFIED INSTRUCTOR

FIREARMS CERTIFICATION
PPC HANDGUN QUALIFICATION COURSE

DATE: Jan 17, 2008 **SCORE** _____ **OF 300 SCORE**

Applicant's Name/Address: Agent Donwa Jackson

Agency/Address: 101 Independence Avenue, SE, Washington, DC 20540-9530

Qualification was conducted at the following range: MSAR, Upper Marlboro, MD

The applicant, Agent Donwa Jackson **(circle one) has met the 70% score/criteria established by the following agencies below and certified by:**

Firearms Instructor: Craig N. Collins

Must Circle One:

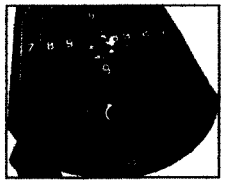
1. **Metropolitan Police Department, DC SOMB, #4938, Exp 03-05-08**
2. **Maryland State Police, #212-0325, Exp 6/30/2008**
3. **NRA Instructor Number# 146703246, Exp 2/28/2010**
4. **Department Of Justice-CA, #105822, Exp 3/20/2011**
5. **International Association of Law Enforcement Firearms Instructors, Exp 04/15/2008**
6. **Dept Of Public Safety-UT Concealed Firearms Instructor, #I101110, Exp 3/1/2011**

Instructor's Signature _____

Notary: **Subscribed and sworn to this** 17thday of Jan 2008

My Com

Maryland Firearms Training Group, Security Firearms Training Certification
301-855-4030
www.firearmstrainninggroup.com



Maryland Firearms
Training Group

Issues this certification for the successful completion of the Law Enforcement Officer's Handgun Qualification Course of Fire:

Agent Donwa Jackson
LOC/OIG

Weapon Used: Glock23

Issued at Maryland Small Arms Range on: 17 January 2008

Score: 29 **of possible** 30

Firearms Instructor: Craig N. Collins
Maryland State Police Instructor # 212-0325
Metro Police Dept, SOMB, Washington, DC # 4938
NRA Instructor Number# 146703246
Department Of Justice-CA, #105822
Bureau of Criminal Identification-UT # 1101110

International Association of L.A.E.F.I. Law Enforcement Firearms Instructors

NRA CERTIFIED INSTRUCTOR

FIREARMS CERTIFICATION
PPC HANDGUN QUALIFICATION COURSE

DATE: 15 JUNE 07 **SCORE** 268 **OF 300 SCORE**

Applicant's Name/Address: SA Donya Jackson

Agency/Address: Library of Congress - 101 Independence Ave Washington DC

Qualification was conducted at the following range: MSAR, Upper MARLBORO MD

The applicant, Donya Jackson **(circle one) has met /did not /meet the 70% score/criteria established by the following agencies below and certified by:**

Firearms Instructor: Craig N. Collins

Must Circle One:

1. **Metropolitan Police Department, DC SOMB, #4938, Exp 03-05-07**
2. **Maryland State Police, #212-0325, Exp 6/30/2008**
3. **NRA Instructor Number# 146703246, Exp 2/28/2010**
4. **Department Of Justice-CA, #105822, Exp 3/20/2011**
5. **International Association of Law Enforcement Firearms Instructors, Exp 04/15/2007**
6. **Dept Of Public Safety-UT Concealed Firearms Instructor, #I101110, Exp 3/1/2011**

Instructor's Signature C. N. Coll.

NOTARY PUBLIC
CRAIG N. COLLINS
CALVERT CO., MD

Notary:

My Commission Exps. Feb. 16, 2010

Subscribed and sworn to this 15TH **day of** JUNE **2007**

Maryland Firearms
Training Group

Issues this certification for the successful completion of the Law Enforcement Officer's Handgun Qualification Course of Fire:

Agent Donya M. Jackson
LOC/OIG

Weapon Used: 225 Sig

Issued at Maryland Small Arms Range on: June 15, 2007

Score: 268 **of possible** 300

Firearms Instructor: Craig N. Collins
Maryland State Police Instructor # 212-0325
Metro Police Dept, SOMB, Washington, DC # 4938
NRA Instructor Number# 146703246
Department Of Justice-CA, #105822
Bureau of Criminal Identification-UT # I101110

International Association of L.A.E.F.I. Law Enforcement Firearms Instructors

NRA CERTIFIED INSTRUCTOR

Attachment F

Purchase Acknowledgement for Firearms: June 29, 2007

Jun 28 2007 2:11PM HP LASERJET FAX p.2

MISCPC

GLOCK, Inc. USA

GLOCK, Inc., Post Office Box 369
Smyrna, Georgia 30081 USA

Tel. (770) 432-1202
Fax (770) 432-8719

2508

GLOCK PERFECTION

US Library of Congress - Wash DC
Office of Inspector General
101 Independence Avenue, SE
Washington, DC
20540-1060

Customer : 30335
Customer P.O. :
Tax Number :
Terms of Del. : Free on Board Destination
Del. on or before: 08/15/2007
Forwarding Agent : UPS Next Day Air Saver
FFL No. : Law Enforcement Agency

K.W. Schornagel

ORDER ACKNOWLEDGEMENT

Date	Order Number	Contact Person	Page
06/29/2007	226830	176	1

Pos No.	Quan.	Item Number / Item Description	Price/Unit USD	Discount	Total Price
		** PLEASE NOTIFY CUSTOMER PRIOR TO SHIPPING: KARL SCHORNAGEL 202-707-3324 **			
		Pistol come equipped with 6 magazines			
		FOB: Destination			
		Send payment to the attention of: Bob Elliot Credit Manager			
		Notify the following individual in event of defective invoice: Donna McClure 770-432-1202- x6212			
3	6	PM2950402 GLOCK 23 .40 US TMB 5,3lb LE	320.00/pc		1,280.00
10	12	MF2311S Mag G23 13rd	0.00		0.00

** DO NOT CHARGE CARD UNTIL ORDER SHIPS COMPLETE **

VISA $1,280.00

REFERENCE ORDER NUMBER: 416492

FFL#: 1-58-087-08-9M-21608
FEDERAL TAX PAYER ID# 58-1652822
GA STATE SALES TAX#:033-24-33284-2

GLOCK, Inc. USA

GLOCK® PERFECTION

Inc., Post Office Box 369
Georgia 30081 USA

Tel. (770) 432-1202
Fax (770) 433-8719

2507

Library of Congress
Ofc of the Inspector General
101 Independence Avenue, SE
Washington, DC
20540-1060

Customer : 30335
FFL No. : Law Enforcement Agency
Tax Number :
Del. Terms :
Del. Date : 06/12/2007
Forw. Agent: Fedex Ground
Customer PO:
Attn : K.W. Schornagel

INVOICE

Invoice No.	Date	Order Number	Contact	Page
SLS/ 365098	06/13/2007	416492	176	1

Pos No.	Deliv Qty.	Item Number Item Description	Price/Unit USD	Discount	Total Price

** PLEASE NOTITY CUSTOMER PRIOR TO SHIPPING: KARL SCHORNAGEL 202-707-3324 **

FOB: Destination

Send payment to the attention of:
Bob Elliot
Credit Manager

RECEIVED
JUN 22 2007
INSPECTOR GENERAL

Notify the following individual in event of defective invoice:
Donna McClure
770-432-1202- x6212

5	15	SP01294 Mag Floor Plate 9mm,.40,.380,.	1.00/pc	15.00

** DO NOT CHARGE CARD UNTIL ORDER SHIPS COMPLETE **

VISA $15.00

REFERENCE ORDER NUMBER: 226830

Goods	Total USD
15.00	15.00

Payment : VISA/Prepaid
Should there be any discrepancies with your order, please contact customer service immediately.

FFL 58-087-08-9M-21808
FEDERAL TAX PAYER ID#: 58-1652822
GA STATE SALES TAX#:033-24-33264-2

Attachment G

GAO Perspective, Approvals from House and Senate:

Poling – Apostolou, February 20, 2007 email
Schornagel – Olkewicz, February 22, 2007 email
Schornagel – Forhan, February 22, 2007 email
Olkewicz – Schornagel, March 30 and April 9, 2007 emails
Forhan – Schornagel, April 25, 2007 email

From: "Susan A Poling" <PolingS@gao.gov>
To: "Susan A Poling" <PolingS@GAO.GOV>
Date: Tue, Feb 20, 2007 3:17 PM
Subject: Fwd: Library of Congress Inspector General

FYI. Please feel free to call me if you have any questions. -- Susan

>>> Susan A Poling 2/20/2007 2:25 PM >>>
Carrie,

This provides the informal views you requested on whether the investigators of the Library of Congress's Office of Inspector General (OIG) have the legal authority to carry firearms to carry out their duties. I am aware that the General Counsel and the Inspector General (IG) have different views on this issue. Both agree that the IG does not have specific statutory authority in the enabling legislation. 2 U.S.C. § 185. After examining the various statutes and opinions of the General Counsel and the IG, I think the better legal view is that nothing precludes the IG from deriving authority from the U.S. Marshal's Service for deputization and carrying of firearms. I express no views on the wisdom of or necessity for the staff of the OIG to carry firearms.

When personnel of other agencies that perform investigations carry firearms, they do so either pursuant to specific statutory authority or authority derived from the authority of the U.S. Marshal's Service to deputize federal employees. Under certain circumstances, the U.S. Marshal's Service may designate individuals to be a deputy U.S. Marshal with the approval of the Associate Attorney General and carry firearms for self-protection purposes. 28 U.S.C. § 566; 28 C.F.R. §§ 0.19(a)(3), 0.112. Inspectors General at designated federal entities (5 U.S.C. App. § 8G) derive their authority to carry firearms in this manner through the U.S. Marshal's Service's deputization program.

The Legislative Branch Appropriations Act, 2006, established the Office of Inspector General at the Library of Congress to be headed by an IG, who shall be appointed by, report to, and be under the general supervision of, the Librarian. 2 U.S.C. § 185(c). For the most part, the IG's authorities are defined by reference to certain sections in the Inspector General Act, as amended, (IG Act) codified at 5 U.S.C. Appendix. I do not see any statutory provisions prohibiting staff of the Library's OIG from deriving authority to carry firearms from the U.S. Marshal's Service similar to the way the IGs at designated federal entities do, as long as the IG or his staff otherwise qualify under the U.S. Marshal's Service deputization program. We initially shared some concerns with you over the provision in the Library OIG's enabling statute that excluded from the IG's authority investigations of "incidents involving violence and personal property." 2 U.S.C. § 185(b)(1). One could argue that because Congress limited the IG's authority to exclude incidents of violence, Congress intended to prohibit the IG from carrying firearms. However, upon further research and in order to give a logical meaning to the exclusion, I think Congress meant to exclude investigation of federal crimes that would normally be under police jurisdiction, such as theft of a wallet or a crime against a

person. To interpret it otherwise would result in the Library's IG being excluded from investigating an offense under the Library's programs and operations, such as theft of Library collections, in a case in which a suspect may use violence. I found no evidence that this is what Congress intended.

The General Counsel argues that the exclusion of applicability of the authorities in section 6(e) of the IG Act to the Library's IG indicates Congress intended to prohibit the Library's IG from deriving his authority from the U.S. Marshal's Service. Section 6(e) was a specific grant of authority given only to the IGs appointed by the President and confirmed by the Senate, which the Library IG is not. Since the provision has no applicability to the Library OIG, it was logical for the Congress to exclude it from the Library OIG authorizing legislation. However, excluding section 6(e) does not constitute a limitation on the authority of the U.S. Marshall's service to grant deputization to other IGs: paragraph 8 of section 6(e) specifically states that nothing in section 6(e) shall limit the exercise of law enforcement powers established under any other statutory authority, including U.S. Marshal's Service special deputation. If we were to take the General Counsel's view, it would mean that IGs under the IG Act that are appointed by the heads of designated federal entities would be prohibited from deriving their authority to carry firearms from the U.S. Marshal's Service, which they currently do.

I think the better conclusion is that the Library's OIG can derive authority to carry firearms from the U. S. Marshal's Service authority, as long as staff is otherwise qualified under the U.S. Marshal's Service deputization program. I express no views on the wisdom of or necessity for staff of the OIG to carry firearms. If you have any questions, give me a call. I will provide copies of these informal views to the General Counsel and the Inspector General. -- Susan

Susan A. Poling
Managing Associate General Counsel
Government Accountability Office
441 G Street, NW
Washington, D.C. 20548
Phone: 202.512.2667
Fax: 202.512.3445

From: Karl Schornagel
To: nancy_olkewicz@appro.senate.gov
Date: Thu, Feb 22, 2007 10:41 AM
Subject: Library IG Law Enforcement

As you may recall, when we first met in January I brought up an issue concerning law enforcement (deputation of my special agents by the U.S. Marshall's Service). Although we have been using deputation for the last 10 years, the legal basis for it was questioned by our budget office and General Counsel when we took steps to buy our own weapons. We had been borrowing weapons from the Library police but were asked by the Capitol Police (who now manage the Library police) to return the weapons.

GAO has rendered an opinion on this issue and I would like to briefly discuss it with you. Essentially, GAO found no legal barriers to our using deputation. Carrie Apostolou had asked GAO's opinion on the issue and suggested that I discuss the matter with you and Tom Forhan before proceeding with the acquisition.

Please let me know when we can discuss this issue.

From: Karl Schornagel
To: thomas.forhan@mail.house.gov
Date: Thu, Feb 22, 2007 3:57 PM
Subject: Library IG Law Enforcement

Tom,

Attached is a chronology of three documents written about the issue we discussed briefly on the phone. I will forward GAO's opinion (which aligns with my legal pespective) in the next email.

Thank you.

Karl Schornagel
707-2637

From: Karl Schornagel
To: Nancy (Appropriations) Olkewicz
Date: Mon, Apr 9, 2007 3:04 PM
Subject: RE: Library of Congress Inspector General

Nothing more, everything is in place as long as you and Tom Forhan are OK with it. If you are, please let me know via email.

>>> "Olkewicz, Nancy (Appropriations)" <Nancy_Olkewicz@appro.senate.gov> 4/9/2007 2:23 PM >>>
Karl, what do you need to do to proceed?

-----Original Message-----
From: Karl Schornagel [mailto:kasc@loc.gov]
Sent: Friday, March 30, 2007 2:26 PM
To: Olkewicz, Nancy (Appropriations)
Subject: Fwd: Library of Congress Inspector General

Per my phone call to you. Also, the Librarian agrees with my position on this law enforcement issue.

Karl Schornagel
Inspector General
Library of Congress
707-2637
kasc@loc.gov

From: "Forhan, Thomas" <Thomas.Forhan@mail.house.gov>
To: Karl Schornagel <kasc@loc.gov>
Date: Wed, Apr 25, 2007 4:07 PM
Subject: RE: Library of Congress Inspector General

The House is ok with proceeding as well.

Tom

-----Original Message-----
From: Olkewicz, Nancy (Appropriations)
[mailto:Nancy_Olkewicz@appro.senate.gov]
Sent: Monday, April 09, 2007 3:11 PM
To: Karl Schornagel
Subject: RE: Library of Congress Inspector General

Karl, you have the Senate's approval to proceed.

Thanks.
Nancy

-----Original Message-----
From: Karl Schornagel [mailto:kasc@loc.gov]
Sent: Friday, March 30, 2007 2:26 PM
To: Olkewicz, Nancy (Appropriations)
Subject: Fwd: Library of Congress Inspector General

Per my phone call to you. Also, the Librarian agrees with my position on this law enforcement issue.

Karl Schornagel
Inspector General
Library of Congress
707-2637
kasc@loc.gov

CC: "'Olkewicz, Nancy (Appropriations)'"
<Nancy_Olkewicz@appro.senate.gov>

SEMIANNUAL REPORT TO THE CONGRESS
OFFICE OF THE INSPECTOR GENERAL
October 1, 2006 - March 31, 2007
THE LIBRARY
OF CONGRESS

OIG Law Enforcement Authority Challenged

The Library's General Counsel opined in October 2006 that OIG special agents are not authorized to carry firearms. The General Counsel stated that the Library of Congress Inspector General Act of 2005 (the Act) as promulgated under Public Law 109-55, intentionally excluded a reference to the Inspector General Act of 1978, as amended, that bestows specific law enforcement authority on certain Inspectors General, inferring that the exclusion means that the Congress did not intend the Library's Inspector General to have law enforcement authority.

We disagreed with the General Counsel's conclusion. The specific reference was excluded from our Act because it applies only to Inspectors General appointed by the President. Our position was documented in a December 8, 2006 memorandum to the Librarian which was also shared with House and Senate Appropriations Committee staff. The major points in our memorandum are as follows:

• For the past ten years, our special agents (who are trained law enforcement officers) have exercised law enforcement authority on an as-needed basis through special deputation from the U.S. Marshals Service, which also provides the underlying authority to make arrests and execute search warrants. Law enforcement authority is necessary to effectively and efficiently carry out OIG investigative responsibilities under the Act. Many criminal investigations pursued by our special agents have a potential for violence, including cases involving theft, embezzlement, drug offenses, and fraud. In pursuing these cases, our agents have conducted surveillance and interviews in high-crime neighborhoods, searched residences, and made arrests. The agents carried weapons because they were at risk.

• The alternative is to rely on the U.S. Capitol Police, the FBI, or another Office of Inspector General. Inspectors General were created because of the need for independence in evaluating agency activities. Reliance on an outside party that may not share the Library's priorities and sense of investigative urgency, and over which the Library has little control, may also impede investigations. Additionally, the FBI has a very high workload and, consequently, threshold for involvement in criminal cases, and has often declined assistance to the Library.

• The Library's Director of Security and Emergency Preparedness believes that the Library's collections security program would be significantly less effective if we were unable to quickly respond to collections thefts, especially if it involved a time-critical search outside the jurisdiction of the Capitol Police. The Librarian also shares this view. Given its unique needs, it is in the Library's best interest for the OIG to continue receiving special deputation from the U.S. Marshals Service and exercising law enforcement authority.

Subsequent to our memorandum, the GAO concluded that there are no legal issues that preclude our agents from exercising law enforcement authority and carrying firearms. This legal view is also shared by other independent counsels whom we consulted.

After obtaining our independent legal opinions on this issue, we sought and obtained the approval of the appropriators from both houses of Congress to continue our law enforcement activities.

Hearing on the Library of Congress' FY 2009 Budget Request
March 5, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record
Ms. Barbara Lee

Contracting Policy for Women and Minority-Owned Businesses

I believe it is crucial that the nation's Capitol serve as a model for all Federal Agencies as well as every business in America when it comes to a truly inclusive contracting policy for women and minority owned businesses. This committee required that all Legislative Agencies develop written policies regarding minority, women and small business contracting.

Question. In preparation of tracking the impact of these new written guidelines, please report back to the committee on the number of women and minority owned businesses that currently hold contracts with the LOC and all its divisions.

Response. The Library issued a directive promoting participation of Small Businesses on February 26, 2008 and procedures for implementing this policy. The Office of Contracts was also recently granted delegated authority for the 8(a) STARS GSA contracts which enable the Library to award IT contracts to minority owned and small disadvantaged businesses. Additionally, Contracts has the ability to solicit only minority owned disadvantaged businesses when using the NASA SEWP IV contract to obtain IT products and services.

We approximate that at least 50% of our contract awards are to small businesses. However, we are unable to specify the exact numbers of contracts made to women and minority-owned companies.

We are now capturing contract award demographics, in a consistent manner, and will be able to report these statistics to the Committee by June 30, 2008.

Question. Additionally, I would request that the LOC provide for this committee the racial and ethnic make up of the LOC staff, in total and broken down by division and broken down by pay grade and seniority within those divisions. I think it is important so that this committee can have a baseline reference as we move all Legislative Branch Agencies forward on hiring and contracting in the 21st century.

Response. See attached charts.

LIBRARY OF CONGRESS
DISTRIBUTION OF PERMANENT WORKFORCE
AS OF MARCH 11, 2008

GRADE	*TOTAL PERM STAFF*	*WHITE*	*AFRICAN AMERICAN*	*HISPANIC*	*ASIAN AMERICAN*	*NATIVE AMERICAN*
EX	3	3	0	0	0	0
%	100.00%	100.00%	0.00%	0.00%	0.00%	0.00%
SL, ST	97	80	8	3	5	1
%	100.00%	82.47%	8.25%	3.09%	5.15%	1.03%
GRADE 15 #	362	302	33	12	14	1
%	100.00%	83.43%	9.12%	3.31%	3.87%	0.28%
GRADE 14 #	458	332	69	12	43	2
%	100.00%	72.49%	15.07%	2.62%	9.39%	0.44%
GRADE 13 #	642	443	111	17	68	3
%	100.00%	69.00%	17.29%	2.65%	10.59%	0.47%
GRADE 12 #	535	329	149	14	42	1
%	100.00%	61.50%	27.85%	2.62%	7.85%	0.19%
GRADE 11 #	317	157	134	6	18	2
%	100.00%	49.53%	42.27%	1.89%	5.68%	0.63%
GRADE 10 #	4	1	2	0	1	0
%	100.00%	25.00%	50.00%	0.00%	25.00%	0.00%
GRADE 09 #	319	100	187	8	22	2
%	100.00%	31.35%	58.62%	2.51%	6.90%	0.63%
GRADE 08 #	224	66	142	2	14	0
%	100.00%	29.46%	63.39%	0.89%	6.25%	0.00%
GRADE 07 #	177	48	116	5	6	2
%	100.00%	27.12%	65.54%	2.82%	3.39%	1.13%
GRADE 06 #	145	32	106	2	5	0
%	100.00%	22.07%	73.10%	1.38%	3.45%	0.00%
GRADE 05 #	124	27	86	6	4	1
%	100.00%	21.77%	69.35%	4.84%	3.23%	0.81%
GRADE 04 #	31	6	24	0	1	0
%	100.00%	19.35%	77.42%	0.00%	3.23%	0.00%
GRADE 03 #	11	2	8	1	0	0
%	100.00%	18.18%	72.73%	9.09%	0.00%	0.00%
GRADE 02 #	3	0	3	0	0	0
%	100.00%	0.00%	100.00%	0.00%	0.00%	0.00%
OTHER [1]	164	21	135	5	1	2
%	100.00%	12.80%	82.32%	3.05%	0.61%	1.22%
TOTAL	3,616	1,949	1,313	93	244	17
%	100.00%	53.90%	36.31%	2.57%	6.75%	0.47%

[1] OTHER includes Library Police and Wage-Grade employees.

LIBRARY OF CONGRESS
DISTRIBUTION OF PERMANENT WORKFORCE
SORTED BY SERVICE UNIT
AS OF MARCH 11, 2008

GRADE	*TOTAL PERM STAFF*	*WHITE*	*AFRICAN AMERICAN*	*HISPANIC*	*ASIAN AMERICAN*	*NATIVE AMERICAN*
SERVICE UNIT: LIBRARY SERVICES						
SL, ST	24	19	3	1	1	0
%	100.00	79.17	12.50	4.17	4.17	0.00
GRADE 15 #	33	27	4	0	2	0
%	100.00	81.82	12.12	0.00	6.06	0.00
GRADE 14 #	162	131	16	6	8	1
%	100.00	80.86	9.88	3.70	4.94	0.62
GRADE 13 #	368	280	31	11	45	1
%	100.00	76.09	8.42	2.99	12.23	0.27
GRADE 12 #	340	234	64	9	32	1
%	100.00	68.82	18.82	2.65	9.41	0.29
GRADE 11 #	79	47	24	0	8	0
%	100.00	59.49	30.38	0.00	10.13	0.00
GRADE 10 #	1	0	1	0	0	0
%	100.00	0.00	100.00	0.00	0.00	0.00
GRADE 09 #	218	75	115	7	19	2
%	100.00	34.40	52.75	3.21	8.72	0.92
GRADE 08 #	151	53	86	2	10	0
%	100.00	35.10	56.95	1.32	6.62	0.00
GRADE 07 #	100	31	62	2	3	2
%	100.00	31.00	62.00	2.00	3.00	2.00
GRADE 06 #	49	17	30	0	2	0
%	100.00	34.69	61.22	0.00	4.08	0.00
GRADE 05 #	95	23	64	5	2	1
%	100.00	24.21	67.37	5.26	2.11	1.05
GRADE 04 #	19	5	13	0	1	0
%	100.00	26.32	68.42	0.00	5.26	0.00
GRADE 03 #	6	0	5	1	0	0
%	100.00	0.00	83.33	16.67	0.00	0.00
GRADE 02 #	2	0	2	0	0	0
%	100.00	0.00	100.00	0.00	0.00	0.00
OTHER	31	0	30	1	0	0
%	100.00	0.00	96.77	3.23	0.00	0.00
TOTAL	1678	942	550	45	133	8
%	100.00	56.14	32.78	2.68	7.93	0.48

Note: OTHER - includes Library Policy and Wage-Grade employees.

LIBRARY OF CONGRESS
DISTRIBUTION OF PERMANENT WORKFORCE
SORTED BY SERVICE UNIT
AS OF MARCH 11, 2008

GRADE	TOTAL PERM STAFF	WHITE	AFRICAN AMERICAN	HISPANIC	ASIAN AMERICAN	NATIVE AMERICAN
SERVICE UNIT: OFFICE OF STRATEGIC INITIATIVES						
SL, ST	9	7	1	0	1	0
%	100.00	77.78	11.11	0.00	11.11	0.00
GRADE 15 #	29	21	2	2	4	0
%	100.00	72.41	6.90	6.90	13.79	0.00
GRADE 14 #	107	68	19	0	20	0
%	100.00	63.55	17.76	0.00	18.69	0.00
GRADE 13 #	56	31	17	1	7	0
%	100.00	55.36	30.36	1.79	12.50	0.00
GRADE 12 #	44	15	26	0	3	0
%	100.00	34.09	59.09	0.00	6.82	0.00
GRADE 11 #	6	1	4	0	1	0
%	100.00	16.67	66.67	0.00	16.67	0.00
GRADE 10 #	1	0	1	0	0	0
%	100.00	0.00	100.00	0.00	0.00	0.00
GRADE 09 #	9	0	9	0	0	0
%	100.00	0.00	100.00	0.00	0.00	0.00
GRADE 05 #	1	0	1	0	0	0
%	100.00	0.00	100.00	0.00	0.00	0.00
TOTAL	262	143	80	3	36	0
%	100.00	54.58	30.53	1.15	13.74	0.00

LIBRARY OF CONGRESS
DISTRIBUTION OF PERMANENT WORKFORCE
SORTED BY SERVICE UNIT
AS OF MARCH 11, 2008

GRADE	TOTAL PERM STAFF	WHITE	AFRICAN AMERICAN	HISPANIC	ASIAN AMERICAN	NATIVE AMERICAN
SERVICE UNIT: LAW LIBRARY						
SL, ST	5	2	0	1	2	0
%	100.00	40.00	0.00	20.00	40.00	0.00
GRADE 15 #	19	14	0	3	2	0
%	100.00	73.68	0.00	15.79	10.53	0.00
GRADE 14 #	6	5	1	0	0	0
%	100.00	83.33	16.67	0.00	0.00	0.00
GRADE 13 #	14	8	4	1	1	0
%	100.00	57.14	28.57	7.14	7.14	0.00
GRADE 12 #	10	7	1	1	1	0
%	100.00	70.00	10.00	10.00	10.00	0.00
GRADE 11 #	5	1	3	0	1	0
%	100.00	20.00	60.00	0.00	20.00	0.00
GRADE 10 #	1	0	0	0	1	0
%	100.00	0.00	0.00	0.00	100.00	0.00
GRADE 09 #	10	4	6	0	0	0
%	100.00	40.00	60.00	0.00	0.00	0.00
GRADE 08 #	5	1	3	0	1	0
%	100.00	20.00	60.00	0.00	20.00	0.00
GRADE 07 #	10	5	4	0	1	0
%	100.00	50.00	40.00	0.00	10.00	0.00
GRADE 06 #	2	1	1	0	0	0
%	100.00	50.00	50.00	0.00	0.00	0.00
GRADE 05 #	1	0	0	0	1	0
%	100.00	0.00	0.00	0.00	100.00	0.00
TOTAL	88	48	23	6	11	0
%	100.00	54.55	26.14	6.82	12.50	0.00

LIBRARY OF CONGRESS
DISTRIBUTION OF PERMANENT WORKFORCE
SORTED BY SERVICE UNIT
AS OF MARCH 11, 2008

GRADE	TOTAL PERM STAFF	WHITE	AFRICAN AMERICAN	HISPANIC	ASIAN AMERICAN	NATIVE AMERICAN
SERVICE UNIT: OFFICE OF THE LIBRARIAN						
EX	1	1	0	0	0	0
%	100.00	100.00	0.00	0.00	0.00	0.00
SL, ST	16	13	2	1	0	0
%	100.00	81.25	12.50	6.25	0.00	0.00
GRADE 15 #	24	15	7	2	0	0
%	100.00	62.50	29.17	8.33	0.00	0.00
GRADE 14 #	52	30	16	1	4	1
%	100.00	57.69	30.77	1.92	7.69	1.92
GRADE 13 #	75	36	33	3	3	0
%	100.00	48.00	44.00	4.00	4.00	0.00
GRADE 12 #	60	24	31	0	5	0
%	100.00	40.00	51.67	0.00	8.33	0.00
GRADE 11 #	38	12	24	0	0	2
%	100.00	31.58	63.16	0.00	0.00	5.26
GRADE 10 #	1	1	0	0	0	0
%	100.00	100.00	0.00	0.00	0.00	0.00
GRADE 09 #	13	3	10	0	0	0
%	100.00	23.08	76.92	0.00	0.00	0.00
GRADE 08 #	26	4	21	0	1	0
%	100.00	15.38	80.77	0.00	3.85	0.00
GRADE 07 #	11	4	7	0	0	0
%	100.00	36.36	63.64	0.00	0.00	0.00
GRADE 06 #	18	1	17	0	0	0
%	100.00	5.56	94.44	0.00	0.00	0.00
GRADE 05 #	3	1	1	0	1	0
%	100.00	33.33	33.33	0.00	33.33	0.00
GRADE 02 #	1	0	1	0	0	0
%	100.00	0.00	100.00	0.00	0.00	0.00
OTHER	131	21	103	4	1	2
%	100.00	16.03	78.63	3.05	0.76	1.53
TOTAL	470	166	273	11	15	5
%	100.00	35.32	58.09	2.34	3.19	1.06

Note: OTHER - includes Library Policy and Wage-Grade employees.

LIBRARY OF CONGRESS
DISTRIBUTION OF PERMANENT WORKFORCE
SORTED BY SERVICE UNIT
AS OF MARCH 11, 2008

GRADE	TOTAL PERM STAFF	WHITE	AFRICAN AMERICAN	HISPANIC	ASIAN AMERICAN	NATIVE AMERICAN
SERVICE UNIT: OFFICE OF THE INSPECTOR GENERAL						
SL, ST	2	2	0	0	0	0
%	100.00	100.00	0.00	0.00	0.00	0.00
GRADE 15 #	2	2	0	0	0	0
%	100.00	100.00	0.00	0.00	0.00	0.00
GRADE 14 #	3	3	0	0	0	0
%	100.00	100.00	0.00	0.00	0.00	0.00
GRADE 13 #	4	2	2	0	0	0
%	100.00	50.00	50.00	0.00	0.00	0.00
GRADE 11 #	2	1	1	0	0	0
%	100.00	50.00	50.00	0.00	0.00	0.00
TOTAL	13	10	3	0	0	0
%	100.00	76.92	23.08	0.00	0.00	0.00

LIBRARY OF CONGRESS
DISTRIBUTION OF PERMANENT WORKFORCE
SORTED BY SERVICE UNIT
AS OF MARCH 11, 2008

GRADE	TOTAL PERM STAFF	WHITE	AFRICAN AMERICAN	HISPANIC	ASIAN AMERICAN	NATIVE AMERICAN
SERVICE UNIT: COPYRIGHT OFFICE						
EX	1	1	0	0	0	0
%	100.00	100.00	0.00	0.00	0.00	0.00
SL, ST	3	3	0	0	0	0
%	100.00	100.00	0.00	0.00	0.00	0.00
GRADE 15 #	16	14	2	0	0	0
%	100.00	87.50	12.50	0.00	0.00	0.00
GRADE 14 #	13	11	2	0	0	0
%	100.00	84.62	15.38	0.00	0.00	0.00
GRADE 13 #	36	23	10	0	3	0
%	100.00	63.89	27.78	0.00	8.33	0.00
GRADE 12 #	37	20	16	1	0	0
%	100.00	54.05	43.24	2.70	0.00	0.00
GRADE 11 #	133	68	58	2	5	0
%	100.00	51.13	43.61	1.50	3.76	0.00
GRADE 09 #	47	11	34	0	2	0
%	100.00	23.40	72.34	0.00	4.26	0.00
GRADE 08 #	23	5	17	0	1	0
%	100.00	21.74	73.91	0.00	4.35	0.00
GRADE 07 #	48	7	39	1	1	0
%	100.00	14.58	81.25	2.08	2.08	0.00
GRADE 06 #	65	12	48	2	3	0
%	100.00	18.46	73.85	3.08	4.62	0.00
GRADE 05 #	21	3	18	0	0	0
%	100.00	14.29	85.71	0.00	0.00	0.00
GRADE 04 #	10	0	10	0	0	0
%	100.00	0.00	100.00	0.00	0.00	0.00
GRADE 03 #	3	2	1	0	0	0
%	100.00	66.67	33.33	0.00	0.00	0.00
OTHER	2	0	2	0	0	0
%	100.00	0.00	100.00	0.00	0.00	0.00
TOTAL	458	180	257	6	15	0
%	100.00	39.30	56.11	1.31	3.28	0.00

Note: OTHER - includes Library Policy and Wage-Grade employees.

LIBRARY OF CONGRESS
DISTRIBUTION OF PERMANENT WORKFORCE
SORTED BY SERVICE UNIT
AS OF MARCH 11, 2008

GRADE	TOTAL PERM STAFF	WHITE	AFRICAN AMERICAN	HISPANIC	ASIAN AMERICAN	NATIVE AMERICAN
SERVICE UNIT: CONGRESSIONAL RESEARCH SERVICE						
EX	1	1	0	0	0	0
%	100.00	100.00	0.00	0.00	0.00	0.00
SL, ST	38	34	2	0	1	1
%	100.00	89.47	5.26	0.00	2.63	2.63
GRADE 15 #	239	209	18	5	6	1
%	100.00	87.45	7.53	2.09	2.51	0.42
GRADE 14 #	115	84	15	5	11	0
%	100.00	73.04	13.04	4.35	9.57	0.00
GRADE 13 #	89	63	14	1	9	2
%	100.00	70.79	15.73	1.12	10.11	2.25
GRADE 12 #	44	29	11	3	1	0
%	100.00	65.91	25.00	6.82	2.27	0.00
GRADE 11 #	54	27	20	4	3	0
%	100.00	50.00	37.04	7.41	5.56	0.00
GRADE 09 #	22	7	13	1	1	0
%	100.00	31.82	59.09	4.55	4.55	0.00
GRADE 08 #	19	3	15	0	1	0
%	100.00	15.79	78.95	0.00	5.26	0.00
GRADE 07 #	8	1	4	2	1	0
%	100.00	12.50	50.00	25.00	12.50	0.00
GRADE 06 #	11	1	10	0	0	0
%	100.00	9.09	90.91	0.00	0.00	0.00
GRADE 05 #	3	0	2	1	0	0
%	100.00	0.00	66.67	33.33	0.00	0.00
GRADE 04 #	2	1	1	0	0	0
%	100.00	50.00	50.00	0.00	0.00	0.00
GRADE 03 #	2	0	2	0	0	0
%	100.00	0.00	100.00	0.00	0.00	0.00
TOTAL	647	460	127	22	34	4
%	100.00	71.10	19.63	3.40	5.26	0.62

Adequate Funding Level for CRS

CRS is a model division of the Library of Congress and I am glad to see that CRS is dedicated to fiscal responsibility. In his testimony, Mr. Mulhollan states that due to reductions in staff and resources, CRS services may not meet congressional expectations during the coming fiscal year.

The possibility that your services may not meet Congressional expectations is completely unacceptable. I want to insure that the CRS request for funding in FY 2009 and going forward, includes enough resources to preclude the possibility that crucial questions might go unanswered.

We rely on CRS to provide timely, accurate and non-partisan information to help us do the people's business. When CRS is unable to respond to our requests it could potentially complicate our discussions and deliberations on important legislative issues before Congress.

Question. Please outline for this committee the reasons why and the ways in which CRS may fall short of meeting the needs of the Members and their staff.

Response. The concern with meeting congressional expectations is based on high standards for providing authoritative responses as rapidly as needed. This requires the full spectrum of analytical capacity to achieve interdisciplinary research collaboration, immediate access to pertinent research materials, and the supporting infrastructure to efficiently produce the requested product.

Fiscal constraints have resulted in reductions to staff size, research material access, and investments in the infrastructure. Specific cuts have been made after careful consideration and with the intention of minimizing any potential impact to Members and their staff. Improvements in the efficiency and effectiveness of support operations are being relied upon to offset most of the $7 million deficit in keeping up with inflation and pay raises that accumulated during the past two years.

Question. Can you also outline for us what would be necessary to ensure that this shortfall does not happen?

Response. Failure to fully fund future cost increases due to inflation or pay raises will be detrimental. The risk of not meeting demands with the FY 2009 budget request is manageable, but it is possible that program growth may be required in a following year as we continue to evaluate current capabilities and future demands.

Section Research Managers in CRS

Mr. Mulhollan mentions in his testimony a change in the policy to rotate section heads and instead assign new permanent section managers.

Question. While there may be a need to insure some continuity in the institutional knowledge at CRS, how has CRS operated in the past with this rotation of leadership and who initiated this change?

Response. CRS never had an official service wide policy of rotating section heads; instead, each individual research division operated somewhat differently. In some research divisions, those volunteering to serve as section heads were expected to remain in the position indefinitely; in others, there was an expectation that at some point in time, they would return to being research analysts. To the extent that the idea of rotation was based on any model, it was probably that of an academic department chair who assumes the administrative burden for a few years and then passes it on to another colleague. There was no separate position description for the position of section head - just a paragraph attached to the analyst position description about "other duties as assigned"; thus, how the positions were viewed and expectations of tenure developed somewhat differently across the Service.

In part, the decision to change was driven by a need for greater consistency in these positions throughout the organization. The main purpose, however, was to clearly establish a separate position that recognizes the central role that the key first line managers in the organization play in guiding the research agenda for the Service and providing intellectual leadership over time and across disciplinary and administrative boundaries. We wanted to recognize the need for intellectual leadership at this level, and to make clear that these positions should not be viewed as an administrative burden to be endured for a period of time.

Question. Were CRS analysts involved in the decision to make these positions permanent?

Response. CRS management has had on-going discussions concerning the role and responsibilities of section research managers for several years. CRS analysts were informed of these discussions, and provided input to the process through conversations with their section heads, their Assistant and Deputy Assistant Directors, and in open forums with the Director and Deputy Director.

Question. Will you explain to this committee why CRS rotated the section heads in the first place?

Response. As mentioned previously, CRS never had an official service wide policy of rotating section heads; instead, each individual research division operated somewhat differently. In some research divisions, those volunteering to serve as section heads were expected to remain in the position indefinitely; in others, there was an expectation that at some point in time, they would return to being research analysts. The decision to change was driven by a need for greater consistency in these positions throughout the organization and to clearly establish a separate position that recognizes the central role that the key first line managers in the organization play in guiding the research agenda for the Service and providing intellectual leadership over time and across disciplinary and administrative boundaries.

Question. And please explain why there is no longer a need to continue this policy?

Response. Our need to clearly define and focus the responsibilities of section research managers derives directly from the current and ongoing nature of Congress and how it works, the increasing complexity of the policy issues before the Congress and the need for CRS to provide an increased level of integrative analysis that often transcends sections and individuals.

The new section research manager position emphasizes intellectual leadership and facilitating the Service's best thinking. It is essential to the successful conduct of the Service's mission for us to have research managers at this level to lead us in providing our clients with authoritative, non-partisan analysis that informs their deliberations on timely and complex issues of the day. CRS needs committed leaders to orchestrate the development of research agendas and oversees the conduct of research and analysis by working directly with a group of analysts and across the entire CRS community. Such work is critical in serving a clientele which increasingly approaches CRS via the Web with expectations of timeliness, breadth of coverage and authoritativeness. Demonstrating CRS' breadth, depth, timeliness and relevance in a more visible way to a client with 24/7 demands who operates in an environment where there are many available sources for information and analysis is the challenge that Section Research Managers, working with their colleagues, must meet. Given this challenge and the pivotal role of the section research manager in achieving the CRS mission, this strengthened structure is imperative to our future performance in meeting congressional needs.

Hearing on the Library of Congress' FY 2009 Budget Request
March 5, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record
Mr. Tom Udall

American Folklife Center

The mission of the American Folklife Center is to preserve and present the great heritage of American folklife through programs of research, documentation, archival preservation, reference service, live performance, exhibition, publication, and training.

Question. How much funding will the American Folklife Center receive within this budget request?

Response. The Library is requesting $5.401 million for the American Folklife Center, an increase of $230,000 or 4.4% over last year.

Question. What is the plan for the use of this funding?

Response. The American Folklife Center's (AFC) congressional mandate is to "preserve and present American folklife" (PL 94-201) under the direction of a Board of Trustees. The AFC will fulfill this mission in FY09 by continuing to build and maintain one of the largest and most important ethnographic archives in the world. Currently the archive holds over 4 million items and approximately 400,000 are digitized and available on the world wide web. We will continue to preserve, digitize and make accessible archival collections that document traditional expressive culture: custom, belief, language, literature, art, architecture, music, play, dance, drama, ritual, folk narrative, oral history and material culture. Some of the most significant collections we are preserving are: The Pete & Toshi Seeger Film Collection, the Alan Lomax Collection, the National Council for Traditional Arts Collection, the NEA National Folk Heritage Fellows Collection, the StoryCorps Collection and the Veterans History Project Collection.

AFC will fulfill its mandate to present folklife by producing public programs including an academic symposium that will showcase our collections of Native American recordings and present our efforts to preserve indigenous languages (in

cooperation and collaboration with the Indigenous Language Institute of Santa Fe, NM); ten concerts of traditional music and dance that will be recorded for the archive and posted on the LC Website (working with state folklorists from around the nation); academic lectures by scholars who are using the AFC/VHP collections (also recorded for the web); a Field School for Folklife Documentation to train folklorists and ethnomusicologists (in conjunction with the University of Mississippi Archive of American Music); and a pilot training project with the World Intellectual Property Organization (WIPO) and the Center for Documentary Studies at Duke University, for indigenous communities who wish to document and archive their own traditional cultural expressions.

In October 2000, Congress passed Public Law 106-308, creating the Veterans History Project (VHP) for the purpose of collecting and preserving the oral histories of American war veterans. Under the umbrella of AFC, the VHP documents the recollections and personal stories of America's veterans using thousands of volunteer interviewers. The VHP collection includes submissions from every state and is the largest oral history project in the USA, currently comprising more than 51 thousand histories. We anticipate that histories will continue to arrive at the rate of over 200 per week.

In FY09, the VHP will engage in a comprehensive strategic planning effort that includes detailed program planning for the three VHP core mission areas: building a valuable collection of America's wartime Veterans, preserving those collections, and providing access to these oral histories. This program planning effort is intended to create an organizational and technological infrastructure to enable the Project to grow with improved efficiency, strength of collections and enhanced access for Congress, researchers and the public.

VHP anticipates a growth of approximately 8,000 collections this fiscal year. Archival staff of the VHP will accession, catalog, and archive all acquisitions. Selections from the collections will be digitized and made accessible on the LC website, and collections will be served to researchers and contributors in the AFC reading room.

Construction Projects

The Architect of the Capitol is requesting $53.271 for the Library Buildings and Grounds account, a $25 million increase from last year. This includes over $27 million for Capital Multi-Year projects, many of which address building security,

life safety improvements, or improvements that will prevent damage to the Library Collections.

The AOC $27M multi-year request includes $6.29M to fund the design of future projects.

Question. How long do you see these projects taking?

Response. The AOC anticipates that construction projects will be completed within 4 years of receiving funds for construction. Funding for construction of future projects may not be requested until fiscal 2012, but the AOC anticipates construction will completed within 4 years of receiving funds for construction.

Question. What do you expect will be the total cost of completing these projects?

Response. Based on pre-design cost estimates, the AOC anticipates approximately $62.9M in additional funding will be required to support construction of future projects in fiscal 2011 and fiscal 2012.

Digital Talking Books

You are requesting $28.616 million to support the Digital Talking Books program, which includes mandatory pay and price level increase and a shift of base funding from analog to digital services.

Question. Can you tell me how many books have been converted so far?

Response. As of March 11, 2008, 1,115 analog to digital titles have been converted and 8,582 born digital books have been placed on the NLS website library.

Question. How many do you see being available by the end of this year?

Response. Approximately 13,000 digital titles will be available by the end of calendar year 2008.

Question. How many players have been manufactured and distributed?

Response. No players have been manufactured. Responses to the RFP for manufacturing bids are currently being evaluated. Production/distribution is scheduled to begin in December 2008.

Question. How many more do you believe need to be manufactured?

Response. A total of 600,000 digital talking book machines must be available to ensure patron access. We anticipate this volume will have been produced by the end of the six year period (2013).

Question. Can you explain the process of how the new players will be distributed?

Response. The National Library Service for the Blind and Physically Handicapped manages the distribution of these materials through a network of 57 regional and 71 subregional libraries throughout the United States, serving a readership of approximately 822,000 blind and physically handicapped individuals (2007 estimate). Network libraries are required by public law to provide veterans the first opportunity to accept new digital equipment. Second level distribution is the choice of each library.

Question. Who received them first?

Response. Veterans will be the first to receive digital talking book machines.

Question. Are they being given to new people in the program or to people who previously had analog devices?

Response. Distribution will be based upon patron interest. Those new users who wish to access the total analog library will be provided a cassette machine. Similarly, long-time users will be offered digital equipment as available.

Hearing on the Library of Congress' FY 2009 Budget Request
March 5, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record
Mr. Michael Honda

Legislative Information Access

As a representative of the public, it is our responsibility to seek ways of making our work more readily accessible to the public.

Question. Can you elaborate on the Library's efforts to make THOMAS, the public legislative search system, more similar to Legislative Information System (LIS)?

Response. The Library is about to undertake a study of THOMAS that will serve as the basis for development of a strategic plan for THOMAS. THOMAS has the same search functionality as LIS. When the Office of Strategic Initiatives (OSI) did its last redesign of the THOMAS screens, they intentionally made it easier for the basic-level user to navigate. OSI didn't take away any functionality, but they did promote simple search pages, and buried the advanced search pages more deeply in the site. A few complaints surfaced, but most users seem to like the newer, simpler design. Those few users who complained via the technical email box were happy enough when pointed to the advanced search pages. Full implementation of the re-design for THOMAS has been on hold while work has proceeded on the LIS. The work on the LIS will provide a basis for future work on THOMAS. The new design we are currently implementing for LIS 2.0 has the flexibility to use the same functional code for multiple interfaces or make distinctions as necessary for either LIS or Thomas. The current plan is to build one informational retrieval system with separate interfaces for LIS and THOMAS. While the work on LIS 2.o proceeds it is also possible now to make a few, simple changes to the THOMAS interface to make the advanced search features more prominent, without taking much, if any, development time.

Question. Why are the more powerful searches and the user-friendly interface of LIS only available to congressional staff? Why were these two legislative search engines developed separately?

Response. As discussed above the decision was made to tailor the capabilities to the different user groups. THOMAS was a bipartisan project initiated by congressional leadership, primarily on the House side. The THOMAS system was developed in 1994 and launched for the public at the beginning of the 104th Congress.

The original purpose of the LIS was to combine, for Congressional use, a number of separate legacy legislative information databases into one. After THOMAS was launched, the floor managers report for the Legislative Branch Appropriations bill for FY97 stated that "...the Congressional Research Service [CRS], upon the request of the Senate Committee on Rules and Administration [Senate Rules], and in consultation with the Secretary of the Senate and the heads of the appropriate offices and agencies of the legislative branch, shall coordinate the development of an electronic congressional legislative information and document retrieval system to provide for the legislative information needs of the Senate...". The Chairman of the House Committee on House Oversight requested that CRS and the Library consult with Committee staff to "...ensure that the needs of the House are taken into consideration in the design of this new system..." LIS was developed in 1996 and launched as a congressional system at the beginning of the 105th Congress.

The LIS continues as a collaborative project of the offices and agencies of the legislative branch, including the Secretary of the Senate and the Clerk of the House; Senate Sergeant at Arms, and the House Chief Administrative Officer, the Government Printing Office; the Congressional Budget Office; the Congressional Research Service; and the Library of Congress.

Since its inception and in compliance with Senate Report 105-204, an annual report is prepared by the Congressional Research Service (CRS) and the Library of Congress (LOC) on the strategic plans and objectives for the retrieval. This plan is provided to the House and Senate Committees on Appropriations, the Committee on House Oversight, and to the Senate Committee on Rules and Administration.

Each year, in collaboration with its partners, CRS continues to update and enhance the LIS in its role to coordinate the system, and the Library provides the critical technical developments that are needed for efficient operation.

Question. Has the Library considered allowing the public to use LIS and simply removing the restricted congressional resources in a public version?

Response. It is not up to the Library to make this decision. Any future directions must be made in conjunction with the oversight committees and the officers of each of the chambers.

Question. Currently, the Senate and House staff can only access their own chamber's proprietary legislative information websites, such as Webster. Why are staff in each chamber restricted from sites in the other chamber?

Response. Each chamber manages its own sites and is responsible for establishing related policies.

Question. I understand that the House Administration committee recently asked the Library to look into the possibility of making your legislative database available to the public in a raw format. Can you brief our subcommittee on your thoughts about the status of these investigations?

Response. We are working with the committee staff, who asked us to report to them on the resource requirements to allow this to happen. We expect to submit the report by the end of March. We will advise them on resource needs and flag practical and policy issues; this data comes in different formats from different offices (House, Senate, GPO), and we will look to Congress to advise us on next steps. We would be happy to brief the appropriations committee upon request.

Asian American and Pacific Islander Collection

In early October of 2007, the Asian Division of the Library of Congress successfully hosted a conference to organize the establishment of a national Asian American and Pacific Islander (AAPI) Collection within the Library. The goal of the AAPI Collection would not only be to finally collect and catalogue the numerous materials already within the Library, but also to expand to a nationally coordinated effort to catalogue and build upon the resources from other collections. As Chair of the Asian Pacific American Caucus, I have been fully supportive of this effort. Dr. Billington, you also supported the effort by providing the Asian Division with an additional staff member for the initial development of the Collection.

Question. What further plans do you have to support the Collection? What is the expected timeline?

Response. Plans to further support the Asian Pacific American Collection at the Library of Congress include:

1. Conducting an inventory of existing APA-related collection materials in the Library and compiling an online finding guide.

2. Identifying APA resources for possible inclusion in the Library's online resources, including "American Memory."

3. Working to create an online union catalog of Asian Pacific American-related collections nationwide by conducting a thorough search of OCLC's World Cat (http://www.oclc.org/worldcat).

4. Developing a collection development and acquisition policy.

5. Establishing contact with Asian Pacific American studies programs and relevant libraries, museums, archives, and Asian Pacific American organizations to share information and build partnerships.

6. Building a close partnership with the Asian American Studies Program at the University of Maryland.

The Asian Division has developed a three-year plan, but because many organizations are involved and fundraising is required, it may be more realistic to think in terms of three to five years. The Library's Development Office and Special Events Office are working with the Asian Division on fundraising strategies.

THURSDAY, MARCH 6, 2008.

GOVERNMENT PRINTING OFFICE BUDGET

WITNESSES

ROBERT C. TAPELLA, PUBLIC PRINTER OF THE UNITED STATES

NADINE ELZY, DIRECTOR OF EEO

OPENING REMARKS BY THE CHAIR

Ms. WASSERMAN SCHULTZ. Good morning. I would like to call the Subcommittee on the Legislative Branch of the Committee on Appropriations to order.

Today, we are going to hear from Robert Tapella, the new official Public Printer of the United States, confirmed by the Senate and sworn in, I assume, by the President, correct? Is that who actually swears you in?

Mr. TAPELLA. Well, in this particular case, it was the back office clerk of the Hotel Michelangelo in New York City, who happened to be the notary public right after the President signed the commission. The President did sign the commission.

Ms. WASSERMAN SCHULTZ. Good. We are looking forward to hearing from you.

The focus of the hearing will be the fiscal year 2009 request from GPO, which is $174 million, not quite the single-digit increase that we had from yesterday but a 40 percent increase over fiscal year 2008. That is a large request, but it is important to note that GPO has sustained very minimal increases over the last 2 fiscal years. There are shortfalls in the congressional printing account that we have to cover. We have to address building maintenance. Really, if there is an example of an agency that has crumbling infrastructure and needs help, it is GPO. And then a lot of the rest of the increase is for the FDsys system, which is the new digital repository for all Federal documents.

The key things that are part of the request, which I know the Printer will outline, are $8 million to cover accumulated congressional printing shortfalls, which we might have a way to address; $21 million to continue developing the FDsys system; and $17.5 million to maintain and repair GPO's aging buildings, which we'd like to hear more about what your ideas are for not having to continue to prop up your buildings.

I know there are a lot subcommittee members that have competing hearings within the Appropriations Committee this morning, so they will be coming in and out, and we will just proceed and recognize them as they get here.

Again, we are operating in a very tight budget environment. Things are not getting any better for us in the legislative branch, and we are going to try to make sure we fight for at least adequate

funding for the absolute things that we have to have for each of the legislative branch agencies, and you are no exception.

So, with that, Mr. Latham.

OPENING REMARKS OF MR. LATHAM

Mr. LATHAM. Thank you. I just want to say this is probably the nicest printing job I have seen as testimony, as I would expect.

Ms. WASSERMAN SCHULTZ. Really.

Mr. LATHAM. I just want to welcome you.

I know you have got several concerns. I look forward to hearing the testimony on those, particularly about retained earnings and investments and technology. Since the Federal Government is probably not going to get much smaller in the next few years, I would be really interested in hearing what you think we need to do to be of assistance for you.

With that, thank you.

Ms. WASSERMAN SCHULTZ. You are welcome.

Mr. Tapella, we welcome you to your first hearing in your official role as the Public Printer. Your full statement will be entered into the record, and you can proceed with a 5-minute summary.

OPENING STATEMENT FROM THE PUBLIC PRINTER

Mr. TAPELLA. Terrific. Thank you.

Madam Chair, Representative Latham, this is my first appropriations hearing as Public Printer, although I have been part of GPO's management team for over 5 years. During that time, GPO has been transformed into a modern, efficient and effective partner to all three branches of Government, providing a broad range of products beyond just printing.

Our original objective in transforming GPO was to ensure it would survive. Through the hard work of our dedicated employees we achieved that goal and more, and now GPO is beginning to thrive.

I am pleased to report that we recorded net income for the fourth consecutive year. We increased overall revenue to levels that have not been experienced at GPO for more than a decade, primarily as a result of the production of electronic passports, as well as other in-plant operations. Efforts to economize and increase efficiency also contributed measurably to our financial results.

For fiscal year 2009, we are requesting a total of $174,354,000, which will enable GPO to meet projected requirements for GPO's congressional printing and binding and information dissemination operations during fiscal year 2009; recover the shortfall in congressional printing and binding appropriations accumulated in fiscal year 2007 and projected for fiscal year 2008; provide investment funds for necessary information dissemination projects in the Federal Depository Library Program; complete the initial release of FDsys; and perform essential maintenance and repairs to our aging buildings.

In short, the increase requested by GPO asks Congress to pay its bill for past congressional printing and to make investments in GPO's future, which will help us continue to reduce the real dollar costs of congressional printing in the future.

Playing a numbers game, we are asking for nearly 50 million additional dollars. As a percentage of our prior appropriations, it seems like a big percentage; and GPO loses in that comparison and so does the taxpayer. In real economic terms, the technology investments that Congress has made at GPO over the past few decades have significantly reduced the cost of congressional printing. Were it not for the foresight of your predecessors in making these technology investments at GPO, our basic costs for congressional printing would be about $300 million a year.

GPO's approved funding for fiscal year 2008 is under $90 million, a reduction of more than 70 percent in real economic terms. The savings have come from productivity improvements and staffing reductions made possible through the use of improved technology.

Now, in my official remarks, I have how a bill becomes a law. There are basically 24 steps in the legislative process. GPO is involved in 12 of them. Over 500 GPO employees gave direct support to Congress last fiscal year.

Technology is at the center of GPO's operations today. GPO's Federal Digital System is the backbone. Of the total funding investments requested by GPO, nearly half are directly related to the establishment and operation of GPO's Federal Digital System. This includes modernizing congressional publishing, replacing production workflow systems, and digitizing the FDLP legacy collection.

For the salaries and expenses appropriation of the Superintendent of Documents, the increases for fiscal year 2009 are required to cover mandatory pay and price level increases, as well as projects that are all directly linked to FDsys. The projects are geared to ensure the broadest access possible to Federal Government information and the highest level of service to the American public.

GPO needs a modern and efficient facility. I would like it to have green building certification. I have begun working with our oversight committees on a plan, a plan that would require no direct appropriations, allow us to remain on our current site, maintain current employee head counts, provide additional space for legislative branch use, and not face an untenable CBO score.

I believe we could have legislation passed this year to make the new building a reality. In the meantime, however, we have a number of deferred maintenance items that we must address, and so in our appropriations request we are asking for some help.

I would like to address the success of our security and intelligent documents business. It is profitable. Some are suggesting too profitable. I am not certain yet. Because of the unprecedented demand for passports last year and the prudent increases in passport inventory so far this year, GPO is experiencing accelerated revenue recognition, not necessarily excess profits.

GPO is unlike most other Federal agencies in that all GPO activities are financed through a business-like revolving fund. The revolving fund functions as GPO's checking account with the U.S. Treasury. The fund is used to pay all of GPO's costs, and the fund is reimbursed by our agency customers when they pay GPO invoices.

The price we charge the State Department for blank passports is negotiated with the State Department. It is based on our estimated

production costs, plus reserves for capital projects apportioned out over an estimated quantity of books produced.

There are 66 different line items used to price the passports, and we periodically review the pricing structure with the State Department. We bill the State Department for actual passports produced on at least a monthly basis. However, not all of the expenses included in the price we charge the State Department for passports are booked at the same time as the revenue. Because of our business type accrual accounting, the expenses are not recognized until the investment has been placed into service. There is a timing difference: revenue first, then expenses, and not necessarily in the same year.

As you may have noticed, in last year's annual report in our financial results table we show net income from operations. We then show planned uses of net income. This clearly identifies the impact of the accounting rules on our recognition of revenue and expenses.

We have established formal committees with the State Department to discuss and formalize long-term capital investments. These investments will be recognized this year in our financial results table as planned uses of net income.

Finally, the real question that needs to be answered is what is the appropriate level of profit for GPO under Title 44? Is it 2 percent? 5 percent? 10 percent? 20 percent? Or should it be measured by unencumbered cash on hand? As Public Printer, I must confess too much profit is a much better problem to deal with than whether or not we can meet payroll.

Madam Chairman, Representative Latham, we look forward to working with you. With your support, we can continue GPO's record of achievement.

This concludes my remarks, and I would be happy to answer any questions.

Ms. WASSERMAN SCHULTZ. Thank you very much, Mr. Tapella.

[Mr. Tapella's statement follows:]

Robert C. Tapella
Public Printer of the United States

Prepared Statement before the Subcommittee on Legislative Branch Appropriations, Committee on Appropriations, House of Representatives

On the Appropriations Request of the Government Printing Office for Fiscal Year 2009

H-144, The Capitol

Thursday, March 6, 2008
10:00 AM

U.S. GOVERNMENT PRINTING OFFICE | KEEPING AMERICA INFORMED
www.gpo.gov

Madam Chair, Representative Latham, and Members of the Subcommittee on Legislative Branch Appropriations:

It is an honor to be here today to present the appropriations request of the Government Printing Office (GPO) for fiscal year (FY) 2009.

Results of FY 2007

For the past five years we have worked to transform GPO from a traditional printing factory into a state-of-the-art digital business that is dedicated to meeting the 21st century information product needs of the Government and the public. The record of 2007 shows that with the plan we developed, and with the hard work and support of our talented employees, we put GPO on the path to increase access by the American people to digital and other information products of the Federal Government, and to unlock our potential for the future.

With the print marketplace shifting from analog to digital technologies, GPO's customers in Congress, Federal agencies, and among the public require dynamic and creative solutions to meet their changing needs. In 2007 we achieved major milestones in customer service and product development for the Federal marketplace in printing and information management.

We responded to the Nation's explosive demand for the new e-passport by more than doubling previous production. We implemented a new, flexible program for meeting the document reproduction needs of Federal agencies through a well recognized national vendor. We developed an information rich online guide to House and Senate Members of Congress. We readied our new digital platform, GPO's Federal Digital System (FDsys), which will be a digital repository for all Federal documents, for its first public release in 2008.

We have carried our innovative performance into FY 2008. This year, for the first time in history, the President transmitted his *Budget of the United States Government* to Congress electronically. GPO assisted OMB by providing authentication for the *Budget* via digital signature. This authentication verifies to anyone who downloads the *Budget* that the content has not been changed or altered. GPO's authentication capability ushers in a new era for Federal publications in terms of digital capability. Along with ongoing programs for the use of recycled paper and vegetable-based ink, digital also helps promote environmental sustainability in the Government's publishing and information dissemination activities.

These innovative contributions to the Government's information toolkit are emblematic of today's GPO: a modern, efficient, and effective partner in providing a broad range of products beyond printing, the theme of our recently released Annual Report. They and other services like them are just some of the examples of how GPO will fulfill its mission to *Keep America Informed* in the digital age.

Our original objective in transforming GPO was to ensure that it survives. We achieved that goal and more, and now GPO is beginning to thrive. In 2007 I am pleased to report that we recorded net income for the fourth consecutive year, including another positive adjustment to our long-term workers' compensation liability.

We increased overall revenues to levels that have not been experienced at GPO for more than a decade, principally as the result of e-passport work produced through our security and intelligent documents business unit as well as other inplant operations. Efforts to economize and increase efficiency also contributed measurably to our financial results. We are grateful to the support provided to our appropriations request for FY 2008 by this Subcommittee and its staff.

FY 2009 Appropriations Request

For FY 2009, we are requesting a total of $174,354,000, to enable us to:

- meet projected requirements for GPO's congressional printing and binding and information dissemination operations during FY 2009;
- recover the shortfall in the Congressional Printing and Binding Appropriation accumulated in FY 2007 and projected for FY 2008;
- provide investment funds for necessary information dissemination projects in the Federal Depository Library Program;
- complete the initial release of FDsys and continue development of system enhancements, and implement other improvements to GPO's information technology infrastructure; and
- perform essential maintenance and repairs to our aging buildings.

Of the total funding increase requested by GPO for FY 2009, approximately $21.2 million, or 43%, is directly related to the establishment and operation of FDsys, which is being designed to ingest, organize, manage, and output authenticated, official Federal information content for any use or purpose. The funding package for FDsys that we are proposing for FY 2009 includes $15.5 million for GPO's revolving fund to complete the initial release of FDsys and continue development of system enhancements; begin replacing GPO's aging Microcomp automated composition system with modern technology to be used for accepting information to FDsys; and replace GPO's dated Production Estimating and Planning (PEPS) system with a modern manufacturing workflow system, to be used to track and manage workflow through FDsys. It also includes $5.7 million for GPO's Salaries and Expenses Appropriation to digitize the legacy FDLP collection and acquire expanded Web harvesting services, both of which will provide information for ingest to Fdsys. When implemented, these systems will be coordinated with GPO's Oracle-based financial systems, resulting in a seamless digital platform for the provision of GPO products and services for years to come.

Congressional Printing and Binding Appropriation: This account covers the cost of printing and other information services supporting the legislative process in the House of Representatives and the Senate. These services include production—in both print and online formats—of the daily and permanent *Congressional Record*, bills, resolutions, and amendments, hearings, committee prints and documents, miscellaneous printing and binding including stationery and document franks, and related products, as authorized by the public printing provisions of Title 44, U.S. Code.

We are requesting $97,928,000 for this account, representing an increase of $8,153,000 over the level provided for FY 2008. The increase represents the shortfall in this appropriation accumulated in FY 2007 and projected for FY 2008, offset in part by reductions in various congressional printing workload categories that are anticipated based on historical projections for a first session year following a Presidential election.

The Congressional Printing and Binding Appropriation is essentially an estimate of the work that Congress will require to support its operations in a given fiscal year. A shortfall in this appropriation occurs when available funding is insufficient to fully cover the costs of congressional work. GPO does not have the authority to refuse to perform work that is required by Congress in the absence of funds. Instead, GPO will produce the work and temporarily finance it with available funds in our revolving fund. GPO then seeks to have Congress pay back the shortfall in subsequent appropriations, in order to restore funds that are meant to be used for investment in new equipment and technology.

During FY 2008, GPO reduced key congressional rates based on redistributing overhead costs, which was made possible by financial performance in other business units. The resulting costs reduced the shortfall accumulated in FY 2007 and projected for FY 2008 from $17.2 million to approximately $9.3 million. The shortfall will be partially offset by anticipated reductions in a number of congressional workload categories, principally the U.S. Code, hearings, the *Congressional Record*, and business and committee calendars. The increase we are requesting represents the amount that is required to be restored to GPO's revolving fund.

Under our appropriations bill language, GPO has the authority—with the approval of the Committees on Appropriations—to transfer forward the unexpended balances of prior year appropriations. We appreciate the support you have shown GPO this year by authorizing the transfer of approximately $1.1 million in prior year balances from FY 2004 and 2005 to the revolving fund. These funds will be used to offset part of the shortfall.

Congressional Printing and Binding

FY 2008 Approved	$ 89.8 million
FY 2009 Request	$ 97.9 million
Change	$ 8.1 million

Change includes:

Repaying the shortfall sustained in FY 2007 and projected for FY 2008

Salaries and Expenses Appropriation of the Superintendent of Documents: The largest single component of this appropriation is for the Federal Depository Library Program (FDLP), under which publications in print and electronic formats are made available to approximately 1,250 libraries nationwide for the free use of the public. This account also provides for the cataloging and indexing of Government publications as well as the distribution of Government publications to international exchange libraries and other recipients as authorized by the documents provisions of Title 44, U.S. Code.

We are requesting $43,426,000 for this account, representing an increase of $8.5 million over the current level of funding. The increase is required to cover mandatory pay and price level increases as well as overhead distribution, and to continue improving public access to Government information in electronic formats. Of the total increase, $917,000 is for mandatory pay and price level changes, and $1,164,000 is for the level of overhead required to be distributed to Salaries and Expenses programs. The balance of $6,432,000 is for program investments.

As GPO continues to perform information dissemination through the FDLP on a predominately electronic basis, which was mandated in the conference report accompanying the Legislative Branch Appropriations Act for FY 1996, we need to invest in technology infrastructure and supporting systems. Our requested increase will cover projects for FDLP program outreach, additional data storage, modernization of items selection systems and other mainframe-based applications, the cataloging of content, and the initial costs for digitizing the FDLP legacy collection, a key component of GPO's strategic vision and FDsys.

Salaries and Expenses

FY 2008 Approved	$ 34.9 million
FY 2009 Request	$ 43.4 million
Change	$ 8.5 million
Change includes:	
Mandatory Requirements	$ 2.1 million
Investment Requirements	$ 6.4 million

Revolving Fund: We are requesting $33,000,000 for this account, to remain available until expended, to fund essential investments in other information technology infrastructure and systems development, and facilities maintenance and repairs.

The key projects covered by this request include $10,000,000 to complete the development of FDsys, which is scheduled to go live later this year, and continue development of system enhancements; $5,500,000 to begin replacing GPO's 30-year old automated composition system and upgrade GPO's manufacturing workflow tracking system; and $17,500,000 for maintenance and repairs to GPO's buildings, including elevator replacement and renovation, window replacement, retrofitting our air handling units with more efficient equipment, replacing the roof membrane and insulation, and related projects. These facilities projects will protect our employees and improve the energy efficiency of GPO's buildings. At the same time, we are continuing to review options for the future of GPO's buildings, including renovation and/or construction of new facilities on GPO-owned property.

Revolving Fund

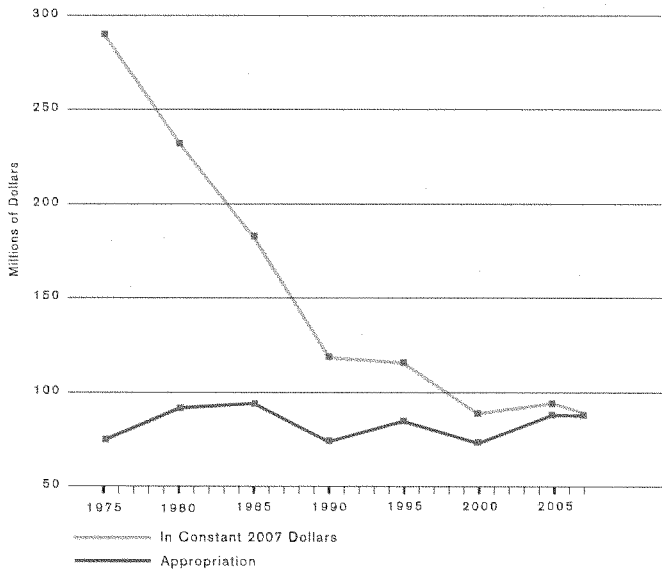
FY 2008 Approved	$ --
FY 2009 Request	$ 33.0 million
Change	$ 33.0 million
Change includes:	
Investments in information technology infrastructure and systems development	$ 15.5 million
Building maintenance and repairs	$ 17.5 million

Madam Chair, Representative Latham, and Members of the Subcommittee, we look forward to working with you, and with your support we can continue GPO's record of achievement. To assist you in your review of our request, I am including with my prepared statement several charts illustrating how GPO's use of technology has generated savings in congressional printing costs and distribution costs, how a significant part of our request this year is to support our FDsys project, and showing how the close relationship of GPO to congressional printing in the process of how a bill becomes a law.

GPO Generates Savings for Congress

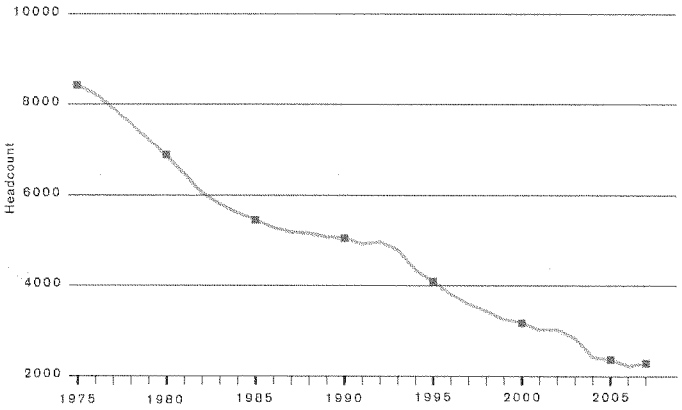
GPO's use of electronic printing and information technologies has significantly reduced the cost, in real economic terms, of congressional publications. In FY 1975, on the threshold of our conversion to electronic photocomposition, the appropriation for Congressional Printing and Binding was $74.8 million, the equivalent in today's dollars of $290 million. By comparison, GPO's approved funding for FY 2008 is $89.8 million, a reduction of more than 70% in real economic terms. This has resulted in taxpayer savings of hundreds of millions of dollars. The savings have come from productivity improvements and staffing reductions made possible through the use of modern information technology.

Congressional Printing and Binding Appropriation FY1975 – FY2007



Productivity increases resulting from the use of electronic printing and information technologies have enabled GPO to make substantial reductions in staffing requirements while continuing to improve services for Congress. In the mid-1970's, GPO employment was approximately 8,200. Today, GPO has approximately 2,300 employees on board, fewer than at any time in the past century. In the past 4 years alone GPO's staffing has been reduced by 28%. Personnel reductions at GPO have been accomplished while modernizing and improving GPO services.

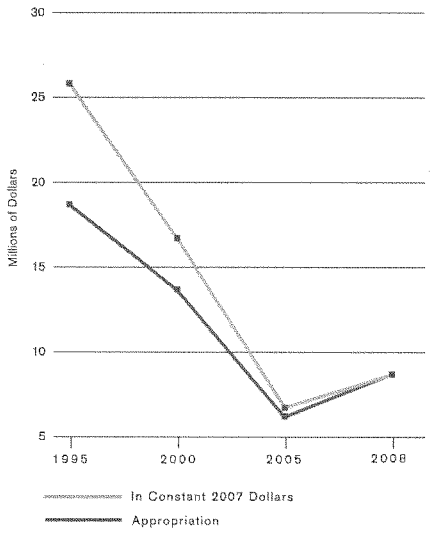
GPO Staffing Requirements
FY1975 – FY2007



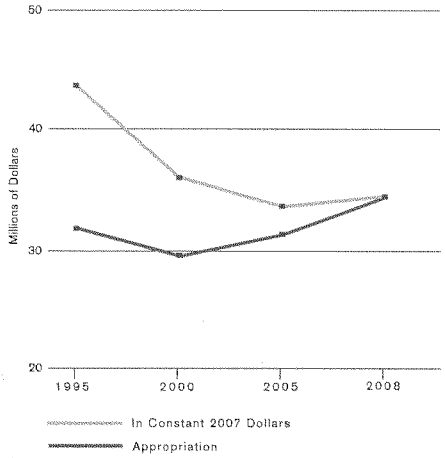
GPO Achieves Savings in Information Dissemination

GPO once distributed Government documents to Federal depository libraries primarily in print and related formats, including microfiche and CD-ROM. In FY 1995, the year that *GPO Access* debuted, this activity was funded at an annual cost of $18.7 million, the equivalent of $25.8 million in constant 2007 dollars. For FY 2009, the same function can be funded at $8.7 million, a reduction of approximately two-thirds in real economic terms. GPO used the savings from reduced printing distribution to fund the establishment and operation of *GPO Access*, achieving additional savings for the taxpayers and vastly expanding public access to Government information. This achievement also allowed the Salaries and Expenses Appropriation to remain relatively flat for more than a decade. GPO's plan to establish and operate a modern, state-of-the-art digital platform in FDsys will potentially achieve further savings and even broader public access to Government information.

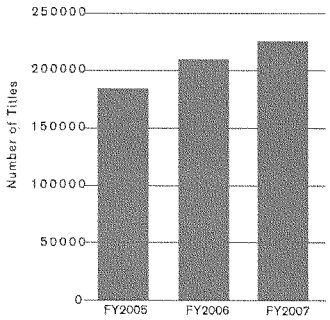
Costs of Printing and Distribution to Depository Libraries FY1995 – FY2008



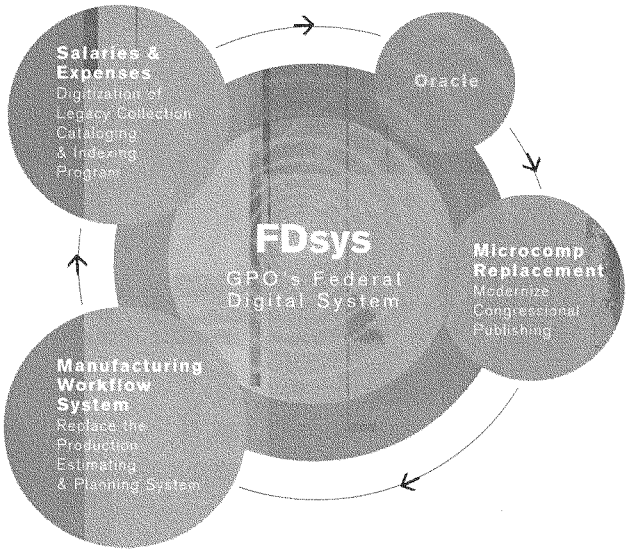
Salaries and Expenses Appropriation FY1995 – FY2008



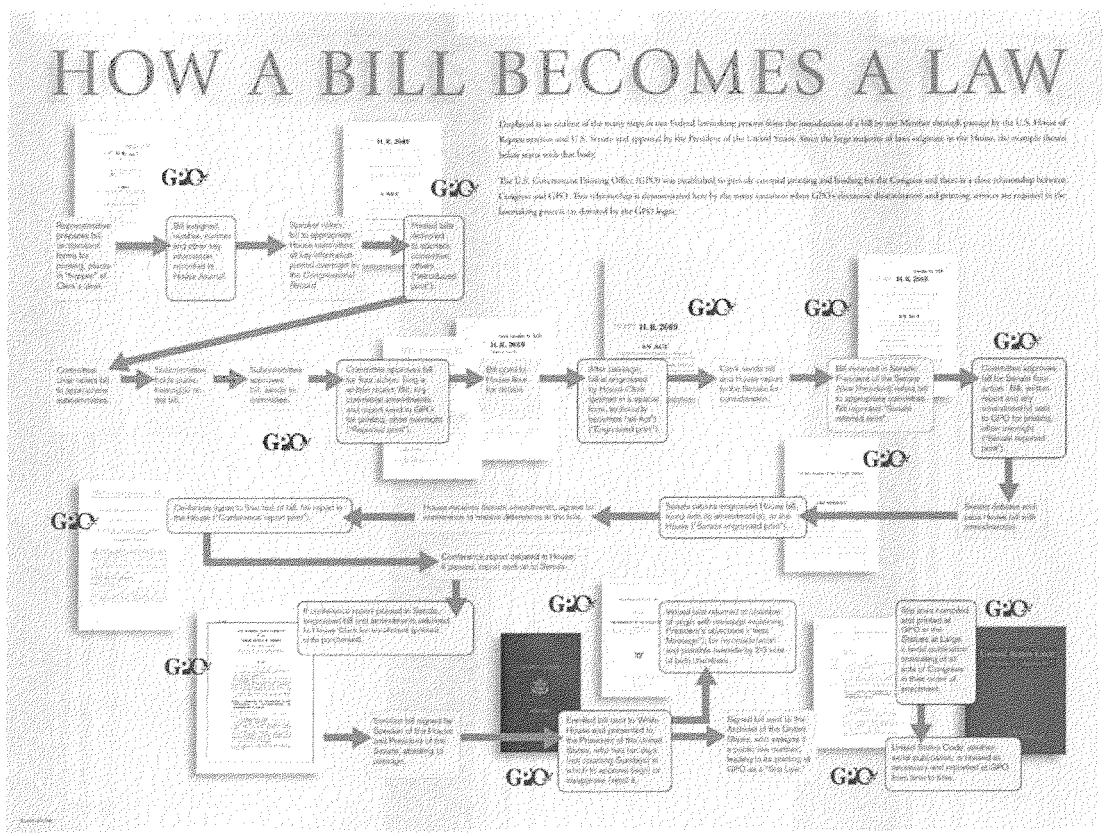
Titles Available on *GPO Access*



Information Technology Projects



Of the total funding increase requested by GPO for FY 2009, approximately $21.2 million, or 43%, is directly related to the establishment and operation of FDsys, which is being designed to accept, organize, manage, and output authenticated, official Federal information content for any use or purpose. The funding package for FDsys that we are proposing for FY 2009 includes $15.5 million for GPO's revolving fund to complete the initial release of FDsys and continue development of system enhancements; begin replacing GPO's aging Microcomp automated composition system with a modern technology to be used for accepting information to FDsys; and replace GPO's dated Production Estimating and Planning (PEPS) system with a modern manufacturing workflow system, to be used to track and manage workflow through FDsys. It also includes $5.7 million for GPO's Salaries and Expenses Appropriation to digitize the legacy FDLP collection and acquire expanded Web harvesting services, both of which will provide information for ingest to Fdsys. When implemented, these systems will be coordinated with GPO's Oracle-based financial systems, resulting in a seamless digital platform for the provision of GPO products and services for years to come.


HOW A BILL BECOMES A LAW
Displayed is an outline of the many steps in our federal lawmaking process from the consideration of a bill by one Member through passage by the U.S. House of Representatives and U.S. Senate and approval by the President of the United States. Since the large majority of law originates in the House, the example therein below starts with that body.
The U.S. Government Printing Office (GPO) was established to provide centralized printing and binding for the Congress and there is a close relationship between Congress and GPO. This relationship is demonstrated here by the many occasions when GPO's document distribution and printing services are required in the lawmaking process as denoted by the GPO logo.
G2O
Representative prepares bill in standard form for printing, placing in "hopper" of Clerk's desk.
Bill assigned number, number and other key information recorded in House Journal.
Speaker refers bill to appropriate House committee, at key information, posted overnight in the Congressional Record.
Printed bills delivered to appropriate committee; others ("introduced prints").
Committee chair refers bill to appropriate subcommittee.
Subcommittee holds public hearings on the bill.
Subcommittee approves bill, sends to committee.
Committee approves bill for floor action; bring in written report (bill, any committee amendments and report sent to GPO for printing, often overnight ("Reported prints").
Bill printed in House for debate.
Floor passage; bill is engrossed by House Clerk (printed in a special form, authorized by resolution "bill draft") ("Engrossed print").
Clerk sends bill and House report to the Senate for consideration.
Bill received in Senate; President of the Senate (Vice President) refers bill to appropriate committee; bill approved; "Senate referred print".
Committee approves bill for Senate floor action; bill, written report and any amendments sent to GPO for printing, often overnight ("Senate reported print").
Senate debates and pass House bill with amendments.
Senate returns engrossed House bill, along with its amendment(s), to the House ("Senate engrossed print").
House receives Senate amendments, agrees to motion to resolve differences in the bills.
Conference report delivered to House; if passed, report sent on to Senate.
If conference report passed in Senate, engrossed bill and amendments delivered to House Clerk for by House (printed in the purchased).
Enrolled bill signed by Speaker of the House and President of the Senate, sending it onward.
Enrolled bill sent to White House and presented to the President of the United States, who has ten days (not counting Sundays) in which to approve (sign) or disapprove (veto) it.
Vetoed bill returned or (Monday) at night with message explaining President's objections ("Veto Message"), for reconsideration and possible override by 2/3 vote of both chambers.
Signed bill sent to the Archives of the United States, who assigns it a public law number, leading to its printing at GPO as a "first type".
Bill now complete and printed at GPO as the Statutes at Large, a serial compilation containing all acts of Congress in their order of enactment.
United States Code, another serial publication, is revised as necessary and reprinted at GPO from time to time.

WELCOME MR. BONNER

Ms. WASSERMAN SCHULTZ. Before we move into questions, I now want to officially recognize and welcome Mr. Bonner of Alabama to the Appropriations Committee and to the Legislative Branch Subcommittee and to your first meeting. And you are absolutely forgiven for your absence yesterday since the committee schedules us with way too many competing priorities.

Mr. BONNER. Thank you, Madam Chair.

THE FUTURE OF GPO

Ms. WASSERMAN SCHULTZ. It is a pleasure to have you on the committee, and we will proceed under the 5-minute rule.

Mr. Tapella, you talked a little bit about your vision for the future, but can you give us a sense of where you want to take the GPO over the next 5 years? GPO began as a normal printer; and now it appears there has been some significant evolution.

Mr. TAPELLA. GPO was founded originally as Congress's printer in 1861, through legislation in 1860. In 1895, all Government printing was put under the Government Printing Office. In addition, the Superintendent of Documents operation was also put under the Public Printer. Everything worked fine until about 1993, and then the Internet happened, and it was explosive technology.

As Public Printer I have a responsibility to make certain that the documents of our democracy are made widely available and kept in perpetuity. That responsibility falls to our Superintendent of Documents operation. Today, less than half of all Government documents are printed first and then distributed. They are born digital, and they are made available to the public through Web access and other sources. So the job of the Public Printer, I believe, and our primary mission, is keeping America informed.

It just so happens that the method that was used prior to the invention of the Internet was the printing press. But in 1993 Congress gave us authority to operate a Web site; and, in fact, we are one of the few Web sites that is actually congressionally mandated, which is our GPO Access site.

So when we look at GPO we are really in the communications business. We always have been. And we are in the Government information business. It just so happens that today printing is not the only widespread communications medium. Now, looking at GPO, we have a couple of different things.

Ms. WASSERMAN SCHULTZ. Be mindful that I only have 5 minutes.

Mr. TAPELLA. Okay. Then I will stop.

Ms. WASSERMAN SCHULTZ. No, you can answer the question. Just be mindful that I only have 5 minutes.

Mr. TAPELLA. In terms of printing, what we are doing in house, we are focusing on security and intelligent documents, and we are focusing on the official journals of Government. All other Government printing, for the most part, is being jobbed to the private sector. We procured 98,000 jobs last year from the private sector. We are going to continue that. We are looking at new and innovative ways of dealing with that, for example, our partnership with FedEx Kinko's, where any Federal Government agency can go to any

FedEx Kinko's and get convenience printing done. We are doing term contracts. We are doing small purchase agreements.

When we look at what we are doing in plant, we are focusing on the work of Congress, the Federal Register, and then the business of security and intelligent documents, which includes the passports. It also includes, because we have won the contract so far, the Department of Homeland Security's Trusted Traveler program card. And so our business is expanding. It is printing, but it is also the injection of technology and integrated circuits into something we print.

PASSPORT FACILITY SECURITY

Ms. WASSERMAN SCHULTZ. Thank you.

I have a number of other questions, but last year we put language both in our bill as well as in the report related to passport facility security. GPO had previously been staffing the passport facility with just security guards—I know you have a different term for them—but nonsworn officers; and given the homeland security concerns that exist with a situation like that, the committee felt strongly that it should be sworn officers that protect that building. Can you talk to us about what you have done since that language was included in the bill?

Mr. TAPELLA. Yes. In fact, now our passport facility only has sworn officers. Understanding, though, that the majority of the work that is done there in terms of the security need is in the area of access control.

Ms. WASSERMAN SCHULTZ. Right.

Mr. TAPELLA. We have placed security officers at access control points, and they are now doing that. We are in the process of hiring additional officers, sworn officers that will be working in the rest of our facility for response to incidents; and we are still using contract officers for access control elsewhere at GPO.

Ms. WASSERMAN SCHULTZ. Can you talk about the GAO report? Mr. Brady and I just signed a letter asking——

Mr. TAPELLA. Correct. We have not yet had our initial conference with GAO regarding it.

Ms. WASSERMAN SCHULTZ. Okay.

Mr. TAPELLA. We look forward to it. Our Inspector General has conducted several reviews. The Capitol Police have conducted reviews. All of our security to date has been following the advice we received from both the Inspector General as well as the Capitol Police in previous reviews, and we are looking forward to the outcome of the GAO review to see how we could better protect our facilities.

Ms. WASSERMAN SCHULTZ. And that would be a more comprehensive look at security around GPO?

Mr. TAPELLA. Correct. At the end of the day, though, the real way to get security is to get us into a proper facility that is designed with security in mind and not something that was built in 1940 for which there were no security concerns.

Ms. WASSERMAN SCHULTZ. You are a good advocate for your agency, and my time has expired. Mr. Latham.

Mr. LATHAM. Thank you very much; I, too, want to welcome Mr. Bonner to the committee; I look forward to working with you.

Mr. BONNER. Thank you.

PASSPORT PRODUCTION LEVELS

Mr. LATHAM. You said in your opening statement that you are thriving and, financially, performing well; part of that is because of the dramatic increase in the number of passports, obviously, with people going to Mexico and Canada and having to have passports now. Where is the cliff on that? I mean, I think we are going to pretty well fill the need here shortly and your revenues maybe are going to go the other way.

Mr. TAPELLA. I share your concern. What we are looking at is a situation where we had peak demand last year.

Mr. LATHAM. Right.

Mr. TAPELLA. We are building reserves right now. We are getting forecasts from the State Department for what the passport demand will be for this year. And, quite honestly, I have no idea. I wish I had that crystal ball that would tell us. What we are trying to do is be prudent about it.

Now what you also have is a situation where it is not just the passport. There is now going to be the Western Hemisphere travel card, the WHTI card. We also have the Trusted Traveler Program, which is DHS's version. Now GPO is in the process of designing and producing the DHS travel card.

So, in terms of our business, we have got the DHS side of it. In terms of the pass card, we are not involved in that. What impact those will have on passports I do not know. A lot will have to do with prices.

Mr. LATHAM. Are those going to be fee-based?

Mr. TAPELLA. I believe so, yes. The State Department charges approximately a hundred dollars for a passport. My understanding is the pass card is going to be about half that price. That may drive business that way. And I personally do not know what the DHS Trusted Traveler card is going to cost.

WORKFORCE REPLACEMENT

Mr. LATHAM. Okay. I know in our conversation in my office—you expressed real concern, as many agencies and the Library of Congress have, about the workforce and the kind of bubble that you are under. You have got an aging workforce. You are trying to transform technology. Talk about that.

Mr. TAPELLA. GPO has been very fortunate over the years in that we have a highly skilled workforce. We also have a workforce that is aging. This past Tuesday was GPO's birthday, 147 years; and we recognized employees who had 62 years of service, 50 years of service, 49 years of service. And when we were looking at those with 35-plus years of service it was a very large quantity of employees. And it certainly is a concern of mine, and that is why we are looking at technology moving forward. We need to have the technology in place so that, as our workforce retires, we do not necessarily have to replace them to do old technology work.

For example, Microcomp replacement, which is our composition system that we use for Congress, we started using that in 1973. And we talked about this in your office. That was back when eight-track tapes were the way that you got music. Today, it is MP3s and video MP4s.

Mr. LATHAM. I was a little offended you thought that was old technology.

Ms. WASSERMAN SCHULTZ. You really want to go there?

Mr. TAPELLA. But the question is, as we are doing the work for Congress, we need to have a modern composition system. Now one of the problems we face, as people retire that know Microcomp—and we have really skilled employees that know that system—as they retire, we do not have replacement employees; and the learning curve on that system is incredible. What we would like to do is retire that system and make certain that we have the funding for it. For example, it is in this year's funding request, and we will need funding in the outyears so that we do not run into a crisis. We are not yet in a crisis. We are planning ahead.

Mr. LATHAM. Okay. How are we doing?

Ms. WASSERMAN SCHULTZ. You have a minute.

TECHNOLOGY INVESTMENT

Mr. LATHAM. Okay. Tell me about the investment that you are talking about in technology. Are you going to be able to completely transform? What kind of needs are you talking about? Can you kind of expand on what——

Mr. TAPELLA. Included in the printed testimony is the information technology projects of GPO. Our backbone is the FDsys. We have the Microcomp replacement, which directly affects Congress. It also affects how we create some other documents. We have our manufacturing workflow system, which is primarily for Congress, because it is all the printing that we do for Congress as well as the Federal Register.

We then have what is in Superintendent of Documents, which is the digitization of the legacy collection. Those are the documents that we want to make available to the public electronically that are currently only in paper form.

And then we have Oracle, which is kind of our backbone system. We are at this point funding Oracle completely out of our retained earnings.

We have not asked Congress for any investment capital. We are, however, asking Congress to invest in the composition system that does Congress's work. We are asking for investment in the manufacturing workflow system which does Congress's work. And we are asking for investment in digitizing the legacy collection, which is under the S&E appropriation.

You know, technology is where we are going. The costs are going to be great. What we are asking for is the initial investment so we can continue to make the change.

Every year, the costs go up; and so the question is you either pay now or you pay later. And if you pay later, you are paying a much greater expense.

Plus we run into the issue——

Ms. WASSERMAN SCHULTZ. We are going to have votes in about 15 minutes——

Mr. TAPELLA. Okay.

Ms. WASSERMAN SCHULTZ [continuing]. So I truly appreciate your answer. I do not mean to cut you off.

Mr. TAPELLA. That is okay.

Ms. WASSERMAN SCHULTZ. I really want you to be able to fully answer the question. Thanks. We are going to come back.

Thanks. I appreciate it, Mr. Latham.

Mr. Bonner.

Mr. BONNER. Thank you, Madam Chair.

Ms. WASSERMAN SCHULTZ. You are welcome.

Mr. BONNER. And, again, it is good to be with you all.

I will note that my name plate is taped on. So I do not know who I am covering over, but I hope it is someone who is not in jail or deceased, either one.

Ms. WASSERMAN SCHULTZ. That is not a message about your permanence or lack thereof.

Mr. BONNER. And just for the sake of full disclosure, this room has a lot of memories for me. I was the chief of staff to my predecessor, who was the chairman of the Foreign Operations Subcommittee, and we met in this room. And so to all of our staff, one day you may be sitting here too, because that is where I used to sit; and I was very proud to be there.

Mr. Tapella, just a couple of questions.

If you are 147 years old——

Mr. TAPELLA. Correct.

Mr. BONNER [continuing]. You do not look it.

PASSPORT AVAILABILITY

The distinguished chairwoman and ranking member both raised questions about passports. You mentioned it in your testimony. Few issues cause more concern to our constituents than when they cannot get a passport. They wake up on Friday and realize they are leaving on Saturday, and they do not have one, and they look to their Member of Congress to make magic occur.

So I know your process in it is somewhat limited, and I am certainly not laying the blame for those delays on you, but could you elaborate a little bit more in terms of what your agency is doing to ensure a timely production of passports with regard to your work with the State Department?

Mr. TAPELLA. First of all, during last year's peak demand, our customer is the State Department. The State Department's customer is essentially the American public. At no time did GPO fail to meet the requirements of the State Department in getting them the blank passports, which they then process and personalize. So throughout the entire process GPO always met its commitment to the State Department, and they had other issues with adjudication and whatnot that were not under our control.

Last year, we were running literally 24–7 in the manufacture of passports. We have also invested in a new, secure production facility that will have a second complete passport operation. It is geographically away from Washington, DC. We are on time and on budget on that facility; and we expect the first passport to come off the line in April, although we do not expect full production, obviously, until probably the summertime as we start doing the shakedown.

We are building up reserves in passports, and we have a considerable amount of reserve to date. We have been producing for the State Department 550,000 passports a week; and we have been

doing that almost nonstop since peak demand, since we had the capability of even producing that. So we are building up reserves so that State Department has that available.

We will have the second passport facility on line beginning sometime after April for full production; and we always have the ability to run 24–7, if necessary, in the existing passport facility.

Mr. BONNER. Madam Chair, if I could ask one more question.

Ms. WASSERMAN SCHULTZ. You have 2 minutes. The 5 minutes is yours.

Mr. BONNER. I have a lot of other questions I would like to get to and maybe could put some in the record to be answered.

POTENTIAL FOR PASSPORT FRAUD

Mr. BONNER. But sticking with the passports, there has been a lot of concern about fraudulent drivers' licenses, about fraudulent Social Security cards and other forms of identification. I am not up on what the issue of fraud is with passports. Is that an issue?

Mr. TAPELLA. It is certainly of concern to us. And when we look at how we price a passport for the State Department, it includes a few pennies for technology refresh. Included in it is a relook at security features that can be added. And so when we look at the cash that we receive for today's passports, we are putting money aside so that we can continue to upgrade security as we move forward. That is of great concern, and we spend a lot of time investing in that.

Mr. BONNER. I was told to be on time, which I was late yesterday—I didn't show up yesterday, and I was a few minutes late today because we were in Budget all night until 12:30. And I was also told when the Chairwoman says you have 5 minutes, you have 5 minutes and not 4 minutes 59 and not 5.01, so I yield back my remaining amount of time.

SHORTFALL IN CONGRESSIONAL PRINTING

Ms. WASSERMAN SCHULTZ. Thank you very much.

Mr. Tapella, I want to focus a little bit on the congressional printing shortfall, because the deep vein of funding that members seem to like to use as a source for amendments is the printing and binding account. And you have requested an $8.2 million increase. Yet when we reduce that account we sort of say to ourselves, well, we will pay it back later. Your $8.2 million increase is your request to cover the shortfalls in that account from 2007 and 2008. But there is some confusion I think in exactly what that account is for, how it works, and what happens when you have a decrease.

Let's say you do not have enough money to meet the printing costs and we have had an exponential increase in printing needs that we have generated. If we cut the funding for that account, the members I think need to understand what that means and what happens. So what happens if we do not cover Congress's portion of it?

Mr. TAPELLA. If you do not cover Congress's portion, we still print what Congress requests; and it goes into essentially our accounts receivable. Now what happens, we have a revolving fund; and it has a very limited amount of unencumbered cash. And when

Congress does not pay its bill, it means that we cannot invest back at GPO in the items that we need, for example, the Oracle system.

Ms. WASSERMAN SCHULTZ. And why is that? Why does that even matter?

Mr. TAPELLA. Why does that even matter?

Ms. WASSERMAN SCHULTZ. Yeah. What is the answer to "so what"?

Mr. TAPELLA. The answer to "so what" is GPO would stop functioning. You know, if staff do not have computers that they can use, if we cannot pay our postage bill, if we cannot do the normal day-to-day functions that are covered by our retained earnings, GPO will cease to function.

Now, essentially what we are doing is we are covering the shortfall temporarily—and I use the term "temporarily"—out of existing funds. But it means if we cannot make investments, it affects us. Eventually, I guess someday it could affect paying employees as well. Back in February of 2003, GPO did not have enough available cash to meet payroll on the day that we were supposed to. We eventually found it.

Ms. WASSERMAN SCHULTZ. When was this?

Mr. TAPELLA. That was in February of 2003, right back when we joined GPO; and I do not want to be in that situation again.

Ms. WASSERMAN SCHULTZ. Yeah. I ask the question that I know the answer to deliberately because members often use your accounts as a slush fund, because it is difficult to find places to move money in this bill. And members usually move money out of your accounts and think that there is no pain and no impact. And while it is not people, it is just printing, there is a significant impact, and it could be people at some point.

FACILITIES REPAIRS

In that same vein, you have a $17.5 million request next year to maintain and repair your really aging facilities. And I do not know, Mr. Latham, if you have been by. I have not been through GPO——

Mr. LATHAM. I need to.

Ms. WASSERMAN SCHULTZ. Yeah, I do, too.

But I did drive by there; and it looks like a really exciting place to work environmentally. How would you characterize the condition of your main facilities? And, the money that you are asking for, what is it going to be used for in terms of addressing those needs?

Mr. TAPELLA. In terms of our main facility, we have a seven-acre campus five blocks from the Capitol. We have four buildings currently on site: buildings one, two, three, and four. The newest was completed in 1940. The oldest was completed in 1901. We have old elevators. The infrastructure is weak. They were designed at a time when we had nearly 9,000 employees. We are now down to about 2,000 in the metro area.

I am sure there are some environmental issues there. We are doing the best we can to remediate as we identify environmental issues.

Ms. WASSERMAN SCHULTZ. What kind of environmental issues?

Mr. TAPELLA. There has been asbestos, which we mitigated. In fact, the last suite to be mitigated was the Public Printer suite on the eighth floor.

Ms. WASSERMAN SCHULTZ. Thankfully.

Mr. TAPELLA. Thankfully. At one point, we had a smelting factory on site. Our roof leaks.

PLANS FOR A NEW FACILITY

Ms. WASSERMAN SCHULTZ. So in the last 30 seconds that I have, you have a vision for what to do about your facilities that is not just the sort of spit and wax and tape that $17.5 million would use.

Mr. TAPELLA. Correct. I would like to build a new facility on the back lot of GPO. I would like do it in a public-partnership so it does not require any direct appropriations. We would then make available the existing space to a developer to basically tear down to the concrete structure, remediate any of the environmental impacts, and make it available for lease.

In the proposal that I mentioned in my opening statement, we believe that not only is there enough space for GPO, but there could be a considerable amount of space available for the legislative branch should there be a desire to use that space above what we are currently doing in terms of housing some of the Capitol Police and Architect of the Capitol functions.

Ms. WASSERMAN SCHULTZ. Thank you. My time has expired.

Mr. Latham.

PRINTING INK

Mr. LATHAM. Hopefully, we can wrap this up before the votes.

But something—being from Iowa, what kind of ink do you use?

Mr. TAPELLA. What kind of ink do we use? Predominantly soy-based——

Mr. LATHAM. I was hoping. A good answer.

Mr. TAPELLA [continuing]. As mandated by the Federal Government in fact.

Mr. LATHAM. Well, because there is an environmental concern, too, obviously, with waste coming from other types of ink. That was a very good answer.

IMPACT OF A CONTINUING RESOLUTION

The Chair gets tired of my asking this question of every witness, and do not think I am picking on you, but if there is a CR this year, how would that affect you?

Ms. WASSERMAN SCHULTZ. Next time I will just ask the question for you.

Mr. LATHAM. That is okay. I think I have asked everybody we have had.

Ms. WASSERMAN SCHULTZ. Just kidding.

Mr. LATHAM. And, if nothing else, it will stimulate a lot of thought as to what happens in that scenario.

Mr. TAPELLA. You know, that is a good question. And a lot has to do with how busy Congress is this year. Because the more work Congress requests, the more money we need in CP&B. If Congress

is not particularly active, then we are not charging Congress as much.

It also depends on how you structure the continuing resolution and what numbers you use in terms of constructing it. In the last continuing resolution, we were able to hold our own. But, obviously, you see there is a shortfall, or we are projecting a shortfall, for this fiscal year. We are going to project one for next year as well. And that means that we are going to have to hold off investing in a number of projects for GPO as we continue to fund that shortfall.

And then the question becomes, what is our temporary funding and does multi-year count as temporary funding or not? And I do not have the answer to that question.

Mr. LATHAM. Okay. Thank you.

Ms. WASSERMAN SCHULTZ. You are welcome.

Mr. Bonner.

PRINTING PAPER

Mr. BONNER. If Mr. Latham is going to ask what type of ink you use, I guess I should ask, since Alabama is one of the largest timber producers, tell us a little bit about the paper you use and how much is recycled.

Mr. TAPELLA. Actually, in terms of actual recycling—for example, we print the Congressional Record on 40 percent post-consumer waste recycled paper. Other products have at least a minimum recycled content.

When we look at what is actually recycled, let's see, GPO has been recycling wastepaper since 1860.

Mr. BONNER. You were a trendsetter.

Mr. TAPELLA. We were a trendsetter.

Last year, we recycled 1.5 million worth of corrugated materials, which includes, obviously, the boxes and whatnot. In 2007, GPO recycled over 5 million pounds of paper.

Mr. BONNER. And in terms of the nonrecycled paper, do you know is most of it produced in this country? I recently visited a printer in my district, and they were telling me how much cheaper it is to get paper from other countries. And I do not know if that is a part of your budget equation or not.

Mr. TAPELLA. I believe, and I actually have to defer—do you know?

Mr. TURRI. I don't believe we have any.

Mr. TAPELLA. To our knowledge—our Chief Operating Officer, Bill Turri—to our knowledge, we are not importing paper from outside the United States.

Mr. BONNER. I am not saying that is a bad thing. I am just curious.

Mr. TAPELLA. Right. To my knowledge, we are not.

Mr. BONNER. Madam Chair, thank you.

Ms. WASSERMAN SCHULTZ. Thank you very much, Mr. Bonner.

I have two questions I want to get on the record during the meeting, and then I will be finished as well.

EEO ISSUES

I want to talk about the number of discrimination lawsuits and complaints that you have pending now at GPO. Because there have been some recent news articles. I know in the weekly report that you submit you catalogue or indicate the ones that have been added each week.

Obviously discrimination is a very serious accusation and one that should be taken extremely seriously; and I am hopeful that you do. I want to make sure that you are doing everything that you can to not just minimize but prevent discrimination from occurring at your agency.

So, based on the number of pending lawsuits that you are facing—and I think you are at 16 right now, is that correct?

Mr. TAPELLA. Well, there are 16 for this year, yes.

Ms. WASSERMAN SCHULTZ. Just for this year. And what is the total?

Mr. TAPELLA. Actually, when we talk about this, it is a couple of different things.

Ms. WASSERMAN SCHULTZ. Basically, I want to know how big of a problem do you think discriminatory behavior is at GPO and what are you doing to address it?

Mr. TAPELLA. If I may, may I defer to our EEO officer I brought with me, Nadine Elzy?

Ms. WASSERMAN SCHULTZ. Yes.

Mr. TAPELLA. Thank you. Nadine.

Ms. ELZY. Good morning.

Ms. WASSERMAN SCHULTZ. Good morning.

Ms. ELZY. First of all, I want to mention that we do take at GPO—I am personally committed to EEO and to equality—but we do take the complaints very seriously. In fact, I have an open door policy. So that way any employee——

Ms. WASSERMAN SCHULTZ. Can you first answer how many are pending?

Ms. ELZY. We have 16; and then we have an additional 20 that are pending, whether they are Equal Employment——

Ms. WASSERMAN SCHULTZ. Thirty-six.

Ms. ELZY. Right. Equal Employment Opportunity Commission and some other venue.

Ms. WASSERMAN SCHULTZ. That is over what period of time?

Ms. ELZY. Over a period of 5 years.

Ms. WASSERMAN SCHULTZ. Okay.

Ms. ELZY. Because some of the complaints have been either in District Court or at EEOC for a substantial period of time.

Ms. WASSERMAN SCHULTZ. They are in various stages of the process right now?

Ms. ELZY. Yes.

Ms. WASSERMAN SCHULTZ. So how big of a problem? Thirty-six lawsuits——

Ms. ELZY. They are not necessarily lawsuits, they are formal complaints.

Ms. WASSERMAN SCHULTZ. Thirty-six accusations of discrimination that the person felt aggrieved enough to file an actual complaint seems like a lot to me for an agency your size.

Ms. ELZY. I did some reviews last night to see how we look in comparison to other agencies that are similar in our particular size.

The Broadcast Board of Governors has 1,600 employees, and they have 30 complaints for a comparable period of time.

The Equal Employment Opportunity Commission itself for the same period of time had 21.

The Small Business Administration, which is almost our size, had the exact number of complaints.

So I just tried to look at other agencies in the Federal Government who use the same process who had comparable sizes and their complaints.

But I do want to emphasize that a lot of our complaints are resolved even before they get into the formal process, because I do have an open door policy. Our Chief of Staff also allows employees to come to her so they do not even get into the formal process.

Ms. WASSERMAN SCHULTZ. So the policy, beside an open door policy—I mean, what do you do in terms of the environment for your employees to make sure that the variety of diverse employees that you have have a comfort level? And also supervisors in particular do not feel like any type of discriminatory behavior is acceptable and that they realize what discriminatory behavior is?

Ms. ELZY. We have done—last year, every manager and supervisor had to take EEO training so that that way they would become familiar with the process.

Ms. WASSERMAN SCHULTZ. Was that new?

Ms. ELZY. No. It was a core commitment. So everyone had to complete that.

Ms. WASSERMAN SCHULTZ. Okay.

Ms. ELZY. That is one of the things we say as far as taking the issues seriously.

One of the other things that we have done is that we have put out information to employees on our intranet about what the process is so they are familiar with that.

So those are some of the things that we have done.

ENVIRONMENTAL SUSTAINABILITY

Ms. WASSERMAN SCHULTZ. Okay. Thank you.

The other issue I wanted to cover was the environmental steps that you have taken in terms of greening the GPO. I noted the percentage of recycled content in your paper. We are trying to show that the Capitol and the legislative branch is a model for reducing the environmental impact that our operations have. And I know you have made some headway in those areas, but what are your plans going forward to significantly improve that effort? Because, obviously, going from long ago having a smelting operation inside the facility to now, hopefully we have moved a long way.

Mr. TAPELLA. Well, number one, as the chief executive, I have made a stand on it, that sustainable environmental stewardship is important at GPO. Last week, I appointed an executive to be responsible for environmental stewardship.

We are looking at many different things in terms of how we are doing our internal procurements. We are looking at our buildings. And, quite honestly, the most important way for us on the building front is to get into a new, environmentally friendly building. And

I would like it to have LEED Platinum Certification. I would like to reduce the plant paper waste we have for printing the Congressional Record and Federal Register, and that involves switching the type of equipment that we use to produce that equipment.

Ms. WASSERMAN SCHULTZ. Now, are those things you need our assistance with down the road? Are you going to be asking for additional appropriations to move in that direction?

Mr. TAPELLA. I do not anticipate that we would be asking for any additional appropriations for our environmental programs. I believe that it is good business, and I think everything that we are going to be going for will show a payback that will allow us to make those investments out of our retained earnings.

Ms. WASSERMAN SCHULTZ. You think it will improve your bottom line?

Mr. TAPELLA. Absolutely.

ADDITIONAL ASSIGNMENTS FROM THE CHAIR

Ms. WASSERMAN SCHULTZ. Okay. With no other members having questions, just making sure that that is the case, I would like to ask you to do two things——

Mr. TAPELLA. Yes.

Ms. WASSERMAN SCHULTZ [continuing]. Within the next week.

Obviously, it is important that our legislative branch agencies do everything that they can to make sure that there is an environment in the workplace that is free of discrimination and intimidation and that it does not take place in their organizations regardless of whether it is comparable to other agencies of your size. So, with that in mind, I would like GPO to submit a report by next Friday, March 14th, detailing what policies and programs you have in place to make sure discrimination does not occur within your agency. You have outlined it somewhat here, but I think doing it in a public way——

Mr. TAPELLA. Absolutely.

Ms. WASSERMAN SCHULTZ [continuing]. This way sends a message to employees and, in particular, supervisors that it is not a situation that we will tolerate. And that report should include how many active EEO cases there are at GPO, what those cases relate to, the status of those cases, how the number of cases compare to other agencies, and what programs and policies GPO has in place to make sure that discrimination does not occur within your agency.

Mr. TAPELLA. Okay.

Ms. WASSERMAN SCHULTZ. In addition to that, in the area of greening and making a more environmentally friendly environment at GPO, particularly because that is a key way that we can reduce our impact and our carbon footprint in the legislative branch—and I am glad to hear you have taken steps. I again asked a lot of questions I knew the answer to today, but I wanted to get your efforts out in the public arena that you did not necessarily include in your statement.

So I would like you to submit a report by next Friday, March 14th, on what actions you have already taken to reduce your environmental impact, what additional steps you plan to take in the

near future, and how you funded or plan to fund those actions, and what you anticipate the long-term benefits of those actions to be.

Mr. TAPELLA. Okay. Thank you, Madam Chair.

Ms. WASSERMAN SCHULTZ. With that, the subcommittee stands in recess until next Wednesday, March 12th, at 10 a.m., when we will hear from the Directors of CBO, the Office of Compliance, and the Open World Leadership Center on their fiscal year 2009 budget requests. Thank you.

Hearing on the Government Printing Office's FY 2009 Budget Request
March 6, 2008 at 10:00 AM
H-144 Capitol

Additional Assignments from the Chair
Ms. Debbie Wasserman Schultz, Chair

Status of Discrimination Cases

It's important that Legislative Branch agencies do everything they can to make sure employment discrimination does not take place within their organizations. With that in mind, I'd like GPO to submit a report by next Friday, March 14 detailing what policies and programs it has in place to make sure discrimination doesn't occur within the agency. As part of that report, I'd like an explanation of how many active EEO cases there are at GPO, what these cases relate to, the status of each case, how the number of cases compares to other agencies, and what programs and policies GPO has in place to make sure discrimination does not occur within the agency.

Response: GPO is deeply committed to providing a workplace that is free of employment discrimination. The attached documents detail the status of active EEO complaints, list GPO's EEO policies and program initiatives, and compare EEO complaints at GPO to agencies of comparable size that follow the rules and regulations of the EEOC.

Active Discrimination Complaints
From FY 2007 and FY 2008
As Of March 6, 2008

Case No.	Date Filed	Basis(es)	Issue(s)	Status/Disposition
FY 2007 Active Formal Complaints				
07-01	11/03/06	Disability (Physical) and Reprisal	Harassment and T&A	EEOC Hearing Requested 07/23/07.
07-03	12/04/06	Race/Nat'l Origin (Hispanic) and age	Nonselection	EEOC Hearing Requested 08/01/07.
07-05R	02/20/07	Race/Color (Black), Sex (female), Age & Reprisal	Nonselection and Eligibility Determination	EEOC Appeal 09/17/07. Remand 11/29/07. Investigation 01/11/08.
07-07	03/13/07	Race, Religion, Nat'l Origin, Sex, and Age	Nonselection - Eligibility Determination	EEOC Hearing Requested 11/07/07.
07-08	03/22/07	Race (Hispanic), Age (55) and Reprisal	Removed as Firearm Instructor & Discipline	Investigation Completed.
07-09	04/11/07	Reprisal	Assignment of Duties, Overtime, & Harassment	IF/Election Notice Issued 02/21/08.
07-10	05/03/07	Race (Black), Sex (Female), Age & Reprisal	T&A, disciplinary action (Letter), Harassment	IF/Election Notice Issued 02/11/08.
07-12	05/22/07	Disability (Physical), Sex (female) and Age	Failure to promote and denial of Accommodation	Under Investigation 09/19/07.
07-13	05/22/07	Disability (Physical), Sex (female) and Age	Rescind offer -- Apprenticeship Training Program	IF/Election Notice issued 12/27/07.
07-14	05/29/07	Disability (Mental), Sex (F), Race (Blk), Reprisal	WIGI, Leave, LOW, Reassignment, & Harass.	Draft IF Received 02/28/08. Returned for Supplemental Info.
07-15	06/26/07	Sex (Female) & Disability (Physical)	Nonselection	Pending Final Agency Decision.
07-16	07/19/07	Race (White) and Sex (female)	Nonselection	Pending Final Agency Decision.
07-17	07/24/07	Race (Black) and Sex (Male)	Nonselection	EEOC Hearing Requested 12/19/07.
07-18	07/25/07	Sex (Female)	Nonselection	Pending Final Agency Decision.
07-19	07/26/07	Disability (Physical)	Reassignment and Office Space	Under Investigation 01/11/08.
07-21	08/03/07	Race (Black) and Color (Black)	Nonselection	Draft IF Received 02/21/08. Returned for Supplemental Info.
07-23	08/09/07	Sex (male) and Age (59)	Nonselection	EEOC Hearing Requested 12/31/07.
07-24	08/31/07	Sex (female) and Reprisal	T&A and Disparate treatment	Pending Final Agency Decision (Procedural) – Failure to respond.
07-25	08/13/07	Race/Color (Black), Religion, Sex, Age, Reprisal	Denial of Overtime and Verbal Warning	Under Investigation 01/11/08.
07-26	09/18/07	Race (Black), Sex (female), and Age	Office space, assignment of duties and overtime	Under Investigation 01/11/08.
07-27	09/25/07	Race (Black) and Age	Nonselection	Under Investigation 01/11/08.
FY 2008 Active Formal Complaints				
08-01	10/11/07	Disability (P), Race/Color (white), and sex (male)	Verbal reprimand	Partial acceptance 01/28/07.

Active Discrimination Complaints
From FY 2007 and FY 2008
As Of March 6, 2008

Case No.	Date Filed	Basis(es)	Issue(s)	Status/Disposition
08-02	10/16/07	Disability (P) and age (63)	Working conditions and Overtime	Assigned for Investigation 01/11/08.
08-03	12/06/07	Race/Color (Black), sex (female), Age & Reprisal	Tour of Duty	Accepted 02/28/08.
08-04	12/18/07	Race/Color (Black), sex (female) and Reprisal	Nonselection	Accepted 01//04/08.
08-05	01/16/08	Race/Color (Black), sex (m), age, reprisal, religion	Proposed disciplinary action	Acknowledged. Under review for accept/dismiss determination.
08-06	01/17/08	Religion and sex (female)	Harassment	Under review for accept/dismiss determination
08-07	01/29/08	No Basis Identified	Leave and Assignment of Duties	Request for Clarification 02/06/08.
08-08	01/30/08	Disability (P) and Reprisal	Position previously occupied upgraded/filled.	Request for Clarification.
08-09	02/05/08	Disability (P), race (Black, and age	Assignment of Duties	Acknowledged. Under review for accept/dismiss determination.
08-10	02/07/08	Race/Color (Black) and sex (female)	Assignment to an unestablished position	Acknowledged. Under review for accept/dismiss determination.
08-11	02/07/08	Sex (female)	Nonselection	Accepted 03/10/08.
08-12	02/11/08	Race/Color (Black) and age	Nonselection	Acknowledged. Under review for accept/dismiss determination.
08-13	02/14/08	Race/Color (Black)	Working conditions	Acknowledged. Under review for accept/dismiss determination.
08-14	02/15/08	Race/Color (Black) and age	Nonselection	Acknowledged. Under review for accept/dismiss determination.
08-15	02/15/08	Race (African American) and sex (male)	Reprimand and harassment (non sexual)	Acknowledged. Under review for accept/dismiss determination.
08-16	02/25/08	Race (Black)	Deemed ineligible for a position.	Acknowledged. Under review for accept/dismiss determination.

U.S. Government Printing Office

Equal Employment Opportunity

Policies and Program Initiatives

- In FY 2007, GPO made the attendance at EEO training mandatory for all supervisory employees. The GPO recognizes that it is critical for all supervisors, managers, and executive level staff to be knowledgeable about EEO. As a result, this was included as one of GPO's core commitments.

- During new employee orientation, new entrants are briefed on the various policies related to EEO and are provided a copy of the policies related to Procedures for Processing EEO Discrimination Complaints, Prevention of Sexual Harassment and Procedures for Processing Request for Reasonable Accommodation.

- The Procedures for Processing EEO Complaints is being revised to streamline the various processing procedures into one Directive.

- The GPO will be implementing an initiative to provide web-based EEO training. Completion of this training will be mandatory for all employees.

- To ensure that EEO Counselors are properly trained, in addition to the mandatory 32-hour initial training provided to all EEO Counselors, and the required 8 hours thereafter, the GPO provides ongoing training to our cadre of EEO Counselors to further develop their skills in complaints resolution.

- Informational material on various aspects of the EEO Program is maintained on the intranet for access by all employees. This website is constantly updated to include new information.

- EEO staff takes informal steps to resolve workplace disputes even when the allegations do not fall under the purview of EEO statutes (such as Title VII, Americans with Disabilities Act, Age Discrimination in Employment Act, etc).

Federal Agencies of Similar Size Which Follow EEOC Rules and Regulations (FY2006)

	Employment Size	For mal EEO Complaints
Government Printing Office	2189	38
Broadcast Board of Governors	1642	30
EEOC	2088	21
National Archives	2639	18
Small Business Administration	2454	38

Environmental Improvements

Running a more environmentally-friendly operation is a key way GPO can contribute to the greening efforts going on throughout the Legislative Branch. I'm glad to hear the agency is already moving in that direction and would like to hear more about your plans for the future. With that in mind, I would like GPO to submit a report by next Friday, March 14th on what actions it has already taken to reduce its environmental impact, what additional steps it plans to take in the near future, how it has funded or plans to fund these actions, and what it anticipates the long-term benefits of these actions to be.

Response: GPO has implemented several initiatives over the years regarding paper consumption, petroleum products utilization, energy expenditures, emissions, and other areas that have reduced our footprint on the environment, and we are developing additional plans to continue this direction well into the future.

I have appointed an Associate Chief of Staff for GPO's Strategic Environmental Programs. This officer will develop and expand programs that include recycling, reducing energy consumption, reducing GPO's carbon footprint, and providing Federal customers with environmental printing alternatives. She will also work with industry leaders to create a certificate program for more environmentally responsible paper for use by Federal agencies, and advise me on ways to move GPO into a new facility that has a "green building certification."

Along GPO's continuum towards a reduced environmental footprint, our challenge rests with moving from our current buildings, which are too large and too antiquated, to an appropriately sized structure. I would like to see GPO move into a new facility with LEED platinum certification - a green building rating system.

GPO has been recycling for over 100 years. In FY 2007 alone, GPO recycled over 5 million pounds of paper, 99,000 pounds of non-ferrous metals, 108,000 pounds of ferrous metals, and 1.5 million pounds of corrugated materials. Other recycled materials include aluminum, silver, photographic film, phototypesetting paper, empty paint cans, 55-gallon metal drums, plastic drums, wooden pallets, CD's, floppy disks, and video cassettes. These programs are supported by the cost recovery rates applied to our printed products and from the revenue we realize from the recycled products. In FY2007 GPO's recycled goods revenue was $808,000.

GPO can finance virtually all of these improvements through its revolving fund. However, GPO used appropriated funds in 2002 for the replacement of chillers, cooling tower retrofitting, and upgrades to its interior and exterior lighting to increase energy efficiency. We are currently discussing another energy audit in a continuing effort to discover ways to continue to increase our building efficiencies.

A 2007 GAO Legislative Branch energy audit report indicated that over the past six years, GPO has decreased greenhouse gas emissions by 28%, lowering its overall legislative branch contribution to 7%. Some of this attributable to a reduction in staffing levels while a portion can be contributed to GPO's goal-sharing program. This program provides incentives to our employees to reduce energy consumption by splitting the cost savings realized by these efforts with our employees. For example, in FY2006 GPO's energy savings totaled $558,604 for an award amount of roughly $126 per employee.

GPO has been a major consumer of papers made with postconsumer waste recycled fiber for more than 15 years. The majority of the papers utilized by GPO's inplant operations are recycled, with some—including the paper used for the Congressional Record and Federal Register—containing 40% postconsumer waste content. GPO's printing procurement contracts, under which we buy between $400 million and $500 million worth of printing annually on behalf of the Government, have standard clauses requiring the use of recycled paper. GPO is a major supplier of recycled copier paper to Federal agencies in the National Capital region, and for more than a decade has worked with the Office of the Federal Environmental Executive to monitor its use governmentwide in compliance with Federal law and executive orders. By law GPO sets standards for Federal printing papers and used this authority to include recycled requirements in the paper standards.

Last year, GPO implemented a chemical free water treatment system for cooling our water towers. This system employs an anode/cathode reaction that maintains better water quality than traditional chemicals. Aside from the obvious environmental benefits, GPO no longer spends $37,000 per year in chemicals and we no longer endure the hazards of handling and storing these chemicals on site. In addition to saving on chemicals, the new system forces solids to precipitate in a designated area, so they can be removed with much less water loss. It is estimated that we saved 1.6 million gallons of water last year which equates to approximately $8,600 per year in savings.

This year, the Environmental Protection Agency downgraded GPO from a Large Quantity Generator of Hazardous wastes to a small quantity generator. This was due to the long term efforts of our plant operations staff to use more environmentally friendly inks, such as vegetable-oil based inks, in compliance with the Vegetable Oil Printing Act of 1994 (which GPO strongly supported), and more recently changing the solvents that we use to clean our presses.

This month, GPO's IT department completed a server upgrade to provide faster and more consistent search results for our Government document servers. This modification eliminated twenty-two (22) servers and reducing our energy consumption by 60%. All components of the retired servers will be recycled or used for parts within our current operation.

GPO is implementing virtualization technology throughout our IT systems. Virtualization offers us the ability to share a single physical server to house application images and multiple operating systems. This will further reduce our IT energy consumption and footprint by 65% upon complete installation. GPO is also adopting Microsoft applications that better reduce paper waste and individual desktop energy consumption.

Another GPO initiative in research is a paper separation system. Currently GPO co-mingles all paper waste into a single waste stream. We combine coated paper, uncoated white and colors, and newsprint. The resulting mixture is baled and sold as mixed paper for about $26.50 per ton. An environmentally and financially desirable alternative to this practice would be to install a system that would allow operators to dispose of the different types of paper at separate drop off points. One station would be for newsprint, one for uncoated free sheet, and one for mixed papers. The benefits of this program, after a consecutive two to three year return on investment period, would be to extend the usage of the waster paper and increase revenue from it. To illustrate, recent waste paper prices published in the US Paper Recycling Index were about $104 per ton for sorted office paper and $266 per ton for white ledger paper.

GPO is also researching a solvent recovery system to regenerate cleaning solvents in order to re-use them on our presses. Currently we purchase about 125 drums (55 gallons each) of blanket wash each year for use on the presses. Each drum costs about $500 to purchase and about $150 to send to a disposal site. Implementation of a solvent recovery system would reduce our purchases by about 90% and our waste hauling by about the same amount. GPO is investigating both

filtration and distillation type systems currently being used in other government printing facilities.

GPO's ongoing transformation to a digital platform, based on the development of GPO's Federal Digital System and associated systems, is a predominant sustainability initiative. It will allow and to move away from information product service provision based on traditional printing (and the carbon footprint that entails), to service provision that reduces traditional modes of resource and energy consumption, and which makes other energy efficiencies, including the move to a new facility, possible.

Under my administration, GPO's business will be conducted in an environmentally, economically, and fiscally sound as well as an integrated, continuously improving, efficient, and sustainable manner. It has been this valued institution's way and will continue to be so in the future.

Hearing on the Government Printing Office's FY 2009 Budget Request
March 6, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record
Ms. Debbie Wasserman Schultz, Chair

Federal Digital System

About $21 million of GPO's requested increase is directly related to the establishment and operation of the Federal Digital System (FDSys), a digital repository for all Federal documents scheduled for release later this year.

Question: What are FDSys' major milestones going forward?

Response: Good progress has been made on FDsys since the integrator contract was awarded in August of 2006. In 2007 the FDsys team completed a pilot version of FDsys that has been extremely valuable in demonstrating the future capability of FDsys, once a production version is completed. This pilot also proved to be very valuable in working with GPO employees, customer agencies, the library community, and Congress to validate that FDsys features were correctly defined. This validation helps ensure that production versions of FDsys will meet expectations.

The team is now working on the detailed design for the first production version of FDsys which is due to be completed late this year. The next major milestone on this project is the completion of the detailed system design, which is targeted for June. After the design is complete we will begin system development, which will lead to user testing late this year, followed by the production release.

Question: How important is it that you receive the appropriated funds you've requested for FDSys this year?

Response: Current program funding will carry us through the end of September. If additional funding is not received, we will not be able to complete the first production release. Furthermore, if we need to dismantle the contracted development team while we await securing additional funding, we will incur a significant delay in delivering a production version. This delay will be the result of losing the highly skilled and trained staff that has been built over the last few

years. Reassembling a capable team to complete the first production version of FDsys will likely take a year or more, delaying the first production version until sometime in 2010.

Question: What would be the impact on the project and on GPO overall if you don't receive the requested funds?

Response: Aside from the schedule impact outlined above, there will also be a large impact on the communities that FDsys is intended to serve. This system will provide new and improved tools to access authentic Federal publications online. The current system, *GPO Access*, is now very dated and contains access tools (e.g., search) that are difficult to use. The first production version of FDsys includes a replacement to *GPO Access*. The depository library community is anxiously awaiting the completion of this version of FDsys and has been a key part in developing FDsys specifications. They are looking forward to new and improved tools to aid them in accurately finding information in Federal publications. Delaying a replacement for *GPO Access* will be viewed very poorly by our partner library community and by the Federal agencies that rely upon GPO to provide permanent public access to their electronic documents.

Additionally, the FDsys team has worked very closely with the House and Senate to develop system specifications to better meet their needs for submitting and tracking congressional printing jobs. Processes used to submit and track print jobs today are slow and at times difficult to use. FDsys is providing more automated tools to help streamline processes for job ordering and tracking, which will help reduce the processing burden for the congressional support staff.

Similarly, Federal agencies have been working closely with GPO to develop new and improved print ordering and job tracking processes. Some of the large and more advanced agencies are now starting to develop their internal work processes in anticipation of FDsys. Delays in FDsys will impact GPO's ability to effectively serve agencies to provide their printing and publishing need and, impact our ability to capture digital versions of published documents which is a key element in our ability to make these publications permanently available.

Digital Transformation

In recent years, GPO has been transforming itself from a traditional printing factory to a state-of-the-art digital business.

Question: How far along is GPO in its digital transformation efforts and what more do you hope to achieve in the coming years?

Response: GPO is in a transformation from a print-centric environment to a content-centric environment, in which digital content may be created and submitted, and then be preserved, authenticated, managed and delivered upon request. Today authors begin the content creation process at their personal computers. Publishing a digital document on the Web means there often is no print version produced to make its way to a user's hands or a library's shelves. So pervasive and common has this publishing strategy become that most Federal Government documents are now born digital, published to the Web, and may never be printed or made available for access by the GPO.

This is the challenge for the GPO. While printing will not disappear in our lifetime, its role in our lives and in the lives of the GPO's customers in the Government and among the public has been changed forever. Today's digital technologies have enabled a convergence of digital preservation and expanded public access, unfettered by hour or location.

A critical part of GPO's mission, Keeping America Informed, is to ensure permanent access to published Government documents. In order to provide this access, GPO is developing a digital content system capable of managing all known Federal Government documents within the scope of GPO's Federal Depository Library Program and other information dissemination programs. GPO's Federal Digital System (FDsys) is a cradle-to-grave content management system which incorporates state-of-the-art thinking on document authentication and digital preservation.

While FDsys will include all known Federal Government documents within the scope of GPO's Federal Depository Library Program, staff are also working to modify GPO's existing services to meet the needs of our customers and the digital world. In this, GPO is in the process of developing further modernization improvements required for our infrastructure needs in regard to data storage. Work in this regard increases yearly with the release of more and more electronic online content. Additionally, strides are being made to modernize online mainframe-based applications, such as ones utilized to assist depository libraries in maintaining their collections.

GPO has also begun implementing digital signatures to certain electronic documents on *GPO Access* that not only establish GPO as the trusted information disseminator, but also provide the assurance that an electronic document has not been altered since GPO disseminated it. The visible digital signatures on online PDF documents serve the same purpose as handwritten signatures or traditional wax seals on printed documents. Thus far, GPO has digitally signed the PDF files for the Fiscal Year 2009 *Budget of the United States Government* on *GPO Access* as well as the public and private Laws for the 110th Congress. GPO staff are working toward the authentication of more GPO online resources.

GPO staff have also implemented a state-of-the-art Integrated Library System (ILS) with the overall goal of providing access to bibliographic records of Federal Government publications, many containing links to the electronic version of the publication, by depositories and the public, as well as the use of the system's power and capabilities to provide needed services. The goal is also to streamline workflow and internal activities in support of the FDLP, and to reduce use of and dependency on legacy systems. The newly enhanced online *Catalog of Government Publications* (CGP) is an index of public documents from all three branches of the Federal Government, currently covering 1976 forward. In the online information environment, the new CGP is essential to GPO's core mission of ensuring that the American public has access to Federal Government information. The enhanced CGP is a component of a modernization plan to replace older legacy systems with GPO's state-of-the-art ILS.

FDsys will automate many content lifecycle processes and make it easier to deliver digital content in formats suited to customers' needs. Federal content creators will create and submit content to FDsys to be preserved, authenticated, managed and delivered upon request. Content will be available for Web searching and Internet viewing, downloading and printing, and as document masters for conventional and on-demand printing, or other dissemination methods. Content may include text and associated graphics, whether published in print or born digital, video, audio and other forms that emerge.

The FDsys capabilities will be deployed in a series of releases. An internal release of FDsys as a proof-of-concept was completed in September 2007. It supports FDsys formal and informal beta testing. The FDsys proof-of-concept version was released to limited internal and external audiences to ensure that the foundation for FDsys is operating as expected. FDsys is targeted to become available to agencies and the public in late 2008 beginning a process of incremental releases. Each release will add more functionality to the previous one. Completion of the first

public release will provide all of FDsys' core capabilities, including such foundational elements as the system infrastructure and security and building a digital repository that conforms to the OAIS reference model and enables the management of content and metadata. This release will replace the familiar WAIS-based *GPO Access* in use since 1994 with enhanced search and retrieval functionality.

Question: What's been the impact of this transformation on your bottom line?

Response: Over the past four years, GPO's bottom line from operations has increased from a loss of $34.6 million in FY 2003, to net income of $87.7 million in FY 2007 (excludes adjustments in GPO's long-term workers' compensation liability). Part of this improved performance can be attributed to operational efficiencies achieved because of the digital transformation and is evidenced by the reduction in headcount at the GPO from over 3,000 in FY 2003 to a little over 2,300 today.

Question: What training are you providing to your workforce to make sure they aren't left behind during this transformation?

Response: There are a wide range of training initiatives that are currently in place that are designed to ensure that all of our employees are well equipped for our continual transformation. We offer a new comprehensive career services program that includes voluntary skills assessments, job interest inventories, and assistance with resume writing and interviewing skills. We provide one-on-one counseling for employees with a focus on career decisions and training opportunities. There is a newly redesigned 4 year apprentice program for the training of our employees into the areas of pre-press, press and binding. We are providing new training programs to current printing craft employees on a range of topics related to changing technologies and processes. We are in the process of implementing an agency-wide Individual Development Plan Policy that will ensure that training plans will be developed for all employees who are interested in receiving training. There is a new 2-year Leadership Development Program for employees with a focus on rotational assignments, mentoring, and team projects that have agency-wide impact. We are rolling out our new e-learning program which provides an extensive array of courses that will be available to all employees. We are also reviewing and improving our course offerings for safety, health, environmental, and emergency preparedness.

Financial Situation

GPO's finances have improved over the course of the past few years and overall revenues are now higher than they've been for more than a decade.

Question: What accounts for GPO's improved financial situation?

Response: The improvement is primarily the result of increased demand for passports and increased efficiency in operations. Total revenue from passport production increased to $241.5 million in FY 2007, from $37.9 million in the previous year. Total passports produced increased to 20.6 million in FY 2007, from 12.7 million in FY 2006. About 70% of the passports produced during FY 2007 were the new e-passports introduced last year. GPO has reduced headcount from over 3,000 employees five years ago to a little over 2,300 today.

Question: Will the increases included in your FY 2009 request help continue the improvement in GPO's financial situation?

Response: Yes, the increases requested will enable us to continue with the systems and infrastructure investments that will be necessary to sustain our operations into the future. They will result in increased efficiency and improved services.

Question: As a basis for comparison, how much of your annual budget comes from appropriated funds?

Response: About 15% of GPO's annual budget comes from appropriated funds.

Workplace Safety

Workplace injuries are going to happen at industrial facilities, but actions can be taken to make them as safe as possible for employees. With that in mind, I'd like to hear how GPO is doing in terms of workplace safety.

Question: What actions has GPO taken to make its workplace as safe an environment as possible?

Response: GPO has taken a number of actions that have helped ensure as safe a work environment as possible. We have increased employee involvement in the prevention of accidents and injuries by placing a renewed emphasis on labor-

management safety and health committees and by placing an accident prevention incentive in our agency goal sharing program that pays out cash to employee if they successfully reduce injuries. We have instituted an accident prevention program that requires that every accident be investigated by a trained safety professional and we have established an annual inspection program that ensures that every area of GPO will be inspected at least once a year. We have developed a new occupant emergency plan that provides a clear set of procedures for any probable emergency. We have improved the qualifications of the Safety Office through the recruitment of new personnel and we have instituted a comprehensive risk management approach to safety, fire, and environmental risks.

Question: How many injuries do you average on an annual basis?

Response: Our injury rate in fiscal year 2003 was 8.23 accidents per 100 employees. At the end of fiscal year 2007, our injury rate was 3.94, a reduction that is slightly above 50%, as shown by the following data:

Fiscal Year	Total Injuries	Total Rate
1998	318	9.16
1999	255	7.74
2000	267	8.41
2001	221	7.2
2002	246	8.23
2003	244	8.23
2004	187	7.37
2005	136	5.27
2006	116	5.04
2007	88	3.94
2008 (1st Quarter)	17	0.76

The above information is the injury rate for GPO for last ten years.

Question: How serious do these injuries tend to be?

Response: The majority of our injuries are minor in nature. As indicated by the data below our sick/injured administrative (SIA) costs and the number of hours

used for injuries by our employees have been reduced substantially since fiscal year 2003 (17,473 hours to 5,516 hours). This is a key indicator of a substantial reduction in the severity of injuries as employees are using significantly less time away from the job.

Year	2000	2001	2002	2003
Employees	165	167	216	180
Hours	17823	14404	17458	17473
Workdays	2,227.00	1,800.00	2,182.00	2,184.00
Dollars	$394,226.00	$317,358.00	$385,782.00	$403,290.00

Year	2004	2005	2006	2007
Employees	108	98	91	65
Hours	8254	6,855	8085	5516
Workdays	1,031.00	857.00	944.00	690.00
Dollars	$188,078.00	$150,914.00	$200,379.00	$130,757.00

Question: How are you doing so far this year?

Response: So far this year we are continuing to see the improved trend in the reduction of SIA costs:

- First quarter injury/illness number - GPO's number is 17, which results in an injury rate of 0.76 for the first quarter. This is nine (9) injury/illness less than our first quarter number for FY 2007.

- SIA – FY 2008 costs through January 2008 are $15,862, which is approximately $29,558 less than fiscal year 2007 for the same time period, as shown by the following data:

GPO FY **2007** **SIA** Costs (Oct-Jan)	GPO FY **2008** **SIA** Costs (0ct-Jan)
$7,174.00	$1,604.00
$13,259.00	$2,459.00
$13,134.17	$5,473.00
$11,880.00	$6,325.00

Question: What's the trend over the past 10 years?

Response: As shown in the chart and accompanying data (above), the trend for both the number of injuries and the severity of injuries (as measured by SIA costs) continues to be reduced. With the addition of a new Safety Officer and an increased emphasis on safety we have seen a recent increase in the reporting of injuries, many of which are minor in nature and result in no lost time.

Hearing on the Government Printing Office's FY 2009 Budget Request
March 6, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record
Ms. Barbara Lee

Contracting Policy for Women and Minority-Owned Businesses

I believe it is crucial that the nation's Capitol serve as a model for all Federal Agencies as well as every business in America when it comes to a truly inclusive contracting policy for women and minority owned businesses. This committee required that all Legislative Agencies develop written policies regarding minority, women and small business contracting.

Question: In preparation of tracking the impact of these new written guidelines, can the GPO report back to the committee on the number of women and minority owned businesses which currently hold contracts with the GPO and all its divisions?

Response: GPO annually procures between $400 and $500 million worth of printing on behalf of Federal agencies, under the authority of 44 U.S.C. 502, pursuant to contracts made by the Public Printer with the approval of the Joint Committee on Printing (JCP). We also acquire a significant quantity of goods and services, with projected annual expenses of about $190 million (around half of which is for passport-related materials) in addition to averaging about $10 million annually for capital investments.

We procure printing and other goods and services under regulations we have adopted that are consistent with our authorizing statutes in Title 44 of the U.S. Code, and other Federal procurement laws and regulations that are applicable to GPO as an agency of the legislative branch. GPO generally awards contracts based on competition to the lowest, most responsive and responsible bidder.

In the past decade, there was a requirement in the Defense Authorization Act for FY 1989, P.L. 100-456 (codified as a note to 44 U.S.C. 502), for the Public Printer to carry out a test program for awarding up to 5% of the value of DOD printing procurements to small disadvantaged businesses (as defined by 10 U.S.C. 2323(a)).

We met this requirement successfully each year until the program was sunsetted by law in 2000.

A key reason that our SDB program operated successfully is the significant presence of women- and minority-owned firms in the printing industry. The Census Bureau's statistics for women-owned businesses defined as "printing and related support activities" for 2002 (the most recent data available) shows 6,650 firms with 57,700 paid employees; for Black-owned firms the comparable data are 360 firms with 2,300 paid employees; the Bureau also gathers data for Hispanic and other minority-owned printing businesses.

GPO's master bid list for printing procurements currently lists more than 12,000 printing firms nationwide, and annually we award printing contracts to 2,500-3,000 firms. While data on the number of printing vendors on the master bid list and among the awardees that are women- and minority-owned currently is not entirely reliable because GPO requests but does not require vendors to provide information on gender/race/ethnicity of ownership, it is already clear that such firms are participating regularly in GPO's printing procurement program, and at least one such firm is perennially among GPO's top 10 printing contractors. Where the procurement of goods and services other than printing is concerned, there are significant opportunities for participation by women- and minority-owned firms, with some degree of participation no doubt already occurring.

To implement the requirement of H. Rpt. 110-198, we have issued a GPO directive (written policy) establishing an affirmative outreach effort to publicize the opportunities to compete for GPO contracts for printing and other goods and services to women- and minority-owned businesses. This policy will be geared to providing information on opportunities to compete for these communities. The directive will be carried out by the GPO official formerly responsible for our SDB program. Working with our printing procurement and acquisition areas, he will identify firms, provide information, attend business fairs and similar forums for outreach, and implement related measures including improved reporting on the ownership of the firms receiving GPO contracts. He will oversee the implementation of tracking systems to accurately measure participation by women- and minority-owned businesses in GPO's contracting opportunities and provide annual reporting on this participation. In addition to fulfilling the requirement of H. Rpt. 110-198, expanding competition for GPO contracts for printing and other goods and services can result in lower prices and more efficient allocation of taxpayer-supported resources.

Question: Additionally I would request that the GPO provide for this committee the racial and ethnic make up of the GPO staff, in total and broken down by division and broken down by pay grade and seniority within those divisions.

I think it is important so that this committee can have a baseline reference as we move all Legislative Branch Agencies forward on hiring and contracting in the 21st century.

Response: See document that follows.

GOVERNMENT PRINTING OFFICE

WHITE & BLUE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
WHITE COLLAR WORKFORCE													
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
SLS	26	23	3	22	1		2	1					
15	79	56	23	42	12	11	6	1		1	5	1	
14	95	60	35	46	24	8	10	3	1	3			
13	207	108	99	69	54	28	39	2	1	8	4	1	1
12	303	128	175	79	72	45	91		2	4	8		2
11	80	28	52	17	12	9	38	2	1		1		
10	4	1	3				3	1					
9	77	20	57	10	13	9	43			1			1
8	15	1	14		2	1	12						
7	95	15	80	8	19	6	56	1	3		2		
6	60	12	48	2	7	8	40	1	1	1			
5	91	49	42	13	10	31	29	5	3				
4	13	4	9	2	6	2	3						
3	8	4	4	2	2	4							
2	4	3	1	1	1	2							
0	6	4	2	2	2	1				1			
Subtotal	1163	518	645	315	237	165	372	17	12	19	20	2	4
BLUE COLLAR WORKFORCE													
Subtotal	1100	789	311	296	57	473	250	9		7	4	4	
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

OFFICE OF THE PUBLIC PRINTER

WHITE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
SLS	4	4		4									
15	4	3	1	2	1			1					
14													
13	3	1	2	1	1		1						
12	2	2		2									
11													
10													
9													
8													
7	1		1				1						
6													
5													
4													
3													
TOTAL #	14	10	4	9	2		2	1					
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

OFFICE OF INFORMATION TECHNOLOGY & SYSTEMS

WHITE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
SLS	3	3		2		1							
15	16	11	5	7	2	2	2			1	1	1	
14	16	11	5	6	3	3	2			2			
13	55	34	21	22	15	8	5	2		1	1	1	
12	25	13	12	5	4	6	6			2	2		
11	3	1	2		1	1	1						
9	5	1	4			1	4						
7	1		1				1						
6	2	1	1			1	1						
5	2	1	1			1	1						
4	1	1		1									
TOTAL #	129	77	52	43	25	24	23	2		6	4	2	
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

OFFICE OF ACQUISITIONS

WHITE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
SLS	1	1		1									
15	2	1	1			1	1						
14	2	1	1	1			1						
13	2	1	1			1	1						
12	7		7		1		6						
11	1		1				1						
9	2		2		1		1						
7	4		4				4						
6	1		1		1								
5	2	2				2							
TOTAL #	24	6	18	2	3	4	15						
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

OFFICE OF EQUAL EMPLOYMENT OPPORTUNITY

WHITE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
SLS	1		1				1						
14	1		1						1				
13	1		1				1						
11	1		1				1						
9	3		3		1		2						
TOTAL #	7		7		1		5		1				
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

OFFICE OF THE GENERAL COUNSEL

WHITE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
SLS	3	3		3									
15	2	1	1	1	1								
14	2	1	1	1			1						
12	2		2		2								
7	1		1				1						
TOTAL #	10	5	5	5	3		2						
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

OFFICE OF HUMAN CAPITAL

WHITE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
SLS	2	2		1				1					
15	9	8	1	5		3	1						
14	7	5	2	3	2	2							
13	13	5	8	2	3	3	4		1				
12	19	10	9	7	2	3	7						
11	7		7				7						
9	18	8	10	4	2	3	8			1			
8	2		2				2						
7	14	4	10	1	2	2	7	1			1		
6	4	2	2			2	2						
5	24	21	3	2		18	3	1					
4	3	1	2			1	2						
2	2	1	1		1	1							
0	5	3	2	1	2	1				1			
TOTAL #	129	70	59	26	14	39	43	3	1	2	1		
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

CUSTOMER SERVICES & DIGITAL MEDIA

WHITE & BLUE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
WHITE COLLAR WORKFORCE													
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
SLS	2	1	1	1			1						
15	14	8	6	7	4	1	1				1		
14	22	14	8	12	6	1	2	1					
13	49	22	27	14	17	5	9			3			1
12	120	50	70	34	32	16	33		2		2		1
11	28	15	13	9	5	5	7	1	1				
9	10	1	9	1	1		7						1
8	4		4				4						
7	34	6	28	4	10	2	17				1		
6	13	2	11			2	10		1				
5	12	3	9	2			9	1					
4	3		3		2		1						
3	1		1		1								
Subtotal	312	122	190	84	78	32	101	3	4	3	4		3
BLUE COLLAR WORKFORCE													
Subtotal	49	24	25	6	6	18	19						
TOTAL #	361	146	215	90	84	50	120	3	4	3	4		3
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

INFORMATION DISSEMINATION

WHITE & BLUE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
WHITE COLLAR WORKFORCE													
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
15	6	3	3	3	2		1						
14	16	8	8	6	7	1	1	1					
13	18	7	11	5	8	1	3			1			
12	47	16	31	12	12	3	16			1	3		
11	14	2	12	1	2		10	1					
10	2	1	1				1	1					
9	18	3	15	1	1	2	14						
7	10	1	9	1	2		4		3				
6	16	3	13	1	5	1	8	1					
5	25	11	14	6	8	2	3	3	3				
4	2	1	1		1	1							
Subtotal	174	56	118	36	48	11	61	7	6	2	3		
BLUE COLLAR WORKFORCE													
Subtotal	28	20	8	2	1	15	7	3					
TOTAL #	202	76	126	38	49	26	68	10	6	2	3		
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

OFFICE OF THE CHIEF OF STAFF

WHITE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
SLS	3	2	1	2	1								
15	2	2		1		1							
9	1	1		1									
7	2		2		1		1						
TOTAL #	8	5	3	4	2	1	1						
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

OFFICE OF INSPECTOR GENERAL

WHITE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
15	4	4		4									
14	7	6	1	6			1						
13	5	2	3	1	1	1	2						
12	2	1	1	1			1						
11	1		1				1						
9	1	1				1							
6	2		2				2						
0	1	1		1									
TOTAL #	23	15	8	13	1	2	7						
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

PLANT OPERATIONS

WHITE & BLUE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
WHITE COLLAR WORKFORCE													
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
SLS	4	4		4									
15	14	12	2	9	1	3					1		
14	16	13	3	11	2		1	1		1			
13	32	26	6	16	4	7	2			3			
12	51	27	24	13	14	13	10			1			
11	16	10	6	7	3	3	3						
9	13	2	11	1	6	1	5						
8	5	1	4		2	1	2						
7	13	3	10	2	3	1	7						
6	7	2	5	1	1	1	4						
5	19	7	12	2	1	5	11						
4	1		1		1								
3	6	5	1	1	1	4							
2	2	2		1		1							
Subtotal	199	114	85	68	39	40	45	1		5	1		
BLUE COLLAR WORKFORCE													
Subtotal	1021	743	278	288	50	438	224	6		7	4	4	
TOTAL #	1220	857	363	356	89	478	269	7		12	5	4	
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

OFFICE OF FINANCE AND ADMINSTRATION

WHITE & BLUE COLLAR WORKFORCE PROFILE BY GRADE, RACE & SEX

(As of January 28, 2008)

Grade	Total Employees			White		Black		Hispanic		Asian / Pacific Islander		American Indian	
	All	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
SLS	3	3		3									
15	6	3	3	3	1						2		
14	7	2	5	1	4	1	1						
13	29	10	19	8	5	2	11				3		
12	28	9	19	5	5	4	12				1		1
11	9		9		1		7				1		
10	2		2				2						
9	6	3	3	2	1	1	2						
8	4		4				4						
7	15	1	14		1	1	13						
6	15	2	13			1	13			1			
5	7	4	3	1	1	3	2						
4	3	1	2	1	2								
3	1	1		1									
Subtotal	135	39	96	25	21	13	67			1	7		1
BLUE COLLAR WORKFORCE													
Subtotal	2	2				2							
TOTAL #	137	41	96	25	21	15	67			1	7		1
GPO #	2263	1307	956	610	294	639	622	26	12	26	24	6	4

Source: Office of Human Capital/Government Printing Office

Hearing on the Government Printing Office's FY 2009 Budget Request
March 6, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record
Mr. Tom Udall

Printing of the Congressional Record

In the budget justification, you mention that approximately 4,759 copies of the Congressional Record are printed daily, with 3,285 copies charged to the Congressional Printing and Binding Appropriation and the remaining delivered and charged to Government departments on requisitions and to the Superintendent of Documents for sale to subscribers. I believe approximately $24 million will be spent to process the 29,000 pages in FY09.

Question. How is it determined how many copies will be delivered to the Superintendent of Documents for sale?

Response: The Superintendent of Documents Publication and Information Sales business unit has an acquisitions process in place. This process is based upon established Superintendent of Documents policy in accordance with the requirements of 44 U.S.C.

In general, publication and subscription inventories are managed to support a six-month forecasted sales demand. All requisitions are from sources authorized by the Joint Committee on Printing, the Customer Service Department, and the Printing Procurement Department. The business unit is responsible for determining the number of copies GPO will "ride" through agency print orders that come in through GPO's Customer Service organization for distribution and sale to the public. To facilitate this process, a committee meets within this business unit and evaluates each and every publication as well as the quantity to ride based upon a number of criteria pertaining to forecasted demand, historical sales, the sales of similar or comparable publications, the cost of printing, and the overall goal of the Sales Program to operate on a self-sustaining basis.

The Congressional Record is sold primarily by subscription. The Sales Program orders copies based on number of current subscribers. Multiple renewal notices are sent out reminding subscribers to re-subscribe.

Question. Have you seen the amount of subscribers and sales decrease as the use of *GPO Access* becomes more prevalent?

Response: The number of Congressional Records printed daily at the beginning of 1995 (roughly about the time THOMAS and *GPO Access* began providing free access to online copies of the Record) was about 18,000, of which 8,000 were copies designated by Representatives to be sent to public agencies and institutions in their districts. That distribution was ended by the House in the 104th Congress, leaving the daily run at about 10,000. Today, we produce less than 5,000 per day, so the reduction has been about 50% since the inception of free access to the online Record.

Sales figures reflect this printing trend. The high number of paid subscribers for some of the past several years was:

1995 = 2368
1997 = 1368
2004 = 677
2005 = 349
2006 = 513
2007 = 430
2008 = 415

Question. Do you see the number of printed copies of the Congressional Record declining as use of the Internet and digital technology increases?

Response: While we may see a slowing downward trend, the major reduction occurred between 1995 and 1997, shortly after the Congressional Record first was provided free online. Remaining subscribers appear to prefer printed copies, and are more reluctant to abandon them.

Tangible-Only Depository Titles

You mention that in FY07, six percent of depository titles were tangible-only, with no electronic equivalent.

Question. Why do these not have an electronic equivalent? Do you see this number reducing or do you expect that there will always be a percentage of documents that will not have an electronic copy available?

Response: Producing an electronic equivalent to a title is an action that occurs at the discretion of the issuing Federal agency. Based on the agency's decision or timeline, certain titles are deemed appropriate for tangible dissemination only. In striving to meet the needs of its customers, GPO recognizes certain titles as "essential" and partners with the library community to make them available. Additionally, GPO recognizes the critical need to assure that certain information is made widely available for permanent public access and to exercise authority control to ensure the integrity of the information.

While GPO is actively engaging in a transition to an electronic environment and the transformation to an electronic program, reducing the number of tangible-only titles would be a decision that would reside with the individual agencies, on a title-to-title basis. For that reason, it is does not appear likely that GPO will reach the 100% status.

A tangible product will always be offered when the online version is:

- Incomplete;
- Not recognized by the publishing agency as the controlling official version of a publication;
- Not easily identifiable as an official publication;
- Very difficult to use, thus impeding access to data or content;
- Not cost-effective; or
- Fee-based, and created, all or in part, through the use of non-appropriated funds.

Elevator Replacement and Renovation

You are requesting $17.5 million within the revolving fund for facilities projects. Among these is $5 million for elevator replacement and renovation.

Question. How many elevators within the GPO facilities do you believe need to be replaced or renovated?

Response: There are 14 elevators that exceed 30 years in age and should be replaced.

Question. How many would be attended to with the funding you are requesting?

Response: The $5 million should be sufficient for 8 elevators which will take four years to implement.

Energy Saving Projects

You also have a number of energy savings projects, including steam trap upgrades and window replacements.

Question. How much do you expect the GPO's energy consumption to be reduced by through the completion of these projects?

Response: In FY 2007, GPO consumed $5.47 million in steam, which is provided by the Architect of the Capitol. The steam trap program should reduce this usage by 10%. The savings expected from the window project will depend on the actual windows selected for replacement. Replacing the windows in building #4 could reduce the air-conditioning load by 10% to 15%. An energy audit is being conducted with PEPCO Energy Services and the results will provide more detailed information on costs and savings.

Question. Will any of these projects require the relocation of staff or facilities, either temporarily or permanently?

Response: No.

Question. If relocation is required, do you have the facilities necessary to make these relocations?

Response: N/A.

E-Passports

Among your results from 2007 is your more than doubling the production of passports to coincide with the substantial demand for new e-passports.

Question. How many passports did you produce during that period?

Response: In FY 2007 GPO produced approximately 20 million passports. In FY 2008, we have been producing them at a target of 2.2 million per month.

Question. As this number increased dramatically, did the production time slow down, either for these passports or for other federal documents?

Response: There were no significant slowdowns in the passport production processes.

WEDNESDAY, MARCH 12, 2008.

OFFICE OF COMPLIANCE, CONGRESSIONAL BUDGET OFFICE, AND OPEN WORLD LEADERSHIP CENTER

WITNESSES

TAMARA CHRISLER, EXECUTIVE DIRECTOR, OFFICE OF COMPLIANCE
PETER ORSZAG, DIRECTOR, CONGRESSIONAL BUDGET OFFICE
AMBASSADOR JOHN O'KEEFE, EXECUTIVE DIRECTOR, OPEN WORLD LEADERSHIP CENTER

OPENING REMARKS—CHAIR WASSERMAN SCHULTZ

Ms. WASSERMAN SCHULTZ. Good morning, I'm pleased to call this hearing of the Legislative Branch Subcommittee, of the Committee on Appropriations to order. This morning we are going to hear from three legislative branch agencies, the Office of Compliance, the Congressional Budget Office, and the Open World Leadership Center. Each agency is looking for an increase. Unfortunately, all three are looking for double-digit increases. And I don't have to tell anyone in this room that that is going to be extremely difficult if not impossible to accommodate in varying degrees.

The Office of Compliance has asked for a 29 percent increase over what was what was appropriated last year. There are a couple of programs that I know you are trying to implement. And we look forward to working with you on trying to fund those initiatives within the resources that we are allocating, and I can assure you we will all be pushing for the most significant allocation that we can get.

CBO is asking for a 15 percent increase. CBO has struggled over the last several years with only minimal increases, hits to your IT program and significant demands on the personnel resources of the agency. I know that I get many complaints and concerns from Members, not because CBO is just too slow but because the increased workload has put more demands on your limited staff. A lot of Members would like to see scoring occur more quickly than you are physically able to do right now. And also, I know we have a health care component that you want to add and beef up because of that being such a significant priority.

And Open World, Open World is a fan favorite. We want to continue to try to work with you to be able to appropriately fund the program. And I am looking forward to the report that is due on March 31 so that we can see what your suggestions are so we don't have to struggle with how we fund you every year. The program has a lot of Member advocates. And I am one of them. But we also have so many, as we found at the hearing last week, we have so many needs that need to be addressed, competing priorities in this committee that also have advocates. And I just worry that Open World will continue to be shrunk because of the competing prior-

ities. And I think it would be far more productive for us to work together, and I know I worked with Mr. LaHood last year in trying to find a way to fund you to the degree that we could and not have this be a consistent problem over time.

All of your statements are available and will be entered for the record. And with that, I want to turn to Mr. Latham. I want to apologize for beginning the meeting at 10:30. However, there was some procedural action on the floor that was unexpected.

OPENING REMARKS—MR. LATHAM

Mr. LATHAM. It is very unfortunate, without any kind of notice, it was delayed when we did not have votes on the floor at 10:00. We could have started.

Ms. WASSERMAN SCHULTZ. The Democratic Caucus was notified that we needed to be on the floor right at 10:00 as a result of the procedural actions initiated by the Republicans, and so I used my judgment and felt it was——

Mr. LATHAM. It was very unfortunate with the witnesses here. I cancelled some things this morning to be here on time. And with these folks here, it is very, very unfortunate. It is a bad precedent.

Ms. WASSERMAN SCHULTZ. Well, speak to your leadership, and we won't have to do that in the future.

Mr. LATHAM. Well, it is not a matter of my leadership. Unfortunately, this is what it has come to around here. It is without any notification or anything. We would appreciate knowing about it.

Ms. WASSERMAN SCHULTZ. Me, too.

Mr. LATHAM. Mr. LaHood, I will yield to you.

OPENING REMARKS—MR. LAHOOD

Mr. LAHOOD. Madam Chair, given the fact that the Republican leader is going to offer a privileged resolution immediately following this vote and then, according to your precedent, because it is an important matter, I believe the committee should recess so that we can go upstairs and listen to the resolution, and there will be a vote on it.

Ms. WASSERMAN SCHULTZ. We are not going to recess to listen to a privileged resolution. We can recess for the vote.

MOTION TO RECESS

Mr. LAHOOD. I move the committee recess while the privileged resolution is being considered and come back after the vote, and I ask for a vote on that.

Ms. WASSERMAN SCHULTZ. We will take that up at the appropriate time.

Mr. LAHOOD. Now is the time. I made the motion to recess, so we can go upstairs.

Ms. WASSERMAN SCHULTZ. The privileged resolution has not been offered.

Mr. LAHOOD. It is going to be here, and as soon as it is offered, I believe we should have the opportunity, just as you decided that we were going to suspend for a half-hour, we showed up at 10:00, no notification that the——

Ms. WASSERMAN SCHULTZ. I didn't have any notification, Mr. LaHood, that there would be procedural motions. At 9:55, I was told.

Mr. LAHOOD. There is a very important matter on the floor. I motion that we recess and go——

Ms. WASSERMAN SCHULTZ. I will accept that on unanimous consent. But this is not how we are going to conduct this committee in the future. This was a result of a procedural action. I certainly didn't mean to be discourteous. I didn't—it wasn't like I was preoccupied or doing something else. I just thought we would be jumping back and forth, and I felt it was very important that we hear and have undivided attention for the three agency heads that we would not have if we had begun at 10:00. So as a result, that was my judgment call, as is the prerogative of the Chair.

I don't think it is wise to adjourn and not be able to finish the hearing for these three agencies in the time we have allotted to listen to testimony that does not require us to be on the floor, Mr. LaHood. If you are upset that I delayed the proceedings because of a procedural vote, then I understand that you are upset about that. But if we can't complete the hearing because we are getting into a tussle for no reason, then I think that would be unfortunate.

So I am happy to adjourn for——

Mr. LAHOOD. I am not saying adjourn. I am saying recess.

Ms. WASSERMAN SCHULTZ. I am happy to recess for the vote. I would prefer to be able to complete three agencies——

Mr. LAHOOD. Well, I will tell you this, Madam Chair, Mr. Latham is the ranking member. He shows up here before 10:00. I show up at 10:00. No courtesy was given to him to tell him——

Ms. WASSERMAN SCHULTZ. I didn't have any notice.

Mr. LAHOOD. Do you want me to speak, or do you want to speak? No courtesy was given to him. He is told by your staff director at about 3 or 4 minutes after 10:00 that you have sent an e-mail over here saying that because there is a vote, which was not taken until—started until 10:16. You have the Librarian of Congress here. You have all these Librarian of Congress staff people sitting here. We have started these meetings in the past, gone upstairs and voted on the general vote and come back. And we have staggered it. We have done that many times. So at least you could have notified the ranking member. We showed up here on time.

Now, look, if there is an important matter on the floor, you set the precedent. I didn't. And if the Republican leader is going to offer a privileged resolution on a very important legislative vote that was taken last night, some of us would like to go up there and listen to it.

Ms. WASSERMAN SCHULTZ. That is your prerogative, Mr. LaHood. The motion passed with unanimous consent.

Proceed with your statement, Mr. Latham.

Mr. LATHAM. I am done. I just welcome the panel.

Ms. WASSERMAN SCHULTZ. You can each proceed with a summary of your 5 minutes.

Mr. LAHOOD. So you are not going to recess the meeting?

Ms. WASSERMAN SCHULTZ. I said, if the motion is adopted by unanimous consent.

Mr. LAHOOD. So are we going to recess?

Ms. WASSERMAN SCHULTZ. We are going to recess when the privileged resolution is on the floor. Is it on the floor now?

Mr. LAHOOD. Yeah. They are reading it.

Ms. WASSERMAN SCHULTZ. Well, the committee will stand in recess until the conclusion of the reading of the privileged resolution. We will reconvene at the end of the remarks.

[Recess.]

OPENING STATEMENT—TAMARA CHRISLER

Ms. WASSERMAN SCHULTZ. Ms. Chrisler, you can proceed.

Ms. CHRISLER. Thank you, Madam Chair, Ranking Member Latham, distinguished members of the subcommittee. I am honored to appear before you as the executive director of the Office of Compliance. And I would like to, on behalf of the office, thank the subcommittee for its continued support of the office and our work.

Because of the initiative taken by the subcommittee last year, our office has received access to House e-mail, which will be instrumental in reducing our costs for our publications, and our education and outreach programs. And we are grateful for the subcommittee's support. We are grateful for the indirect and direct recognition that the subcommittee has given our work. Because of that recognition, we have been able to build better relations with agencies, specifically the Architect of the Capitol, and we have been engaged in productive communication. We have been able to collaborate with agencies toward the abatement of hazards.

And we are very, very excited about the possibility of engaging in a new initiative, which is our Prevention and Reduction Initiative, which is the theme of our fiscal year 2009 budget request. As a point of clarification I would like to indicate that while my written testimony for the record emphasizes that there is a 4.9 percent increase over the requested fiscal year 2008 appropriations, it is a 28.9 increase over the actual appropriated funds that the office received in fiscal year 2008.

The new items that I would like to highlight very briefly with the subcommittee are the requests that we are making to support our Prevention and Reduction Initiative, which are two FTEs, and funding for those FTEs for conflict prevention and reduction of hazards, a trainer and an ombudsperson; $10,000 for a Zero Accident Initiative that we would like to initiate for our Safety and Health Program; funding for COLAs, restoring salaries and fully funding FTEs that were allowed for our office in fiscal year 2008. We are also requesting a third FTE for a fire and safety engineer.

Of the 2007/2008 items that I would like to highlight for the subcommittee, the office is requesting $50,000 for utility tunnels expertise; $25,000 for a self-certification program for District and State offices; $25,000 for a health and safety plan review as a collaborative effort with employing offices; as well as $19,000 for a campus-wide survey, so that we have a good understanding of what our constituents know about their rights and responsibilities under the CAA, so that we can focus our education and outreach efforts.

I thank you for allowing my testimony today and I remain available for questions.

[Ms. Chrisler's statement follows:]

advancing safety, health, and workplace rights in the legislative branch

Office of Compliance

Office of the Executive Director

PREPARED TESTIMONY
TAMARA E. CHRISLER, EXECUTIVE DIRECTOR
OFFICE OF COMPLIANCE

HOUSE APPROPRIATIONS
SUBCOMMITTEE ON THE LEGISLATIVE BRANCH

Madam Chair, Ranking Member Latham, members of the Committee, I am pleased to appear before you as the Executive Director of the Office of Compliance in support of the Office's fiscal year 2009 request for appropriations. Joining me today is Board Member Roberta Holzwarth. Along with us are General Counsel Peter Ames Eveleth, Deputy Executive Directors Barbara Sapin and Sana Shtasel, and Director of Finance and Administration Beth Hughes Brown.

The Subcommittee will note that the Office of Compliance submits, once again, a zero-based budget to support the agency's mission of furthering a safe, healthy, and fair workplace on Capitol Hill. This year's budget request is a minimal increase over our request for appropriations in fiscal year 2008. In fiscal year 2009, the Office is requesting a total of $4,307,500 for its operations, which is only a 4.9% increase over the agency's 2008 budget request. Because of the across the board recissions and other cuts made to the agency's 2008 appropriations, this year's request contains items that had been requested but not funded in fiscal years 2007 and 2008. It includes approximately $345,000 to fully fund the authorized level of FTE positions and concommitant salaries; approximately $134,000 for mandatory cost-of-living adjustments and employee salary increases; and $156,000 for initiatives that were originally requested in FY 2007 or FY 2008. Setting aside these repeat requests, mandatory COLAs, and the cost of fully funding the agency's current staff complement of 21, the agency's request for new discretionary projects (less than $300,000) is extremely minimal but necessary to fulfill our mission.

In FY 2009, the Office of Compliance is expanding its effort to communicate and collaborate with its stakeholders. During the past fiscal years, we have achieved much success in our safety and health program through increased communication with the Office of the Architect of the Capitol in remediating hazards in the utility tunnels. We are realizing success in our education and outreach program through our publications and much utilized web site, as well as the implementation of a comprehensive baseline survey that will inform the Office's focus, to ensure that its programs are of maximum benefit to employing offices and employees on Capitol Hill and in the District and State Offices. In fiscal year 2009, the agency hopes to launch

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another significant initiative to improve its effectiveness and productivity on Capitol Hill– prevention and reduction.

PREVENT AND REDUCE

The Office plans to establish two new "prevent and reduce" initiatives in FY 2009. The first initiative is anticipated to reduce the number of incidents giving rise to allegations of violations of the Congressional Accountability Act (CAA), which will ultimately save taxpayer dollars. As originally discussed in our House FY 2008 appropriations hearings, similar language to the Notification and Federal Employee Anti-discrimination and Retaliation Act was contemplated and drafted for the legislative branch. Toward the same end of resolving complaints at the lowest possible level and reducing the cost to taxpayers in discrimination and retaliation claims, we received encouragement from a very interested stakeholder to dedicate one or two FTEs toward educating the employing offices of their rights and responsibilities. The Office is delighted to request additional staffing to assist the agencies in preventing violations of the CAA, and encouraging resolution at the lowest possible level. The agency is requesting FTE positions for a trainer and an ombuds person for conflict prevention for this purpose.

The agency also requests an additional FTE for a Fire Safety Engineer to prevent serious fire hazards and to reduce the number of unabated fire safety citations. During FY 2007, the OGC closed 11 of 38 outstanding citations. While progress has been achieved in abating these hazards, several longstanding RAC 1 fire safety citations remain unabated. In June 2007, the AOC provided the Office of Compliance with a detailed plan to abate these outstanding hazards. The AOC also identified specific actions taken to address many additional fire safety deficiencies during 2005 and 2006. The Office of Compliance's General Counsel expressed concern that under the AOC's proposed abatement plans the most serious hazards involving open stairwells would not be fully abated for an excessive period of time – in one facility, not until 2015, while in other instances, abatement dates were as yet undetermined.

Accordingly, we suggested alternative means for accelerated abatement. After extensive discussions between the parties, the AOC has recently developed, and the OOC has approved, innovative and more efficient abatement plans for the Cannon, Longworth and Russell Office Buildings that resolve the fire safety hazards identified in the 2000 citations involving these three buildings. It is significant that the AOC's abatement plans not only abate the fire safety issues in the citations but do so in a manner that preserves the historic architectural features within those buildings. The agency is committed to working with the AOC and other entities to achieve an acceptable level of fire safety within the other legislative branch buildings, and this requested FTE would support and over time play a leadership role in the Office's ongoing fire safety abatement initiative. This employee would be groomed to assist and succeed an existing contract inspector– a nationally renowned fire safety expert– to allow for continuity in this critical area.

The second initiative is designed to reduce legislative branch agencies' reliance on the OOC's safety and health inspections, and instead empower them to find and remediate their own internal deficiencies. It would fund contracted services for the agency's Zero Accident Initiative, which involves working with employing offices to implement preventive maintenance programs,

and training supervisors and employees to follow safe practices. The Office would work with employing offices to analyze accident and injury records to help create policies to prevent future accidents. Together, the two initiatives amount to about half of the newly requested discretionary funding for FY 2009, and both initiatives are designed to save taxpayer dollars.

CONCLUSION

The Office welcomes fiscal year 2009 with enthusiasm for the initiatives we hope to implement. Preventing violations of the CAA and reducing the number of hazards is the agency's focus for the upcoming year. The Office continues to see itself as a resource on Capitol Hill. Our appropriations request will enable us to continue the progression we have been on over the past several years from a strictly regulatory agency, to an enabling and supportive resource for legislative branch agencies. We are positioned to assist our stakeholders in meeting the requirements of the CAA, be it for safety and health matters, or for making the workplace fair for all employees. Thank you for your support, past and future, of our mission.

I remain available to answer any questions that you have.

advancing safety, health, and workplace rights in the legislative branch

Office of Compliance

Office of the Executive Director

TESTIMONY
ROBERTA HOLZWARTH
MEMBER, BOARD OF DIRECTORS

HOUSE APPROPRIATIONS
SUBCOMMITTEE ON THE LEGISLATIVE BRANCH

Madam Chair and members of the Subcommittee, good morning. I am Roberta Holzwarth, and I represent the Board of Directors of the Office of Compliance. I am honored to be here today to join Executive Director Tamara Chrisler in testifying on behalf of the Office's fiscal year 2009 budget request.

Thanks to the assistance of this Subcommittee, the Office of Compliance has had an extraordinary year, culminating not only in the recent appointment of Tamara Chrisler as our Executive Director, but also in our two statutory Deputy Executive Directors and a Deputy General Counsel. Our new Deputy Executive Directors for the House and Senate, respectively, are Sana Shtasel and Barbara Sapin, who joined us on February 11 and March 4, respectively. Let me take this opportunity to thank the Subcommittee for the recent administrative amendments to the Congressional Accountability Act that permitted us to retain and attract this caliber talent. I also want to thank publicly both Ms. Chrisler and our General Counsel Peter Eveleth for their graceful leadership during a time of challenge and transition

Ms. Shtasel served as Chief-of-Staff to former U.S. Senator Bob Packwood, among her many previous accomplishments. She also litigated the constitutional predicate to the Congressional Accountability Act *(Davis v. Passman,* 442 U.S. 228 (1979)). Ms. Sapin has recently concluded her term as a Member of the Merit Systems Protection Board, where she adjudicated appeals of personnel actions in personnel cases affecting the federal workforce. In addition, Ms. Sapin held positions at the National Labor Relations Board, the Occupational Safety and Health Review Commission and the U.S. Environmental Protection Agency.

We also have a new Deputy General Counsel, Susan Green, who joined us in late November. Ms. Green, who has more than twenty years' experience in occupational safety and health, labor standards, and labor-management issues, served as Chief Labor Counsel to Senator Edward M. Kennedy, and thereafter advised the Secretary of Labor on equal pay, pension, and other labor issues.

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The collective extraordinary credentials of our new staff testify to the growing stature, accomplishments, and effectiveness of the Office of Compliance, signaling only greater things in the year to come.

As a result of this Subcommittee's approval of our FY 2008 request, the Office of Compliance has added four new full-time equivalent positions to its former complement of 17; resolved long-standing, profound health and safety violations in the U.S. Capitol Power Plant; achieved enormous improvements in our internal office infrastructure; and moved closer to adopting and submitting for Congressional promulgation regulations with enormous benefit to veterans and legislative branch employees who serve in the military.

The Office has been fulfilling a prodigious mission with minimal resources, and we are anxious to be able to make use of the resources that we have already been authorized. As Ms. Chrisler has enumerated, the budget proposal in front of you is the bare minimum, permitting us to make use of the resources that have already been authorized, endeavor to fulfill our statutory mandates, and continue the many contributions I am convinced the Office of Compliance makes daily to the legislative branch.

Our mission and our vision are vast, but our budget is small. The requested increase is extremely modest, in an effort both to respond to current fiscal realities and continue our proof positive that we make good with very little. Although we have a far longer "wish list," consistent with our statutory mandates, this budget will permit us only to complete those projects and initiatives that rise to the most critical level, both from a safety and health perspective and in order to save taxpayer dollars.

I would like to thank you, Madam Chair, as well as the Subcommittee, for the language in the House Report that accompanied the FY 2008 Legislative Branch Appropriations Bill directing that the Office of Compliance be enabled to use internal email lists to distribute our publications. We anticipate this will streamline our distribution processes, as well as result in cost savings over time.

On behalf of the entire Board of Directors of the Office of Compliance, I urge your support of the entirety of the budget request.

Thank you for the opportunity to appear before you today. The rest of the Board and I wholeheartedly support this budget request and hope you will respond to it favorably. I am available to address any questions.

OPENING STATEMENT—PETER ORSZAG

Ms. WASSERMAN SCHULTZ. Thank you.

Mr. Orszag.

Mr. ORSZAG. Thank you very much for having me here. I spent my first year as CBO director trying to survey what we do and what could possibly change, and the request that you have before you is a reflection of the time that I spent doing that. Just three points of context before I get to the specific requests. The first is that it has already been noted, we are very intense in people; 90 percent of our budget is for salaries and benefits. And over the past 4 years, the average increase in our appropriation has been under 3 percent. That has not allowed me to compete as effectively as I would like to with soaring salaries for economists and other skilled professionals in the markets that we compete for.

Second, the Congress is asking more from us. Just as a few reflections of that, the PAYGO rules; the Senate's long point of order; the desire to have us score things not just after it moves through committee but at markup and during various stages of committee procedures is different than it was in the past. And a reflection of that increased activity, in calendar year 2007, we testified 38 times relative to 18 times in calendar year 2006. In calendar year 2007, we issued 771 formal cost estimates relative to the 558 in 2006. Across a variety of metrics, there are increased demands that are being placed on us that we are trying to respond to.

And then, third, as I have tried to emphasize in other settings, health care costs are the key to our fiscal future. They are rising rapidly more than any other factor, including aging and demographics. The rate at which health care costs grow will determine the path the Federal Government's spending will be on in the future. And I believe that you all are not getting enough options and analyses on what can help bend that curve. And CBO can play a role in providing that kind of analysis to you. So we are trying to bulk up our health staff to provide that for you.

So, with those three things in context, the request that we have submitted to you totals $42.7 million. That is a $5.4 million increase over this year's funding level. Roughly $2 million out of that $5-plus million would go for a very large expansion in our staff, 15 FTEs, 15 full-time equivalents, or a 6 percent increase in our staffing level, in order to accommodate increased work on health care and some of the other demands on our time coming through the scoring process. Even with that increase, I know it would still be about half the size of other agencies that do similar work, like the Office of Management and Budget.

And just very briefly, in conclusion, I come to you reluctantly. And I understand that as the head of the Budget Office, asking for a significant increase is a bit of an awkwardness. But I believe that the demands that are being put on the agency are such that in order to serve you effectively and efficiently, the proposal that you have before you is necessary. Thank you.

[Dr. Orszag's statement follows:]

CBO TESTIMONY

Statement of
Peter R. Orszag
Director

Appropriation Request for Fiscal Year 2009

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

March 12, 2008

This document is embargoed until it is delivered at 10:00 a.m. (EST), on Wednesday, March 12, 2008. The contents may not be published, transmitted, or otherwise communicated by any print, broadcast, or electronic media before that time.

CONGRESSIONAL BUDGET OFFICE
SECOND AND D STREETS, S.W.
WASHINGTON, D.C. 20515

Madam Chair and Members of the Subcommittee, thank you for the opportunity to present the fiscal year 2009 budget request for the Congressional Budget Office (CBO). I recognize that the agency's request this year embodies a somewhat unusual increase in funding. I spent my first year as director learning more about the various parts of the organization, and I appreciate the opportunity to explain why I have become convinced that the proposed increase is essential to CBO's ability to serve the Congress effectively and efficiently.

CBO's mission is to provide the Congress with timely, objective, nonpartisan analyses of the budget and the economy and to furnish the information and cost estimates required for the Congressional budget process. In fulfilling that mission, CBO relies heavily on a highly skilled workforce. Approximately 90 percent of the agency's appropriation is devoted to personnel (and the remaining 10 percent is for information technology (IT), equipment, supplies, and small purchases of other items).

Over the past four years, CBO's budget has risen by an average of less than 3 percent per year, making it difficult to keep pace with rising personnel costs, especially in the face of increasingly attractive outside opportunities for skilled economists and policy analysts. In addition, the Congress has recently been asking CBO to play a substantially expanded role, particularly in providing options and analyses related to health care spending.

To help CBO fulfill its mission in supporting the Congress and to allow the agency to better meet the needs that Congressional committees have identified, the proposed budget for fiscal year 2009 totals $42,740,000, a $5.4 million or 14.6 percent increase over the fiscal year 2008 funding level. Roughly $2 million of that increase would be dedicated to a modest expansion in CBO's staffing, which would remain significantly less than the staffing of other agencies performing similar functions. In particular, CBO is requesting 24 new full-time-equivalent positions (FTEs) over two fiscal years, along with funding for the related support costs. In the fiscal year 2009 budget request, the agency is asking for 15 new FTEs, an increase of 6 percent over the existing level. If the Congress supports CBO's strategy, the agency will request the additional nine FTEs in its fiscal year 2010 budget request.

The Motivation for CBO's Fiscal Year 2009 Request

A convergence of growing Congressional demand for work by CBO and rising personnel costs, along with the need to sustain the agency's IT capabilities, motivates CBO's request.

Growing Demand for CBO's Estimates and Analyses. The requested 6 percent increase in FTEs for fiscal year 2009 would help CBO meet the demands associated with new pay-as-you-go rules and growing Congressional interest in having the agency provide additional analyses of policy areas such as health care

costs and global climate change—along with the Senate's new point of order that can be raised against legislation that increases the deficit over the long term.

Specifically, the additional FTEs would be used to support increased requests for scoring under an expanded set of circumstances from committees, the Congressional leadership, and individual Members. In addition to scoring reported bills, CBO is now often asked to score proposals before markup, as well as possible amendments during the committee, floor, and conference stages. It is also asked to score managers' amendments and motions to recommit for the Rules Committee.

As one measure of the increased demand for the agency's analyses, CBO officials testified 38 times in calendar year 2007, compared with 18 times in calendar year 2006. At the same time, the quantity of scoring requests that CBO analysts received rose sharply. In 2007, the agency produced about 770 formal cost estimates, well above the average of about 600 estimates produced in the first sessions of the previous five Congresses. Substantially more information was communicated via phone and e-mail contacts between Hill staff and CBO staff. Furthermore, much of the work being requested has become more complex and time-consuming—including analyses regarding defense funding, veterans' health care, federal incentives and programs related to energy, health insurance for children, the environment and climate change, the structure of and funding for education programs, and a variety of other federal programs. Moreover, the desire of Members and committees to move legislation relatively quickly has put a significant strain on CBO. The agency has attempted to meet the timing demands, but it cannot continue to do so without some additional personnel.

Because rising health care costs constitute the key determinant of the nation's long-term fiscal imbalance, various Congressional committees are looking to CBO for more assistance in analyzing health care issues. The agency is expanding work on long-term trends in the growth of health care costs and potential areas of cost savings. For example, some of CBO's just-completed or ongoing work includes analyses of potential ways of reducing health care costs without reducing quality, the long-term outlook for health care spending, causes of regional variation in health care costs, the impact of public health insurance on private health insurance, options for constraining growth in the costs of veterans' health care, and consumer incentives to limit cost growth.

Rising Personnel Costs. Over the past four years, CBO's appropriation has risen by a total of 11.0 percent—an average of 2.6 percent per year. That increase has not kept pace with rising personnel costs, which constitute most of CBO's budget. For example, across-the-board salary increases for federal employees, which either directly or indirectly affect the pay raises of most of CBO's staff, have totaled 15.1 percent over the past four years—an average of 3.6 percent per year.

The cost of personnel benefits has risen even faster. CBO is now spending 29 percent more on benefits than it did four years ago, largely because of substantial increases in retirement contributions (averaging 6.5 percent per year) and health insurance costs (averaging 6.3 percent per year). Benefits now account for 22 percent of CBO's budget, up from 19 percent four years ago. Thus, CBO is now spending $1 million more a year on benefits than it would have been spending if benefits had grown at the same rate as the agency's appropriations.

CBO's Budget Request. Of the requested increase, $4 million would be for increases in staff salaries and benefits, which are estimated to grow by 11.6 percent in 2009; $1.6 million of that amount would support the agency's new FTEs, and $2.4 million would support merit increases, promotions, and across-the-board pay increases for current staff.

CBO's request includes an increase of $0.9 million for IT resources. After reducing its spending on such resources significantly in fiscal years 2007 and 2008 to live within its appropriations, CBO now has an IT infrastructure that is in a critical state. Major components of CBO's network are long overdue for upgrade (some servers and network components failed last year because they were obsolete), and the agency has not had the funds to replace older desktop computers for the past two years. Of the requested increase, $0.6 million would restore IT funding to a normal level—for software development, desktop software, temporary support from contractors, and telecommunications, as well as the replacement of some PC equipment. The funding would also allow CBO to complete the implementation of IT security measures (to monitor for and prevent attacks) that were identified as essential in a network security evaluation in fiscal year 2007. The remaining portion of the increase for IT, $250,000, would support the infrastructure requirements for the 15 new FTEs (at $150,000) and purchases of data necessary for health care analyses (at $100,000).

The remainder of CBO's nonpersonnel budget would increase by $0.6 million. Of that amount, $218,000 would restore funding for a number of items—equipment, furniture, office supplies, support services from contractors, and training—to fiscal year 2006 levels; $232,000, would cover start-up requirements for the additional 15 FTEs, such as costs for new offices, workstations, office equipment and supplies, travel, and training; and $150,000 would be used for expert consultants on health care.

CBO's Work

CBO assists the Congress in exercising its responsibilities for the budget of the U.S. government and other legislation. Under the 1974 Congressional Budget Act, the agency's primary duty is to support the Committees on the Budget of both Houses. The agency also supports the Congressional budget process by providing analyses requested by those Committees; the Committees on Appropriations; the

House Committee on Ways and Means; the Senate Committee on Finance; other committees; and, to the extent that resources permit, individual Members. In particular, CBO:

- Reports on the outlook for the budget and the economy to help the Congress prepare for the legislative year;
- Constructs baseline budget projections to serve as neutral benchmarks for gauging the effects of spending and revenue proposals;
- Prepares projections of federal spending and revenues to help the Congress assess the long-run impact of rising health care costs and an aging population;
- Assists the Committees on the Budget in developing the Congressional budget resolution by providing alternative spending and revenue paths and estimating the effects of various policy options;
- Analyzes the likely direct effects that the President's budgetary proposals will have on outlays and revenues; their economic implications, and any budgetary feedback;
- Provides estimates of the cost of all appropriation bills at each stage of the legislative process, including estimates for numerous amendments considered during that annual process;
- Reports on all programs and activities for which authorizations for appropriations were not enacted or are scheduled to expire;
- Estimates the cost of many legislative proposals, including formal cost estimates for all bills reported by committees of the House and Senate and detailed explanations of components of cost estimates and the estimating methodology;
- Estimates the cost of intergovernmental and private-sector mandates in reported bills and other legislative proposals;
- Conducts policy studies of governmental activities having major economic and budgetary impacts;
- Provides testimonies on a broad range of budget and economic issues, including the agency's projections of the federal budget and forecast of the economy as well as specific issues related to health care, national security, the financing of infrastructure spending, and numerous other program areas;

- Helps the Congress make budgetary choices by providing policy options, but not policy recommendations, for how it might alter federal outlays and revenues in the near term and over the longer term; and

- Constructs statistical, behavioral, and computational models to project short- and long-term costs and revenues of government programs.

Some Details of CBO's Request

In fiscal year 2009, CBO's request would allow the agency to build on current efforts. Specifically, the request would fund the following:

- A workload of roughly 700 formal cost estimates (most of which include both estimates of federal costs of legislation and assessments of the cost of mandates included in the legislation that would affect state and local governments, Indian tribes, or the private sector) and hundreds of informal estimates, more than 100 analytical reports (18 percent more than in 2007), more than 80 other publications, and a heavy schedule of Congressional testimonies;

- CBO's analyses for use by the Congress in identifying and analyzing potential ways of controlling health care spending—drawing together research findings and providing other information that might allow policymakers to address the issues of both cost and quality in health care services (particularly because many of the health care proposals that are being made today involve reallocating costs among different sectors of the economy—from the federal government to households, state and local governments, and private businesses—and do not address the basic underlying trend in economywide spending);

- 250 FTEs, an increase of 15, including an across-the-board pay adjustment of 3.5 percent for staff earning a salary of $100,000 or less, which is consistent with the pay adjustment requested by other legislative branch agencies;

- A projected 11 percent increase, or $2.9 million, in base pay—of which $1.2 million would support the 15 new FTEs and $1.7 million, a combination of across-the-board increases, promotions, and merit increases for current staff;

- A projected 13.2 percent increase, or $1.1 million, in the cost of benefits, which would support the 15 new FTEs at $0.4 million and existing staff at $0.7 million;

- The replacement of obsolete office equipment, desktop computers, and network servers at $634,100—an increase of $305,500, which would restore

the agency to the normal replacement cycle of equipment and devote $150,000 to support the new FTEs;

- Furniture and construction requirements, at $202,000, particularly to support the new FTEs;

- Payments to expert consultants, at $236,700—an increase of $162,300 to support anticipated requirements for analyses of health care (funds that were originally requested in fiscal year 2008 to support anticipated Congressional requirements);

- The acquisition of commercial data necessary for CBO analyses and studies, at $345,300—an increase of $207,800 (including $100,000 originally requested in fiscal year 2008 for additional health care analyses, with the balance of the increase mainly restoring funding to the 2006 level);

- IT system development, at $314,500—an increase of $210,000, which would restore funding to the fiscal year 2006 level;

- Temporary IT and clerical support, at $385,900—a decrease of $15,800;

- Subscriptions and purchases of books, at $397,500—an increase of $61,500, mainly attributable to increases in the costs for online subscriptions;

- Management and professional training, at $148,500—an increase of $23,500, of which $6,500 would be for the new FTEs, with the balance restoring training to roughly the fiscal year 2006 funding level;

- Office supplies totaling $131,800—an increase of $16,500, of which $10,800 would be to support the new FTEs, with the balance restoring funding to the fiscal year 2006 level with inflation;

- Independent audit services, at $111,200—an increase of $10,600, based on the amount for the option year of the awarded contract;

- Travel, at $173,500—an increase of $10,500 because of the new FTEs;

- Essential purchases of software, at $259,700—an increase of $66,200, which would partially restore funding to the fiscal year 2006 level;

- Funding for CBO's support of the Federal Accounting Standards Advisory Board at the normal operating level of $469,000—an increase of $40,000 based on the Government Accountability Office's projection, which incorporates inflation;

- Financial management services, including support for payroll and financial systems, at $246,200—an increase of $12,900, which would restore funding to the fiscal year 2006 level with inflation;

- Telecommunications and telephone services, at $196,800—an increase of $12,800, which would restore funding to the fiscal year 2006 level;

- Equipment maintenance, at $205,200—a decrease of $14,800 based on current contracting data; and

- Reporting and printing, at $61,400—incorporating an inflationary increase of $2,700.

Finally, I am pleased to report that CBO received its fourth consecutive clean opinion on the latest audit of its financial statements. The agency's fifth audit (of fiscal year 2007 financial statements) is ongoing.

OPENING STATEMENT—JOHN O'KEEFE

Ms. WASSERMAN SCHULTZ. Thank you, Dr. Orszag.

Ambassador O'Keefe.

Mr. O'KEEFE. Thank you, Madam Chair.

Madam Chair, Mr. Latham, distinguished members of the subcommittee, I would like to thank you for your engagement and support of Open World and also for taking time this morning to consider our budget request for fiscal year 2009 for the Open World program, which is having a significant impact on the emerging leadership generation in states of the former Soviet Union.

I also would like to thank our chairman, Dr. James Billington, for being here with us today, and a special nod to the Open World staff for their dedication and hard work.

Thirteen thousand leaders have come from all political regions of the former Soviet Union for short but intensive stays in communities scattered throughout all 50 States. From local as well as national leaders and from all branches of government, working with Congress, the U.S. judiciary and executive branch departments, this program has created networks and produced results not matched by any other exchange program in the region. Ten percent of the newly elected Russian Duma are Open World alumni. Our flagship Rule of Law Program has brought to the United States more than 1,000 Russian and Ukrainian judges and supported 19 sister court relationships. Alumni of Open World's program swept the top 3 literary prizes in Russia in 2006. And Chief Justice Roberts of the Supreme Court devoted the first 2 pages of his 14-page annual report to the Federal Judiciary to write about the visit of Open World alumnus Justice Yuri Sidorenko.

Ukraine sees its future in ever closer ties to Europe and the United States but faces challenges of reforming itself and integrating with the larger democratic community. At a recent major international forum on Ukraine's Euro-Atlantic future, the organizers said that, "Open World alumni were the most articulate and best organized group at our event." Visitors from the 5 other partner states and the Caucuses in Central Asia have forged close ties to Members of Congress and State legislators. We are adding Kazakhstan in April and Turkmenistan in the fall. Taken together, these countries standing athwart geopolitical tides share more than 2,000 miles of borders with Iran and Afghanistan.

Madam Chair, members of the committee, this is a time of extraordinary possibilities for both this program and countries that are participating in it. Russia is entering a new phase with an uncertain power sharing agreement. The president-elect has said that a new program in perinatal public health set up by alumni of Open World should serve as a model for Russia.

The Russian parliament is building a parallel program to Open World which will bring large numbers of Americans to Russia. Last month, we provided to the Russian foreign ministry and legislative branch a detailed blueprint of how we work under Congress, which created Open World. This new model for professional exchanges will serve to strengthen the legislative branch long overshadowed by the executive. It will help open up new avenues of cooperation between our legislatures and theirs in the next several years.

The chairman of the Committee on International Judicial Relations, Judge Robert Henry, will join his Russian counterpart in St. Petersburg to lay out ways, through the Open World program, to work even further and closer with the Russian judiciary as it matures as an independent branch of government. Open World's placement in the legislative branch allows us to attract an unusually large and varied group of young leaders from throughout this region in a context one step removed from the immediate day-to-day preoccupations of foreign policy. In each country and region, we are building up a group of professionals moving into positions of influence. And they have experienced for themselves how institutions are made accountable to the people they serve. All the participants have returned home to their countries. All 13,000. More than 6,000 Americans have hosted them and in the last year alone provided $1.8 million in in-kind accommodations and meals for our participants. Many Americans are both willing to be repeat hosts and to travel often at their own expense on return trips to cement these partnerships.

And through the excellent efforts of the Open World team, we have slimmed down our already lean operating costs during the past year, saving close to a half million dollars.

I have been heartened by the recent statement by our chairman, Dr. Billington, who has been involved in exchanges both as a participant and an administrator for almost 60 years. He considers this the most politically important program he has seen since the establishment of the immediate post-war programs of the late 1940s. Reviewing the reduced 2008 budget and considering placement of Open World at its January meeting, the Open World Board of Trustees determined that it should remain in the legislative branch and that Open World management and board should explore all funding sources.

With a full understanding of pressures on your budget, I respectfully ask for your support—the support of the committee members in the effort to sustain the program at a time of great promise. Open World touches on so many areas that it may be that its appropriation could draw from more than one account. I would welcome an opportunity to work with you, with your staff, and with members of the subcommittee on finding the funding solution.

Our many participants in America and states of the former Soviet Union can then harvest from the remarkable base of collaborative efforts that Congress has brought through this unique program to the vast and strategically important heartland of Eurasia. Thank you very much, Madam Chair.

[Ambassador O'Keefe's statement follows:]

Statement of Ambassador John O'Keefe
Executive Director
Open World Leadership Center
Before the
Subcommittee on Legislative Branch
Committee on Appropriations
United States House of Representatives
Fiscal Year 2009 Budget Request
March 12, 2008

Madam Chair, Mr. Latham, and other Members of the Subcommittee, I appreciate the opportunity to present testimony on the Open World Leadership Center's budget request for fiscal year 2009. The Open World Leadership Center, of which I am the Executive Director, conducts the only exchange program in the U.S. legislative branch and has hosted more than 13,000 emerging leaders from Russia, Ukraine, Azerbaijan, Kyrgyzstan, Tajikistan, Georgia, Moldova, Lithuania, and Uzbekistan. All of us at Open World are very grateful for the continued support in the legislative branch and for congressional participation in the program and on our governing board. We look forward to working with you on the future of Open World.

Over the past eight years, Open World delegates have had the opportunity to meaningfully engage and interact with an estimated 120,000 Americans throughout the United States in professional, theme-focused programming that increasingly emphasizes continuing projects and partnerships. More than 6,000 American families and individuals in all 50 states have hosted the visiting delegates. And in 2007 alone, the home hosting of Open World participants by dedicated Americans in 187 different congressional districts saved the Center an estimated $1.8 million in per diem accommodation costs. Over the life of the program, Open World has awarded more than $32 million in grants to hosting organizations located in every region of the country.

The support of Open World's mission from our American hosts is reflected in the following statement by Suzanne Stafford, director of international corporate training for Forsyth Technical Community College in North Carolina, who hosted a delegation of Moldovan mayors for us last year: "Open World is a great tool for partnering Congress with its constituents on citizen diplomacy; Open World provides professional and developmental focus, often overlooked by alternative diplomatic efforts."

Open World has a track record of identifying tomorrow's leaders today. For example, Open World alumni make up 10 percent of the newly elected Russian State Duma. As another example, a successful Kyrgyz candidate for Open World was a city court judge when she was nominated for the program last autumn—in one week, she will be here, as a delegate, in her new capacity as the head of the Supreme Court of Kyrgyzstan. I believe part of Open World's secret for identifying leaders on the rise is its strategy of targeting all regions in Open World countries, not just the major cities. For

example, 80 percent of Open World Russian alumni are from outside Moscow and Saint Petersburg. We also select relatively young delegates—their average age is 38.

Program participants come to discuss topical issues of mutual interest and benefit, such as ways of treating post-traumatic stress disorder among war veterans, preventing the spread of avian flu, furthering the rights of women and children, and protecting the environment. They work with American hosts and peers who share their interests and are often eager to partner with them on collaborative projects. When Open World first partnered with Rotary International in 1999, there were 33 Rotary clubs in Russia. Today there are 87 clubs and 21 Rotaracts. Ten percent of the Rotary club presidents are Open World alumni.

Since August 2007, Open World has identified approximately 100 collaborative projects, partnerships, and other concrete post-visit results each month. Let me share with you some illustrative examples.

Calendar Year 2007 Highlights

Russia

Open World hosted 1,165 Russian participants in calendar year 2007. Delegates came from 77 of Russia's then 85 regions and represented a wide range of ethnic groups. Women accounted for 57 percent of the delegates. These participants were hosted in 45 U.S. states and the District of Columbia. Open World's civic hosting themes were accountable governance, rule of law, and social issues.

Many delegations focused on issues of immediate importance to both countries. For instance, 16 nonproliferation experts visited the U.S. Department of Energy national laboratories in Tennessee and Washington state. As a result of the visit, an American Material Protection, Control, and Accounting (MPC&A) contract with a Russian entity that was due to expire in 2007 was renewed for 2008, thereby enhancing control of nuclear materials, including weapons-grade uranium and plutonium. Another delegate who is a senior instructor in the International Relations Department at St. Petersburg State University has been selected by the university to teach a course on nonproliferation policy, which would be the first-ever such course in a Russian university.

A delegate active in anti–human trafficking efforts was offered a $48,000 grant by her U.S. hosting organization at the completion of her Open World exchange. The September 2008–September 2009 grant, which is likely to be renewed annually, will support the new Center for the Study of Organized Crime and Corruption in Stavropol and its research on border security issues and irregular migration patterns that promote terrorism, human trafficking, and labor exploitation. Two Baltimore detectives who met with the delegate will visit Russia to follow up on issues of trafficking prevention and victim rehabilitation.

The Los Alamos (New Mexico)–Sarov Sister Cities Initiative, a regular Open World host organization, coordinated the reciprocal visit in June 2007 of four Los Alamos firefighters and police officials to Sarov, a city closed to most foreigners and Russians. There the Americans consulted with counterparts on specialized procedures for fighting forest fires in a nuclear city. More and more Open World hosts are visiting their counterparts to build ongoing ties. In 2007, Open World hosted 165 Russian judges and legal professionals, while 71 American judges and legal professionals visited Open World alumni in Russia.

In March 2007, Open World hosted Russian epidemiologists and community health planning leaders who worked with their counterparts in North Carolina on the preparation of a template to assist small to medium-size communities around the developed world in planning for, and responding to, outbreaks of catastrophic disease.

Four Russian mental health experts who counseled children and families affected by the 2004 Beslan school attack spent the evening of December 20, 2007, sharing experiences and strategies for healing in a Lancaster County, Pennsylvania home with members of the Amish community who had suffered from the Nickel Mines school shootings in October 2006. Grandparents of one of the victims were among those who took part in the profoundly moving session. Post-traumatic stress disorder (PTSD) was the focus of a second Russian team hosted at the same time by the University of Massachusetts Medical School in Worcester, Massachusetts. Three of the Worcester delegates had assisted Beslan survivors and continue to specialize in crisis counseling; the fourth treats military veterans of the conflict in Chechnya. During their Massachusetts visit, the delegates worked with some of America's leading academic and clinical experts in PTSD—including several Veterans Administration specialists—and shared their own professional experiences in the North Caucasus. Potential results of these visits include journal articles, reciprocal visits by U.S. mental health experts, and curriculum sharing between U.S. and Russian institutions.

This winter, cultural program alumnus Arkadiy Babchenko's award-winning book *A Soldier's War in Chechnya,* an account of his experience as a young soldier in Russia's Chechen wars, was published in translation in the United States. Critics have compared the book to *All Quiet on the Western Front* and Michael Herr's *Dispatches*. Another Russian alumna-author, Kseniya Golubovich, was one of 30-plus foreign writers to take part in the 2007 Fall Residency of the University of Iowa's renowned International Writing Program (IWP), thanks to a coveted fellowship she won while on a 2006 Open World cultural exchange hosted by IWP. Golubovich writes essays on life in modern Russia for several newspapers and journals, and publishes in a variety of genres. During her fellowship she finished her second novel; met with a high school creative-writing class; gave readings and talks at the University of Iowa, Northwestern University in Evanston, Illinois, and Harvard University; was invited to serve as a presenter for an IWP-sponsored film series; and worked with university students and faculty.

Ukraine

The new government seeks closer ties to Europe and the United States and, with a substantial grant from the Millennium Challenge Corporation, has begun a program to reduce corruption in the justice system and reform education. Ukraine is a pivotal state in the region, faced with pressures from east and west. Open World's program supplements Ukraine's efforts to move toward more accountability and transparency at all levels of government.

Open World welcomed 255 current and future Ukrainian leaders in calendar year 2007, accomplishing wide geographic representation (25 of 27 Ukrainian regions), hosting delegations across the United States (24 states and the District of Columbia), and enrolling a high percentage of women delegates (49 percent). The Open World hosting themes for Ukraine in 2007 were accountable governance, NGO development, rule of law, and elementary and secondary education. Twenty-four Ukrainian Open World alumni took part in a major international forum entitled "Ukraine's Euro-Atlantic Future," held in Kyiv June 11–13. Forum sponsors included the Center for US-Ukrainian Relations, the Democratic Initiatives Foundation, the Konrad Adenauer Foundation, and the NATO Information Center/Ukraine. The alumni were invited to share the impact of their U.S. visits during forum sessions. Open World alumni in attendance included government officials, judges, journalists, human rights and democracy advocates, and NGO leaders. A conference organizer said that the Open World alumni "were the most articulate and best organized group at our ... event."

Expansion Countries

Open World hosted 130 emerging leaders from Kyrgyzstan, Tajikistan, Moldova, Georgia, and Azerbaijan in 2007. Participants included parliamentarians, environmental leaders, health specialists dealing with HIV/AIDS, judges, and prosecutors. One group of Tajik leaders involved with ecotourism visited Nevada to see how state and local officials and private individuals promote both ecotourism and cultural tourism to the state's historic mining towns. During their exchange, they met with Thomas Tait, a former executive director of the Nevada Commission on Tourism. As a result of this meeting, the U.S. State Department has invited Mr. Tait to Dushanbe in 2008 to discuss ecotourism matters further with Open World alumni and other Tajik leaders.

A Kyrgyz rule of law delegation hosted in Utah had the privilege of taking part in a mock session of the Utah Senate with the participation of state Senate President John Valentine. The following is an excerpt from a blog post by Senator Valentine dated September 13, 2007:

> Yesterday, we had the extraordinary honor of hosting fifteen people from Kyrgyzstan here at the Utah State Senate.
>
> The Kyrgyz delegation is in Utah for a week to study America's political processes and the Rule of Law. Senators McCoy, Bramble, Dmitrich and

> I, along with Rusty Butler of UVSC [Utah Valley State College], Representative Chris Herrod (who speaks Russian), and a few gifted staff replicated a legislative session and the Kyrgyz leaders played the part of Utah State Senators.
>
> They debated a mock bill, followed parliamentary procedure, tried to amend the bill twice, and ultimately killed it. When it was time to adjourn, they voted NOT to adjourn. Apparently we were doing something right and they wanted to stay.
>
> We had a great three hours. It was wonderful to spend time with good people from a part of the world beginning to find its way toward a stable democracy and self rule.

Senator Valentine subsequently visited Kyrgyzstan with the majority leader of the Montana State Senate, Carol Williams, in part to be reunited with Open World alumni. In 1999, before her election to the Montana Senate, Senator Williams personally hosted Open World delegations through Peace Links, an Open World grantee. She had this to say upon her return from the State Department–sponsored trip to the capital city of Bishkek: "More than ever, it is important for America to maintain and grow our relationships in Central Asia." In order to encourage the ties that are developing between the U.S. mountain states and Central Asia, Senator Valentine hosted Open World's inaugural parliamentary delegation from Tajikistan in 2007 and plans to visit Dushanbe in 2008.

The mayor of the Azerbaijani village of Jil visited Texas in 2007. He noticed that Houston has "suggestion boxes" throughout the city to gather feedback from citizens on how to improve the city. He also learned that Houston's city administrators make their city's budget publicly available and publish a special bulletin for citizens with news on the city's progress. Upon his return to Jil, he immediately instituted all three of these ideas in order to increase transparency and accessibility of information to citizens. What is particularly notable is that Jil is only a 35-minute drive from the border of Iran, where there are more Azeri-language speakers than in Azerbaijan itself.

The U.S. State Department Resident Legal Advisor based in Tajikistan, who confessed to harboring "skepticism regarding U.S. taxpayer-funded visits of foreigners to the United States," had this to say after debriefing two defense attorneys who had traveled to Gainesville, Florida, in June 2007 on an Open World rule of law exchange:

> I personally knew two of [the] defense attorneys before they left for the U.S., and "debriefed" them upon their return to Tajikistan. I was anxious to determine if their experience went beyond subsidized tourism. To my great pleasure I found that [it] had. For several hours they asked me about, and we discussed, critical aspects of criminal justice and Rule of Law that were prompted directly and exclusively by their "comparative law" experience in the United States. Their questions and expressions

> clearly indicated to me that they had done far more than merely take a tourist's look around. In addition to experiencing the general goodness of America, they obviously saw and absorbed what I would have wanted of them in satisfaction of my strict, developmental approach. This educational opportunity will only enhance their professional status in influencing change in Tajikistan. Moreover, it is something I could vouch for in good faith to the U.S. citizens who paid for it. I look forward to my continued involvement with Open World, confident that the foregoing experience can be replicated as to diverse individuals and fields of endeavor.

During the Moldovan mayors' visit to North Carolina, Representative Larry Brown of the North Carolina General Assembly arranged a meeting for the delegation with the North Carolina Wine and Grape Council in Raleigh. The U.S. hosts and delegates agreed that many of North Carolina's smaller wineries would benefit from Moldovan expertise in wine making. As a result of the meeting, the Forsyth Tech Continuing Education Division plans to launch a distance-learning course for small North Carolinian vintners taught by Moldovan wine experts. As Suzanne Stafford of Forsyth Tech observed, "The Moldovans get recognized and reimbursed for their expertise and the North Carolina winemakers improve their vintage. Everybody wins."

Program Administration

In September 2007, the Center's first full audit, for the 2006 fiscal year, was completed. The independent auditor concluded that "the accompanying financial statements ... present fairly, in all material respects, the financial position of the Center as of September 30, 2006, and its net costs, changes in net position, budgetary resources, and financing of operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America." The report also stated that the auditor's "consideration of internal control over financial reporting disclosed no material weaknesses."

Goals

In August 2006, the Board of Trustees approved a strategic plan for fiscal years 2007–2011. The Strategic Plan was developed using the principles of the Government Performance and Results Act. It incorporates a five-year outlook for the Program and includes the following goals:

- **Expanding the geographic scope of the Program to include Eurasia[1] and the Baltic States**

More than 32 million Muslims reside in countries where Open World was active in 2007, and planned expansion into two other predominantly Muslim countries,

[1] Eurasia here means Russia, Ukraine, Belarus, Moldova, Armenia, Georgia, Azerbaijan, Turkmenistan, Kazakhstan, Uzbekistan, Tajikistan, and Kyrgyzstan.

Kazakhstan and Turkmenistan, in 2008 will increase this figure to 44.2 million. In 2007, Open World brought 130 leaders from five expansion countries: Georgia and Azerbaijan in the strategically important Caucasus region; Moldova in Eastern Europe; and Tajikistan and Kyrgyzstan in Central Asia. The Strategic Plan calls for Open World eventually to expand into all of Eurasia and the Baltic States.

- **Enhancing productivity and improving efficiencies**

To offset increasing airfare costs, Open World will distribute delegate travel more evenly throughout the year in order to take advantage of lower fares during off-peak travel seasons. Distributing travel over time in this manner has the added advantage of providing staff more time to organize higher-quality programs. The Center is comprehensively reviewing all contracts to identify additional cost efficiencies.

- **Continuing to enhance the quality of U.S. programming**

Open World has streamlined the process for reviewing delegate program agendas and coordinating with U.S. hosting entities. The monitoring of hosting programs, regular communication with hosts, evaluative site visits, and post-visit evaluations contribute to annual reviews and evaluations of all program elements.

Last year, the Center launched its new results-tracking mechanism, called the Client Management System (CMS), which systematically gathers quantitative results to measure the Program's progress in meeting its goals.

- **Establishing a mechanism that facilitates the emergence of a network of leaders in the United States and Open World countries who have participated in the Program**

The new Client Management System not only tracks results but automatically notifies Americans who have hosted Open World participants about results related to these individuals. Through its privately funded alumni program, Open World works closely with Americans visiting Russia and other Open World countries to facilitate meetings and partnerships.

Open World's multilingual website, which includes a digital directory for direct, translated communications between American professionals and hosts and Open World delegates, fosters interactive communication and facilitates ongoing projects. Open World also operates online forums and two listservs for Russian alumni, one with news of grants, competitions, and other sources of financial support, the other with updates on Open World news and announcements and opportunities for cooperation and partnership with fellow alumni.

- **Establishing diversified funding sources**

Open World is developing a comprehensive development strategy and identifying potential funding and cost-share partners within the international organization community and the executive branch. The Board of Trustees voted in January 2008 to establish a binational business advisory board for the Russia program. Membership will consist of business leaders from both the United States and Russia who will advise the Center on sources of material support. The Center will partner with Russia's Federal Culture and Cinematography Agency to cost-share the travel to the United States of up to 200 Russian cultural leaders in 2008. Open World will also work to raise private funds to pay for 100 American cultural leaders to make reciprocal visits to Russia, with hosting costs to be provided by the same Russian agency.

Open World 2008

In response to congressional recommendations and directives from the Board of Trustees, Open World is maintaining a strong program for Russia and continuing its successful Ukraine program and expansion programs in Azerbaijan, Georgia, Kyrgyzstan, Moldova, and Tajikistan, while launching a program for Kazakhstan. We will add Turkmenistan in fall 2008 if funding is available. Below are just a few highlights of the coming year's activities:

Building on the success of and the results generated by past Open World programs focused on human-trafficking prevention, Open World plans to host a number of anti–human trafficking delegations this fall. Many of the delegates will come from the Far East and southern regions of Russia, where human trafficking is a serious problem. Open World will target law enforcement officials, prosecutors, judges, legislators, NGO officials, and legal advocates for participation. By meeting with their U.S. counterparts, they will learn about U.S. prevention initiatives and about how Russian laws against human trafficking might be strengthened.

The Center plans to partner with the House Democracy Assistance Commission to provide Open World programming to 24 Ukrainian and Georgian parliamentarians and parliamentary staff in 2008. We also plan to extend our acclaimed judge-to-judge rule of law program to our exchanges for expansion countries.

Overseas, the Russian government is planning to launch a mirror program to Open World. The program would be housed in the Russian legislative branch and would bring American political and civic leaders to Russia. And in May of this year, Open World will be organizing an alumni conference in Ulyanovsk, Russia, for regional judges who have participated in Open World's rule of law program. Sessions on comparative international law, media and courts, and the benefit of sister court partnerships are also being considered.

On March 31, 2008, as required by Public Law 110-161, the Consolidated Appropriations Act, 2008, the Open World Board of Trustees will present options to the House and Senate Appropriations Committees for the Center's appropriation source and status within the federal government.

Measures of Success

The Open World Leadership Center tracks the results of the Open World Program using eight categories, or "bins." Since launching the results database in August 2007, Open World has identified more than 600 such results (see attached chart).

Fiscal Year 2009 Budget Request

The Center's budget request of $13.9 million for fiscal year 2009 is a 3.5 percent decrease from the original fiscal year 2008 request ($14.4 million), but a slight increase over fiscal year 2007 funding ($13.86 million). The funding request will enable the Center to restore its programming to pre-fiscal year 2008 levels and fully restore its proven mission of hosting young political, civic, and cultural leaders from Russia; maintain its important program for Ukraine; and continue smaller programs with select countries as approved by the Board of Trustees, in consultation with this Committee. The Board of Trustees believes that maintaining a robust grassroots-based Open World presence in Russia is necessary and important for future U.S.-Russia relations as Russia changes presidential administrations, but programs in expansion countries will account for a larger percentage of hosting than in the past. Program hosting capacity in fiscal year 2009 at the requested level remains far below the limit of 3,000 set in the Center's authorizing legislation.

The budget request maintains hosting and other programmatic activities at a level of approximately 1,400 total participants. Actual allocations of participant slots to individual countries will be based on Board of Trustees recommendations and consultations with the Committee and U.S. Embassies. The requested funding support is also needed for higher salary costs in fiscal year 2009 as well as for increased program costs, such as higher airfares and less favorable exchange rates.

Major categories of requested funding are:

- Personnel Compensation and Benefits (**$1.367 mil**)
- Contracts (**$7.691 mil** – awarded to U.S.-based entities) that include:
  - Coordinating the delegate nomination and vetting process
  - Obtaining visas and other travel documents
  - Arranging and paying for air travel
  - Coordinating with grantees and placing delegates
  - Providing temporary health insurance for participants

- Grants (**$4.7 mil** – awarded to U.S. host organizations) that include the cost of providing:
  - Professional programming for delegates
  - Meals outside of those provided by home hosts
  - Cultural activities
  - Local transportation
  - Professional interpretation
  - Administrative support

Conclusion

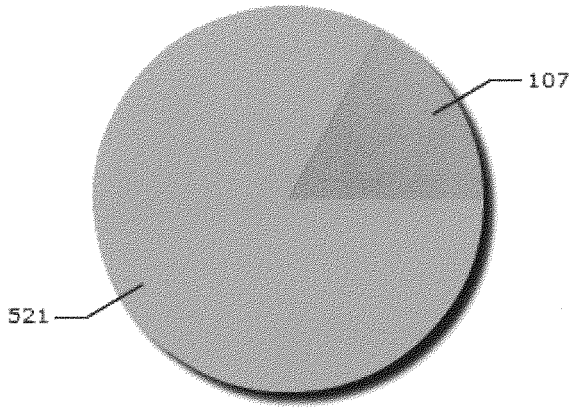
Funding the 2009 Open World Program will allow more than 15,000 Americans to meet and work with legislators, mayors, government administrators, judges, environmentalists, experts in human-trafficking prevention, and other Eurasian leaders. Many of our participants will engage in collaborative projects and ongoing partnerships with their new American contacts. Program participants will come from countries that share more than 1,145 miles of borders with Afghanistan and Iran. Americans will, once again, open their doors to leaders from these countries and give generously by contributing an estimated $1.8 million in donated accommodations and meals—freeing up appropriated funding that is applied to more grants to U.S. organizations to host delegates.

While these results are measurable and visible, there are innumerable "soft" benefits that merit mention. In his 2007 Year-End Report on the Federal Judiciary, Chief Justice John G. Roberts, Jr., of the United States Supreme Court discusses a recent Open World–hosted visit to the United States by Russian Supreme Court Justice Yuri Sidorenko, who chairs the Council of Judges of the Russian Federation. Chief Justice Roberts writes that Justice Sidorenko, while visiting the grave of Chief Justice William H. Rehnquist at Arlington National Cemetery, met with a group of American schoolchildren and recounted his friendship with the late Chief Justice, initiated during an earlier Open World visit, and their shared interest in the rule of law. These powerful "defining moments" occur regularly.

The fiscal year 2009 budget request will enable the Open World Leadership Center to fully continue making major contributions to an understanding of democracy, civil society, and free enterprise in a region of vital importance to the Congress and the nation. The Committee's interest and support have been essential ingredients in Open World's success.

Date Range: 01/01/1999 To 12/31/2008 **Get Result Stats**

Results Pie Chart

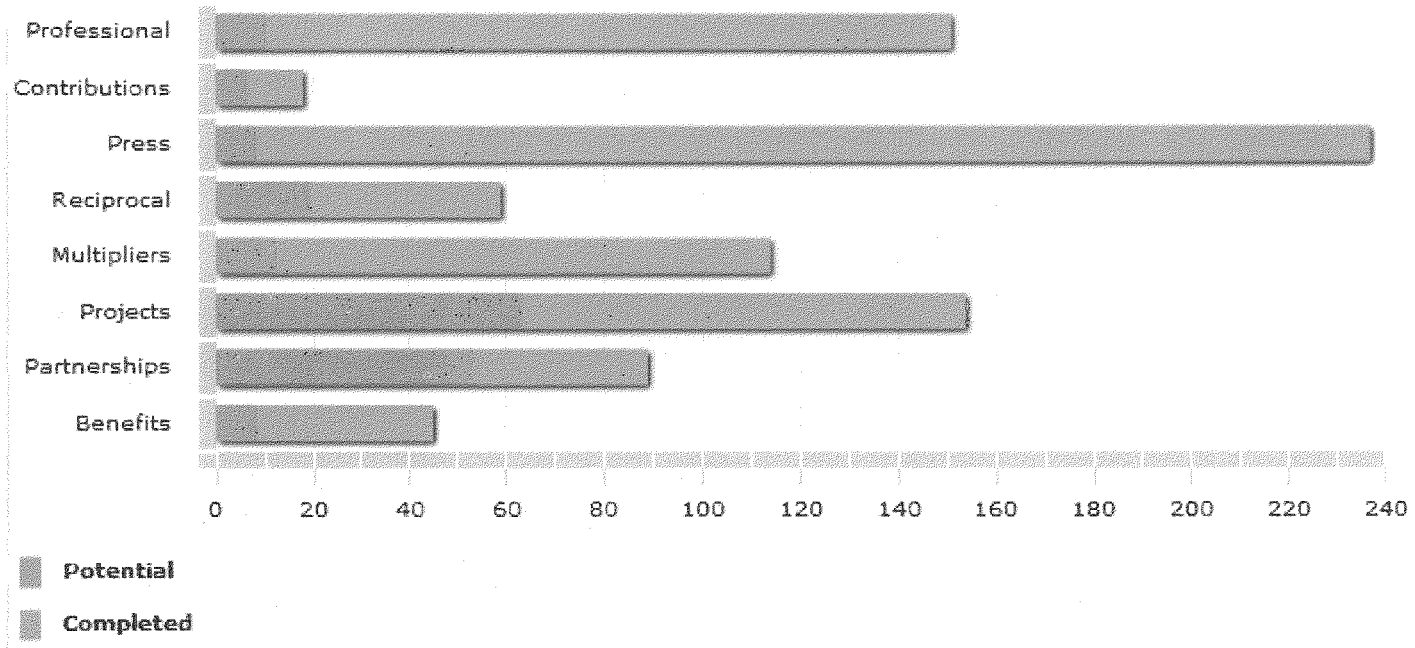


Potential

Complete

Date Range: 01/01/1999 To 12/31/2008 All Get Bin Stats

Bins Bar Chart



OPEN WORLD REPORT ON ITS FUTURE

Ms. WASSERMAN SCHULTZ. Thank you, Ambassador O'Keefe.

We will proceed with the question period. The committee last year directed Open World to complete a report, which I believe is due March 31, that required Open World leadership to explore options for the agency's future both in terms of where you might be housed and how you might continue to be funded at a level that would allow the program to continue at the level of quality that you have always operated. I think we are going to struggle to fund you at $9 million, never mind the $14 million that you have asked for, which would bring you back up to your pre-fiscal year 2008 level. What is the status of the report?

Mr. O'KEEFE. I do have a draft report that we want to get to the board members, of which you are one, before we submit it to Mr. Obey and to Senator Byrd. So we have a draft, and we have options that were required in the report laid out with, I think, some good background in there as well.

Ms. WASSERMAN SCHULTZ. Are you familiar enough with the draft report to feel that it is going to offer us some suggestions on how we might relieve the ongoing pressure that the committee will face in trying to fund you?

Mr. O'KEEFE. It is more on a question of status because that is what we were asked for. But it also has elements in here that I mentioned in my testimony of seeking more than one source of funding within the congressional appropriation process.

OPEN WORLD POTENTIAL ALTERNATIVE FUNDING SOURCES

Ms. WASSERMAN SCHULTZ. Okay. What percentage of your participants are from the judicial branch in both America and in the former Soviet states?

Mr. O'KEEFE. Well, cumulatively we have about 1,100 out of 13,000. That is about 8.75 percent. This past year we have brought over 1,400 people, and 144 were judges and prosecutors and people like that. So we are running about 10 percent, and that is for all the countries.

Ms. WASSERMAN SCHULTZ. And you don't have any funds come from the judicial branch or any affiliated judicial entities or legal entities?

Mr. O'KEEFE. No. We don't have funds coming from the judicial branch, though there is funding because our objective is to form partnerships, and we don't get the funding, but U.S. judges get funding to do the return visits. So when Judge Robert Henry goes to meet Sidorenko, the State Department International Speakers Program will pay his way over, and then we do the logistical support because we have the network and the contacts.

Ms. WASSERMAN SCHULTZ. Has Open World pursued private sources of funds?

Mr. O'KEEFE. Yes, we have. Last year we received, aside from our appropriations, about $750,000 in private funds.

Ms. WASSERMAN SCHULTZ. $750,000. Isn't there a way to improve upon that number? I mean, it would seem like this is a program that would attract some significant private financial support. And is there a plan in place or is that part of your—is that going to be

part of your report? I would hope—and I have encouraged you before to begin—that you would begin an aggressive fundraising program from the private sector.

Mr. O'KEEFE. Yes. One of the things that I was hoping to do with the 2008 budget was to get a development person because you really do have to have someone focus on this full time. And so, yes, we do—we will increase our efforts. We have sought from various organizations partnering arrangements. So with the Ukrainian ambassador we were looking at ways for the Ukrainian government to offset the transportation costs of some of the Ukrainian participants. We have worked with organizations to partially fund programming. The House Democracy Assistance Commission is going to bring 20 people over, 20 parliamentarians over in autumn. So they will get them here and do their training, and then we put them on a supplemental Open World program.

So we have, I would say, several strategies. Number one is, find people who are doing things that we are complementary to. And then find donors who are willing to give us money. And then, third, look toward other governments who have an interest in Open World to help us in offsetting some of the costs.

Ms. WASSERMAN SCHULTZ. Thank you.

My time has expired.

Mr. Latham.

IMPACTS OF A CONTINUING RESOLUTION

Mr. LATHAM. Thank you. I have been asking every panel here the same question. We have a real possibility of a continuing resolution maybe until March next year. I just wonder how that would affect your operations and new initiatives if, in fact, you were in a CR flat-lined budget.

Mr. ORSZAG. I will go first. Obviously, we will do what we have to do. But for my agency, it will be very difficult to get to where we want and I believe need to be for you, especially on the health front because the recruiting cycle is such that it would require, you know, if assuming post-March you did fund some expansion, a very rapid ramp-up. In addition, it obviously depends on exactly what level the CR is at. But I will just come back again, and say that I am doing the best I can to make CBO, as I like it put it, a cool place for policy wonks because that is the only thing I have got to compete on because the salaries at the Fed, let alone hedge funds and other places, are substantially higher than what we pay. And I am recruiting the same Ph.D. economists, and I can't do that forever.

Mr. LATHAM. Okay.

Ms. CHRISLER. Our Prevention and Reduction Initiative is largely based upon requested FTEs.

Mr. LAHOOD. Could you speak up a little bit, please?

Ms. CHRISLER. Certainly. Our Prevention and Reduction Initiative is largely based on our requested FTEs. I think a continuing resolution would make it very problematic for us to begin that initiative, though we would seek to work with what we are given, and we would certainly maintain what we have and do as much as we can with whatever we are funded. We in the past have been fortunate enough to not have to reduce employees to be able to maintain

our programs and to continue with the work that we do. That is certainly what we would continue, and hopefully we would be able to perhaps begin development and research of some of the initiatives—but not engage as fully as we would hope.

Mr. O'KEEFE. It would pose some serious problems. First of all, as I mentioned in my testimony, as soon as I came in, I cut a couple contracts, looked at how we were doing travel, moved it from summer when it was expensive, to the winter to bring people over at a less costly time. So we have kind of grabbed a lot of the savings. And whenever you are running a program like this, when you have to operate at less money, you want to try to keep the heart of your program, which is the delegates coming over here, the Americans involved with them, you want to keep that up. And you want to cut into your overhead. Well, we have attacked that a lot. Probably what we would need to do, and we are already looking at some of the strategies, is that we could move some of the travel a bit later and still accomplish what we want to accomplish. But the fact is that we would be bringing fewer delegates.

ADVANTAGES OF OPEN WORLD BEING IN THE LEGISLATIVE BRANCH

Mr. LATHAM. You know, the big question with Open World has been where you should be funded. Can you explain to us what would happen, from the Russian point of view, from the people that you are working with over there, if there was a perception that the program was an extension of foreign policy of the executive branch? What is the advantage, disadvantage to staying with the leg branch?

Mr. O'KEEFE. Well, I think the main advantage is, because we are in the legislative branch, because our chairman, obviously, is a distinguished scholar and widely recognized in Russia, we can attract individuals who would be reluctant to go on executive branch programs. And if you are looking for emerging leaders, you are looking for people with some ambition. They are going to be very careful, especially in these times, about what kinds of programs they get involved in. And so because in a sense we are neutral, we are nonpartisan, we don't have to get into the necessary fights that you have every day involved with diplomacy. This helps us a lot.

The second thing is, with 13,000 alumni, the program is known in the regions, and people who have moved into leadership positions are often Open World alumni. And that gives you a little bit of an immunity, as it were. So you move to the executive branch, the first thing that happens is the alumni network falls apart because executive branch programs don't fund the alumni networks. And your quality of participants drops, and I just think it would be a real diminishment of the effectiveness, long-term effectiveness of the program.

Mr. LATHAM. Would there be an official position like from Russia?

Ms. WASSERMAN SCHULTZ. Your time has expired.

Mr. O'KEEFE. The Russian position is that there is an existing law that says individuals cannot take money from another government. And we are grandfathered, so that law does not apply. If we change status, the Russians could reinterpret the law.

Ms. WASSERMAN SCHULTZ. Mr. LaHood.

SUPPORT FOR OPEN WORLD PROGRAM

Mr. LAHOOD. Ambassador O'Keefe, as you know, I have been a strong supporter of this program. I became acquainted with it as a result of a Federal judge in my hometown of Peoria who has participated in the program for well over 10 years and has traveled to Russia each year during the time that he has been involved in the program. And we have had Russian judges visit our community in central Illinois. The idea that emerging democracies can learn about our system of justice and our, you know, and other elected officials I think is an extraordinary opportunity. The truth is, if you were to put this program under the State Department or the Defense Department, it would be tainted with their policies.

Under the Library of Congress, which has some of the best thinkers in the world, you know, there is no policy. There are lots of policies that can be and lots of things that can be studied under an agency of an administration. They come in to that, that program comes under the umbrella of the policies of that administration. And at that point, it doesn't have the kind of flexibility I think that would be allowed as an entity under the Library of Congress where you do have scholars and thinkers and people who can talk about all kinds of different opportunities.

So this idea that it should go somewhere else I think would be a huge, huge mistake. And I hope your report does not recommend that. Because I don't agree with that. I have followed this program for many, many years.

EXPANDING OPEN WORLD TO IRAQ AND AFGHANISTAN

Let me ask you this, has there been any thought given to taking this program into Afghanistan and Iraq?

Mr. O'KEEFE. As I understand it, last year there were some inquiries. And I did get an inquiry actually just this past week for Albania. Our legislation allows us to operate anywhere provided we give a 90-day notice to the appropriating subcommittees after the approval of the board. The fact is, moving into Afghanistan, you need an infrastructure to make it work. Right now we have a good network in the former Soviet states. If that is the sense of the board and the sense of the Congress that we should do that, we could do it. I mean, we are capable of doing it.

Mr. LAHOOD. Well, I think it is something that you ought to really take a look at. And I do believe this, I believe that one of the ways that you could fund this is through the enormous amount of money that is being expended in both of those countries. Some of it perhaps could be set aside and shifted to Open World so that you could begin the process of bringing those emerging leaders, whether they be mayors in cities in Iraq or Afghanistan or whether they—look, Iraq is setting up a whole judicial system. And what a wonderful opportunity for these judges to come to America and for our judges to go over there, and you know, we are right at the starting gate on this. And as we continue to spend enormous amounts of money in Afghanistan and Iraq, you know, I would encourage you to talk to the administration about some funds that might be made available even in the next budget to begin a program either with mayors, municipal leaders or judges. You have

got such a great track record in these emerging democracies in the former Soviet Union that I think it makes a lot of sense.

So this is one Member who is going to continue to support your efforts and support the idea that you ought to stay within the Library of Congress so you are not tainted by the policies of any administration.

Mr. O'KEEFE. Thank you, sir.

Ms. WASSERMAN SCHULTZ. Mr. Bonner.

SIZE OF AGENCIES AND REQUESTED INCREASES

Mr. BONNER. Thank you, Madam Chair.

Since I am the newest member of this committee, could you give us a quick breakdown on how many employees you actually have in your offices and what your—again, what your budget request is in terms of a percent increase?

Mr. ORSZAG. Sure. We are allocated 235 full-time equivalent staff members. I am requesting an increase to 250. Our increase—our budget, our proposal to you, our request to you is for a $45.4 million increase, which is slightly under 15 percent.

Mr. BONNER. Thank you.

Ms. CHRISLER. We currently have 21 FTE positions. We have 20 funded at this—well, we are able to fund 20 at this point. We are deferring funding for one for cost savings. We are making a request for three additional FTEs in this upcoming fiscal year. Our current budget request is $4.3 million which is a 28.9 percent increase over the allocated funds we have received for fiscal year 2008.

Mr. O'KEEFE. We are authorized at this point 11 people. We have eight. So we can put them all on one elevator with a little room left over. We had a reduction in our budget of 35 percent in 2008. And we are seeking to restore it, which comes out to a little over 50 percent increase because of the change in denominators.

FURTHER DISCUSSION OF OPEN WORLD EXPANSION

Mr. BONNER. And I know that is in the record. Forgive me for asking you for putting it back on, but I think it is useful because, as the Chairwoman indicated, we are facing some difficult decisions, and everyone's priorities are different. Yesterday on the House floor we voted to approve $12 million for a new greenhouse for the Botanical Gardens for orchids, which I don't think anyone would disagree is important, and perhaps it is cheaper to build a new greenhouse than to continue to rent the space that we currently have. But when our own budgets reflected a 2.7 percent growth in our MRAs, Member Representational Accounts, that allow us to hire our staff, and we serve around 635,000, 650,000 people that have put us in this position, I think we have to be able to ask questions so that we can go back when we are asked questions of all of our bosses, the American taxpayers, and say, well, this is why we should justify a 25 percent or 50 percent increase, even if it is warranted.

Specifically, following up on Mr. LaHood's question—and Mr. Ambassador, can you give us any report back in terms of meaningful dialogue that would ensue that would possibly allow some of the good work that you have done in other countries to be considered in Iraq and in Afghanistan?

Mr. O'KEEFE. Sir, you would like a report——

Mr. BONNER. If that meets with the approval of the Chair, I just think it would be—I mean, we have—our Nation has focused—here we are coming up on the anniversary of our involvement, and it seems that we have focused so much of our resources, so many of our men and women, and many of whom have not come back, in those two countries. And I think it would be useful to know, going forward, if this is something that you are—your group could consider as part of your long-range mission, especially as you are seeking an increase in funding.

Ms. WASSERMAN SCHULTZ. You can feel free to respond for the record. But I will note that because we are struggling to even fund them at the limited amount of funds that we were able to provide them with in the last fiscal year, expanding their mission beyond the nations that we are already covering would be next to impossible. So I think they would probably be faced with shifting resources that we are able to provide to them to Iraq and Afghanistan if that was something that they felt, that the board felt, was appropriate. I can tell you that the concern that I have is that this program perhaps has been too Russian-centric for too long and did not move beyond—and that they have now moved into the other Soviet Bloc countries. And I think it is an excellent suggestion to look at Iraq and Afghanistan and Mr. LaHood's suggestion that perhaps the billions of dollars that we are spending in those two countries could be—it would be a water droplet to take some of that funding and try to get it put into this program. So if you can respond for the record but just with that note of caution.

Mr. O'KEEFE. Yes, sir. I will be pleased to give you a report by April 4, 2008.

[The information follows:]

Open World Expansion to Afghanistan and Iraq

The Open World Leadership Center was requested to submit to the Subcommittee a report on the possible expansion of its leadership exchange program to Afghanistan and Iraq. The following analysis covers the operating environment in each country, the possible programming options, timelines, and projected cost per participant.

I. Afghanistan

a. Operating Environment

The operating environment for exchange programs in Afghanistan poses challenges for an Open World-style program. However, there are a number of qualified Americans who have lived in Afghanistan and have worked for the donor community and have the necessary in-country operating expertise to establish a strong leadership exchange program. In addition, there is a fairly well established cadre of organizations and leaders that could provide a base for nominating program delegates, and identify program facilitators, a critical element for success[1]

The first element for such programming is a clear understanding of the perceived implications for Afghani citizens of a trip to the United States paid for by the U.S. government. Accepting such a trip can be seen as holding a positive position towards the United States and can have significant political implications. For example, some teachers from Afghanistan who traveled to the United States on U.S.-government programs have received "night letters," in this instance written threats usually attached to a stone or a brick and thrown into a home or at the person on the street, or have been actually killed after participating. Some alumni of the State Department's Bureau of Educational and Cultural Affairs' (ECA)Youth Exchanges and Study (YES) Program who are higher profile (work for high level government officials) have also received threatening night letters.

Because of this risk, ECA decided not to publicize anything about the YES Afghan students or alumni. Program implementers are not allowed to publish any stories about such alumni, regardless of the wonderful things they do, either on websites or in other publications. ECA does not publicize these programs for fear of harming the individuals that participate in them. Open World would make a similar commitment.

The ability to form partnerships resulting from such programming, an important goal of the current Open World program, is limited. Unlike Open World countries in Eurasia, Afghanistan does not yet have a well-established school, legal, or local government systems, so partnership building is more difficult. Nevertheless, there are cases where U.S. program participants from Afghanistan put together projects to build schools in Afghanistan (or develop similar projects) and U.S. hosts have helped them raise money.

[1] Young Afghan citizens with excellent English skills who have spent time in the U.S. One facilitator would accompany each group of four Afghanis – the Open World delegation model to facilitate logistical and cross-cultural matters.

The relationships most likely to lead to ongoing activity between Afghan participants and American hosts are projects building on or linked to current U.S. initiatives.

Cultural differences are significant between the people of Afghanistan and Americans. Whereas Eurasia is generally Western in its orientation, including working a Monday through Friday workweek, Afghanistan has a Saturday or Sunday through Thursday noon schedule. Even in simple things, this makes coordination difficult, since the work weeks do not overlap. In addition, time has to be allowed in U.S. program schedules for prayer times and most delegations will require halal meat. The role of women in these societies is very different, and this affects their interactions with U.S. women. While homestays would provide a unique view into life in America, the usual Open World predepature orientation would be longer and more intense to avoid uncomfortable situations for Open World participants and their hosts.

b. Types of Programming

Given the relatively basic level of development of Afghanistans's governmental systems and its infrastructure, we would modify Open World's programming themes to focus more on basic governance and free market principles. Having said this, some clear themes do emerge for Open World programming

Federalism/Government. One of the looming issues for Afghanistan is the extent to which different regions of the country contribute to a national whole, or even perceive themselves as a part of a whole. Seeing the U.S. system and the ways that government responsibilities are divided between the various branches of the government would give a useful insight for government officials. In addition, broad programming themes for municipal governance might be useful, if very carefully focused. Afghan concerns regarding municipalities will be more focused on basic organization and services.

Rule of Law. Rule of law is a topic that could be adapted successfully. There have been some U.S. Government-sponsored programs that we are aware of for legal educators. Although Afghanistan uses Sharia law as a basis for their legal system, there are commonalities, including the use of evidence that could provide a useful basis for discussion. Afghan judges might come to the U.S. to share/learn experiences on arbitration or mediation. Local resolution of legal issues (when not handled unilaterally) is often based on arbitration rather than strict legal codes. Of course, much of this arbitration is heavily influenced by cultural and ethnic tradition.

Education. Education is a major need in Afghanistan. According to statistics, the literacy rate is 36% (51% male; 21% female). Issues exist at all levels of the educational system, including curriculum, management, teacher education, etc. Education is key to moving Afghanistan forward, and dealing with some of its profound problems. The State Department has brought over English language educators and there are programs aimed at training English teachers in Afghanistan. Doing projects on a macro level for education ministry officials and local school officials would be a helpful addition to these initiatives.

Diversity. One of the major issues facing Afghanistan is ethnic differences. Afghans, for the most part, hold deep-seated beliefs and stereotypes about various ethnic groups. In this regard, for some Afghan delegations, it would be helpful to consider how the U.S. government has played a role in promoting integration and enforcing antidiscrimination laws. This topic could also be folded in to any of the other topics.

Journalism/media. Previously, very little local media (newspapers) existed n Afghanistan. There are now some news services and television is re-emerging in the post-Taliban period. The major media are controlled by the government. Like so many sectors in Afghanistan, this sector is underdeveloped and could benefit from the Open World program.

NGO Development. – While the vast majority of non-governmental organizations active in Afghanistan are foreign, the number of local non-governmental organizations in Afghanistan is growing. Support for indigenous NGO's might also be a potential focus of Open World programming.

In addition, the Open World program has had much success in some of its programming in Eurasia by building on existing projects funded by the U.S. Agency for International Development and other donors. Open World could tailor its programs if such projects would benefit from a U.S. travel component, particularly in the areas of governance, rule of law, health, NGO development, media, and the provision of social services.

c. Timeline and Costs

It would take a little less than a year to make the necessary preparations for launching the Open World exchange program in Afghanistan. With the central government and the local governments undergoing period transitions, the people Open World might work with may change. Most Afghan participants would have to obtain Afghan government (service) passports, apparently a time-consuming bureaucratic process

The embassy now issues U.S. visas in Kabul for participants in U.S. government-sponsored programs. Recently, State Department officials informed Open World that visas for men (including boys over sixteen) will take up to six months to receive and some will not come through at all. In many cases, the U.S. Embassy cannot provide information about the status of a visa application, so there is a lot of uncertainty about whether visas will be received in a timely fashion or not. We cannot fully screen for these issues in advance, so the visa process will be helpful in some respects, since it will not allow individuals with links to the Taliban or terrorist groups to travel.

Finally, participants need to get transit visas for any country they travel through, often multiple entry visas since they will travel through twice. These visas can be issued only once the U.S. visas are in hand. Our understanding from discussions with logistics contractors is that, for a typical Afghan group, we will have to secure three visas. While

these procedures are time consuming and costly for our program, they will not prevent us from implementing this type of program.

Open World has estimated that the per person cost for a program aimed at bringing fifty Afghanis in 2009 would be in the $20,000 range, not including overhead costs for enhancing Open World staff expertise. The average cost in 2007 to host a Russian delegate was $7,200. Detailed budgets can be submitted at the request of the Subcommittee.

II. Iraq

a. Operating Environment

Given the instability in Iraq, the ongoing cross-sectoral violence, and the level of development of Iraq's governmental systems and infrastructure, Open World programming for Iraq presents a number of daunting challenges. As in Afghanistan (but in fewer numbers), there are qualified Americans who have lived in Iraq and have worked for the donor community (and/or with the U.S. civilian-military inter-agency Provincial Reconstruction Teams – or PRTs) that could bring the necessary in-country operating expertise to the table to establish a leadership exchange program. It is likely that many aspects of program management would have to be handled off-shore in a country like Jordan or Egypt. In addition, there is a fairly well established circle of organizations and leaders that could provide a good base for nominating program delegates, but finding program facilitators [2] will provide a challenge for reasons described below.

The 28 Provincial Reconstruction Teams (PRTs) that are located throughout the 18 provinces of Iraq as of mid-December 2007 work closely with provincial council members, governors, local officials, community leaders, and criminal justice system officials to help them implement provincial government responsibilities, build the system of justice, and increase citizen participation in the governmental decision-making process. PRTs work with local communities, assessing and reporting on local issues and facilitating political relationships. PRTs are designed to provide a link between provincial-level and national-level efforts and would play a key role in any Open World programming for Iraq.

The nominations, vetting and logistical processes would be somewhat different than for Open World's traditional programs because most of the paperwork would have to be handled elsewhere to avoid the dangers of having staff in the region. The staff processing the materials, however, would have to have Arabic language proficiency, which is possible in an off-site location.

Once again, as with the case of programming in Afghanistan, we should not underestimate the perceived implications of a trip to the United States paid for by the U.S. government. Accepting such a trip can be seen as a positive position towards the

[2] See footnote 1.

U.S. and can have significant consequences for those choosing to participate, including assassination. For most State Department programs, there is a "no media" rule to protect participants. No newspaper articles are allowed due to the potential damage to the participant and his/her family. ECA and State also do not publicize these programs for fear of harming the individuals and Open World would need to make a similar commitment.

Several programs that have brought Iraqis to the U.S. have had participants who have asked for political asylum in the U.S. during the course of their program. Open World is proud of its record in the Eurasian countries where all 13,000 participant young leaders have returned to their home countries.

Finally, as with programming for Afghanistan, the cultural differences, including attitudes toward women, work practices, religious traditions, dietary norms, and general lifestyle, between are two countries are such that the homestay experience, which is at the heart of Open World programming, will present obstacles to implementing a successful program. It is possible that participants may be more comfortable staying in hotels, but we would look to home stays as the first option.

b. Types of Programming

As in Afghanistan, due to the gap between our two cultures, and the level of development of Iraq's governmental systems and infrastructure, Open World would likely have to modify its current thematic programming to cover the fundamentals of governance, the provision of basic services, and the concept of free markets. The themes that we have identified for potential programming include:

Federalism/Government. One of the critical issues for Iraq is its status as a single, unified nation and to what extent Iraqis even perceive themselves as constituents of a whole. In addition, with regular fighting for control over vast areas of the country for Iraq, the establishment of stable provincial governments able to govern is a work in progress, and one rife with conflict and violence. Seeing the U.S. system and the ways that government responsibilities are divided between the various branches of the government could give useful insight for government officials that are able to work in stable areas and could provide the incentive for others to work to establish stable governance...

Rule of Law. Rule of law is a topic that could be highly beneficial if adapted successfully. The Iraq legal system was in disrepair even before the arrival of U.S. forces, due to the nature of the Saddam Hussein regime. In addition to basic issues of justice, the role of Sharia law needs to be incorporated into a new, functioning legal system. The use of evidence and the introduction of adversarial procedure could provide a useful basis for exploration and discussion, particularly in the areas of arbitration or mediation.

Women as Leaders. This is an established Open World theme/subtheme that focuses on the important contribution women make to build a civil society. Delegations could be organized around one of the following subthemes: women as political leaders, women in government, domestic violence prevention, and NGO development and management.

Health and Social Services. Open World could focus on programs that utilize a community-based approach to promote the health of citizens and provide effective social services. The focus could be on programs, services, and educational efforts that enable citizens to be healthy, self-sufficient, and productive members of society. The current Iraqi government has not been able to provide even basic services. Non-profits, businesses, and citizen groups can work to fill the gaps in the system, creating new organizations and approaches.

Rebuilding. In the United States, corporations, non-profits, and individual citizens have taken a critical role in rebuilding and rehabilitating their own communities. Habitat for Humanity is one example of a grassroots organization working in this sphere. Other organizations and even for-profit companies have helped in urban renewal and rebuilding. This theme could focus on ways that war-torn communities could be re-built in ways that do not depend on government intervention and would empower citizens to take individual initiative.

Diversity. One of the major issues facing Iraq is coping with discrimination based on religious or ethnic differences. This theme could be expanded to focus on national reconciliation, clearly one of the biggest challenges to Iraq's survival as a state. The divisions go beyond ethnic groups to include political parties such as the Baathists, who have been marginalized in the U.S. efforts in the regions. The U.S. has played a role in reconciliation movements in Ireland and other countries, and Open World might be able to develop a theme that could support this process. The U.S. government has developed mechanisms to promote integration and enforce antidiscrimination laws. This topic is relevant in virtually all aspects of Iraqi life and could be folded in to any of the other topics suggested in this paper.

In addition, the Open World program themes could be developed in consultation with the PRTs or with the U.S. Agency for International Development and other donors to be responsive to needs as they are identified and in locations where such activity could take place without jeopardizing the livelihood and lives of the participants. Open World could tailor its programs if such projects would greatly benefit from a U.S. travel component, particularly in the areas of governance, rule of law, social service provision, reconstruction, NGO development, and programming aimed at fostering tolerance for social and political diversity.

c. Timeline and Costs

It would take a year to set up and introduce the Open World Program in Iraq. Program participants would need to get Iraq government (service) passports and through an unwieldy bureaucracy. Working with the PRTs might speed up this process. Open

World would have to be established as a U.S. government program with the appropriate Iraqi ministries. Organizations that we have consulted with have indicated that they allow six months for visa processing in Baghdad, where visas are issued, and Iraqi citizens face the same scrutiny in obtaining a visa that is described in the related section for the Afhanistan analysis above.

Open World estimates that the per person cost for a program aimed at bringing 40 Afghanis in 2009 would be in the $24,000 per person range, again not including overhead for staff experts. Detailed budgets will be submitted if the Subcommittee desires. In this budget scenario, we have allowed for a Jordanian or other Arab country presence for logistical staff and for much of the paper work to be processed off-site as well. Visas would be received in Iraq, but participants would depart through Jordan to the U.S.

Ms. WASSERMAN SCHULTZ. Thank you. I ate up about 30 seconds or more of your time in answering that.

UTILITY TUNNEL ABATEMENT EFFORTS

Mr. BONNER. I have just got one more quick question for the Office of Compliance. Could you give us an update on the asbestos in the tunnels?

Ms. CHRISLER. I certainly can. As the subcommittee is well aware, the Office of Compliance and the Office of the Architect of the Capitol entered into a settlement agreement to abate the hazards in the tunnels. And pursuant to that settlement agreement, many things have been happening with the Office of Compliance and the Office of the Architect of the Capitol. Each has liaisons who are in direct communication with each other constantly about the progress that the Architect of the Capitol is making with respect to the tunnels. And specifically with respect to the asbestos concerns, my understanding is that everything is on track, that everything is moving forward, specifically the asbestos removal in the b, y and g tunnels is on track, as well as the replacement of the r tunnel. I have with me our general counsel, Peter Ames Eveleth, who can also provide additional information.

Mr. BONNER. Thank you.

Ms. WASSERMAN SCHULTZ. Thank you very much, Mr. Bonner. I want to follow along that same line of questioning. The Architect has asked for $127 million to meet the terms of the settlement agreement. Is that the appropriate amount of money to bring it in for a landing?

Ms. CHRISLER. Yes. We have actually had a conversation about this, as I mentioned and once again would like to recognize the subcommittee for the work that you have done to open the door for engaged communication with, specifically, the Office of the Architect of the Capitol. And because of that increased communication, we have been able to sit down with the Architect and discuss many things, among which have been their request for appropriations, and we are certainly very supportive.

Ms. WASSERMAN SCHULTZ. And would you characterize the project as being on track?

Ms. CHRISLER. Yes.

Ms. WASSERMAN SCHULTZ. And they are making the appropriate amount of progress based on the settlement agreement?

Ms. CHRISLER. Yes.

OFFICE OF COMPLIANCE REDUCE AND PREVENT INITIATIVES

Ms. WASSERMAN SCHULTZ. Good. On your request, I have sort of oversimplified the categories that requests go into when talking about how we are prioritizing things in the subcommittee. And there are the things that you must have, the things that you would like to have, and the things, sort of the nice-to-haves and got-to-haves. And utility tunnels are obviously a must in terms of funding. Your Reduce and Prevent Initiatives I would put more in the it-would-be-nice categories, that would, I think, take the OOC's mission beyond what you were originally created to do, which is to be a regulatory agency to ensure compliance and to do inspections and then work with offices to try to reach compliance. It would

definitely be nice to be able to have you work with offices and have a trainer so that you could have offices know in advance how they can be compliant without running into a citation situation, but I just want to caution you that we are going to do the best we can, but I am not sure that the Reduce and Prevent Initiative is going to be a viable option given our limited resources.

And the reason I am prefacing my question with that, because your answer to Mr. Latham on the continuing resolution was that you would not be able to really pursue the Reduce and Prevent Initiative. But that is not part of your mission. That is a thing you would like to expand to correct?

Ms. CHRISLER. Part of the mandate that we have under the statute is, as you mentioned, safety and health. It is to run the dispute resolution program, and we are mandated to provide an education and outreach program. Part of the education and outreach program, as we see it, is to train stakeholders, to provide training, to provide education in any form that is well received regarding their rights and their responsibilities under the Act. So we see the prevention and reduction—we see the trainer, we see the ombuds position—as part of our mandate, as part of that education and outreach mandate.

Ms. WASSERMAN SCHULTZ. Are you able to do education and outreach now?

Ms. CHRISLER. Absolutely.

Ms. WASSERMAN SCHULTZ. So you are meeting your mission?

Ms. CHRISLER. Not to the extent that we would like and certainly not to the extent that we believe the statute mandates us.

Ms. WASSERMAN SCHULTZ. So you would like to do more, but——

Ms. CHRISLER. We would like to do more. We are doing what we are able to do now, yes.

Ms. WASSERMAN SCHULTZ. That is what I wanted to get on the record.

Ms. CHRISLER. If I also may?

Ms. WASSERMAN SCHULTZ. Sure.

Ms. CHRISLER. We do believe that the Prevention and Reduction Initiative with the trainer, with the ombuds position, would be able to save money for the agencies. There are recent studies, as recent as 2006, in the private sector, in the government sector as well as in academia, that suggest that having trainers, having ombudsmen not only reduces litigation costs by 75 percent, but it also reduces the number of discrimination claims that are filed. So not only do we see this as part of our mandate, we see it as a cost-saving initiate for the Congress as well.

AOC CITATIONS

Ms. WASSERMAN SCHULTZ. Do you coordinate or has the Architect of the Capitol coordinated with you on which projects it would request in terms of the citations that it has from your office and what those were in priority order?

Ms. CHRISLER. They have shared with us their site management plan, and we have been engaged in discussions with them on that. We want to continue discussions and engage in more discussions about how to address the hazards that have been the subject of citations as well.

Ms. WASSERMAN SCHULTZ. Is that a long way of saying sort of but not enough?

Ms. CHRISLER. In a way.

Ms. WASSERMAN SCHULTZ. Okay. Just checking. Because when we get their list of priorities, I sort of always wonder whether, based on the citations that you have issued, whether your priorities for relieving the citation or eliminating the citation, addressing it would match with their priority order.

Ms. CHRISLER. As you know, our priority system is the RAC system, the Risk Assessment Codes. And RAC one is the most dangerous; followed by RAC two; RAC three; and RAC four. That is how we categorize the citations and the hazards. The Architect has a program. They prioritize differently.

Ms. WASSERMAN SCHULTZ. And I would encourage and I will encourage the Architect of the Capitol as well as you to more closely coordinate the prioritizing of the list that they request funding for from us because life safety and security, addressing those hazards is really critical. And my time has expired.

ACCURACY OF CBO ESTIMATES

Mr. LATHAM. Thank you.

Dr. Orszag, not necessarily directly budget related, but in a broader sense, I have been around here for a little while, and I have seen CBO estimates, OMB estimates. In 3 months into a fiscal year there can be a variation of projected surplus or budget deficit of $100 billion. Please tell me how you can instill confidence in us that any kind of projections are real. A broader question I guess as far as dynamics go, is how do we actually get real numbers that are—closer to accurate? It is not a reflection on you, because this has been going on a long time.

Mr. ORSZAG. First is yes. The deficit numbers in particular will move around. I think we do as well as any other organization in those projections. So one metric is, is there anyone else doing better than we do? And I think the answer to that is no. And the reason that the numbers aren't, you know—do move around is the deficit is the difference between two big numbers. And we are trying to protect both of them, and you are a little off on either one, and the deficit number is going to move a lot. We are continually reexamining the projection methodology.

I will give you an example. On the revenue side, it turns out that when we are too high one year, we tend to be too high the next year. Technically, it is called serial correlation. There are projection efficiency gains in terms of projection methodology if we can reduce that, and we are exploring technically whether we can do even better than we currently are. So I guess all I can say is Paul Volcker once said, pick a number or a date but never both. And, unfortunately, I don't have that luxury right now. We do the best we can.

We are trying to do even better, and we are continually reexamining methodology. I understand your frustration. The other thing that we try to do though, is the process puts a lot of emphasis on that point estimate; it will be $27.7 billion. We are trying to provide a lot more information about the spread of uncertainty around those numbers. And you will see in our documents, based on those previous projection errors, what the 95 percent confidence integral

is and sort of what the spread of possible outcomes are. We have been going beyond that now in saying—you know, there is a lot of emphasis, for example, on the budget outcome now for 2012—rather than just saying our projection is X, we think that is our projection, and based on our previous errors, what is the probability that the budget will be in deficit? So we are trying to provide more information. The world is, unfortunately, not as predictable as one might like.

Mr. LATHAM. And I guess that is my point about dynamic scoring. The real-world effects of tax increases or tax cuts, revenues rather than just saying, we don't take that into consideration.

Mr. ORSZAG. Yeah. Let me comment on that. We do take into account lots of behavioral response. So if you change a spending program or you change something, there will be responses that individuals undertake. So if you, expand a public health insurance program, we have, you know, our estimates suggest some people will switch from private insurance to the public insurance program, for example. So we incorporate that kind of behavior outcome. We shut off, though, in the formal scores any macroeconomic impact. And that is where the heart of that dynamic scoring comes. We have and we will continue to provide—for example, on March 19, I believe we are putting out a full analysis of the President's Budget. In that document, we include not a dynamic score but a dynamic analysis of the President's Budget including those macroeconomic feedback effects. The distinction between dynamic analysis and dynamic scoring, it comes back to that single point estimate. Given the imprecision in macroeconomic analysis, we are reluctant to just say, here is what the macroeconomic impact is. We use a variety of models, and then we can show you the range of results in an analysis as opposed to a score in a way that we can't when we have to just pick a single number.

Ms. WASSERMAN SCHULTZ. Thirty seconds.

SCORING THE FARM BILL

Mr. LATHAM. One question. And I honestly will get to the budget here in a minute. The Farm Bill that they are trying to write today is a 5-year Farm Bill. They are saying the direct payments will stay the same for 10 years, except for the 9th year, and then there won't be, any direct payments. So that they can raise 4 of the 5-year Farm Bill about $3.4 billion because in the 9th year, they say that we won't make the payments, which is crazy. We know it will happen. How do you do that?

Mr. ORSZAG. How do we score it? Or how do we——

Mr. LATHAM. Well, that is the way you score it.

Mr. ORSZAG. We are required in a whole variety of settings to score to the letter of the statute. So if the statute says that will happen, generally that is what is incorporated into our score. In many situations, outside observers or other policymakers recognize that what the statute literally says has a very, very low probability of actually occurring.

Mr. LATHAM. Do you put a notation at the bottom saying, this is crazy, it will never happen?

Mr. ORSZAG. I have noticed that that tends to happen now in the outside discussion regardless of what we do or don't say.

Mr. LATHAM. Thank you.

Ms. WASSERMAN SCHULTZ. Okay. The time has expired.

Mr. Bonner.

Mr. BONNER. Thank you.

Dr. Orszag, let's keep with you for just another minute.

Ms. WASSERMAN SCHULTZ. Can I just interrupt for a moment? Let me go to Ms. Lee because she hasn't asked any questions at all yet.

Mr. BONNER. Sure.

CONTRACTING POLICY FOR WOMEN AND MINORITY-OWNED BUSINESSES

Ms. LEE. Thank you, Madam Chair.

Good morning. Forgive me for being late, but we are, again, in three committees at the same time. But I wanted to just ask you the question I ask each agency with regard to what we learned last year as it relates to the inclusion of minority and women-owned businesses in your overall subcontractor or contracting efforts. And we actually put forth language last year in the bill that put out a requirement that each agency develop a formal written policy regarding the involvement of minority and women-owned businesses, and the disabled. And I wanted to make sure you are familiar with the requirement and that we have, I think, a March deadline determining what the plan is for your agency and also the workforce. What is the composition? Racial/ethnic composition, gender composition of the workforce getting paid? Do you have that broken down by division, pay grade, job classifications? Or how do you keep that information?

Mr. ORSZAG. Sure. Do you want me to go first? First, with regard to the contracting, I believe we have submitted our report to you. For our agency, this is a very tiny part of the budget. So it is not as large a concern as our staff, which is a significant concern.

And I will be frank, I have struggled and we have struggled to improve our diversity. One of my problems is that, given the nature of our workforce, we draw a lot from, for example, Ph.D. economists. And last year, U.S. graduate schools, the share of Ph.D.'s granted to minorities who are U.S. citizens was well under 5 percent. And those people tend to be very heavily recruited, and we are doing the best we can.

I will point out, actually, I am very pleased; we just recruited a new minority female manager in the health unit who will be joining CBO in the next month or two. So we are trying hard, and we are doing the best we can. We are not where I would like to be. We do keep the data proposed by—split out by division and split out by management and professional staff, support staff and what have you.

We have been doing much better on females than on minorities, and we are trying to rectify that. In fact, at some recent briefing for new employees, I believe there was one male out of a group of—a large group. So it is just a reflection of doing better on females. And we need to do better on minorities. But we can categorize the data in any way you would like.

Ms. LEE. We will ask you for a copy formally.

[The information follows:]

Hearing on CBO's FY 2009 Budget Request
March 12, 2008 at 10:00 a.m.
H-144 Capitol

Questions for the Record
Congresswoman Barbara Lee

Question. What is the composition—racial/ethnic composition, gender composition of the workforce getting paid? Do you have that broken down by division, pay grade, job classifications? Or how do you keep that information?

Answer. CBO strives to have a representative workforce at all levels of the agency and, as part of that ongoing effort, tracks the racial/ethnic and gender composition of its workforce. Unfortunately, the demographics of those completing degrees in the areas required to do the agency's work have made such diversity difficult to achieve.

CBO employs individuals with very specialized skills to do the complex economic and budgetary analysis the agency is required to do for the Congress. As a result, roughly 80 percent of the professional staff members hold Ph.D.s or master's degrees. The Ph.D. market is a particularly challenging one. According to the most recent Survey of Earned Doctorates, only 30 percent of newly minted Ph.D. economists in 2005 were women.[1] An additional recruiting difficulty for CBO is that foreign nationals make up the majority of doctoral students in economics—more than two-thirds in 2005. Although the agency hires some people who are not U.S. citizens, the small proportion of U.S. citizens among new Ph.D.s in economics nonetheless limits the pool from which the agency can attract candidates.

Perhaps even more dramatic, among the U.S. citizens who came into the labor market from this pool, only 4.3 percent (44 people in the entire nation) were identified as members of a minority group. These numbers are even more disheartening in light of the small percentage of new Ph.D. economists who enter government service—only 16 percent in 2005.

CBO confronts these challenges by making special efforts to reach out to women and minorities in seeking candidates for open positions. The following chart indicates that the agency has improved its minority representation significantly over the past 10 years ago.

[1] The survey is conducted by the National Opinion Research Center at the University of Chicago for the National Science Foundation, the National Institutes of Health, the Department of Education, the National Endowment for the Humanities, the Department of Agriculture, and the National Aeronautics and Space Administration.

Congressional Budget Office
Employment of Minorities and Women
As of March 1, 2008

(Percent)

	Management and Professional Staff		Support Staff		Total	
	Minorities	Women	Minorities	Women	Minorities	Women
Mar. 2008	13.2	42.3	64.3	78.6	16.2	44.4
Dec. 1997	5.6	43.1	53.6	53.6	11.7	44.4

Total Staff Members: 234*

	Management Staff Only (Total: 36)*		Management and Professional Staff (Total: 220)		Support Staff (Total: 14)		Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Women	7	19.4	93	42.3	11	78.6	104	44.4
Minorities	4	11.1	29	13.2	9	64.3	38	16.2

*Excludes CBO Director

CBO—with other legislative branch agencies—testified on this topic before the Subcommittee on Federal Workforce, Postal Service, and the District of Columbia, Committee on Oversight and Government Reform in November 2007. We will be happy to provide you with a copy of that testimony.

Ms. CHRISLER. The Office of Compliance is well aware of the requested policy, and we have developed a written policy. We have implemented our policy, and we actually have contractors that meet the criteria as set forth in the policy. We have contractors currently meeting the criteria. We do not keep demographics on the number of minorities or the number of other sectors.

Mr. BONNER. Madam Chair, could she speak up for the record, please?

Ms. CHRISLER. I am sorry.

Ms. WASSERMAN SCHULTZ. It is for the record. Is the mike on? He cannot hear you.

Ms. CHRISLER. Yes. We have established a written policy. We actually have contractors that we work with who fit the criteria, and though we do not keep demographics of the racial or gender complement of our staff, our staff is small enough that we can provide that information for the record.

Ms. WASSERMAN SCHULTZ. Great. Thanks.

[The information follows:]

Additional Assignment for Ms. Lee

During the March 12 hearing, Member Lee requested demographic information with regard to OOC employees. The information follows. (Please note that, because of our size, the Office of Compliance has no divisions, nor do we have pay grades or job classifications. Our salaries are administratively determined.)

Demographic	*Number*	*Pecentage*
Woman	13	76%
Disabled	2	12%
✓ Black, not of Hispanic origin.	4	24%
✓ Hispanic.	1	6%
✓ White, not of Hispanic origin.	11	65%
✓ Asian Indian.	1	6%

Ambassador O'Keefe.

Mr. O'KEEFE. Yes.

Ms. WASSERMAN SCHULTZ. Congress may have to go vote, but if you can answer the question.

Mr. O'KEEFE. I will be happy to answer the question. In terms of our of staff, one-third of the filled FTEs are women. One-eighth is minority. We do have a language requirement that individuals either have Russian or one of the languages of our target countries.

I will have to take the question on contracting. We have not let any new contracts recently. And I will provide that answer for the record. I just would note that in our overall program of the 13,000 delegates we brought over, 51 percent are women.

[The information follows:]

OPEN WORLD LEADERSHIP CENTER FOR THE RECORD

OPEN WORLD CONTRACTORS—MINORITY AND WOMEN-OWNED BUSINESSES

As of March 27, 2008 Open World has 6 contracts:

- 3 Non-Personal Technical or Professional Contracts
- 2 are with a non-profit organization
- 1 is with a small woman-owned minority business

- 3 Non-Personal Technical or Professional Contracts with Individuals
- 1 contract is with a woman unincorporated sole proprietor
- 1 contract is with a woman who is not incorporated

Ms. WASSERMAN SCHULTZ. Wonderful. That is what we like to hear.

Mr. Bonner, Mr. Ruppersberger does not have any questions.

CBO HEALTH CARE ANALYSIS CAPABILITIES

Mr. BONNER. Okay. Just one more final question then.

Dr. Orszag, obviously healthcare is a major issue for our country, and we are trying to wrap our arms around it. Some of the Presidential candidates are calling for radical change that would obviously cost more money, perhaps with greater opportunities for service. But in a National Journal article on January 5th, I saw where you expressed concern that your budget request, that there is an insufficient number of staff at CBO to handle the growing number of healthcare requests. I believe that was attributed to you. How many staffers of the 235 that you have at CBO currently are handling healthcare requests? And of the requests for additional funds for additional staffers, how many of that number would be dedicated to healthcare?

Mr. ORSZAG. With regard to your first question, roughly, when I took office, or earlyish last year, there were roughly 30 FTE's working on healthcare. Now there is a little bit of question about how you include like the person I just mentioned who is going to be coming on board. But we are now at about 45 or so, which actually is a very significant increase for a public institution in roughly a year with 235 people.

The problem is, that shift is coming at the expense of all other things we do, Defense and Agriculture and all the other things that we are being called upon to do. I nonetheless felt like it was critical, given that healthcare costs are where it is at over the long term and that previously I think we had terrific staff, but they were being deluged with so many requests that some of the con-

cerns that had been expressed about response times and other things I think were particularly salient in that area, which is also why I shifted resources into that arena. Of the 15 FTE requests that we have, something like 12—I am sorry, 9 would go to health, and others will kind of backfill some of the shifting that I have been doing.

CBO HISTORY OF SHIFTING RESOURCES

Ms. WASSERMAN SCHULTZ. Thank you very much.

On the healthcare analysis——

Mr. ORSZAG. Yes.

Ms. WASSERMAN SCHULTZ. You have only been with the agency for a year, but maybe your staff can help you answer the question as far as the history of the agency. When Congress's priorities shift, has CBO traditionally tried to beef up its staffing in the areas of expertise that Congress is relying on over a period of time?

Mr. ORSZAG. Yes. And one, actually one of them, I will just be forthright, one of the concerns about the shift in staff that we are doing is whether there is a lot of sort of drumbeats about healthcare, and then you all decide, oh, no, that is not that important. I have decided that is a calculated risk that I will take, at least for the foreseeable future, healthcare will be such a dominant part of the policy agenda that it is worth it to put more resources in there.

Yes, there have been cycles in the past, and one of the concerns is that we sort of ramp everyone up in an area, and then you all say, no, we are not interested. And I am taking a calculated risk on that. I hope you will back me up on it.

Ms. WASSERMAN SCHULTZ. We are absolutely going to try to do as much as we can for you in that arena.

Mr. ORSZAG. I just meant on the risk that Congress will remain interested.

I am not lobbying.

Ms. WASSERMAN SCHULTZ. I do not think our constituents will give us much choice about the healthcare issues, given that we have upwards of 15 percent increases in healthcare costs, and that does not appear to be waning any time soon. And regardless of whether we have significant proposals coming down the pike, we all know there are so many different ideas on how to approach healthcare, so I think it is a wise portion of your request.

CBO INFORMATION TECHNOLOGY

Can you tell me about your IT resources? I know that you have also asked for an increase in your information technology resources. What is important about that?

Mr. ORSZAG. I think there are a couple things that are important about that. First, one of the ways we kind of skirted by over the past couple of years is by not doing as much in terms of replacing sort of the normal cycle of IT infrastructure.

Secondly, we are very concerned about protecting our IT infrastructure and the security that surrounds both the Website and various entry points and what have you. We deal with proprietary tax information and other things that need to be very specially protected. So part of the request is to make sure that we are ade-

quately funding security and part of it is—IT security, that is—and part of it is to make up for the lag, and that has been one of the areas that we have been skirting by on basically.

CVC INSPECTIONS

Ms. WASSERMAN SCHULTZ. The last thing I wanted to cover was that I neglected to congratulate Ms. Chrisler on her permanent appointment as the executive director of the Office of Compliance, because last year when you were here, you were only the acting. And through the change in the law, we were able to make sure that we could remove that portion of your title.

I did want to ask you about the CVC inspections. I know you expressed some interest, I do not know if it goes to the level of frustration, but I know there was some difficulty last year. And this committee has been very focused on trying to exercise oversight over the Capitol Visitors Center. And you were interested and concerned that you get into the CVC and do pre-inspections as soon as possible, and there was some resistance on the part of the AOC for you to do that. How is that going, and what have you found?

Ms. CHRISLER. It is going very well. We have begun pre-inspections in February. We are slated to conduct pre-inspections in February, June and October. When we went in for the pre-inspections in February, we were able to inspect some of the areas that had been completed. We have begun weekly and biweekly teleconference calls with the Office of the Architect of the Capitol so that we can finally conduct pre-inspections of those areas that were not completed in February. And we will continue along this path so that our inspections are as timely as they can be.

Ms. WASSERMAN SCHULTZ. So you can also confirm that, through your pre-inspections, it appears as though we are still on track to open towards the end of November and that we will not experience any significant problems or violations in your pre-inspection.

Ms. CHRISLER. That is correct. We have not found any yet.

Ms. WASSERMAN SCHULTZ. That is what I like to hear.

Ms. CHRISLER. This Friday we will be conducting radon testing, actually, so we are moving forward with the Office of the Architect of the Capitol.

Ms. WASSERMAN SCHULTZ. Great.

Mr. Latham, do you have any other additional questions?

SELF-CERTIFICATION OF DISTRICT OFFICES

Mr. LATHAM. Just one real quick. You are requesting $25,000 for the pilot self-certification in House and Senate district offices.

Ms. CHRISLER. Yes.

Mr. LATHAM. And how do you go about choosing—I am not sure everybody wants you to choose them—how do you go about that, and how many offices do you expect to participate?

Ms. CHRISLER. This is a new initiative——

Mr. LATHAM. Right.

Ms. CHRISLER [continuing]. That we will be undertaking, so we have not gotten to the point where we have selected any offices. We are hoping this program will allow the offices to engage in self-certification so that we can ensure that we are meeting our mandate to offer the services to all of our congressional stakeholders, not

only on Capitol Hill, but out in the districts and State offices. Certainly part of the funding that we are requesting would enable us to begin this program, and part of the beginning of that program would be to develop plans and to develop procedures by which we would initiate the checklists and the program.

Mr. LATHAM. Okay. I will stop there.

Ms. WASSERMAN SCHULTZ. I have completed my questions as well.

Mr. Ruppersberger.

Mr. RUPPERSBERGER. Yes.

ADDITIONAL ASSIGNMENTS FROM THE CHAIR

Ms. WASSERMAN SCHULTZ. We appreciate the opportunity to review your budget and talk to you about your priorities. I do have some homework for each of the agencies. You do not have to write it down, because I will give you a copy of what we are requesting from you.

For the Office of Compliance, in last year's House passed bill, we included a provision requiring legislative branch agencies to reimburse the Treasury for any payments made on their behalf for awards or settlements under the Congressional Accountability Act. And so, by next Wednesday, March 19th, if you could submit a report of the Office of Compliance's position on this language.

For CBO, you are asking to expand by 10 percent over the next 2 fiscal years due to the growing demand for your services. And I can tell you that—Mr. Latham, if you have not found already—the Members that I have spoken to on both sides of the aisle are just really concerned about making sure of that, because obviously the credibility of CBO's information is extremely helpful. I know Members that want to expand you by much more than what you have asked for. So if you could, by next Wednesday, March 19th, please submit a report on what CBO's current work load is; how you are addressing it now using existing FTE's; what specific requests are being turned down due to a lack of additional FTE's; and also, how you are having to prioritize your requests. Please include an explanation of how you prioritize your work as well.

And then Open World, assuming that Open World continues to be housed within the legislative branch, which I think it is important to note I am not opposed to, I am interested in the program shifting more towards expansion countries. With that in mind, by next Wednesday, March 19th, please submit a report on how you would shift your operations if we included a restriction limiting the use of funds for Russian participants to no more than 50 percent of the total program, which is in line with some of the questions that were asked today. Please describe how you would change your current operations under such a provision; what, if any, additional countries you would target; and how long it would take for you to move towards this model. And additionally, because you seem to indicate that the draft report will not include suggested alternative funding sources—I mean, I am hopeful that it does—but if it does not have suggested alternative funding sources, I would like you to provide some suggested funding sources, particularly in the area of the judicial branch. Since approximately 10 percent of your participants are from the judicial branch, then this is really an area that

I think you are going to need to seek, to pursue as a funding source, because we are simply going to need to relieve the pressure off this bill over the long term.

And before I close out the hearing, Ms. McCollum, do you have any questions?

Ms. MCCOLLUM. No, I do not, Madam Chair. Thank you.

Ms. WASSERMAN SCHULTZ. You are welcome. Thank you very much.

With that, the subcommittee stands in recess until 1:30 this afternoon, when we will hold our next oversight hearing on the Capitol Visitor Center.

Hearing on Office of Compliance, CBO, and Open World FY 2009 Requests
March 12, 2008 at 10:00 AM
H-144 Capitol

Additional Assignment from the Chair for the Office of Compliance
Ms. Wasserman Schultz, Chair

In last year's House-passed bill, we included a provision requiring Legislative Branch agencies to reimburse the Treasury for any payments it made on their behalf for awards or settlements under the Congressional Accountability Act. By next Wednesday, March 19th please submit a report on the Office of Compliance's position on this language.

Response: As an independent neutral agency established to administer and enforce the Congressional Accountability Act (CAA), the Office of Compliance does not typically take a position on the merits of proposed legislation covering its roles and responsibilities. However, as we have been invited to provide feedback on the merits of the legislation, we are pleased to have an opportunity to share our observations with the Subcommittee. In addition, we would like to provide feedback on what, we believe, the impact of this legislation could be on OOC.

In general, the OOC believes that by requiring legislative offices to reimburse the Treasury for funds used to pay certain awards and settlements, Congress is asking those offices for increased accountability. In addition, the legislation could serve to encourage those offices to solve issues earlier in the process, and promote workplace fairness. It would also foster training for supervisors regarding both the workplace fairness and safety and health requirements under the CAA.

We do note that, notwithstanding some of the advantages of the legislation, requiring notification of payments and monitoring reimbursements by the legislative offices could significantly impact the administrative functions of the OOC. These added functions would result in an increased role for the OOC in accounting for the settlements, reminding offices of their obligations, training offices on their responsibilities, and additional monitoring of the Treasury fund.

Currently, the OOC does not notify heads of offices that an award or settlement has been made. When the OOC Executive Director approves a settlement pursuant to 2 U.S.C. 1414, an amount equal to the amount of the settlement is transferred from the Department of the Treasury and placed into an OOC zero-balance fund from

where it is disbursed to the party specified in the award or settlement. The proposed legislation would require that the Executive Director develop procedures to provide for the notification of awards or settlements. In addition, although not specifically spelled out in the legislation, the responsibility for assuring that reimbursement is made to the Treasury would fall on the OOC, since it would necessarily assume some manner of pass-through oversight and would require that systems be developed for monitoring such activity.

This change may not only increase the administrative burden on the Office, but it could have significant impact on the ability of the OOC to keep such settlements confidential. The OOC does not currently share the amounts, parties, employing offices, or timing of settlements with anyone other than those individuals named as parties in the settlement documents themselves. In fact, we go to great lengths to keep all settlement data confidential from even the accounting and disbursing personnel who might be able to access such information in the course of their duties. Should legislative offices be notified each time settlement has been made, the number of extraneous personnel who would be made aware of confidential settlements would increase, and the protections provided by the CAA would be jeopardized. As such, the protections provided by the CAA may be preserved if the legislation allowed for the processing of reimbursement requests on a regularized annual or bi-annual basis. This schedule would prevent agency accounting personnel from deciphering identifying information and allow the OOC to maintain the maximum degree of confidentiality possible, per section 1415 of the CAA, as has always been our strict policy and practice.

Hearing on Office of Compliance, CBO, and Open World FY 2009 Requests
March 12, 2008 at 10:00 a.m.
H-144 Capitol

Additional Assignment from the Chair for CBO
Ms. Wasserman Schultz, Chair

CBO is asking to expand by 10 percent over the next two fiscal years due to growing demand for its services. By next Wednesday, March 19th, please submit a report on what CBO's current workload is, how you are addressing it now using existing FTEs, and what specific requests are being turned down due to a lack of additional FTEs. Please include an explanation of how you prioritize your work.

Response. CBO's budget request for 2009 is predicated, to a significant degree, on our expectations—and the guidance we have received from Members—about some of the significant legislative priorities of the 111th Congress. Much of the proposed staffing increase is aimed at equipping the agency to respond quickly and effectively to the Congress's needs for cost estimates and other types of analyses in the areas of health care and climate change. The rising cost of health care is the most critical long-term fiscal issue facing the nation, and the decisions facing the Congress—involving the uninsured, the financial and operational problems facing the Medicare and Medicaid programs, pharmaceuticals, the quality of health care, and other key aspects of the health care system—require substantial additional research and analysis. With additional resources, CBO will be able to provide even more and better support than it currently does. Furthermore, in order for CBO to meet the needs of committees and Members during Congressional deliberations on these and other important issues, we have to begin the process of adding and training sufficient staff well in advance of those deliberations.

Last year's experience during the consideration of legislation to extend and expand the State Children's Health Insurance Program (SCHIP) illustrates the nature of the challenge. CBO's health staff was severely strained as we mobilized as many resources as possible to work on that important issue, while still meeting our statutory responsibilities and Congressional needs in other areas. We endeavored to provide estimates and analyses to numerous requesters, including majority and minority staff of multiple committees in both the House and Senate, as well as individual Members. Nevertheless, committees and Members were justifiably frustrated because, with our current staffing level, there were many occasions when committees or Members had to wait too long to receive estimates from CBO. We believe that the additional staff we are requesting would substantially reduce the likelihood of having such a situation recur.

Even without the heightened interest we anticipate next year in health care and climate change issues, CBO's workload has been growing, in part reflecting the new pay-as-you-go rules and the Senate's new point of order that can be raised against legislation that increases the deficit over the long term. As one measure of the increased demand for the agency's analyses, CBO officials testified 38 times in calendar year 2007, compared with 18 times in calendar year 2006. At the same time, the quantity of scoring requests that CBO analysts received rose sharply. In 2007, the agency produced about 770 formal cost estimates, well above the average of about 600 estimates produced in the first sessions of the previous five Congresses.

The following chart summarizes CBO's estimated workload for fiscal year 2008:

Current Estimated Workload	
Products	**FY 2008**
A. Status of Discretionary Appropriations	50
B. Scoring of Appropriation Bills	150
C. Formal Cost Estimates	700
D. State and Local Mandate Analyses (a)	650
E. Private-Sector Mandate Analyses (a)	650
F. Major Analytical Reports	109
Economic and Baseline Budget Projections	2
Analysis of the President's Budget	2
Long-Term Budget Report	2
Mandated Reports on Unauthorized Appropriations	3
Policy Studies	39
Issue Briefs	10
Working Papers	16
Letters	35
G. Congressional Testimony	32
H. Other Products (b)	44

(a) Cost estimates are tracked on a calendar year basis.
(b) Includes the *Monthly Budget Review*, presentations, data updates, spreadsheets, and other miscellaneous work products.

Often, the formal work products shown above are only the tip of the iceberg. In many cases, they may be preceded by, or followed up with, dozens of informal responses—

via staff memorandums, e-mail messages, or phone conversations—as committees or Members explore alternative legislative approaches.

We address our workload following the guidelines specified in the Congressional Budget and Impoundment Control Act of 1974, which created CBO. The agency's primary responsibility is to provide budget-related information to all committees of both Houses, with priority given to the needs of the Committees on the Budget and of the Committees on Appropriations, Ways and Means, and Finance. The law also requires CBO to prepare budget projections each year, to perform studies of budgetary issues, and to prepare cost estimates and mandate statements for reported bills. In addition, CBO undertakes analytic studies and prepares testimony at the request of the Chairman or Ranking Minority Member of committees or subcommittees.

By law, CBO gives priority to committees—and even then, we sometimes have to ask committees to prioritize their requests because we can not do all of them quickly. Our priorities are also based on the imminence of legislative action: Estimates that are needed for legislation that is being considered on the floor of the House or Senate or that is about to be marked up by a committee or subcommittee generally take priority over other types of estimates.

CBO generally does not turn down requests, but sometimes we must inform individual Members that our statutory responsibilities to assist committees mean that we might not get to an individual Member's request for weeks or perhaps months. Sometimes, we have not been able to estimate the costs of every potential amendment to a particular bill as it moves through the process. We occasionally tell Members' offices that the committee of jurisdiction for a particular bill needs to set the priorities for us when we are overwhelmed with requests (as has happened in the health area) and that if the request is not a priority for the committee's leadership, it may not be accommodated quickly.

To help meet the demand for estimates as the focus of legislative activity shifts from one area to another, CBO shifts staff responsibilities to align them with Congressional activity, but we are limited in the extent to which we can do that because we still need to provide cost estimates for all committee-reported bills and deal with pay-as-you-go issues in many other areas. Further, to meet changing Congressional demands, we need to remain active in many areas even when they are not the topic of the day. For example, CBO was able to provide—on very short notice—comprehensive testimony and analysis during consideration of the fiscal stimulus package earlier this year, but only because we had the macroeconomic and tax expertise already in place to do so.

Hearing on Office of Compliance, CBO, and Open World FY 2009 Requests
March 12, 2008 at 10:00 a.m.
H-144 Capitol

Additional Assignment from the Chair for Open World
Ms. Wasserman Schultz, Chair

I'm interested in the Open World program shifting more towards expansion countries. With that in mind, by next Wednesday, March 19th please submit a report on how you would shift your operations if we included a restriction limiting the use of funds for Russian participants to no more than 50% of the total program. Please describe how you would change your current operations under such a provision, what, if any, additional countries you would target, and how long it would take for you to move towards this model. Additionally, please report on potential alternative funding sources for the Open World program.

Response: In response to your request for the Open World program to shift more toward the expansion countries, a draft plan for this scenario is outlined below. As Executive Director O'Keefe mentioned in a meeting with you in September, Open World planned to increase the numbers of participants from expansion countries and decrease the number from Russia. The 2007 level of Russian participants was 75 percent of the overall program. For 2008, our good faith effort based on that September conversation will drop the number of Russian participants to 65 percent as Open World shifts its priorities.

For future planning, Open World estimates that at the funding level requested for FY09, the program can operate in the range of 1,500 participants per calendar year. (Open World is able to plan at this level in CY 2008 with the use of reserve funds.) The Board-approved strategic plan calls for increasing the number of participants to1800 by CY 2011 through strategic partnerships and improved efficiencies.

In addition to programs with the current expansion countries of Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Moldova, and Tajikistan, Open World is also considering launching a program with Turkmenistan. During the appropriations hearing, Members suggested the countries of Afghanistan and Iraq as possible additional countries for Open World programs and a question for the record from Representative McCollum asks that we explore a rule of law program for Mexico. Open World will work with its logistical contractor to explore requirements, contingencies, budgets and time lines for these countries.

We will be able to reduce the level of Russian participants over the next two years to meet the 50 percent threshold by 2010. This phase-out period takes into consideration a crucial period in governance issues brought on by the recent change in leadership and the on-going demand in U.S. hosting communities to continue to work with Open World delegations from Russia, especially in those communities where partnerships or active projects exist.

Open World maintains a relationship with a large number of Russian entities that provide general guidance and support of the program and who nominate participants. In the expansion countries, Open World now works primarily with the help of staff of U.S. Embassies in finding nominees. The benefit of a two-year shift of programming to the expansion countries allows time for Open World to develop a network of local entities in each country that would provide the same level of support currently received in Russia and Ukraine.

The following table shows the shift in the number of planned participants from Russia to Ukraine and the other expansion countries from 2007-2010.

Calendar Year	**2007**	**2008**	**2009**	**2010**
Russia	1161	975	850	750
Ukraine	241	250	275	300
Expansion/Pilot Countries	133	275	375	450
TOTAL	1535	1500	1500	1500
PERCENTAGE RUSSIAN	75.64%	65.00%	56.67%	50.00%

Alternative Funding Sources

Background

What is now the Open World Leadership Center began in May 1999 as a $10 million pilot program in the Library of Congress funded through the Congressional Operations section of P.L. 106-31, an emergency supplemental appropriation to support U.S. activities during the Kosovo war. The next year, Open World was funded through executive branch bilateral economic assistance funds. In late 2000, after the pilot programs had hosted over 4,000 young leaders, Congress voted to create Open World as an independent legislative branch agency funded though the legislative branch appropriation. In 2003 and 2004, Congress passed two laws that

extended the geographic reach of the Open World program, while keeping the Center in the legislative branch:

Funding History:

FY1999 - $10,000,000
FY2000 - $10,000,000
FY2001 - $ 9,900,000
- FY2002 - $ 8,000,000
FY2003 - $12,900,000
- FY2004 - $13,500,000
- FY2005 - $13,392,000
- FY2006 - $13,271,550
- FY2007 - $13,271,550
FY2008 - $ 8,977,500

Funding Options

The Board-approved strategic plan calls for diversifying our funding sources. Open World management is seeking funds from:

private donors
partnerships with executive branch organizations
grants
donations from American hosts

Private Donors:
Our FY2008 budget request had included sufficient funds to contract for a development expert and to begin a campaign to raise revenue through private donations. Because of the funding shortfall, we must await the disposition of the FY2009 budget. We are also seeking help from private sources to fund this position. Nevertheless, with no in-house expertise in this field, our success in private donations of any sort has been limited. We have received modest amounts from private donors this past year amounting to $300,000 given to support our alumni activities. If we secure funds for a development person, we will immediately begin a campaign to double each year for two years our current private contributions.

In January, the Board of Trustees approved creating a Bi-National Business Advisory Board comprised of interested Russian and American business leaders. Michael Yanney, a noted supporter of cultural programs, has agreed to co-chair the Board. Once the Board is formed, we hope that our level of private support from the Russia would increase.

In-kind Contributions:
In 2007, our hosts provided an estimated $1.8million through welcoming our delegates to stay in their homes and providing meals. These contributions will continue; the precise amount will depend on the number of delegates we bring to the United States.

Partnerships with Executive Branch Organizations and their contractors:
For this fiscal year, we expect to receive at least $530,000 from executive branch organizations that use the Open World programs to meet their goals. We are in negotiation for another $30,000 but those funds, should we receive them, are likely to be available only in the first quarter of FY2009.

Grants:
In February, we submitted a request to the World Bank for a grant of over $1 million, and will submit a grant proposal to the newly created TUSRIF (The U.S. Russia Investment Fund) as soon as they set up their executive office. As limited staff time allows, we will seek other sources of grant money. We have not received any grant money to date.

Appropriations:

Legislative Branch Appropriation:
The Program received funds from this appropriation in all years except 2000, when it came as a pass-through from the executive branch. Since its creation as an independent legislative branch agency, Open World receives its policy guidance from the Board of Trustees and from the Appropriations sub-committees on the legislative branch.

Other Appropriations:
Open World programs touch on a number of areas of interest to other sub-committees of the Appropriations Committee. We bring delegations engaged in non-proliferation, rule of law, women as leaders, health, accountable governance, education, anti-trafficking, and economic development. These programs shift from time to time, depending on instructions from the Board, interest of Members of

Congress, developments in our partner countries, and the geo-political landscape of the region.

Open World management has discussed strategy for appropriations funding with its Board members, sub-committee members, other Members of Congress interested in Open World, and senior congressional staff. All appear to want to find a solution that provides Open World adequate funding to sustain the program and to carry out the strategic plan, including expansion into additional Muslim majority countries in Central Asia.

Opinions vary on the most appropriate funding stream for Open World to remain in the legislative branch and maintain its mission. In discussions with Members of Congress on our Board of Trustees, we found that some believe it should remain as currently funded, while others believe a pass-through from the foreign operations appropriation may work. From your questions during the testimony, Madam Chair, your preference appears to be that the judiciary and foreign operations accounts as well as the legislative account should contribute to Open World.

Because of a lack of consensus, we believe the best strategy may be to raise this question to the leadership of both the House and Senate before the mark-up of the bills to determine where the Open World request may best be accommodated.

The Executive Director and staff would welcome an opportunity to discuss with you our continuing effort to resolve this issue. We at Open World are working with our Board of Trustees, interested Members of Congress, and your staff in that effort.

Hearing on Office of Compliance, CBO, and Open World FY 2009 Requests
March 12, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record for the Office of Compliance
Mr. Tom Latham

Settlements Made

In FY 2007, a total of $4 million was awarded and disbursed under the Congressional Accountability Act for 25 settlements. I understand this is the largest number of settlements since the inception of the Office of Compliance.

Question. Would you be able to tell us what agencies were represented in the settlements, how many settlements were made per agency, and the associated dollar amount?

Response. Please see table below.

The Office of Compliance recognizes the concern of the Appropriations Subcommittee as to the dollar amount and number of monetary settlements. It is for this reason that we are requesting two of the three new FTE positions – for a trainer and for an Ombuds person – to reduce and prevent the monetary settlements by resolving conflicts at the earliest possible stage, and by training employing offices so that conflicts occur less frequently.

Agency	Number of Settlements	Total of Settlements
AOC	20	$3,526,489
Cap Police Board	1	$50,750
House	2	$24,360
Senate	2	$451,675
Totals	25	$4,053,274

Prevent and Reduce

Question. In regards to the new "prevent and reduce" initiative that you are requesting for FY 2009, can you elaborate on your proposal to reduce the legislative branch agencies' reliance on the OOC's safety and health inspections, and instead empowering them to find and remediate their own internal deficiencies?

Response. During the 109th Congress biennial OSH inspection, the OOC inspectors identified more than 13,000 serious health and safety hazards, of which more than 1,400 were classified as high risk and could cause serious bodily injury if not abated. Recent efforts by employing offices to reduce and correct hazards are beginning to be reflected in the current biennial inspection during the 110th Congress. Nonetheless, the large number of identified hazards continues to be of great concern to the OOC. Accordingly, our health and safety program budget requests for FY 2009 are principally directed toward encouraging and assisting employing offices to initiate and implement more proactive and robust safety and health programs in order to find and remediate their own internal deficiencies. The OOC ought not to serve as the safety office for the legislative branch; rather we believe that the OOC should provide a "reality check" for employing offices by means of our inspections. This reinforces our dual role to provide technical assistance and to enforce health and safety standards.

To carry out its statutory mandate to reduce occupational injuries and accidents, and eliminate the hazards that cause them, the OOC is requesting funding for an inspection of employing office health and safety plans. The absence of adequate plans substantially contributes to the numerous and recurring health and safety hazards. A total of $25,000 was requested but not funded for this purpose in FY 2007 and FY 2008. The requested funding will enable the OOC inspectors to assist employing offices to create and improve these programs. The OOC is also requesting $10,000 for a Zero Accident Initiative for the legislative branch. Under this initiative, safety and health specialists would work with employing offices to implement preventive maintenance programs, and train supervisors and employees to follow safe practices. Further, we would partner with employing offices to analyze injury and accident records to help focus prevention efforts on the most serious and numerous hazards. This effort would be aided by the Safety and Health Compliance Officer, the FTE authorized but not funded in FY 2008, for which the OOC is requesting full funding of $75,000 plus benefits in FY 2009. The goal is to leverage scarce resources and work cooperatively with the employing offices to achieve maximum results.

While the rates of workplace injuries and illnesses have improved, they remain a significant problem in the legislative branch. During FY 2006 (the most recent data available), 417 workers compensation cases were filed by legislative branch employees. Of these, 290 were "lost time" cases, which typically are serious. The federal government paid out $2.4 billion in federal workers compensation claims in 2004 (the most recent data available). Reducing occupational accidents and illnesses would save taxpayer dollars, not just in direct workers compensation costs, but in the indirect costs required to locate, train and pay workers to replace those who miss work due to injury.

Pilot Self-Certification/Spot Safety and Health Inspection of District Offices

You are requesting $25,000 for a pilot self-certification/spot safety and health inspection of House and Senate district offices.

Question. Please describe this pilot program including how many offices would participate and how the offices will be chosen.

Response. The Congressional Accountability Act requires that at least once each Congress, the General Counsel of the Office of Compliance conduct periodic inspections of the House of Representatives, the Senate, and other covered employing offices relating, respectively, to public services and accommodations under the Americans with Disabilities Act of 1990 and health and safety under the Occupational Safety and Health Act of 1970. During the 109th Congress, the General Counsel was, for the first time, provided sufficient resources to conduct a comprehensive inspection of physical conditions of covered facilities within the Washington, DC metropolitan area during a single Congress. However, this Office has not had the necessary resources to conduct statutorily mandated biennial inspections of District and State offices and of other legislative branch entities having remote facilities throughout the United States. Instead, as part of its educational outreach program, the OOC developed a series of website-based *Fast Facts*, descriptive of common safety and health hazards commonly found in offices and mailed to all employees a "Safe Office Checklist" to alert them to potential safety hazards in their offices. In an effort to improve ADA accessibility, the OOC published a *Bulletin* featuring an "ADA Checklist" and a step-by-step guide to assure equal access for staff and visitors.

On Capitol Hill, between the 109th and 110th Congress inspections, we have seen a 50% reduction in the number of hazard findings in Member Offices during our

biennial inspections, and a five-fold increase in the number of such offices having a hazard-free workplace.

In order to develop the best inspection process for remote offices, the Office of Compliance continues to request funding for a State and District Office self-certification inspection program. This program, to be developed after consultation with the Chief Administrative Officer of the House, House and Senate Employment Counsel, and other relevant stakeholders, would enable us to develop training for remote offices and a process for self-inspection and certification, followed by spot inspections by OOC inspectors. Given the funding level of the OOC and the fiscal constraints of the legislative branch, the self-certification inspection program is the most cost-effective way to meet our mandate.

Subject to available resources, we contemplate that this program will eventually involve all State and District offices covered by the CAA. In an effort to minimize costs, we will rely principally on the use of educational materials, questionnaires, and follow-up contacts with these offices. Until then, the offices will be selected randomly, based partially on their geographic proximity to Washington, D.C. to minimize travel costs. Limited random spot checks by inspectors will serve to determine whether additional or more targeted educational efforts should be developed.

Contract for a Braille Specialist

Your budget request includes funds to contract with a Braille Specialist to ensure appropriate tactile signage of the buildings in the Capitol Complex.

Question. What problems has the OOC found with the tactile signage in our buildings?

Response. During the 109th Congress inspections, the OOC specifically looked for signage that would direct individuals with visual impairments on how to exit the building quickly and safely during an emergency. Brailled signage is non-existent in some locations along the egress pathway; for example, in the hallways at exit stairwells and at exit doors. The AOC plans to install brailled signage at the required locations and the OOC needs someone with specialized knowledge to inspect the new signage.

The Americans with Disabilities Act requires that brailled signage be in "Grade 2" braille; Grade 2 is a compound version of Grade 1 braille. OOC inspectors have been able to translate Grade 1 braille, but Grade 2 translations require more training and knowledge. During the 110th Congress inspections, the OOC found mistakes in the existing braille signage. An inspection conducted by a braille specialist would enable the OOC to ensure that both new and existing signage is accurate and serves its critical function of notifying those with vision impairments of emergency exit procedures.

Emergency Egress Procedures

As we all know, emergency egress procedures to accommodate disabled people in any building is and can be a problem.

Question. Can you summarize some of your recommendations on these procedures for the Capitol and House and Senate Office Buildings?

Response. The OOC's report of ADA inspections during the 108th Congress highlighted the problem of evacuating individuals with disabilities from the buildings on Capitol Hill. Since that time the United States Capitol Police and the Library of Congress have created very good plans to evacuate individuals with mobility impairments *from* "staging areas" in each building. The OOC's current recommendations concern improvements in getting individuals with mobility impairments *to* the staging areas or otherwise to exit the building on their own.

The process of getting a mobility-impaired individual to the appropriate "staging area" involves training employees from each office about the location of these areas. Employing offices are providing ongoing training about emergency egress and these efforts should continue.

Getting mobility impaired individuals to the staging areas also involves providing directional signage. The AOC has installed wall maps in some buildings indicating the location of the staging areas. Such signage should be installed in all buildings.

Additionally, communication with emergency responders is essential for those who are waiting in the staging areas. The AOC has installed accessible communication devices at the staging areas in some buildings. These devices should be installed in all buildings, including Library of Congress buildings.

Finally, getting a visitor with a vision impairment out of the buildings in an emergency involves installing brailled signage along the entire egress route. Employees with visual impairments can rehearse their primary and secondary exit routes, but visitors do not have this opportunity. Brailled signage should be installed in hallways, in exit stairwells and at exit doors. Brailled signage has already been installed at all staging areas.

Accomplishments in FY 2007

In your justifications, under a subheading, "Accomplishments in FY 2007," you note that your office has identified numerous fire safety hazards in the Capitol, and the House and Senate Office buildings. You also note that the Architect had projected that, in several of these instances, full abatement will not be accomplished until 2014.

Question. Can you tell us a little about what you have recommended to accelerate full abatement of these fire-related safety hazards?

Response. Achieving and maintaining the minimum required level of fire safety within the Capitol and the House and Senate office buildings remains one of the primary goals of the Office of Compliance. Because the threat of fire is always present, it is imperative to abate all fire hazards as quickly as possible. However, because many of the more significant fire hazards within the Capitol complex are caused by the physical features of the structures themselves, the AOC's abatement actions must take the form of time-consuming construction projects. Accordingly, the Office of Compliance and the AOC have been diligently working together on a building-by-building basis to explore and develop means to reduce the time required for necessary construction.

For example, the Longworth House Office Building was the subject of a citation issued on March 20, 2000, because each of the building's four main stairways was unprotected from fire and smoke. This condition, a recognized fire hazard, allows fire and smoke to quickly spread from floor to floor and places building occupants in serious jeopardy. In 2007, designs for stairway enclosures were complete; however, the AOC estimated that construction time would extend into FY 2014. The Office of Compliance's review of the AOC construction plans identified a constraint that appeared to be unnecessary. The AOC's construction plans considered that, in order to maintain a minimum level of egress capacity within Longworth during construction, work could only be performed on one stairway at a

time. The Office of Compliance, while respecting and appreciating the AOC's attention to this important safety concern, nonetheless analyzed whether construction could be expedited by allowing for construction on more than one stairway at a time. After discussing the construction plans with the AOC and consulting with the General Services Administration (GSA), we advised AOC that, with appropriate safeguards, construction could proceed on two stairways at a time. Taking this into account, the AOC amended their construction timetable and now anticipates completion of the entire project by July 2011.

The Office of Compliance has also been receptive to, and supportive of, the AOC's attempts to abate fire safety hazards within the Capitol Hill Complex using methods which, while admittedly unconventional, nonetheless strike an effective and delicate balance between safety, historic preservation, funding, and construction time.

For example, in 2007, the Office of Compliance began review of the AOC's most recent plan to provide protected exit pathways within the Russell Senate Office Building. The lack of such pathways was the subject of a citation issued in 2000. A prescriptive approach to creating protected exit pathways within this historic building appeared to be prohibitive for several reasons, including construction time, cost, disruption to Senate business during construction, and compromise to some of the building's historic features. Performance-based approaches considered by the AOC also failed to strike an acceptable balance among these factors. As a result, the AOC sought the Office of Compliance's approval for a novel approach for ensuring that occupants of the Russell building will have protected exit pathways in the event of a fire. Our informal concurrence with the AOC's plan was communicated in January of 2008 and a written report memorializing our conclusions was delivered to the AOC on March 10, 2008. The AOC's plan is receiving the Office's full approval and support because it not only addresses the relevant fire safety concerns, but will do so in a manner less expensive and time consuming than a more conventional, prescriptive approach. In addition, because of its similar design, the AOC has submitted a similar plan for the Cannon House Office Building for the OOC's review. We anticipate completion of our review in March of 2008.

In addition to the OOC's recommendation for the abatement of the Longworth hazards and consideration of the AOC's plan for Russell, significant strides have been made in the level and timeliness of communications between the AOC and the Office of Compliance. This communication yields appreciable savings in time and cost because it allows our two agencies to address actual issues and potential

issues as early as possible – thereby avoiding situations where the Office of Compliance might object to an AOC action already underway. In several instances (most notably, the CVC and the Russell building project described above) the AOC has engaged the Office of Compliance and sought assistance on existing and forthcoming health and safety matters early in the design and construction process.

Capitol Visitor Center

The Capitol Visitor Center will be transferred to the AOC later this year and add 580,000 square feet of space for the OOC to review during the biennial inspection process. In fact, the OOC has just completed the first phase of a three part pre-inspection of the facility.

Question. How has this impacted your budget for this fiscal year and how will this impact your operations in the future?

Response. The Office of Compliance made the initial inspection of the CVC a priority in our FY 2008 budget, allocating $50,000 for this purpose at the direction of the Appropriations Subcommittee. We continue to dedicate significant amounts of our resources to this end.

As a point of clarification, the Office of Compliance began the first phase of the CVC pre-inspection in February of 2008; however, due to ongoing construction within the CVC and the acceptance testing of the CVC's fire alarm system, the majority of the inspection had to be postponed. In order to keep the pre-inspection on time and on track, the Office of Compliance is working closely with the AOC to tailor the remainder of the pre-inspection (including the items postponed from the first phase of the pre-inspection) to the AOC's construction and acceptance testing schedules. All of the outstanding items will be inspected on a rolling basis as they become ready for inspection. The Office of Compliance is confident that all health and safety inspections, as well as all necessary remedial actions arising from the inspections, will be completed on time and will not cause delay to the anticipated opening of the CVC in November.

Although this tailored approach to inspecting the CVC will assist the AOC in meeting its goal of readying the facility for its grand opening in November, such approach will negatively impact the Office of Compliance's ability to schedule statutorily-mandated inspections of other facilities. To accommodate the CVC's ever-tightening schedule, the Office of Compliance must review its current

biennial inspection calendar and assure that, when areas of the CVC are ready for pre-inspection, the necessary resources are available to conduct the inspection without delay. We have made, and will continue to make, every effort to ensure that our schedules and workflow accommodate the goal of opening the CVC in November.

While the CVC pre-inspection is recognized by the Office of Compliance as a critical step towards ensuring that this facility opens as scheduled in November 2008, the planning, preparation, and execution of the pre-inspection have been, and continue to be, significant drains on the Office of Compliance's resources. Several inspectors have been, and will continue to be, diverted from other duties to ensure that the pre-inspection is completed. Specific issues, such as problems with the configuration of the CVC's emergency exit stairs, have been brought to light during the pre-inspection and have required our inspectors' attention at the expense of other duties. In fact, the Office of Compliance's review and analysis of the CVC's fire alarm acceptance testing plan alone required the dedicated attention of one of our senior inspectors for approximately 18 work days in December 2007 and January 2008. Necessary expenses, such as the use of equipment required for radon testing in the CVC, have also imposed a drain on the Office of Compliance's resources that may exceed those we anticipated.

While the Office of Compliance remains confident that the pre-inspection will contribute to the successful opening of the CVC, some of the Office of Compliance's inspection schedule has been deferred as a result of the reprioritization. Prior to the constraints imposed by the CVC pre-inspection, the Office of Compliance had intended to conduct a thorough inspection of the Library of Congress' new facility in Culpeper, Virginia. However, these plans have been postponed in order to accommodate the CVC pre-inspection.

Looking ahead, the addition of the CVC to the Capitol Hill Complex will pose ongoing budget implications for the OOC. The facility itself will add an additional 652,000 square feet of space requiring inspection during every two-year inspection cycle. For the purpose of comparison, the Capitol, which includes approximately 844,000 square feet of space, will require approximately 86 work days divided amongst the Office of Compliance's inspectors. This time represents only the time spent during the physical inspection of the building itself and does not include the administrative work associated with the inspection, such as drafting and maintaining records of the inspection. We anticipate that the CVC will require a comparable amount of time and resources. In addition, the scheduling of future CVC inspections will be complicated as the inspections will have to take into

account Congress' schedule, avoid peak tourism seasons, and coordination among the multiple employing offices which will be affected by an inspection within the CVC.

It is important to note that the Office of Compliance does not expect the pre-inspection to diminish the importance of the forthcoming biennial inspections. Our data from prior biennial inspections indicates that a majority of the hazards identified are the result of the occupation of a facility rather than the physical condition of the structure itself. For example, thus far in the 110th Congress Inspection of the Cannon House Office Building, the Office of Compliance has completed approximately 90% of the building and identified 816 hazards. Of these 816 hazards, 61% were created by staff working in Member offices; 6% were created by staff in Committee offices; 1% were created by the USCP; and 7% were created by support agencies. The remaining 25% are considered to be infrastructure or building related hazards. This percentage of occupant-created hazards is roughly reflective of the OOC's experience in other legislative branch buildings. Based on this experience, it may be reasonable to expect similar findings in the CVC.

Capitol Power Plant Utility Tunnels

Question. What is the status of the comprehensive settlement agreement between the Office of Compliance and the Architect of the Capitol regarding the Capitol Power Plant's utility tunnels?

Response. The US Capitol Power Plant Utility Tunnels Settlement Agreement between the AOC and the OOC became effective on June 11, 2007. The Agreement provides a structured and programmatic approach to the relationship between the OOC and AOC for assuring full and timely abatement of the hazards within the tunnels within a five-year time frame. Pursuant to the Agreement, each party has designated a Liaison to coordinate between their respective office's abatement progress and to address all Tunnel Abatement Project issues. At this time, the parties are effectively and efficiently working together to coordinate the abatement of the hazards in the Utility Distribution System pursuant to the Site Management Plan of action developed under the Settlement Agreement.

OOC continually monitors abatement in a variety of ways. The OOC Liaison is in constant contact with his counterpart at the AOC. They meet at least weekly to discuss the activities accomplished, plan activities for the following week, and

discuss any new or pending tunnel related issues. Monthly Liaison meetings also include representatives for tunnel workers and other AOC and OOC representatives as provided under the Settlement Agreement. Monthly meetings serve to inform and gather feedback from the workers who are in the tunnels on a regular basis. In these meetings, the Liaison represents the OOC's position on whichever topics are at hand and transmits information to the General Counsel of the OOC regarding Tunnel Abatement Project issues. The OOC Liaison regularly inspects and reports on progress made on the Project by the AOC and its contractors. Such information is obtained through meetings, tunnel inspections, contractor interviews and review of Quarterly Audits, Site Management Plan updates and Progress Reports, as well as any other relevant information provided to the OOC.

Question. The AOC has requested $127 million to work on the tunnels. Do you believe this is an adequate amount for the fiscal year to accomplish the goal of abatement within five years?

Response. Pursuant to the terms of the Settlement Agreement, the OOC, through its Liaison and other safety experts, reviewed the AOC's $127 million request with the AOC prior to its submission to the Appropriations Subcommittee. The Liaisons reviewed and discussed the work that would be performed in FY 2009 to comply with the terms of the Settlement Agreement. The requested $127 million appears, at this time, to be an adequate amount to accomplish the goal of abatement within the five-year period specified by the Agreement, absent unforeseen circumstances. We further believe that the full amount requested for FY 2009 is necessary in order for the AOC to effectively and timely abate the hazards in the Utility Distribution System under the Agreement deadline.

A significant part of the request is for funding the replacement of the R tunnel, a critical path task that must be funded in FY 2009 for the project end date to remain on target. The R tunnel replacement is by far the lengthiest and most expensive part of the Tunnel Abatement Project. Although it will commence during FY 2008, it is essential that this work continue at planned levels of effort throughout FY 2009 in order for the overall Tunnel Abatement Project to be kept on schedule and remain safe for all tunnel entrants. Other tasks also have been scheduled to occur concurrently with the R tunnel replacement. The coordination of this work will help maintain efficiency of the project by lowering costs associated with contractor mobilization and site setup.

It is also important that other tasks planned for FY 2009 under the Site Management Plan get underway in the coming year to assure against a "bottle neck" of tasks developing near the end of the project. A number of these activities directly affect the safety and health of tunnel entrants. Egress installation and improvements are planned for FY 2009 in five tunnels. The installation of egresses is accompanied by the installation of ventilation systems, which help reduce the excessive temperature of some tunnels, a subject of one of the outstanding citations. The bulk of work scheduled under the Site Management Plan will begin early this calendar year and will extend through the spring of 2011. This will leave only one calendar year within which to complete the citation abatements under the Settlement Agreement time frame. Hence, there is very little flexibility in the current schedule of tasks associated with the project. Accordingly, we fully support the AOC's budget request for FY 2009.

Hearing on Office of Compliance, CBO, and Open World FY 2009 Requests
March 12, 2008 at 10:00 a.m.
H-144 Capitol

Questions for the Record for CBO
Mr. Tom Latham

Health Care Staff

I saw from the January 5 article in the *National Journal* and in your budget request that you have concerns about an insufficient number of staff to handle the growing number of health care requests.

Question. How many staffers are currently handling health care requests?

Response. CBO currently has approximately 47 staff members dedicated to health care issues. Those staff members are working throughout the agency on various tasks and topics, including cost estimates for legislation dealing with Medicare, Medicaid, and other federal health programs; long-term projections of federal health care costs; analyses of veterans' health care; determinations of the economic impact of health care spending; and studies on critical topics related to health care generally and its impact on the federal budget. That number represents a net increase of 16 over the number of staff assigned to work on such issues a year ago. CBO also currently has a visiting fellow and a health policy associate supporting the Health and Human Resources Division.

Question. Of that number, how many were hired in FY 2007?

Response. In fiscal year 2007, CBO hired four analysts to work on health care issues and redirected staff in several divisions to take on additional health-related work. Also, in fiscal year 2008, CBO has been aggressively hiring employees to handle health care issues. As of March 10, the agency had added seven new employees to the CBO divisions handling health care issues.

Question. How many of the requested 15 new FTEs will handle health care requests?

Response. Of the 15 new FTEs requested for fiscal year 2009, we anticipate that nine will handle health care issues.

Question. Will this bring you to where you want to be in this area?

Response. That increase would be an important step toward bringing CBO's staff to the size necessary to effectively address health care issues, which are likely to draw significant Congressional attention in the next Congress. Ideally, we would like to be able to hire more than that number if needed, but we believe this level strikes an appropriate balance between the need to substantially augment our health resources and the recognition of limited discretionary resources in fiscal year 2009. In fiscal year 2010, we anticipate requesting some additional FTEs to support CBO's work on health care issues.

Question. What would be the impact of not providing these additional FTEs?

Response. Maintaining staffing at its current level would adversely affect the agency's ability to meet the Congress's needs—in the health care area and in other areas as well. CBO's workload has grown in many areas, as the need for formal and informal cost estimates, policy studies, and testimony has increased. When complex legislation is being considered, sometimes in both the House and Senate simultaneously, CBO currently has difficulty responding promptly to all of the requests for estimates and analysis. For example, last year's experience during the consideration of legislation to extend and expand the State Children's Health Insurance Program (SCHIP) illustrates the nature of the challenge. CBO's health staff was severely strained as the agency mobilized as many resources as possible to work on that important issue, often seven days a week, and still meet its statutory responsibilities and Congressional needs in other areas. CBO endeavored to provide estimates and analyses to numerous requesters, including majority and minority staff of multiple committees in both the House and the Senate, as well as individual Members. Nevertheless, committees and Members were justifiably frustrated because, with the agency's current staffing level, there were many occasions when committees or Members had to wait too long to receive estimates. We believe that the additional staff we are requesting would help us to provide better service to the Congress.

The additional FTEs are needed to help the agency keep pace with the growth in its workload that has already occurred and that is likely to continue in the health care area. The rising cost of health care is the most critical long-term fiscal issue facing the nation, and the decisions facing the Congress—involving the uninsured, the financial and operational problems facing the Medicare and Medicaid programs, pharmaceuticals, the quality of health care, and other key aspects of the health care

system—require substantial additional research and analysis. We anticipate heavy demand for health care analyses in 2009 and 2010, and we are working hard to position the agency so that it can respond to the likely demand.

Without the additional staff, CBO may be ill-equipped to provide timely responses to increased requests for scoring under an expanded set of circumstances from committees, the Congressional leadership, and individual Members. The increased demand for cost estimates arises, in part, because of the new pay-as-you-go rules established in the 110th Congress as well as the new Senate point of order that can be raised against legislation that increases the deficit over the long term. In addition to scoring reported bills, CBO is often asked to estimate the budget impact of proposals before markup, as well as possible amendments during the committee, floor, and conference stages. Given the anticipated workload, those needs could be difficult to meet effectively within the tight time constraints that often face the Congress.

Further, CBO would like to use the additional staff to expand its work analyzing long-term trends in the growth of health care costs and potential areas of cost savings; to analyze options to expand health insurance coverage and reduce spending on drugs; to enhance its capacity to estimate the effects of legislation on the quality and adequacy of the nation's health care system; and to expand its analyses of defense medical care and health care programs for veterans.

Aging Workforce

As I have brought up in other hearings, I have a concern about the aging workforce and the consequences of losing skilled people in the legislative branch. I understand that recruiting is very competitive at CBO.

Question. Could you elaborate on your plan to mitigate the loss of individuals as they become eligible for retirement?

Response. We recognize the need to handle the expected turnover from the aging of the agency's workforce. Although CBO, in recent years, has averaged about six retirements per year, a significant number of employees will be eligible to retire during the next several years. We are working to prepare for the potential turnover in three ways—retention, employee development, and recruitment.

We make a strong effort to retain our employees, even when they are eligible to retire. To enhance retention, we identify staff eligible for retirement and provide counseling so employees know their retirement options and understand the benefit of maximizing their service as the principle way to increase their retirement benefit. Managers and employees discuss the likely need to transfer knowledge and skills. We also work with those planning to retire to identify ways in which they may continue to contribute to CBO through flexible schedules and extended leave. We also seek to maximize retention by maintaining an appealing work environment—a collegial culture geared toward continual learning, knowledge sharing, and high-quality work on important public policy issues.

We provide leadership training to employees who exhibit leadership potential in order to prepare them to assume greater responsibility in the future. In fiscal year 2007, for example, four out of six managerial openings were filled by promoting existing staff members, including two non-supervisors who assumed management positions. We invest in staff development (to the extent possible, within a constrained budget) by encouraging staff members to attend conferences that keep them apprised of the latest research and analysis on economic, budget, and policy issues.

Conference attendance also enhances recruitment, as networking allows us to identify potential candidates for future openings, in particular experienced individuals with the skills to allow them to move into positions vacated by retiring staff members. Of the 20 employees CBO hired in fiscal year 2007, six had significant experience. Continuing that trend, CBO has hired eight experienced staff to date this year, and two more are committed to joining the agency shortly.

Our recruiting efforts are focused on increasing the pool of candidates with the skills required for our work at both the entry and experienced levels. To recruit entry-level candidates, we visit universities with degree programs that develop students with the skills necessary to do the kind of analysis required for CBO's work. We meet with faculty and staff and present information sessions or topical seminars to students. We participate in the Public Policy and International Affairs (PPIA) and American Economics Association (AEA) Summer Minority Programs as grassroots efforts to inform and educate university faculty and staff and students—particularly those from underrepresented minority groups—about CBO's work and the technical skills required to contribute at the agency. To increase our pool of future candidates with the requisite skills and experience, we encourage such students to continue their education to the graduate level.

Director's Representational Requirement

I see from your budget request that you are doubling your request ($4,000 to $8,000) for Director's Representational Requirements, in support of additional meetings and conferences.

Question. Could you please explain this increase?

Response. To enhance CBO's ability to provide top-flight analysis on current issues, we endeavor to bring in—for meetings and conferences—private sector, academic, and other experts to share their knowledge and insights with CBO and Congressional staff in areas such as health care, climate change, economic developments, and taxation. The increase supports incidental expenses associated with additional meetings and conferences. We find these forums to be invaluable in enabling CBO to make use of the most current outside research and analysis in preparing studies, estimates, and testimony for the Congress.

Hearing on Office of Compliance, CBO, and Open World FY 2009 Requests
March 12, 2008 at 10:00 a.m.
H-144 Capitol

Questions for the Record for Open World
Mr. Latham

Omnibus

The Open World funding in the FY 2008 Omnibus ($8.978 million) was significantly less than your request ($14.4 million).

Question. Can you give us a brief idea of what initiatives you had to forgo with a diminished funding level?

Response. We estimate that the FY2008 budget reduction from our requested level of $14.2 million would result in a reduction in the number of Open World participants for calendar year 2008 from 1500 to under a 1000. We are undertaking cost-saving measures to lessen this impact. We restructured our contracts and cut Center overhead. Specific cost-cutting measures include reducing travel stipends for Russian delegates, increasing the basic delegation size from four delegates to five, and increasing delegation hosting in the winter when airfares are less.

Initiatives that Open World may need to forgo in calendar 2008 include:

Reduction of regional programs aimed at mayors and U.S. Sister cities – The planning for these programs, including intensive searches for appropriate delegates is more costly than other Open World programs.

Reduction in quality control of nominating process and program in the United States – The Center will cut back on staff travel abroad to oversee the nominations and vetting process for delegates and within the United States to evaluate the programming for delegates.

- Elimination of staff training for administrative efficiencies.

Delay of full engagement of Russian programs that would have mirrored and complimented Open World – As stated in our testimony, Russian governmental

officials have proposed programs that would bring Americans to Russia, but these require Open World staff input and extensive efforts to identify potential American participants.

Relations

You outline the changes taking place in Russia, Ukraine and other countries in the region.

Question. Given the strained relations with some of these countries, how will Open World make a difference over the next few years?

Response. Open World commemorates ten years of achievements and results in May 2009. Over the next decade, Open World will have a crucial impact in at least two important ways:

- **Reaping the harvest** of the first ten years of programming, both in the participating countries and in the U.S. hosting communities and; Leveraging the influence of its alumni community network **to increase openness and accountability** in the former Soviet Union.

With the fall of the Iron Curtain and the rise of the Internet, Open World can take advantage of an unprecedented opportunity and new paradigm for public diplomacy. Thousands of citizen ambassadors on Main Street today are engaged in "kitchen table diplomacy" with their Eurasian peers on issues ranging from hospice care to non-proliferation. However, they have limited ability to bring their counterparts to the U.S. for face-to-face encounters. Open World offers a new model for conducting exchange programs by identifying those relationships that are most ripe for a face-to-face encounter so that the ten-day U.S. visit serves as catalyst to bring about results. For instance, this year the demand from potential U.S. hosting organizations for Ukrainian visitors is nearly triple that of supply; we are not able to accommodate all Americans who want to host Open World visitors. Since launching a results database in September 2007, Open World has been identifying on average 100 Open World generated results each month, including 19 sister courts. In the next decade, we estimate that Open World could facilitate approximately **12,000** more U.S.-Eurasian partnerships and projects if hosting levels can be maintained.

Open World leverages the influence of its alumni community to increase openness and accountability in emerging democracies of Eurasia. This month there were a total of 821 elections in Russia, including 194 mayoral elections. Ten percent of the new Duma is Open World alumni and more than fifty percent of alumni in Russia – some 6,000 leaders -- are government representatives. Open World endeavors to strengthen ties between such leaders and their U.S. counterparts, not only through the ten-day Open World visit, but through alumni conferences, blogs, listservs, news bulletins, and by facilitating follow-up visits by Americans. For instance, Open World hosted 165 Russian judges and legal professionals in 2007, while 71 American judges and legal professionals visited Open World alumni in Russia.

By fostering continued ties and communication, Open World's leadership network develops grassroots democracy from the periphery-in and from the bottom-up. The vibrancy of this network is central to the future of U.S.-Eurasian relations. Examples of such people-to-people ties include firefighters from Los Alamos sharing techniques for preventing forest fires with counterparts in the nuclear city of Sarov. Some of America's leading academic and clinical experts in post-traumatic stress disorder (PTSD)—including several Veterans Administration specialists—shared their professional experiences with counterparts from the North Caucasus. Epidemiologists from Krasnodar shared their expertise in fighting the Avian Flu with specialists at the Center for Disease Control.

In the next ten years of the Open World program we estimate that another 120,000-plus Americans will engage and interact with Eurasian counterparts to facilitate community-based partnerships and projects. The combination of globalization, cyber communication, and Open World grassroots activities in governmental accountability and openness will continue to foster a political environment more open to democracy in nations throughout Eurasia.

Legislative Branch

Question. Why are you in the legislative branch, what is the advantage?

Response. There are several reasons why the Open World Leadership Center should remain in the Legislative Branch:

- The Center's placement in the legislative branch helps distance it from any disagreements or tensions between the U.S. executive branch and the national

governments of participating countries. This in turn increases the pool of emerging leaders interested in participating in the program, and the willingness of public agencies in some participating countries to partner with the Center.

- Placement in the legislative branch allows the Center to supplement and reinforce congressionally based international relations initiatives, including the House Democracy Assistance Commission, the United States Senate-Russia Interparliamentary Group, and the Helsinki Commission.

- Almost all Open World programming provides information and examples of how the legislative process affects public policy. These programs purposely demonstrate that the legislative branch is a co-equal partner in our democracy and that citizens use the legislative process to make laws, shape policy, and change their

  The Center's low overhead, and nimbleness and flexibility of operation make it an effective tool for members of Congress and their constituents to convey the ideals of the United States, to learn first-hand the political and social issues in these countries who are crucial to overall security, and to participate directly in projects and partnerships that bring about civil societies and rule of law.

  Open World uniquely connects Congress with constituents. The Center gives high priority to ensuring that its exchanges involve the broadest possible cross-section of American communities. On average, 47 states host Open World exchanges each year, and all 50 U.S. states have hosted multiple times. Open World visits are also widely distributed within states, with more than 1,650 cities and towns, large and small, having served as Open World host communities since 1999. The 15-20 competitively selected national grantees that assist the Center in recruiting, overseeing, and conducting local exchanges each year are scattered throughout the United States.

- Open World program relates to the sub-national level, bottom-up quality -- as well as judicial and legislative branches at the top -- all three of these are important counters to hypercentralization and the authoritarian traditions of Russia and other former Soviet states and are prerequisites to the founding of an effective federal government with a division of powers at the top.

- A recent Russian law prohibits Russian government officials and judges from accepting transportation, lodging, and support from programs funded by non-Russian government sources. Open World falls under a previous agreement

with the Russian government, and its participants are therefore exempt from these restrictions.

Benefits

I understand how this program might help the visitors you bring here.

Question. What are the benefits to Americans?

Response. A key component of the Open World mission as stated in our Strategic Plan is "to enhance understanding and capabilities for cooperation between the United States and the countries of Eurasia." Open World delegation visits to American cities and towns provide many benefits to these communities. While program participants come to the United States to gain significant, firsthand exposure to democratic and accountable governmental systems, the knowledge exchange is not one-way. Americans learns just as much from the foreign delegates as they do from the Americans. Program participants often provide informative, topical presentations to local American leaders and other members of the community during the visit and share their values and cultural heritage. In addition, American hosts develop relationships and partnerships with the Open World delegates, and continue to communicate with each other to discuss issues, problems, and solutions shared by the communities in America and in the Open World countries.

When Open World sends these delegations to host communities, they do not all go to major urban centers like New York City or Los Angeles. Instead they visit communities like Des Moines, IA or Wausau, WI or Gainesville, FL. Open World makes every effort to place these delegates in communities similar to their own in order to facilitate the discussion of issues of mutual concern. They do not stay as a group in a hotel, but are placed in typical American homes. Open World gives American hosts and professional program participants the opportunity expand their worldview and international horizons.

One example is the interaction that occurred in La Crosse, WI in September 2007 between a delegation of Russian specialists who work with people with disabilities and American college students training to provide similar services in the United States. The delegation gave a presentation on their work in Russia and answered the students' questions. The students gained perspective on how those with disabilities are cared for in other communities. This same delegation met with a

director of a rehabilitation center for children with autism who had a keen interest in learning how specialists in other countries dealt with this growing problem.

An example of another type of benefit to Americans is economic benefits such as those cited by the American partners in the sister city partnership of Arkangelsk, Russia and Portland, ME. The Americans told Open World that their local businesses have expanded their markets internationally as a result of their involvement in the partnership.

But perhaps the most moving example of benefits to Americans occurred in December 2007 when an Open World sponsored team of psychologists and counselors from the volatile North Caucasus region visited Pennsylvania. These experts in the effects of trauma and recovery from trauma who had counseled children and families affected by the 2004 Beslan school attack were able to share their experiences and strategies for healing in a Lancaster County home with members of the Amish community that had suffered from the Nickel Mines school shootings in October 2006.

Cost-Share Partners

Your statement notes that you are working on a strategy to identify potential funding and cost-share partners.

Question. Can you give us a brief summary of your progress, and tell us something about what impact this type of initiative will have on your resource posture?

Response. For several years, Open World has attempted to identify potential cost share partners from federal agencies and private organizations. Since 2003, Open World's rule of law program (RJRP) cost-shares delegation expenses with USAID's Russian Judicial Reform and Partnership project. In this partnership, Open World pays for international travel and Washington, D.C. orientation expenses while RJRP is responsible for all local hosting expenses and provides all professional training. These cost-share arrangements over the past five years are valued at well over $150,000.

In 2007, Open World collaborated with Supporters of Civil Society in Russia, a St. Louis, Missouri nonprofit organization, to host twenty-five middle and senior local level government officials and managers from regions throughout Russia who are

affiliated with the well-respected Moscow School of Political Studies. Supporters of Civil Society's cost-share for this project (one day in Washington D.C. and all local hosting expenses in Missouri) was $70,000. One result from this particular hosting experience is a network of dedicated political officials and leaders from other spheres who have offered Open World resources and capabilities to manage follow-on activity throughout Russia.

Open World in 2008 is planning again to collaborate with RJRP and Supporters of Civil Society in Russia to cost-share up to thirty Open World participants from Russia. In addition, negotiations have begun with St. Petersburg College in St. Petersburg, Florida, to send some fifty Russian local government officials to St. Petersburg College for extensive programming in governance and distance-learning and other technical means of connecting government agencies and the populace.

For the Open World Ukraine program, we expect to collaborate with the USAID and the Millennium Challenge Corporation Threshold Fund's key rule of law (anti-corruption initiative) implementing partner to bring a delegation of at least six judicial and legal professionals from Ukraine to the United States in 2008, a cost-share of well over $20,000. Previous Open World grantee, the U.S.-Ukraine Foundation, is expected to cover a significant portion of the community stays for several of its 2008 Open World hosting programs. Open World worked with a local host organization named Friends of Chernobyl Centers, U.S. Inc (FOCCUS), a Madison, Wisconsin based nonprofit organization in 2005, to extend the U.S.-based program at FOCCUS' own expense. Open World expects to make such a similar arrangement with FOCCUS in 2008.

In 2008, Open World plans to collaborate with the House Democracy Assistance Commission (HDAC) to cost-share on three delegations that will, in total, include six members of both the Georgian Parliament and the Ukrainian Parliament, and eight Georgian and five Ukrainian parliamentary staffers. For these cost shares, HDAC would provide all the international travel expenses and all the Washington, D.C.-based expenses, and Open World would cover travel and hosting expenses in Congressional districts in various parts of the country.

Open World is taking an aggressive approach to finding additional funds and cost-sharing partners. Among the organizations from which funding or cost-sharing opportunities are being sought are: the implementers of the Millennium Challenge Corporation's Threshold Fund for Kyrgyzstan, Moldova, and Ukraine, the State Department's Office of the Coordinator of U.S. Assistance to Europe and Eurasia

and Bureau of International Narcotics and Law Enforcement Affairs, the Department of Justice's Office of Overseas Prosecutorial Development Assistance and Training , various USAID programs and USAID program implementers (such as the Community Connections program), the Department of Energy (for Open World's nonproliferation programming), the World Bank (particularly its Russian Judicial Reform Support Project), and private donors, including corporate foundations and private individuals with interests in the region.

While we have outlined here specific cost-sharing arrangements that Open World has implemented over the years and current fundraising efforts, we also have testified every year about the annual in-kind contribution from American citizens of home stays and other contributions such as transportation and meals, valued for calendar year 2007 at approximately $1.8 million.

Grant Monitoring Policies

The GAO has noted that the Open World Center should develop better internal controls over its resources and expenditures.

Question. Can you summarize the steps you are taking, particularly as to scrutinizing your grant monitoring policies?

Response. In September 2007, the Center's first full audit, for the 2006 fiscal year, was completed. The independent auditor concluded that "the accompanying financial statements ... present fairly, in all material respects, the financial position of the Center as of September 30, 2006, and its net costs, changes in net position, budgetary resources, and financing of operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America." In respect to internal controls, including grant monitoring, the report stated that the auditor's "consideration of internal control over financial reporting disclosed no material weaknesses."

The independent auditor did issue a Notification of Findings and Recommendations recommending tighter enforcement of grantee financial reporting requirements, especially in meeting deadlines to submit financial forms. For FY2007, the Center strengthened these requirements in the grant award guidelines and initiated a forms tracking system. Our inventory of received forms in preparation for the FY2007 audit (expected to be completed by late May 2008) shows compliance at the ninety percent level.

Hearing on Office of Compliance, CBO, and Open World FY 2009 Requests
March 12, 2008 at 10:00 a.m.
H-144 Capitol

Questions for the Record for Open World
Ms. Betty McCollum

Expansion to Mexico

Ambassador John O'Keefe, one of the central missions of the Open World Program was, and is, to support former Soviet states develop their judicial system. Recent events in Mexico suggest that their judicial system will likely undergo major reforms in the near future. With the success this Program has had over the past nine years, the Open World Program is in a unique position to aid Mexico's judicial reform process.

Question. Have you considered expanding the program to include Mexico or similarly reforming countries?

Response. In response to your questions regarding Open World expanding the program to Mexico or other similarly reforming countries and the feasibility of such an expansion, current statute (Public Law 108-447) expands Open World program eligibility to any other country that is designated by the Open World Leadership Center Board of Trustees. Should Mexico be designated by the Board as an Open World expansion country, the Center would notify the Committee on Appropriations of the Senate and House of Representatives at least 90 days before the program is to begin.

Question. What is the feasibility of such an expansion, what benefits could the program have, and what costs would be associated with broadening the program?

Response. Mexico has made judicial and legal reform a top priority. The reform measures focus on anti-corruption measures and law enforcement, victim's rights, strengthening laws against money laundering and organized crime, alternative dispute resolution, and penal system reform. In regards to the judiciary, reform will include oral trials in criminal cases, mandatory bar associations, and standardizing law school curriculum. In 2007, a new comprehensive law on the trafficking of persons was enacted.

Open World has conducted numerous successful programs in these same areas of judicial reform under its judicial and civic rule of programs in Russia and Ukraine, therefore Open World has the capabilities to replicate these programs with the Mexican legal community through its existing network of grantee and partner organizations. In line with Open World's goal to enhance mutual understanding and cooperation between American leaders and those of other countries, a program focused in those states that share a border with Mexico (Texas, New Mexico, Arizona, and southern California) would be most beneficial. State courts, local governments, and other organizations involved with rule of law issues would be in the position to form partnerships and work on collaborative projects with their counterparts across the border. In addition, a judge-to-judge program could be designed similar to the one that currently exists with Russia and Ukraine.

As a first step to establishing a program in Mexico, Open World would need to expand its core capabilities to include staff with expertise and knowledge of Mexico and Latin American affairs issues and a contract organization would need to be identified and recruited to provide in-country and logistical support. Open World would draw upon its contacts with in the U.S. federal judiciary, in particular the U.S. Judicial Conference's Committee on International Judicial Relations, who has established relationships with members of the Mexican judiciary and can provide expert advice on the direction and design of the program.

A conservative estimate of the cost for program planning and hosting 50 Mexican judges in a calendar year for a program similar to the Open World rule of law program for Russia and Ukraine is $470,000.

AFTERNOON SESSION

WEDNESDAY, MARCH 12, 2008.

CAPITOL VISITOR CENTER

WITNESSES

STEPHEN T. AYERS, AIA, ACTING ARCHITECT OF THE CAPITOL
BERNARD UNGAR, CAPITOL VISITOR CENTER PROJECT EXECUTIVE, ARCHITECT OF THE CAPITOL
TERRIE S. ROUSE, CEO FOR VISITOR SERVICES FOR THE CAPITOL VISITOR CENTER, ARCHITECT OF THE CAPITOL
TERRELL DORN, DIRECTOR, PHYSICAL INFRASTRUCTURE ISSUES, GOVERNMENT ACCOUNTABILITY OFFICE

CHAIR OPENING REMARKS

Ms. WASSERMAN SCHULTZ. I would like to call the Legislative Branch Subcommittee of the Committee on Appropriations to order.

This is, I believe, our ninth CVC oversight hearing. What we are going to be doing is continuing the vigorous oversight that we have been conducting over the course of a little more than a year, reviewing the issues and concerns that have come up since the last hearing, and just generally getting a project update.

It appears as though everything is still on track on the overall number and the overall date. We have not lost either time nor expanded the projection on the overall cost of the project, which is really exciting; and I think we are approaching about 6 months straight now where we have not had either a slip in the date or an expansion of the amount of the cost. So I think we all should be extremely proud of that.

This afternoon, we will hear from Stephen Ayers, the Acting Architect of the Capitol; Bernie Ungar, the CVC Project Executive; Terry Dorn, the GAO Director of Physical Infrastructure Issues; and Terrie Rouse, the CEO for Visitor Services at the CVC.

I am looking forward to hearing particularly from Ms. Rouse on the progress on the staff-led tours system and the Advanced Reservation System as well. We want to continue to work with you and make sure in particular that the system not be designed so far down the road that if we have concerns that develop that it cannot be adjusted and that there be plenty of opportunity for Member input since this system is obviously going to serve our constituents.

So we are looking forward to hearing from you. Your testimony has been received, and it will be placed into the record.

Mr. Latham.

OPENING STATEMENT—CONGRESSMAN LATHAM

Mr. LATHAM. Thank you.

I also commend you for keeping everything on time since the last hearing in February. And it looks like you are on track for the 31st to get the certificate and stay within the costs, and I commend you for doing that. So I look forward to the testimony.

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

Mr. Ayers, if you could proceed with a summary of your testimony for 5 minutes. Thank you.

OPENING STATEMENT—STEPHEN AYERS

Mr. AYERS. Good afternoon, Madam Chair, members of the subcommittee. I am pleased to be here, once again, to report on the progress to complete the CVC and to prepare for its opening later this year.

Joining me today, as you noted, are Bernie Ungar, our Project Executive, and Ms. Terrie Rouse, our Chief Executive Officer for Visitor Services.

FIRE ALARM AND LIFE-SAFETY TESTING

The comprehensive fire alarm and life-safety testing continues to be performed as planned and remains on schedule. In fact, last week our crews began working planned double shifts, which will continue for the next 6 to 9 weeks, to ensure that our testing work is completed as quickly as possible.

Minor issues have arisen and are quickly being addressed by the contractor. Recently, we began making required fire alarm changes and have determined that this change and associated re-testing required can be done without adversely affecting the project's schedule or estimated $621 million project budget. In the interim, testing of the system as currently configured is continuing as scheduled.

Overall, we remain pleased with the progress being made. Specifically, as the fire alarm testing is proceeding, we are completing minor construction in the following areas: the Library of Congress tunnel, the House Hearing Room, the East Front, the exterior grounds, and the House and Senate atria stairs.

With regard to this remaining work, I am pleased to report that masons have completed floor stone work in the Crypt area, Rotunda, and Gallery levels inside the East Front. The installation of stone stair treads between the Rotunda and Gallery levels has been completed up to the first landing, and we expect this work to be fully complete later this month.

CONSTRUCTION UPDATE

Stone restoration on the Crypt level is essentially complete, and restoration crews have begun work at the Rotunda level. In the Exhibition Gallery, all of the glass floor panels have been installed, and the video screens for the virtual theatres and other exhibits are being installed as we speak. Professional cleaning crews are now cleaning most of the CVC's public spaces, including Emancipation Hall, the Orientation Theaters, and the dining areas. Outside, the remaining two trailers on the South Egg have been relocated, which will enable the Sequence 2 contractor to continue with exterior landscaping work.

Activity continues in the House Hearing Room as workers install bronze grilles, trim, and handrails and continue to work on the dais. In the House atria stairs, metal workers completed installation of the bronze hand and cap rails around the spiral staircase. In the Library of Congress pedestrian tunnel, ceiling panel installation and terrazzo floor work is ongoing.

Crews are working to complete punchlist items such as millwork, wall stone, floor stone, ceiling panels, plaster work, carpeting, doors, and other finishes. At the end of February, there were approximately 14,000 items remaining on the punchlist. We have satisfactorily closed nearly 2,000 items.

To expedite the punchlist resolution, the Sequence 2 contractor will be calling for inspections when most of the work is done in a particular area, rather than waiting until he believes all of the work has been fully complete.

In February, 42 change orders were fully settled. The magnitude of change order proposals being received continues to diminish, with most new proposals coming in below $10,000. Gilbane and the CVC project team continue to focus their efforts on settling the largest outstanding change orders first and as quickly as possible.

CONSTRUCTION TRANSITION

As part of the transition from a construction site to a visitor services operation, the Capitol Superintendent's Office is phasing in its cleaning crews into the Visitor Center. In addition, audio-visual technicians continue to make adjustments to the projection screens in the North and South Orientation Theaters, as well as the Congressional Auditorium. At this pace, Madam Chair, we continue to believe that we are on schedule to receive a temporary certificate of occupancy by July 31st, as currently scheduled.

In anticipation of this milestone this summer, Ms. Rouse and our team continue to work with oversight committees and congressional leadership on plans for the CVC's visitor services operation.

That concludes my statement, and I would be happy to answer any questions.

Ms. WASSERMAN SCHULTZ. Thank you very much.

[Mr. Ayers' statement follows:]

STATEMENT OF STEPHEN T. AYERS, AIA
ACTING ARCHITECT OF THE CAPITOL

Regarding the Capitol Visitor Center Project

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

March 12, 2008

Good afternoon, Madam Chair and Members of the Subcommittee. I am pleased to be here once again to report on the progress made to complete the Capitol Visitor Center (CVC) and prepare for its opening and operation later this year. Joining me today is Mr. Bernie Ungar, CVC Project Executive, and Ms. Terrie Rouse, the Chief Executive Officer for Visitor Services.

As I reported at our February hearing, we have completed or are well underway with testing of a number of systems and devices including, but limited to, the emergency generators, fire pumps, fire dampers, sprinkler systems, FM 200 suppression systems, kitchen hoods, the pollution control system, and elevators.

The comprehensive fire alarm and life-safety testing continues to be performed as planned. In fact, last week our crews began working double shifts to ensure that our testing work remains on schedule. We expect the double shifts to continue for approximately six to nine weeks.

The minor issues we discussed at the last hearing have been quickly corrected. Recently, we began making fire alarm wiring enhancements required. We have determined that this change and the associated re-testing required can be done without adversely affecting the project's schedule or the estimated $621 million project budget. In the interim, testing of the system as currently configured is continuing as scheduled.

Overall, we remain pleased with the overall progress being made. Specifically, as the fire alarm testing is proceeding, we are completing minor construction in the following areas: the Library of Congress tunnel, the House hearing room, the East Front, the exterior grounds, and the House and Senate atria stairs. In addition, we are continuing our efforts to resolve various open issues such as the height variables associated with the electrical vaults and the smoke control system issues we have been experiencing in the atria areas.

With regard to this remaining work, I am pleased to report that masons have completed floor stone work at the Crypt, Rotunda, and Gallery levels inside the East Front with the exception of a small area near the south stair. The installation of stone treads on the stairs between the Rotunda and Gallery levels has been completed up to the landing and we expect this work to be completed later this month.

Stone restoration on the Crypt level is essentially complete, and restoration crews have begun work on the Rotunda level. In the Exhibition Hall, all of the glass floor panels have been installed. Professional cleaning crews are now cleaning most of the CVC's public spaces, including Emancipation Hall, the Orientation Theaters, and the dining areas. The remaining two trailers on the South Egg have been relocated which will enable the Sequence 2 contractor to continue with the exterior landscaping work.

Activity continues in the House Hearing Room as workers installed bronze grilles, trim, and handrails and continued work on the dais. In the House atria stairs, metal workers completed installation of the bronze hand and cap rails around the spiral staircase. In the Library of Congress pedestrian tunnel, ceiling panel installation and terrazzo work is ongoing.

Crews are working to complete punchlist items such as millwork, wall stone, floor stone, ceiling panels, plaster work, carpeting, doors, and other finishes. At the end of February, there were approximately 14,000 items on the main punchlist. We satisfactorily closed nearly 2,000 items. Please note that the Sequence 2 contractor has completed work for many of the items on the punchlist, but it has not yet called for inspections because it has been waiting for all of the open items in each area to be completed before requesting the inspections. This is in line with the systematic process that we have set up for handling the punchlist.

To expedite the punchlist resolution process, the Sequence 2 contractor will be calling for inspections when most or almost all of the work is done in a particular area, rather than waiting until it believes the work has been fully completed.

In February, 42 change orders were settled. The magnitude of the change order proposals being received continues to diminish, with most new proposals coming in below $10,000. Gilbane and the CVC Project Team continue to focus their efforts on settling the largest outstanding change orders first and as quickly as possible.

As part of the transition from a construction site to a visitor services operation, the Capitol Superintendent's Office is phasing-in its cleaning crews into the CVC. In addition, audio-visual technicians continue to make adjustments to the projection screens in the North and South Orientation Theaters, as well as in the Congressional Auditorium. At this pace, we continue to believe that we are on schedule to receive the temporary Certificate of Occupancy by July 31 as planned.

In anticipation of this milestone this summer, Ms. Rouse and our team continue to work with Oversight Committees and Congressional leadership on plans for CVC's visitor services operations. I know she has much to report to the Subcommittee on the progress being made on that front.

Madam Chair, this concludes my statement. I would be happy to answer any questions you may have.

Ms. WASSERMAN SCHULTZ. Ms. Rouse.

OPENING STATEMENT—TERRIE ROUSE

Ms. ROUSE. Good afternoon. Madam Chair, Congressman Latham, members of the subcommittee, I am pleased to be here today to update you on the progress we have made to stand up the AOC's Office of Visitor Services for the Capitol Visitor Center.

STAFFING AND RECRUITMENT

As I discussed last month, one of my priorities has been to recruit staff to help me achieve our mission to inform, involve, and inspire generations of Americans who visit the CVC. I am pleased to announce that our Deputy Chief Executive Officer for Visitor Services, Mr. Maurice Parrish, joined our team last week.

Working in concert with our oversight committees, we recently advertised to hire more than 50 visitor assistants. They will play a very important role as they will be our front-line ambassadors with the visiting public. In addition, we are looking to bring on another 20 staff over the next few months, including a gift shop manager and other building staff.

I am committed to hiring a diverse and professional staff. In that regard, we are planning a job fair for April and are actively reaching out to members of the congressional caucuses, including the Congressional Black Caucus, the Congressional Asian Pacific American Caucus, Congressional Hispanic Caucus, and the Congressional Native American Caucus, to help inform potential candidates of job opportunities with the CVC.

My goal for the CVC mirrors those of the AOC: to aggressively work to hire personnel and award contracts to individuals and companies that reflect the diversity of our country. As we seek items for our gift shop, we are making a special effort to reach out to small businesses as suppliers. We have formed an expert committee comprised of our curators and historians to verify the authenticity of merchandise and to identify items that will further our educational and programmatic themes.

ADVANCED RESERVATION SYSTEM

Madam Chair, I am pleased to report that we have made significant progress on the development of the Advanced Reservation System. We have been working with a number of key stakeholders, including congressional offices, the Capitol Guide Service, AOC and CVC staff, and many others to develop system requirements.

The visitor experience and our mission to inform, involve, and inspire begins when the citizen contacts his Member's office or visits the CVC Website, not with the first step into the Capitol building. For that reason, the Advanced Reservation System and the CVC Website will provide people with a number of opportunities to contact their Representative or Senators.

Based on the feedback from our stakeholders, our contractor has begun developing a prototype of the system. The Advanced Reservation System will include many advantages to Members' offices that are not currently available, including:

24/7 system access through the CVC Website;

Staff access to the Advanced Reservation System from any location through the Internet allowing requests and reservations to be handled immediately and personally;

"Find a Member" links prominent throughout the CVC Website;

Improved tour booking process providing longer advanced booking window, real-time reservations, and generating constituent reservation history reports;

Members' offices may send, via e-mail or regular mail, personalized confirmations to constituents; and

Inventory management tools designed to prioritize constituent tours.

Use of the Advanced Reservation System will result in improved visitor experiences the day of the tours. For example, inventory management will help reduce lines and adjust visitor volume throughout the day.

CVC WEBSITE

As requested, we have provided the subcommittee with some graphics that illustrate what visitors will encounter online on the CVC Website when they plan a trip to Washington that includes a tour of the Capitol. Since the system is still under development, those graphics are not representative of the actual layout or visual style. However, they provide an idea of how your constituents could be linked to your office to book a Capitol tour.

On every page of the CVC Website there is the opportunity to navigate to the home page for the House or the Senate, both of which have several ways to look up Members of Congress, including by ZIP Code.

There is a prominent link on the right side of each and every page. Once a constituent selects the option, "visiting the Capitol", he or she is given an additional opportunity to contact their Representative or Senators.

Madam Chair, the CVC's programming is designed to reflect the important impact that the Constitution, Congress, and more than 200 years of law have had in shaping the fabric of daily life in the United States. As you can see, we are making great strides to make the CVC a welcoming and educational environment that will inform, involve, and inspire all who visit here.

Thank you again for the opportunity to update the subcommittee on our activities, and thank you for your continued support.

That concludes my statement. I would be pleased to answer any questions you might have.

Ms. WASSERMAN SCHULTZ. Thank you, Ms. Rouse.

[Ms. Rouse's statement follows:]

Statement of Ms. Terrie S. Rouse,
Chief Executive Officer for Visitor Services
for the Capitol Visitor Center, Office of the Architect of the Capitol

Before the Subcommittee on Legislative Branch
Committee on Appropriations

Regarding
Capitol Visitor Center Operations

March 12, 2008

Madam Chair, Congressman Latham, members of the Subcommittee, I am pleased to be here today to update you on the progress we have made to stand-up the Architect of the Capitol's (AOC's) Office of Visitor Services for the Capitol Visitor Center (CVC).

As I discussed at last month's hearing, one of my primary priorities has been to recruit staff to help me achieve our mission to inform, involve, and inspire generations of Americans who visit the CVC. I am pleased to announce that our Deputy Chief Executive Officer for Visitor Services joined the AOC last week. Mr. Maurice Parrish comes to us following 17 years at the Detroit Institute of Arts where he recently served as Executive Vice President. He was responsible for developing and leading the programming, planning, and implementation of the museum's multi-year, $91 million Master Plan Project for its expansion and renovation. From 1997-1999, he was the Institute's Interim Director, leading 250 full-time employees, 100 part-time employees, nearly 1,000 volunteers and managing a $31 million annual budget.

Since 2007, Mr. Parrish served as Vice President of CompassGroup Associates in Detroit where he was responsible for developing management consulting and executive interim management business in the non-profit sector. He received his Master of Arts degree in Architecture from Yale University and a Bachelor of Arts in Architecture from the University of Pennsylvania. We are delighted to have Mr. Parrish on our team.

Working in concert with our Oversight Committees, we recently advertised to hire more than 50 visitor assistants. These members of our staff will play a very important role in the organization as they will be our front-line ambassadors with the visiting public. In addition to these new visitor assistant positions, we are looking to bring on another 20 staff over the next few months, including a gift shop manager and other building staff.

I am committed to hiring a diverse and professional staff. In that regard, we are planning a job fair in April and are actively reaching out to a number of Congressional caucuses, including the Congressional Black Caucus, the Congressional Asian Pacific American Caucus, Congressional Hispanic Caucus, and Congressional Native American Caucus, to help inform potential candidates of job opportunities with the CVC.

My goals for the CVC mirror those of the AOC: to aggressively work to hire personnel and award contracts to individuals and companies that reflect the diversity of our country. I believe such effort enhances our ability to serve Congress and all who visit our nation's Capitol.

Over the next several months, as we seek appropriate, educational items with which to stock the gift shops we are making a special effort to reach out to small businesses as suppliers. We have formed an expert committee comprised of our curators and historians to verify the authenticity of merchandise and to identify items that will further our educational and programmatic themes.

Madam Chair, I am pleased to report that we have made significant progress over the past few weeks on the development of the Advanced Reservation System (ARS). We have been working with a number of key stakeholders including Congressional offices, the Capitol Guide Service, AOC/CVC staff, and many others to develop system requirements.

As you know, the visitor experience and our mission to inform, involve, and inspire begin when a citizen contacts his or her Member's office or visits the CVC Web site, not when they first step into the Capitol Building. For that reason, the Advanced Reservation System and the CVC Web site will provide people with a number of opportunities to find and contact their Member of Congress or Senator.

Based on the feedback from our stakeholders, our ARS contractor has begun developing a prototype of the system. The Advanced Reservation System will provide many advantages to Members' offices that are not currently available. These advantages include:

- 24/7 system access through the CVC Web site.
- Members' staff access to ARS from any location through the Internet allows requests/reservations to be handled immediately and personally.
- "Find a Member" links prominent throughout CVC Web site.
- Improved tour booking process provides longer advanced booking window, real-time reservations, and generates constituent reservation history reports.
- Members' offices may send (via e-mail or regular mail) personalized confirmations to constituents.
- Inventory management tools are designed to prioritize constituent tours.

Use of the ARS will also result in improved visitor experiences the day of their tours. For example, inventory management will help reduce lines and adjust visitor volume throughout the day. Staff-led tour participants will be treated as VIPs with a Visitor Services greeter to facilitate check-in and assist staffers. Visitors could even receive a special commemorative Congressional tour pass to take home with them. There will also be flexibilities built into the system to allow for adjustments in the case of unexpected, special, or changes in tour requests.

Ultimately, the Advanced Reservation System will minimize crowding by giving Members' offices more flexibility in facilitating constituent tours thereby greatly enhancing the visitors' experience.

In conjunction with the ARS development, we continue to make good progress on developing the new CVC Web site. This site will be an introduction to the CVC, as well as serve as the primary tool in our comprehensive public education campaign to let people know about the CVC, how to arrange a visit to the Capitol and their Members' offices, as well as how Congress works.

Most importantly, with millions of visitors anticipated in the CVC's first year of operation, the Web site will help manage expectations by providing clear, useful, accurate, and up-to-date information.

We also continue to facilitate meetings between the U.S. Capitol Police, the District of Columbia Department of Transportation, and others on a transportation plan. We are honing the details of our operational plans, as well as putting the final touches on our exhibits and other informational materials in anticipation of moving into the facility upon the AOC's receiving the Certificate of Occupancy. We are also working to finalize our communications plan which involves executing an effective, multi-faceted, and valuable public education campaign about the CVC and all it has to offer.

Madam Chair, the CVC's programming is designed to reflect the important impact that the Constitution, Congress, and more than 200 years of laws have had in shaping the fabric of daily life in the United States. The dynamic nature of the legislative process and the art and architectural history of the Capitol will be presented through exhibits, lectures, films, seminars, online productions, family activities, and curricula and outreach to schools. As you can see, we are making great strides to make the CVC a welcoming and educational environment that will inform, involve, and inspire all who visit here.

Thank you, again, for this opportunity to update the Subcommittee on our activities, and thank you for your continued support. This concludes my statement. I would be pleased to answer any questions you may have.

Ms. WASSERMAN SCHULTZ. Mr. Dorn.

OPENING STATEMENT—TERRELL DORN

Mr. DORN. Thank you, Madam Chair, Mr. Latham.

Since the last hearing, testing of the fire alarm systems has continued, along with installation of building finishes and some minor construction. Although several of the project's near-critical paths, such as the East Front stone work, continue their slip in schedule, timely completion of the fire alarm acceptance testing remains the biggest risk to the project's schedule and its budget.

CONSTRUCTION UPDATE

The CVC team is working to resolve new issues they have uncovered, such as inadequate smoke exhaust in atria stairwells, and older issues, such as the exhibit galleries' FM 200 system. AOC does not expect these issues will affect the project's ability to open in November of 2008. As long as the AOC and the fire marshal are able to cooperatively find workarounds to allow testing and preparation for operations to continue simultaneously and no new delays are encountered, we fully expect that the CVC should be available for opening in November.

The AOC's cost estimate of $621 million continues to appear reasonable. However, the full impact on the project's contingency caused by recent necessary changes is still uncertain. Even with the project at 99 percent complete and final testing underway, it will be important for the CVC team to continue monitoring the project's contingency balance and the final project estimate.

Madam Chair, that concludes my prepared statement, and I am available to answer any questions you and the Members may have.

Ms. WASSERMAN SCHULTZ. Thank you very much, Mr. Dorn.

[Mr. Dorn's statement follows:]

United States Government Accountability Office

GAO

Testimony
Before the Subcommittee on the Legislative Branch, Committee on Appropriations, House of Representatives

For Release on Delivery
Expected at 1:30 p.m. EST
Wednesday, March 12, 2008

CAPITOL VISITOR CENTER

Update on Status of Project's Schedule and Cost as of March 12, 2008

Statement of Terrell G. Dorn, Director,
Physical Infrastructure Issues

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GAO-08-545T

Madam Chair and Members of the Subcommittee:

I appreciate the opportunity to be here today to assist the Subcommittee in monitoring progress on the Capitol Visitor Center (CVC) project. My remarks will focus on (1) the Architect of the Capitol's (AOC) construction progress since the last CVC hearing on February 7, 2008,[1] and (2) the project's expected cost at completion and funding status.

Today's remarks are based on our review of schedules and financial reports for the CVC project and related records maintained by AOC and its construction management contractor, Gilbane Building Company; our observations on the progress of work at the CVC construction site; and our discussions with the CVC team (AOC and its major CVC contractors), AOC's Chief Fire Marshal, and representatives from the U.S. Capitol Police. We also reviewed AOC's construction management contractor's periodic schedule assessments, proposed change order log, and weekly reports on construction progress. In addition, we reviewed the contract modifications made to date.

Summary

Since the February 7, 2008, CVC hearing, the project's construction has continued, and AOC is still anticipating a November 2008 opening date, but risks to the project's schedule remain in several time-critical activities, especially fire alarm acceptance testing. This testing has been slowed by problems identified in the wiring of the fire alarm system and the capacity of the smoke exhaust system. According to AOC officials, these problems are being addressed and sufficient contingency funds exist to address the costs. Under the current schedule, the fire alarm acceptance testing must be completed on time for the CVC to open on time. In addition, delays in work on the East Front, the Exhibit Gallery, and the House Hearing Room have continued, reducing the extra time built into the project's schedule for contingencies. These delays pose risks to the project's construction schedule, as do the many items on the project's punch list[2] and a steady number of proposed change orders. At this time, however, AOC does not expect the punch list items or the proposed change orders to affect the project's completion date.

AOC's current estimate of the cost to complete the CVC project's construction, first reported at the September 25, 2007, hearing, is about

[1]GAO, *Capitol Visitor Center: Update on Status of Project's Schedule and Cost as of February 7, 2008*, GAO-08-475T (Washington, D.C.: Feb. 7, 2008).

[2]A punch list identifies tasks, usually minor, to be completed at the end of a project.

$621 million. We believe this estimate is reasonable, provided there are no unusual delays. To date, about $566.2 million has been approved for CVC construction, and AOC has $16.2 million more in fiscal year 2008 CVC appropriations that it plans to use for construction after it obtains congressional approval to obligate these funds. In addition, AOC requested and was recently granted authority to transfer $3.2 million from other activities to fund CVC construction. AOC has estimated that it will still need an additional $2.6 million in fiscal year 2008 to fund CVC construction. Furthermore, AOC has requested $31.1 million in fiscal year 2009 funds for CVC construction. Based on its current cost-to-complete estimate, AOC believes it will still need an additional $2 million in fiscal year 2009 to complete the project.

Construction Is Nearly Complete, but Risks Remain

According to AOC's construction management contractor, in dollar terms, the overall CVC project remains 99 percent complete.[3] Delays in a number of areas, especially in time-critical activities related to the fire alarm system, pose risks to the project's schedule.

Since the last hearing, work on portions of the project's current critical path,[4] fire alarm acceptance testing, was slowed by two issues. Costs and schedule effects of the two issues are uncertain at this time, but AOC's preliminary estimates are that working additional shifts will eliminate any schedule delays and that sufficient project contingency funds exist to address cost issues. The first issue was associated with the wiring of the fire alarm system. According to the fire marshal, the installed wiring system did not sufficiently minimize the negative results of a simulated electrical short circuit. AOC plans to remediate the problem by installing additional wiring to supplement the existing wiring. Furthermore, problems with the CVC's smoke exhaust system, a critical part of the building's life safety system, surfaced during pre-testing. The current system did not fully meet the design requirements, and according to AOC, several large components will have to be replaced. Their replacement will take several weeks, AOC says, but since the problem was discovered early in the testing process, AOC does not expect it to delay AOC's receipt of a temporary certificate of occupancy for the project, planned for July 31, 2008.

[3]In other words, the sequence 2 contractor has received about 99 percent of the current contract value. This value does not include the costs of unsettled proposed change orders, potential claims, and work performed outside the current contract, such as the fire marshal's fire alarm acceptance testing.

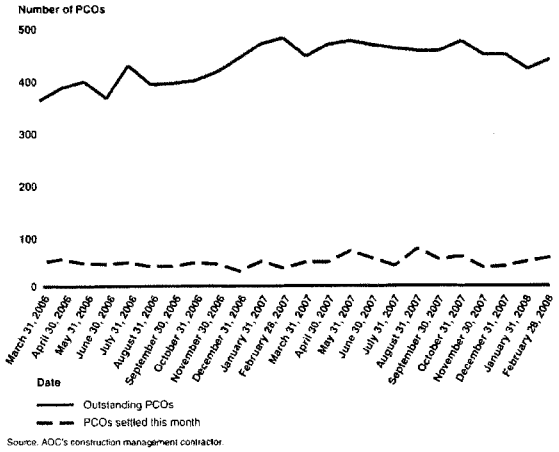
[4]The critical path is the single longest path of activities through a project's schedule. Each day of delay in the critical path could delay the completion of the entire project.

Delays in less time-critical areas such as the East Front, the Exhibit Gallery, and the House Hearing Room also continued. For example, in the East Front Upper Levels, the planned work schedule slipped by 3 weeks to allow investigation of a concern raised by the contractor about possible movement in the stair treads. The design architect investigated the issue and has since determined that the movement was acceptable. In addition, work in the House Hearing Room was delayed almost 2 weeks because the new steel structure had to be modified to support stone and millwork finishes.

Delays in addressing items on the project's extensive punch list pose further risks to the CVC's schedule and call for continued prompt attention by AOC and its contractors. For example, work in the Exhibit Gallery may continue to fall behind schedule while AOC and its design team address fire protection design issues in the Wall of Aspirations. In addition, damage to pavers on the East Front plaza has not been repaired, and extensive work may be required to prevent further damage. Since the last hearing, a design solution was reached for relocating the pre-existing PEPCO electrical vaults, which are too high for the current landscaping plan. Some landscaping and other work in that area will be delayed by about 5 months, and the final cost is uncertain, but AOC is comfortable that the project's contingency funds are sufficient.

Proposed change orders continue to be identified by the CVC team each month. AOC and its contractors have continued to work together to reduce the number of open (outstanding) proposed change orders, but the number of open orders has remained essentially unchanged. Sustained attention to this issue is needed to reduce uncertainty about the project's costs and to avoid risks to the project's schedule as new proposed change orders come in. Figure 1 compares the number of outstanding proposed change orders with the number settled each month.

Figure 1: Outstanding and Settled Proposed Change Orders by Month, March 2006 through February 2008[a]



Source: AOC's construction management contractor.

[a]The most current proposed change order data were complete through February 28 rather than through the last day of the month, as for the previous months.

AOC's Cost Estimate Remains the Same, and Additional Funds Will Be Needed

AOC's current estimate of the cost to complete the CVC project's construction, first reported at the September 25, 2007, hearing, is about $621 million. We believe this estimate is reasonable, provided there are no unusual delays. To date, about $566.2 million has been approved for CVC construction, and AOC has $16.2 million more in fiscal year 2008 CVC appropriations that it plans to use for construction after it obtains congressional approval to obligate these funds. In addition, AOC requested and was recently granted authority to transfer $3.2 million from other activities to fund CVC construction. AOC has estimated that it will still need an additional $2.6 million in fiscal year 2008 to fund CVC construction. Furthermore, AOC has requested $31.1 million in fiscal year 2009 funds for CVC construction. Based on its current cost-to-complete

estimate, AOC believes it will still need an additional $2 million in fiscal year 2009 to complete the project.

Madam Chair, this completes my prepared statement. I would be pleased to answer any questions that you or Members of the Subcommittee may have.

Contacts and Acknowledgments

For further information about this testimony, please contact Terrell Dorn on (202) 512-6923 or dornt@gao.gov. Other key contributors to this testimony include Shirley Abel, Michael Armes, Lindsay Bach, Maria Edelstein, Elizabeth Eisenstadt, Jeanette Franzel, Jackie Hamilton, Kara Patton, and Joshua Ormond.

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TESTING ISSUES

Ms. WASSERMAN SCHULTZ. I want to start with the comment that you made, Mr. Ayers, that testing will be completed as quickly as possible. I hope you really meant completed on time, so that it does not affect the overall schedule. And so a little reassurance would be nice.

Mr. AYERS. That is exactly what I meant.

Ms. WASSERMAN SCHULTZ. Okay. Good. Just checking.

One of the things that I am concerned about in reading the weekly reports—and I really appreciate that information, because it helps us in knowing what your progress is, and those reports are very detail oriented—I think they are mutually beneficial. This smoke control system and the short-circuiting problem, I think that is the thing that is the most worrisome as far as being able to reach a resolution and it not impacting the schedule. So can you give us a sense of where we are in solving that particular problem?

Mr. AYERS. Certainly. Madam Chair, you mentioned two problems. One is a smoke purge system from the north and south atria stair, and you also mentioned a short circuit.

Ms. WASSERMAN SCHULTZ. Okay. I might have combined problems.

Mr. AYERS. I will give you an update on both of them.

Ms. WASSERMAN SCHULTZ. Thank you.

SMOKE CONTROL SYSTEM

Mr. AYERS. Certainly on the short circuit analysis, we have resolved that issue. We have come up with a resolution, and we have now directed the contractor to implement that. So we have worked out a retesting regimen that will not affect our testing timeline, nor do we think this will affect our $621 million estimate. So we think that problem is solved, and we are in the implementation phase now.

Ms. WASSERMAN SCHULTZ. Okay.

Mr. AYERS. On the north and south atria stair, we were not able to achieve the required air flow out of those atria stairs. We have worked some engineering solutions over the past several weeks, and we are in the process of implementing them now and will then schedule a retest. We are pretty confident that the re-work that we have done will correct those air flow issues in the atria stairs.

Ms. WASSERMAN SCHULTZ. Mr. Dorn, do you care to comment?

Mr. DORN. I think they are both technical problems that have technical solutions. I do not think it is going to touch the $621 upper end right now, but it certainly does have an effect on the available contingency in the budget. AOC can address the dollar amounts for you better than I can, and maybe a different forum would be better because they are still negotiating.

Ms. WASSERMAN SCHULTZ. Okay. Great.

Mr. UNGAR. Madam Chair, I just wanted to mention that from a budgetary perspective, we have got the cost estimated for the atrium fix, and we do not anticipate it being a problem with respect to the 621 number at this point.

Ms. WASSERMAN SCHULTZ. Good. And what about the timing?

Mr. UNGAR. It should not be a problem.

ADVANCED RESERVATION SYSTEM PROCESS

Ms. WASSERMAN SCHULTZ. Okay. Excellent.

I wanted to focus on the Advanced Reservation System and the progress on staff-led tours. And I have said this before, so I want to underscore that when our constituents go to your Website they need to be made aware of staff-led tours and not automatically funneled into guide-led tours. And I know that the layout that you gave us is not necessarily how it is going to look graphically, but when you go to—is this the home page? Does Mr. Latham have these materials, too?

Mr. LATHAM. Yes.

Ms. WASSERMAN SCHULTZ. If I go to the home page of the CVC, I think the link needs to be large enough so that you can very quickly find how to tour the Capitol. Because primarily that is why people are going to go to the CVC Website. And, right now, the way this looks is the only place that you know that you can get a tour is this little tiny word "tour" over here in the upper right-hand corner if you are on the home page of the CVC. I do not think that link is big enough or prominent enough, and I would strongly encourage you to make it much more prominent so that people could find it more easily.

Ms. ROUSE. OK. Note taken.

Ms. WASSERMAN SCHULTZ. Secondly, when you click on that link and go to the place where you could make a reservation, on the page that says home slash tour reservations, you have three buttons: contact your Senator, contact your Representative, and use the Advanced Reservation System. I am worried—I mean, of course, if you want a tour and you read those three buttons you are going to click on use the Advanced Reservation System, because that is what you are trying to do, is make a reservation to tour the Capitol.

So I would suggest that you change the wording—instead of "contact your Senator and contact your Representative", it should be "book a Capitol tour with your Representative or your Senator", or however you choose to word it so that people who want to do that will choose between going to the Advanced Reservation System and taking a guide-led tour and say, no, I really would like to do a tour through my Member's office and meet my Member and their staff. You would not be likely to do that if it just says "contact".

Ms. ROUSE. We can change the language to help people better understand how to navigate that, yes.

Ms. WASSERMAN SCHULTZ. Okay. That would be incredibly helpful. And my time has expired. I can continue later.

Mr. Latham.

Mr. LATHAM. Thank you.

CVC TOUR OPERATIONS—TRANSPORTATION

Mr. Ayers, currently, as far as transportation and buses, the buses drop people off at the West Front of the Capitol and are prohibited from going around the east side. Is that going to change when you open up the Visitor Center? Are the buses going to be allowed to pull up to the entrance to the CVC?

Mr. AYERS. Well, we do not expect tour buses to be able to use First Street. They are currently unable to use First Street, and those prohibitions will continue. On the east side, we do expect to encourage tour operators to drop off visitors at Union Station. From Union Station, we have worked closely with the District Department of Transportation to work out a bus route from Union Station up First Street, or down Louisiana, up Constitution and across First Street.

So, ultimately, we will be able to drop people off on the east side of the Capitol along First Street using public transportation or using the other bus services that are currently able to use that street. The ones that do not carry luggage underneath will continue to be able to use First Street.

CAPITOL HILL ACCESS

So in summary, there are two options. One, there is a bus drop off on the West Front and another bus drop off for tour buses at Union Station, and then people can either walk to the Visitor Center or they can use public transportation.

Mr. LATHAM. I can just see a busload of 4–H'ers coming from Iowa having to get dropped off at Union Station and get on a Metro bus—I just am not sure it is totally satisfactory, in my mind, anyway. I think it is going to be very difficult. And if you drop them off on the west side, that is a real hike to get clear around to the front of the Visitor Center.

Are there any other ideas or solutions to this? Have you talked—who says you cannot pull the buses up to the east side, to the entrance?

Mr. AYERS. All of those types of vehicles are currently prohibited across Capitol Hill, and that is certainly from the Capitol Police and the Capitol Police Board.

Mr. LATHAM. Okay.

Mr. AYERS. If I could just offer one clarification, it is not—from Union Station up, it is not your standard Metro bus. D.C. District Department of Transportation has offered to establish a new Circulator bus route along that route.

Mr. LATHAM. Will that be free?

Mr. AYERS. It is my understanding that will cost $1 per person.

CVC OPENING PLAN

Mr. LATHAM. Okay. I really wish we would maybe think about some other solutions, because I am just not sure how tenable that is for a lot of our people coming in.

Ms. Rouse, can you explain what the planning is regarding the actual opening of the CVC? And will the the entire CVC open at one time or are you going to phase it in or have a soft opening? What do you foresee?

Ms. ROUSE. We are planning, and we have been having discussions just as early as last week with our oversight committees and leadership, on the actual opening of the Capitol Visitor Center. There will be, to your point, a series of soft openings, a test-and-adjust period where we will be bringing people in to kind of get a sense of how it will operate.

For example, people in wheelchairs or people with disabilities, we might reach out to the veterans' community and just get a sense of how it is going to work with different types of constituents, school groups, for example. So there will be a series of those things.

Of course, it will be up to Congress to determine what date we actually open, but we wish to be able to get people in and do a little dress run; get a sense of what works and what does not work, this will allow us to tweak our management.

Mr. LATHAM. To my previous point, are those buses going to be handicap accessible from Union Station?

Mr. AYERS. Yes, sir.

CONTINUING RESOLUTION—POTENTIAL IMPACT

Mr. LATHAM. Do you see any impact on Capitol Police activities—especially if we are under a CR with the phased or soft opening?

Mr. AYERS. Well, certainly the police have some very significant needs in early 2009. We have an inauguration coming up that requires significant resources. In October of 2009, they will be merging with the Library police. Starting late this summer, they will be providing significant security detail for the utility tunnel construction on the R tunnel in addition to the State of the Union. So they have got significant requirements in early 2009.

If there is a continuing resolution, I think there will be some significant funding issues that will need to be resolved. They are certainly committed to opening the Visitor Center, and I think they would have to work some significant overtime to make that happen without an initial influx of funding in fiscal year 2009.

Mr. LATHAM. Okay. Thank you.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Latham. Your time has expired.

Mr. Bonner.

Mr. BONNER. Thank you, Madam Chair.

CVC SCREENING PROCESS

I would like to pick up on where Mr. Latham left off. And forgive me for not knowing the exact terminology, but TSA has approved at our airports a prescreening process for frequent flyers where you can enroll and they do a background check and it is determined whether or not they can then go to the front of the line or to an expedited line when you are going through to get on an airline.

It seems to me that if you all would be willing to work with the Sergeant at Arms and the Capitol Police to come up with a more workable solution where the tour bus companies, there would be a list of companies that have been authorized and screened like we do some of our Nation's ports—it just seems to me that there has got to be a more practical solution.

You know, it was not that long ago—I was a staffer for 18 years before I was elected to Congress; and when I first came to Congress, to Capitol Hill as a staffer, there were some who wanted to put a fence up around the Capitol. And we went through that back-and-forth period where we resisted that, because this building truly is a symbol of what we stand for in a free and open society.

And while we do live in a post-9/11 era, it would just be good if we could see some active participation from your offices with the

Sergeant at Arms and allow us, if this committee and others were of the same mind-set, to come up with a more workable solution.

Yes, ma'am.

ADVANCE GROUP RESERVATIONS

Ms. ROUSE. Part of that we have been working on with Mr. Ayers' office, with the Advanced Reservation System is being able to register groups in advance. By registering them in advance, we can communicate with them. We will be able to track if someone has booked an extraordinary number of seats, because that is how we start our tours by registering people into a seat. Then we can indeed have somebody waiting for that bus as it is pulling up. So it will expedite the process completely. The waiting time for someone being dropped off will be very light.

We also will have the opportunity with our little golf carts. They are to be able to bring people up from the West Front into the CVC if they need assistance because they are having difficulty walking.

But we like to remind people that the Capitol experience is one of walking, and we are trying to encourage people as we are developing our Website and our public relations information that it is very much that experience.

SECURITY INTERESTS

Mr. BONNER. No, and I appreciate that. But as a father—I know my hairline might deceive it, but I have a 10-year-old son and a 12-year-old daughter. And a part of walking is one thing, a part of standing is another thing. And that is one of the reasons that we have appropriated funds well over the budgeted amount or projected amount for the last several years, was to create a Visitor Center that would welcome Americans and friends from around the world to see their Capitol and the U.S. Capitol in a way that it had never been seen before, and the restrooms and all of the other great additions to the Visitor Center. I just worry that we do not set up another barrier to invite them.

If Disney World can come up with a way to bring in far more people than come to the Capitol and take security in consideration, it seems that we would be able to find a way that would work with the security interests in mind.

CVC PREVIEW

The other thing that I wanted to real quickly get on the record is are there any plans for a sneak preview, if you will? Because the Visitor Center has gotten so much negative press over the last few years, if you were about to open a restaurant sometimes you have people come in and see what is going on and you get the local media to talk about it and build up an excitement about it. And are there plans to use our national media, and perhaps hopefully nonpaid, but are there ways to explore getting the American mind interested in what we have spent all of their tax dollars on that are coming up?

Ms. ROUSE. Yes, sir. We have been planning—and we started talking more aggressively with oversight and leadership last week—for a media plan that includes the work of the AOC and

Capitol Visitor Center, a test-and-adjust period which would include previews, various groups coming in and sort of begin to let people get a feel for what is going on.

A sneak preview is a good way of looking at it. But we really want to immerse them in the experience. So that is very much a part of what we are trying to do, and I think over the next several months we will have a solid plan that we can begin to announce.

Mr. BONNER. Okay. Thank you, Madam Chair.

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

STAFF-LED TOURS

Ms. Rouse, I want to go back to the discussion of staff-led tours. And if you could explain to me, I am a constituent from the 20th District of Florida, and I want to get a tour from my Member's office, not through the Advanced Reservation System. How right now do you envision that happening?

Ms. ROUSE. Well, what we envision is that someone could do a couple of things. They could, as you know, use the Advanced Reservation System, or they could call their Member's office. Their Member's office could make a reservation for them. Then they have the option of either sending them the electronic response or creating and printing a document that they would send out to that person. So that would provide the person a hard copy or the electronic copy as a reservation confirmation.

Ms. WASSERMAN SCHULTZ. Will we be able to link from our Websites to the Advanced Reservation System?

Ms. ROUSE. Yes, all of the offices will be able to. We are intending to license all of the offices here in Congress and all the district offices out across the United States. It will be a total link. In addition, people will be linked to the Senate and the House's Websites so there is this constant interflow of information.

Ms. WASSERMAN SCHULTZ. Okay. And, again, I want to stress that we would like to make sure that we facilitate a constituent's ability as a priority to book their tour through their Member. And I know I sound like a broken record on this, but we did have over 140 House Members, and more than I think 50 Senators sign a similar letter, lamenting the possibility of the elimination of staff-led tours and the importance of making sure that when constituents come here that they can connect with their Member's office. And the best way to do that is when we can provide them with a tour, because that is often the only thing that they are able to do when they are here in the way of a tour.

PUNCHLIST AND CHANGE ORDER UPDATE

I want to talk about the punchlist and change orders. Because now that we have a section of the report every week that talks about change orders—I am following the number rather closely and seeing the same couple of thousand being addressed and the number not going down. So I am just wondering how it is that we are in the last few weeks clearing out about 2,000 change orders—excuse me, not change orders, punchlist items and the number is still at 14,000.

Mr. UNGAR. Yes, ma'am. This is the situation. The 14,000 is the total number of items on the list, open or closed.

Ms. WASSERMAN SCHULTZ. Right.

Mr. UNGAR. In fact, as you probably saw last week, it went up a little bit from the previous week. It was about 14,900. That is because we are still inspecting areas and adding things to the punchlist, because not the entire facility is complete yet. So that number is going to be going up, in the next several weeks. Eventually it will slow down and stop, but for the next several weeks the total number will go up. I would not be surprised if it was 16 or 17,000 by the time it is finished.

On the other hand, we have made significant progress in inspecting and closing out items on the punchlist. In fact, since we prepared Mr. Ayers' testimony——

Ms. WASSERMAN SCHULTZ. When do you think that we will see a significant drop in the number?

Mr. UNGAR. Well, the number of closed items is 4,000 now, so it has come down 2,000.

Ms. WASSERMAN SCHULTZ. It is 14,000.

Mr. UNGAR. No, I am sorry, the total number of items on the list is 14,900.

Ms. WASSERMAN SCHULTZ. Okay.

GILBANE'S REPORTING SYSTEM

Mr. UNGAR. We have closed out 4,000 of those, so it is now about 11,000.

Ms. WASSERMAN SCHULTZ. It is just that the number in the report still said 14-some odd thousand.

Mr. UNGAR. Right. That is because it is the total number of items cumulative on the list.

So if you say how many items were ever on the list, it would be 14,900. It might be 15 or 16,000 in the future. From that, we subtract the number that have been closed; and that is 4,000. Now you are down to the net number that are open which is about 11,000.

Ms. WASSERMAN SCHULTZ. Okay.

Mr. UNGAR. We expect that you will see a significant drop in that over the next 2 months. Again, though, you will see a slight increase in the total number of items on the list.

Ms. WASSERMAN SCHULTZ. Okay. Mr. Dorn?

Mr. DORN. We have had this discussion several times about the 14,000. I have seen several documents that talk about 14,000. We are not used to counting closed ones. I mean, once it is closed, it seems to me it would just fall off the list.

Ms. WASSERMAN SCHULTZ. That is why I was confused.

Mr. DORN. That is where the confusion I think is coming from, but it is Gilbane's system.

Ms. WASSERMAN SCHULTZ. What I do not understand—and I am not great at math—but if you have 14,893 items and you close 2,000 of them, then the number should then be 12,893 items.

Mr. UNGAR. Right. That be would the number. 12,000 would be the number that was open until the most recent update.

Ms. WASSERMAN SCHULTZ. Right. But that is the only number that we are interested in, is how many are open.

Mr. UNGAR. Well, we can report solely the number that are open.

Ms. WASSERMAN SCHULTZ. I mean, if you want to make it seem like you are not making any progress at all, then I would suggest

you continue to report it this way. The better suggestion would be to report open and closed, and then we have a better sense of your progress.

Mr. UNGAR. Okay.

Ms. WASSERMAN SCHULTZ. Just a suggestion.

My time has expired. Mr. Latham.

Mr. LATHAM. Thank you.

LIBRARY OF CONGRESS TUNNEL

With the tunnel between the Library of Congress and the CVC, is there any coordination going on with the Library of Congress for both experiences?

Ms. ROUSE. Yes. Actually, we are very enthusiastic about our relationship with the Library of Congress because it will allow people to again have that Hill experience. They can come to the CVC and cross over and be able to, by going through the tunnel or crossing the street, see what is going on at the Library of Congress. There is also the potential for us to do joint programming as time goes on, maybe share speakers back and forth and films. That might be on the weekend. So there is a tremendous amount of opportunity there.

Mr. LATHAM. Maybe the tour bus could stop at the back of the Library of Congress and dump people.

Ms. ROUSE. We have already started hearing how people are going to work around issues, so, yes, that is a possibility.

Mr. LATHAM. Always thinking, yes.

THE CAPITOL GUIDE SERVICE

The Capitol Guide Service has been in existence since 1876, is that right? Whatever. And their employees provide a real excellent service to all of our offices and constituents. What do you expect to do with the Guide Service employees? Will they be integrated into the CVC or what is going to happen?

Ms. ROUSE. The plan is for the Guide Service to be incorporated into the CVC, and we have actually started a collaborative relationship already. The AOC's Office of Human Resources is helping to recruit new Visitor Assistants. There will be 105 of them, ultimately, but there are about 50 to 60 positions already out on the street. We are working with H.R. so the Senate side can still hire them. This is because we are still waiting for the legislation to be finalized between the House and the Senate for the CVC. So they are coming over. Their numbers will grow because not only will we have Visitor Assistants, we will have guides.

We are also putting a supervisory level engagement with that and also drastically extending the type of training that we will be doing and reinforcement.

So it is coming over now. It is going to be a change from what has been done. So it is very important for us to be able to communicate with everyone. The biggest change is we are paying everybody more money. So there is a little adjustment that is going on. Basically, that is the plan.

GUIDE SERVICE FUNDING

Mr. LATHAM. Is there any impact as far as where the money is appropriated? I am not totally sure where the funding for the Guide Service is now.

Ms. ROUSE. The Guide Service funds are managed by the Senate side at the moment. So that is why we are doing the H.R. Work on the AOC side to help their process. They are short of staff. And Mr. Ayers is a member of the Guide Board and has been guiding us through this process.

Mr. LATHAM. Is that good training, to guide?

Just one last question. Is there any concern or has there been any discussion about if you had a new restaurant down there, 500 seats, that you are going to be attracting people like off the street that do not really care about tours and just the experience down there eating lunch? Is there any impact expected there?

Ms. ROUSE. I do think the Capitol Visitor Center is going to be a destination, and we will have people coming just to enjoy the facility. In terms of the volume of impact, I do not think we totally know. We know the 3 million visitors that we are anticipating include not only people taking tours but official business and what is going to be destination traffic.

Mr. LATHAM. Okay. Thank you very much.

Ms. WASSERMAN SCHULTZ. You are welcome.

Mr. Bonner.

CVC STATUES—LOCATIONS

Mr. BONNER. Madam Chair, I think I have got three or four more quick questions.

When I was on a tour 6 weeks, 2 months ago—and it is beautiful, I want to go on record as saying—one of the points of prominence, they told me where one of the statues had already been reserved, and I do not remember which one it was. But there was something about it that no one could be above him for religious or traditional reasons. So my question is, Alabama is about to get the newest statue, Helen Keller, which our people are very proud of. Have all the spots been reserved? Or how will that decision be made in terms of where the statues will go in the new Visitor Center? I assume some will be coming from the Capitol.

Mr. AYERS. You are correct, sir. I think the Joint Committee on the Library has jurisdiction over that matter. We have drafted a proposed relocation plan for all of the statues that we think should be moved and an approach to which of them should be moved; and, ultimately, we need to present that to the Joint Committee on the Library for their approval.

Mr. BONNER. And would that recommendation come to this committee just for our eyes or for our thoughts, or is that appropriate?

Mr. AYERS. I think, from my understanding, the Joint Committee on the Library has oversight over that matter.

CVC GIFT SHOP PROCEEDS

Mr. BONNER. Okay. Another question is the proceeds from the gift shop currently go where? Profits?

Mr. AYERS. The Architect of the Capitol currently does not operate a gift shop.

Mr. BONNER. Okay. There is a gift shop in the basement of the Capitol.

Mr. AYERS. That is run by the U.S. Capitol Historical Society.

Mr. BONNER. Historical Society. And so all of those proceeds stay within the U.S. Capitol Historical Society?

Mr. AYERS. That is my understanding. Is that your understanding?

Ms. ROUSE. That is my understanding.

Mr. BONNER. But there is an enhanced—there is a larger gift shop in the new Visitor Center, is that right? Is that still going to be the Capitol Historical Society?

Ms. ROUSE. The new gift shops are going to be under the Capitol Visitor Center and will be managed out of a revolving account. So that is the goal.

The Capitol Historical Society and the Senate and the House are some of the material that we are considering to be part of that shop. Our Gift Shop Manager wants to develop our own signature products. So that is the configuration of it. We are awaiting the legislation that gives us the official authority to do this, but that is the general goal at the moment.

Mr. BONNER. I guess my question is based on, again, a follow-up to Mr. Latham in terms of the Guide Service. I assume there will be obviously a need for hiring new guides. Would there be any way to generate some income out of the gift shop that would help go to offset the costs for those additional guides, or would that be an appropriate place to look?

GIFT SHOP PROFITS

Mr. AYERS. Certainly. The Visitor Center has two gift shops, and we would expect that those gift shops would turn a profit. The legislation that was recently introduced in the House creates a revolving fund. So those profits would revolve back into the CVC so that we would pay for salaries and expenses, of the people that run the gift shop, for example. Those profits would not generally go back to the Treasury. It would be deposited in a revolving fund so that we could reuse them.

Mr. BONNER. And would that be the same for, like, the restaurant vendors? Obviously, the restaurant vendors are there to make a profit and also to provide a service, but will they be paying a——

Mr. AYERS. They pay a commission.

Mr. BONNER. A commission.

Mr. AYERS. And that commission can also go into the revolving fund.

TOUR BUS PROCEDURES—HIGH-SECURITY BUILDINGS

Mr. BONNER. And then, finally, just one last point about the buses, since it has already been mentioned and probably beaten to death, but I think it would be helpful to know how the tour buses currently deposit visitors to the Smithsonian Institute and the White House and the Pentagon, since at least two of those buildings are also high-security buildings. But all three, the Smithso-

nian complex as well as the White House and the Pentagon, I think it would be helpful to see how they do that vis-a-vis the connection to the Capitol.

Mr. AYERS. We would be happy to provide that for the record.

Mr. BONNER. Thank you very much.

[The information follows:]

Transportation to and from the CVC

Question. How are tourists dropped off and buses dealt with at the White House, Smithsonian and Pentagon?

Answer. Each handles its bus traffic quite differently. At the Smithsonian, passenger drop-off and pick-up is allowed street-side near Smithsonian museums. Standing/idling is not allowed. Suggested standing locations are West Basin Drive, Ohio Drive, the South side of Connecticut Avenue, West Potomac Park, and Henry Bacon Drive.

All groups visiting the White House enter the complex from the south side of East Executive Avenue near the Southeast Gate as Pennsylvania Avenue is closed to traffic. Limited bus parking and drop-off is available on 15th Street across from the Department of Commerce, and a walk from this location could be in the range of one to four blocks.

There are four different types of buses that are accommodated by the Pentagon: Metrobuses, regional commuter buses, DoD shuttle buses, and tourist buses. Currently, three of these bus categories (Metro, regional transit and DoD shuttles) utilize the Pentagon Transit Center to off- and on-load passengers. This relatively new Pentagon Transit Center was built as part of a Congressionally-mandated Pentagon security project to increase the standoff distances of the Metrobuses. Given that there is a Metro stop at the Pentagon, the Pentagon had to continue to accommodate Metrobus, despite security concerns. In addition to the construction of the Transit Center, significant changes were made as to how the Pentagon Metro could be accessed by pedestrian traffic. The Pentagon Transit Center also accommodates regional commuter buses (only those with regular schedules) and DoD-operated shuttles (which can only be ridden by badged DoD employees and contractors). Any other type of bus or commercial vehicle attempting to enter the secured area of the Pentagon Reservation must undergo established security screening procedures.

Access to the Pentagon Reservation is controlled by Pentagon Police through a variety of means. There are overt (visible) as well as covert (invisible) measures being used to vet buses traversing the Pentagon Reservation. The Pentagon has continued, through the Pentagon renovation process, to implement anti-terrorism standards identified in the Unified Facilities Criteria. Classification concerns preclude the Pentagon from providing, in an unclassified document, the actual distances imposed for standoff and the explosive weights designed to protect the Pentagon and the DoD population. At an unclassified level, after 9/11, a Roads, Grounds, and Security Project was established to enhance Pentagon perimeter security and increase the standoff distance between the Pentagon and public roadways. The project included various initiatives: construction of the Remote Delivery Facility Secure Access Lane along Route 27, the Pentagon Secure Bypass Lane and the relocation of Route 110 East toward Boundary Channel Drive through the Pentagon North Parking Lot. This road relocation project increased the standoff distance and eliminated non-secure vehicle traffic from traversing under the Pentagon River Terrace. Additionally, the Pentagon's North Rotary Road has been relocated away from the building to increase the stand-off distance of un-cleared vehicles from the Pentagon. Concerning tour buses, in addition to the increased stand-off distances due to road relocations, currently all tour buses are redirected to public areas situated around the Pentagon Reservation for passenger drop-off and staging purposes. These public areas are located away from the Pentagon building itself. The intent is to create a sufficient stand-off distance between the tour buses and the Pentagon. Pentagon police officers and numerous additional security precautions are utilized to ensure the Pentagon law enforcement and security regulations are

adhered to by both visitors and building occupants. The opening of the Pentagon Memorial in September 2008 (in remembrance and honor of those who died at the Pentagon on 9/11), is anticipated to generate additional tour bus traffic. The Pentagon's current plan is to allow these tour buses to utilize the Pentagon Transit Center lower bus platform to discharge and pickup passengers. It is expected that this service will be available during non-rush hour times so as to not interfere with regional commuter and DoD shuttle bus operations. Any additional questions at a classified level must be referred to Pentagon security officials.

Mr. BONNER. Thank you, Madam Chair.

COST ESTIMATE FOR TRANSPORTING CVC VISITORS

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

I think it is worth beating the horse some more, because I share Mr. Latham and Mr. Bonner's concerns about the distance that our visitors would have to travel if they are being dropped off at off-site locations and then, to add insult to injury, to have to pay more money to get on a different bus.

So, for the record, if you could provide us with a cost estimate for transporting tourists and the additional police costs from off-site drop-off points so that we can understand what the costs of that are and how we can make sure that we defray the need to have there be a cost for our constituents.

[The information follows:]

COST ESTIMATE TO TRANSPORT TOURISTS FROM REMOTE DROP-OFF SITES

Question. What is the cost estimate to transport tourists from remote drop-off sites to the CVC (including additional costs for USCP)?

Answer. The District of Columbia Department of Transportation (DDOT) estimates that 10 percent of the estimated three million CVC and Library of Congress visitors would ride the DC Circulator from Union Station to the CVC. Currently, the Circulator charges all passengers $1 per trip.

There are a number of options that could be considered to provide transportation from drop-off sites that would eliminate the need for riders to pay a fee. This would include federal subsidies to the D.C. Circulator bus program, or contracting for transportation services on Capitol Hill. These options could range from $5 million to $10 million per year. However, additional research to validate cost estimates based on factors such as CVC operating hours, locations of potential drop-off locations, frequency of trips, security, routes, etc., would need to be conducted. Once these factors were established, we would work with Oversight Committees and Congressional Leadership to determine the best course of action and the associated costs.

SECURITY AND THE PEOPLE'S INSTITUTION

Ms. WASSERMAN SCHULTZ. And then, also, I have to agree with Mr. Bonner, I was not here during the argument over the fences, but that argument always comes back, and I know the Capitol Police has expressed concern about it. And we do have to—this is not Disney World. This is the United States Capitol, and we have to really be very focused on security. But this is the people's institution. And I know the vast majority of Members that I have asked and spoken to—because I have sought out opinions—is that this needs to be as open and accessible a place as we can make it.

So the idea of people—I mean, I have 8-year olds and they are approaching the years in which their school will come up here; and I see little kids and young children come up on school trips all the time. The idea of them walking from Union Station or from the White House or having to pay even more money to get on a shuttle when they have already gone to considerable expense to come to Washington in the first place on a field trip, I think that is just over the top.

So if you could provide that information for the record for us, that would be great.

I have just a few more questions. I can get through them before we need to go vote, and then we can recess.

CANNON TUNNEL ACCESS

The status of Cannon tunnel and whether it will be open or closed and whether the only access point for the CVC would be the entrance to the CVC, where are we on that? Because I know we continue to have debate and discussion about our constituents standing in the elements, the heat, the cold, the rain, and there is still a concern that if the Cannon tunnel is closed we are either going to fry, freeze, or soak our constituents. And none of those things are desirable, because it is us that will have to hear from them, and it will be understandable.

So, Ms. Rouse, can you discuss the status of the traffic flow into the CVC?

Ms. ROUSE. I have limited information on it. At the moment, through the tunnels on the Cannon side, it is still a discussion between the Committee on House Administration and the Capitol Police on how they will traffic in. I will try to get back to you on where they are on that.

CVC TRAFFIC FLOW

Ms. ROUSE. On the trafficking into the CVC, one of the advantages that we now have is that we have eight magnetometers and what we think is going to be an ability to constantly move people. So I do not anticipate long lines in front of the CVC at all. We need to get people in the building, and that will be the objective of the Capitol Police as well as the staff.

Our ability to have Visitor Assistants greeting people at their buses allows us to move people in. So there should not ever be cases where long lines of people have passed out in the heat anymore. So I think that that should no longer be an issue.

Ms. WASSERMAN SCHULTZ. Okay. If you can respond for the record in detail on what the status is of Cannon tunnel and its utilization for our constituents to enter the CVC, since there is going to be an entrance to the CVC, which I know the Capitol Police would like only to be for staff and Members.

[The information follows:]

USE OF CANNON TUNNEL FOR TOURISTS

Question. What is the status of utilizing the Cannon Tunnel for tourist queuing and access?

Answer. We have been in contact with U.S. Capitol Police (USCP) who have been working with the House Sergeant at Arms regarding this issue. U.S. Capitol Police Chief Phillip D. Morse, Sr., provided the following information.

The U.S. Capitol Police are gearing up for the opening of the CVC and we plan to welcome the American public with courteous, efficient, and safe security. We are grateful for the authorization of an additional 21 sworn FTE in the FY 2008 Legislative Branch Appropriations Act, Pub. L. 110–161. These 21 sworn FTE support the USCP's CVC operational plan, which is based on current operational planning assumptions.

Since 2005, the Department's planning has centered on the assumption that all tours would originate within the CVC. As a part of previous planning decisions, which did not support staff-led tours through the tunnels, 10 positions were moved from the tunnel posts to staff other posts within the CVC.

The Department's FY 2009 budget request identifies the requirement for 10 additional sworn FTE in anticipation of a change in the CVC's overall operational plan that we understand will support staff-led tours through the Cannon/Russell Tunnels to the Capitol. These staffing requirements are based on the planning scenarios contained in the written testimony of Chief Morse, prepared for the CVC oversight hearing of November 14, 2007.

PAVER UPDATE

Ms. WASSERMAN SCHULTZ. The status of the pavers. We talked a couple times at these hearings about the damage to the pavers out on the plaza and who is going to be responsible for paying to fix them, and I have not asked about it for a while because I know that was a down-the-road issue that was going to be addressed. But we are getting down the road now, so I am going to ask.

Mr. UNGAR. Yes, ma'am, we are expecting a report this week from the firm that we have had analyzing that situation. So we will be in a position to discuss that next week for sure—hopefully, next week.

Ms. WASSERMAN SCHULTZ. Has fault been assigned?

Mr. UNGAR. What we have asked the consultant to do is look at the causes of the problem, why it exists, and then how to fix it. So we should have its opinion on the reasons, and responsibility, for the problem.

Ms. WASSERMAN SCHULTZ. Mr. Latham, I am not sure how familiar you are with this problem, but there are hundreds of cracked—I mean, it is hundreds of cracked pavers out on the plaza that should have been designed to withstand the weight of a vehicle and apparently were not, so that when they used the area as a staging area in the last inauguration when the CVC was actually supposed to have been opened, the vehicles actually cracked the pavers. So now we are struggling to resolve that.

HOUSE HEARING ROOM DELAYS

The House Hearing Room, I am getting a little worried that we have some continuing delays cropping up with completing the House Hearing Room. What is the source of those delays and how significant of a problem is it? Because I know that that has been the space that we were thinking was not going to impact the overall schedule, but I am worried that if things keep cropping up that it would.

And, Mr. Dorn, if you can respond to both the paver question and this one when he is done.

Mr. UNGAR. Who you do want to go first?

Ms. WASSERMAN SCHULTZ. You go first.

Mr. UNGAR. On the House Hearing Room, we have had some structural issues with the dais that caused a bit of delay and some other problems there we had to resolve engineering-wise. But at this point in time, we are expecting the hearing room to be completed in May except for two items on the dais, and that is going to be the leather and the bronze grilles.

There is a lead time to get those items. At this point, we expect those items to be done by the end of July at the latest, but we can keep you posted on that. They should not affect the opening of the CVC at this point.

Ms. WASSERMAN SCHULTZ. Okay. We have got 5 minutes left to vote, so I need to ask you to succinctly answer the questions. Thank you.

Mr. DORN. On the pavers, I am looking forward to seeing that report. Whether it is a design issue or a construction issue we do

not know yet, and I suppose that is what the report is going to help us determine.

On the House Hearing Room, the dates that Bernie are talking about do not delay opening. If they are done by the end of July, there is still another 3-month period between that July date and planned opening, so they should be fine.

Ms. WASSERMAN SCHULTZ. Okay. Thank you very much.

Well, I appreciate the update. I think we both appreciate the update. I am really pleased to see that we are still on track and within budget. The management of the CVC seems to be going well now.

OFFICE OF COMPLIANCE PRE-INSPECTION UPDATE

Actually, one more thing. The OOC, I know they have come in to do their pre-inspections. What is your perception on how the pre-inspections are going?

Mr. AYERS. From my perspective, they are going fine. I met just last week with Tamara Chrisler and Pete Eveleth and talked through some of that. So I think they are going fine.

We got their first report. There were a variety of issues in their first report; and Bernie has been working very, very closely with them over the last few days since we received that report.

Maybe you can give a quick summary.

Mr. UNGAR. Yes, Madam Chair, we basically have got the report. We are going to meet with them hopefully next week and work out a mutually agreed upon course of action to make sure that they do all the inspections they need to do and that the items are corrected that we need to correct.

Ms. WASSERMAN SCHULTZ. Okay. Great. They also felt it was going well. I just wanted to make sure that you agreed.

CHAIR CLOSING REMARKS

What I would like you to do, because I think the communication has been incredibly helpful in terms of keeping the project on track and keeping us informed so that we can really understand what is going on and conduct the best oversight that we can, so since we are concerned about the issues that are cropping up in the final acceptance testing and there is a potential cost impact and schedule impact, even though I know that you are not expecting it to be—this is not a criticism of the project team, you know, it would be a surprise if nothing came up. I mean, this is a mammoth project and the testing—I am surprised, actually, that more problems have not come up, to be honest with you. But we want to just make sure that we are staying on track.

So, Mr. Ayers, if you could provide a quick review of your cost to complete estimate and report back by Friday, March 28th, if there are any changes to the estimate both in terms of the total $621 million number as well as how much contingency you believe is left after accounting for issues that have come up since you last revised the estimate.

If you could coordinate the estimate with GAO so everybody is on the same page. Just so that we know we are really closely guarding the estimate and making sure that we are really still on track.

So, with that, Mr. Latham, do you have anything else?

Mr. LATHAM. No.

Ms. WASSERMAN SCHULTZ. Okay. The subcommittee stands in recess until 10:30 a.m. tomorrow morning, when we will have our hearing in H–144 on the House's budget.

Hearing on the Capitol Visitor Center
March 12, 2008 at 1:30pm
Rayburn 2359

Additional Assignment from the Chair
Ms. Debbie Wasserman Schultz, Chair

I'm concerned about the issues that are popping up during final acceptance testing and their potential impact on the CVC project schedule and cost estimate. This is not meant as a criticism of the project team—it would be a surprise if nothing came up during testing, and it sounds like the team has done a good job of getting on top of these issues. At the same time, I want to make sure that we're still on track. In line with that, I would like the Architect of the Capitol to do a quick review of its cost-to-complete estimate and report back by Friday, March 28th on any changes to the estimate—both in terms of the total $621 million number as well as how much contingency you believe is left after accounting for issues that have come up since you last revised the estimate. As you did last time, please coordinate this estimate with GAO so that everyone's on the same page.

Response. We have reassessed our $621 million cost-to-complete estimate and coordinated our effort with the Government Accountability Office (GAO). We both continue to believe that the $621 million estimate remains valid. The $621 million estimate includes a contingency of approximately $13 million, which we both agree is sufficient. Some uncertainty remains, specifically regarding delay claims because many have not yet been submitted and/or negotiated. Final negotiations are likely to continue into late FY 2008 and into early FY 2009. We will continue to keep the Subcommittee informed of any issues that arise that could affect the $621 million estimate.

Hearing on the Capitol Visitor Center
March 12, 2008 at 1:30 p.m.
Rayburn 2359

Question for the Record
Ms. Wasserman Schultz, Chair

Capitol Historical Society

Question. Ms. Rouse, I know you've been negotiating with the Capitol Historical Society regarding their role in the CVC. Can you tell us what the scope of those negotiations includes? Are you making good progress in these negotiations?

Answer. Good progress is being made through regular communication by e-mail, telephone, and face-to-face meetings to negotiate the details of the possibilities available to the two organizations. The U.S. Capitol Historical Society, along with the AOC, the CVC Senior Staff, and the CVC Oversight Committees (Senate Committee on Rules and Administration and Committee on House Administration), are methodically working through the common interests and concerns surrounding the 40-year relationship between this non-profit organization and Congress. Additional progress is anticipated over the next few months, and the parties involved are hopeful that a successful understanding will be reached.

THURSDAY, MARCH 13, 2008.

U.S. HOUSE OF REPRESENTATIVES

WITNESSES

DANIEL P. BEARD, CHIEF ADMINISTRATIVE OFFICER, OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

LORRAINE C. MILLER, CLERK, OFFICE OF THE CLERK

WILSON S. LIVINGOOD, SERGEANT AT ARMS, OFFICE OF THE SERGEANT AT ARMS

JAMES J. CORNELL, INSPECTOR GENERAL, OFFICE OF THE INSPECTOR GENERAL

IRVIN NATHAN, GENERAL COUNSEL, OFFICE OF THE GENERAL COUNSEL

PETER G. LEFEVRE, LAW REVISION COUNSEL, OFFICE OF THE LAW REVISION COUNSEL

M. POPE BARROW, LEGISLATIVE COUNSEL, OFFICE OF THE LEGISLATIVE COUNSEL

JOHN EISOLD, ATTENDING PHYSICIAN, OFFICE OF THE ATTENDING PHYSICIAN

OPENING REMARKS—CHAIR WASSERMAN SCHULTZ

Ms. WASSERMAN SCHULTZ. I would like to call this hearing of the Legislative Branch Subcommittee on Appropriations to order.

This morning we are going to hear from the officers of the House: Ms. Lorraine Miller, the Clerk of the House; Bill Livingood, the House Sergeant at Arms; and Dan Beard, the Chief Administrative Officer of the House.

The House is asking for a $1.3 billion appropriation—a $151 million, or 13 percent, increase over the fiscal year 2008 enacted level. That includes a variety of items: some new and expanded benefits that I know Mr. Beard is going to detail; a couple million dollars for the Greening of the Capitol Initiative; $17 million for transition services following the 2008 elections when we have new Members come and have to move Members' offices; and $5 million for the Speaker's Wounded Warrior program, which I am really excited about.

We are looking forward to hearing from the three of you.

We have a full agenda, and I have a full day. I don't know about you, Mr. Latham. Do you have any remarks?

OPENING REMARKS—MR. LATHAM

Mr. LATHAM. Just to thank the witnesses for all of their hard work and that of their staffs to make us able to carry out our constitutional responsibilities here.

And we have a lot of competing requests for funding, and it is going to be a difficult year. We welcome the entire panel this morning.

Ms. WASSERMAN SCHULTZ. We have received your statements, and they will be entered into the record.

[The statements of Mr. Cornell, Mr. Nathan, Mr. LeFevre, and Mr. Barrow follow:]

Statement of James J. Cornell, Inspector General
Office of the Inspector General
U.S. House of Representatives

Before the House Subcommittee on Legislative Branch Appropriations

Chairwoman Wasserman Schultz, Ranking Member Latham and Members of the Subcommittee, I am both pleased and honored to appear before you today in my capacity as the Inspector General of the House.

Our office plays a vital role in helping to ensure integrity and identify opportunities for improvement in our House financial and administrative processes. As we enter this second session of the 110th Congress, we have over 19 reviews in progress that have been carefully scoped with the assistance of the Committee on House Administration (CHA) to further address the security and integrity of House information systems, the accuracy and reliability of the House financial information or the efficiency and effectiveness of House administrative processes and functions. In all of our reviews, we work closely with the House Officer or Official responsible for management of the area under review to ensure our recommendations are on target and add value. We have also developed the skill-sets and flexibility necessary to quickly respond to any urgent audit, process improvement or investigative need that our House customers may face.

Highlights during the First Session of the 110th Congress

During the first session of the 110th Congress, we issued 16 reports with 46 recommendations and 18 opportunities for improvement; all of which received House Officers' concurrence. Twenty recommendations were closed and 8 of the opportunities for improvement were implemented during 2007. Below are highlights of the reviews that were completed in 2007.

In the financial area, we continue to supervise the annual financial statement audit of the House. For the ninth year, the House received an unqualified opinion on its financial statements and compliance with laws and regulations. An "unqualified opinion" means that the financial statements fairly present, in all material respects, the financial position of the House and the results of its operations and cash flows in conformity with generally accepted accounting principles. The House continues to have two reportable conditions: (1) Weaknesses in the financial information system reduced the integrity of financial data and reporting; and (2) Procedures used to ensure the completeness and accuracy of estimates, accruals, and other adjustments included in year-end financial statements were inadequate. In other financial and compliance audit work, we completed fieldwork on a review of duplicate payment identification processes and are working with the Chief Administrative Officer (CAO) to develop solutions that will enhance their prevention and detection methodologies.

In the information technology area, we completed a review of general controls over Committee Web Pages and Servers and we reviewed Emergency Preparedness & Business Continuity Planning for Information Technology. In both of these reviews we identified areas of risk and corresponding corrective actions. We then worked with the House as they developed and implemented appropriate action plans. The OIG also issued approximately 30 White Papers to various Committees detailing the vulnerabilities we identified on their web servers. In addition, we provided assistance on how to best mitigate the vulnerabilities to the Committees that requested assistance.

In the administrative area, during this past year we focused on life safety and security issues and the efficiency of administrative processes and procedures. Our reviews in this area included a review of evacuation procedures. Specifically, the review focused on the development and implementation of the individual Member office evacuation plans. We offered our assistance to all Member offices; met with representatives of 431 offices, analyzed their current plans and identified any of their concerns. Our life safety work also included a review of the progress the Architect of the Capitol has made to improve the fire protection systems in the Library of Congress since 2002. During the past year, we issued reports on the operations of the Clerk and the Sergeant of Arms offices. Both of these reviews were designed to provide a high-level assessment of operational risks and were planned and executed to provide our customers with the continued audit support needed to ensure the effective and efficient continuity of House operations.

Finally, during the first session of Congress, we restructured our OIG to allow us to provide expanded advisory services while maintaining auditor independence. Our advisory work has contributed greatly to increased efficiency in the financial and administrative operations of the House. Through the application of Lean Management and Six-Sigma – two process improvement methodologies – we have provided in-depth analyses targeted at identifying waste and eliminating variation in business processes. Our advisory reviews are almost exclusively House Officer requested and are pursued with the approval and support of the CHA.

Examples of our work in this area during 2007 include a management advisory review of the Payroll Counselor's Spreadsheet to determine the number of payroll errors reported monthly and to determine if there are better, more efficient ways to perform balancing and error checking duties. This review led the CAO to launch a study of the payroll and benefits paperwork flow to address the inefficiencies we identified. We also did a management advisory review of the Paylinks Year-end Transition activities to identify payroll and benefits risks that may have prevented the CAO from meeting its year-end and Congressional transitional objectives. We made specific recommendations that will assist the Paylinks Transition Team in meeting its year-end and transition goals in subsequent years.

In our more traditional advisory work, we evaluated the implementation of Phase III of the Capitol Heights Digital Mail Program and identified opportunities for the CAO to achieve improved project results in the areas of cost, performance, and timeliness. We also made specific recommendations to the CAO to address the system development and

security risks identified. Throughout the 110th Congress, we are also performing a Systems Development Life Cycle (SDLC) advisory review of the new PeopleSoft integrated financial management system (Atlas) being implemented by the House. Our review is evaluating the CAO-led team's employment of industry best practices at each phase of the planning and implementation process. We have provided several recommendations to date that reduce the risk of a flawed system implementation. Once fully implemented, Atlas will provide users with a single financial system to simplify budgeting, requesting, tracking, and managing expenditures for all goods and services and provide desktop access to accurate, comprehensive and timely financial information.

Focus for the 111th Congress

During the first session of the 111th Congress, the OIG will finalize the work currently in progress and initiate new projects in accordance with our approved audit plan. In coordination with the CHA, House Officers, and joint entities, we will continue to focus on improving Member support services, life safety and security issues, and assuring the accuracy and integrity of the House financial and administrative systems. We will look at a wide range of technology issues including the efficient and effective development and implementation of new information systems, the security and integrity of House information systems and networks, and potential applications of emerging technologies to the House. We will continue to place emphasis on ensuring that the House and joint entities have sound internal controls to promote efficiency and effectiveness of operations; reduce risks of asset loss; and ensure compliance with House policies, laws, and regulations. The primary objective of all our efforts is to assist the CHA and House Officers in their efforts to continuously improve the administrative and financial functions of the House.

FY 2009 Budget Request

The OIG's FY 2009 budget request calls for total funding of $4.945 million--a total increase of $588,000 over our FY 2008 appropriation. This total budget request is comprised of $2.947 million in mandatory items, including overall price level changes of $32,000 due to inflation, as well as $1.998 million needed to sustain non-personnel program services. Most of the requested increase is due to increased contractual support costs. Our recent reorganization will allow us to offer an expanded array of high value support services to our customers at a cost to the House that is far below market rates.

The request reflects the offset of mandatory personnel compensation increases, which are not under the control of the OIG. The following is a detailed explanation of our personnel budget request.

Relative to personnel compensation, I am requesting $2.947 million in FY 2009. This request represents an increase of $156,000 over the FY 2008 enacted level. These personnel compensation increases are requested to fund mandatory benefit levels and increases associated with the current staff for (i) annualized FY 2008 cost of living

adjustment, (ii) anticipated FY 2009 cost of living adjustment, (iii) anticipated FY 2009 longevity and career ladder promotions, and (iv) anticipated FY 2009 merit increases.

In addition, I am requesting $1.998 million in FY 2009 for non-personnel programs. This request represents an increase of $400,000 in program changes over the FY 2008 enacted level. Of this requested $1.998 million, $1.779 million is to perform our primary mission through our audit program. This program includes contracts for the annual independent audit of the House Financial Statements, continued oversight of the House Greening Initiative, security and other specialized information systems expertise, and LEAN/Six-Sigma consultant support. Additionally, audit–specific training, supplies, and travel are funded in this program. The remaining $187,000 funds the OIG's administration and general training programs.

Madam Chairwoman, I wish to thank you, Congressman Latham and the Members of the Subcommittee for this opportunity to present my FY 2009 budget. We look forward to continuing our role of providing value-added advice and counsel to the CHA, House Officers, and joint entities of the House, as we focus on issues of strategic importance to the House and its ability to efficiently and effectively conduct its operations in accordance with best business practices. At this time, I would be happy to answer any questions you may have.

Statement of Irvin B. Nathan, General Counsel
Office of the General Counsel
U.S. House of Representatives
Before the Legislative Branch Subcommittee
Of The Committee on Appropriations
Regarding Fiscal Year 2009 Budget Request for OGC

Madam Chair and Members of the Subcommittee: Thank you for the opportunity to present and explain the fiscal year 2009 ("FY'09") budget request of the House's Office of General Counsel ("OGC"). For FY'09, the OGC requests $1,357,000, which represents an increase of $182,000 over the fiscal year 2008 appropriation of $1,175,000, or an increase of 15.5 %. The proposed increase consists of a $138,000 increase in personnel costs, and $44,000 in non-personnel costs. The justification for the requested increase, as set forth below, is greater work demands on the office and a need to recruit and retain highly qualified lawyers for the office.

Functions of the Office

Pursuant to Rule II(8) of the Rules of the House (110th Cong.) and 2 U.S.C. § 130(f), the OGC provides legal advice and assistance to Members, Committees, officers and employees of the House, without regard to political affiliation, on matters related to their official duties. The office is an independent entity in the House which reports, on policy matters and matters of institutional interest to the House, to the Speaker and the Bipartisan Legal Advisory Group (consisting of the Majority and Minority leaders, and the Majority and Minority whips). While it is difficult to provide an exhaustive list of the types of advice and representation the OGC provides, the office addresses at least the following areas with some frequency:

- **Judicial Proceedings**: The OGC represents Members, Committees, officers and employees, both as parties and witnesses, in litigation arising from or relating to the performance of their official duties and responsibilities, both at the trial and appellate levels. Among other things, the office defends civil suits; moves to quash or limit subpoenas; applies to the District Court for immunity orders for witnesses before Committees and Subcommittees; and files amicus curiae briefs on behalf of the House and/or one or more of its constituent entities in litigation with potentially significant consequences for the House and its Members.

- **Committee Subpoenas**: The OGC provides advice and assistance to House Committees and Subcommittees in connection with the preparation, service and validity of Committee and Subcommittee subpoenas, including advice and assistance in dealing with recalcitrant witnesses.

- **Requests for Information**: The OGC provides advice and representation in

connection with responses to informal and formal requests for information (grand jury, trial and deposition subpoenas) from governmental agencies (including the Department of Justice, the FBI and other executive branch and independent agencies, as well as private parties.

- **Privileges**: The OGC reviews, evaluates and provides advice regarding the applicability and waiver of various privileges, such as executive, Fifth Amendment, attorney-client, attorney work product, and, most particularly, the Speech or Debate Clause privilege (U.S. Const. art. I, § 6, cl. 1).

- **Tort Claims**: The OGC reviews and evaluates tort claims for administrative resolution and, where appropriate, refers such claims to the Department of Justice for defense under the Federal Tort Claims Act.

- **Tax Exemption Matters**: The OGC advises House offices and vendors of applicable tax exemptions for official purchases.

- **Constituent Information**: The OGC provides advice and assistance to Members and their staffs regarding the maintenance of the confidentiality of constituent communications and information.

- **Contract Disputes**: The OGC assists in resolving major contract disputes involving House entities and outside vendors.

- **Internal Policy Development**: In consultation with the Speaker's office and other leadership offices, the OGC assists in creating and amending internal House policies, Rules and regulations.

- **Formal Legal Opinions**: From time to time, the OGC issues formal legal opinions on matters of interest to Members, Committees and/or officers.

- **Parliamentary Matters**: Normally in consultation with the Parliamentarian of the House, the OGC provides advice to Committees and Subcommittees on parliamentary issues and other issues involving the interpretation of the Rules of the House.

- **Freedom of Information and Privacy Acts**: the OGC provides advice on the applicability of FOIA and the Privacy Act to Congress.

Justification for Requested Increase

At present, the OGC staff includes six attorneys, an Office Administrator and three law clerks. In order for the Office to continue to carry out its responsibilities effectively, I am requesting a projected increase of $138,000 in the personnel component of the budget. The requested budget increase will fund hiring of a highly qualified attorney, which is necessary

due to increase in the office workload over the past couple of years. In addition, the proposed increase will be applied toward the retention of the current staff, which is a repository of considerable expertise and institutional memory and which has demonstrated a commitment to the House over many years. The remaining amount requested for personnel is for cost-of-living adjustments and meritorious pay increases.

This proposed increase is due in part to the escalating demands imposed by the Department of Justice investigations, including witness interviews, electronic discovery, and court filings and a more aggressive approach to seeking information long considered privileged under the Speech or Debate Clause of the U.S. Constitution. As we anticipate the departure of at least one staff attorney with significant institutional knowledge, we will need to be in a position to ensure that the Office continues to provide the high quality of service our clients deserve.

The projected increase in travel, supplies and material includes a 2.2% inflation factor. The proposed $15,000 increase in the travel component of the budget is needed due to increase in legal representation which requires travel to distant courts by the attorneys. The proposed $5,000 increase in supplies and materials component of the budget will provide funding for the purchase of more current software needed by the office and will cover the increasing cost of legal publications, including online publications and support. The proposed $24,000 increase in the equipment component of the budget is attributed to the life cycle replacement of the major office equipment, including a copier and printers.

I am pleased to respond to any questions the Subcommittee might have. Thank you for your consideration.

STATEMENT OF

PETER G. LEFEVRE

LAW REVISION COUNSEL OF THE U.S. HOUSE OF REPRESENTATIVES

to the

Subcommittee on Legislative Branch

of the House Committee on Appropriations

Madam Chairwoman and members of the Subcommittee, it is a pleasure to appear before you to present the budget request of the Office of the Law Revision Counsel for fiscal year 2009.

Budget Request

I am requesting $3,057,000 for the Office for fiscal year 2009. This is an increase of $125,000 (4.3 percent) over funding for fiscal year 2008, almost all of which is to cover projected increases in personnel expenses for cost of living adjustments and meritorious pay increases. The request projects non-personnel costs similar to fiscal year 2008 and provides funding to continue service contracts with former employees and outside consultants for editorial and technical support and for XML development projects.

Functions of the Office

As provided by chapter 9A of title 2 of the United States Code, the Office has two principal functions: (1) maintaining the official version of the Code, and (2) preparing legislation, for submission to the Committee on the Judiciary, to enact individual titles of the Code into positive law.

Maintaining the United States Code

The United States Code contains the general and permanent laws of the United States, organized into titles by subject matter. The function of maintaining the Code itself subdivides into two main tasks:

(1) *Classifying New Laws*. The first involves reading every law enacted by Congress to determine which provisions should be classified to the Code and where in the Code they should be placed. The Office gives the highest priority to this classification function. Pending legislation is constantly monitored so that the classification of laws can

normally be completed by the time they are signed by the President. While speed is important so that classifications can be included in the printed slip laws and quickly made available to private publishers and the public, accuracy is even more important. Typically, three or four attorneys carefully review each law to make sure that all appropriate classifications are made and that nothing is missed.

(2) *Updating the Text.* The second task in maintaining the Code involves updating the actual text of the Code. This includes not only updating the text of the law, but also preparing extensive editorial material. This editorial material includes statutory citations and amendment notes to help users track the legislative history, other notes to explain such things as effective dates, transfers of functions, and a variety of other matters, tables to help users determine the status of statutory provisions and locate them in the Code, and an index.

The Office publishes, in printed form, a complete new version of the Code once every six years and annual cumulative supplements in intervening years. The most recent main edition of the Code was well over 40,000 pages. The Office also publishes the Code on its web site and in the form of an annual CD-ROM.

A major concern during recent years has been the amount of time it takes for new laws to be integrated into the Code. No one shares that concern more than the members of our Office who have been acutely aware that the timeliness of the Code was slipping for a number of years. This was a consequence of an increasing work load, no new FTEs for over 19 years, and an unusually large turnover of experienced staff due to retirements and unexpected departures.

The Office has done a number of things to address this concern. It has hired and trained nine new employees since 2003 to replace retiring and departing staff. It has asked this subcommittee for two additional FTEs, one of which was approved in 2007 and the other last month. It has contracted with former employees to help with the editorial work, and it has streamlined procedures and eliminated certain features and content of the Code which were of a relatively low priority. As a result, progress has been made in updating the Code more quickly, although there is still a long way to go. The most recent sign of progress is the completion of the latest supplement of the Code two to three months earlier than the prior supplement. Looking ahead, I believe that the Office is well positioned to continue improving the timeliness of the Code over the next few years.

Positive Law Codification

The other principal function of the Office is to prepare legislation to enact individual titles of the United States Code into positive law. When the Code was first adopted in 1926, it was declared to be only prima facie evidence of the law, and the statutes on which it was based were not repealed. Beginning in 1947, Congress started enacting individual titles of the Code into positive law and repealing the statutes on which those titles were based. When a title is enacted into positive law, it is elevated from prima facie to legal evidence of the law. Thus far, 24 of the 50 titles of the Code have

been enacted into positive law, but those titles represent only about 30 percent of the volume of law in the Code. Much work remains to complete the enactment of the remainder of the Code into positive law.

The process of preparing a bill to enact a title into positive law is arduous and time consuming. The attorney must identify all statutory material relating to the subject matter of the new title and make judgments about what to include or exclude. All of this material, which typically comes from many different laws enacted over many years, must be organized in a logical way in the new title. Each provision must be carefully analyzed, and decisions must be made about whether certain provisions have become obsolete or superseded by later law. Early in the process, the attorney also must identify all parties, both in and outside of government, who may have an interest in the project, and must develop good lines of communication and trust. Our Office seeks as much input as possible throughout the drafting process. Depending on the size of the bill, it may take a year or more just to prepare a bill for introduction.

Following introduction of one of our bills by the Chairman of the Committee on the Judiciary, our Office continues to provide whatever support the Committee may desire. We study all public comments received and discuss the issues with those submitting the comments in order to achieve a satisfactory resolution. We draft whatever amendments may be required for markup, and also draft the committee report. When a bill passes the House and goes to the Senate, we also contact the Senate staffers in order to provide information and assistance as they consider the bill.

In March 2007, our Office delivered four bills to the Judiciary Committee, explaining that three of the bills had already been through public comment periods in one or more prior Congresses. We therefore recommended that those three were ready for enactment. The four bills can be briefly described as follows:

(1) *Title 46 - Shipping*. This was a small (22 page) bill which was a follow-up to a title 46 codification bill enacted in 2006. This follow-up bill was a successor to a similar bill that had been introduced in the prior Congress. This bill was introduced in August 2007 and reported in November 2007. However, earlier in the year, the Maritime Administration decided to include the contents of this bill in its proposed annual authorization bill, and that bill was in turn added to the defense authorization bill which became law in January 2008, thus making the Judiciary Committee version unnecessary.

(2) *Title 41 - Public Contracts*. This was a successor to a bill introduced in the 108th Congress and introduced and reported in the 109th Congress. This successor bill was introduced in the current Congress in December 2007.

(3) *Title 51 - Space*. This was a successor to a bill introduced in the 109th Congress. It too was introduced in the current Congress in December 2007.

(4) *Title 35 - Trademarks*. This was a new bill which adds material to title 35 (which is already positive law) based on material from title 15. This bill has not yet been introduced.

In addition to the bills just described, which were delivered to the Committee in March 2007, the Office is currently preparing new bills relating to the following subjects: (1) Small Business, (2) Voting and Elections, (3) National Parks, and (4) Environment. These bills should be ready to deliver to the Committee during 2008.

The statutory mandate of the Office is to prepare codification legislation and submit it to the Committee on the Judiciary. Once this legislation is submitted, it is the Chairman's prerogative to give it whatever priority is considered appropriate. I believe, after having worked so closely with the United States Code for the last 27 years, that it would be a great benefit to the Congress and the public if the process of enacting more titles of the Code into positive law could proceed at a faster pace.

XML Conversion

The budget request also includes an amount to continue the long-term effort to replace GPO photocomposition codes with XML. GPO photocomposition codes have been used in the production and printing of legislative materials, including the United States Code, for at least the last 25 years. A few years ago, the House and the Senate decided to move to XML as the standard format for legislative documents, and GPO has been refocusing its support away from photocomposition codes and toward XML. Several congressional offices are now well on their way to making this transition.

At the end of fiscal year 2006, the Office contracted for the first stages of what will likely be a multi-year project. These first stages include developing a DTD for the United States Code, developing a program to convert the Code data to XML, and developing a rudimentary style sheet sufficient only to help evaluate the quality of the DTD and conversion program. The work on that contract was performed mostly during 2007 and is expected to be completed within a few months. Assuming the quality is satisfactory, the plans for the next stage are to perfect the conversion and style sheet and use the XML data to build a much improved web site for the Code. Additional long range plans include developing procedures and software to produce the Code in XML as its native format.

This transition to XML is expected ultimately to assist this Office in updating the Code and to assist other congressional offices and the public in using the Code.

Conclusion

Finally, I would like to thank the Subcommittee for giving me the opportunity to present the fiscal year 2009 budget request of the Office of the Law Revision Counsel and for the Subcommittee's support for the Office. I will be pleased to respond to any questions that you may have.

Statement of M. Pope Barrow, Legislative Counsel
Office of the Legislative Counsel
U.S. House of Representatives

Before the House Subcommittee on Legislative Branch Appropriations
Regarding Fiscal Year 2009 Appropriations

Madam Chair and distinguished Members of the Subcommittee, thank you for the opportunity to present to you the fiscal year 2009 appropriation request for the Office of the Legislative Counsel.

I am pleased and honored to appear before you today in my capacity as Legislative Counsel to the House. This is the ninth time I have provided testimony to this Subcommittee since becoming Legislative Counsel in 1998. I would like to take this opportunity to express my appreciation to the Members of the Subcommittee for their past and continuing support for our office.

The Office of the Legislative Counsel has provided assistance in the preparation of legislation to the House of Representatives for 90 years. We would like to continue that tradition and, with the support of this Subcommittee, improve our ability to provide this important service to the Members and Committees of the House.

Office Budget Request

For fiscal year 2009, I am requesting $8,466,000 for salaries and expenses of the Office of the Legislative Counsel. This is an increase of $1,206,000 (or 16.7 percent) over the fiscal year 2008 appropriation under P.L. 110-161. This amount includes $7,006,000 for mandatory items; $7,000 for price level changes; $619,000 for program current services; and $814,000 for program level changes.

The net personnel funding increase of $385,000 is attributable to $58,000 to annualize the fiscal year 2008 cost-of-living increases; $175,000 for fiscal year 2009 cost-of-living increases prorated; $133,000 for meritorious increases for junior and mid-level employees; $5,000 for overtime pay; and $14,000 for transit benefits.

The net non-personnel funding increase of $814,000 is attributable to an increase of $557,000 in Committee Assistance programs; an increase of $64,000 for Technical Support; and a request for $218,000 for Staff Level changes, offset by a $5,000 decrease in Drafting Legislation and a $20,000 decrease in Recruiting.

Functions and History of the Office

While most Members of the Subcommittee are familiar with our office, for the benefit of newer Members, and for others who may review this testimony, it may be helpful to provide a brief synopsis of our functions and history.

Under our statutory charter, the purpose of the Office of the Legislative Counsel is to advise and assist the House, its Committees, and Members in the achievement of a "clear, faithful, and coherent expression of legislative policies". Our goal is to prepare drafts that accurately reflect the legislative objectives of the Member or Committee concerned, that are legally sufficient to carry out that policy, and that are as clear and well organized as possible under the circumstances. Although this goal may not be achieved in every case, we seek, to the extent possible within existing time constraints, to improve the clarity and technical accuracy of the legislative product, avoid drafting errors, and reduce unnecessary confusion and litigation.

The office is neutral as to issues of legislative policy. Since our inception, we have provided legislative drafting assistance to Members representing all political viewpoints while maintaining confidentiality with each client.

Professional legislative drafting in the House of Representatives began in 1916 as an experiment offered to the House by a professor at Columbia Law School, Middleton Beaman. The experiment was successful, and Mr. Beaman was appointed Legislative Counsel to the House in 1918 pursuant to an amendment to the Revenue Act of 1918. At first, the office focused primarily on tax legislation. Over the following decades, the work of the office gradually expanded to cover every area of federal law. The statutory charter for the office was enacted in the Legislative Reorganization Act of 1970. This was followed by an expansion in staff, and over time, a gradual change to the current specialization system within the office. Under that system, each attorney primarily handles legislative drafting requests in a specialized area of the law.

Ancillary Services

In addition to performing our primary functions as specified in our charter, we also provide several ancillary services. These have been expanding over time.

For example, we assist Committees in the preparation of Ramseyers for their Committee reports. We also provide the Committees and other Members with electronic compilations of up-to-date versions of the most frequently amended Public Laws, some of which are printed from time to time by the Committees in bound volumes. These are not available from any other source. (The software used to provide these services will be discussed in detail later in my testimony.)

We also occasionally assist some Members by putting their own legislative language in proper form without analysis or review by attorneys. (The growth in this service is also explained later in this testimony.)

These ancillary services are performed largely by our clerical staff and by our staff of four paralegals, trained by attorneys but with minimal attorney supervision.

Given the size of our staff (40 attorneys) and our current workload (more than 25,000 final drafts a year), we are not able to provide certain other additional services that are often requested. These include extensive research, preparing side-by-side analyses of House and Senate bills, drafting explanatory language for Committee reports, and preparing summaries or analyses of sections or bills. Moreover, these tasks are more appropriately performed by other offices such as the Congressional Research Service.

In addition, in order to maintain our impartiality, we cannot prepare letters or memoranda defending or justifying any particular legislative proposal.

Changes in the Nature of Our Work

Over time, the nature of our work has been gradually changing. This has required adjustments in the way we do our work, in our staffing, and in the kinds of assistance we provide the Members and Committees of the House.

To use an analogy, you can consider legislation as a type of machinery and the attorneys in our office as engineers helping to design and build the machines. Sometimes the engineers start from scratch with clear specifications for what the machine is supposed to do. They would design and build it using both parts that have proven to work for earlier projects and entirely new parts. When completed, they would have a reasonable level of confidence that the machine will operate as designed and work smoothly with other existing machines.

This is thoroughly consistent with our mission. It is also what much our work was like in the past.

Following the same analogy, if the engineers were asked to examine, run tests on, and do necessary repairs on a machine built somewhere else by unknown engineers (or non-engineers), that would be a quite different task. There might be no specifications available. It might be difficult to know what the machine is supposed to do or how it actually works, or even if it would work at all. Reverse engineering could be required. The machine may have been assembled from separate and incompatible parts by groups with little or no communication among each other.

In recent years, this second analogy describes more and more of our work; however, to the extent that we can significantly improve the quality of any draft, we consider these projects also to be covered by our statutory charter.

These changes in the nature of our work result from changes that have taken place in the Congress and in the world affecting Congress. There are now more Congressional staff involved in preparing legislation than in the past, often with fewer years of experience. The technology used to prepare and process legislation and communicate with the staffs of Members and Committees has evolved in ways that dramatically speed up

communication, but that can sometimes degrade the quality of that communication. E-mail from a Blackberry is a poor substitute for careful analysis by experienced people in face-to-face meetings.

Another change is the growing number of outside groups striving to participate actively in the process of shaping legislative language. There is more and more pressure on the Members and their staffs to adopt language presented by outside groups. Extensive and detailed legislation is regularly prepared by these groups and broadly disseminated.

Sometimes, the confluence of all these changes makes it more difficult for us to have as high a level of confidence as we would like that the legislative product is doing what its Congressional sponsors expect it to do.

Our assistance continues to be requested, but often to perform a different role than in the past, and on an accelerated schedule. In these instances, we seek to provide the best legal assistance we can within the time available. In some situations, as I have described above, especially where deadlines are involved, we cannot provide as much assurance as we would like that a particular bill or amendment will function as expected.

There are sometimes situations in which we put language in the proper legislative format for Members who are operating under deadlines or other constraints that make it impossible for an attorney to review the legislative or make any kind of determination as to its legal effectiveness. Occasionally it is made clear to us that the Member involved has no expectation that a particular piece of legislation will be adopted or even considered. Yet the Member needs legislative language (in proper form) to stake out a position or for some other reason. Frequently these drafts are intended only to meet a deadline, self-imposed or externally imposed.

The kinds of situations I have just described most commonly arise in the context of Rules Committee deadlines. Members must meet those deadlines to have their amendments considered by the Committee. The Rules Committee has been sending notices to Members that their amendments must be processed by our office. One reason for this is to expedite GPO printing of an accelerated basis. In order to protect the rights of the Member concerned, we may format these amendments in include them in our computer database for GPO retrieval, but thee is often no time available to an attorney to review the language or make any contribution to its legal effectiveness.

Requests for this kind of quasi-clerical assistance are essentially ancillary services outside of our statutory charter. We provide these services to the extent we can, but we do give priority to those requests on which we can make a substantive contribution to the final product. Consequently, many of these requests for "formatting" are assigned to our clerical or paralegal staff.

How We Track and Respond to Requests for Assistance; the Turn-Around Time Question

I sometimes hear from Members that they are unhappy with how long we take to process their requests. I realize that Members are disappointed not to have every request processed immediately. In fact, the most frequent question we hear is "When can I have a draft back from you on this?"

I need to explain why our response is not quicker and what can be done about it.

When a job request is made by phone or e-mail to our office, it is immediately entered into a database (known as "iManage") and assigned to a particular attorney. The database contains an inventory of everything we have taken in. It allows each of us to know the status of every job request in the office at all times. If a Member's staff does not hear back from an attorney in our office within 48 hours after submitting a request to us, there could be a problem. The attorney may be very busy or not available for some serious reason. Apart from occasional and inevitable human errors, it should be almost impossible for a request to be lost or misplaced since our database captures all new requests made to our general office e-mail or by phone.

To explain what happens to each request that we receive, I need to briefly describe the two basic elements of legislative drafting that meet the standards of our statutory charter. Those are:

1. Putting things in the proper form.
2. Making the policy legally effective.

As I mentioned earlier in discussing the Rules Committee amendment situation, doing job #1 does not mean that job #2 has been done. However, it can give the false impression that job #2 has been done.

We may be able to give a Member a fairly quick turn-around on a draft if the Member makes it clear that a quick turn-around in the proper form trumps everything else. Our clerical and paralegal staff can often do job #1 more quickly than can an attorney, and we often use that staff in these cases, with little or no attorney review when attorneys are overloaded. Of course, when dozens of requests for putting language in proper form arrive at the same time, our clerical and paralegal staff can also be overwhelmed. (Later I will discuss software enhancements for which we are requesting funding that would enable us to accelerate this process where existing electronic documents need to be converted into the XML format.)

Members should be aware that when they insist on a quick turn-around, we may be able to provide them only with job #1 without meaningful attorney participation. This is something quite different from what they would get back from an experienced attorney with time to work on a drafting request. It will be legislative language in proper form, but will not reflect the kind of analysis that would be desirable if the proposal were to be considered by Committee or enacted. There is no firm assurance that the language will legally accomplish what its sponsor wants it to do. As a result, it could be referred to the wrong Committee. It may not be enforceable. It may amend the wrong law or may not even address the specific laws that would need to be amended. It may conflict with existing law and cause confusion. It may refer to the wrong agency. It could, if enacted, spawn years of litigation. The sponsor may get questions about it from the press that cannot easily be answered.

On the other hand, if what is desired is a legally effective document that has been developed or reviewed by an experienced attorney, the turn-around time can seldom be rapid. More time is required to perform job #2. The work done on job #2 cannot be speeded up by technology or by greater numbers of workers or anything else. It involves analysis, the application of knowledge and skill, and sometimes creativity.

If the area of the law involved is a complex one, legislative language benefits immensely from an attorney knowledgeable and experienced in the area of law involved. Our experienced attorneys are not fungible. Sometimes we have only one expert in a given area, and that person may have numerous urgent pending projects. In especially complicated large bills, a team of attorneys with different areas of expertise may be needed, and all may not be available to help at the same time.

Personnel

Inadequate Staffing Levels

Our existing FTE level is 58. We have a staff of 40 attorneys and 4 paralegals. (The remaining positions are support staff.) Last year, we produced 25,096 final drafts: 12,641 bills, 10,649 amendments, and 1,806 resolutions. Of the total, 978 requests for drafts were from Committee and Subcommittee staff.

The 25,096 final drafts completed in 2007 represents a 73 percent increase over the comparable total of all final drafts completed by our office for calendar year 2006 (14,515).

From January 1 through February 5 of this year we have produced 1,427 final drafts (4,022 drafts if all preliminary versions are included). We had 197 requests for assistance pending as of February 5, 2008.

These statistics do not cover the number of reported bills for which we provided Ramseyers, the number of compilations of existing law we prepared, or any of the other important work performed by three of our paralegals who do not work directly on drafts of legislation.

Some individual Members are especially heavy users of our office. We produced over 500 drafts for one Member in 2007 and more than 200 for another. The average number of requests in calendar year 2007 for assistance from a single Member was 22. The mean was 17.

Putting these numbers in any kind of meaningful perspective is difficult because a single request could be very extensive, requiring months of intensive work by an experienced attorney. Others are merely requests for simple resolutions or requests to put language developed elsewhere into proper form.

While our staff level has been relatively stable for several years, our workload fluctuates from time to time during each session of Congress. As I have mentioned in my testimony in prior years, peak periods are difficult to manage. We also are seeing more omnibus bills. The complexity of federal law continues to increase. Our attorneys are often under pressure due to complex bills moving through Congress under timetables dictated by external events and constraints. Assembling complex legislation in a thoroughly professional manner and minimizing errors is a growing challenge, even for our most experienced staff.

We **currently cannot recruit any additional attorneys**. With our current staff and pending hires, we are at our maximum full-time equivalent level. I am urgently requesting the committee to authorize us to hire **at least 3 additional full-time employees**. This is absolutely necessary if we are to be able to manage our existing workload without excessive delays. Our existing FTE level is 58. We are requesting an increase to 61.

It is interesting to compare our situation with offices providing other services to the Congress. An interesting example is the Government Accountability Office. The GAO has 3,100 employees. They have found that they cannot handle their current workload (1,217 requests in 2007) and keep current with Congressional requests without **an additional 150 employees**. (Roll Call, February 25, 2008, page 3) While it is comparing apples and oranges, it is still noteworthy to observe that (although we were often late in responding to requests) our office managed to complete 25,096 final drafts for Members and committees in 2007-- with only 40 attorneys.

I would be happy to have 3 additional attorneys.

Recruitment and Retention of Attorneys

Salary Disparity

Recruiting well-qualified attorneys to work in our office is not getting any easier for two closely related reasons.

First, the salary level in private practice is very high. Each year, the disparity between private practice and government lawyer salaries grows more alarming. The first-year associate salaries for law school graduates with no experience at many firms are now $160,000 according to the Washington Post (Nov 30, 2007, page A15). An attorney with the same qualifications would have had to have been working in our office for more than 17 years to reach that salary. The top picks from law schools receive salary-plus-bonus deals that are $200,000 in excess of the annual salaries paid to the most senior attorneys in our office and $300,000 more than we are able to pay our starting attorneys (Washington Post, October 30, 2006, page D2).

The huge salary disparity, together with the high cost of housing in the District of Columbia region, make it difficult for us to recruit the most qualified young lawyers.

Of course, these problems are not unique to our office. They exist for all government legal offices seeking to recruit the best and brightest law school graduates.

Student Debt Levels; Loan Reimbursement Levels

The second problem we face in recruiting new attorneys is the heavy burden of debt that law students typically carry when they leave law school. According to the American Bar Association, the average 2006 private law school graduate left law school with $83,200 in debt. The average debt was $54,500 for those graduating from public law schools. It is not unheard of for us to hire a graduating law student with tuition

debt well above $100,000. For young attorneys starting work in a large law firm, this is of little consequence. For the same attorney coming to work for the federal government, it is a problem.

While the student loan repayment program has been helpful to us in our recruitment efforts, the level is currently below that of programs elsewhere in the federal government. Under the House program, the maximum repayment is $6,000 per year with a cap of $40,000. In executive branch agencies, the maximum repayment is now $10,000 per year with a cap of $60,000. In addition, the payments are currently treated as taxable income to the employee.

The loan repayment program would be significantly more valuable to us as recruitment tool if the loan repayments were treated as after-tax income and if the limits were raised at least to the same level as in executive branch agencies and the U.S. Senate.

Managing the Uneven Workload

Our workload is not a flat line. It consists of distinct peaks and valleys. To handle the peaks, we are continuing our successful program of using attorneys who have retired from our office to return part-time under contract on an as-needed basis. These experienced attorneys are required to have no actual or potential conflicts of interest. They are paid on an hourly basis at the equivalent of the rate of pay that they were earning immediately prior to retirement and assigned to help for a limited period with a special problem or a particularly difficult or large project.

This system has also proved to be a very cost-effective way to handle temporary crises and to help manage the peak times of a fluctuating Congressional workload during each session. We currently have three retired attorneys participating in this program on a part-time basis. We plan to add two additional retired attorneys to this program in fiscal year 2009 so that the total costs of this program would be $145,000.

Non-Personnel Expenditures

The major non-personnel expenditures for our office are associated with the maintenance and enhancement of our software systems.

Software Systems

Our office uses four major types of software: (1) document management software to inventory and track the progress of requests for drafting assistance (iManage), (2) software for the composition and modification of bills, amendments, and resolutions in the now-standard Extensible Markup Language (XML) format agreed upon by the Clerk of the House and the Secretary of the Senate, (3) customized software to maintain a current database in XML of frequently amended federal laws (compilation software), and (4) customized software to show existing law with all current amendments and to produce documents showing the changes in existing law resulting from proposed legislation containing amendments and repeals (Ramseyer software).

Three of these systems are unique to the legislative process, and all four must be extensively customized to work effectively in the legislative drafting environment. Adapting these software programs to the specialized needs of our office and training attorneys and support staff to maintain and effectively use these programs presents a significant challenge for our office. Each also presents opportunities for us to improve our delivery of services to the Members and Committees of the House.

Document Management Software

Our document management software was mentioned earlier in connection with the tracking of requests as they come into our office. Keeping this system working and properly integrated with the other software systems used in the office requires the full-time attention of one in-house software specialist. No additional funds are needed for this purpose.

Three Enhancements Needed for XML Software

The Clerk of the House and the Secretary of the Senate decided some years ago to replace the existing text composition and editing program used in the House and Senate with XML (extensible markup language) for all bills and resolutions. We are now almost a decade along in the development of the replacement program. However, there still remain some critical missing features.

The most urgently needed missing element is an adequate tool to convert material from other formats into the XML format without extensive manual retyping or cutting and pasting. We would like to have this capability. We are requesting $177,000 to build, under a contract with an outside software vendor, the tools necessary to perform this task. This would dramatically improve our turn-around time in processing requests from Members for drafts where the request involves formatting of text from other sources.

The second missing element is the ability to provide our clients with so called "redline" documents that show the changes between versions of a document as that document is modified by us or by others. This is something that we are frequently requested to provide. It is something that the Senate Legislative Counsel has the capability to provide and often does. We feel that this puts us and the entire House at a disadvantage in House/Senate conference situations because whenever a "redline" is needed to show the changes between different versions, that service must be provided by the Senate Legislative Counsel. We estimate that it would cost $87,000 to replicate the same ability on the House side.

A third enhancement of the XML software that would improve our ability to provide services to the Members and Committees would be the ability, now possible for the first time with XML, to draft changes directly into the text of existing law or in the text of a pending bill. The software would then convert those changes into properly structured amendments familiar to Members and their staff under the current system. This would not only speed up the process of drafting changes to existing law, it would dramatically enhance the accuracy and transparency of the entire legislative process. It would reverse the Ramseyer process by instantly allowing the creation of amendments in the normal format from text composed in a Ramseyer format as well as the reverse of that.

An additional benefit of this third enhancement would be the ability to show, on a screen during markup or on the House floor, the impact of an amendment on a bill and the impact on existing law of amendments to existing law contained in a bill or amendment. Based on our conversations with Members of the House and their staffs, and on the studies done by the House Administration Committee (Gartner Report), it seems that having this kind of transparency in the effect of amendments would be a significant benefit to Members and their staffs. It would enable everyone to quickly see and more easily understand the impact of a highly complex series of amendments when offered in Committee or on the House floor. In order to pursue this project through to the proof-of-concept stage and demonstration, we are requesting $354,000.

All of these enhancements could theoretically be provided in-house by the Clerk's staff in Legislative Computer Systems. While this would be desirable from our point of view, my current understanding is that they are not able to provide us with these enhancements given their current resources. Each of these would need to be handled by our office under contract with outside software providers.

Creating Ramseyers for Committees

When bills are reported from Committees of the House, our office prepares (at the request of the Committees) the text of the reported bills showing all the amendments adopted in Committee. We also prepare for the Committees an important portion of the accompanying Committee reports showing the changes that would be made in existing law by the reported bill if the bill were enacted. This material is referred to as the "Ramseyer" and is required under clause 3(e) of House Rule XIII (referred to as the "Ramseyer Rule").

The manual preparation of Ramseyers is an exacting process that used to be very time consuming. Often the time between the date on which a Committee orders a bill reported and the date on which the Committee report is required to be filed is not adequate for the manual preparation of a Ramseyer. When there is no Ramseyer, the Committee cannot file its report in compliance with the House Rules and must seek a waiver of clause 3(e) of House Rule XIII from the Rules Committee. This is often unsatisfactory.

To solve this problem, we contracted with outside software developers to build a program to automate the Ramseyer creation process as much as possible. The first phase of this was software to locate and identify each change made in existing law by a reported bill. That was completed in calendar year 2006. The second phase involved bringing together both the electronic version of underlying law and the proposed changes and producing a printed document that shows both in different typeface to satisfy the requirements of clause 3(e) of House Rule XIII. That phase was originally scheduled for completion last year, but this program has now been combined with the compilation program described later and its completion postponed until the end of this fiscal year. However, the program is already in use and is proving to be very successful.

This project has allowed us to reduce the amount of time required for the preparation of Ramseyers. Few reported bills should now have to be filed without Ramseyers. This should eliminate the need for Committees to seek a waiver of the House Rules in all but the most unusual situations.

We are requesting some additional funds for the enhancement of this program based upon our current experience in using it. There are a number of additional features which would make the program even more useful to us than it already is. The cost of these enhancements is $118,000.

Maintaining Compilations of Existing Law

Underlying the preparation of Ramseyers for Committees, and our ability to draft federal legislation that is accurate and current in the first place, is the availability of a current, reliable, and accurate electronic database of existing law in the XML format used for legislation.

It is always surprising to those not closely involved with drafting federal legislation to learn that no federal office or other entity is responsible for creating a current database of existing law in any format, electronic or printed. The Law Revision Counsel is responsible for providing the official printed volumes containing the positive law titles of the United States Code and for assembling nonpositive law into various other volumes of the United States Code. This material is seldom available either on a current basis or in electronic form in the XML format that we need. Yet we are sometimes called upon to draft amendments to a law, and prepare Ramseyers, almost immediately after enactment of that law.

More importantly, the United States Code titles that are not positive law (about 2/3 of the volume of federal law) cannot be used to draft amendments to the laws contained in those titles. In the case of these laws, we must refer to the Public Laws, as amended, not the United States Code.

Consequently, our support staff has been, for many years, manually preparing current electronic files of frequently amended Public Laws, as amended. Some of these are positive law titles of the United States Code. Others are amended Public Laws that are not yet part of the positive law titles of the Code. Preparing the current versions of Public Laws, as amended, continues to be a very time-consuming effort. We have been undertaking a project to enable us to prepare these compilations in XML. This program has been combined with the Ramseyer Project described above and is scheduled for completion in fiscal year 2008. Additional enhancements in fiscal year 2009 will require $118,000 as mentioned earlier.

Conclusion

I would like to express my appreciation for the support this Committee has given our office. This support has enabled us to develop and maintain the ability to provide quick, efficient, and expert drafting assistance to the Members and Committees of the House. We are continuing our efforts to improve our services wherever possible.

This completes my testimony. I will be happy to answer any questions that any member of the Subcommittee may have.

Ms. WASSERMAN SCHULTZ. And, Mr. Lewis, welcome to the committee.

Mr. LEWIS. Thank you.

Ms. WASSERMAN SCHULTZ. Do you have any remarks?

Mr. LEWIS. I generally don't have opening remarks, but I am pleased to hear the panel.

Ms. WASSERMAN SCHULTZ. Thank you for joining us this morning.

We will proceed under the 5-minute rule.

Ms. Miller, welcome to the committee.

OPENING STATEMENT—MS. MILLER

Ms. MILLER. Good morning. Thank you.

First of all, I would like to thank the subcommittee for its continuing assistance in support of the Office of the Clerk. I have served as your Clerk for the past year, and I truly believe that there is probably no higher calling. It is a high honor to do this.

So I want to take my 5 minutes to highlight the things that we are doing in the Office of the Clerk. And the first one I want to raise with you is our lobbying disclosure and electronic filing.

ELECTRONIC LOBBYING FILING

If you remember, with the Honest Leadership and Open Government legislation, that required us to retool what we do in order to accommodate the some-20,000 lobbyists that will file with the Office of the Clerk and the Secretary of the Senate. That meant that we had to purchase new servers. This has been a collaborative effort with the Secretary of the Senate in order to do that.

So what we did—the House serves as the main port, and the lobbying community then need not file with the Clerk and the Secretary of the Senate separately. They send one filing, and we distribute it jointly. It is much easier on the filing community, and we thought that was a project that we had to spend a little extra, $323,000, to get the kind of server because the legislation required that the information that we make available is sortable, downloadable and manipulated in a way that people could get it in various functions. So that has been one of our main targets, trying to get that going, up and coming.

As of our February 14, 2008 filing deadline, we had 19,300 filers that filed successfully, with a 93 percent completion rate.

We are now in preparation for the May 2008 financial disclosure filings that are coming up, where we will—we have been working with the Standards Committee to make sure there are some additional warnings in light of some companies that are putting our filings on PDF.

FLORENCE KAHN PORTRAIT

As you will remember, last year we completed the publication of "Women in Congress." We have three other publications that are in the pipeline. Hopefully, in September, we will release the "Black Americans in Congress." We have "Hispanic Americans in Congress"; "Asian and Pacific Islander Americans in Congress."

I am so pleased to announce that we are commissioning a portrait of former Congresswoman Florence Kahn. Ms. Kahn represented San Francisco in the early 1920s, and she was the first woman to serve on the Appropriations Committee, the first woman to serve on the then-Military Affairs Committee, and was the first Jewish woman to serve in Congress. So we are commissioning her portrait.

CLERK LIBRARY FACILITY

As the subcommittee knows, one of the duties of the Clerk is to maintain the legislative and reference facilities. We wanted to let the subcommittee know that our library facility needs attention. We are working with the Architect of the Capitol and will come back to the subcommittee at some later date about a plan that we feel will make sense for what we need to do with the library.

HEARINGS AND VACANCIES IN THE 110TH CONGRESS

On our day-to-day operations, real quick, during the first session of the 110th Congress, we had 1,186 recorded votes. This is 28 votes shy of the total number of votes we held during both sessions of the 109th.

Since January 2007 to December 2007, the first session of the 110th, the House held 2,373 committee hearings. And in 2006 there were only 1,513 hearings. This is a 57 percent increase in hearings this year. If you look at just this week, we had 100-plus hearings. On Tuesday of this week, we had 37 hearings in the House alone.

Ms. LEE. We know. Thank you very much. [Laughter.]

Ms. MILLER. The House has had eight vacancies in the first session of the 110th, as compared to nine vacancies during the entire 109th. This year, we have had to fill three vacancies in 2008: Louisiana 1, Louisiana 6 and California 12. We have two vacancies that will be filled this week, Illinois and Indiana.

CLERK'S BUDGET REQUEST

On our budget request: Our request is $24,897,000, a small pittance for the amount of great work that the Clerk's Office does for the Congress.

Ms. WASSERMAN SCHULTZ. She says modestly.

Ms. MILLER. Modestly.

This includes our COLA adjustments. Our budget basically is centered around our personnel, so our personnel budget increase is about $1,867,000.

From that, we have some nonpersonnel expenses that are included: $747,000 to pay for our closed captioning. We are looking for $300,000 for our regularly scheduled computer replacement program.

And we have already allocated approximately $900,000 for Official Reporters. What happens, with the amount of hearings that we are having, when our office is not able to accommodate the capacity of all this, we contract out. And so we have $900,000 but we went to $1 million, because, depending on the flow of the hearings, we need to be able to accommodate.

With that, I await your questions.

[Ms. Miller's statement follows:]

The Honorable Lorraine C. Miller
Clerk of the House

Statement before the House Appropriations Subcommittee
on the Legislative Branch

February 14, 2008

Madam Chair, Ranking Member Latham and other Members of the Subcommittee, I appreciate having the opportunity to provide testimony related to the operation and FY2009 funding request for the Office of the Clerk.

My office has been able to serve the House effectively due in large part to the support and guidance of the Appropriations Committee. Not only has the Office of the Clerk been given the resources to meet its recurring responsibilities to the House, but we have been entrusted with initiatives that will improve and positively impact the way business is accomplished here for many years to come. I would like to thank the Subcommittee for its assistance over the past year.

The Office of the Clerk oversees the operations of the House Floor and the support functions necessary to carry out the legislative processes – duties this office has discharged faithfully and competently for more than two hundred years. I have served as Clerk of the House for the past year and believe there is no higher calling than the support of the Members of the House and the day-to-day operations of the U.S. House of Representatives.

I would like to take this opportunity to highlight a few on-going projects and significant accomplishments of the Office of the Clerk.

ELECTRONIC FILING

The passage of the Honest Leadership and Open Government Act of 2007 (S.1), and subsequent signing by the President on September 14, 2007, required a major rewrite of our Electronic Lobbying Filing system. The new system is the result of a six-month collaborative effort with the Senate. This system boasts a central congressional server, which allows lobbying registrants to submit their filings to both the Secretary of the Senate and the Clerk of the House simultaneously. A single confirmation notice from the central congressional server is then returned to each filer, acknowledging receipt of their filing by both chambers. Subsequent processing of each filing via the central server is handled independently by the House and Senate. All of the development efforts to provide processing from the central congressional server were completed by the staff of Legislative Computer Systems, a division of the Office of the Clerk.

ACES digital signatures, a major source of complaints from filers, are no longer required to file lobbying reports. Instead, Senate passwords have replaced the ACES digital signatures. A new Senate password issuance system was developed by the Senate in conjunction with our development of the central server processing. This new system expedites the issuance of passwords and our central server processing eliminates the need for data entry of information received on all lobbying registration reports.

In addition to a central filing point and the elimination of digital signatures, the new system makes lobbying reports readily and freely available on the Clerk's web site. The system provides a powerful searching and sorting capability, which allows Internet users to locate and display lobbying reports using various search combinations. Furthermore, lobbying disclosure filings are now available for direct download via the Internet. This new capability allows users to download lobbying information, in eXtensible Mark-up Language (XML), by filing year and period. I am pleased we were able to implement this system so quickly and I would like to take this opportunity to thank the Subcommittee for reprogramming $323,000 in FY2008 funds to finance this important project. We are facing continuing expenditures in the area of software development and maintenance imposed by the changes in Lobbying Disclosure, Gift and Travel Disclosure, Financial Disclosure, and the post employment termination notification requirements and these costs are reflected in our FY2009 budget request.

PAGE PROGRAM

The Page Program is an important responsibility of the Office of the Clerk. Last summer in partnership with the Architect of the Capitol and the House Sergeant at Arms, we improved security at the Page Residence Hall by updating the functions of the Prox Card Access System. This system utilizes staff ID cards, which only allows access for residents and approved staff to the Residence Hall. In addition, we purchased several GPS enabled phones and made them available to Pages as they signed out of the Residence Hall. These phones are programmed with emergency contact numbers, provide walking directions for city navigation, and allow the Page Residence Hall Staff to check the location of Pages. More recently, a renovation of the office area in the Page Residence Hall was completed the week of February 7th. As part of the renovation, additional windows and a view panel were installed to improve the staff's visual awareness around the entrance of the Residence Hall. As these efforts continue, the enhancements are building upon a robust security and safety system already in place for the Pages.

STAFF REORGANIZATION

After assuming the duties of Clerk of the House, it immediately became evident to me that most of the staff positions needed to be more accurately defined and to ensure pay parity consistent with the duties performed therein. The staff reorganization of all departments, which had not been addressed in more than eight years, was not included in

the FY2008 budget request and is reflected in our FY2009 request. This action has resulted in our ability to recruit and retain a highly skilled and committed workforce.

VACANT CONGRESSIONAL OFFICES

The House experienced eight vacancies in the First Session of the 110th Congress as compared to nine vacancies during the 109th Congress. These vacancies were due to the resignation or death of a Member (Georgia 10th, California 37th, Massachusetts 5th, Ohio 5th, Virginia 1st, Illinois 14th, Indiana 7th and Mississippi 1st). The administration of these offices is a statutory responsibility of the Clerk, requiring time and resources of the Office of the Clerk, to ensure the appropriate operation and management consistent with public law and the Rules of the House.

MEMBER INFORMATION SYSTEM

The first phase of development of a new Member Information System was started in July 2007, and the completion date for phase one is February 2008. This effort will simplify data entry, streamline maintenance, and ensure data integrity for Member and committee information, by consolidating two disparate systems into one. The Office of Publication Services (OPS) uses a system developed in dBASE for publications and web content needs. Legislative Computer Systems uses a Directory system developed in Natural/Adabas to provide Member and committee information to the Legislative Information Management System (LIMS). Currently, the publications produced from the dBASE system use GPO type setting codes, which are embedded within text files and a PDF print version of these files are produced using GPO's Microcomp composition engine. At the completion of phase one, HTML and PDF versions of the publications will be created using XML and style sheets created with the eXtensible Style sheet language (XSL). Our goal is to eliminate the dBASE system and the Directory application and to combine the functionality of both systems into one. The new system is titled the Member Information System. These efforts will continue into FY2009.

HISTORICAL SERVICES

The Office of History and Preservation, with the support of this Subcommittee, continues to make tremendous progress in fulfilling our support of the House's curatorial, archival and historical information needs, while responding to increased requests for assistance as compared to previous years. Last year, over 6000 historical artifacts were added to the House Collection. In addition, the staff is continuing an aggressive outreach effort to committees, Members and former Members regarding their records. The archival staff handled 2,609 archival boxes of records of Congress, which were transferred to the Office of the Clerk in 2007.

The Office of the Clerk is continuing to compile and edit several official congressional publications: *Black Americans in Congress, Hispanic Americans in Congress, and Asian and Pacific Islander Americans in Congress*. *Black Americans in Congress* has entered the final writing phase, and is expected to be roughly 600 pages

long and features the 121 African Americans who have served in Congress since 1870. As you may recall, *Women in Congress* was published last year, and the Office of History and Preservation has augmented the web site that accompanies the book and developed lesson plans based on the book that will be published as a resource for teachers around the country.

The Subcommittee may be interested to know that after much effort, two significant House records were returned to the House -- letters written by President Richard Nixon to former Judiciary Committee Chairman Peter Rodino, during the impeachment inquiry. The letters are official records of the House, but ended up with a private seller who was trying to auction them off. After long negotiations, led by the U.S. House of Representatives, Office of the General Counsel and the Department of Justice, the seller relinquished them to the House.

SLAVE LABOR TASK FORCE

During the first session of this Congress, we worked with the House and Senate's Slave Labor Task Force to make recommendations to the Congress on how best to recognize the contributions of enslaved African Americans in building the U.S. Capitol.

The task force convened in November and adopted recommendations that will ensure that every visitor to the Capitol will learn that the sweat of African-American slaves went into the construction of the building. Initiatives include commemorative measures, such as installation of one of the original building stones, quarried by slaves, in or near the CVC and Capitol, and educational ones, such as on-line exhibitions and teaching materials.

In all, nine recommendations were presented at a hearing called by the Committee on House Administration, and forwarded to the Speaker of the House and the President pro tempore of the Senate by Task Force Chairman John Lewis of Georgia, including an endorsement of this Subcommittee's efforts to designate the great hall of the CVC "Emancipation Hall."

HOUSE LIBRARY UPDATE

Under Rule II of the Rules of the U.S. House of Representatives, the Clerk of the House is charged with the responsibility of maintaining two copies of printed documents of the House, as well as the House Journal "in the library at his office" for use by the Members and staff. The Clerk has maintained a legislative and legal reference library since the Second Congress in 1792. Since the 104th Congress, the library services are provided by Legislative Resource Center (LRC).

The current library needs to be modernized. We plan to recondition and improve the collection and the existing spaces in the Cannon, Madison and Adams buildings. Additionally, we would like to digitize the House Library collection and implement

outreach activities, making the Library more visible and easily accessible. We are in the infancy stages of planning for this project, and after working with the Architect of the Capitol will come back to the Subcommittee with an update and any requests for future funding.

FY2009 BUDGET REQUEST

The 110th Congress began with the advent of a new majority that had major legislative and policy initiatives it wanted to bring to the attention of the American public. The Office of the Clerk has been pleased to be a part of the most active legislative session in the history of Congress and looks forward to our continued support the U.S. House of Representatives.

For fiscal year 2009, the Office of the Clerk is requesting $24,897,000, as modified to conform to the estimated cost-of-living (COLA) adjustments. This amount is a net increase of $2,530,000 or 11 percent over the FY2008 enacted appropriation. The total request includes $19,841,000 for personnel expenses, $5,056,000 for non-personnel expenses and a 252 FTE level request (no change from FY2008).

The personnel budget request is a $1,867,000 increase or 10 percent over FY2008. The increase reflects the staff reorganization of all departments mentioned earlier in my testimony. In addition, the personnel increase includes annualization of the FY2008 cost-of-living adjustments, prorated FY2009 cost-of-living adjustments, FY2009 overtime costs, temporary positions, longevity and meritorious increases.

As you well know, the Office of the Clerk's core mission has a direct correlation to House operations. I want to highlight for you just two of the areas within the Office of the Clerk where House legislative activity has had a direct impact on our operations and budget.

The number of recorded votes and the increased committee activity impacted our operations. The First Session of the110th Congress has been the most active session in the House of Representatives' recorded history – with 1,186 recorded votes held. This is 28 votes shy of the total number of votes held during both sessions of the 109th Congress. This is the most votes ever held in a single session of Congress. One result of this activity is that our overtime costs for staff within the Offices of Legislative Operations and Official Reporters increased from $39,000 in FY2007 to $141,000, a 36 percent increase over FY2006 expenses.

Coupled with the increased Floor activity, is the increase in Committee activity. The Office of the Clerk is responsible for all stenographic reporting of House hearings and mark-ups. During the First Session of the 110th Congress, the House held 2,373 committee hearings. During 2006, 1,513 hearings were held. This 57 percent increase in hearings resulted in a significant bump up in our overtime expenses and our costs for supplemental stenographic reporting. The high volume of hearing activity impacts our

Office of Official Reporters. As a result, our cost of doing business in this area increased 23 percent.

Increased Floor and Committee activity has directly impacted our overtime and supplemental stenography costs. The FY 2006 overtime costs of the Office of the Clerk were $243,000. Given the increases of Floor and Committee activity, our overtime costs jumped to $365,000 an increase of $122,000 (50 percent). Concurrently, our supplemental stenography costs leaped to over $900,000 in FY2007 and we have budgeted $1,000,000 to cover these costs in FY2009. Our FY2009 budget request reflects the totality of these increases.

Other major non-personnel expenses include:

- $747,000 to pay for the Closed Captioning of the House Floor proceedings. This is the second year of a new competitive contract awarded in FY2006; and

- $300,000 for our regularly scheduled computer replacement program. Our computers are on a three-year replacement cycle.

Although our expenses have increased, we continue to work diligently to contain costs and to be wise stewards of taxpayer dollars. We make every possible effort to negotiate the best price for services and contracts by combining services; finding every possible discount; and looking for tasks which can be performed in house to control costs. Please be assured we will continue to save money in every way possible.

In closing, I want to offer our semi-annual report as an overview of the operations of the Office of the Clerk.

As the Subcommittee reviews the projected FY2009 budget request of the Office of the Clerk, I want to assure the Subcommittee that the increases are based on actual costs of providing the services needed to fulfill our statutory obligation to the House. This increase is unusual, but necessary since these costs were not anticipated or budgeted for in FY 2007 or FY2008. The Office of the Clerk will fulfill its obligations to the House; however, we are in need of additional resources.

I appreciate having the opportunity to appear today. I am ready to assist you in any way throughout the development of the FY2009 spending bill for the House and will be delighted to answer any questions you may have.

Ms. WASSERMAN SCHULTZ. Thank you, Ms. Miller. Thank you very much.

Mr. Beard.

OPENING STATEMENT—MR. BEARD

Mr. BEARD. Thank you, Madam Chair, members of the subcommittee. I am pleased to appear here today on behalf of the budget request for the House as well as the Office of the Chief Administrative Officer.

BENEFITS PACKAGE FOR HOUSE EMPLOYEES

There are five priorities I wanted to talk about that are in our budget. The first is achieving parity in benefits between House employees and other executive branch employees. The House of Representatives I think has some of the most dedicated and committed employees in Government; yet, their benefits are simply not on par with those of many of their contemporaries working for other Federal agencies.

Those working for the executive branch, for example, enjoy an array of benefits that include: a $10,000 annual student loan repayment program—ours is capped at $6,000; a tuition reimbursement program; employer compensation for professional accreditation and dues; transit parking; child care assistance for low-wage workers; and paychecks every 2 weeks.

Other legislative branch entities, such as the Capitol Police, the Architect of the Capitol and some others, enjoy some of these benefits, but House employees do not. Therefore, we are asking for $19 million to strengthen our benefits package and bring House employees up to par with the employees in the executive branch agencies.

WOUNDED WARRIOR PROGRAM

The second priority we have is employing our wounded warriors. Many injured men and women returning from combat tours in Iraq and Afghanistan are challenged by their re-entry into the civilian workforce. Speaker Pelosi wants the House to be an employer that values the courageous sacrifices these veterans have made through their service to our country. The Wounded Warrior program, for which we are requesting $5 million, will accomplish her goal.

I am pleased today to introduce retired Marine Corps Master Gunnery Sergeant Patricia Orsini, who is down here. Patricia has joined our staff and will be the individual heading up the Wounded Warrior program. Her job is going to be placing wounded warriors in positions throughout the House and helping them develop the skills for long-term employment, either in the public or private sector.

HEARING ROOM MODERNIZATION

The third item in the House budget that I think is worth noting is our hearing room modernization program. Members and constituents have come to expect a high level of broadcast quality and recording quality of congressional hearings. And, as Lorraine men-

tioned, the number of congressional hearings that we have had, in the last year anyway, has been a significant increase.

So, in addition to wanting to record and broadcast those hearings, Members have a significant interest in archiving and distribution capabilities associated with those visual images.

In our budget request, we are requesting $20 million to complete the upgrade and remodel of at least the main hearing room for all the committees in the Congress. The seven that we have left to do are Armed Services, Budget, Education and Labor, Energy and Commerce, Financial Services, Oversight, and Science.

The funds we are requesting will also link all of the previously upgraded committee hearing rooms back to the House Recording Studio control room facilities, where hearings can be converted into Web streams or broadcasts and portions of the hearings can be clipped and archived and made available to Members for whatever reason they want.

NEW MEMBER INITIATIVE

The fourth initiative that we have in the budget, which was briefly mentioned by the Chair, is our New Member Initiative. The successful onboarding of the new Members of the 111th Congress is going to require at least $4.7 million. But, in addition to that, we want to help new Members and their staff hit the ground running. So we are requesting $14 million to significantly increase our assistance to these new Members.

This would include improving the cabling, computer cabling and server configuration in their district and D.C. Offices; the installation of phone, financial and computer systems for their offices; as well as the assistance through the CAO for financial services and technical services; and supplies for their offices, so that when they walk in the door they can get about the most important thing to do, which is to hire staff, to be able to begin to undertake and represent their districts.

Too often it takes Members months and months to get adjusted, to purchase all the equipment, to look at the various alternatives that they have available to them. And we have found that, as we go forward in the first year, we have to have a lot of expenditures associated with going into those offices and helping them throughout the first part of the year to get adjusted and to get all the requirements in place. So we would just as soon be able to go in early, get it done, the Member can walk in the door. And they can make changes as they go forward, but at least they would be able to start out that way.

GREEN THE CAPITOL

The final initiative is the Green the Capitol initiative. We are asking for continued support for that effort, with a total of $2 million.

We have made real progress in the first 6 months. The goal of the initiative is to make the House carbon-neutral at the end of the 110th Congress. And, with the support of this subcommittee, we are purchasing renewable power, converting to natural gas at the power plant for our needs, and we have purchased carbon-offset credits and phased in an array of energy-saving improvements.

We will continue to go forward with a number of different initiatives in fiscal year 2009, including a review of our food service operations and systems, our transportation activities, procurement, as well as many of our business practices. The aim in each case is to save energy, save taxpayer money, and to improve the overall health and quality of the workplace for our workforce.

That concludes my testimony.

[Mr. Beard's statement follows:]

Daniel P. Beard
Chief Administrative Officer
United States House of Representatives

Prepared Statement Before the Subcommittee on Legislative Branch Appropriations

On the Fiscal Year 2009 CAO Budget

H-144, The Capitol
Thursday, February 14, 2008
10:00 a.m.

Chief Administrative Officer Budget Request — Fiscal Year 2009

Summary

Madam Chair and Members of the Subcommittee, I am pleased to appear before you to discuss the ongoing operational achievements of the Office of the Chief Administrative Officer (CAO) and to explain the Fiscal Year 2009 budget request for the CAO. I also would like to take this opportunity to express my gratitude to all of you for your continuing support of the organization's role. I look forward to working with you on these and other issues vital to the successful operations of the House.

Last year, I appeared before you to outline an array of important investments in our technology and facilities. I'd like to update you on two of last year's highlights. In terms of facilities improvement, we focused on the House's Child Care Center, and have successfully conducted an operational assessment of the facility and evaluated a child care assistance program. On the technology front, we have brought the new House financial and administrative system, Atlas, to the verge of what we are sure will be a seamless and productive rollout by the end of 2008.

For Fiscal Year 2009, we have placed a renewed emphasis on our people.

Improving House Employee Benefits

One year ago we set out to improve our processes and our systems. In order to maximize those investments, however, we also must invest in our employees, for whom these improvements were made.

We believe the employees of the House of Representatives are some of the most dedicated and committed in government, yet their benefits are simply not on par with many of their contemporaries working for other federal agencies (see attached). Those working for the Executive Branch, for example, enjoy an array of benefits our employees do not, including: a $10,000 annual student loan repayment program; tuition reimbursement; employer compensation for professional accreditation and dues; transit parking benefits; child care subsidies; and paychecks every two weeks.

Other governmental entities, like the Senate, the Library of Congress, the Architect of the Capitol, the United States Capitol Police and the Government Accountability Office also enjoy some of these benefits, while our employees do not.

Retaining and attracting talented employees fortifies institutional knowledge and ensures a capable workforce that can keep pace with the ever-increasing demands of this institution. Therefore, we are asking for $18.9 million to strengthen the House's benefits package, making the House an employer that remains competitive in a robust and highly skilled job market.

Employing Our Wounded Warriors

That very job market can pose formidable challenges to wounded veterans of the wars in Iraq and Afghanistan. Many injured men and women returning from combat tours in those countries are challenged by the reentry into the civilian workforce. Speaker Nancy Pelosi believes the House of Representatives must take a leadership position as an employer that values not only the courageous sacrifices these soldiers made through their

service to our country, but also the special skills and invaluable experience these brave men and women have to offer.

The Wounded Warrior program, which will cost approximately $5 million to implement in Fiscal Year 2009, will accomplish the Speaker's goal.

I am pleased to introduce to you retired Master Gunnery Sergeant Patrice Orsini, who will be joining our staff to help direct the Speaker's Wounded Warrior Program.

She will work to place other wounded veterans in positions throughout the House, developing skills and experience that they can, in turn, use in either a public or private sector career. Those selected for the program will be given the opportunity to rotate into various positions and, if a fit is found, transition into full time employment.

Hearing Room Modernization

Since Fiscal Year 2002, House committee rooms have been undergoing audio and video upgrades through the Committee Room Renovation Program.

However, in the digital era, Members and their constituents have come to expect higher broadcast and recording quality and digitalization of the House's archiving and distribution technologies.

Beyond the obvious value the installation of modern equipment provides, the next phase of these improvements will afford another key benefit: by linking all rooms to the House Recording Studio an increased transparency of committee activities will be achieved.

This major capital upgrade, which is being undertaken at the direction of Speaker Pelosi, will maintain technological uniformity and House-wide systems compatibility. It will also require $20.2 million in Fiscal Year 2009 to upgrade and remodel the six remaining Main Hearing Rooms: Budget, Education and Labor, Energy and Commerce, Financial Services, Oversight and Government Reform and Science. The appropriation will also fund linking all previously-upgraded committee rooms back to a central control room, where hearings can be converted into web-streams, broadcasts or archival digital video records.

New Member Office Initiative

The cost to successfully transition-in new Members in 2009 is a combination of several expenses, primarily the increase in staffing and support personnel needed to manage a transition of this size and our proposal to offer new Members some basic operational infrastructure within their Washington, D.C. and district offices without initially taxing their "MRAs."

It is critical that new Members and their staffs "hit the ground running" operationally, without logistical and office start-up issues negatively affecting their legislative duties.

For obvious reasons, new Member offices must have a more intense level of support. They require computer cabling and server configuration of both their D.C. and district offices. Their staffs need to be trained and supported on how to use the House's

phone, financial, telephone and computer systems. This support requires the CAO to hire new staff.

The CAO also would like to afford new Members a basic "welcome" package, which would include supplies for their offices, as well as basic phone and server infrastructure.

Without this funding, which is $13.9 million, a new Member arriving on the Hill will absorb significant costs, reducing their MRA funds with startup expenses we believe should be the responsibility of the House.

Green the Capitol Initiative

Finally, we are asking you to continue to support the Green the Capitol Initiative with a commitment of $2 million.

The vision to make the Capitol more environmentally-friendly is no longer simply an initiative or an idea. Real progress has been made in just six months and even more significant changes are underway.

The goal of the Green the Capitol Initiative is to make the House carbon-neutral by the end of the 110th Congress with the support of this Subcommittee. The House is now purchasing wind power and converting to natural gas in the Capitol Power Plant. We have also bought carbon offsets and phased in an array of important energy-saving improvements.

Operationally, the House continues to make substantive changes to reduce greenhouse gas emissions that we hope will serve as an international model of

governmental responsibility on green issues — changes that appropriately complement this Congress' legislative attempts to reduce energy consumption and improve the environment on a national level (see attached).

We continue to evaluate every aspect of House operations to make this institution environmentally-friendly. The Green the Capitol team is continually assessing food services, transportation systems and procurement processes in an effort to use our resources wisely, save taxpayers money and improve the overall health and quality of our workplaces.

In just six months we have made significant inroads toward our goal of carbon neutrality and vastly improved energy efficiency. Based on our successes thus far, and with the help of our committed and environmentally-conscious employees and legislative branch partners, I am confident that goal is well within our grasp.

Closing Remarks

The CAO's budget for Fiscal Year 2009 will ensure that we remain true to our stated mission: "solutions delivered," which accurately conveys our level of commitment to providing the Members of the House with the level of service, support and business continuity they deserve.

But Fiscal Year 2009 is also about making the House a better place to work. Our proposed employee benefits package does more than "deliver a solution," it also sends a message, inside and outside these walls: the House cares about its people.

And, lastly, we are working to make the House a more environmentally responsible workplace. Every day we strive to reduce the amount of carbon the House emits and, I am happy to report, we are emitting far less than we were when I came before you last year.

Again Madam Chair, I appreciate the opportunity to present the budget for the offices of the Chief Administrative Officer for Fiscal Year 2009.

Benefits	House	Senate	Library of Congress	AoC	USCP	GAO	Executive Branch
Student Loan Repayment Authority—$10,000 Annually	✗	✗[1]	✓	✗	✓	✓	✓
Tuition Assistance—Reimbursement Authority	✗	✗	✗	✓	✓	✗	✓
Transit Benefits	✓	✓	✓	✓	✓	✓	✓
Transit Parking Benefit	✗	✗	✗	✗	✗	✗	✓
Child Care Subsidy Authority	✗	✗	✗	✗	✗	✗	✓
Employer Paid Dental Benefits	✗	✗	✗	✗	✗	✗	✓
Employer Paid Vision Benefits	✗	✗	✗	✗	✗	✗	✓
Paid Every Two Weeks	✗	✓	✓	✓	✓	✓	✓
Professional Accreditation/Dues Reimbursement Authority	✗	✗	✗	✗	✗	✗	✓

✓ **Benefit Available**

✗ **Benefit NOT Available**

[1] USCP (U.S. Capitol Police) have a $40,000 lifetime cap
[2] Authorized for certain agencies
[3] Specific Provisions to allow for professional memberships

AoC: Architect of the Capitol; USCP: U.S. Capitol Police; GAO: Government Accounting Office

Six Months of Progress

A Report from the Green the Capitol Office

Green the Capitol Accomplishments	Done	Underway
Carbon Footprint: House World's First Carbon Neutral Legislative Body		
Purchasing renewable wind power for 100% of electricity use	✓	✓
Purchased carbon offsets to mitigate 30,000 metric tons of greenhouse gases	✓	✓
Switching from using coal to natural gas in the Capitol Power Plant for House operations	✓	✓
House Energy Conservation: 50% Reduction Over 10 Years		
Installing comprehensive metering system to track and report building energy use	✓	✓
Initiated a design to relight the Capitol Dome with energy efficient lighting	✓	✓
Installing 30,000 energy efficient Compact Fluorescent Lightbulbs, 7,000 complete	✓	✓
Reduced cooling fan run-times by 14%	✓	✓
Activated economizers on air conditioners, cutting energy use by up to 20%	✓	✓
Replaced 84 vending machines with energy efficient Energy Star equivalents	✓	✓
Evaluating over 700 pieces of food service equipment and developing strategies to deploy new energy efficient technologies in all House food operations	✓	✓
Identified pressure reduction opportunities for the House steam distribution system, saving 2-3% of heating energy use	✓	✓
Waste Reduction		
Eliminated all Styrofoam and plastic food service items in all House food service operations	✓	✓
Replaced all plates, cups, utensils, takeout containers, etc. with 100% compostable items	✓	✓

Green the Capitol Accomplishments

Done | Underway

Installed food pulpers in House food service operations to remove water, making waste 70% lighter and 100% compostable

Established agreement with Department of Agriculture to compost food service waste, ultimately reducing waste stream by over 50%

Procurement

Ensured House food offerings are organic and locally grown within a 150 mile radius whenever possible

Required only Fair Trade coffee be sold in all House restaurants

Directed House Office Supply Store to sell only 100% post-consumer recycled paper, saving 29,400 grown trees

Mandated that all new carpets must be low VOC (volatile organic compounds) and installed using low VOC glues

Switching to green cleaning products and techniques for carpets, offices, and public spaces, creating a healthier work environment

Updated "2007 House Standard for New Acquisitions" to encourage Member offices to purchase Energy Star compliant or equivalent equipment

Outreach

Developing a "Green Team" program for House employees

Increasing electronic distribution of reports and improving archiving requirements to decrease the amount of paper generated

Promoting computer power conservation efforts, including a consolidated server environment for Windows-based applications that will use 65% less power

Held the House's first Green Expo, attended by over 1,500 employees, designed to raise awareness about green transportation options, including 19 alternative fuel vehicles

Transportation

Partnered with Zipcar to provide car-sharing services with four onsite hybrid cars

Establishing a pilot for the Smart Benefit program with DC public transit

GreenTheCapitol

http://cao.house.gov/greenthecapitol

Printed on 100% post-consumer recycled paper with soy-based inks.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Beard.
Mr. Livingood.

OPENING STATEMENT—MR. LIVINGOOD

Mr. LIVINGOOD. Good morning, Madam Chair, Mr. Latham and Ms. Lee. It is a pleasure to be here this morning and to appear before you to discuss the Office of the Sergeant at Arms budget request for fiscal year 2009.

Since I last spoke to you, we have made significant progress in the areas regarding emergency planning. First of all, we have been developing proposals to provide evacuation modeling of the Longworth, Cannon, Rayburn and Ford Buildings and the Capitol. The goal of this model is to model all three protective actions, such as evacuate, shelter in place, and relocation. We are progressing and have come up with an RFP, which we have not put out yet because there is no funding for this, but we have been moving along on that. And I think it will be a big help for us, with the Capitol Police.

We are continuing to work with the CAO's office to review new and emerging alert technology for notifications. We will be conducting further evaluation of the CAO's existing Roam Secure Alert notification system.

Additionally, we have joined efforts with the Architect of the Capitol, Fire Marshal, and the Capitol Police and reached out to every office on the House side and the Capitol regarding evacuation procedures. The offices and committees were issued updated evacuation route maps, which detailed their primary and alternate evacuation routes, as well as maps of the building assembly areas. Each office has an assembly area.

After a recent fire drill, we saw a need to modify several evacuation routes in both the Cannon and the Longworth, and had the Capitol Police revisit some of those offices to change their routes so the stairways weren't as clogged as they had been.

We have also provided updated information on evacuation for mobility-impaired persons. We are working to possibly develop a floor warden program to assist staff and visitors during an evacuation of the House Office Buildings. And we continue to improve our evacuation plans almost weekly.

To accomplish this mission and the goals of my office, the total funding requested for fiscal year 2009 is $8,480,000. This consists of $7,345,000 for personnel expenses and $1,135,000 for nonpersonnel expenses, with an overall increase from fiscal year 2008 of $1,614,000.

This increase is due in part to the request for 15 new FTEs needed to support the Sergeant at Arms operations in the CVC, Capitol Visitor Center, as well as the need to fund contracted service dealing with emergency planning and preparedness.

In closing, I want to thank the committee again for the privilege of appearing here today. And I think each of you know how deeply I consider it an honor to serve this institution.

I want to assure you of our constant vigilance and continued dedication for the safety and security of all Members, staff and visitors, with continued studies being done for improvements in all these areas.

At this time, I would be happy to answer any questions about the budget.

[Mr. Livingood's statement follows:]

STATEMENT OF THE HONORABLE WILSON LIVINGOOD

SERGEANT AT ARMS, U.S. HOUSE OF REPRESENTATIVES

BEFORE

THE SUBCOMMITTEE ON LEGISLATIVE APPROPRIATIONS

FOR THE FISCAL YEAR 2009 BUDGET SUBMISSION

OF THE OFFICE OF THE SERGEANT AT ARMS

Good morning Madam Chairwoman, Mr. Latham and members of the Committee. I am grateful for this opportunity to appear before you to discuss the Office of the Sergeant at Arms Budget request for Fiscal year 2009. Before I begin my statement, I want to express my deep appreciation to the members of this Committee for their continuing support throughout the past year. Your assistance enables us to provide a safe and more secure environment for Members of Congress, their staff, visiting world leaders, and the general public.

As Sergeant at Arms, I review and implement all security matters relating to the House of Representatives. As a member of both the United States Capitol Police Board and the United States Capitol Guide Board, I take part in establishing policies and guidelines to safeguard the Capitol complex and its occupants.

Being able to continue to provide the maximum degree of security, while allowing the Capitol complex to remain open to the public has proven to be one of my most challenging tasks. The situation here is quite unique. The Capitol is both a working building *and* an internationally recognized symbol of democracy; therefore, we remain at an *elevated* threat level.

The Sergeant at Arms office provides services to the House of Representatives through the following six divisions: Administration, Police Services/Special Events, Chamber Security, Garages and Parking Security, Information Services, and the House Security Office. Several responsibilities of the Sergeant at Arms office include the distribution of Member and spouse identification pins, staff identification badges, and parking permits. We facilitate the security clearance process for House staff and provide assistance and advice to Member offices and Committees on the protocols of handling classified information. In addition, we provide logistical and security support for special events both on and off the Capitol grounds. This includes events such as the President's State of the Union Address, Member Issues Conferences, the Presidential Conventions, and the Presidential Inauguration. I oversee access to the House Floor and Galleries and also manage the Appointments Desks in both the Capitol Building and Rayburn tunnel.

Since I last spoke to you, we have made significant progress in a number of areas regarding emergency planning:

1. To increase our ability to get people out of the Capitol and the office buildings safely in the event of an emergency, we are developing a request for proposals to model the Longworth Building, the Capitol, and the remaining House Office Buildings. The goal will be to model all three emergency protective actions: evacuation (routes and assembly areas), shelter in place (office and adjacent hallways), and relocation to additional internal safe areas if necessary. In addition we are working to validate existing Office Emergency Plans, creating 'boiler plate' emergency plans where none exist.

2. Emergency Alert Systems. As background, the House and Senate maintain separate and technologically distinct alerting systems. The only common, campus wide system is the public address system operated by the Capitol Police. The radio frequency annunciator system is campus wide, but operating policies, equipment acquisition and maintenance differ between the House and Senate. My goal is to ensure that we have a campus-wide, multi-modal, emergency alert

system capable of reaching each Member or employee within an acceptable time frame. This system should be an integrated operating platform that will facilitate communication, eliminate the time delays and minimize operator errors inherent in the current stove-piped systems. To this end, we have met extensively with numerous companies providing multi-modal alert services in the private and state/local sectors. In addition, we have facilitated meetings on alert systems with key U.S. Capitol Police personnel and technical experts from both the House and Senate. I will continue with the CAO's office the review of new and emerging technology, and we will conduct further evaluation of the existing Roam Secure System to determine if its operating capabilities can be leveraged to provide the desired expanded service.

3. USCP Evacuation Outreach Program. In an important joint effort with the Architect of the Capitol fire marshal and the U.S. Capitol Police, we have reached out to every office in the Office Buildings and the Capitol. Offices and Committees have been issued updated evacuation route maps which detail the primary and alternate evacuation routes, as well as maps of the assembly areas. We have also reviewed with each office information on the "Buddy System" for mobility impaired persons.

4. Floor Warden Program. I am working to develop a Floor Warden program to assist staff and visitors during an evacuation of the House Office Buildings.

While we have made steady progress, training remains the key element. It is vital that the Congressional community continues to participate in regular evacuation drills and training for escape hoods. It might be a cliché, however, it is always better to be prepared for any eventuality.

We also continue to monitor the physical security throughout the Capitol complex. As you know, the opening of the Capitol Visitor Center will present both a considerable opportunity and a challenge. With such a large expansion of the Capitol set

to open to the public in a few short months, I look forward to working closely with the Architect of the Capitol, the Senate Sergeant at Arms, and the Capitol Police to ensure that it is a seamless transition from construction to operations.

Because of the ongoing War in Iraq and the situation internationally, this office maintains a vigilant oversight of all CODEL travel. I continue to work with the Department of State, the Department of Defense, military liaison offices and various security entities, to coordinate the safe travel of Members of Congress into any hostile threat environment.

To accomplish the mission and goals of this office, the total funding requested for fiscal year 2009 is $8,480,000. This consists of $7,345,000 for personnel expenses and $1,135,000 for non-personnel expenses.

The increase of $1,061,000 in personnel funding is due in part to the following fiscal year 2008 cost of living annualized; fiscal year 2009 cost of living prorated; overtime pay; and longevity and meritorious increases. Of that increase, $700,000 was requested to fund fifteen new FTE. Twelve of these fifteen new FTE are needed to support the Sergeant at Arms operations in the Capitol Visitor's Center (CVC).

- Eight will serve as Support Services staff within the Sergeant at Arms Office of Chamber Security. Support Services staff will operate the gallery check stands and assist with the movement of visitors to the galleries from the CVC.
- Four will operate the two Appointments Desk locations in the CVC.

Of the remaining three FTE one will serve as a Tactical Communications Specialist in the United States Capitol Police (USCP) Command Center. This FTE will operate out of the Command Center and act as a liaison between the USCP Command Staff and the Sergeant at Arms office. One will serve as an Emergency Management Specialist and will assist with emergency preparedness and planning activities for the Sergeant at Arms office. One will serve as an Assistant in the Identification Services Division and will perform administrative tasks such as the production of ID badges.

Funds requested for non-personnel items will be used in part for security related purposes such as travel to advance and support Member issue conferences, special events and funerals, and attendance at training seminars and educational conferences. Funds will also be used to provide contractor support for the Sergeant at Arms Emergency Continuity Preparedness Program. This contractor support will also assist in the development and implementation of the emergency preparedness requirements and strategy for all divisions within the Sergeant at Arms office. This will involve continued tabletop and functional exercises to ensure Sergeant at Arms staff are well versed in their roles and responsibilities relating to contingency planning. Contractor support will also provide assistance in establishing a Sergeant at Arms risk management program and developing a joint House/Senate Sergeant at Arms Emergency Continuity Preparedness Program strategy. Funding will also allow the continuation of consultant services which provide advice and expertise on threat mitigation, force protection, counter-terrorism, and emergency preparedness, response, and recovery. Consultant services will continue to review and advise on security related emerging technology.

Additionally, these non-personnel funds will be used for administrative costs to include transit benefits for eligible employees, telecommunication costs, printing needs, office supplies, materials, and equipment. Funding will also be used to provide continued training in the following areas: chem/bio, crisis management, threat reduction/force protection, information technology, leadership, management and office administration. The increase of $553,000 for non-personnel items can be primarily be attributed to services dealing with emergency planning and preparedness, however, this increase is off-set by reduced spending in other areas. Specifically, projected travel costs are reduced due to convention support funded in fiscal year 2008. Additional reductions are reflected in the budgeting and purchasing of new Congress supplies and materials in even number fiscal years only.

In closing, I want to thank the Committee once again for the privilege of appearing today. I think each you know how deeply I consider it an honor to serve this

institution. I want to assure you of my constant vigilance and continued dedication to the safety and security of all Members, staff and visitors.

At this time, I would be happy to answer any questions about this budget request, or any other questions you may have.

Ms. WASSERMAN SCHULTZ. Thank you very much, Mr. Livingood.

And I really just have to, before I ask you a couple questions, commend all three of you. Because, as the officers of the House, you have been charged with a tremendous responsibility to take care of the Members and to take care of the administration of the legislative process, which is an awesome responsibility. And the three of you are doing an absolutely fantastic job of that. So we appreciate it.

STAFF FINANCIAL DISCLOSURES ON THE INTERNET

Ms. Miller, my first question is for you, and it is a two-phased question. There has been some concern—I remember a few weeks ago I read in one of the newspapers about a Web site that put up financial disclosure forms online of, not just the Members—which comes with the territory when you are an elected official—but also the officers, the reporting individuals, the senior staff who also have to do that. The concern was that they put, I think, personal information up on their Web site, including Social Security numbers and very personal financial information, even the backup material.

I was really glad to read a couple weeks later that your office—that you have been negotiating with the Web site and brought a resolution to that. So can you talk about that?

And also, because I know there have been concerns about the House page program since I got here, if you can talk about the improvements that have been made in the House page program and what we can look forward to with that.

Ms. MILLER. Great. Two of my favorite subjects.

LegiStorm. We have discovered part of what anybody can do is go to our Legislative Resource Center and fill out a form, and they have access to Member filings. When you file your financial disclosures, it is a public record, and so we give it.

But we discovered—and Lenny Shambon is our new legal counsel in the Office of the Clerk, and he just joined us about 2 weeks ago, walked right into this. What Lenny initially did, when we discovered these filings were up on PDF, we immediately went to try to figure out what Members were affected. So we literally, over the weekend, just went through every filing we had in 2007, Member and the senior staffs. And we discovered about 21 Members were affected by it.

And we discovered that some of the staff had been calling LegiStorm independently. They saw this, and they were very concerned.

Lenny was able to negotiate with LegiStorm to say, "Look, this is some personal information that you have of Members and senior staff. It needs to come down."

So we went to the meticulousness of finding the exact page of a Member's financial disclosure. And I will use Mr. Sensenbrenner. Mr. Sensenbrenner redacted a lot of the information in his financial disclosure, but at the bottom of the page, in very small lettering, was the account number and the name of the trust, with his name on it.

So Lenny negotiated, and we came in over the weekend, went through all the financial disclosures, got them typed up. He faxed that over——

Ms. WASSERMAN SCHULTZ. How many were there?

Ms. MILLER. There were about 21 Members.

Lenny, what was it?

Mr. SHAMBON. There were 26. Out of the 440 Members and delegates, 26 had attachments that could have been exposed; 12 had exposed numbers.

Ms. MILLER. And we went through all of the disclosures to find this information out, faxed it over to them on Friday night. By Sunday night, Monday morning, they had been taken out from the Web site.

Moving forward—I mean, that was a fire drill in order to protect our privacy. Moving forward, there is still a lot of concern among some of the staff that names of their children, their personal addresses are still there. And we are working with LegiStorm to get that done.

Moving forward, what we are trying to do as we prepare for the May filings, to put something on the filing report, or as you fill out the paperwork, that the individual filer knows that you have to be very careful about your personal information and redact it.

The other part of this is that we are trying to come up with—in working with the Ethics Committee, we discovered also people's signature was on there. And so we discovered a little—well, it is not a trick, but a little facet in the printing where there is a certain block that we can put a little machinations over, and as you sign the form, once it is copied it goes dark, so that signature is not exposed.

So we are trying to use things like that to help. But what we are really having to do is to do a much better public relations job to inform Members and the senior staff that file, "Be careful of the public information." This was innocently done, I think, on Members' part who just didn't know. And we had some Members that had thousand-page attachments that were exposed; they had security matters.

PAGE PROGRAM

Now, to my favorite topic, the page program. The Republican Leader has given us two new Members to the Page Board, two excellent Members who have an educational background, Ms. Foxx and Mr. Bishop.

After our little controversy, the Speaker and the Republican Leader had asked for the IG to do a study, kind of investigate what actually happened. And out of that came two major recommendations: That we tighten up on the regs for our residence hall staff, and that we actually hire a deputy clerk who would have sole responsibility of reviewing and oversight of the page program—the totality of the page program. The page program is divided into three segments: The work, the school, and the residence hall.

So we are in the process—we have about 37 candidates, applicants for the deputy page slot. We have decided—and we have been pretty thrifty in trying to figure out how we pay for this. So we are

rearranging priorities within our budget so we will pay for the remainder of the year of this deputy clerk slot, this new addition.

And we are continuing our—since last summer, we have been, I guess since June, maybe April, with the cooperation of the Sergeant at Arms, doing a robust security evaluation of the residence hall. So we have gone through, we have created a whole new system where the residence hall staff can actually see the ingress/egress of the students leaving the dorm. It is phenomenal, the work we have been doing. But it has been over a lot of months.

And that is basically where we are. We have got, I think, an excellent program. You have to see the kids. Once they come in, they are a little starry-eyed. But once they leave, you see that they really get this. They really do. And it is a great program. And we are going to work on improving it.

Ms. WASSERMAN SCHULTZ. Great. Thank you very much.

Mr. Latham.

Mr. LATHAM. I just hope the pages aren't totally skewed for their lives after they have been around here.

You said you had 26 Members that had their information, personal information, disclosed. How many staff people?

Ms. MILLER. There were, let's see—do any of you know offhand?

Mr. SHAMBON. The Members who had errors were 12—nonredacted Members. And all 12 of them had gotten on the LegiStorm site. For the staff, out of the 3,219 filings, 68 had errors, and 30 of those 68 had numbers on the site.

MEMBERS' REPRESENTATIONAL ALLOWANCE

Mr. LATHAM. Mr. Beard, in January, there was a reprogramming request for $14.4 million, as far as the MRAs, because of the shortfall in 2008.

Can you assure us that there is not going to be any other shortfall for the MRAs for the remaining portion of this year?

Mr. BEARD. Well, I think, for the remainder of this year, no, I think we are in good shape.

But, you know, the MRA is probably the most complicated account we have, because we have to guesstimate about 18 months in advance what rate the Members are going to spend at, include that in the request, and then it goes to this committee. But then the Committee on House Administration actually sets the level with the authorization.

So, as we have gone through this series of continuing resolutions, the difference between the authorization and appropriations has been narrowing, and that was one of the reasons that there is a request this year for an increase from a lot of the Members.

We are going to do our best to avoid it; let me just put it that way.

Mr. LATHAM. Are there any other accounts, different select committees or anything like that, that are going to have a shortfall?

Mr. BEARD. No. The committee accounts are in good shape. And the Select Committee on the August 2nd Vote as well as the Select Committee on Global Warming are in good shape.

Mr. LATHAM. Your request of $590.6 million, do you know what percentage of the authorization that is—how that compares historically to the percentage of the authorization?

Mr. BEARD. This is for the MRA?

Mr. LATHAM. Right.

Mr. BEARD. It is 92 or 93 percent, somewhere around there. That is what we shoot for. It is usually 92 or 93 percent of the authorization.

Mr. LATHAM. My understanding is that it is about 91 percent. Historically, it has been 92 or 93, which would potentially lead us to another shortfall next year. But hopefully that doesn't happen.

CAO PRIORITIES

You listed the priorities here. Is this list with new initiatives, the order of your budget priorities? I mean, we are going to be under real pressure, obviously, as far as our budget. How would you prioritize?

Mr. BEARD. Well, if asked to go back and prioritize, I guess I had better go back and rearrange the list. And I think there are a number of people——

Ms. WASSERMAN SCHULTZ. You will be asked to prioritize.

Mr. BEARD. Okay, well, that is fine. I am happy to do it. No, they weren't presented in any particular order of importance.

I think that some are new, but some are, like the committee program, an attempt to continue and finish an activity that was started several years ago. And we wanted to put renewed emphasis on it.

Mr. LATHAM. If you could, actually, prioritize.

Mr. BEARD. Sure.

[The information follows:]

QUESTIONS FROM THE HEARING FROM MR. TOM LATHAM

In response to a request for prioritization of new initiatives, please see the following chart:

NEW INITIATIVES PRIORITY RANK

Priority	New Initiatives	Account	FY09 Budget Request
1	Speaker's Wounded Warrior Program: Operations.	A&E	$5,000,000
2	Benefits Enhancements: Student Loan Program Increase to $10,000 annual & $60,000 career cap.	A&E	4,000,000
3	Benefits Enhancements: Tuition Reimbursement	A&E	7,500,000
4	Benefits Enhancements: Centralized Transit Benefits.	A&E	5,040,000
5	Benefits Enhancements: Parking Benefits	A&E	1,650,000
6	Benefits Enhancements: Child Care Subsidy Program.	A&E	500,000
7	Greening Operations & Initiatives	SOE	2,000,000
8	New Member Office Initiative	A&E	13,884,000
9	Hearing Room Renovations: Implement Capabilities ($14.8M) & Initial 12 Months of Operations ($4.2M).	Standing Committees	19,087,000
10	Benefits Enhancements: LifeCare Resource and Referral Services.	A&E	200,000

HOUSE METERING PROJECT

Mr. LATHAM. In the greening of the Capitol, you include $100,000 to verify the proper operation and data from the new Architect of the Capitol metering system.

Do you need to monitor what they are monitoring? I don't understand why they can't do it.

Mr. BEARD. Well, as you know, they submitted a metering request. It has been under advisement here with the committee, and I think the committee has finally approved the reprogramming by reducing the number.

We have been involved with them in a number of different metering activities, particularly in some of our computer facilities. And we meter those as well, and we want to make sure that we are consistent with what the Architect of the Capitol has in place.

The overall issue here is, in the 1992 energy bill, the 2005 and the 2007 energy bills, we were directed to put meters in place to evaluate energy consumption and use in Federal buildings. And we have Federal buildings, and we need to verify and coordinate with the AOC as they undertake those activities, particularly in our facilities, our computer facilities help and other locations that we have.

Ms. WASSERMAN SCHULTZ. Thank you.

Ms. Lee.

REMARKS BY MS. LEE

Ms. LEE. Thank you very much.

And let me associate myself with the Chair's comments with regard to our gratitude for all of the work that you all do every day. You know, so often we take for granted, staff and Members, the type of work behind the scene that is involved just to make this place run efficiently, smoothly and without as many complications that an institution such as the Capitol could afford. So thank you all very much.

And also to Ms. Miller, this is Women's History Month, and I just want to congratulate you and salute you for being such a role model for women throughout the country.

Ms. MILLER. Thank you.

STAFF COLA

Ms. LEE. Let me ask you about the COLA for staff. How does that work between leg branch and House Administration, and how do we know what to really expect? Lots of staff have wanted to know that. Because I have no clue. And you know what happened this year: We thought it would be one thing, staff thought—and then it came out something else, and we had to go back and, sort of, hassle a little bit.

And then let me ask Mr. Beard a couple questions, and you can answer them all together.

I fully support the enhanced benefit package for staff, because all of us know that our staff could make a lot more money and receive a heck of a lot more benefits doing other things. And it is so important to retain staff. All of us know, staff, they want to stay but oftentimes they can't stay, strictly because of the economics of it. So, whatever it takes, I hope that we can move forward with this piece of the budget proposal.

With regard to the alternative pay dates, I just wanted to get from you the status of what we had asked for last year in the omni-

bus bill, in terms of coming back, looking at what the kinks were in the existing payroll system, and what the proposal could or should be from you.

And then how the minority women-owned business program works within your agency. You know, given the fact that we finally, last year, thanks to the Chair and all of us, got in language asking for the inclusion of minority- and women-owned businesses in procurement and vendors and in all of the operations of the Capitol.

Mr. BEARD. The COLA, really, we tee off the President's number. Whatever the President's number is is what we tee off at. But it is complicated here by the fact that we have a Speaker's pay order that sets a cap, and then everything, sort of, cascades down from there. We have to work also with the Committee on House Administration, too, as to the exact number. So it is, like most things around here, a very active—there are a lot of people stirring the soup pot, so to speak.

ENHANCED STAFF BENEFITS PACKAGE

With respect to benefits, I think it is important for us to recognize, historically, we have almost been like a minor league here. We hire people, they come in, they learn the skills, they make the contacts, build the relationships, and then they spin out and go downtown, to then only come back up here and lobby us again, or whatever it is that they do. But they learn a skill, and they make a valuable career out of it.

Every employee we lose is, you know—you have to look, in personnel and management consulting work, they generally consider that the cost of a lost employee is about a year, 1 year's salary to 1½ years' salary. And that is what it costs to recruit, train, get the new employee back up to speed so that the institution can move forward.

And I think that it hurts the institution overall every time we lose these people. So that is why we have put so much emphasis on this. We want to keep and retain employees to the maximum extent we can.

We started just with the issue of parity with the executive branch. We are not asking for anything that some other Federal agency doesn't have. And we went through and canvassed all the Federal agencies to see what benefits they had and how that compared to ours, and the priority of what it is we would like to give our employees.

MINORITY- AND WOMEN-OWNED BUSINESS POLICY

And minority- and women-owned businesses—as a result of your work last year, we set a policy internally. We monitor that on a regular basis. And we have improved our performance, but it is nowhere near what it should be. And we are on target to deliver the report that was requested on time.

Ms. LEE. Good. What is the deadline again? Was it March?

Mr. BEARD. The initial one has already been presented.

Ms. LEE. Okay.

Mr. BEARD. But the other one, I think, is in March or April.

Ms. LEE. Okay. Thank you.

Thank you very much.

Ms. WASSERMAN SCHULTZ. Thank you.

Mr. Lewis.

REMARKS BY MR. LEWIS

Mr. LEWIS. I do have a couple of questions.

I wanted to mention, that, for at least a dozen years Vic Fazio and I worked together on this subcommittee, he being the Chairman and I had the privilege of being the ranking member. One instance that occurred is very much reflective of some of our current difficulties in the House. The legislative branch subcommitee does represent all the Members' interests here, as well as their staffs'. Vic and I were upstairs discussing the committee business as we were going to the markup, and a call came in from the then-Speaker Jim Wright. The issue of the moment, Members' pay raises, was swirling around the House. And Jim called Vic to let him know that he decided, under pressure, to take a poll of the Members and make it public. Well, when Vic hung up, we agreed with each other that that might be very close to the end of Wright's speakership. [Laughter.]

So these things go on within this branch, from time to time.

CAO REPRESENTATIONAL ALLOWANCE

Mr. Beard, I note that you have requested a representational allowance, an item that hasn't been in the budget for a while, or I think maybe since CAO has operated. The amount is not a lot of money, but it is $10,000, which is the equivalent of the Majority and the Minority Leaders' funding for this kind of activity. $5,000 is more than the Majority and the Minority Whips.

So, explain to the committee why the request for a representation allowance. What will you do with it?

Mr. BEARD. We thought the other accounts were $10,000, and that is why mine was. The other officers have representational allowances of, I think it is, $3,000 each. And my request was to establish a representational account.

There are occasions when there are——

Mr. LEWIS. The question, though, is why.

Mr. BEARD. As we have guests and visitors who come here, particularly foreign guests and visitors, meeting with the representatives from the Mexican Senate, the German Bundestag and a number of other organizations, there is usually an exchange of gifts, and we present them something from our supply store and so forth. But those can't be charged back to the account, so I pay for them out of my pocket.

And the other officers have small amounts of money, $3,000 I think it is, for that.

Mr. LEWIS. Okay.

APPROPRIATONS COMMITTEE HEARING ROOM SPACE IN THE CVC

Madam Chairman, yesterday, Ms. Lee and I spent time together over in the Rayburn Building. The Secretary of State was with us, which, to most of us, was important. There was craziness going on in the House. There were votes going on. And it crystallized in my

mind that there is an item that you and, I think, really, the majority members should consider, and you can do something about it.

I don't want to speak for him, but I believe the Chairman of the full committee really hasn't been in favor of a thing called the CVC. Nonetheless, we are going forward with it; it is here. It sure seems to me that the committee is crazy not to insist that the Appropriations Committee have space for hearing rooms in that CVC that are adequate.

I mean, to have the Secretary of State and Barbara and I running back and forth was nuts. And the time is now; it is not going to be later.

So I would urge the committee, with your staff and otherwise, first do some homework and then go from there. I think we could really serve the Appropriations Committee very well if we could.

Ms. WASSERMAN SCHULTZ. An intense lobbying campaign has commenced.

Mr. LEWIS. That is very good. If there is anything I can do to help, or get out of the way, please let me know.

Ms. WASSERMAN SCHULTZ. Thank you.

Mr. LEWIS. I can't believe I am going to be asking this other question, but my staff wanted me to because we have had all kinds of calls regarding it.

COFFEE BRAND SERVED BY RESTAURANT ASSOCIATES

Mr. Beard, I understand that we have, one way or another, made a decision about the kind of coffee we deliver in the House. Now, I deliver coffee that I buy for my staff in my office, so there is no issue in my office. But lots of Members apparently don't like the change in the coffee. And, apparently, this was done without a bidding process. And I am hearing that, at one time, we had very fancy coffee and now we have very common coffee.

So, would you explain that to the committee, as well?

Mr. BEARD. Yes, I would be happy to.

When we moved to the new food service vendor in December, a request was made to us to consider putting in what is called "free trade" coffee.

And we then had a number of different vendors, we had nine different vendors who offered coffee to a blind taste test of about 50 staff people who came.

Mr. LEWIS. I am sorry I am asking this question.

Mr. BEARD. Yeah. [Laughter.]

And the one that was selected was Pura Vida coffee. But we also continue to serve Starbucks coffee in The Creamery.

Ms. LEE. May I ask, was Peet's Coffee in that taste test?

Mr. BEARD. I honestly don't know which ones were, but I can find out.

Ms. LEE. I would like to know. Thank you very much.

[The information follows:]

QUESTIONS FROM THE HEARING FROM MS. BARBARA LEE

Question. Was Peet's coffee included in the coffee taste testing that was conducted?

Response. Peet's coffee was not included in the taste testing. There is only one advertised Fair Trade blend in the entire line of Peet's coffee. While this one blend could have been included, it was not due to a lack of availability of decaffeinated

Fair Trade blend. Although not a requirement, the availability of both regular and decaffeinated for each coffee blend was heavily weighted as a factor for inclusion in the taste testing.

Mr. LEWIS. I am afraid to ask the rest of my questions, ma'am.

Ms. WASSERMAN SCHULTZ. Okay. I think we should quit while we are behind. [Laughter.]

Thank you.

Mr. Bonner.

Mr. BONNER. Thank you, Madam Chair.

NEW MEMBER INITIATIVE

Mr. Beard, the CAO is proposing a new Member initiative at a cost of $13.9 million—slightly more than the $10,000 that the ranking member referenced to in his question. And, as I understand, you want to hire 10 full-time employees.

Could you tell us a little more in detail, other than what is already in your statement, about the new Member initiative? What has not worked in the past?

Many of us are recent Members to be elected, and we went through new Member orientation, and I don't think you want to deprive any future Members who come along. But since budgets are tight, our office has got a 2.7 percent COLA, could you help us understand why we need this money at this particular time?

Mr. BEARD. Sure. The FTEs that we are requesting are to provide financial counselors to the offices. Rather than have each of these offices hire a part-time, shared employee, as some Members do, we would offer the services of the CAO to individual offices if they want to use CAO employees to do their financial and budget work. And we would also offer to the new Members the opportunity to have CAO employees in the technical services area do their computer work. Many Members use part-time employees to do that.

In many respects, this is in response to the current prosecution which arose over a shared employee in the financial services area, where the employee was accused of and, I think, has entered into a plea agreement on theft. And the question is, how do we ensure that the funds made available to the individual Members are being spent as carefully as we possibly can?

So I am working right now with the Committee on House Administration and the Inspector General to come forward with a proposal to make sure that, in the financial services area particularly, there is absolutely no opportunity for reoccurrence of the theft that we had.

And the other thing that we found with shared employees is some shared employees did not make enough money as House employees to qualify to submit ethics forms. Some have not, in the past. I think we have gotten that one straightened out. Some wanted to operate as businesses, but they are not allowed to because they are supposed to be employees of the House.

And so what we are doing is we are really, I think, perpetuating kind of a fiction. We are saying this person is an employee; but they are actually a business, and we are paying their retirement and health care as if they were an employee, but in fact they may have eight or 10 offices that they work for. And, in many cases,

those offices don't know what other offices that individual works for.

So I don't think it is the best arrangement. And the easiest way to get out is to start with the next class of Members and say, "We will offer those services to you." We have to do it anyway, because the bills are sent to us and we double-check everything. And we are the ones that actually cut the check. So the proposal was to offer our services in the financial and the computer services area to the new Members, if they want to take advantage of it.

If they want to hire a shared employee, that is their business, or have somebody on staff do it, they can do it as well.

Mr. BONNER. But it is only available to the new Members?

Mr. BEARD. I would be happy to make it available to other Members, but we don't have the funds to be able to do that. And the thought was, if we started with this class, we could slowly work our way forward as the natural turnover in the House takes place.

ELECTRONIC VOTING SYSTEM

Mr. BONNER. Madam Clerk, this year we have had some mishaps with the electronic voting system. And I was wondering if you could tell me what your office has been doing to ensure that, when we cast a vote, that we can have confidence that it is accurately recorded.

And how old is the current system? And are there any plans to purchase a new system?

Ms. MILLER. Well, we started electronic voting in 1974. So it has had about four upgrades in the last few years, the last being in 2004.

Honestly, Mr. Bonner, I think our system is sound. It is a functionality—we have had more than 2,000 votes, and there has been one where the computer—maybe a glitch or so.

This is a constant daily vigilance. There is a small group of staff, senior staff, both sides of the aisle and the parliamentarian, that receive an e-mail from us every day. We test it before we go into session. If we are in session subject to the call of the Chair, we test it again to make sure that, once a vote is called, that the displays go up on the machine. We are doing everything we possibly can.

To the question of what are we—we are doing an internal investigation and constantly trying to evaluate the system. We are in the process of looking at hiring a contractor to come and—it is like typing, sometimes: You can type something you think it is okay; someone else looks at it and they see a mistake. So we are bringing in, hopefully, a contractor to relook at it.

We really do feel that we have a sound system. Are we in the process of looking at others? Yes. So, when the House decides that we really do need to look at another system, we will have some proposals available. But we don't have something right now saying we can go to X system.

But we are looking at them, not only—I was in Israel in January, and I was sitting there in the gallery, and they have this new electronic system with the little flat screens at every Member's table. A glitch happened. And I said, "I feel your pain." [Laughter.]

It was minor, but it was that kind of thing that, for a minute or two, they couldn't complete their voting process. So it happens.

But we are doing everything—besides the page program, I probably spend more time over at our legislative computer shop trying to make sure everything is done.

Ms. WASSERMAN SCHULTZ. Thank you very much.

WOUNDED WARRIOR PROGRAM

Mr. Beard, you spoke briefly about the Wounded Warrior program and introduced the Master Gunnery Sergeant who is going to be heading that up.

Can you talk briefly about the details of the Wounded Warrior program and how it is going to work? Will Member offices be a part of it?

I know it is a $5 million request. About how many participants will you be able to handle during this fiscal year?

Mr. BEARD. It is really two parts. The first part is that the Speaker has directed the three of us to undertake efforts to hire wounded warriors in the offices and organizations that report to us. She has also requested that Bill, through the Police Board, urge the Police Board to hire wounded veterans with the Capitol Police. So that is one part.

The second part is we want to set up a fellowship program, and our goal is to hire up to 50 fellows by the end of fiscal year 2009. These would be evenly divided between the two parties. And our goal is to hire wounded warriors who achieve a 30 percent disability, as a minimum qualification. We are working with the Veterans Administration and all of the services to reach out to them to find the employees.

These fellowships would be 2 years. They would be centrally funded, so they won't count against the 18 staff-person requirement in your MRA. And they can be either in the Washington office or in the district office; it is up to the individual Member.

Ms. WASSERMAN SCHULTZ. It sounds like an amazing program.

Mr. BEARD. Well, certainly the services have been very excited. We got into this—Bill and I met with the congressional liaison from the Marine Corps, and that is actually how we got started in this. General Regner talked about the need to find employment for wounded veterans of Afghanistan and Iraq.

And this was an opportunity, just like the AAAS fellows or the Sea Grant program—a number of others have it—this is an opportunity to bring people in, give them 2 years to build relationships, get to know the landscape, and work into full employment with either a Member, in their district office or here in Washington, or with a committee.

Ms. WASSERMAN SCHULTZ. Thank you very much.

RESTAURANT ASSOCIATES

On the House restaurants, we have gone through a transition to the new vendor. And I wanted your assessment of how things are going. How satisfied are you and patrons of the new food service provider? Do you have a feedback-collection process? And what is the feedback from the employees of the food service?

Mr. BEARD. I almost hesitate to answer this question.

Ms. WASSERMAN SCHULTZ. It is one of those I already know part of the answer to.

Mr. BEARD. Well, I think, first of all, Restaurant Associates has been a wonderful company to work with. They are very responsive. They have been very aggressive. They did an excellent job of making the transition. They came in Friday night, Guest Services left and Restaurant Associates came in, and we worked all weekend, around the clock, and we opened up the Longworth cafeteria and were ready for business on Monday. So I was very satisfied with the transition.

We have the usual bumps in the road that come from that kind of effort. I have been very pleased with their efforts to try to drive us to have a green cafeteria, to be able to compost our waste and reduce our costs that way as well.

I think in the Members' Dining Room they have done a much better job than in the past, and they are constantly working at the training. We have had some problems of late, regarding supplies. And, as far as I am concerned, that is Food Service 101, and my conversations with Restaurant Associates over the last couple of weeks has been that they need to correct those problems and correct them quickly.

As far as the workforce goes, I have had a couple of complaints from workers who don't think they are getting enough hours. But, for the most part, I haven't had any general outbursts from the employees.

Ms. WASSERMAN SCHULTZ. Do you have a feedback-collection process for patrons and for employees?

Mr. BEARD. We do, yes. I am not sure about patrons. I know that, if you are talking about guests coming in——

Ms. WASSERMAN SCHULTZ. In other words, staff or——

Mr. BEARD. From staff.

Ms. WASSERMAN SCHULTZ. From staff or patrons. We are patrons.

Mr. BEARD. It is the Web site, the Restaurant Associates Web site for the House cafeterias. If you go to that, we get responses from that all the time.

Ms. LEE. Would the gentlewoman yield for just a second?

Ms. WASSERMAN SCHULTZ. Sure.

Ms. LEE. With regard to the price of the meals, the costs the new menus, are you finding they are very similar or more?

Mr. BEARD. In most areas, they are similar. In some areas, they are higher. They have offered a high-end alternative, which, frankly, hasn't been greeted warmly here. And, as a result, they have stopped offering it over in the Rayburn cafeteria, for example.

In some areas, it is a little bit higher. But the Committee on House Administration controls the pricing, and they approved a small price increase, because we haven't had any increase in a while.

Ms. WASSERMAN SCHULTZ. Thank you.

Just the only other part of my question I wanted to specifically ask you is related to the food service employees and the feedback. Because if you have only heard a couple of complaints, I just would want to make sure that the employees—sometimes there can be an intimidating work environment. And I am not suggesting there is one here. But it can be difficult for an employee to complain if they

are fearing for the loss of their job. So do you have some way of anonymously receiving feedback from employees of the restaurant?

Mr. BEARD. I do receive them. They send them to me. And I have my staff, my legal counsel investigate each one of the complaints that have come forward.

Ms. WASSERMAN SCHULTZ. Okay.

Mr. BEARD. I would point out, however, that, you know, when Restaurant Associates came in, particularly in the Members' Dining Room, there was—the plea to us was we really need to improve the service. And to improve the service you have to deal with the people who serve. You have got to improve training. And so one of the things that they have been spending a lot of time on is service and training for people in the Members' Dining Room.

Ms. WASSERMAN SCHULTZ. Thank you. I want to be respectful of the Members.

Ms. MILLER. May I add to that?

Ms. WASSERMAN SCHULTZ. Sure.

Ms. MILLER. One of things that Restaurant Associates has done is we are trying to feed our pages a much healthier meal. So they are giving us muffins and et cetera for free. They are not charging for us in the dorm. But, more importantly, they have the contract for the Smithsonian. Our kids on the weekend were going to Union Station to the food court. Greasy. And so we have made an arrangement with them so we have—come on.

Mr. LATHAM. I like grease.

Ms. MILLER. I do, too. Look at me.

Ms. WASSERMAN SCHULTZ. Me, too.

Ms. MILLER. But we are trying to give them a healthier meal at the Smithsonian. So they have been very good at working with us to make sure the kids get a much more balanced meal.

Ms. WASSERMAN SCHULTZ. Thank you.

Mr. Latham.

Mr. LATHAM. Thank you.

MEMBERS' REPRESENTATIONAL ALLOWANCE DISCUSSION CONTINUED

I just wanted to return back to the MRA question from earlier. From my understanding, your request is about 91 percent. To get to the historic level that we need, to 92 percent, would be five million more; to 93 percent would be 11 million more. I just do not want to get into the situation we had this year with our staff being very concerned and then start looking for jobs real quick because they are not going to get their COLAs or their increases.

Ms. WASSERMAN SCHULTZ. Would the gentleman yield for one second?

Mr. LATHAM. Yeah.

Ms. WASSERMAN SCHULTZ. I do not want there to be a misimpression of how that problem occurred. Because we did—and you were not a member of the subcommittee last year, but we did appropriate in the bill that passed out last June a 4.7 percent increase. We only I think had a $2 million reduction, is that right? About a $2 million dollar reduction between June and the omnibus.

So there was some miscommunication and misunderstanding I think on the part of House Administration as to whether it was us or them that adequately provided for the resources for a COLA. So

we need some more coordination between House Administration and this subcommittee so that we can make sure that we do not have that problem occur again.

Mr. LATHAM. However it occurred, it was a big issue in my office, and I am sure was the case for everybody else. I just wanted to—is that right?

Mr. BEARD. Well, to me this is the easiest issue in the book. I look to House Administration and this committee and say, what do you want me to put in? You know, we go through and do the analysis for you, but it is really left to the committees to work out the actual numbers.

I am sure, going forward—we have added money in, as a result of the reprogramming that took place, $14 million. So we are going to have to sit down with both this subcommittee and the Committee on House Administration to go through the MRA to make sure that, effective January 1st next year, we have enough money in the MRA to make it all the way through.

Whether that is 91 or 93 percent, it really does not matter. Because once House Administration sets the authorization ceiling next year, that is the rate at which Members spend; and it is off to the races at that point. And the rest of it is catching up.

Mr. LATHAM. But my concern is your request does not reflect what is going to be needed. I mean, are those numbers correct?

Mr. BEARD. I am going to have to ask Dan Doody, my Deputy for Operations.

Mr. DOODY. We worked with CHA to come up with the number that was submitted, $590.6. And, again, after we did the initial submission was the reprogramming that was done on the $14 million. So we need to have continuing dialogue with the committee to get that straightened out.

I think Dan is saying it correct. We work with you both to figure out what the right number is based on the desire of the committees. Last year, there was actually a difference between the 3.5 and 4.5 percent. That occurred because the President's number ended up changing after we had all submitted our requests. So that contributed to the problem that occurred last year.

Mr. LATHAM. Okay. But we should go from what history has told us, and it is 92 or 93 percent, which is going to be $5 or $11 million more than what this request is. You agree with that?

Mr. BEARD. I am not sure—is that correct, LaTaunya?

Ms. HOWARD. Yes, that is correct. It's true based on the 2009 MRA authorization request known as of today. To the extent the authorization request changes, the appropriation gap will change.

Mr. BEARD. That is correct.

OPERATIONS UNDER A 2009 CONTINUING RESOLUTION

Mr. LATHAM. Okay. The chairwoman is going to be tired of this question, but I just want to ask each of you about, you know, the potential for a CR. It is not because of the House side. I think we will do our work over here, but the Senate has certainly said they are not going to probably do any more than one or two bills over there. What happens to you with a CR?

Mr. Livingood, you have been ignored all morning.

Mr. LIVINGOOD. I have in my budget a request for 15 new FTEs. Of the 15, 12 relate to the CVC. Four are to staff visitor desks. There are two visitor desks, and two people at each, to take visitors that come in and people that come into the rooms down below for meetings. They process all of these individuals through.

And then I have an additional eight people connected with Gallery access, and they are called my chamber security people. And these eight people, some of them will man check stands downstairs for people that are going up to the Gallery, check in all their cell phones and all these items that they are not allowed to carry into the Gallery.

Right now, they are currently checking them on the third floor. We wanted to get it back downstairs where we initially start so we do not end up with two different lines. Plus it is before you get into the Capitol. Without that, I will be having to do it upstairs, and I will not—it is not the most efficient manner. And, in my opinion, it affects security to a degree. It will not be quite as good as it would be downstairs.

Mr. LATHAM. Okay. Mr. Beard?

Mr. LIVINGOOD. And then I have one person who we have asked for to help man the Capitol Police Command Center on behalf of the House Sergeant at Arms to make sure that I am getting all the traffic messages that are happening, everything that is occurring instantly.

Mr. LATHAM. Okay.

Mr. LIVINGOOD. And, right now, I have one of my employees up there, my co-workers, but I cannot keep—that is an IT person, which I need back in my IT shop. I only have two people, and I just hope that there is some flexibility considered if we go into the CR.

Mr. LATHAM. CR. Sure.

Mr. BEARD. From our perspective, we have operated under CRs for the last 3 years, so we can do it a fourth year.

The most important item we have in here——

Mr. LATHAM. That is a bad answer.

Mr. BEARD. Well, you know, you cannot do anything about it; and neither can I.

But the most important item I have is for the $4.7 million to bring in new members. We just have to have that money. But I do not think that is a problem. I am working it through with the committee staff in the way that we have handled CRs in the past. So we could handle it.

Ms. MILLER. Mr. Latham, it would be tight, but we prioritize. For instance, our $300,000 that we used for our upgrade of our computers, we could delay that. My only concern is if the House is actively doing its business, its hearings and all that stenographic work, that will impact our overtime and our—what we do for—overtime in our stenographic work. Otherwise, we will reprioritize and rob Peter to pay Paul and get it done.

Mr. LATHAM. Just one comment on the coffee. There is really good soybean-based coffee coming from Iowa.

Ms. WASSERMAN SCHULTZ. All politics is local.

Mr. BEARD. I can assure you, Congressman, that I have got 440 people who advise me on that.

Ms. WASSERMAN SCHULTZ. 439. I do not like coffee.

The gentleman's time has expired.

I do want to note, to follow up on Mr. Latham's question and noting we have no other members here, that the Legislative Branch Subcommittee is always afforded flexibility when we are in a CR. And I know you ask the question every time and I say this every time, we are always afforded flexibility because of the primarily administrative functions that have to occur. And I would expect this year to be no different.

I share the same concerns you have about a CR, and I know that we would go to bat for an allocation in a CR that would make sure——

Mr. LATHAM. I just want to make sure everybody is thinking about it.

Ms. WASSERMAN SCHULTZ. Yeah. The essential functions must continue, and we have to be able to operate the legislative branch.

Mr. Bonner.

Mr. BONNER. Yes, ma'am.

STAFF ONLY RESTAURANT HOURS

I have two quick questions for the Sergeant at Arms and one for the CAO, for our Chief Administrative Officer. Is there any way that we could look into what the Senate I believe does to allow at least one of the restaurant facilities to be closed—we used to do this—for a certain time period for our staff? Because even though they go—there is a special line, many of them do not have time, especially when we have got—excuse me, I just ran—they do not have the time of leisure that some of our constituents, who are the taxpayers who provide this opportunity to us, have when they come up here. And I think if we could see what the Senate does and see if we could do that in at least one restaurant facility on the House side it would be beneficial to the staff.

Mr. BEARD. The answer is yes. I have made a proposal—I made a proposal last year to the Committee on House Administration, which they did not act upon, which was to essentially have a rolling blackout, if you will, for visitors. In other words, from 11:30 to 12:30, 12:30 to 1:30, 1:30 to 2:30, we would move it from the Cannon, Longworth and Rayburn Building so that staff would know if they are in the Longworth Building that from 12:30 to 1:30 it is not open to visitors. Visitors would then be directed to other locations.

I happen to be an advocate for it, especially as we go into this spring period when, you know, the place is sometimes like a zoo down in the Longworth cafeteria, and in Rayburn as well. It takes a little bit more on the security side to have an officer there to help direct traffic flow.

But the answer to your question is, yes, we can do it, but the feeling has been that, you know, if my constituents—if I can go in and my constituents cannot, that looks bad.

Mr. BONNER. But we are going to be opening a brand new large restaurant facility in the CVC——

Mr. BEARD. We will.

Mr. BONNER [continuing]. Which I think many visitors will probably welcome the chance to dine there.

All I would say is, if we could look into it.

CAPITOL VISITORS CENTER

And then to our distinguished Sergeant at Arms, who we all have great respect for, as is true for the three of you, yesterday, this subcommittee held a hearing with the CVC folks and the Architect of the Capitol; and I think our Chair and our entire panel actually was concerned about he said/she said. We were asking specifically about what could be done to bring visitors to the Capitol, as close to the Capitol complex when the CVC opens and minimizing the disruption to them, at the same time respecting the security element. So that is question one.

What, from your perspective, can be done to keep them from having to go to Union Station and then be brought over on a shuttle bus where they would have to pay to do so? That just seems to be an unwelcoming message to our Capitol.

EXPEDITED ACCESS FOR STAFF AT SECURITY ENTRANCES

And, secondly, and he and I—the Sergeant at Arms and I have talked about this previously, but since I am on this subcommittee now I am going to ask it officially——

Mr. BEARD. You might get a better answer.

Mr. BONNER. I am a staffer at heart. I was on staff for 18 years. And I find it incomprehensible that when it is raining, when it is snowing, when it is hot, that our staff has to stand sometimes 100 yards long to get in the building when they have gotten an I.D. Is the I.D. not worth anything that could allow them to not have to stand in such long lines as they did when I first started here?

Mr. LIVINGOOD. The answer to that is I recognized that over 4, 5 months ago, sometime after you talked to me about it; and we issued instructions to the Capitol Police on the House side to allow staff to the front of the line, bypass the visitors, et cetera, et cetera. The only people that would come in front of them would be a Member, if a Member is trying to get in. And if they are not doing that—some of the doors are doing it, because I have observed it personally. But we will reissue, make sure that they are. Because I agree with you 100 percent.

Mr. BONNER. But when I first started we did not even have to go through the metal detectors. The background check had been done, and if you were allowed to get a badge you did not have to stand in a line to go through to prove you are not a security threat.

Mr. LIVINGOOD. Right.

Mr. BONNER. What about the issue with regard to the CVC and what we can do to——

CAPITOL VISITORS CENTER DISCUSSION CONTINUED

Mr. LIVINGOOD. Yes, the Capitol Police Board, in conjunction with the Capitol Police, are looking at that. We just talked about it yesterday separate from your CVC hearing. Because we do not go to the CVC. And our object is to get you as close—not you, visitors as close to this building as we possibly can.

We had come up with the idea of the commuter bus for one, because that does not have an undercarriage that we—there are some

things I will not mention here—but just makes it easier for us to search it. And we are still exploring are there any other ways?

We have kept the West Front open, which is a big thing; and we are constantly looking at that, too, to see what we can do to make it as easy and as accessible as possible.

Because if you do not get these people here, all this effort we put into the CVC will not be as fortuitous as we want it to be. We want everybody to come.

Mr. BONNER. Okay. So the restaurants, you will look at something for the staff. You are going to continue your efforts on shorter lines with the staff. If there is a poll of who is the most popular Member for the staff, I hope that you will remember the name Jo Bonner.

Ms. WASSERMAN SCHULTZ. Mr. Bonner, I am a former staffer, not congressional but legislative, and you can take the girl and have her no longer be staff, but you can not take the staff out of the girl, and I agree with you.

And on the Senate side, from what I understand, they have staff-only entrances. I always feel bad I am breezing by staff members, I mean, tourists, too, but breezing by staff members because, obviously, we can go to the front. It is sort of crazy.

I do think in this environment we have to have our staff go through the metal detectors, but it is sort of crazy for them to have to stand in line, and especially in this season when Washington is teeming with tourists. They have got to do their work for us. We have to get them through the process.

Mr. Livingood, last year, Ms. McCollum and Mr. Honda asked—and I actually do not remember whether it was this hearing or in the Police——

Mr. LIVINGOOD. Capitol Police Board.

Ms. WASSERMAN SCHULTZ. Yeah, in the Capitol Police hearing.

Mr. LIVINGOOD. Yes, ma'am.

EVACUATION PROCESS

Ms. WASSERMAN SCHULTZ. But I wanted to bring it up with you anyway today, since you are here and can report somewhat on your progress about the evacuation process, which you talked on in the beginning. But, specifically, they are concerned because they both are in Longworth, and the process and the difficulty with the number of floors and if you are caught on the seventh floor. And I know you have made some changes, and if you could detail those changes and improvements.

Mr. LIVINGOOD. Yes. The first thing we have done, I mentioned just briefly here, we partnered with the AOC's Fire Marshal and the Capitol Police, my office did, and we went back to every single office in the three buildings and the Capitol and looked at what routes they were using. They had been assigned routes, what doors to go out or stairwells. And again from the fire drills we noticed that there was an extremely long line and a long period to exit from the southeast area of the Longworth and southeast area of the Cannon.

So those particular areas on the fourth and third floors and second floor, the Capitol Police, with the Fire Marshal and our office, we made a decision how many people should go out that southeast

exit and change other people to other exits, some towards this end, which would be the north end of the building, so that we are not all congested. And I stood down there at a couple fire drills watching.

After we had done this, we had another fire drill, and I went back there, and I noticed it was probably about 45 percent, somewhere in that vicinity, better. But still not as good as I would personally like to see.

So we went back to those two buildings with the Capitol Police on those fourth, third, second and first floors and changed some—one or two on every floor, not the whole thing, but just one or two on every floor and gave them other exits.

So that is where we stand on that today.

Ms. WASSERMAN SCHULTZ. Okay. Good.

Mr. LIVINGOOD. We continue to observe that and are flexible in changing routes because that is our big concern. We thought of switching the Member assembly areas, some of them over to the Capitol. That was a suggestion. And we looked at that long and hard and with some other experts, and the problem is the staffer sort of is programmed to get away from the Capitol, not come back over here, and we found that very few would want to come back in the event of certain evacuations to this area. So we kept the assembly areas where they are, but we intend to tweak those as best we can.

Ms. WASSERMAN SCHULTZ. Good. I appreciate your responsiveness. I will make sure that Ms. McCollum and Mr. Honda are aware of it.

Mr. LIVINGOOD. Then I had two other areas that they asked——

Ms. WASSERMAN SCHULTZ. No, go right ahead, absolutely.

Mr. LIVINGOOD. If I could.

Ms. WASSERMAN SCHULTZ. Please.

MODELING OF HOUSE BUILDINGS

Mr. LIVINGOOD. Because they did ask me. And one was to look at what electronic systems or computer systems you can use to assist you in evacuations under various conditions, simulation. And we have been doing that for the last year.

And we basically completed our study, and we feel that a three-dimensional modeling computer agent-based simulation computer modeling system would help all our buildings and the Capitol. It would provide better evacuation planning for us and drills, with the ever-changing environment here on the Hill.

Like when I found that it was backed up at a certain stairwell, we can put that into our computer and see where people—other stairwells, where they ought to go. This simulation tool would use a variety—not just fire, but it would use a variety of scenarios and options such as explosions, chemical release, attacks or other incidents; and it would help us with our stairway evacuations, our shelter in place, and our assembly areas.

And I think it is really, after a long study—because we have been looking at it a couple years. Mr. Honda started us looking, and thank him, because that got our attention and got us thinking about it, and we brought in a bunch of people just to help us look at things.

It would really help identify the flow of occupants. It would determine potential medical hazards such as smoke. We can put into the thing "smoke". And it is a great training aid for all of us.

The problem is we are not funded. For the House to fund all our buildings and the Capitol would be about approximately $500,000. We have not done any. We have written up a proposal, a bid for proposal, but that is it. We have not sent it out or anything because we do not have the money.

Ms. WASSERMAN SCHULTZ. Okay. Thank you.

Mr. LIVINGOOD. The other thing was the notification that they asked for.

Ms. WASSERMAN SCHULTZ. Sorry. I keep cutting you off.

HOUSE NOTIFICATION SYSTEM

Mr. LIVINGOOD. This was the House emergency notification system. So we had looked at five or six vendors from outside that have a system where they have all your data for your staff, Members if we wanted that—we just did not want them to have our Member data. And they put it into a system, and then we have one unit up at the Capitol Police headquarters and type in and it goes out to, within a couple minutes, 10,000 people in text, goes out to your BlackBerry, whatever you choose: BlackBerry, telephone, e-mail, whatever.

Ms. WASSERMAN SCHULTZ. That is important.

Mr. LIVINGOOD. Then we found out we already have a system here, thanks to Mr. Beard and his staff. We co-partnered with them. They are the technical people.

And, right now, the House has two tiers for alerts. The first tier is one you all know: the fire alarms, strobes, the annunciators and the public building address systems. The second tier is a roam secure alert network and the Member voice paging system that we can combine if we took roam secure, which is as good as if not better than the other ones we looked at. We could keep all that data here so your data is secure, not with some other vendor, and send it out—we figured in one minute we could send out 10,000 text messages. That is awesome. That way, all staff can get any messages that we wanted to be sent out: evacuation, where to go, what to do.

What this would entail is having someone in each office be responsible for getting to us or getting to whomever we decide will be the person that keeps all this information and gives it to the CAO so they put it in their system. One person in each office that would go to all the staff and Members and find out what—through which system do you want to be notified? Telephone, BlackBerry, et cetera.

This also can have a telephone capability for some. It can have——

Ms. WASSERMAN SCHULTZ. Cell phone, you mean?

Mr. LIVINGOOD. Yes, ma'am. And we figured the cost—we do not have an idea, but taking what we have is a lot less expensive to consolidate all our tier, first and second tier, into one machine that we can type on.

Right now, you have got to go to two or three, and that is a delay. You only have X number of officers up there. So one guy

does the first one and goes to the second one and goes to the third. If we had this system, we could combine first and second tiers into one machine; and that would cost—we do not have a—approximately $400,000 to $500,000. Then we wanted—we can do a desk pop-up on your computer. It pops up; and it says, alert, emergency, or whatever your message is. But everything has a price.

Ms. WASSERMAN SCHULTZ. True.

Mr. LIVINGOOD. And that is $450,000.

Ms. WASSERMAN SCHULTZ. But these are not things in your budget request.

Mr. LIVINGOOD. No, these are not in our budget request.

And a cable TV scroll, which is your cable TV. The Senate is working on that; and it comes across and says, alert, whatever the message is.

Ms. WASSERMAN SCHULTZ. Thank you very much.

Mr. LIVINGOOD. But we favor those very strongly.

Ms. WASSERMAN SCHULTZ. Thank you very much for your very thorough answer.

Security and how we get people out of the building is incredibly important.

Mr. LIVINGOOD. Yes.

Ms. WASSERMAN SCHULTZ. And consistency. If people do not know where to go——

Mr. LIVINGOOD. Exactly.

Ms. WASSERMAN SCHULTZ [continuing]. Then the system is worthless.

Mr. Latham.

Mr. LATHAM. You have not changed a bit in 14 years, Bill.

CARBON OFFSETS

Mr. Beard, there was a Washington Post article earlier this year, generating a lot of concern that I have heard at home about the carbon trading issue. The CRS, in a report, had made two observations: one, that there are no commonly accepted standards for the market—and last year we spent what? $89,000?

Mr. BEARD. Yes.

Mr. LATHAM. And, two, that consumers should adopt a buyer beware mentality.

You know, back to negotiations on Kyoto, people like Enron were the biggest proponents of carbon trading and this type of speculative market, actually. And there was a Dartmouth professor of environmental science who has said there is really no long-term benefit to it.

I just wonder, with the kind of red flags that are out there, you want to increase the amount available for us to spend. Why would we want to put taxpayer dollars into a scheme like that when we are not sure about the variables? There is no way to verify that it does any good. We are on a tight budget.

And the GAO I think was going to have a report on this, and they have not reported yet. But could you just explain?

Mr. BEARD. Sure. I think the easiest way to think of carbon offset credits is it really is a license to pollute. Companies have undertaken activities where they have reduced the emission of carbon into the atmosphere; and, as a result, they go to a marketplace and

they sell, if you will—if somebody does want to undertake an activity and build a plant and pollute, for example, put carbon into the atmosphere, they can purchase offset credits.

What we did is purchase offset credits and then retire them. So, in essence, what we did is we made sure that a certain amount of carbon was not released into the atmosphere. We did this for—primarily because not only is it I think the right thing to do, but we want to try to achieve carbon neutrality with the operations of the House.

By purchasing renewable power for all our electric needs, we reduced our carbon footprint a certain amount. By buying natural gas for the Capitol power plant, we reduced it more. But, frankly, we were at a point where we could not in this year do any more to reduce our carbon footprint.

And the logical thing for large companies, state governments and other institutions is to go to the Chicago Climate Exchange. This committee had report language where they requested us to do that. The authorizing committee approved our approach. We went ahead and did it, purchased those credits; and they are with us for this year, anyway.

Are we going to do it again? I do not know. Given the kind of controversy that it created, I am going to do everything I can to try to avoid doing it again. But I cannot say that we will not. I just do not know what our carbon footprint is going to look like next year.

You know, there is no shortage of people looking over my shoulder on this particular issue: the Inspector General, GAO, the authorizing committees, the appropriations committees and individual Members who have views on the subject, both pro and con. So it is like a lot of things around here. I think it did generate some controversy. But to be perfectly frank with you, it is a new market. It may have problems associated with it, but it is the best market we have got. And if we are going to reach carbon neutrality in our operations, it is the one thing that we have to be able to do.

Mr. LATHAM. Just one part of——

Mr. BEARD. Sure.

Mr. LATHAM [continuing]. What that purchase was last year, supposedly, it was to give some farmers some money in North Dakota. And I do not know if you are aware, but these farmers were doing basic tillage practices, been common for 20 years.

Maybe you are not also aware of the fact that any kind of conservation, if they are enrolled in the government program, they are paid through the Farm Bill to do exactly what they are already doing. So they are, in essence, getting a check under the Farm Bill for doing this and then also getting paid on top of it for doing nothing else.

So as far as any kind of net benefit—some people called it indulgences, basically, that you are paying for the sin. I just have real concern. I do not know, are you aware that they probably got paid twice from the government on this to do exactly——

Mr. BEARD. No, I am not aware——

Mr. LATHAM [continuing]. What were common practices?

Mr. BEARD. It is a no-till activity.

Mr. LATHAM. I am a farmer. That is common practice for the last 20 years. They are not doing anything extraordinary at all. They are being paid already by the government for the same thing.

Ms. WASSERMAN SCHULTZ. The gentleman has gone beyond his time.

Mr. LATHAM. In more ways than one.

Mr. BEARD. Okay.

Mr. LATHAM. I have real concerns with it, especially when people like Enron were pushing it.

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

Mr. Bonner.

Mr. BONNER. Madam Chair, I think I have just got one more suggestion since I have got this opportunity and then—

Ms. WASSERMAN SCHULTZ. You are brimming with suggestions today, Mr. Bonner.

Mr. BONNER. Thank you.

HISTORICAL SIGNAGE IN MEMBERS' OFFICES

Well, the suggestion is this. I tried this with your predecessor, Mr. Beard, so I am going to try it now with you. This place is so full of history; and it seems to me, as our friends over on the Senate do—not that the House ever really wants to be led by the Senate, but it seems to me it would be very easy for us to mark the offices in the office buildings of the former Members who went on to become Presidents.

Five of the last nine Presidents have been former Members of Congress; and I think when you have people in these office buildings who may not come over to the Capitol or to the CVC, it would be a chance for them to see a part of history, even if they can not experience it personally.

Just a suggestion.

Mr. BEARD. Can I respond to that?

Mr. BONNER. Absolutely.

Mr. BEARD. The Architect of the Capitol does have a group which oversees, you know, the history of each room; and by consulting with them I think you can get a general idea. The problem is that from—prior to 1908, there was no office building. Everybody was in the Capitol. So in the Cannon Building, when they opened that up in 1908, from 1908 to 1933 everybody had just one office. Now they have three. So you will have multiple people in there, and it is somewhat difficult.

When they opened Longworth, everybody had two suites, not one; and so it is kind of difficult for them.

But the Architect of the Capitol does have a group that has a history of each of the offices. And I know that former Congressman Pritchard of Seattle tried to undertake this activity once he left the House as sort of a duty, and I do not know how far he got with it. I think it is certainly informative to the Members, as you are in your office, that you could say, you know, a former President or whatever was here at one time. So I think it is useful to do.

HALLWAY POLICY

Mr. BONNER. Okay. And then the question—and this has been a debate. I guess this process started when the Republicans were in

the majority, and it has continued now that the Democrats are in the majority. But earlier this week I saw a gentleman walk into one of these poster boards that is out in the hallways. And I am not pretending to speak for the committee here, but just for my own personal opinion. There is a security issue here. There is certainly a health issue here.

And not weighing in, since both sides—both parties have organizations that have poster boards talking about the debt and the tax increases and things like that, I would just ask you as CAO and also as Sergeant at Arms, are there health concerns and—I mean, not mentioning the clutter aspect of it, but are there health or security concerns that Members should consider when we think about whether we are going to put some poster board in front of our doors?

Mr. BEARD. I think absolutely, without a doubt. Just 2 weeks ago, for example, a large delegation of blind people were here on campus; and to watch them try to work their way down the third floor of the Longworth Building would have been a pretty gruesome sight.

The Speaker is getting ready to issue a hall policy. And it has been complicated. The original policy was put together by the previous Speaker, and there have been stops and starts to this. But I think we have now reached the point where we have to implement this from a safety standpoint. And especially if something—if we have a fire and there is a real emergency, those things will fall down, people will trip over them and, you know, it is usually—it is never the fire that gets you, it is the smoke or being trampled that is really the difficulty.

So I jumped in.

Mr. LIVINGOOD. And from the security standpoint, strictly an evacuation, to stop and think when you have got a mass of people in the buildings, like today, when there is so many visitors, you are going to be hitting those things, walking down the hall tripping on them. They should not be there.

Mr. BONNER. I look forward to the Speaker's policy. As someone who was concerned when they moved the Coke machines out of the basement of Cannon because of possible obstruction, it just seems to me that was in a very narrowly defined area that only a few people knew where to go get a soft drink. These are in every hallway in the complex. And, again, if it is treated where both sides are treated equally on that, I do not know who can really complain about it.

Ms. MILLER. Mr. Bonner.

Mr. BONNER. Yes, ma'am.

Ms. MILLER. Can I add to that?

Having processed rooms for two previous Speakers, that is one of the largest problems we had. My job was to make sure that there were no obstructions like that in the hallway. But you know what the biggest problem was? The Members.

Mr. BONNER. The Members.

Ms. MILLER. The Members just insisted on doing it. And the more I would walk up and say, Congressman, you have an obstruction in the hall, they would say, I am a Member, you are a staffer. So——

Mr. BONNER. Madam Clerk, are you suggesting there is arrogance among Members?

Ms. MILLER. I would never suggest that. Just making an observation.

Mr. BONNER. Thank you, Madam Chair.

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

GREENING OF THE CAPITOL DISCUSSION CONTINUED

I do want to point out that on the Greening of the Capitol Initiative the amendment that requested the carbon offsets was sponsored by Congressman Kirk. This was a bipartisan initiative, actually, an initiative by Congressman Kirk himself. So it just needs to be clearly understood where that initiative came from.

And my understanding—I know, Mr. Beard, you indicated that you were going to try to avoid carbon offsets. From the information I have, it does not appear that you are likely to need them this year from your proposal that is before us now.

But the whole idea of the Greening of the Capitol Initiative, let's remind everyone, is so that we can set an example and begin to address the issue of global warming and climate change. And if not us, then who? And so to that end, with that goal in mind, how close are we to the goal of a carbon-neutral House?

Mr. BEARD. We will achieve it by the date of the end of the 110th Congress.

The difficulty I have run into is this committee added some money for purchase of renewable electric power through the Architect of the Capitol. They decided to run an RFP for that. That RFP has been challenged, and so that is held up at the present time. The natural gas purchases are going forward. So once we get over the protest to the bid of the Architect, we will achieve our goal. I fully expect that we will do it early.

Ms. WASSERMAN SCHULTZ. That is wonderful. How much energy do you estimate we will have saved by the end of this Congress due to the Greening Initiative?

Mr. BEARD. I would hesitate to guess at this point, but I can provide you something for the record.

Ms. WASSERMAN SCHULTZ. That would be great. Because I imagine it would be quite a bit.

[The information follows:]

QUESTIONS FROM THE HEARING FROM MS. WASSERMAN SCHULTZ, CHAIR

Question. How much energy do you estimate will have been saved by the end of this Congress due to the Greening Initiative?

Response. We intend to have our consultants do an energy consumption audit once all major initiatives have been in place for six months, so as to accurately reflect the reduction in energy.

At the current time, we have six of the energy savings activities either currently under way or planned for the House in calendar year 2008; they are: (1) Lighting retrofits; (2) Steam pressure reduction in the distribution lines; (3) Vending machine replacement; (4) Activation of variable speed drive function on air handler motors; (5) Improved scheduling for operation for HVAC equipment; and, (6) Duct sealing.

The only one for which we have estimates of energy savings is the lighting retrofits which we estimate will save 2.4 million kilowatt-hours (kWh) per year.

HISTORICAL SIGNAGE DISCUSSION CONTINUED

Ms. WASSERMAN SCHULTZ. In addition, although I know Mr. Bonner had to depart, we did have report language in our bill last year relating to historical signage in Members' offices so that when our constituents would come—and also for the Members' own edification that that process is under way. I think we had some study language in the bill so that we could make sure that, if Members wanted to, they could post a placard in their office so that you would know what the history was in the office that you were housed in.

I have completed the questions that I have.

CARBON OFFSETS DISCUSSION CONTINUED

Mr. LATHAM. As far as the carbon offset thing, the Kirk stuff was report language. It was not bill language but encouraging you to look at potential purchases like that.

I know my folks at home would be much more comfortable if we actually spent money on things that we know will actually reduce the carbon footprint here, rather than a very speculative scheme that there is a lot of question on from environmentalists, from commodity people who look at this market as very questionable, and as far as being able to verify any benefits.

So that is my concern. I appreciate it.

Ms. WASSERMAN SCHULTZ. I am sure that, Mr. Beard, you will use your best judgment. But the overall goal is to eventually reach a carbon-neutral House——

Mr. LATHAM. Right.

Ms. WASSERMAN SCHULTZ [continuing]. And we need to make sure that we have all the tools that can help us accomplish that available to us.

CHAIR'S ADDITIONAL ASSIGNMENT

As we have heard today, the House of Representatives' request includes $19 million in new or expanded benefits for House employees. I am interested in the proposals and would like some additional detail. As Ms. Lee said, taking care of our employees—and I know, Mr. Beard, that that has been a really important goal of yours. Since the first minute I met you, you have been talking to me about expanding the benefits for House employees.

Mr. BEARD. Especially all those smiling people behind you.

Ms. WASSERMAN SCHULTZ. It is a big recruitment and retention issue. We all suffer the worry of losing one of our staffers to a much more lucrative position, and anything we can do—and benefits really the only way that we have to entice people to work for us and to keep them here. In addition to the, you know, fabulous environment that they get to work in.

But, also, the notion of public service, because we have so many—the vast majority of our employees are here because they have big hearts, and they want to give back to their country. But they also have to eat, and they have to take their kids to the doctor.

Mr. BEARD. Well, and the chairman of the full committee, Mr. Obey, has, you know, spoken out on this issue a number of times

and has made it very clear that he did not feel it was appropriate for us to request benefits beyond that that were currently received by the executive branch. And I agree with that, and that is why we have tried to narrow our request down to make sure that we bring ourselves up—our employees up to parity with the executive branch.

Ms. WASSERMAN SCHULTZ. So, with that in mind, if you could submit a report—the CAO could submit a report by next Thursday, March 20th, that discusses each of the proposed benefit increases in terms of how widely available those benefits are to other Federal employees, how the benefit levels requested compare to the benefit levels offered by other agencies, and how each of these requested benefits will function and be managed—for example, will they be managed centrally by you or will they be handled out of the Member's office or a combination of those?

But I think if we can send a message out of this 2009 legislation coming from this committee it is that we care very much about recruitment and retention of our very high-quality employees.

So, with that, the subcommittee stands in recess until April 9th at 1 p.m., when we will hear from the Capitol Police about their budget.

Hearing on the House of Representatives' FY 2009 Budget Request
March 12, 2008 at 10:00 AM
H-144 Capitol

Additional Assignment from the Chair
Ms. Wasserman Schultz, Chair

As we've heard today, the House of Representatives' request includes $19 million in new or expanded benefits for House employees. I'm interested in the proposals and would like some additional detail. With that in mind, I'd like the CAO to submit a report by next Thursday, March 20th that discusses each of the proposed benefit increases in terms of:

- How widely available those benefits are to other federal employees
- How the benefit levels requested compare to the levels offered by other federal agencies
- How each of these requested benefits will function and be managed (for example, will they be managed centrally or by each Member office?).

Response:

Changes to Employee Benefits

The House of Representatives has the ability to significantly increase a number of employee benefits to improve employee retention and attract new employees as well as to gain parity with the Executive Branch.

A. Centralize House Transit Benefit Costs and Administration

To encourage Members, Officers and House employees to use public transportation systems to commute to and from work, House offices are required to offer qualified employees a transit pass transportation benefit (transit benefit). This is provided as a tax-free benefit.

The value of a qualified transit pass may not exceed an amount equal to the employee's actual commuting costs or the maximum level allowed by Title 26, U.S.C. 132(f)(2), whichever is less. Effective January 1, 2008, the maximum allowed is $115 per month. This amount was approved by CHA to become effective at the House as of March 1, 2008.

Currently the monthly costs of each qualified employee's transit pass benefit is paid from the applicable account of the employing Office, i.e., a Member's MRA

or the appropriate Committee, Commission, Leadership or Officer account. This is an employee benefit and, like other employee benefits, the costs should be centralized and be funded from the House Government Contributions account. The proposal to centralize the transit benefit was made in the *Green the Capitol Report* (June 21, 2007) and approved by Speaker Pelosi.

Based on current participation in the Transit Benefit Program (2,100) and the new maximum allowable benefit of $115 per month, cost estimates for centralizing the program are $2.9 million. Additionally, the Commuter Benefits Equity Act of 2007, which includes two bills that have been introduced in the House (H.R. 1475) and the Senate (S.712), could increase the maximum allowable level to $200 per month. If the limit increases to $200, the above estimate for FY 09 could increase to the requested $5.04 million, assuming all participants request the maximum benefit.

This program will be centrally funded and overseen by the Office of the Chief Administrative Officer. House office points of contact will be responsible for submitting additions, deletions and changes to the program to the CAO's office on a monthly basis.

The majority of federal agencies provide this benefit to their employees, although the maximum amounts vary from agency to agency. Here are some agencies and the amounts that they provide:

Federal Agency	**Monthly Maximum for Transit Benefits**
US Senate, Secretary of the Senate	$110
Architect of the Capitol	$110
Office of Compliance	$110
Government Accountability Office	$105
US Capitol Police	$105
Government Printing Office	$100
Department of Defense	$115
Department of Energy	$115

B. Qualified Parking Benefits

In addition to offering a transit pass benefit, the House should also offer a qualified parking benefit as a tax-free benefit. "Qualified parking" is parking provided to an employee on or near the business premises of the employer or on or near a location from which the employees commute to work by Metro or carpool.

Based on current participation in the Transit Benefit Program, the average parking cost at a Metro station parking lot is $85. It is estimated approximately 1,500 employees park at Metro, MARC or VRE parking lots. As a result, it is estimated it will cost $1.6 million to offer this benefit to House employees in FY 09.

This program would be rolled into the House Transit benefit program and would be centralized and overseen by the Office of the Chief Administrative Officer. House office points of contact will be responsible for submitting additions, deletions and changes to the program to the CAO's office on a monthly basis.

Currently there are no federal agencies that we are aware of that offer this benefit. We are aware that the Department of Agriculture and the Office of the Comptroller of the Currency offer a related benefit whereby employees can contribute a portion of their wages on a pre-tax basis to pay for eligible parking expenses related to their commute to work.

C. Student Loan Repayment Program Increased Benefit

The Committee on House Administration established the Student Loan Repayment Program to provide House employing offices an additional tool with which to recruit and retain qualified staff. Employing offices may authorize repayments of up to $500 per month per eligible employee, to a maximum $6,000 per calendar year. In addition, there is a career cap of $40,000 on loan repayments made on behalf of any House employee. The limit of $40,000 is set by CHA regulation.

Title 5, USC, Section 5379 provides for the following authority for Executive Branch agencies:

> *"Payments under this section shall be made subject to such terms, limitations or conditions as may be mutually agreed to by the agency and employee concerned, except that the amount paid by an agency under this section may not exceed –*
>
> *(A) $10,000 for any employee in any calendar year; or*
>
> *(B) a total of $60,000 in the case of any employee*

The administration of this program would remain the same, but the annual and lifetime maximums would be increased. The program would be centrally funded and administered by the Office of the Chief Administrative Officer, but would allow individual employing offices the discretion of providing the benefit and set

the program specifications for their office as long they adhere to the overall program regulations.

Agencies that currently offer the $10,000 annual benefit include:

- Department of Veterans Affairs
- Government Printing Office
- International Trade Commission
- United States Capitol Police
- Government Accountability Office

D. Work/Life Resource and Referral Service

The House strives to support a productive and performance-driven workplace by maximizing employee work-life effectiveness. Work/Life programs provide a supportive culture for House employees at work as well as other areas of life. Work/Life services promote an increase in productivity, loyalty and morale and decrease stress, absenteeism and turnover.

A Work/Life Program offers confidential information, referrals to qualified resources and consultation services. The program provides information about a variety of topics including: adoption, becoming a parent, newborn and childcare, college and technical schools, relocation, career development, financial planning, legal assistance, convenience services, retirement planning, elder care and services for adults with disabilities and illnesses.

The program also provides on-site seminars and practical, easy-to-read educational materials that include tips, checklists and in-depth information. Plus, employees can log on to the web site to: search for providers; read helpful tips, articles and guides; read parenting advice; download state child care regulations; utilize financial calculators; access legal information; obtain educational loan assistance; participate in webinars; listen to audio tips; and access best-in-class health and wellness content.

A significant advantage of using this service is it can be made available to the employees in District Offices, as well as those who work in Washington, DC.

This is an inexpensive benefit for House employees and Members. Average costs to offer this are between $10 and $15 per person per year. The requested amount of $200,000 would allow the CAO to procure basic resource and referral services

for the approximately 10,500 employees and Members, as well as look at providing some additional add on or on-site training services. These resource and referral services could also be accessed by a House employee's family member(s).

Agencies that currently offer a work/life resource and referral service include:

- Department of State
- Department of Justice
- Department of Homeland Security
- Department of Veterans Affairs
- Department of Health and Human Services
- Department of Labor
- Transportation Security Agency
- Government Accountability Office
- Federal Deposit Insurance Corporation
- Central Intelligence Agency
- Small Business Administration

E. Tuition Reimbursement and Professional Dues Benefits

The Defense Authorization Act for FY 2002, codified in Title 5 USC 5757, allows executive branch agencies to use appropriated funds or funds otherwise available to the agency to pay for expenses for employees to obtain professional credentials, including expenses for professional accreditation.

Additionally, an executive branch agency may pay or reimburse employees for the cost of academic degree training when such training contributes significantly to meeting an identified agency training need, resolving an identified agency staffing problem or accomplishing strategic goals in the agency. Such training must be part of a planned, systematic and coordinated agency employee development program, linked to accomplishing strategic goals. Such training must be accredited and provided by an institution that is accredited by an appropriate regional, national or international accrediting organization recognized by the U.S. Department of Education.

Currently expenses for Members or employees to attend conferences, seminars or professional training may be reimbursed. However, the costs associated with attending educational programs in order to obtain a degree are not covered. In addition, they may not be reimbursed for payment of professional dues or fees for professional societies.

The House should provide expanded authority to House employing offices to pay or reimburse employees for the cost of academic degree training when it:

- Contributes to meeting an identified employing office training need
- Resolves an identified employing office staffing need/problem
- Supports and accomplishes the goals and mission of the employing office

The ability for House employing offices to provide reimbursement for tuition and professional dues and fees to House staff provides additional recruiting and retention tools as well as parity with the executive branch.

This benefit would be managed like the Student Loan Repayment Program. The costs and administration would be centralized. The employing offices would be given an annual allocation and the authority to individual employing offices to provide the benefit and set the program specifications for their office, as long they adhere to the overall program regulations.

Some agencies that are providing tuition assistance reimbursement are:

Federal Agency	Type of Assistance Provided
Department of Veterans Affairs	Can pay or reimburse employees for all or a part of the necessary expenses for job related training. This includes tuition, books, supplies and travel.
Department of Energy	Will cover part of all of training activity related costs, such as tuition, fees, books, materials and equipment
Environmental Protection Agency	Employees can receive tuition assistance for course, seminars and conferences that directly relate to their job or the Agency's mission overall
NASA	Will prepay tuition for an employee's college coursework that is related to their job

F. Child Care Subsidy/Supplement

The CAO contracted with ICF International to explore a range of options to provide child care services to House employees. ICF provided the CAO with a variety of options to consider, among them a child care subsidy program to help support House employees with children in day care settings.

Child care is expensive and can be as much as 25 percent of a family's income. Employers can help to reduce this burden by offering a subsidy. Executive Branch agencies, at their own discretion, can use appropriated funds, including revolving funds otherwise available for salaries, to assist lower income employees with the costs of child care.

OPM issued final regulations (5 CFR, Part 792), effective March 24, 2003, implementing the Child Care Subsidy Program legislation, entitled "Agency Use of Appropriated Funds for Child Care Costs for Lower Income Employees." The authority was first established as a pilot program by Congress in Public Law 106-58, sec. 643 (September 29, 1999) and was made permanent in Public Law 107-67, sec. 630 (November 12, 2001).

Assistance is usually provided on a sliding scale based on the total family income with a maximum limit such as $60,000, although some Executive Branch agencies pay a flat subsidy per week per child. Subsidies of 10 percent to 50 percent of costs (depending on income) are considered appropriate assistance to families.

An estimated 400 children of House employees with incomes under $60,000 could be eligible for subsidies up to $1,250 annually. The House would have the ability to determine how the program will be structured to meet the needs of House employees, including establishing income eligibility, amount of subsidy provided and total funds to be allotted to the program.

The program would be funded centrally and the CAO would look to an outside agency such as the Federal Employee Educational Assistance Fund to administer the program and process the payments.

Agencies that provide this benefit to their employees include:

Federal Agency	**FY 2007 Income Ceiling**
Central Intelligence Agency	$70,000
Dept of Education	$50,000
Dept of Housing and Urban Development	$69,999
Dept of Housing and Urban Development/OIG	$59,999
Dept of the Interior	$43,000
Dept of Labor	$60,000
Dept of State	$68,000
Dept of Transportation – Federal Railroad Administration	$75,000
Dept of Treasury/Bureau of Public Debt	$70,000
Dept of Treasury/IRS Office of Chief Counsel	$46,350
Dept of Treasury/U.S. Mint	$69,000
Dept of Veterans Affairs	$60,000
Environmental Protection Agency	$69,000
Federal Regulatory Commission	$56,297
General Services Administration	$59,400
Health and Human Services/FDA	$75,000
Health and Human Services/NIH	$60,000
Health and Human Services/Program Support Center	$75,000
Nuclear Regulatory Commission	$55,000
Office of Personnel Management	$60,000

Hearing on the House of Representatives' FY 2009 Budget Request
March 13, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record
Mr. Tom Latham

Green the Capitol Initiative

You are requesting $2,000,000 in Fiscal Year 2009 associated with the Green the Capitol Initiative.

Question 1. Please provide a detailed breakout of each specific project, including costs and travel-related expenses.

Response:

Planned Green the Capitol Projects

FY09 Planned Projects	Source of Funds	Estimated Costs
DOE inter-agency agreement (Lawrence-Berkley Nat'l Lab)	CAO FY09	$ 900,000
Education & outreach to Member offices for enhanced recycling program	CAO FY09	$ 100,000
Waste Stream Characterization	CAO FY09	$ 60,000
"Wheels4Wellness Program" Implementation	CAO FY09	$ 75,000
Green Office Equipment & Transportation Expos	CAO FY09	$ 150,000
Means & measurement contract to monitor implementation of energy saving actions	CAO FY09	$ 200,000
Independent verification of AOC metering	CAO FY09	$ 100,000
Study and implement operational controls of cooling data centers	CAO FY09	$ 415,000
Total FY09 Planned Projects:		**$ 2,000,000**

Your Fiscal Year 2009 request includes $200,000 for "Green Expo, Green Symposium with States, Best Practice Exchange and Competitions."

Question 2. Please provide the details for each initiative and elaborate on how they specifically benefit the "Green the Capitol Initiative."

Response: We are in the planning and development stage for the Green Expo, Green Symposium with States, Best Practice Exchange and Competitions. As these initiatives are fleshed out, we can provide the Committee with the details.

You have requested an additional $125K to "offset CO2 emissions" in FY09. In November 2007, you purchased offset credits from the Chicago Climate Exchange.

Question 3. Why is the FY09 request almost 30 percent higher than the total FY08 purchase?

Response: This question is in response to a previously submitted Green the Capitol Initiative spending plan. In our updated plan (see response to question 1 above) we have removed the purchase of carbon credits with the hope the House will not need them to remain carbon neutral in FY2009. However, should the purchase of credits be required, then the Chicago Climate Exchange, like the New York Stock Exchange, is a marketplace where prices fluctuate depending on supply and demand. Accordingly, in the event that we need to purchase the same amount of carbon credits in FY09, as we did in FY08, we would expect a potential increase in the purchase price.

Question 4. Where did the Fiscal Year 2008 appropriation ultimately go in FY08?

Response: There were 6 types of offset projects offered during the auction. The numbers of projects, per type are:

- *Renewable Energy (1)*
- *Forestation (3)*
- *Landfill Methane (3)*
- *Coal Mine Methane (1)*
- *Agriculture Soil Sequestration (7)*
- *Agriculture Methane (6)*

Question 5. What assurances can you provide to the Committee these offsets caused some new reduction in emissions that wouldn't have happened if the money hadn't been paid?

Response: There is 100 percent assurance carbon that could have been emitted is not being emitted. The House permanently retired the carbon offsets it purchased. The Iowa Farm Bureau has created a subsidiary, AgraGate, to allow farmers to pool acreages that are managed to trap carbon into large blocks for sale on the Chicago Climate Exchange. The House is leading in providing market signals for those who provide carbon offsets, encouraging new entrants to carbon management practices.

Question 6. What mechanism does the CAO have in place to ensure the purchase of offset credits from the Chicago Climate Exchange are being spent to offset emissions that would not otherwise be offset, purposeful emission reductions are attained and projects are not duplicative of requirements of other federal programs?

Response: Your question goes to the issue of "additionality." All Chicago Climate Exchange additionality rules conform to accepted international standards. The additionality rules also are consistent with those used by the United Nations Framework on Climate Change and the International Panel on Climate Change. EPA requirements are used for landfill methane and USDA supports the soil sequestration methods.

The Chicago Climate Exchange carbon offsets are verified by the Financial Industry Regulatory Authority, an independent third party.

Question 7. Is there a reason you did not wait until the GAO concluded their review of the domestic offset market before you made your purchase?

Response: Yes. The Speaker has directed the House be carbon neutral in its operations by the end of the 110th Congress. It is unclear when the GAO will complete its study, so CHA and Legislative Branch Appropriations agreed that in order to insure we meet the Speaker's deadline, we should proceed with the purchases as quickly as possible.

Through the House's food service contract with Restaurant Associates, the House now segregates much of its compostable material from the total waste stream.

Question 8. What is the resulting reduction in cost for the House's waste disposal?

Response: We are just beginning to get enough data to calculate that figure; however, there are some preliminary indicators. The waste hauler for the landfill picked up approximately 20 tons less material for the last three weeks of December, 2007, when compared to 2006. This reduces the hauling costs and, because tipping fees are 30 percent less at the commercial composting facilities than at landfills, additional savings are realized. The USDA facility, in fact, charges no tipping fees at all. A commercial pulper is used for the compostable material, reducing the weight of the compostables by as much as 75 percent, further decreasing disposal costs. The pulper also reduces volume by 10 to 1.

You have established a "car-sharing" program for House employees.

Question 9. What is the participation rate of House employees? What is the percentage of time the cars staged on the House campus are actually utilized?

Response: Currently there are 272 participants on Zipcar's House of Representatives account. Of those 272 participants, 104 of them are actively reserving vehicles. The House participants drive the on-campus vehicles less frequently than they drive the off-campus vehicles. Since November 1, 2007, the on-campus vehicles have been driven a total of 290.5 hours or 8.7 percent of available hours. House participants have used off-campus vehicles for a total of 1736 hours since the inception of the program. The car-sharing program began on November 1, 2007 with vehicles available 24 hours a day.

Question 10. How does your office prioritize the expenditures associated with the Green the Capitol effort? When weighing investment decisions, what factors are included in the decision-making process?

Response: The guiding document controlling our expenditures is the Green the Capitol Report, dated June 21, 2007. This document was approved for implementation by the Speaker, Majority Leader and Chairman of the Committee on House Administration and we use this document to guide our investment and policy decisions. We also attempt to undertake actions that have a pay-back period of less than six years.

House Operations

In 2007 you acknowledged a CAO employee was assigned from your office to perform extensive duties on behalf of the majority Committee on Natural Resources in an undocumented "detail" arrangement.

Question 11. Have there been other such unreported "detail" arrangements that have resulted in employees of your organization performing duties outside the scope of the CAO's mission? If so, have these been brought into compliance?

Response: No.

Question 12. Since this initial violation was discovered, what controls have you established to assure the Committee on Appropriations money appropriated to the CAO is not diverted to directly support work on behalf of a partisan legislative agenda?

Response: After a thorough examination, it was determined the issue of "detailing" is not currently systemic; and while no formal controls seem necessary at this time, we have given both the appropriations and authorizing committees assurances we will not detail additional employees.

Question 13. In the 110th Congress, how many appointments have been made to HEPCA positions in the CAO? How many of these appointments were filled without a publicly posted vacancy announcement? Please provide your criteria for determining whether a position will be publicly posted.

Response: Over the course of the 110th Congress, there have been 41 HEPCA appointments within the CAO. Four of these appointments were filled without a publicly posted vacancy announcement. At the current time the House Employee Classification Act (HEPCA) allows the Officers the ability to appointment individuals to positions as they deem necessary and does not outline any set period of time to publicly post the position. Subsequently, the decision to publicly post a position is based on various criteria, to include, but not limited to, the level urgency to fill the position, organizational requirements, availability of the required skill sets, etc.

Question 14. How many vacant positions currently exist in the CAO organization, from the authorized 10,297 FTE? Provide a listing of all vacant positions and the associated plan for filling these positions.

Response: The CAO currently has 705 authorized positions of which 47 are vacant. Below is a list of all current vacancies and the plan for filling these positions.

Dept Name	Count	Title	Plan for Filling Positions
CAO Vacancies			
CAO Immediate Office	1	Senior Advisor	Being Re-described/Re-classified
Galleries - Radio/TV	1	CVC Support	Recruitment in Process
Galleries - Periodical Press	1	Administrative Support	New Position - Being Established
Customer Solutions IO	1	Senior Information Liaison	Pending Funding
Customer Solutions IO	1	DIRECTOR	Pending Funding
Customer Solutions Center	1	Manager, Customer Solutions Consultants	Pending Funding
Customer Solutions Center	1	CUSTOMER SOLUTIONS SPECIALIST	Pending Funding
Customer Solutions Center	1	CUSTOMER SOLUTIONS REP.	Pending Funding
Customer Solutions Center	1	CUSTOMER SOLUTIONS REP.	Pending Funding
Photography	1	PHOTOGRAPHER/LAB TECH (TEMP)	Pending Funding
House Recording Studio	1	ENGINEERING OPS MANAGER	Pending Funding
House Recording Studio	1	Broadcast Engineering/Production Specialist	Recruitment in Process
House Recording Studio	1	Sr Broadcast Engineering/Production Specialist	Pending Funding
House Recording Studio	1	Broadcast Engineering/Production Specialist	Recruitment in Process
House Recording Studio	1	Audio/Visual Positions (from AOC)	Pending Funding
House Recording Studio	1	Audio/Visual Positions (from AOC)	Pending Funding
House Recording Studio	1	Camera Operator	Pending Funding
House Recording Studio	1	Camera Operator	Pending Funding
House Recording Studio	1	Sr. Electronics Technician	Pending Funding
Office Supply & Gift Shop	1	Senior Sales Specialist	Pending Funding
Assets, Furnishings, & Logistics	1	ACCOUNT MGMT COUNSELOR	Pending Funding
Assets, Furnishings, & Logistics	1	RECEIVING/WAREHOUSE SPEC	Pending Funding
Assets, Furnishings, & Logistics	1	PROGRAM DIRECTOR	Pending Funding
Assets, Furnishings, & Logistics	1	LOGISTICS & DIST SPEC (A)	Pending Funding
Assets, Furnishings, & Logistics	1	Supervisor, Cent Rec & Warehs	Being Re-described/Re-classified
Assets, Furnishings, & Logistics	1	Journeyman Furn Specialist	Pending Funding
Operations Immediate Office	1	SENIOR BUSINESS PROCESS SPEC	Being Re-described/Re-classified
Operations Immediate Office	1	BCDR	Recruitment in Process
Operations Immediate Office	1	BCDR	Recruitment in Process
Financial Solutions	1	TEAM LEADER	Recruitment in Process
CAO Human Resources	1	Sr. Human Resource Generalist	Recruitment in Process
Budget Management	1	BUDGET ANALYST (A)	Pending Funding
Procurement Management	1	SR. PROCUREMENT SPECIALIST	Recruitment in Process
Payroll & Benefits	1	Payroll & Benefits Manager	Pending Approval
Emp & Org Dev Sols	1	PRINCIPAL EMPLOYEE & ORG. CON	Pending Funding
Emp & Org Dev Sols	1	PRINCIPAL EMPLOYEE & ORG. CON	Pending Funding
Emp & Org Dev Sols	1	EMPLOYEE & ORG. CONSULTANT	Pending Funding
CABS	1	Internet Systems Specialist	Recruitment in Process
Technology Infrastructure	1	NETWORK COMM SPECIALIST	Pending Funding
Technology Infrastructure	1	NETWORK COMM SPECIALIST	Pending Funding
Technology Infrastructure	1	SENIOR SYSTEMS ENGINEER	Pending Funding
Technology Support	1	SR TECHNICAL SUPPORT REP	Pending Funding
Technology Support	1	TECHNICAL SUPPORT REP (A)	Pending Funding
Technology Support	1	Technical Support Branch Manager	Pending Funding
Technology Support	1	SR TECHNICAL SUPPORT REP (A)	Pending Funding
Technology Support	1	ENGINEERING SUPPORT BRANCH MA	Recruitment in Process
Information Systems Security	1	Information Systems Security Analyst	Recruitment in Process
Total CAO Vacancies	**47**		

Question 15. Provide all realignments of FTEs (by position) in the CAO organization (during Fiscal Year 2007 and Fiscal Year 2008 to date).

Response: The CAO organizational structure has changed two times since October, 2006. The attached organization charts show how the CAO transformed from the original structure on October 1, 2006 to the interim realignment that was approved by CHA on November 3, 2006 and then to the current structure that was approved by CHA on April 27, 2007.

CAO Organization as of 3/1/2008

Chief Administrative Office 2008

705 Authorized FTEs + 22 FTEs in the Child Care Center = 727 FTEs

Chief Administrative Officer

Dan Beard

Immediate Office

Chief of Staff – M. Gipprich
Admin - G. Rodriguez
Administrative Counsel – T. Blodgett
Communications – J. Ventura
Green the Capitol – G. Schierling, P. Plumart
Senior Advisors – M. McQuerry, K. Wyszynski

FTEs = 17

Media Galleries

Daily Press – J. Gallegos
Radio/TV - O. Kornacki
Periodicals – R. Zatkowski

FTEs = 17

Customer Solutions

Helene Flanagan, Deputy CAO

CRM – O. Awan, C. Naughton
Information Liaison – S. Harrison

FTEs = 9

Operations

Dan Doody, Deputy CAO

BC/DR – R. Noll
Change Mgmt. – D. Meister
Committee Hearing Room Project – W. Simms
Measures/BSC/Strategy/Portfolio – C. Greene, S. Tzoumas

FTEs = 16

Customer Solutions Delivery

Tom Coyne, Assistant CAO

Customer Solutions Center – C. Nichols
House Recording Studio – P. Kenealy
Office Supply & Gift Shop – M. Burns
Photography – D. Connelly
Service Management – J. Mendoza
Workflow Management – W. Twombly

FTEs = 128

Assets, Furnishing & Logistics

Walt Edwards, Assistant CAO

Assets – C. Arthur
Furnishings – J. Lewis
Logistics – J. Bennett

FTEs = 128

Administrative & Financial Services

Kathy Perdue, Assistant CAO

Budget Management (House) – L. Howard
CAO Human Resources – J. Hite
Financial Solutions – T. Beaubian
Payroll & Benefits – K. Logan
Procurement Management – L. Toperoff

FTEs = 87

Workforce Services

Darnell Lee, Assistant CAO

Employee & Organization Development – D. Beidel
House Child Care Center – M. Bamabee
Training – A. Horton

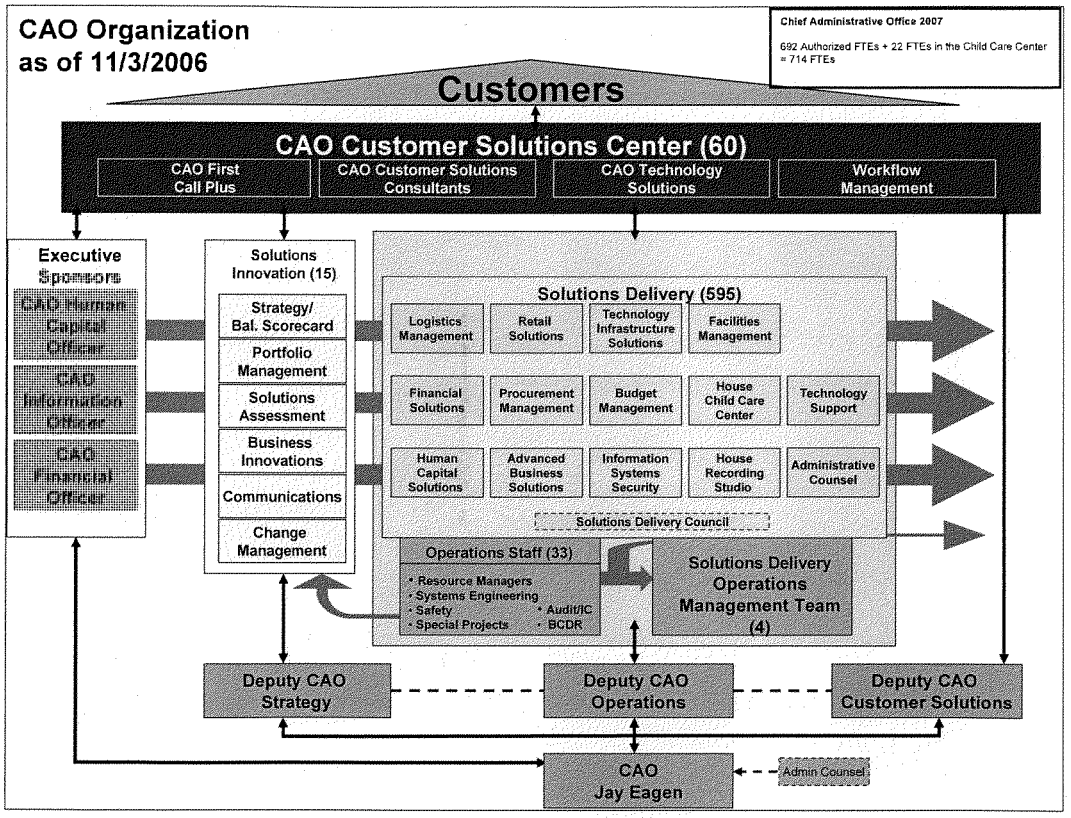
FTEs = 42

House Information Resources

Steen Hambric, Assistant CAO

Advanced Business Solutions – A. Qureshi
Facilities Management – R. Zanatta
Information Security – L. Magnotti
Technology Infrastructure – N. Farley
Technology Support – T. Hanonu

FTEs = 274


CAO Organization
as of 11/3/2006
Chief Administrative Office 2007
692 Authorized FTEs + 22 FTEs in the Child Care Center = 714 FTEs
Customers
CAO Customer Solutions Center (60)
CAO First Call Plus
CAO Customer Solutions Consultants
CAO Technology Solutions
Workflow Management
Executive Sponsors
CAO Human Capital Officer
CAO Information Officer
CAO Financial Officer
Solutions Innovation (15)
Strategy/ Bal. Scorecard
Portfolio Management
Solutions Assessment
Business Innovations
Communications
Change Management
Solutions Delivery (595)
Logistics Management
Retail Solutions
Technology Infrastructure Solutions
Facilities Management
Financial Solutions
Procurement Management
Budget Management
House Child Care Center
Technology Support
Human Capital Solutions
Advanced Business Solutions
Information Systems Security
House Recording Studio
Administrative Counsel
Solutions Delivery Council
Operations Staff (33)
• Resource Managers
• Systems Engineering
• Safety
• Special Projects
• Audit/IC
• BCDR
Solutions Delivery Operations Management Team (4)
Deputy CAO Strategy
Deputy CAO Operations
Deputy CAO Customer Solutions
CAO Jay Eagen
Admin Counsel

CAO Organization as of 10/01/2006

Chief Administrative Office 2006

692 Authorized FTEs + 22 FTEs in the Child Care Center = 714 FTEs

Chief Administrative Officer

Jay Eagen

Media Galleries

Daily Press – *J. Gallegos*
Radio/TV – *T. Tate*
Periodicals – *R. Zatkowski*

FTEs = 15

House Support Services
H. Flanagan, AA

House Recording Studio – G. Denick
House Office Service Center – T. Coyne
Photography – D. Comedy
Service Management – J. Mendoza
Operations Support Center – C. Quattrone
Furniture Support Services – T. VanDyke

FTEs = 265

Office of Finance & Procurement
B. Burkhalter, AA

Budget Management – L. Howard
Financial Solutions – T. Beaubian
Procurement Management – L. Toperoff

FTEs = 92

House Information Resources
S. Hambric, AA

Advanced Business Solutions – A. Qureshi
Information Management – D. Moorehead
Information Security – L. Magnotti
Communications – N. Farley
Client Services – R. VanGogh

FTEs = 277

Human Resources
K. Wyszynski, AA

Employee & Organization Development – B. Beidel
House Child Care Center – M. Barnabee
Administration – D. Miller

FTEs = 47

Immediate Office

Deputy CAO of Operations – D. Doody
Deputy CAO of Strategy – P. Flewellen
Admin – *M. Gipprich, G. Rodriguez*
Administrative Counsel – W. Cable
Communications – M. Guilfoyle

FTEs = 17

Question 16. What, if any, CAO procurements in this Congress have resulted from a sole-source selection?

Response: There have been 59 CAO procurements that resulted from a sole-source selection.

CAO Office	Purchase Order	Vendor	Description	Amount
Customer Solutions	OFP0700768	Philip W. Nichols	Survey of all CAO space, equipment and furniture	$14,700.00
Administrative & Financial Svcs	OFP0500476/00007	Lee Harrington	New Financial System consultant for Member, Committee, & Leadership	$41,500.00
Administrative & Financial Svcs	OFP0700578	Lawson Software	Software training tool	$51,884.00
Green The Capitol Office	OFP0800751	Allison Rogers	Knowledge on "Greening" and "Sustainability"	$137,000.00
CAO Immediate Office	OFP0700716	American Institute of Architects	Sustainable Design Assessment of the Greening of the Capitol Complex	$40,000.00
CAO Immediate Office	OFP0700547	Watson Wyatt & Company	Assessment of total compensation for selected employees	$88,340.71
CAO Business Continuity	BC08000003	Symantec Software		$314,697.10
CAO Business Continuity	BC08000023	Naval Air Warfare Center - St. Indigoes MD	Design, procurement, and installation of Iridium satellite system on roof of Ford HOB	$114,000.00
CAO Business Continuity	BC07000036	Naval Air Warfare Center - St. Indigoes MD	Annual sustainment/maintenance support for Mobile Communications System (MCS)	$170,000.00
CAO Business Continuity	BC08000043	BearCom	Conversion of Member Paging System from wideband to narrowband	$176,610.00
CAO Business Continuity	BC08000011	BearCom	Service and maintenance for Member Paging System	$44,995.00
CAO Business Continuity	BC07000040	BearCom	Installation of redundant hard drives for Member Paging System	$17,682.00
CAO Business Continuity	BC08000015	AEPCO	Maintenance for Video Teleconferencing Systems for Member Briefing Center	$12,000.00
CAO Business Continuity	BC08000014	AEPCO	Maintenance for Video Teleconferencing System in Ford HOB	$4,115.40
CAO Business Continuity	BC08000018	Comcast	Site 3 cable services	$3,606.48
CAO Business Continuity	BC08000006	Dynamic Systems, Inc.	Annual software maintenance and support for Sun hardware and software	$190,377.84
CAO Business Continuity	BC08000009	FCN, Inc.	Annual hardware maintenance and support for tape libraries	$109,674.18
CAO Business Continuity	BC07000081	Media Recovery	Data cleaning services	$8,320.00
CAO Business Continuity	BC08000012	Roam Secure, Inc.	Annual hardware maintenance and support for web based Roam Secure Alert Network (RSAN) Emergency Notification System	$45,327.00
CAO Business Continuity	BC08000002	Verizon	32 Primary Rate Interfaces (PRIs) also known as trunk lines	$277,170.00
CAO Business Continuity	BC08000003	Symantec Software	Annual maintenance for all Veritas licenses	$314,697.10
House Information Resources	OFP0800003	Associated Press	Annual subscription to *Associated Press* MegaStream context via	$284,436.00
House Information Resources	OFP0800005	Factiva	Annual subscription to news wire services	$805,980.00 (House share $677,023.00)
House Information Resources	OFP0800004	National Journal Group, Inc.	*National Journal* magazine and Markup Reports	$366,415.00
House Information Resources	OFP0800009	Microsoft Corporation	Annual software maintenance and support	$612,375.00
House Information Resources	OFP0800209	Lumigent Technologies	Annual software maintenance and support	$3,360.00
House Information Resources	OFP0700742	Sagem-Interstar, Inc.	Annual software maintenance and support for House Enterprise Fax Service	$192,524.20
House Information Resources	OFP0800011	Innovation Data Processing Inc.	Annual software maintenance and support	$3,100.00
House Information Resources	OFP0700713	IBM Corporation	Equipment repair services	$3,900.00
House Information Resources	OFP0700802	EMC Corporation	Additional disk storage for House Storage Area Network (SAN)	$79,386.00
House Information Resources	OFP0800607	EMC Corporation	Contractor support for data removal/erasure services	$11,700.00
House Information Resources	OFP0800066	IBM Corporation	Annual maintenance of OS/390 software products and tools	$187,032.00
House Information Resources	OFP0800588	Verizon	Removal of Ford HOB telecom frame	$54,765.00
House Information Resources	OFP0800923	Stonehouse, Inc.	Annual software maintenance and support	$78,400.00
House Information Resources	OFP0700775	Software AG	Annual software maintenance and support	$127,035.78
House Information Resources	OFP0800134	Research In Motion	Annual software maintenance and support	$238,643.00
House Information Resources	OFP0800013	Onset Technology	Annual software maintenance and support	$80,000.00
House Information Resources	OFP0800758	Ball & Ball Communications, Inc.	Secure cellular services for House Leadership's official vehicles	$7,000.00
House Information Resources	OFP0700200	BearCom	Expanded coverage of Member Paging System to include Capitol Visitor Center	$263,877.14
House Information Resources	OFP0800311	NetManage	Annual maintenance for enterprise printer services and TCP access	$5,025.00
House Information Resources	OFP0700625	Stonehouse, Inc.	Annual maintenance and support	$84,585.22
House Information Resources	OFP0800117	Tachyon Networks	Maintenance and life-cycle upgrade of House portable satellite transmission equipment	$3,000.00
House Information Resources	OFP0800611	John A. Mang. Jr.	IBM Mainframe support	$6,000.00
House Information Resources	OFP0700754	Ascend Software, Inc.	ReportSafe software for archival requirements	$38,500.00
House Information Resources	OFP0800035	Eagle Eye Publishers	Subscription and maintenance for Federal Funds Express database for House intranet site	$72,094.00
House Information Resources	OFP0700779	CSCI	Contractor support to determine algorithm to use in the formal risk assessment process of House networks.	$35,000.00
House Information Resources	OFP0700133	NetWitness	Computer server	$59,300.00
House Information Resources	OFP0700604	Forensics Computers	Computers	$22,590.00
House Information Resources	OFP0700202	CSC	Hydra Expert Assessment Technology (H.E.A.T.) annual maintenance.	$2,700.00
House Information Resources	OFP0700464	Paraben	Paraben Device Seizure and Toolbox Bundle for forensic data collection and analysis of hand-held devices.	$3,215.00
House Information Resources	OFP0700530	NetIQ	Consulting services	$24,660.80
House Information Resources	OFP0700668	Norman Data Defense Systems	Norman sandbox analyzer maintenance	$15,000.00
House Information Resources	OFP0700731	Secunia	Network sofware inspector license	$4,000.00
House Information Resources	OFP0700772	NetWitness	Extended storage and maintenance	$19,400.00
House Information Resources	OFP0800782	NetIQ		$20,000.00
House Information Resources	OFP0801059	NetWitness	Forensics collection and analysis system appliance and extended storage	$76,966.66
House Information Resources	OFP0800259	Norman Data Defense Systems	Norman sandbox analyzer maintenance	$8,000.00
House Information Resources	OFP0800835	Secunia	Network sofware inspector license maintenance	$5,000.00
Child Care Center	OPC0800001	Good Food Company	Catered Meals and snacks for children	$3.30 per meal

The Appropriations Committee has provided extensive resources for the House to complete the transition to a new financial system. The new system was scheduled to "go-live" in March 2008.

Question 17. When can we anticipate completion of this project and do you intend to request any additional funding in order to complete it?

Response: The CAO continues implementation work for the new financial system (Atlas), which was scheduled to be completed by March 31, 2008. The revised implementation date is October 13, 2008. Adjusting the implementation date to October, 2008 provides the Atlas project team with ample time to address project risks. Significant work in critical areas has been completed to date; however, some key issues remain, such as the complexity in data conversion and Fixed Assets and Inventory Management System (FAIMS) interface testing. The October implementation will ensure deployment readiness and emphasize quality.

Future projects will be delayed until FY 2009 when Atlas is in production and firmly established within the CAO. Atlas will become the foundation for several other necessary financial projects. In FY09, $3,937,112 has been requested for Atlas post-implementation support and the planning of future capabilities that will build on the Atlas foundation.

You included in your FY09 budget request briefing a reference to altering the pay date for employees of the House.

Question 18. How much would this cost? Have you conducted a survey or any outreach to the community to identify what impact this change would have on House employees and whether or not the community would be supportive of such a change?

Response: Based on the report submitted February 29, 2008 entitled "Report on the Progress in eliminating the problems associated with the House Payroll System as required by Committee on Appropriations Conference report #110-198 accompanying the Consolidated Appropriations Act, 2008 P.L. 110-161," the estimated cost of moving from a monthly pay cycle to a bi-weekly or a semi-monthly, from a system costs perspective, is estimated at $744K to $1.116M. The operational costs will need to be determined once a decision on the new type of pay cycle has been made. During the research period for this report, no outreach was completed.

You are requesting 10 additional FTEs for transition activities associated with a new Congress.

Question 19. What function will these positions serve during the extended period of time where there are no transition activities?

Response: The 10 additional FTEs requested for transition activities are part of the New Member Office Initiative. These FTEs will provide technical and financial assistance to new Member offices. This support will be provided on a continuing basis for these offices and are not associated only with the transition period.

Question 20. By Fiscal Year, what CAO activities and associated expenses are necessary for FOB8?

Response: The CAO has been working with the AOC on the planning efforts for FOB8. CAO items (e.g., technology, furniture) were included in the GSA Planning Model which resulted in the AOC's $45M initial estimate for the building. The CAO is participating with the AOC and GSA during FY08 to complete design work for the building. At this time we expect all CAO-related build-out costs to be included with the AOC building requests. Once there is a final design, we will be reviewing impact on our annual operational costs and will be submitting a request for that funding most likely in FY10.

You are requesting transfer authority from the House to the AOC House Office Building Account.

Question 21. What is the justification for this? Why do you believe a notification is sufficient versus an approval by the Committee?

Response: We requested this authority to improve the efficiency of supporting various joint CAO/AOC House projects. An example of a case where we would execute this authority, if approved, is the Committee Hearing Upgrade Project, where we partner with the AOC on implementing the modifications for the hearing rooms. The FY09 request we submitted is based on a joint AOC/CAO developed cost estimate. Assuming the project is approved, we would need to transfer funds to the AOC for execution. Another example is the Green the Capitol-related initiatives. When we identify emergent "greening" opportunities, it is often difficult for the AOC to respond to the needed funding. One way this issue could be mitigated: the CAO transferring the funding from sources such as the House Services Revolving Fund. We submitted the language with notification to ensure the Committee was kept informed of such transfers. If the Committee desires to approve the transfers, that will still meet the objective of the request.

The CAO's travel budget has more than doubled since Fiscal Year 2007.

Question 22. Why is there such an increase in travel?

Response: The subcommittee print shows CAO travel expenditures of $200K in FY 2007 as of December 2007. As of March 2008, the CAO has actually expended $258K in FY2007 travel expenses. This difference is the result of the delay associated with submission and liquidating all FY2007 travel expenses. In FY 2008, the CAO anticipates expending $389K in travel expenses. The FY 2009 travel request increased $53K over FY08 to $442K. The growth in our travel requests has been attributed to continued need to send staff to training as well as efforts over the last two years to proactively travel to District Offices to provide critical information security-related training and support.

Question 23. Provide for the record all travel and related expenses of the CAO in Fiscal Year 2007, to date in Fiscal Year 2008 and any anticipated travel the remaining of this Fiscal Year.

Response: Below is a summary of the CAO travel expenses to date:

Travel Costs to the CAO

	FY 2007	FY 2008
YTD Actuals	$ 258,236	$ 73,309
Projected Expenditures	$ -	$ 315,765
Total Travel Costs	**$ 258,236**	**$ 389,074**

You have included in your budget submission almost $19M for additional benefits.

Question 24. What is the objective of these additional benefits?

Response: To continue to attract, develop and retain the best and brightest staff possible, we need to insure the U.S. House of Representatives is viewed as a compelling place to work, not only for today, but also for the future.

A compelling place to work helps:

- *Members attract the best and brightest new employees*
- *Members retain valuable employees*
- *Employing offices keep constituents well serviced*
- *Creates an environment where employees are encouraged to develop professionally*
- *Encourages exceptional performance*
- *Fosters the sharing of expertise and institutional knowledge*

Building a compelling place to work reduces the cost of turnover and mitigates the loss of institutional knowledge and experience. It also generates an environment in which good resources are not just adequate, but plentiful. A critical part of sustaining a compelling place to work is to provide competitive total pay and benefits. Attracting the best and brightest minds to the House and retaining top talent will require more than just pay.

To remain competitive in the market, organizations, including the federal government and the House, need to be flexible in the balance between cash and benefits that comprise the total pay package offered to employees. Total compensation includes cash (basic pay, locality pay, and cash awards/bonuses), non-cash benefits (annual and sick leave and health insurance) and deferred benefits (retirement, which includes pension and health benefits, and life insurance).

We realize to support the House's efforts requires a diverse group of highly qualified employees – professional staff, support staff and a labor workforce. We realize our employees have diverse needs and this diversity requires flexibility and benefits that best meet their needs and preferences and the needs and preferences of their families and benefits that are responsive to their own life events.

We know if we are able to provide staff with a total pay and benefits package that meets their diverse needs we will have healthy and secure staff that are best able to continue both their own personal success, as well as that of the U.S. House of Representatives.

Question 25. Do you have any analysis to support the assertion these benefits will make any impact on the recruitment and retention of employees of the House?

Response: In the 2006 House Compensation Study, Member Offices were asked for what purposes they use the House Student Loan Repayment Program. Of the offices that responded, 72.2 percent used this new benefit to attract employees, 92.2 percent used this to retain employees and 4.4 percent used this as a way to supplement an employee's income.

In that same study, offices were asked the reason employees leave their office. "Career opportunity" was the predominant response, followed closely by the need for higher wages. While House offices are not always in a budgetary position to provide higher wages to employees, the House could provide a more comprehensive benefits packages, such as the one being proposed, to help increase the total compensation of an employee. For example, increasing the maximum limits for the student loan program would assist employees with paying off their student loans more quickly; an income-based child care assistance program would support lower compensated employees who are often trying to balance the demands of the job while ensuring they are able to provide the best care for their children in the most cost-effective way.

Additionally, the recommendations to centralize the cost of the transit benefit program could provide a savings for Member offices and those funds could then be reinvested in employees to help address pay issues through bonuses, COLAs and increases. For instance, in your personal office, if the transit benefit costs are centralized, your MRA could save almost $9,000 annually — which could be reinvested in your employees.

The existing Student Loan Repayment Program is designed to increase employee retention by requiring participants to repay the House if the employee does not fulfill a one-year agreement to stay with the office.

Question 26. What percentage of participants have received waivers of this repayment upon terminating the agreement? Does this impact the program's value as a retention tool?

Response: Due to a misunderstanding on the reporting requirements since the program inception in 2004, we were not tabulating the number of repayment waivers granted. We have corrected this oversight and going forward we have implemented a process that will allow us to determine the percentage of waivers being granted. In addition, we are reviewing our records and will determine this data for past years. Since the House does not collect employment exit data, we do not have a mechanism to determine if the waiver process (granted or not granted) impacted an employee's decision to leave employment with the House. We do know that of the Member offices participating in the survey for the 2006 House compensation study, 92.2 percent indicated they used the student loan repayment program to retain employees.

The benefits study you commissioned viewed House benefits in the aggregate for all employees, regardless of organization.

Question 27. Aren't there clear differences between certain groups of House employees? For instance, aren't the factors impacting recruiting and retention different in your organization as opposed to a Member's office (where entire staffs can find themselves unable to be "retained" as a result of an election)?

Response: While there are employment differences between certain groups of House employees the House does not currently collect employee on-boarding or exit data so we are unable to definitively determine what factors are impacting recruitment and retention. However, the benefits study we commissioned is based on a comparison of general employment best practices for recruitment and retention, versus the current House benefits. As such we believe the information in the study provides guidance and a point of reference that can be used in considering options for improving House benefits. While we recognize there will be some specific factors each type of House employing authority (e.g., Member Office, Committee, support office) will need to take into account regarding recruitment and retention, we do believe the study offers recommendations that can be commonly considered.

Hearing on the House of Representatives' FY 2009 Budget Request
March 13, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record
Mr. Tom Latham

Follow-Up to Initial Questions for the Record

In Reference to Question 1: The committee asked that the CAO detail travel-related expenses associated with the Green the Capitol Initiative (GTE). The response provided gives no insight into the question of travel-related expenses. Provide the committee with travel-related expenses for the GTC Initiative that were incurred in fiscal year 2008.

Response. In FY 2008, the Green the Capitol Initiative has incurred a total of $3,426 in travel-related expenses.

In Reference to Question 2: It is typical to have initiatives fleshed out prior to requesting funding. Again, how do these activities specifically benefit the GTE Initiative?

Response. These initiatives are similar to other CAO events such as the House Services Fair. The cost assumptions are based on historic standards for comparable CAO event services. These events will raise awareness on how staff can save the government money during their normal working practices.

In Reference to Question 3: Under what circumstances would the purchase of carbon offsets be required in fiscal year 2009?

Response. They would be purchased to keep the House carbon neutral for the 111th Congress.

In Reference to Question 4: Please provide information on the specific projects that were funded with appropriated funds, and detail steps taken to ensure that projects selected were justified.

Response. The Chicago Climate Exchange is a transparent market whose membership includes a diverse array of companies including Dupont, Cargill, and Hoosier Energy Rural Electric Cooperative, Inc. State, local, and municipal governments are members along with universities. The Chicago Climate Exchange is regulated by the Financial Market Regulatory Authority, an independent third party. The House relies on the transparency and oversight of the Chicago Climate Exchange market as other members of the Chicago Climate Exchange do.

The House did not seek further detail on the projects beyond what is outlined below.

Projects:

Renewable Energy – 1
Forestation – 3
Landfill Methane - 3
Coal Mine Methane – 1
Agriculture Soil Sequestration - 7
Agriculture Methane – 6

In Reference to Question 6: What are the "accepted international standards" referenced?

Response. CCX rules governing greenhouse gas emission offset projects are generally consistent with the emerging international standards being applied in the U.N. Clean Development Mechanism ("CDM") as well as those of the Voluntary Carbon Standard ("VCS").

In Reference to Question 7: Did the CAO inquire with GAO as to when their study would be complete?

Response. Yes. At the time of the purchase the GAO indicated the report would be completed late in 2008. The GAO's current projection is August.

In Reference to Question 9: Again, what is the percentage of time the cars staged on the House campus are actually utilized? Provide this on a monthly basis since November 1, 2007.

Response. Utilization rates on a monthly basis since November 1, 2007 are as follows:

November 2007 – 1.8 percent
December 2007 – 6.4 percent
January 2008 – 5.7 percent
February 2008 – 9.6 percent
March 2008 – 4.4 percent

In Reference to Question 10: What factors were included in the generation of priorities contained in the "guiding document"?

Response. The guiding document was developed in cooperation with staff scientists from the Department of Energy and Lawrence Berkley National Laboratory. We also researched and reviewed the practices of a variety commercial and government organizations to define benchmarks, best practices and guidelines. The priorities identified in the document are meant to improve the overall efficiency and sustainability of the House of Representatives while saving money for the taxpayers.

In Reference to Question 13: Where were these positions advertised? For the four positions filled without public announcement, what were the specific criteria that led to the judgment not the publicly post?

Response. Vacancies which are posted have traditionally been advertised on both the House of Representatives (www.house.gov) and OPM's USAJobs (www.usajobs.gov) websites, as a baseline. Other recruitment sources may have included, but are not limited to, the Washington Post, professional societies related to the position and profession-specific recruitment sources.

The CAO strives to employ individuals with the highest level of qualifications, knowledge, skills and abilities to provide premiere customer service to the House of Representatives community. The criteria used in the decision to not publicly post these specific vacancies focused on the unique skill sets required by the position. In addition, the competitive labor market in the Washington, DC metro area poses very unique challenges to recruiting individuals for positions like these.

Since the individuals were already identified as qualified candidates for the positions, the decision to not publicly post the positions allowed the CAO to employ them without undo interruption to the operations of the organization.

In Reference to Question 16: Provide the sole source justification for these.

Response. Please see the attached for the sole source justification of the 59 related procurements.

[Clerk's Note: This information will be kept in committee files for a limited period of time.]

In Reference to Question 23: Provide for the record all travel and related expenses of the Chief Operating Officer in fiscal year 2007, to date in fiscal year 2008, and any anticipated travel the remaining of this fiscal year. Provide this information by each individual trip.

Response. The below table details all travel and related expenses incurred by the Chief Administrative Officer between FY 2007 and FY 2008.

Travel Expenses for the Chief Administrative Officer

Trip	Dates	Cost
Massachusetts	08/23/07-08/26/07	$ 548
San Francisco, CA	09/06/07-09/08/07	$ 2,047
Total FY07 Travel Expenses		**$ 2,595**
Chicago, IL	11/04/07-11/05/07	$ 813
Los Angeles, CA	01/24/08-01/26/08	$ 1,083
Seattle, WA (estimated)	02/02/08-02/04/08	$ 1,541
Portland, OR (estimated)	03/27/08-03/29/08	$ 1,537
Total FY08 YTD Travel Expenses		**$ 4,974**
San Francisco, CA (estimated)	04/23/08-04/29/08	$ 1,633
Minneapolis, MN (estimated)	5/1/08-5/03/08	$ 1,750
Los Angeles, CA (estimated)	5/20/08-5/22/08	$ 1,750
FY08 Planned Travel Expenses - Estimated		**$ 5,133**
Total Travel Expenses FY07-FY08		**$ 12,703**

In Reference to Question 24: What supporting evidence exists to show that the specific programs for which funding is requested are programs that will have an impact on recruitment and retention in each of these diverse categories of employees (member, committee, support staff, labor)? Have any of these particular employee classes experienced significant recruitment and retention problems?

Response. While a targeted study was not conducted regarding the direct impact of the proposed benefit plans on recruitment and retention, the CAO looked to a number of studies that provided evidence to support the need for enhanced and, in some cases, new benefits.

In the 2006 House Compensation Study, Member Offices were asked for what purposes they use the House Student Loan Repayment Program. Of the offices that responded, 72.2 percent used this new benefit to attract employees, 92.2 percent used this to retain employees and 4.4 percent used this as a way to supplement an employee's income.

In that same study, offices were asked the reason employees leave their office. Offices indicated 35.6 percent of the time higher wages were "frequently" a reason and 27.8 percent of the time it was "sometimes" the reason that employees chose to leave an office. While House offices are not always in a budgetary position to provide higher wages to employees, the House could provide a more comprehensive benefits packages, such as the one that is being proposed, to help increase the total compensation of an employee. For example, increasing the maximum limits for the student loan program would help employees pay off their student loans more quickly; an income-based child care assistance program would support lower compensated employees who are often trying to balance the demands of their jobs while ensuring that they are able to provide the best care for their children in the most cost effective way.

Many of the benefits that are being proposed in FY 09 for House employees are currently available to employees in the Executive Branch. In OPM's annual report to Congress it indicates that agencies that offer enhanced student loan benefits have seen a positive impact on their recruitment and retention efforts.

- At the **Department of the Treasury**, offering student loan repayments as a recruitment tool is another means to attract highly qualified individuals who might not otherwise consider Federal employment based on entry and mid-level pay rates.

- The **Environmental Protection Agency** is usually able to meet recruiting requirements without offering student loan repayment benefits, but it is a valuable flexibility when needed. Among students with fairly substantial loans to repay, the student loan repayment program was a definite consideration in deciding whether to join or remain with the agency.

- **National Aeronautics and Space Administration's** ability to provide benefits of up to the maximum amount of $10,000 indicates to employees the agency is dedicated to recruiting and retaining a committed workforce for professional positions to continue the success of the agency's mission.

In OPM's annual benefits survey, a survey of current and new federal employees, 68.4 of the new employees responded that the student loan repayment program as "very important" and an additional 14.7 percent indicated these benefits were "important" or "somewhat important". Eighty-two percent of current federal employees viewed the student loan benefit as "very important" and 11.2 percent responded the benefit was "important" or "somewhat important".

In the same federal benefits survey, when asked the question "What is the extent to which each of the currently available benefits are important in your decision to remain or accept a job with the federal government, 20.7 percent of new employees indicated the child care subsidy was very important and 31.8 percent of new employees felt the child care subsidy benefit was "important to somewhat important." Current employees were equally positive about the child care subsidy program with 16.1 percent of current employees indicating the benefit was "very important" and with 31.4 percent indicating it was "important to somewhat important."

Throughout the House there are a variety of different employee groups: House Officers and support offices, Committees, Leadership, and Member offices. While Member office staffs are more subject to the results of the election, all House employees are "at will" employees and subject to serving at the pleasure of their respective employing office. Data shows the elections do not have as much impact on turnover as the average tenure of a Member of the 110th Congress is five terms or 10 years, while the average years of service of a House employee is 6.8 years but 57 percent of the population has less than four years of service, which indicates Member office staff are leaving for reasons other than a Member retiring, resigning or not being re-elected.

In Member offices, the greatest turnover is among Staff Assistants (D.C. and district offices), Legislative Aids and Legislative Correspondents, which are typically some of the lower compensated positions in the offices. Support offices typically have more tenured, career-track employees. much like the Executive Branch, and will be similarly facing the "baby boomer" retirement exodus in the near future. Given these dynamics the House needs to proactively position itself to:

1. Attract the best and brightest new employees;
2. Retain valuable employees;
3. Keep constituents well-serviced and happy;
4. Create an environment where employees are encouraged to develop professionally;
5. Encourage exceptional performance and
6. Foster the sharing of expertise and institutional knowledge.

Hearing on the House of Representatives' FY 2009 Budget Request
March 13, 2008 at 10:00 AM
H-144 Capitol

Questions for the Record
Mr. Jerry Lewis

Greening the Capitol

Question 1. Provide a list of all "Greening the Capitol" projects undertaken to date, including the cost, anticipated costs and the source of funds used for each project.

Response:

Current Green the Capitol Projects

Current Projects	Source of Funds	Expended	Planned Expenditures	Total Costs
DOE inter-agency agreement (Lawrence-Berkley Nat'l Lab)	CAO FY07 ($515k) House Services Revolving Fund ($935k)	$ 915,000	$ 535,000	$ 1,450,000
Carbon Credits (Chicago Climate Exchange)	CAO FY08	$ 90,550	$ -	$ 90,550
Sustainability Consulting Support	House Services Revolving Fund	$ 137,700	$ -	$ 137,700
Capitol Dome Lighting	House Services Revolving Fund	$ -	$ 671,900	$ 671,900
Green the Capitol Initiative Tracking System	House Services Revolving Fund	$ -	$ 292,502	$ 292,502
Sustainability Consulting Support for Speaker's Greening Initiative	House Services Revolving Fund	$ -	$ 29,700	$ 29,700
Total Current Projects:		**$ 1,143,250**	**$ 1,529,102**	**$ 2,672,352**

Planned Green the Capitol Projects

FY09 Planned Projects	Source of Funds	Estimated Costs
DOE inter-agency agreement (Lawrence-Berkley Nat'l Lab)	CAO FY09	$ 900,000
Education & outreach to Member offices for enhanced recycling program	CAO FY09	$ 100,000
Waste Stream Characterization	CAO FY09	$ 60,000
"Wheels4Wellness Program" Implementation	CAO FY09	$ 75,000
Green Office Equipment & Transportation Expos	CAO FY09	$ 150,000
Means & measurement contract to monitor implementation of energy saving actions	CAO FY09	$ 200,000
Independent verfication of AOC metering	CAO FY09	$ 100,000
Study and implement operational controls of cooling data centers	CAO FY09	$ 415,000
Total FY09 Planned Projects:		**$ 2,000,000**

Question 2. Provide how much cost return, either in energy savings or other savings, each project undertaken to date will have.

Response: The CAO is working with the House Inspector General's Office and Lawrence Berkley National Labs to determine return on investment for appropriate projects. At this time, we have not completed that analysis but will supply the information to the Committee as it becomes available.

Question 3. When was the "Sustainability Consulting Support" contract awarded? What bidding process was undertaken?

Response: The Sustainability Consulting Support was a simplified purchase order rather than a contract award. This purchase order was issued in February 2008 as a sole source effort pursuant to Section III(F)(1) of the Procurement Guidelines.

Question 4. Provide the data on how much more the biodegradable and "green" cafeteria supplies cost than the pre-existing supplies used prior to this initiative.

Response: We are working on a comprehensive analysis of costs associated with the green food services supplies. In general we know biodegradable food service ware is approximately 5 - 10 percent more expensive to purchase than petroleum based plastic and Styrofoam™. However, as an offset to this increase we are reducing our disposal costs. For example, by using biodegradable items we are able to use the USDA composting facility in Beltsville, Maryland with no tipping fees and a commercial composting facility in Crofton, Maryland where tipping fees are 30 percent less than traditional landfills to dispose of this waste. We are also able to reduce our hauling and tipping fees by using our commercial pulper to reduce the weight of the biodegradable materials.

Question 5. Why did the cost of the Capitol Dome light design study increase from $317,900 in the initial reprogramming to $671,000? How many bids were received, at what cost and who were they from? What was the criteria for the selection of the winning bid? It is a general rule of thumb the design/study portions of these types of projects are about 10 percent of the overall project cost. In your estimation, is this the case for this project? What do you expect the total cost to be? What is the timeline for this project? When is it expected to be completed? Will it conflict in any way with other planned projects associated with the Capitol Dome?

Response: The Capitol Dome light design study was a Request for Proposal solicitation available to all commercial and government qualified vendors. Proposals for the lighting design of the Capitol's Dome were received from Domingo Gonzalez Associates, Ewing Cole, RTKL, Smith Group, The Lighting Practice, The Studio I Company and Tillotson Design Associates. In accordance with the Evaluation Criteria, two bidders were determined to be not in compliance with the Technical and Management Approach requirements: The Studio I Company and Tillotson Design Associates. The Studio I Company failed to respond to many requirements contained in the Statement of Work and Tillotson Design Associates failed to provide a technically acceptable offer demonstrating lighting design capabilities. Domingo Gonzalez Associates, Ewing Cole, RTKL, Smith Group and The Lighting Practice were qualified for evaluation in Section B – Firm Corporate Capabilities and Past Experience.

During the review of Firm Corporate Capabilities and Past Experience, Domingo Gonzalez Associates, RTKL and Smith Group were found to have one or more deficiencies in their responses. Both Domingo Gonzalez Associates and Smith Group failed to provide sufficient financial information to assess the health of their companies. While RTKL provided strong financial information, their proposal failed to demonstrate the experience of their staff as well as pertinent experience and qualifications conducting similar services. Finally, RTKL's proposal neglected to discuss the reporting chain of the program/project manager within the structure. Ewing Cole and The Lighting Practice were the only vendors to demonstrate solid Corporate Capabilities and Past Experience. The Lighting Practice received "Outstanding" scores for all criteria.

A comprehensive pricing review was conducted and The Lighting Practice was found to be the best value. The Lighting Practice's cost proposal is $671,400 ($676,868 less than Ewing Cole's offer of $1,348,268). The Lighting Practices' proposal offered the lowest cost and the most technically acceptable design.

The proposals received were as follows:

OFFEROR	***TOTAL PRICE***
Smith Group	*$521,306.77*
Domingo Gonzales	*$652,101.00*
The Lighting Practice	*$671,400.00*
RTKL	*$796,754.00*
Ewing Cole	*$1,348,268.00*
The Studio I Co./PowerHouse	*Disqualified during Technical Review*
Tillotson Design Co.	*Disqualified during Technical Review*

The detailed price breakdown of The Lighting Practice proposal is shown below.

Item 0001
Comprehensive Lighting Design
$380,000

Mock-up
$160,000

Item 0002
Construction Administration Services
$131,400

TOTAL
$671,400

In comparison to the original cost estimate of $317,900 the design effort was $62,100 more than projected. The cost of the mock-up was not included in the original request but required because of the stakeholder decision making process. The independent verification (construction administration) of the lighting installation was not included in the original projection, but essential to the proper commissioning of the lighting system. This effort is expected to take four months with an anticipated completion date of June, 2008. This effort will not conflict with other planned Dome projects. This project will modernize the exterior lighting of the Capitol Dome. This project is fully supported by the Architect of the Capitol and will assist in phase renovation of the Capitol Dome.

The ten percent design to construction cost general rule of thumb is not used by the lighting industry. Typical design to construction cost percentages are in the order of 40 - 60 percent. It is also important to recognize design to construction cost percentage will be much greater on this project because of the preservation and mock-up components of the design. An estimate of total construction costs will not be available until the end of April, 2008.

WEDNESDAY, APRIL 9, 2008.

U.S. CAPITOL POLICE

WITNESSES

PHILLIP D. MORSE, SR., CHIEF OF POLICE
DANIEL NICHOLS, ASSISTANT CHIEF OF POLICE
GLORIA JARMON, CHIEF ADMINISTRATIVE OFFICER
CARL W. HOECKER, CPA, CFE, INSPECTOR GENERAL

OPENING REMARKS—CHAIR WASSERMAN SCHULTZ

Ms. WASSERMAN SCHULTZ. I would like to call this hearing of the Legislative Branch Subcommittee of the Committee on Appropriations to order. This afternoon we will hear from Chief Morse, Assistant Chief Nichols, and Ms. Jarmon—what is your official title?

Ms. JARMON. Chief Administrative Officer.

Ms. WASSERMAN SCHULTZ [continuing]. The new Chief Administrative Officer of the Capitol Police on their fiscal year 2009 request. The Department is asking for $334 million next fiscal year, which is an 18 percent, or $52 million, increase over last year.

The increase includes $7 million to implement the Library of Congress Police merger, $8 million to secure the Capitol Visitor Center, and $3 million for the Presidential Inauguration.

We are so appreciative of the work of the Capitol Police. And Chief Morse and Chief Nichols, I have to tell you, I have really been impressed by your leadership of this department and your commitment to really focusing on drilling down into the problems that administratively the Department has faced, and tackling them head on and acknowledging them, and being proactive to get those addressed—as evidenced by your excellent hire in Ms. Jarmon.

I know how much you have to take on, but an 18 percent increase is going to be pretty difficult. Mr. Latham and I at every agency hearing so far have talked about how we have a lot of needs that we are facing, but not a lot of money. And so we are going to want to hear from you, as I discussed with you yesterday, what your "got-to-haves" are, the highest priorities the Department is facing. And I am looking forward to your testimony.

With that, Mr. Latham.

OPENING REMARKS—MR. LATHAM

Mr. LATHAM. Thank you, Madam Chairman.

Chief, I also want to welcome you and Deputy Chief Nichols and tell you how much we appreciate your service and the job that you and your officers do for us here. We recognize your work is not easy, and we appreciate the resource needs that you have.

Also I want to welcome Gloria Jarmon and congratulate her in her new job as Chief Administrative Officer with the Capitol Police.

At the outset one of my main concerns with the operations is the importance of a sound, reliable communications system, which I know you don't have right now. And as your written statement put it, you are on the cutting edge of operational failure. I know there have been some recent instances in which communication glitches have manifested themselves.

We cannot have a security system where that type of situation exists. On the other hand, you have a mandate to produce a report on the radio modernization that, as we all know, is overdue.

I don't want a situation where we are kicking the modernization issue down the road while we nickel and dime such a critical need. But I do want to know if you see a clear path to getting the communications problem solved, because I agree with you the radio modernization is critical; and it is critical now.

And, Madam Chairwoman, I think it would be worthwhile for us to possibly have a separate meeting with the Chief where we can discuss that issue, and maybe have some of the dimensions aired out, but not in a public forum.

Ms. WASSERMAN SCHULTZ. I would be happy to do that.

Mr. LATHAM. Thank you.

Ms. WASSERMAN SCHULTZ. Mr. Lewis, do you have anything?

Mr. LEWIS. I am just awaiting your lead.

Ms. WASSERMAN SCHULTZ. Thank you very much. I appreciate it.

With that, Chief Morse, your full statement will be entered into the record and you are welcome to summarize your remarks in 5 minutes.

OPENING STATEMENT—CHIEF MORSE

Chief MORSE. Good afternoon, Madam Chair, and members of the subcommittee. Once again I would like to thank you for the opportunity to come here and discuss the Capitol Police's fiscal year 2009 budget request, as well as update you on the progress to improve the management and control of our programs.

I am also pleased to be joined here today by Assistant Chief Dan Nichols to my left and Ms. Jarmon, our Chief Administrative Officer, here to my right. And Ms. Jarmon's addition to our Department and her background and expertise provide the Department with a well-rounded leadership team that is necessary to complete our efforts and become a premier organization, both administratively and operationally.

I would also like to thank the committee for its continued support of the men and women of the Capitol Police. Your support, as well as the support of our oversight committees, is crucial to the successful execution of our mission.

During my time as Chief, we have begun an important process of change, one which requires inspection, investigation, intelligence, enforcement, threat assessment, and personal protective capabilities that are able to meet our security requirements. To better address this dynamic environment in our fiscal year 2009 budget, our executive management team personally participated in determining the resources required to execute the evolving mission of the Capitol Police.

I recognize that our requested increase is significant, but I believe that it is an important reflection of sound judgment on the

part of those responsible for executing the mission of the Department. We felt it was important to present the Congress the resource requirements that, in our best judgment, are needed to optimally execute our mission.

We realize that our request must be put into a broader context within which final allocation decisions will be made. Whatever those decisions are, we remain committed to continuing the highest possible level of security and service provided to the Congress and the visitors to the Capitol Complex.

I would also like to report that we have been very busy this year, and I wanted to give you some highlights of our actions. We have conducted a broad scope of law enforcement security operations throughout the Capitol Complex which—we have done over 1,100 arrests for various violations this past year. We have handled multiple major special events to include the State of the Union, Capitol Concert Series, large-scale demonstration and congressional events. We adopted a concept similar to community policing, which provides direct outreach by Capitol Police officers and officials to the committee members and offices within the congressional community.

We also implemented new security screening guidelines throughout the Capitol Complex. We planned, coordinated and evaluated a number of exercises within the Capitol related to air evacuations, lockdowns, active shooter—which simulates a person with a weapon within the Capitol structure. We finalized our continuity of operations plan and we implemented a process to review an enhancement of the plan to meet evolving threats and requirements. And we conducted multiple training exercises across the Capitol campus to improve readiness for our sworn personnel in the field.

In the administrative arena, we brought on board a new Chief Administrative Officer, and I am looking forward to her implementing significant improvements in our administrative and internal controls process. In last year's report the committee expressed some concerns related to the Department's efforts to address the GAO and recommendations, and today I am happy to report that since October 2007, we have closed 25 percent of the GAO and Inspector General recommendations and findings and we are actively working to address the rest of them.

We developed a full set of financial statements for fiscal year 2007 and are actively working on our statement for 2008. We completed our full inventory of capital assets and assigned values to these assets.

We redesigned our budget planning and execution process, formalizing the Department's Investment Review Board. And at the direction of the committees of jurisdiction, we completed the operational and administrative requirements related to the Library of Congress Police merger, and that resulted in the passage of legislation.

We revised the uniform and equipment policy of the Capitol Police that will result in uniformity in appearance and overall cost savings.

While we recognize that we have made progress over the last year, we also realize we have a long way to go to meet the challenges that lie ahead. And in closing I would like to say that I am

looking forward to continuing my efforts as Chief of the Capitol Police to make it a best-practices organization.

The progress we have made in the last year demonstrates the commitment and hard work of our employees in the Department. And I want to recognize the fact that in many ways we are addressing and correcting processes and programs and the culture that have been present for a long time.

So, at this time, I would like to thank you once again for the opportunity to be here before you; and myself and my colleagues are open to any questions you may have.

[Chief Morse's prepared statement follows:]

Statement of
Phillip D. Morse, Sr.
Chief of Police, United States Capitol Police
Before the
Committee on Appropriations
Subcommittee on Legislative Branch
United States House of Representatives

April 9, 2008

Madam Chair and Members of the Committee, thank you for the opportunity to appear before you today to discuss the United States Capitol Police FY 2009 budget request, as well as provide an update on our progress to improve management and controls over our programs. I am pleased to be joined here by my Assistant Chief of Police, Daniel Nichols, and my Chief Administrative Officer, Gloria Jarmon. As you know, Ms. Jarmon recently joined the Capitol Police from the Government Accountability Office. Her background and expertise provides the Department with the well-rounded leadership team necessary to complete our efforts to become a premiere organization, both operationally and administratively.

I would also like to thank the Committee for its continued support for the men and women of the United States Capitol Police. Your support, as well as the support from our other oversight committees, is crucial to the successful execution of our mission.

It has been a little over a year since I was selected to be the Chief of the United States Capitol Police. During this time the Department has undergone many cultural, operational and management changes. These changes are part of a larger process to modernize the Department for mission capability and efficiency, while enhancing our ability to protect the Congress. I welcome

this opportunity to provide you with an overview of the Department's FY 2009 budget request, as well as an update on our successes to improve our management practices and internal controls thus far.

As in any organization, teamwork and leadership are essential qualities of a well-managed security and law enforcement operation. It is through this teamwork and leadership that the USCP has been able to achieve many successes over the last year. I would like to recognize the hard work of all of the sworn and civilian personnel of the United States Capitol Police who exhibit their leadership and dedication to teamwork in meeting our mission every day. Each day of the year without exception, these dedicated individuals, with the support of the Capitol Police Board and the Congress, ensure the safety of the Members, staff, and millions of visitors from across the globe who come to see democracy at work.

The Department accomplishes its mission through a variety of functions to provide round the clock protection to the Congress and the legislative process. In an effort to leverage and maximize technology as well as maintain efficiency and effectiveness in security operations, the Department has made significant investment in our human capital and infrastructure. We also provide high-quality training to our recruits, officers and staff. To manage our infrastructure requirements, we have augmented our physical security as well as counter surveillance capabilities, automated antiquated security and administrative support systems, enhanced our detection and response capabilities for explosive and hazardous materials, maintained a state-of-the-art command center and sustained continued, uninterrupted operations of our incident command and emergency notification and response systems.

The complexity of these operations and infrastructure requires the USCP to take a realistic approach towards identifying risks, and resource requirements to meet them, while eliminating lower priority operations and investment proposals for new departmental initiatives to insure the prudent use of critical resources.

In our FY 2009 budget submission, the Department is requesting your consideration of its request for personnel costs of $269.2 million and general expense costs of $64.4 million. This budget request of $333.6 million represents an increase of $51.8 million, which is 18% over the amounts for FY 2008 at the enacted level of funding. As stewards of public resources and a Department benchmarking itself against rising standards of success, we are keenly aware of our increasingly lean resource environment. In developing the FY 2009 budget submission, our main priority was to address the most critical threats, risks, and vulnerabilities to congressional security and several initiatives directed by the Congress, as well as addressing the administrative areas that pose a risk of fraud, waste and abuse. The Department's FY 2009 budget request focuses 81% of requested resources on Assessment, Prevention and Response, while 19% is focused on support activities for the overall mission.

It is important to note the reasons for the increase in the Department's FY 2009 budget request, as many of the items included in this increase are not within the control of the Department. Within these items is an increase of 6.1% of the total 18% increase related to the opening of the Capitol Visitor Center, the implementation of the Library of Congress Police Merger, security for the Architect of the Capitol's Tunnel Project and security for the Library of Congress New Visitor Experience. Also included in the overall increase is an increase of 1.1% related to security for the upcoming Presidential Inauguration, as well as a nearly 1% increase in the USCP Office of the

Inspector General. In addition, 3.4% of the budget increase is related to the annualization of FY 2008 costs and the Department's annual cost of living allowance.

The remaining 6.4 % of the overall 18% increase are items, which reflect the Department's priorities and initiatives. Of these items, is a $1.6 million request for reconsideration of several new civilian positions, which were requested in the FY 2008 budget request, but for which funding was not available within the fiscal year appropriation to support new FTE. The remaining items are salaries, to include overtime, and general expenses related to the initiatives developed under our new Force Development Process, as well as a select few of my priorities for the Department.

The Department is requesting an increase in sworn and civilian personnel in FY 2009, to include:

- 121 sworn FTE, which include sworn personnel in the following areas:
  - 87 related to the Library of Congress Police Merger;
  - 10 related to the Capitol Visitor Center, to include utilization of the tunnels for staff led tours, as well as funding for the 21 sworn FTE authorized in FY 2008;
  - 11 related to the Library of Congress New Visitor Experience; and
  - 13 related to the Protective Services Bureau's Intelligence Capabilities Business Case.

- 38 civilian FTE, to include 17 civilian FTE previously requested in FY 2008, which are intended to support the following areas:
  - 4 related to the Office of Financial Management to support budget and accounting activities;
  - 4 related to the Library of Congress civilian support personnel for police operations;

- 3 related to the Protective Services Bureau's Intelligence Capabilities Business Case;
- 8 related to the Office of Information Systems to support the new Radio project, and the closure of GAO and Inspector General recommendations and findings;
- 9 related to the Security Services Bureau to support security and technical program execution and related technology upgrades;
- 5 related to the Training Services Bureau to support training coordination department-wide;
- 2 related to the Office of Human Resources to support a diversity program and the closure of GAO and Inspector General recommendations and findings related to workforce planning;
- 1 related to the Office of Facilities and Logistics to support workplace safety programs; and
- 1 related to the Office of General Counsel to support evolving legal coordination and mission support.
- 1 related to the Office of the Chief Administrative Officer to support administrative oversight and management.

- Additionally, our Inspector general is requesting an increase of 6 civilian FTE including a dedicated legal counsel and additional auditors and investigators.

The increases referenced will raise the Department's authorized and funded sworn personnel level from 1702 to 1823 FTE and civilian personnel from 414 to 458 FTE. This is an overall increase in personnel from 2116 to 2281 FTE for the Department.

The Department is also requesting an increase of $15.6 million in general expenses over its FY 2008 appropriated funding levels. This increase includes:

- $4.1 million for the Office of Information Systems to support lifecycle replacement costs for existing systems and to support increases in ongoing contracts.
- $5.4 million for the Security Services Bureau to support lifecycle replacement costs for existing systems and to support increases in ongoing contracts.
- $1.2 million for the Office of Facilities and Logistics to support the LOC Police merger and other new sworn positions, to support the Presidential Inauguration, and to support increases in ongoing contracts.
- $1.9 million for the Training Services Bureau to support the training requirements for the LOC Police merger and other new sworn personnel, as well as the operation of the Practical Application Center.
- $200,000 for the Protective Services Bureau to support the Intelligence Capabilities Business Case from our Force Development Process.
- $900,000 for the Office of Plans, Operations and Homeland Security to support a study of our Command Center requirements, increases to the Security Camera Operators contract, and various costs associated with the Presidential Inauguration.
- $1.1 million for the Office of Human Resources to support increased costs related to sworn applicant testing and background investigations; and
- $800,000 for the Uniformed Services Bureau, the Operational Services Bureau and other organizational elements in support of training activities, the Presidential Inauguration, and increased fuel costs.

Of primary concern to achieving our operational and administrative goals are the potential impacts resulting from a lengthy continuing resolution in FY 2009. With the upcoming opening of the Capitol Visitor Center, the Presidential Inauguration, the State of the Union, the Library of Congress (LOC) Police merger, the LOC New Visitor Experience and the security requirements for the AoC Tunnel Project, as well as maintaining normal post requirements, the Department's salaries and general expense resource requirements under a continuing resolution (CR) will exceed our expected CR allocation. Therefore, the Department is preparing a Continuing Resolution Impact Statement to provide the Committees with information on the potential impacts, as we know them today. In addition, we will continue to work closely with your staff to clearly define our resource needs in the event of a CR.

In an effort to improve overall effectiveness, we have focused on a number of areas, beginning with overtime management. In FY 2007, the Department concentrated heavily on the efficient utilization of our overtime allocation within our salary appropriation, as well as ways to effectively control the Department's utilization of this resource. Based on current mission requirements, the current number of on-board sworn personnel is not sufficient to meet all of the identified mission needs. Therefore, USCP sworn personnel must be utilized to work overtime to meet these resource requirements. Last year, through a process of load leveling sworn personnel across the Department, constant analysis, and the reduction of low risk posts, we were able to reduce our projected overtime requirements of $24.7 million by close to three million dollars. Yet, we still had to utilize over $22 Million in order to meet our basic mission requirement. With the upcoming openings of new areas of the Library of Congress, the Capitol Visitor Center, the implementation of the Library of Congress Police merger and the anticipated presence of special events and protests in and around the Capitol, we know that we must continue the use of overtime to meet the Department's mission. However, we believe that by continuing to utilize our established

overtime allocation and tracking process, we will be able to ensure that we are utilizing overtime in an efficient and effective manner, balanced against the Department's need to request additional sworn personnel to fill identified mission activities related to normal post requirements.

As such, the Department is requesting consideration for overtime funding in FY 2009 at $30.5 million, which is an increase of $4.1 million over the enacted FY 2008 funding level of $26.4 million for overtime within our salary appropriation. Included in this request is $21.7 million in overtime to address normal post requirements; $900,000 to support the security requirements for the AOC Tunnel Project; $1.1 million related to supporting additional posts requirements for the Library of Congress New Visitor Experience until sworn personnel are authorized, recruited, hired, trained and deployed; $4.9 million to support security operations for the Capitol Visitor Center, to include backfill for additional sworn personnel until the positions are recruited, hired, trained and deployed; and $1.9 million to cover the 2009 Presidential Inauguration post requirements.

Another area of focus is in the area of human capital resource requirements. In the last few months, the Department received the final report from its contractor, Enlightened Leadership Solutions, which provides a detailed analysis of operational processes and the required manpower necessary to carry out each component of these processes. This Manpower Study, along with the Department's Strategic Plan, the Force Development Process, the annual Environmental Assessment Process, and our soon to be published Strategic Human Capital Plan, will be utilized by the Department in future years to develop and enhance a single long-term vision and related resource requirements. Our wish is for this vision to be a guide for us in everything we do from this point forward, as well as provide an indicator to you of our plan, process and progress. The goal of this entire effort is to create a set of clear targets to define our plan, budget and performance measurements for the next 10 years.

Previously, the USCP Concept of Operations (ConOps) dealt mostly with security at the entrances of Congressional buildings and the Capitol grounds. The current situation in the world posed by terrorism and other threats has required us to develop a ConOps that stretches our capabilities beyond stopping a threat before it can get through the door. We utilize intelligence provided by our partners throughout the federal government to remain constantly vigilant of threats, so we can stop them long before they come within striking distance of the Capitol Complex and Members of Congress. Through the Manpower Study analysis, we have determined an immediate need to further develop this capability in FY 2008 through some staffing realignments and in FY 2009-2010 through a request for an increase in authorized sworn and civilian personnel to support this counter-intelligence effort.

With an aging infrastructure, the limitation of current facilities and the quickly changing technology surrounding law enforcement, the Department is faced with a communications challenge. This challenge will require us to invest in a new radio system. We are grateful for the resources and support we have been given by Congress in this area to date. We recently received a cost analysis from our contractor based on a comprehensive requirements survey for our new radio system. We plan to provide this analysis to the Committees following our internal validation of the data.

Regardless of the approach we take in the future, our facilities are not designed and built to handle a modern operation, and may not be capable of handling the necessary infrastructure for this purpose. To that end, we are working with the Architect of the Capitol to develop a comprehensive facilities requirement, which will accompany our radio system resource requirements request to the Congress.

In order to ensure that the Department had credible and supportable costing data before requesting additional support from the Congress, we did not include a request for funding for the new radio system in our FY 2009 budget submission, as this supportable data was not available at the time of the submission deadline. Now that this data is available, the Department would like to initiate discussions with the Congress regarding the most appropriate venue to pursue this critical funding.

During FY 2007, the Department affected over 1100 arrests, which range from robbery to driving while intoxicated to disorderly conduct to traffic offenses. In the first five months of FY 2008, the Department affected over three hundred and forty arrests ranging from larceny to driving while intoxicated to traffic offenses. In addition, the Department conducted over 65,000 K-9 sweeps during the same five month period.

In an effort to better engage our stakeholders in the mission of the Department, we have adopted a concept similar to "Community Policing", which provides direct outreach by USCP officers and officials to Committees and Member offices within the Congressional community. Over the last year, the Department has focused on this effort with positive response from our stakeholders by visiting every congressional office as a part of this outreach. Through this proactive communication process, the Department is better able to keep the Congressional community abreast of security and safety issues of importance. Last month, we began our theft protection outreach efforts with Member offices and will continue this effort throughout the summer months.

Additionally, to better plan and execute security for special events and demonstrations, the Department has focused its efforts to ensure a holistic event plan is developed, to include staffing and resource requirements, as well as roles and responsibilities. Further, the Department has implemented an after action reporting process to capture issues and achievements from each event to be used for corrective actions, future planning and training purposes.

During the high-volume months when visits to the Capitol complex are at their height, the Uniformed Services Bureau is making specific efforts to expedite visitors through security screening checkpoints. A contributor to our success in this area is the Department's new security screening guidelines. So far, we have trained over 600 officers, officials and security aides, to include all sergeants and lieutenants. These new security-screening guidelines standardize this process, so that officers are more consistent with their screening applications and more proficient in the detection of prohibited and unlawful items. Since the training was implemented, there have been some significant weapon seizures, to include the detection of a cane with a sword concealed inside and a switchblade knife in a backpack. Both of these detections resulted in arrests.

Further, we have planned, coordinated and evaluated 15 exercises within the Capitol related to air evacuations, lockdowns, and active shooter, which simulates a person with a weapon within Capitol Complex structures. We have also conducted 60 training exercises across the Capitol Complex to improve readiness for sworn personnel in the field.

In addition, the Department has recently finalized its initial Continuity of Operations (COOP) plan to ensure its readiness to support the Congress in the event that the legislative process must be relocated. This will serve as a living document for the Department, upon which we will continue to enhance our preparedness and readiness efforts. Further, the Department has focused

efforts to ensure the readiness of our personnel to address short-term limited evacuations from buildings or the interruption of activities, so the Department has the ability to perform its mission.

These are just a few of the operational activities that the Department has undertaken in an effort to enhance its management infrastructure. But, just as critical are the mission support functions in our administrative area.

As we develop these synchronized systems and improve the overall planning and mission capability of the Department, we are also working toward developing and implementing best financial management and internal controls practices within our organizational elements. We have taken on several positive steps in this area, and most recently have worked towards the ability to produce a full set of auditable federal financial statements.

I am pleased to report that we have shown some progress in meeting this goal. The Department completed a full inventory of our capital assets, and assigned values to these assets. This effort led to the completion of a full set of federal financial statements for the fiscal year that ended on September 30, 2007. We know that our financial statements require further refinement and improvement. We are committed to continuing these efforts over the next several years under the guidance of our CAO, with a goal to achieve a clean opinion on the financial statements for the fiscal year ending September 30, 2010. We also know that even with a clean opinion, we will have to continue to address audit findings in this area until we achieve a best practices financial management operation.

We have also taken steps to identify and address critical staffing requirements within our Office of Financial Management, to include the areas of budget, procurement and accounting.

Without filling these key positions, I am concerned that we will not be able meet our goals to correct the recommendations and findings in this area. I am pleased to report that over the last eight weeks, the Department has advertised all current vacancies within OFM, and we have tentatively selected a Director for the Office of Financial Management and a Procurement Officer, as well as finalized the hiring of an accountant and a contracting officer. We are actively interviewing for the Deputy Director for the Office of Financial Management, Budget Officer, Budget Analyst, and Procurement Analyst. We hope to have selections made and the requests for appointment forwarded to the Capitol Police Board and authorizing committees soon for all vacant OFM positions.

I am also pleased with our efforts to redesign our budget planning and execution process, with the approval and assistance of the Appropriation Committees, as a part of our new Force Development Process. We have provided for the first time a budget submission, which we believe demonstrates the resource requirements of the Department, defines our methodology for making these resource requests and demonstrates how the Department is utilizing the resources provided to it by the Congress.

During my tenure, the Department has focused on instutionalizing my vision of "Rising to the Challenge," and we have set the bar very high for our officials and staff in an effort to make the USCP better able to meet our mission and enable every sworn and civilian employee to take more pride in the organization.

We began instituting the "Rising to the Challenge" vision by tackling goals that are as simple as officers' consistently looking professional and alert on post; or as complex as developing a standard and repeatable planning process for the Department that utilizes a comprehensive series of assessments and investment decisions. We have also worked to instill the common values of

consistent practices, goal setting and commitment to the overall mission throughout every level of the Department.

To ensure our success, we have worked to enhance communication and transparency, in order to keep all employees better informed on the workings of the Department, and the expectations of leaders and stakeholders. We have increased accountability down through all levels of management, so that the senior leaders can count on the front line supervisors to run the day-to-day operations, while we make a concerted effort at the statutory and Executive Management Team levels to map out the long-term strategic initiatives for the Department.

Some key outcomes of my vision in 2007 were the successful completion of the Department's Force Development Process for the Fiscal Year (FY) 2009 budget development and submission, as well as the development of a formal process to track and address recommendations from the OIG and GAO.

Force Development incorporates the principles of threat based planning into our Concept of Operations (ConOps), investment decisions and resource requests and allocations. This standardized business approach is based on the concepts of consistent planning, budget formulation, execution and performance evaluation, in the spirit of the Government Performance and Results Act (GPRA.) Force Development sets timetables and accountability for planning resource requirements, based on security risks and threats, as well as a higher level of accountability.

Many of the components of the Force Development Process were already in place at the Department. We have simply designed a process flow that sets a consistent time table, integrates

risk and other assessments into the formal process, links activities into one consistent and unified process, and adds a new level of performance tracking and reporting.

I am also pleased with the intensive analysis that we have conducted in order to develop a small number of specific investment proposals for the FY 2009 budget submission using a five-step process. Lead Agents, which were members of our Senior Management Team and program managers, developed detailed business cases for specific investment proposals that where designed to meet the most critical needs identified by the Department's annual environmental assessment. We utilized an internal costing group made up of representatives from the operational bureaus and administrative support areas of the Department, to define accurate resource requirements for each investment. We incorporated analysis panels of Senior Management Team members to meet with the Lead Agents to challenge their business cases and more clearly define the needs of the Department and develop recommendations for our Investment Review Board (IRB), which is comprised of members of the Department's Executive Management Team.

Finally, the IRB met to discuss each business case proposal and ask questions of the Lead Agents to further validate and refine the requirement. Following the IRB meetings, we conducted an online rating and ranking process which delivered to me a comprehensive analysis of the IRB rating, ranking and comments for each investment proposal. This analysis allowed me to make my final decision for the proposals considered for inclusion in our budget.

The second outcome from my vision is the Department's efforts to address its management challenges. As you know, the Department struggled for several years to address the recommendations of the Government Accountability Office (GAO) and the Department's independent auditors. One of my first directives to the Executive Management Team was to

embrace and implement the recommendations provided by the GAO and the USCP's Office of the Inspector General, which included the recommendations of our auditors.

My goal was to use these recommendations as a roadmap for the Department's overall organizational improvement. The recommendations have provided the Department with an opportunity to implement a myriad of administrative and operational changes to create a well-managed organization, prevent the risk of waste, fraud and abuse, and insure the successful execution of our mission.

As a first step toward meeting this goal, we established an Audit Liaison to coordinate the tracking and reporting of all open recommendations with the Executive Management Team. We implemented a directive, which establishes a formal audit resolution process, and is based on the examples provided through policies and best practices followed in other government agencies. In addition, the Directive established a process of developing action plans to deal with each open recommendation and ensure accountability from all levels of USCP employees responsible for their resolution and closure.

Today, I am pleased to report that the Department has made significant progress in addressing these recommendations and findings since October 2007. Since the beginning of the fiscal year, we have closed over 30 of the 118 remaining recommendations and findings, leaving open a total of 80 recommendations and findings to resolve. Of those closed, 8 recommendations were in the financial management area. The remaining closed items were in the human capital, asset management, information systems, strategic management, operations and overall management and internal controls areas.

Over the last year, we have:

- Developed and submitted for audit a full set of financial statements.
- Developed and implemented a standardized and repeatable process to ensure compliance with reprogramming requirements concerning appropriated funds.
- Implemented actions to monitor our purchase, travel and fleet card programs and the expenditures made under these programs.
- Implemented a standardized process for addressing procurement workloads to avoid backlogs.
- Formalized the Department's Investment Review Board process and provided training for its members.
- Established a formalized process for responding to and resolving recommendations and audit findings.
- Institutionalized our semi-annual reporting to the Capitol Police Board and our oversight committees.
- Finalized our Continuity of Operations Plan and implemented a process for review and enhancement of the plan to meet evolving threats and requirements.
- Finalized, submitted, and received approval for the USCP's organizational chart.
- Revised and implemented the processes and protocols for the use of blocking vehicles.
- Revised and implemented protocols for the usage of radio frequencies during operational activities, and.
- Developed and implemented a formalized process for the review and approval of information technology procurements.

Additionally, we have developed and are initiating the implementation of a strategic human capital plan, to include linkages to the Department's strategic plan and vision. This plan will assist the Department in addressing the gaps in the number, deployment and alignment of human capital approaches to enable and sustain the contributions of critical skills and competencies within our workforce. We believe this plan is critical to our ability to hire and retain a professional workforce necessary to support the mission of the Department.

Further, we have taken steps to suspend, review and overhaul certain programs to validate that they are operating within the intent of Congress and under effective internal controls.

Some examples of these are:

- Suspension of the Student Loan Repayment Program in order to revise the overarching directive and procedures governing the program to ensure that the program is being utilized as a recruiting and retention tool, as intended.
- Suspension of the Specialty Assignment Pay, Fitness Proficiency Pay and Firearms Proficiency Pay in order to review these discretionary programs for prudent management and oversight.
- Enhancement of our internal controls program. These efforts have provided a framework for organizational elements to address and resolve audit findings and recommendations.
- Review of our uniform and weapon inventories. This review resulted in my decision to implement changes to our uniform policy, to include the number and types of uniforms utilized by the Department. My intent is to streamline the uniforms used by the Department and reduce our inventory and long-term uniform expenditures.

- Review of other support areas such as training, procurement, travel processes, and fleet management to continue progress in addressing management and controls issues.

In addition to our focus on these operational and administrative management activities, we have also been focused on the planning for and implementation of several large-scale initiatives, which will be impacting the Department within the upcoming year.

The Department is making plans to provide security to the upcoming Democratic and Republican Conventions in August and September 2008. We are currently engaged in various planning efforts and site visits leading up to the events.

As the completion of the Capitol Visitor Center nears, we are gearing up for the opening of this facility and to welcome the American public with courteous, efficient and safe security. We are grateful for the authorization of an additional 21 sworn FTE in FY 2008 to support the USCP's CVC operational plan. As you know, we are requesting an additional 10 sworn FTE in order to support staff led tours in the congressional office building tunnels. With these resources, we will have the tools to implement our operational plan consistent with current operating assumptions for the facility.

In addition, with the recent legislation enacted in January 2008, Congress has expressed a timeline for the complete merger of the Library of Congress Police into the USCP. We have developed a very successful relationship with the Library of Congress (LOC) Police over the past few years and have integrated our sworn employees into their operations. In FY 2009, we will be integrating the remaining LOC sworn personnel into the Department and will be training, equipping

and employing them as members of the USCP. Likewise, we will be welcoming their civilian employees into our ranks.

While these are just a few examples of the serious efforts we have undertaken to enhance the management and internal controls of the United States Capitol Police, as well as implement long-term planning, I believe they represent our commitment to meet the challenges raised by the Congress and the successful execution of our mission to protect and defend the legislative process. Although much work remains to be done at the Department in the areas of management, we believe that significant progress has been made in implementing systems and processes that improve the administrative functions and our ability to perform our mission.

In closing, I would like to say that I am looking forward to continuing my efforts as Chief of Police to make the Capitol Police a best practices organization. The progress we have made in the last year demonstrates the commitment and hard work of the employees of the Department. I want to recognize the fact that in many ways we are addressing and correcting processes, programs and a culture that has been present for a long time. Everything will not be made perfect all at once. However, we will continue to see gradual results and a constant evolution into the premier organization I believe we should be. I am committed to continuing to keep you and our other stakeholders informed, and will insist on continued transparency and openness, both internally and with our external customers and stakeholders.

We at the Capitol Police look forward to working collaboratively with the Congress to continue to safeguard the legislative process, Members, staff and visitors to the Capitol Complex. Through this collaborative partnership, I believe we will realize our collective goal of transforming the United States Capitol Police into a premiere law enforcement organization.

Thank you for the opportunity to appear before you today and the Committee's continued support of the men and women of the United States Capitol Police.

My colleagues and I are ready to address any questions you may have.

FINANCIAL MANAGEMENT

Ms. WASSERMAN SCHULTZ. Thank you so much, Chief Morse. And again, we just can't thank you enough for what a wonderful job the Department does in protecting not just the Members of Congress, but our visitors and tourists and guests that come to the complex every year.

I want to open by talking about your financial management system and congratulate you—my understanding, correct me if I am wrong, is that this is the first time in the Capitol Police's history that you actually have conducted a full inventory and that you have a complete set of financial statements; is that right?

Chief MORSE. That is correct.

RADIO SYSTEM

Ms. WASSERMAN SCHULTZ. One of the concerns that we had on the radio system, when Mr. Wamp was still the ranking member, was that until you actually had the ability to know what you had and had the ability to conduct a full inventory, moving forward aggressively with the radio system was—we decided to slow that down because we needed to make sure we were being fiscally responsible, that you had to first know what you have before you purchase more.

We did appropriate $10 million. We had had 15, but we pulled the other 5 million back because you weren't ready to expend that.

Where are you in terms of developing the radio system? And how much of the 10 million that you have already been appropriated has been obligated or spent?

Chief MORSE. Where we are right now, we have completed the concept and design of the system itself and the costing of the system, and we are prepared to present that. We have an April 16th date with the Capitol Police Board to present that.

I do want to say, as Mr. Latham mentioned, we are behind schedule on that; and I will take responsibility for that. This is obviously a significant investment for the Police Department and Congress, and it has to be absolutely right. And my goal was to have this sooner, but as we looked at this system, we found that it was more complicated.

We have a 25-year-old system, which we also found is supported by 25-year-old infrastructure and wiring and such. Facilities are a large part of this and were a part of the design and costing, so my expectation for December was not met.

But I think it is important to note that because of its significant value to our operation and investment that it is—I wanted to make sure that everything was covered from A to Z, that all questions and possibilities are covered in this report so that we don't have to keep going back and continuing studies and such.

Ms. WASSERMAN SCHULTZ. You have not requested additional funds for the radio system this fiscal year, correct?

Chief MORSE. I have not.

Your second question was, had we expended any of the 10 million; and we have not. In order to do so, we had to bring forth a proposal, a design, and a costing. And we also had to show that we were fiscally responsible, that we are changing the way that we

manage our operations, and show the Congress that we can manage a project of this magnitude.

GETTING FINANCIAL OPERATIONS ON TRACK

Ms. WASSERMAN SCHULTZ. Thank you. If you recall, we went over the financial management issues in great detail last year at this same hearing, and you were at the point where you literally had only been the Chief for—both of you had only been in office for a few months; but at that point, the GAO had described the Office of Financial Management as being in constant crisis mode, which is one of the main reasons I know you brought Ms. Jarmon on.

Can you give us an idea of the steps that you have taken to get the Department's financial operations back on track? I think restoration of the congressional community's confidence is really important in that regard.

Chief MORSE. Well, we had obviously a lot of professional recommendations that had not been carried out, so it was important for us to start with that. Part of our closure of GAO and IG recommendations were a closure of recommendations in the Office of Financial Management; and we were able to close eight of those.

To restore order within that particular organization took the need to have the right policies and procedures and the right people in place, so we started at the top. And Ms. Jarmon not only gives us the knowledge, skills, and abilities in the areas of office administration that meet the criteria for her job, but she is also a CPA, which gives her abilities in financial management to be very significant.

Also, during the last year, we have been able to go back and look at the knowledge, skills, and abilities of the people in positions that work within that office to ensure that they are at the level that they should be to handle the responsibility. So with that effort, and also getting statements completed, getting inventory and assets management completed, made the job much easier. It brings some degree of order to what it is that we are doing. That information we did not have in the past and we do now. So it makes the process much smoother.

We also had to build a system—I mentioned earlier that we built a system for being able to build a budget, a validated and justified budget. And we looked at, bringing our internal controls, our investment review board, our executive management team, all of those people coming together and working together with the information and providing you with a substantive and justified budget.

So all of those things combined make for a much stronger Office of Financial Management and certainly gives a good representation of the Department and, hopefully, more confidence in us.

Ms. JARMON. Can I add a little?

Ms. WASSERMAN SCHULTZ. Sure.

Ms. JARMON. I just wanted to mention, like Chief Morse said, we did prepare the full set of financial statements for the first time, and our auditors had a disclaimer in those statements which is not unusual for an agency for the first time ever preparing financial statements. It was our goal to move in the direction of a clean opinion. It is a work in progress.

TIMELINE FOR A CLEAN AUDIT

Ms. WASSERMAN SCHULTZ. My time has expired, but do you know what is your time line for a clean audit?

Ms. JARMON. By 2010. We plan to show improvement each year, less material weaknesses, and to move forward to a clean opinion by 2010.

Ms. WASSERMAN SCHULTZ. Thank you.

Mr. Latham.

IMPACT OF A CONTINUING RESOLUTION

Mr. LATHAM. Thank you. As the chairman knows, I ask this every hearing——

Ms. WASSERMAN SCHULTZ. I warned them.

Mr. LATHAM. We visited, too.

There is the real possibility, certainly with the statements made over in the Senate, that we will be in a continuing resolution potentially up to February or March of next year. I would like to know what impact you see that having on your operations, and also, if you have put any thought into planning for that contingency.

Chief MORSE. Yes, Gloria and her staff have been preparing an impact statement in the event that we are under a CR. But I think as we look at what we have proposed for 2009, if you look at the things which—in our terminology, some of the uncontrollables, some of the things that we are facilitating—would be impacted. For instance, CVC operations, the Inauguration, and those things that are a part of our increase.

And then you have your general expenses and salary, of course, that are affected by that within the organization. So hiring would be affected. We would only be able to fill attrition; we wouldn't be able to advance the Police Department, we would just maintain the Police Department. So I think the biggest impacts are some of the increases that you see here in the 18 percent that we would consider the uncontrollable increases to us.

Mr. LATHAM. Like the Inauguration and those?

Chief MORSE. Inauguration, the CVC opening, those types of things.

INTELLIGENCE CAPABILITIES

Mr. LATHAM. Okay.

Both in your written testimony and your budget justifications there is reference to the recent manpower study as identifying an increased need for intelligence capabilities. And you say that represents the first step in a long-term process. Can you give us a reasonably accurate description of what the needs are?

I believe you are requesting 16 full-time equivalents in 2009, and this is just one step. Can you give us an idea about what you expect in step 2, step 3, step 4 so that we can have an idea?

Chief MORSE. Sure. With the intelligence capability currently, we run sort of a 5-day-a-week, 8-hour-type operation, special events directly related. We need the capability of running an intelligence collection analysis, dissemination of that information on a 24-hour, 7-day-a-week basis. We do obviously have connectivity with our

partners in the Intelligence Community, but this helps us also increase that connectivity with them to have liaison officers with them.

The one key point in our business case regarding intelligence gathering analysis and dissemination is that we are relying on other agencies to provide information, so we are receiving and then disseminating that information. But without the capability to collect information here, to be able to analyze that information, connect the dots with the national intelligence, we lack that capability with a legislative branch perspective. So that is where we would like to go.

This business case sets the foundation for sort of piloting this before we are to move on or begin staffing that at any higher levels. This will give us a baseline of what we need for the future.

OVERTIME MANAGEMENT

Mr. LATHAM. You have made the management of overtime a focus, providing efficiencies to the Department. Can you tell us about what you have done to streamline the use of overtime? I think you are requesting 30.5 million for overtime in fiscal year 2009, which is a major increase over 22.5 last year. Can you explain that a little more in detail?

Chief MORSE. Sure, with respect to savings, one of the things that was passed to the Assistant Chief was to find ways to be more efficient in our operations. That includes the deployment of officers' time and attendance, waste, fraud and abuse, internal controls related to that, any technology that we could use to enhance our security systems and not have to use officers for those types of things. We put all of those things together to have a package that would give us more economy of force, which resulted in a savings of overtime.

To give you one example, one of our analyses that we did was taking a look at hours of operation in session, out of session, with regards to the opening of doors. We were able to adjust those hours in consultation with our stakeholders, which provided a savings during out of session periods.

We were able to do an analysis of where we were spending the most overtime and we were able to devise a system that allowed us to deploy our officers differently. We call it "load leveling" where we were able to redeploy officers and divisions that allowed us to significantly reduce overtime—in other words, putting the officers where the mission was taking place. And then, of course, the direction is mission directed only. And with those things we were able to save a great deal of money. The schedule of Congress was less than we expected.

Demonstrations are always an unexpected, and for a while we were dealing with those every day; to a certain degree those have stopped on a daily basis.

Mr. LATHAM. In your request you have a 42 percent increase for next year's schedule. Why is that?

Ms. WASSERMAN SCHULTZ. Your time is well expired, but if you want to answer the question, that is fine.

Chief MORSE. The increase has to do with opening of the CVC, as an example. We have training that we need to do for that in ad-

vance of the opening. We have the Library of Congress merger, which we have to have backfill overtime. We have Inauguration training, rehearsal, et cetera, that we have to use overtime for. And the other types of overtime are associated with routine post assignments and mission site, and the difference is—either filling those positions with FTE or paying overtime is the difference.

Mr. LATHAM. Thank you.

Ms. WASSERMAN SCHULTZ. You are welcome, Mr. Latham.

Mr. LaHood.

CLOSED DOOR MEETING

Mr. LAHOOD. Are we planning to have a session with these folks just to talk about issues that we don't want to talk about publicly?

Ms. WASSERMAN SCHULTZ. A closed session? There wasn't one in the plans, but we can certainly have one if you would like to have a closed session.

Mr. LAHOOD. I would, because I think there are some things that we maybe should——

Ms. WASSERMAN SCHULTZ. Sure, we can set that up. That is fine.

NEW HEADQUARTERS

Mr. LAHOOD. You know, I read in one of the Capitol Hill newspapers about the idea of a new police headquarters. Can you talk about that?

Chief MORSE. Yes, I believe that particular article came from a Transportation and Infrastructure hearing that I attended, and I was asked by the chairwoman if—actually, I was given advice that with the property around the existing Capitol campus going away pretty quickly that if we were in need of a Capitol Police headquarters, we should begin looking for that very quickly.

We obviously have reached our capacity as far as facilities are related; and we work constantly with the AOC, the Architect of the Capitol, to relay our needs with respect to that. We haven't been asking for significant increases of personnel, and so obviously we trimmed it back from within to get police officers on the street deployment-wise to work most efficiently. But, you know, a Capitol Police headquarters or facilities are a need; they will become a need as the agency grows because we have reached our capacity. So that is something that is on the radar screen.

But—I haven't put any proposals together yet or made any recommendations, but it is certainly something that has to be looked at.

Mr. LAHOOD. Nothing in the works as far as the Architect's Office is concerned, like drawing up plans?

Chief MORSE. Not that I am aware of.

Mr. LAHOOD. And you have not asked them to do that?

Chief MORSE. I have not.

Mr. LAHOOD. Is that how it would start?

Chief MORSE. That is how it would start. I believe there have been a number of plans in the past, facility plans, et cetera. We did direct that our Office of Facilities and Logistics collect all of those documents and proposals of the past and put them together so that we would have some sort of idea of what has been recommended in the past.

But I have nothing current, actively going on. But in order to start that, that would be the start of that process.

Mr. LAHOOD. Thank you.

Ms. WASSERMAN SCHULTZ. You are welcome.

Mr. Bonner.

CAPITOL VISITOR CENTER FTES

Mr. BONNER. Thank you, Madam Chair. I am the rookie. I guess you have rookies on the police force; I am the rookie on the committee. So let me ask a couple of quick questions since I was not here last year.

You discussed the radio system then. I think you have addressed the questions already on that. But one that consistently comes up whenever we have visitors is about the CVC. Does your current force have adequate resources in terms of manpower to be able to deal with the new visitors center?

Chief MORSE. The Congress had been very generous in assisting us with the FTE to provide for the opening of the CVC in fiscal year 2006; 45 additional FTEs were hired for that purpose. There is also—with closure of certain screening facilities, exterior screening facilities of the Capitol now that will be taken up by the CVC itself, there is an input of officers into that.

We have also requested in our fiscal year 2009 budget some support FTE for the CVC; and in the event that certain assumptions are not met regarding post-opening, that would not be in the original plans. And also the new Visitors' Experience for the Library of Congress.

So those are what those FTE increases are for.

But we are, from an emergency planning standpoint, emergency preparedness standpoint and special operating procedures, ready to open. And with the exception of these FTEs that we are asking for, we are prepared to open in November of 2008.

STAFF ENTRY

Mr. BONNER. Let me shift gears quickly.

Last month, I had the opportunity to ask the Sergeant at Arms what congressional staffers need to do to be successfully admitted to bypass a long line of visitors in spring and summer tourist season. Lots of people here, and we welcome them; this is their building, after all. But we also have members of our staff that are trying to get in the building to do the people's work along with us. And I was led to believe by the Sergeant at Arms that staff with House ID could bypass a lot of this front of the line at the metal detectors. But my own staff was not able to do that today when they tried.

Is there a universal policy that the thousands of staffers could have that would allow them to know what they could do to get into the building to do the work?

And secondly, I will ask you the same question I asked the Sergeant at Arms. Is it not feasible—I was a staffer for 18 years along with Mr. LaHood. It seems to me we have got thousands of staffers who come into the building every day through the parking garage without going through the metal detectors and you have other staffers who, for whatever reason—they live on the Hill or what-

ever reason—have to stand in a long line sometimes in inclement weather to get in.

Is there not some way to have a staff entrance so that the staff do not have to stand in long lines to get into the offices where they work?

Chief MORSE. Well, with respect to the Sergeant at Arms' comment about a universal policy for staff, I believe that was something that was piloted for a while, but not as an everyday thing. It was piloted for some time.

With respect to the CVC, there were many discussions within the working groups of having an expedited line open for staff entering the CVC, because they would be there to greet, on behalf of the Members and such, the constituents.

As far as having a separate line, we do have staff doors specifically. But with such large crowds that we have, we facilitate that by trying to measure if there is a long line if we can move constituents to other doors so that the business of Congress can carry on and the constituents can see their Members.

Were there any other options or plans that you were aware of?

Assistant Chief NICHOLS. We have actually done a number of studies looking that that issue. As you say, the work of Congress has to proceed regardless of the visitor load, and we are trying to balance both issues.

One of the recommendations that was in a recent staffing study that we conducted was actually designating staff-only doors. That helps us with staff, and that is something we need to formalize and then move forward to the committees through the board members, if they think that is a viable option to pursue.

Mr. BONNER. Do I have time for one more quick question?

Ms. WASSERMAN SCHULTZ. Kind of.

CANNON TUNNEL VISITORS DESK

Mr. BONNER. Is there any consideration to putting a visitor's desk in the Cannon tunnel? Because currently visitors who are in the office building trying to get to the Capitol to process expeditiously have to go to the Rayburn desk. Is that just a matter of funding?

Chief MORSE. The visitors' greeting position there is—I believe is through the Sergeant at Arms' offices.

Mr. BONNER. I will ask him that.

Ms. WASSERMAN SCHULTZ. Mr. Bonner, we are going to have Chief Morse at the CVC hearing next week and we can ask him for detailed, CVC-related questions next week.

Chief MORSE. Thank you.

Ms. WASSERMAN SCHULTZ. You are welcome, I know you are excited.

Mr. Lewis.

CRIMINAL BACKGROUND CHECKS OF DEPARTMENT EMPLOYEES

Mr. LEWIS. Chief, as you may or may not know, I have had a long history of working with the inspectors general. When I chaired the subcommittee on VA–HUD, the inspector general there received a special allocation of funding because of problems related to people's money being appropriated for Section 8 kinds of housing

and the money never getting to the local level. She did a fabulous job in helping us develop the housing fraud initiative.

I had another line of questioning, but an item has come up regarding the inspector general that concerns me a lot and I hope you will be patient with me. It won't be too long.

The Capitol Police Inspector General, Carl Hoecker, has conducted Criminal Interstate Identification Index checks on all Capitol Police employees, sworn and civilian, roughly 2,000 individuals. This was done using the Washington Area Law Enforcement System, WALES, owned by the D.C. Metropolitan Police Department. These criminal background investigations were conducted beginning in December of 2007 and completed in February of 2008. Names and dates of birth of employees were entered into the system.

So a series of concerns here: There is no policy directive existing in the Department on conducting these investigations.

Two, these investigations were conducted without the knowledge of the individuals. To date, employees have not been notified of this activity, and if I was one of your sworn officers, I would be really teed at not knowing.

This raises serious violations of privacy and fourth amendment rights. It also violates the Federal Service Labor Management Relations Act with regard to bargaining unit employees, because it represents, quote, "a change in working conditions," and it was done without any negotiations with these respective unions.

The implications of the search being conducted by the inspector general implies or most likely will be perceived as a secret activity which may exacerbate the legal, political, public relations and organizational morale aspects as a result of these criminal background checks.

Chief, I would like to have you tell us and the committee, and especially the chair, has this been done? And respond to these lines of question, if you would.

Chief MORSE. Yes, sir, thank you.

Yes, that has been done. With respect to Triple I checks on employees, we go back to 1997 and a directive from the Police Department. I believe it was the appropriations omnibus bill, 1997, 105th Congress, related to the Lautenberg Act, related to domestic violence among police officers.

This Police Department in 1997, directed all employees to report if they had been arrested for domestic violence. And as I recall, as a young officer I had to submit my report of whether I had been arrested or not.

Also within the organization there is a rules and conduct general order that states specifically the conduct of a police officer and what is expected of them both on duty and off duty. We also swear to an oath of office to protect the Constitution of the United States and also to enforce laws and to be compliant with those laws.

So each officer receives that training, as well, at our Training Services Bureau.

With respect to Triple I checks, a special operating procedure, signed June 1, 2005, in the Office of Professional Responsibility previous to my administration, clearly states that Triple I checks would be conducted on a yearly basis. Also what I found was that

within the organization, obviously Triple I checks are conducted for background investigation of new employees or recruits or new hires on our civilian staff.

I also know that within the organization there is a policy on Triple I checks for employees within the United States Capitol Police to have background investigations which includes a Triple I check for a security clearance—Secret, Top Secret and SCI.

What I noticed was, we had several different policies and special operating procedures within the organization. I also know that the officers and employees are held at a higher level of integrity and character as law enforcement officers and enforcers of the law, so we needed to formalize that process within the organization. So in September of 2007 we directed the Office of Human Resources to begin formalizing the overall process so that we could protect the integrity and character of the Police Department and hold to our oath and directives and be compliant with those directives in our organization. So as a part of our repeatable business practices, those were the steps to take to go forward.

The inspector general, Mr. Hoecker, knew that we were moving forward with that project and with his oversight of compliance with directives, he took on the task of running the Triple I checks for the employees of the Police Department so that we would have confidentiality and no bias.

Mr. LEWIS. At your direction?

Chief MORSE. In concert with the formalized process of the Police Department, to provide a baseline of clearing any questions to be presented in two phases to the Office of Human Resources so that they could complete their initiative and put a formalized process in place. And this would be mirrored—as do all other Federal law enforcement agencies, including the Metropolitan Police Department and U.S. Park Police, who do a 5-year review of all of their employees.

So we were just instituting an initiative that has been a past practice in the organization, that there were several different special operating directives, special operating procedures that existed; and we were just bringing it together to complete that initiative. And that is where we are today.

Mr. LEWIS. Madam Chairman, I am worried about all kinds of questions here that relate to individual rights as well as legal rights, et cetera.

I don't happen to be a lawyer, thank God, but did you get legal counsel regarding the procedures that you are using here?

Ms. WASSERMAN SCHULTZ. Mr. Lewis, your time has expired by a couple of minutes.

Mr. LEWIS. These are pretty important questions.

Ms. WASSERMAN SCHULTZ. And other Members have questions as well. And we will come back to you.

Mr. LEWIS. This will probably be my last attendance at this subcommittee.

Ms. WASSERMAN SCHULTZ. Also, when we have a closed session, we can address this.

Mr. LEWIS. I hope the chairman will take this very seriously and follow through with it. There are civil rights questions here.

POLICY ON CRIMINAL BACKGROUND CHECKS

Ms. WASSERMAN SCHULTZ. My understanding is that the officers and employees of the Capitol Police were aware of the background checks. I have a document that I would be happy to ask unanimous consent to enter into the record that was signed by the Chief and approved specifically that says: Interim reviews, conduct Interstate Identification Index checks every 2 years on all USCP employees to ensure that employees remain in good standing. That was dated September 5th of 2007, and it was signed by the Chief on September 21st of 2007.

So unless I am wrong, Chief, did the employees of the Capitol Police, were they aware of the Triple I checks that were going to be instituted every 2 years?

Chief MORSE. That particular—let me see what it is.

This is in reference to the proposal that was made to me in September of 2007 which I sent back to the Office of Human Resources with an approval to proceed with this policy or with this initiative.

At this point—and prior to it getting to me, the trail was Office of Human Resources, Chief Administrative Officer, Office of Employment Counsel, and then to me were the notes that were on the document.

What I have since found out is that the point at which I approved this and sent it back to the Office of Human Resources was at the time that the Inspector General began the Triple I checks, which are—which had been something, like I said, that had been an SOP and directive of the Department prior to, so——

Ms. WASSERMAN SCHULTZ. Do employees——

Chief MORSE. There is an expectation, certainly.

Ms. WASSERMAN SCHULTZ. I don't mean to be——

Chief MORSE. I had a Triple I check accomplished on me when I became Chief of Police.

EMPLOYEE AWARENESS OF CRIMINAL BACKGROUND CHECKS

Ms. WASSERMAN SCHULTZ. If it is standard operating procedure, are all the employees of the Capitol Police aware that Triple I checks will be done every 2 years or on a fairly consistent basis?

Chief MORSE. Capitol Police officers are aware that they are held to the highest standard of conduct.

Mr. LEWIS. That wasn't the question.

Ms. WASSERMAN SCHULTZ. I assure you that I will hold him to answer the question.

Chief MORSE. That they are held to the standards of conduct, that they are held to the oath of office.

Ms. WASSERMAN SCHULTZ. Did they know that the background checks would be used?

Chief MORSE. Specifically the tool that we use? No, we don't necessarily tell anyone.

Ms. WASSERMAN SCHULTZ. But is there an expectation that they know that these checks will be done periodically?

Chief MORSE. Absolutely. We give orders so that people will be compliant. There is no other way to ensure compliance with the directive.

Ms. WASSERMAN SCHULTZ. This wouldn't have come as a surprise to them?

Chief MORSE. I cannot see it as coming as a surprise to anybody in law enforcement.

Ms. WASSERMAN SCHULTZ. There has been a concern raised by the ranking member of the full committee. And I will develop a question, based on the follow-up, in the homework that we assign.

Mr. LEWIS. I hope I may attend that closed session and I hope also in that closed session, if I am not able to be here, that you will pursue whether they sought legal counsel about the methods that are used here. I can see a revolution going on among our police officers.

Ms. WASSERMAN SCHULTZ. I am very comfortable that the Capitol Police and the employees of the Capitol Police are aware, based on what the Chief said. But I intend to pursue it before we have a closed session, most definitely.

Thank you very much for bringing the issue to our attention.

Mr. LEWIS. I have additional questions for the record, if I might.

Ms. WASSERMAN SCHULTZ. Sure. Absolutely. Any questions that Members have can be answered for the record.

EXPANDED RESPONSIBILITIES

Ms. WASSERMAN SCHULTZ. We will move into round 2.

On the increases that you have asked for, how much is related to the expanded responsibilities that you've been asked to take on and how much is related to other program increases? And of the other program increases, the ones that are not related to the expanded responsibilities, can you highlight what your priorities are in the likely event that we are not able to fund them all?

Chief MORSE. Okay. With respect to oversight increases or general?

Ms. WASSERMAN SCHULTZ. Part of your increase is related to your increased responsibility at the CVC, the Inauguration and all of that, and then there are other Department priorities.

Chief MORSE. I actually have a breakdown. I will just read from the breakdown itself.

About 3.4 percent for a COLA and annualization of fiscal year 2008, because obviously a time lag within the 2007 time period will be moved over to 2008. So the COLA annualization will be a 3.4 increase.

Some of the uncontrollable increases: the 6.1 percent for CVC operations, the Library of Congress merger, the new Visitor's Experience and AOC tunnel project.

And then 1.1 percent, 2009 Presidential Inauguration, and 0.9 percent, Office of Inspector General request.

We have USCP increases specifically totaling just 6.4 percent: 1.8 percent, force development; 0.2 percent, Chief's priorities; 0.6 percent are requested positions from 2008; and 1.6 percent other new hire costs and other pay costs; and about 2.3 percent, general expense costs related to the 6.1 percent uncontrollables that I listed above.

DEPARTMENT PRIORITIES

Ms. WASSERMAN SCHULTZ. In terms of the priorities that you have, separate from the added responsibilities, what are the highest—what are the things that if we are going to cut, what is it that you have got to have among those priorities that are not related to your added responsibilities?

Chief MORSE. With regard to some of the uncontrollables, we have to obviously look at some of the CVC operations, the Inauguration——

Ms. WASSERMAN SCHULTZ. No, no, I know—but you have part of your increase that is uncontrollable and some of your increase that is your other priorities.

Of the other-priorities piece of it, which I know is about a third, what are the most important components of that? Because when we are prioritizing, I want to do it based on your priorities, not based on ones that we pick out of the air.

Chief MORSE. Obviously, we will start with the continuation of the operations, and then we look at some of the force development priorities that we have to enhance our abilities to secure the campus.

So I think our budget is broken down in a way with validation and justification where we are easily going to be able to talk about that and prioritize things the way we want.

Ms. WASSERMAN SCHULTZ. Do you want to respond for the record in terms of the detail?

Chief MORSE. I have—we have a sheet here.

Assistant Chief NICHOLS. We brought this——

Ms. WASSERMAN SCHULTZ. This is not "Stump the Chief."

Chief MORSE. I am just trying to get the right information, if I was going to answer you.

Ms. WASSERMAN SCHULTZ. Sure.

Chief MORSE. We are looking at—we would probably look at some of our analysis of our human capital posture, our environmental assessment internal controls and environmental assessment that we do. Looking at our environmental, operational, administrative assessment conclusions. We would look at those as low priority to cut.

Ms. WASSERMAN SCHULTZ. Okay.

Chief MORSE. And those have a long list of things associated with them: analysis of performance measures and operations, current forecasting for the Department of human capital posturing, status of——

Ms. WASSERMAN SCHULTZ. Okay. You are speaking Greek to me. If you can work with our staff on drilling down into those priorities when the time comes. And my time has expired. I will come back to myself.

FOLLOW-UP ON BACKGROUND CHECK POLICY

Mr. LATHAM. Thank you. I want to pursue a little bit more about what Mr. Lewis was talking about.

The paper you submitted for the record, was that a directive notification or was that just a concept paper?

Chief MORSE. This is a concept paper.

Mr. LATHAM. It is not a policy?

Chief MORSE. No, it is not. It is a concept paper that was submitted to me, and I approved and sent back to the Office of Human Resource management to begin this process of formalizing what is already in policy and procedure within the Police Department.

Mr. LATHAM. Okay. But that is not official policy?

Chief MORSE. No.

Assistant Chief NICHOLS. But I think, to clarify, all of our employees have a duty to report to us any time that they are arrested. So that is policy; and therefore, this would be a check and balance to make sure that employees who work for a law enforcement agency are held to a higher standard.

Mr. LATHAM. I don't have a problem. Is the Inspector General here?

Mr. HOECKER. Yes.

INSPECTOR GENERAL AUTHORITY TO DO CRIMINAL BACKGROUND CHECKS

Mr. LATHAM. On what basis, I just think it is unusual to have a broad—do a background check of everybody in the Department all at once. On what basis and what authority did you do that? And if you could, provide any legal opinions for the record as to your authority to do this.I am extremely concerned about what some people would think was a fishing expedition, for no real cause—I can see it on an individual basis certainly, but to just go out and do a background check on everybody in the Department, whether they are sworn or not certainly raises some real questions when no one was notified about it.

Mr. HOECKER. First, let me introduce myself. I am Carl Hoecker, Inspector General for the Capitol Police.

This came about—the Chief is one of our stakeholders; about midsummer of every year, we solicit input: What should the IG be doing to help the Department? And, in part, what was important to the Chief in our discussions, that I recall, was that he had noticed a few employees that not been held accountable to this specific rule A.2 of Directive PFR 1.2, and that is: The policy of the Department is to ensure that all employees, both sworn and civilian, maintain an exemplary standard of personal integrity and highest professional standard of conduct both in their private lives and in their official capacity.

Rule A.2 is conformance to the law: Employees will obey all laws of the United States, District of Columbia, every State and local and military jurisdiction in which they may be present. Employees arrested or indicted for a violation of any law, other than minor custodial or noncustodial traffic offenses or summoned to appear in response to a criminal complaint, will immediately notify one of their supervisors who, in turn, will notify the Chief of Police throughout chain of command.

What the Chief noticed was that there were a few employees who were requesting security clearances, and their names seemed familiar to him or the people in his office; and they did some research and found that there may have been an internal affairs case on this person that would have brought the question if this person

could have a security clearance and even face discipline in the Department because they did something wrong.

So this job was a compliance job, looking at management controls, what departmental controls, management controls they have to follow this up. And I relate that to, if you have a policy, you need to have management follow-up on this.

And there was an SOP—I believe it is a few years back, I forget the date, but that they would do an annual Triple I check, a criminal history check, on all employees, and that would be done by the Office of Internal Affairs. That was not being done.

And so there were processes and things that were scattered throughout the Department, and they had no way to bring it together. So obviously the inspector general was concerned about the integrity of the Department, and anything that I could do to help promote better integrity, that is exactly why I did this, sir.

Mr. LATHAM. Okay. Were you asked to do this?

Mr. HOECKER. Yes, sir.

Mr. LATHAM. By whom?

Mr. HOECKER. Chief of Police.

Mr. LATHAM. You were requested by him to do this?

Mr. HOECKER. Yes, sir.

Mr. LATHAM. I am confused as to why, if you had specific cases of concern about individuals, why you had to do an everybody-in-the-Department sweep to ferret out individuals whom you have identified as having a problem.

Mr. HOECKER. Well, sir, this really should have been done all along, according to that internal affairs policy. But it wasn't being done; it obviously fell through the cracks.

Maybe they did not have the FTE resources to do that, so it just wasn't being done.

Ms. WASSERMAN SCHULTZ. The gentleman's time has expired. Mr. LaHood.

LACK OF NOTIFICATION ON CRIMINAL BACKGROUND CHECKS

Mr. LAHOOD. Let me tell you how I characterize this.

I have the highest regard for law enforcement people, but this is an outrageous abuse of power to check into people's backgrounds that are not law enforcement people, unbeknownst to them. Without telling them, I think is unlawful and perhaps illegal.

Now, why would you look into somebody's background without telling them? Why would you do that? These people are not carrying a weapon. They are not law enforcement people. They might be a clerk working at a desk or answering a telephone. What gives you the right to do that?

Mr. HOECKER. Well, sir, I said before there was a policy all along in the Department——

Mr. LAHOOD. What gives the IG the right? If it is standard operating procedure, what gives you the right to do it?

Mr. HOECKER. The IG is concerned with the integrity of the Department, with programs and operations, with the economy, efficiency. That is our charter, sir, and this sits within that ambit.

Mr. LAHOOD. Absolutely not. There is absolutely nothing that gives you the right to look into a non-law enforcement person's background. Nothing does that.

Now, Chief, I am going to ask you a direct question. Were people's backgrounds looked into and checked on unbeknownst to them?

Chief MORSE. Yes.

Mr. LAHOOD. Why? If they were not carrying a gun, if they are not law enforcement people, if they are a clerk working in a office, what gives you the right to do that? What gives you the right to ask the IG to do that? What authority do you have to do that?

Chief MORSE. To protect the integrity of the Police Department.

LEGITIMACY OF CONDUCTING NO-NOTICE BACKGROUND CHECKS

Mr. LAHOOD. Look, I am a simple-minded person. I am a trained school teacher. I taught school before I came to Congress. I expected every one of the kids in my class to behave. If one of the kids did not behave, then I would do something about it. And what you are saying to me is that because you thought maybe one or two people had not been following the rules, that you were going to have a blanket policy, unbeknownst to them, to look into everybody's background.

I think if it is not illegal, it should be; and I frankly don't think you have the right to do it. I know you want to protect the integrity, and if somebody violates the rules of the Department, particularly a non-law enforcement person, you have every right.

If somebody gets a DUI, if somebody is arrested for domestic violence, if somebody does not obey the laws, that is one thing. But unbeknownst to law-abiding citizens who come here to the Capitol, thinking they are doing the right thing, obeying all the laws, to look into their backgrounds and do background check and have a police agency do a background check, I think is wrong. I don't think you have the right to do it.

Assistant Chief NICHOLS. I just want to make sure we have this in context.

I have been a police officer for 25 years. I chose to work for a law enforcement agency. There are things that go along with wearing this badge and working for a law enforcement agency that has to be maintained because we are held to a higher standard.

Mr. LAHOOD. I couldn't agree with you more.

Assistant Chief NICHOLS. The other thing, though, we don't know what we don't know, Mr. LaHood. If somebody does not report to us in accordance with our established policy that they have been arrested, there is no check and balance for us to know that information and take appropriate action.

Mr. LAHOOD. Then why don't you tell the people that you are doing it?

Assistant Chief NICHOLS. I believe, sir, that it is in the regs and people know that when they come on to this agency they are submitting themselves to a background investigation.

Mr. LAHOOD. Let me say this: When the employees of the Capitol Hill Police who are in no law enforcement positions find out that their backgrounds have been looked into, some of them are going to be outraged because they were not told and they had no idea it was going on.

To do it under the guise of protecting the integrity of the Department—look it, we would all agree that that is a very important goal, but you ought to tell the people that you are doing it.

Assistant Chief NICHOLS. Well, I think—and that is fair. I think if the goal is agreed upon that everyone is agreeing that this is a justified goal for this police department, as it is for every other law enforcement agency, that is what we were trying to achieve. If we could have done that better, then it is a lesson learned and we can move on.

But the fact of the matter is that the standard has to be adhered to. The policy has been in place for years. The fact that it was not acted upon before we came along is beyond our control.

Mr. LAHOOD. I see no policy that gives the IG—to give the Chief to tell the IG, "You look into everybody's background." I haven't seen that policy.

Show me the policy that says that unbeknownst to the employee. Where it is at?

Assistant Chief NICHOLS. It is a standard operating procedure that was done in internal affairs.

Mr. LAHOOD. Hiring an outside group to do it, getting the IG to do it? There is no policy.

Show it to me.

Assistant Chief NICHOLS. We will work on that, sir. I think the point made was, there were policies in disparate places within the agency, and we were trying to find a unified way to achieve the goal.

Mr. LAHOOD. This is not the way to treat employees of the Capitol Hill Police, in my opinion.

EMPLOYEE EXPECTATIONS OF BACKGROUND CHECKS

Ms. WASSERMAN SCHULTZ. The gentleman's time has expired.

Let me follow up on this, and I am going to give you some homework at the end of this that will ask you to provide us with more detailed information.

But my understanding—and it would be hard to be more concerned about people's civil liberties and civil rights than me. I am a member of the Judiciary Committee, and I began my career here in Congress standing up for civil rights and civil liberties. So I am certainly extremely sensitive, too.

But from what I am hearing—and I will ask you to give us more information later—is that you had an inconsistent policy. Is it correct that you had an inconsistent policy, that there were various ways that background checks, periodic background checks, were conducted on employees and that because there is a requirement of the employees, whether they are sworn officers or civilians, to report to you when there has been an arrest or indictment for a violation of any law other than minor noncustodial traffic offenses or if they had been summoned to appear in response to a criminal complaint, that they have to immediately notify one of their supervisors?

Was there an inconsistent policy that you were trying to make uniform, and is it your belief, or testimony, that there is an expectation in the Police Department, when you are hired, whether you are civilian or sworn, that you will be subjected to periodic back-

ground checks—I don't mean to put words in your mouth—and that even though you may not have directly notified the employees of this background check, that there is an expectation when they are employed that they will be subject to them? Is that right, or is that overstating it?

Chief MORSE. That is correct.

Ms. WASSERMAN SCHULTZ. Okay. I want to make sure because, Mr. LaHood, I would absolutely share your outrage if there was not an expectation. And I will ask the police leadership to follow up with us on exactly what the procedures were and are.

I can understand that, working for a police department, there would be an expectation that you have to be beyond reproach, and that if there is a concern that employees are not reporting violations of law or indictments or arrests, that a check to make sure that you have got a consistent application of the policy may be in order. So we will ask you to follow up.

CVC AND CANNON TUNNEL

I want to shift to the CVC and the Cannon tunnel, and we will ask you a little bit more about that next week. There was an $8 million increase in your fiscal 2009 request to provide security for the Capitol Visitors Center, which also includes funding, my understanding is, to potentially keep the Cannon tunnel open for staff-led tours if Congress decides to go that route.

Can you break down the $8 million request? How much of that is estimated to keep the Cannon tunnel open for staff-led tours in the event that Congress makes that decision?

Chief MORSE. Okay. With respect to the additional FTEs, we have a total of 31—that is $2.5 million; and the general expenses associated with that are $544,000. The CVC plans, including staff-led tours using the tunnel, is about $4,920,000.

Ms. WASSERMAN SCHULTZ. $4 million for the tunnel staffing?

Chief MORSE. That is for the overtime. $4.9 million overtime.

Ms. WASSERMAN SCHULTZ. That is because you would be using existing officers and you would move them over to the tunnel as opposed to new hires?

Chief MORSE. That is correct. There is a preparation for opening. Once we receive the permit for occupancy, the officers who will be working the CVC will need to come in and train for emergency preparedness evacuation and receiving the visitors into the CVC.

OVERTIME USE

Ms. WASSERMAN SCHULTZ. And the other question I have relates to overtime.

How much does the Department rely on overtime? And are you making plans, instead of focusing so much on overtime, to try to hire new officers? Would that be more efficient? Is it a more cost-efficient way of dealing with your staffing needs to engage in new hires as opposed to overtime?

Chief MORSE. One thing we needed to do was a staffing study; and we completed the staffing study, which included looking at all of our processes to ensure that we were doing everything in the most efficient and effective manner. That also gave us really the number of officers needed to do the mission that we currently

cover, as well as any future state of improvement or security enhancement that we needed to do.

And so we have those figures, but first we had to—and as we promised last year, first we would look within to make sure that we had the economy and efficiency of our officers with deployment strategies, responsibilities directly related to the mission.

We have the CVC opening which—construction security, security screeners will be put back into the field, and we will realize officers from that. So we really had to cut the fat from within before we were asking for more employees.

But the eventuality will be looking at the difference between—if you ask for more FTEs, that drives a lot of other factors: facilities, uniforms and equipment, general expenses and such. We will have to find the means between the overtime amount and minus out what facilities and all the other expenses would be to find the most cost-efficient measure.

Ms. WASSERMAN SCHULTZ. My time has expired.

Mr. Latham.

INSPECTOR GENERAL FIREARM

Mr. LATHAM. Thank you. Just to go back to the subject we were on before, I would ask you and also the inspector general, Chief, to provide us, for the record and to us personally, any statutory justification, or legal opinion that you have to justify what, I would agree with Mr. LaHood, looks like a fishing expedition.

I might ask the inspector on a different subject—at one point in the past you sought authority to carry a weapon and be deputized for law enforcement. Seems like we have had this before here. Is that accurate? And if so, who approved your seeking this authority?

Mr. HOECKER. That is accurate, sir. And I am working with the Capitol Police Board on that. And under their direction, I sought U.S. Marshals special deputation and received it.

Mr. LATHAM. It is my understanding that the Police Board withdrew its approval to carry the weapon. Why did they withdraw that?

Mr. HOECKER. Yes, sir, I got a phone call from the chairman, and he said there had been some questions on, I guess it was liability for the weapon and whether the U.S. Marshals Service was appropriate for the IG here. And I said, Okay.

So I turned my weapons back in, and at this point they are still in the custody of the Department.

Mr. LATHAM. I think it does raise, as in a previous hearing, separation of powers issues, as to who you actually answer to, the executive branch or the legislative branch.

Mr. HOECKER. Yes, sir.

NEW RECRUITS

Mr. LATHAM. Chief, your justification, your request—you are seeking 264 new recruits for 2009, and this is the largest increase since 9/11 or the anthrax issue. How did you get to that number? And is there any way to know whether the Federal Law Enforcement Training Center can actually accommodate you with that many new recruits?

Chief MORSE. Yes, sir, I could.

Mr. LATHAM. They are backed up, the way it is right now.

Chief MORSE. Of the 264, this is inclusive of 23 attrition carryover from last year that we were unable to assume due to the CR. So we missed a class, which could be a size of 48 if we don't get the additional class at the end of this fiscal year that we are asking for.

Fiscal year 2009 is just 162 for normal attrition or retirement, people leaving the Department—you know, turnover. Library of Congress merger is a backfill of 24, and that does not include those who will remain at the Library of Congress as officers until the transition date; 31 are for CVC operations and 11 for the new Visitors Experience, the remaining number of 13 is in regards to our force development, which we testified to, the intelligence capability.

TRAINING AVAILABILITY

Mr. LATHAM. How about training? Is it available for that many?

Chief MORSE. At this point, we have a request in for the end of this fiscal year, for the additional 24 end of the year class, but we have not received any response back.

Mr. LATHAM. Your request of 264 additional?

Chief MORSE. We are going to ask for it. And I believe we are awaiting approval for the six classes. So we don't know yet.

Mr. LATHAM. Are your officers currently getting the 80 hours of training that they are supposed to get per year, especially in certain areas?

Chief MORSE. Eighty hours of training is really an overall average. There are some officers who receive more training than 80 hours, so 80 hours is an overall average.

But what we have done within the Training Services Bureau is prioritize. We have priority 1, priority 2 training, which is mandatory training and certifications that we do on your own basis, which—including not only firearms qualification, but it can include things like fire extinguisher training, in-service training regarding legal issues, et cetera.

I don't have the exact figures of what each individual has earned, but our overall average is 80. That is a mark that was set previously and probably needs a little more work on, since we do obviously know that other officers and specialty units receive a lot more training than the average line officer does.

Mr. LATHAM. I assume I am done?

Ms. WASSERMAN SCHULTZ. Yes.

Mr. LaHood.

CRIMINAL BACKGROUND CHECK PROCEDURE

Mr. LAHOOD. Mr. IG, can you walk us through the procedure that is done to do a background check on people? Who is involved and how it takes place?

Mr. HOECKER. I can, sir.

Mr. LAHOOD. Could you speak up?

Mr. HOECKER. I can do that, too, sir. The way it was done in this instance and the way that the Capitol Police, the way I understand it is——

Mr. LAHOOD. Is it done similarly for every employee?

Mr. HOECKER. Well, I was going to describe the actual access to the electronic check first, sir.

Mr. LAHOOD. Similar for every employee? There is no distinction for someone who is law enforcement and someone who is answering the telephone?

Mr. HOECKER. No, there was not.

We were—there is a person dedicated by the Metropolitan Police Department at the Department—at Capitol Police. They train users for WALES. And it is a 1- or 2—a 2-day training course, and it deals with actually conducting different checks, wants and warrants checks, criminal history checks.

And once that training is done, then that person is assigned a user name and a password. And then they use the computer that is dedicated for that purpose to actually do the checks. And what they do is, they plug in the name and date of birth and then the results come back.

Mr. LAHOOD. But what do they look at?

Mr. HOECKER. I'm sorry, sir?

INFORMATION EXAMINED IN CRIMINAL BACKGROUND CHECKS

Mr. LAHOOD. What kinds of things do they examine? What do they look at?

Mr. HOECKER. Well, it is a check; name and date of birth would get sent forward through WALES to the criminal history, and it would either come back negative or come back with some kind of a record, so to speak. And sometimes those records are not that person; sometimes it is a person within, say, 10 years of date of birth that may or may not be that person; but that is just the way the system generates results.

And then those results are checked to make sure and to see if that is the exact date of birth and that record is retrieved. Let's say it was an arrest for drunk and disorderly; that record is retrieved, and then it is verified, that that person is employed or is not.

Mr. LAHOOD. Do we look into anything else?

Mr. HOECKER. No, sir.

Mr. LAHOOD. Criminal background?

Mr. HOECKER. It is a Triple I check. Interstate Identification Index.

Mr. LAHOOD. If someone was stopped for a traffic ticket, would that show up?

Mr. HOECKER. It may or may not. I don't know.

Chief MORSE. It does not. It is if you have been arrested and you submitted fingerprints to the law enforcement agency that has arrested you. And it dates back to, I believe, about——

Mr. LAHOOD. If someone were arrested for a DUI, that would appear?

Chief MORSE. If they submitted it to the NCIC and were fingerprinted, yes.

Mr. LAHOOD. So the criteria are then—fingerprints is how it would show up?

Chief MORSE. That is one verification of the person who committed the offense. That is one verification to be able to do that, yes.

UNION NOTIFICATION OF BACKGROUND CHECKS

Mr. LAHOOD. Did you have any obligation to notify the union, that these employees were members of, that this information was being collected on them?

Mr. HOECKER. I did not collect any information, sir. This is information that is in the repositories of law enforcement and WALES. I did not collect anything.

Mr. LAHOOD. Was the union that represents employees of the Capitol Hill Police notified that their backgrounds were being looked into?

Mr. HOECKER. Not in this context, no, sir.

But when someone comes on the job, whether they are sworn or civilian, they fill out what is called a "blue book"; and that blue book is a certification for their initial background investigation, and it tells them that their employment is contingent upon successful results of a background investigation.

Mr. LAHOOD. Thank you.

Mr. HOECKER. Yes, sir.

Assistant Chief NICHOLS. Also, employees who are a collective bargaining unit and who are not are under the same obligation to report to us. So it is a known factor to report to us.

Ms. WASSERMAN SCHULTZ. Thank you. I don't have any additional questions, so I will wrap up if you don't have anything else.

Mr. LATHAM. I have got a couple I can put in the record.

CLOSING REMARKS

Ms. WASSERMAN SCHULTZ. Okay. I don't want to rush you; if you wanted to ask them publicly, that is fine.

Okay. We had a lot that we went through in this hearing, and I don't want it to be overshadowed that you are really to be congratulated for putting forward and completing the first set of complete financial statements in the Department's history. That was many, many years in the making—not "in the making" but many, many years coming, as well as a complete inventory.

And this leadership of the Capitol Police is really to be commended for beginning to right the administrative ship of the Capitol Police, because it really has been badly needed for a long time.

ADDITIONAL ASSIGNMENTS FROM THE CHAIR

There has been quite a bit of strong language that has been thrown out there on the background check subject today. I would like to get a reality check on what really occurred so that we can make sure that there is a comfort level not just with the Members but with the Capitol Police community. So by next Wednesday, April 16th, if you would submit a report with a detailed explanation on why the Triple I checks were done, what authority allowed you to do those checks, whether they are done within the Department procedures, whether Capitol Police employees were aware of the checks or whether there was an expectation with their employment that they would be periodically subjected to checks, whether performing these checks represents a change in policy, and whether this is a standard operating procedure for this Department and for other police departments around the country.

And if you could also please explain whether you sought legal counsel regarding the legality of performing these Triple I checks.

Additionally, this hearing has made clear that the Capitol Police are taking on a number of expanded responsibilities in fiscal year 2009, and that is one of the major reasons for the 18 percent increase being requested.

At the same time, an increase of that size is just not realistic—we were able to do 10 percent last year—given the constraints that we are going to be operating under. This subcommittee really needs a clear sense of what your highest priorities are and what you will be and not be able to do with an increase of less than 18 percent.

With that in mind, if you would submit a report by next Wednesday, April 16th, as well, that would explain what you would and would not be able to do if you are held to either a 5 percent increase or 10 percent increase, basically what your highest priorities for funding would be at these lower funding levels.

With that, I appreciate the Members' time and attention and the Capitol Police's efforts.

The subcommittee stands in recess until tomorrow at 1 o'clock when we will hear from the GAO.

Hearing on the U.S. Capitol Police's FY 2009 Budget Request
April 9, 2008 at 1:00 p.m.
H-144 Capitol

Additional Assignments from the Chair
Ms. Debbie Wasserman Schultz, Chair

Assignment: By next Wednesday, April 16th, I want the Capitol Police to submit a report with a detailed explanation of why the Triple I checks were done, what authority allowed you to do those checks, whether they were done within Department procedures, whether Capitol Police employees were aware of the checks, whether performing these checks represents a change in policy, and whether this is a standard operating procedure for police departments. Also, please explain whether you sought legal counsel regarding the legality of performing these Triple I checks.

Response. (Provided by the USCP)

The Department would like to thank the Committee for the opportunity to respond to its questions concerning the criminal history (Interstate Identification Index, commonly referred to as "Triple I") checks that the Department conducted several months ago. We appreciate the continued interest expressed by the Committee for the women and men of the United States Capitol Police (USCP) and because the Department shares that interest, we feel it is important to provide to the Committee the following detailed responses that we trust will address your concerns.

Why Were the Triple I Checks Conducted?

First, as you may be aware, Triple I checks are not the same as detailed background investigations. The Triple I is the FBI's national database system, which provides access to, automated criminal history record information to authorized government agencies. The system maintains an index of persons arrested for felonies or misdemeanors under state or federal law with the vast majority of the information provided by the states. This index is limited to such identification data as name, birth date, race,

and sex and notations of arrests, determinations, indictments, information, or other formal criminal charges, and any disposition arising therefrom, including acquittal, sentencing, correctional supervision, and release. The Department is aware that information retrieved may not be complete or entirely accurate, so the information retrieved is confirmed and no personnel action would be taken based solely on Triple I information.

In this specific instance, the Triple I checks were conducted as a means of addressing growing concerns brought to the attention of the Chief of Police about compliance with employee reporting requirements, questionable employee activities/associations, and Department execution of internal polices and procedures intended to ensure integrity of the workforce and public safety. For instance, in 1997 sworn employees were notified that they must report domestic violence arrests in order to address potential legal compliance violations under the Gun Control Act of 1968, as amended (Lautenberg amendment). The Department issued an order (Special Order 97.09), which followed the lead of federal law enforcement agencies such as the FBI and U.S. Secret Service, requiring sworn employees to complete a qualification inquiry certifying whether or not they had ever been convicted of a misdemeanor crime of domestic violence which would disqualify them from receiving or possessing firearms. The information provided to sworn employees by the Department also included notification that in the future that the Department would "run appropriate NCIC checks on all sworn personnel to ensure that no officer...has been convicted of an offense disqualifying him or her for a law enforcement position." Despite this notification, we were unable to determine if these checks were run on "all sworn personnel" to address this legal compliance requirement, until perhaps 2005.

In 2005, the Chief of Police directed that the Internal Affairs Division (IAD) develop a standard operating procedure (SOP No. CO-400-07) for Triple I checks on all employees of the Department due to the sensitive nature of USCP operations and, in the case of sworn employees, to ensure compliance with the Lautenberg amendment provisions. The standard operating procedure requires that annual criminal history checks be conducted on all USCP employees. The procedure also requires that strict confidentiality be maintained with the Triple I information received and that additional investigative steps be taken by IAD to confirm accuracy and completeness of the information received. Once the information is confirmed, the standard operating procedure provides that the information is to be provided to the

Chief of Police for any further investigation determined to be appropriate by the Chief of Police. However, when the Department requested information concerning compliance with this procedure, no information was provided confirming whether IAD has complied with this annual requirement.

Further, as a means of ensuring integrity of our workforce and public safety, all employees are required by our Rules of Conduct to immediately report to the Department any time that they are arrested or indicted, or the subject of a criminal complaint. (Rules of Conduct, Operational Directive PRF 1.3, Section 1.3.3A, Rule A2, Conformance to Laws, which states: "Employees will obey all laws of the United States, the District of Columbia, and of any state, local, or military jurisdiction in which they may be present. Employees arrested or indicted for a violation of any law, other minor non-custodial traffic offenses, or summoned to appear in response to criminal complaint, will immediately notify one of their supervisors, who in turn will notify the Chief of Police through the chain of command.")

This internal security practice assists the Department in monitoring the quality of our workforce and individual integrity and trustworthiness.

Also, due to information surfacing regarding troublesome employee activities and associations, it became apparent that our screening policies and procedures were somewhat deficient, as well as that employees were not complying with the requirements of the Rules of Conduct by self-reporting arrests. Therefore, in an effort to address concerns we had about the workforce and the inconsistent implementation of policy and procedures, the Department, through the Inspector General, conducted Triple I checks to screen the workforce for possible legal compliance (Lautenberg Amendment), conformance with laws (Rules of Conduct self-reporting), and integrity, trustworthiness, and public safety concerns. From the Triple I check information, the Department would have a baseline that would enhance Department awareness of workforce concerns previously unidentified due primarily to unenforced policies and procedures.

What Is the Authority Relied Upon to Conduct the Triple I Checks?

The authority relied upon to conduct the Triple I checks is the exclusive management right to determine the internal security practices of the Department pursuant to 5 USC §7106(a)(1), as made applicable by the Congressional Accountability Act. The internal security of the Department

is maintained by ensuring the integrity, trustworthiness, and professionalism of the workforce. Through written directives and procedures the Department has established employee reporting requirements and periodic Department review of employee criminal history records. The retrieval of such information is authorized for criminal justice agencies for criminal justice purposes, which purposes include the screening of employees or applicants for employment hired by criminal justice agencies. The Department maintains that periodic screening of employees is integral to ensuring the integrity of the workforce which is essential for employees of the USCP who are charged with security sensitive duties, have daily access to security sensitive information, come into daily contact with the public, and must comply with specific legal compliance requirements. Retrieval of this information is for internal purposes only and is integral to a risk assessment of whether the information retrieved creates an unacceptable risk in our particular workplace.

Were Triple I Checks Conducted Within Current Department Procedures?

The Triple I checks were conducted within the current Department standard operating procedures for the IAD. The Triple I checks were conducted by the Office of the Inspector General (OIG) under its authority to receive and investigate complaints or information the investigation of which is under the jurisdiction of the IAD (such as periodic Triple I checks authorized in the standard operating procedure). Pub. L. 109-455, Section 1004(c)(3)(A), (August 2, 2005). In addition, the Department has a longstanding interagency agreement with the Metropolitan Police Department which details user security and privacy requirements for the handling and maintenance of criminal history information collected through the use of WALES and NCIC databases.

Were USCP Employees Aware or Did They Have an Expectation That Triple I Checks Were to Be Conducted?

USCP employees were not aware that Triple I checks were completed earlier this year. However, sworn employees, in particular, do have an expectation, primarily due to the requirements of the Lautenberg amendment, that the Department would periodically review criminal history records of all sworn personnel to ensure that no officer had been convicted of an offense disqualifying him or her for a law enforcement position.

Civilian personnel are held to the same reporting requirements under the Rules of Conduct. Therefore, they also have the same responsibility to report a public act, such as an arrest, charge, or conviction. This requirement is especially true of government employees who are held to public accountability standards of integrity and trustworthiness. However, it is important to note that the Triple I check information retrieved is for internal purposes only, maintained in a confidential manner, and intended to serve as a baseline for workforce compliance with internal security practices, as well as consistent Department application and implementation of policies and procedures.

Is Conducting Triple I Checks a Change in Department Policy?

The conducting of Triple I checks is not a change in Department policy and the process is undertaken for every applicant, current employees seeking security clearances, and in other cases when warranted. Further, the IAD standard operating procedures provide that such checks will be undertaken annually for all employees and sworn employees were notified in 1997 that appropriate checks would be made periodically to ensure that sworn employees had not been convicted of an offense that would disqualify them for a law enforcement position.

Is Running Triple I Checks a Standard Practice in Law Enforcement Organizations?

Based on the Department's research since 2006, law enforcement organizations routinely run Triple I checks as part of the applicant screening process. Further, periodic Triple I checks are performed on employees, both sworn and civilian, when the organization deems it necessary as documented below:

U. S. Secret Service: Conducts various checks on all current employees. On a periodic basis, driver's license and Triple I checks are completed on all employees, both sworn and civilian.

Metropolitan Police Department: Conducts Triple I checks on sworn employees on a bi-annual basis. We have not confirmed the frequency that these checks have been conducted.

U. S. Air Marshals: Conducts criminal background checks on all employees, both sworn and civilian every 5 years.

U.S. Department of State, Diplomatic Security Service: Conducts criminal background checks on all employees, both sworn and civilian, every 5 years.

Drug Enforcement Administration: Conducts criminal background checks on all employees, both sworn and civilian, every 5 years.

Bureau of Alcohol, Tobacco, and Firearms: Conducts criminal background checks on all employees, both sworn and civilian, every 5 years.

Was Legal Counsel Sought Before Conducting the Triple I Checks?

Legal counsel was not sought regarding the initiation of the Triple I checks completed earlier this year due to the fact that the Department had an established policy requiring reporting by employees and a procedure for Department review of employee criminal history records. It is the position of the Department that the periodic check of employee criminal history records is a condition of employment in our law enforcement organization designed to ensure the integrity of the workforce. As an internal security practice, the periodic Triple I checks are a tool to monitor compliance with our written directives and ensure the integrity of our workforce.

The Department is extremely sensitive to the privacy our employees reasonably expect from the USCP and the federal government, and their related Fourth Amendment rights. With regard to these privacy concerns, the information obtained during Triple I checks is from publicly held records, which does not include personal identifiers such as social security numbers, home address, family information, etc. A public employee has a diminished expectation of privacy with respect to a public act such as an arrest, charge, or conviction. Further, the information retrieved from a Triple I check is relevant in making a determination of an employee's reliability and trustworthiness, as well as a risk assessment about how the information may relate to the internal security of the Department.

Also, no adverse action has been initiated by the Department regarding the information retrieved through the Triple I checks. Should information retrieved through the Triple I checks be the basis for adverse personnel action by the Department, appropriate due process procedures are in place in Department policy and applicable collective bargaining agreements which permit the employee to challenge the accuracy of the information retrieved, as well as the recommended personnel action. No such personnel

action has been initiated by the Department. In fact, we have received statements of support from the chairpersons of both unions representing sworn and civilian employees that such checks are to be reasonably expected due to the nature of the work performed by USCP.

Therefore, within the established procedures and practices of the Department, based on the results of the recent Triple I checks, and as was the initial intent for the use of the information gathered from the compliance audit of the OIG, I will direct that the IAD standard operating procedure be updated to reflect the terms of the established rules of conduct and the Department's management position related to internal security practices.

Assignment: This hearing's made clear that the Capitol Police are taking on a number of expanded responsibilities in FY 2009 and that this one of the major reasons for the 18 percent increase being requested. At the same time, an increase of that size just isn't realistic given the constraints we're going to be operating under. This subcommittee needs a clear sense of what your highest priorities are, and what you will and won't be able to do with an increase of less than 18 percent. With that in mind, I would like the Capitol Police to submit a report by next Wednesday, April 16th that explains what you would and would not be able to do if held to a 5 percent increase or a 10 percent increase—basically what your highest priorities for funding would be at these lower funding levels.

Response. (Provided by the USCP)

In addressing this request, the Department prioritized its FY 2009 budget request for an increase in funding based on four factors:

- *Maintaining current mission strength*
- *New mission requirements for which the Department does not currently have resources*
- *Critical Departmental infrastructure requirements, and*
- *Departmental initiatives designed to improve the Department's management and controls.*

Priority	Percentage of the FY 2009 18% Increase	Dollar Amount	Reason
1	3.4%	$9,700,000	**COLA / Annualization**
2	1.3%	$3,886,000	**LOC Police Merger ***
	4.7%		**5% Sub-Total**
2	2.7%	$7,900,000	**CVC Security** This total includes Salary, benefits & general expenses for 31 sworn FTE, as well as overtime, to support the security operations of the CVC.
4	1.1%	$3,100,000	**Presidential Inauguration** Overtime, Benefits and General Expenses
5	2.3%	$6,600,000	**Other General Expense Cost** (Systems Lifecycle Replacement, increased cost for current security contracts, sworn post scheduling, training programs, and sworn applicant testing.)
	10.8%		**10% Sub-Total**

** $3.12M for the Library of Congress Police Merger is not included in the priority list, because it is a transfer of salaries and benefits from the Library of Congress appropriations.*

Increases not included in the priority list above:

- *AOC Tunnel Project Security*
- *Library of Congress New Visitor Experience*
- *Force Development*
- *Chief of Police Priorities*
- *Re-requested Items from FY 2008*
- *Other Hires/Other Pay Costs*

The Department did not prioritize the request of the Inspector General, because the OIG is empowered to submit a budget request independent of the Department's influence.

The USCP Inspector General has provided a prioritized funding increase as noted below.

Response. (Provided by the Office of the Inspector General)

The Office of the Inspector General's current authorized FTE level is insufficient to provide OIG audit and investigative oversight at the FY 2008 baseline level required by common OIG business practices and standards.

However, the OIG realizes that the budget decisions are difficult and must be prioritized and measured with the government-wide budget request. Therefore, OIG has prepared the following table prioritizing FTE in the FY 2009 budget request. OIG will be happy to meet with the Committee to further explain our request, as necessary.

Priority	**Salary** *(1/2 year salary and benefits)*	**General Expense**	Reason
1	$194,590	$24,474	2 Auditors
2	$194,590	$24,474	1 Attorney 1 Investigator
3	$194,590	$24,474	1 Auditor 1 Investigator
	$583,770	**$73,422**	**Total $657,192**

Hearing on the U.S. Capitol Police's FY 2009 Budget Request
April 9, 2008 at 1:00 p.m.
H-144 Capitol

Questions for the Record
Ms. Debbie Wasserman Schultz, Chair

GAO/IG Recommendations

Question. Chief Morse, as you noted in your statement, GAO and your Inspector General have made a number of recommendations over the past several years to improve the administration and financial management of the Capitol Police. I'm glad to hear you're making progress on the recommendations.

- How soon do you expect to close out the remaining recommendations?
- Are any of the open recommendations in the area of financial management?
- Are there any items in your FY 2009 request that are particularly important for you to get so you can act on these recommendations?

Response. (Provided by the USCP)

As mentioned in the Chief of Police's testimony, the Department is continuing its efforts to not only close out the remaining GAO recommendations and OIG findings, but also to establish standard repeatable business processes designed to enhance management and internal control long-term.

While we would wish to bring closure to all of the recommendations and findings in the near term, we believe that based on staffing and fiscal constraints, it may take another few years to fully address all of these issues. To ensure that the Department remains focused on this long-term effort, action plans have been designed and implemented for each of the remaining recommendations and findings. These action plans provide a roadmap for the responsible officials to ensure the successful resolution of these matters. The action plans contain benchmarks, timelines and accountability for all subordinate actions necessary to resolve the overall issue.

Yes, there are 14 recommendations from the Government Accountability Office and7 findings from the Office of the Inspector General that remain open in the financial management area. The remaining recommendations and findings relate to staffing; overall financial management policy and procedures development, implementation and enforcement; financial and asset management systems integration; contracting and credit card program oversight; the segregation of duties; and staff training to maintain oversight and compliance with regulations, policies and procedures.

Within the Department's FY 2009 budget request are a number of new civilian FTEs needed to address staffing shortfalls in key areas with remaining recommendations and findings. These include: enterprise architects for information systems; information system security specialists; radio technicians; network engineers; training coordinators; a diversity officer; a workforce planner; budget analysts; and accountants. Additionally, critical systems lifecycle replacement is contained in the Department's FY 2009 budget submission.

While the Department considers these FTE and lifecycle replacement requirements as critical to achieve resolution of the remaining recommendations and findings, as well as addressing potential for fraud, waste and abuse, we must prioritize our budget request based on eminent and critical mission operations requirements necessary to achieve the Department's primary mission of protecting the Legislative process.

Hearing on the U.S. Capitol Police's FY 2009 Budget Request
April 9, 2008 at 1:00 p.m.
H-144 Capitol

Questions for the Record
Mr. Lewis

Administrative Leave/Terminations

Question. Chief, what is the process for approving terminations? Once it gets to the Board how long does that part of the process take? I understand that there is a particular case in which an individual has been on administrative leave for over two years. What is the status of that case? How long have you been waiting for resolution? Why don't you just send these notices directly to the Committees as authorized by statute? How often is administrative leave issued? How many individuals are currently on administrative leave?

Response. (Provided by the USCP)

In February 2003, pursuant to Pub. L. 108-7, section 1018(e), (2 U.S.C. 1907(e)(1)(A)), Department employees became employees of the USCP and were no longer employees of the House or Senate. Additionally, the statute authorized the Chief of Police to appoint, hire, discharge, and set the terms and conditions of employment of USCP employees subject to three conditions:

1) *for appointment or termination of any officer, member, or employee subject to the approval of the Committee on House Administration and the Committee on Rules and Administration of the Senate;*
2) *for promotion of any noncivilian officer, or any rank higher than Private First Class, and the promotion of any civilian employee, subject to approval by the same committees; and*
3) *for the establishment of any new position for officers, members, or employees subject to approval of the same committees.*

Prior to 2003, the Department forwarded personnel decision letters to each

Sergeant at Arms for forwarding purposes to their respective committees (Senate Sergeant at Arms to Senate Committee on Rules and Administration; House Sergeant at Arms to Committee on House Administration) when USCP employees were either "House employees" or "Senate employees."

With the passage of Pub. L. 108-7, the USCP Office of Human Resources (OHR) modified its personnel procedures to incorporate the requirements identified above and operates under the following process.

- *For all actions identified in Pub. L. 108-7, Section 1018(e), the OHR prepares decision letters for the Chief of Police to seek concurrence from all members of the Capitol Police Board (Board) and subsequent approval from the respective committees. While the law did not specifically reference the Board's involvement in this process, the Department established a standard process to ensure inclusion of all Board members, including the Architect of the Capitol, in these workforce decisions. Consequently, the OHR modified the formatting of personnel decision letters to include a concurrence section for Board members and an approval section for each respective Chairperson. The Executive Assistant to the Board is involved in the process to insure proper tracking, obtain the necessary signatures, and avoid any unnecessary delays.*
- *Upon a recommendation of termination of employment, the Chief of Police notifies the Capitol Police Board for its concurrence before forwarding to the Committee on House Administration and the Senate Committee on Rules and Administration. The notices are not sent directly to the Committees so that the Board has an opportunity as the "employing office" to raise any concerns prior to Committee notification.*

The Department is currently addressing several cases in which employees have been placed on administrative leave pending decision of an adverse action (termination, suspension, etc.) In one case in particular, the Department has been working to resolve concerns of the Board and anticipates resolution soon. Administrative leave is used infrequently and usually for purposes of a pending Internal Affairs investigation, jury duty, or emergencies. The Department currently has six employees on administrative leave.

Emergency Exercises

Question. Chief, you mention a number of evacuation, lockdown, and other emergency exercises the USCP has performed. What have you learned about the strengths and weaknesses of the USCP and Capitol complex from all this?

Response. (Provided by the USCP)

We appreciate the strong support of the Police Board and the oversight Committees by allowing USCP to conduct general scenario-based training within the Capitol and Office Buildings for the first time. There is no substitute for realistic training conducted in the actual environment where our officers work everyday. This entire series of exercises stemmed from an analysis of the threats facing the Capitol complex and an assessment of our operational strengths and weaknesses. We found that while our officers and first-line supervisors were well equipped and adequately trained in basic police and emergency procedures; we needed more specific and frequent training in complex response operations, and our protocols needed to be updated to reflect the lessons learned from events such as the tragedy at Virginia Tech.

To achieve these goals, USCP Emergency Management Division technical specialists conducted more than forty (40) tabletop exercises with officers and their supervisors. Command level officials analyzed the resulting data from these exercises and used it for comprehensive revision of standard operating procedures.

In addition, more than fifty (50) separate practical exercises were conducted in August and January using validated standards derived from our new operating procedures. They were extremely successful but demonstrated again that we continued to face in-service obstacles. For example, finding a way to allow day shift personnel to exercise under the same realistic conditions that our evening and midnight shift personnel do – after typical business hours.

In regards to the Capitol Complex, we learned that the physical security measures employed to secure the Capitol and the Capitol Complex are largely effective and efficient. We identified some entrances that need enhanced physical security measures and have begun the work on enhancing the equipment at those entrances to expedite the lockdown process. The

practical exercises also gave us a unique opportunity to assess the viability of our closed circuit television system. We learned that it worked exactly as expected, giving the area commander good situational awareness of events as they unfold.

To guarantee future success, we need to allocate more resources to researching and planning to ensure our procedures undergo continuous process improvement and are revised when necessary to capitalize on innovative thinking and applying unique solutions while incorporating the most applicable best practices of the law enforcement community. Lastly, that our risk-based, major event planning capacity enables the deployment of resources in the right size, at the right time, and in the right place every time.

To that end, I have appointed a Readiness Improvement Coordinator, a Quality Management specialist, and an expert in the Test, Training and Exercise lifecycle to ensure we are doing all we can with what we have.

Emergency Alert System

Question. Chief, delays in the emergency alert system have been an issue for some time. What, if any, progress has been made to reduce this delay? Do you believe there will be a minimum delay that the Capitol Complex will have to learn to live with?

Response. (Provided by the USCP)

Many of the delays in emergency notification are generally beyond the "immediate reach" of the US Capitol Police. The House, Senate, and Capitol Police all utilize text-messaging systems, which are operated from the USCP Command Center. While the messages are sent as soon as we are aware of a serious situation, we are physically attempting to send messages to many thousands of recipients across the Capitol Complex through commercial networks that are highly taxed during the initial phases of any emergency. We have attempted to mitigate these delays with the use of multiple systems including the campus-wide Public Address System and Wireless Annuciator System allowing the Command Center to instantaneously distribute a verbal emergency message to both public and private spaces across the campus. Delays may also occur while responding personnel analyze and attempt to control actual situations.

The first few moments of an emergency are often chaotic and confusing. Rather then send inaccurate or incomplete information to our stakeholders it is a balance to find the right timing after to correctly assess and a clear

picture of the incident and forward the best message so that appropriate emergency actions can be directed.

While we MAY expect incremental improvements, gained by working with stakeholders and implementing quality improvement measures; risk-based decision-making during a crisis remains more of an art than a clear science.

Student Loan Repayment

Question. Chief, you mention that the Capitol Police have suspended the student loan repayment program in order to make critical revisions. Why has this program been suspended? What is the status of these revisions and when do you expect the program to be back on line?

Response. (Provided by the USCP)

Public Law 107-117, as amended by Public Law 108-7, Section 1007, established the Department's Educational Assistance Program, from which the Student Loan Repayment Program (SLRP) was developed. Since implementation in 2004, the department has had over 350 participants in the program totaling over 3 million dollars.

In September 2007, the Office of Inspector General (OIG) issued its audit report on the Student Loan Repayment Program. This audit found that there were some internal control issues with the program that needed to be addressed to ensure proper utilization of resources. I am pleased to report that through the cooperative efforts of the Office of Human Resources, the Office of Financial Management and the Executive management Team, we have successfully addressed approximately 90% of OIG's program recommendations. We are currently benchmarking legislative branch and federal law enforcement agencies as we begin work to revamp our current SLRP policy directive. The revamped policy will result in increased programmatic goals to address specific recruitment and retention objectives.

We expect to make final determinations for the reimplementation of this program in late FY 2008.

Background Checks

Question. Chief, it is my understanding that criminal background checks were conducted on all Capitol Police employees. Under what policy directive were these checks authorized? Were Police employees notified of these checks? What about the Police Union? My concern is that these checks constitute serious violations of privacy, 4th Amendment rights, and Federal Labor standards. What is your response? How do you think these checks will affect staff and officer morale? Will this exacerbate existing problems?

Response. (Provided by the USCP)

First, as you may be aware, Triple I checks are not the same as detailed background investigations. The Triple I is the FBI's national database system, which provides access to, automated criminal history record information to authorized government agencies. The system maintains an index of persons arrested for felonies or misdemeanors under state or federal law with the vast majority of the information provided by the states. This index is limited to such identification data as name, birth date, race, and sex and notations of arrests, determinations, indictments, information, or other formal criminal charges, and any disposition arising therefrom, including acquittal, sentencing, correctional supervision, and release. The Department is aware that information retrieved may not be complete or entirely accurate, so the information retrieved is confirmed and no personnel action would be taken based solely on Triple I information.

The authority relied upon to conduct the Triple I checks is the exclusive management right to determine the internal security practices of the Department pursuant to 5 USC §7106(a)(1), as made applicable by the Congressional Accountability Act. The internal security of the Department is maintained by ensuring the integrity, trustworthiness, and professionalism of the workforce. Through written directives and procedures the Department has established employee reporting requirements and periodic Department review of employee criminal history records. The retrieval of such information is authorized for criminal justice agencies for criminal justice purposes, which purposes include the screening of employees or applicants for employment hired by criminal justice agencies. The Department maintains that periodic screening of employees is integral to ensuring the integrity of the workforce which is essential for employees of

the USCP who are charged with security sensitive duties, have daily access to security sensitive information, come into daily contact with the public, and must comply with specific legal compliance requirements. Retrieval of this information is for internal purposes only and is integral to a risk assessment of whether the information retrieved creates an unacceptable risk in our particular workplace.

The Triple I checks were conducted within the current Department standard operating procedures for the IAD. The Triple I checks were conducted by the Office of the Inspector General (OIG) under its authority to receive and investigate complaints or information the investigation of which is under the jurisdiction of the IAD (such as periodic Triple I checks authorized in the standard operating procedure). Pub. L. 109-455, Section 1004(c)(3)(A), (August 2, 2005). In addition, the Department has a longstanding interagency agreement with the Metropolitan Police Department which details user security and privacy requirements for the handling and maintenance of criminal history information collected through the use of WALES and NCIC databases.

USCP employees were not aware that Triple I checks were completed earlier this year. However, sworn employees, in particular, do have an expectation, primarily due to the requirements of the Lautenberg amendment, that the Department would periodically review criminal history records of all sworn personnel to ensure that no officer had been convicted of an offense disqualifying him or her for a law enforcement position. Civilian personnel are held to the same reporting requirements under the Rules of Conduct. Therefore, they also have the same responsibility to report a public act, such as an arrest, charge, or conviction. This requirement is especially true of government employees who are held to public accountability standards of integrity and trustworthiness. However, it is important to note that the Triple I check information retrieved is for internal purposes only, maintained in a confidential manner, and intended to serve as a baseline for workforce compliance with internal security practices, as well as consistent Department application and implementation of policies and procedures.

Also, no adverse action has been initiated by the Department regarding the information retrieved through the Triple I checks. Should information retrieved through the Triple I checks be the basis for adverse personnel action by the Department, appropriate due process procedures are in place

in Department policy and applicable collective bargaining agreements which permit the employee to challenge the accuracy of the information retrieved, as well as the recommended personnel action. No such personnel action has been initiated by the Department. In fact, we have received statements of support from the chairpersons of both unions representing sworn and civilian employees that such checks are to be reasonably expected due to the nature of the work performed by USCP.

Hearing on the U.S. Capitol Police's FY 2009 Budget Request
April 9, 2008 at 1:00 p.m.
H-144 Capitol

Questions for the Record
Mr. Udall

GAO/IG Recommendations

Question. Chief Morse, in your testimony, you mention that the Department has made significant progress in addressing recommendations provided by the GAO and the US Capitol Police's Office of the Inspector General and that the Department has closed over 30 of the 118 recommendations and findings.

- Can you tell us a bit about the remaining recommendations and how you plan on addressing them?
- Do you see the remainder being closed out in the near future, or do they entail long-range planning?

Response. (Provided by the USCP)

The remaining 88 recommendations and findings cover a broad array of topics, to include: strategic planning, performance measurement, internal controls, policies & procedures, authorities review, risk management, training and oversight.

In the financial management area, the remaining recommendations and findings relate to staffing; overall financial management policy and procedures development, implementation and enforcement; financial and asset management systems integration; contracting and credit card program oversight; the segregation of duties; and staff training to maintain oversight and compliance with regulations, policies and procedures.

In the property and asset management area, the remaining recommendations and findings relate to completion of the full integration of a perpetual inventory system; the development and implementation of policies and procedures for the overall inventory process; the training of

appropriate staff on physical inventory processes and responsibilities; the validation of USCP asset ownership; and the tracking and disposal of obsolete, unserviceable, damaged or expired assets.

In the area of human capital management, the remaining recommendations and findings relate to the development and implementation of a strategic human capital plan, to include a workforce management plan; the development, implementation and adherence to policies and procedures governing time & attendance, personnel records, and payroll; the review and measurement of pay and incentive programs; and the protection of sensitive information.

Finally, in the area of information systems, the remaining recommendations and findings relate to the protection of personal privacy information; the management of access and removal of users to information systems; the development and implementation of a comprehensive Enterprise Architecture for information systems; the development, implementation and oversight of security programs regarding information systems, the development and implementation of information systems policies and procedures; and the management of information system investments.

As mentioned in the Chief of Police's testimony, the Department is continuing its efforts to not only close out the remaining GAO recommendations and OIG findings, but also to establish standard repeatable business processes designed to enhance management and internal control long-term.

While we would wish to bring closure to all of the recommendations and findings in the near term, we believe that based on staffing and fiscal constraints, it may take another few years to fully address all of these issues. To ensure that the Department remains focused on this long-term effort, action plans have been designed and implemented for each of the remaining recommendations and findings. These action plans provide a roadmap for the responsible officials to ensure the successful resolution of these matters. The action plans contain benchmarks, timelines and accountability for all subordinate actions necessary to resolve the overall issue.

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Mobile Fingerprinting

Question. One of your FY09 Budget Investments is a Portable/Mobile AFIS Fingerprint device that will allow the Department to perform criminal bookings from remote locations, such as mass arrest locations.

- Can you talk a bit about the need for this device?
- What is currently done to handle bookings at these mass arrest locations?

Response. (Provided by the USCP)

In the current environment, we are conducting 8-10 mass arrest events each year, with an average of approximately 75 arrestees per event. Under our current system, this can be an extremely time consuming process. A recent event required more than 14 hours to process 130 people. This is a significant source of overtime expenditures and diverts officers away from their normal operations duty of protecting the Capitol campus. During any contingency operation the risk level is elevated.

Currently, we are required to manually fingerprint each arrestee using an inkpad and fingerprint card. The prisoner's name and personal information are manually entered into the computer and run through a criminal history check, but there is no mechanism at the mass arrest processing site to compare the fingerprints with the individual's information to insure a match. The mobile AFIS device (coupled with facial recognition software) would enable USCP to retrieve fingerprints and submit them electronically for a true identity and history check. This would greatly speed up identification of prisoners and increase the accuracy of the information available to our officers during a mass arrest event. This capability would also be deployed and utilized as needed by patrol officers.

Programs under Review

Question. You also talk about the steps you have taken to suspend, review, and overhaul certain programs to validate that they are operating within the intent of Congress and under effective internal controls.

- Can you tell us a bit of what programs are being reviewed?
- How long do you see the suspension of these programs lasting?

Response. (Provided by the USCP)

Public Law 108-7, Section 1011 authorizes the USCP to establish and determine positions that be designated as specialty assignments or require proficiencies based on experience, education, training, or other appropriate factors required to carry out the duties of the position. As such, the Department developed the Specialty Pay Program to implement the legislation. We have defined some of the eligibility criteria and are considering other changes to the original specialty assignment designations through a broad department review process.

Public Law 107-117, as amended by Public Law 108-7, Section 1007, established the Department's Educational Assistance Program, from which the Student Loan Repayment Program (SLRP) was developed. Since implementation in 2004, the department has had over 350 participants in the program totaling over 3 million dollars.

In September 2007, the Office of Inspector General (OIG) issued its audit report on the Student Loan Repayment Program. This audit found that there were some internal control issues with the program that needed to be addressed to ensure proper utilization of resources. I am pleased to report that through the cooperative efforts of the Office of Human Resources, the Office of Financial Management and the Executive management Team, we have successfully addressed approximately 90% of OIG's program recommendations. We are currently benchmarking legislative branch and federal law enforcement agencies as we begin work to revamp our current SLRP policy directive. The revamped policy will result in increased programmatic goals to address specific recruitment and retention objectives.

We expect to make final determinations for the reimplementation of this program in late FY 2008.

Question. Specifically, you mention the suspension of the Student Loan Repayment Program, partly to ensure that the program is being utilized as a recruiting and retention tool.

- Can you tell us how many FTEs, sworn or civilian, were affected by the program's suspension?

Response. (Provided by the USCP)

At the time of suspension, the Department had 102 (82 sworn and 20 civilian) SLRP applications for FY 2007. These applications were not approved and no payments for SLRP were paid.

Alternate Fuel Vehicles

Question. One of the FY07 Initiatives was to increase the alternate fuel capability of the Department's fleet. I see that the Department has seven existing Alternate Fuel Vehicles in the Department, with four E-85 and four Hybrids vehicles added in the past year.

- How many vehicles are currently in the fleet?
- How many vehicles do you think will be replaced in the next year?
- How many of those do you see being replaced with alternate fuel vehicles?

Response. (Provided by the USCP)

The Department currently has 15 alternative fuel vehicles, to include three that are compressed natural gas, four that are battery/electric, four hybrids and four that are E85s.

In total the Department has 319 motorized passenger vehicles of which 135 are sedans, 27 are special duty units, 90 are trucks, SUVs or vans (16 of these are leased SUVs), and 67 are motorcycles. Of this total number, we are planning to replace between four to five sedans in FY08. The replacements will be alternate fuel vehicles (likely E85s or Hybrids) as will be any other units that we replace within the next few years.

Hearing on the U.S. Capitol Police's FY 2009 Budget Request
April 9, 2008 at 1:00 p.m.
H-144 Capitol

Additional Questions for the Record
Mr. Lewis

Background Checks

Question. Any opinions issued by the General Counsel's Office on the issue of criminal background checks on all employees, both civilian and sworn.

Response. (Provided by the USCP)

In the past, the OGC has provided legal advice to the Department regarding the risks associated with review of employee criminal history records. It is the position of the Department that those risks are substantially overcome by the: (1) authority provided to criminal justice agencies to access such information for purposes of hiring and employment of individuals by criminal justice agencies; (2) notice to and expectations of employees that they are held to high integrity standards, (3) legal compliance requirements of sworn personnel implicated by the Lautenberg amendment, and 4) the requirement of employees to comply with "Rules of Conduct, Operational Directive PRF 1.3, Section 1.3.3A, Rule A2, Conformance to Laws", which states: "Employees will obey all laws of the United States, the District of Columbia, and of any state, local, or military jurisdiction in which they may be present. Employees arrested or indicted for a violation of any law, other minor non-custodial traffic offenses, or summoned to appear in response to criminal complaint, will immediately notify one of their supervisors, who in turn will notify the Chief of Police through the chain of command."

The Department is extremely sensitive to the privacy our employees reasonably expect from the USCP and the federal government, and their related Fourth Amendment rights. With regard to these privacy concerns, the information obtained during Triple I checks is from publicly held records, which does not include personal identifiers such as social security numbers, home address, family information, etc. A public employee has a diminished expectation of privacy with respect to a public act such as an arrest, charge, or conviction. Further, the information retrieved from a Triple I check is relevant in making a determination of an employee's

reliability and trustworthiness, as well as a risk assessment about how the information may relate to the internal security of the Department.

Question. What assurances can the IG provide the Committee that there were no other individuals, outside the USCP, on which Triple I investigations were conducted?

Response. (Provided by the Office of the Inspector General)

At the request of the Chief of Police, OIG conduct a compliance review that would address the broad question: Did employees comply with USCP Directive PRF 1.3, Rules of Conduct? OIG did not deviate from this objective.

OIG conducted a 100 percent review of USCP employees as of October 1, 2007, (1,629 sworn officers including the Chief of Police and 352 civilians including OIG staff).
To accomplish this work, OIG conducted an interstate identification index check (III) of employees using the USCP WALES[1] system. USCP trained OIG staff in use of the WALES system. As part of this training, the USCP Terminal Agency Coordinator (TAC) provided standard operating procedures for authorized personnel to operate WALES/NCIC (OPOHS-600-11) and informed all users of disciplinary actions from the access, retrieval, or release of any WALES/NCIC information obtained directly or indirectly that is not specifically authorized for official business.

The Metropolitan Police Department (MPDC) is the Control Terminal Agency for the WALES/NCIC systems and, as such, is responsible for its oversight and operation. To ensure that the information requested is on a legitimate need-to-know basis, the WALES system provides an audit trail, which shows every record OIG checked. The MPDC also monitors use and will contact the TAC on unusual activity. Additionally, MPDC conducts biennial audits of USCP procedures and WALES activity. Furthermore, OIG secured all documentation related to this review to prevent any unauthorized access to or use of data obtained from WALES. All OIG staff have a top secret clearance.

[1] Washington Area Law Enforcement System

Misuse of WALES/NCIC would be considered a felony violation of a number of sections within Title 18, such as 1028, 1029 and 1030.

Question. Did the Police Board approve the IG's conducting these investigations? Provide a copy of the minutes of the Board on this subject. What oversight did the Board provide on this activity?

Response. (Provided by the Office of the Inspector General)

OIG provided our proposed annual plan to the Police Board, which included the compliance review. OIG provided the Board a general understanding of each project on the plan and gave periodic briefings and informal communications on our activities. While knowing the status of OIG activities, in general terms, the Board is cautious not to be viewed as a partner or directly involved in these endeavors due to the OIG's independence requirement. Thus, the Board does not generally approved individual projects avoiding the appearance of such impairments of independence. According to the enabling statute, "...Neither the Capitol Police Board, the Chief of the Capitol Police, nor any other member or employee of the Capitol Police may prevent or prohibit the Inspector General from carrying out any of the duties or responsibilities assigned to the Inspector General under this section...." As noted in the Summary from the Executive Assistant to the Board below, the IG briefed the Board on the OIG annual plan, which included the review of background investigations. The Board did not specifically address this project.

> *The Executive Assistant for the Capitol Police Board provided the following information regarding the Inspector General's communications with the Board concerning the Office of the Inspector General's involvement with background checks on USCP employees. During the August 22, 2007, Capitol Police Board meeting, the Inspector General reported that he was in the process of developing an annual audit plan. Among other topics, the Inspector General mentioned the possibility of conducting the internal affairs review of USCP employees' backgrounds. The Inspector General indicated he would brief the annual audit plan at a future meeting and provide a copy of the final plan at a later date.*
>
> *During the October 24, 2007, Capitol Police Board meeting, the Inspector General briefed the Board on his FY 2008 audit/performance plan. Among other topics, the Inspector General*

stated that the Office of the Inspector General would conduct background checks on USCP employees to determine if any employees had been the subject of criminal convictions but failed to disclose that information to USCP.

On November 7, 2007, the Capitol Police Board received copies of the United States Capitol Police Office of Inspector General's FY 2008 Annual Performance Plan, dated October 31, 2007. This plan includes a "Review of Background Investigations" as an Office of the Inspector General activity.

Question. What actions did the IG take prior to initiating these investigations to ensure compliance with current USCP policies and directives?

Response. (Provided by the Office of the Inspector General)

As with all projects, OIG gained an understanding of the process, reviewed pertinent USCP policies and directives, interviewed applicable USCP personnel such as the Chief of Police, director of Office of Human Resources, reviewed the USCP Applicant Flowchart showing when an applicant receives and signs the Bluebook, and obtained training and certification on the use of WALES. The designated USCP Terminal Agency Coordinator (TAC) conducted our training and OIG used applicable policies and procedures.

Question. Provide all instances when the entire workforce of the Department was subject to Triple I investigations.

Response. (Provided by the USCP)

While periodic Trip I checks have been conducted on Department employees in the past, we were unable to definitively determine whether Triple I checks were conducted on the entire USCP workforce.

THURSDAY, APRIL 10, 2008.

GOVERNMENT ACCOUNTABILITY OFFICE (GAO)

WITNESSES

GENE L. DODARO, ACTING COMPTROLLER GENERAL
SALLYANNE HARPER, CHIEF ADMINISTRATIVE OFFICER
GEORGE STRADER, CONTROLLER

OPENING REMARKS—CHAIR WASSERMAN SCHULTZ

Ms. WASSERMAN SCHULTZ. I would like to call this hearing of the Legislative Branch Subcommittee of the Committee on Appropriations to order. Today we are going to hear from the acting Comptroller General, Gene Dodaro, about the agency's budget request. I want to thank you and your staff for the quality support GAO provides the Congress. And that includes direct support provided by GAO staff like David Marroni.

I don't need a script for this. I didn't realize what this was. Obviously, this was just handed to me. I can do this all on my own.

David Marroni is the finest example of a public servant that we have in this institution. He has worked tirelessly, provided us with expertise, advice; has just done an incredible job representing your agency and helping us get the job done here in the Legislative Branch Subcommittee. And we owe him and you a debt of gratitude for lending him to us for the last year. So I just want to thank you very, very much.

Mr. DODARO. Thank you.

Ms. WASSERMAN SCHULTZ. We have a tight budget situation, as no one knows better than you. I want to congratulate you on your new role at the GAO. I know you are accompanied by your Chief Administrative Officer, Sallyanne Harper, and your Controller, George Strader.

You have asked for $538 million in direct appropriations, a $38 million or 7.7 percent increase, which includes a request for an additional 151 staff. That is just under a 5 percent increase in the agency's size. I do appreciate that this is one of only two Legislative Branch agencies that actually asked for a single digit increase. But it is going to be a difficult budget year, as you know, and Mr. Latham and I can probably read each others' scripts at these budget hearings now. We can swap roles one day just for fun.

But I will say to you what I said to each of the agency heads. We would like to get from you what your highest priorities are. We are going to try to do our best to fund what your needs are. And clearly I know, because of the enhanced oversight that Congress has engaged in, you are really working to the brink and you need the additional assistance and additional staff, I know that. And you had flat staffing for the last number of years, and I absolutely recognize that.

So, with that, Mr. Latham.

OPENING REMARKS—MR. LATHAM

Mr. LATHAM. I want to also welcome you and to commend you doing more with less all the time or with the same. I commend your service to the Congress and to the country. Thank you.

Ms. WASSERMAN SCHULTZ. Mr. Dodaro, your full statement will be entered into the record, and you can proceed with a 5-minute summary. Welcome.

OPENING STATEMENT—GENE DODARO

Mr. DODARO. Thank you, Madam Chair, members of the Subcommittee. It is a pleasure to be here this afternoon to talk about GAO's budget request. First, I would like to thank you, Madam Chair and members of the Subcommittee, for your past support to GAO. We appreciate the confidence that you have shown in us and believe that we have provided an excellent return on the investment that you have made in us. Last year, our work for the Congress led to financial benefits of over $45 billion and over a thousand improvements in government operations. Importantly, our work is targeted to support the Congress in its oversight and legislative priorities. And as the demands and challenges facing the Congress increase, so does the premium on GAO work to provide help to the Congress. Demand is high and increasing.

DEMAND FOR GAO WORK IS INCREASING

Requests for GAO assistance in fiscal year 2007 were up 14 percent over 2006 and so far this year, through the first half of 2008, were up an additional 20 percent from a comparable period last year. GAO witnesses are appearing at congressional hearings at a record pace. And potential mandates which are included in bills submitted in the Congress, which are a harbinger of the type of demand that is going to come down the road, are up over 75 percent in this Congress compared to the same point in time in the prior Congress.

STAFF LEVELS

Unfortunately, we are not well positioned right now to meet this increased demand. Our current staffing level for this fiscal year is at 3,100 full-time equivalent positions. This is the lowest level we have ever had at GAO. Our staff are working hard. But we don't believe, as indicated by your opening remarks and I appreciate your recognizing that people are working hard, and that we are going to be able to sustain that level of effort and provide more services with the same level of staff. We asked for some help. We believe, unless we get the help, we are just going to have a growing list of additional requests that are targeted to terrific areas for oversight and help meet the Congress's needs; it is just going to continue to grow. We are asking, as you indicate, Madam Chair, for a 5 percent increase in staff of about 150 people.

We think at this staffing level we can help better meet the demands of the Congress as it conducts its activities and executes its constitutional responsibilities. It also will be a terrific boost in the

morale and the productivity of the existing dedicated and talented GAO work force.

UNION RELATIONSHIP

Going forward, I also want to assure this Committee that I am committed to work in a constructive, effective way with our new union to establish a labor-management environment that benefits all GAO employees. Since the union has been in place since September, we have worked toward a prompt pay agreement for 2008 pay decisions. We are working right now on an interim agreement with the union and also look forward to shaping a collective bargaining agreement over a longer period of time.

Madam Chair and members of the Subcommittee, I fully appreciate the fiscal constraints that you are facing, and I know that you have difficult decisions that lie ahead. But please know that we appreciate your thoughtful consideration of our budget request and also know that, regardless of the outcome, that myself and all the people at GAO are going to work hard to give the Congress the best results with whatever resources you deem appropriate to provide us.

So I thank you for your time and attention and look forward to answering any questions you may have.

[Mr. Dodaro's prepared statement follows:]

United States Government Accountability Office

GAO

Testimony

Before the Subcommittee on Legislative Branch, Committee on Appropriations, House of Representatives

For Release on Delivery Expected at 1:00 p.m. EDT Thursday, April 10, 2008

FISCAL YEAR 2009 BUDGET REQUEST

U.S. Government Accountability Office

Statement of Gene L. Dodaro
Acting Comptroller General of the United States

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GAO-08-616T

REVISED

Madam Chair and Members of the Subcommittee:

I appreciate the opportunity to appear before you today to present GAO's budget request for fiscal year 2009. I am proud to say that we serve the Congress and the American people well, and I want to publicly acknowledge the professionalism, talents, and dedication of the GAO workforce in supporting the Congress and improving government. We submit for your consideration a funding proposal that would ensure the GAO can continue to help Congress make informed oversight, policy, and funding decisions.

At the outset, I want to thank the subcommittee for its support of GAO last year, especially in light of the overall budget pressures that the subcommittee faced when considering priorities. We ask for your continued support so that GAO can take on the issues of greatest interest to the Congress and address an increased demand for our services.[1]

The budget authority we are requesting for fiscal year 2009—$545.5 million—represents a prudent request of 7.5 percent to support the Congress as it confronts a growing array of difficult challenges. We will continue to reward the confidence you place in us by providing a strong return on this investment. In fiscal year 2007 for example, in addition to delivering hundreds of reports and briefings to aid congressional oversight and decisionmaking, our work yielded:

- financial benefits, such as increased collection of delinquent taxes and civil fines, totaling $45.9 billion—a return of $94 for every dollar invested in GAO;
- over 1,300 other improvements in government operations spanning the full spectrum of national issues, ranging from helping Congress create a center to better locate children after disasters to strengthening computer security over sensitive government records and assets to encouraging more transparency over nursing home fire safety to strengthening screening procedures for VA health care practitioners; and
- expert testimony at 276 congressional hearings to help Congress address a variety of issues of broad national concern, such as the conflict in Iraq and efforts to ensure drug and food safety.

Demand for GAO Services Is High and Increasing

Demand for GAO's analysis and advice remains strong across the Congress. During the past 3 years, GAO has received requests or mandated work from all of the standing committees of the House and the Senate and over 90 percent of their subcommittees. In fiscal year 2007, GAO received over 1,200 requests for studies. This is a direct result of the high quality of GAO's work that the Congress has come to expect as well as the difficult challenges facing the

[1] An overview of GAO's strategic plan for serving the Congress is included as appendix I.

Congress where it believes having objective information and professional advice from GAO is instrumental.

Not only has demand for our work continued to be strong, but it is also steadily increasing. The total number of requests in fiscal year 2007 was up 14 percent from the preceding year. This trend has accelerated in fiscal year 2008 as requests rose 26 percent in the first quarter and are up 20 percent at the mid-point of this fiscal year from comparable periods in 2007. As a harbinger of future congressional demand, potential mandates for GAO work being included in proposed legislation as of February 2008 totaled over 600, or an 86 percent increase from a similar period in the 109th Congress.

The following examples illustrate this demand:

- Over 160 new mandates for GAO reviews were imbedded in law, including the Consolidated Appropriations Act of 2008, the Defense Appropriations Act of 2008, and 2008 legislation implementing the 9/11 Commission recommendations;
- New recurring responsibilities were given to GAO under the Honest Leadership and Open Government Act of 2007 to report annually on the compliance by lobbyists of registration and reporting requirements; and
- Expanded bid protest provisions applied to GAO that 1) allow federal employees to file protests concerning competitive sourcing decisions (A-76), 2) establish exclusive bid protest jurisdiction at GAO over issuance of task and delivery orders valued at over $10 million, and 3) provide GAO bid protest jurisdiction over contracts awarded by the Transportation Security Administration.

Further evidence of GAO's help in providing important advice to the Congress is found in the increased numbers of GAO appearances at hearings on topics of national significance and keen interest (see table 1).

In fiscal year 2007 GAO testified at 276 hearings, 36 more than fiscal year 2006. The fiscal year 2007 figure was an all-time high for GAO on a per capita basis and among the top requests for GAO input in the last 25 years. This up tempo of GAO appearances at congressional hearings has continued, with GAO already appearing at 140 hearings this fiscal year, as of April 4th.

Table 1: GAO's Selected Testimony Issues by Strategic Goal, Fiscal Year 2007

Goal 1: Address challenges to the well-being and financial security of the American people

Federal oversight of **food safety**	**Private pension fees**	Effects of **seller-funded down payments on home loans**
Capacity and service gaps among **homeless veterans** programs	Small Business Administration's **disaster preparedness efforts**	Status of the future **air traffic control system**
Reauthorizing the State **Children's Health Insurance** Program	Improved **safety for coal miners**	**USPS reform efforts**
Claims processing challenges for **veterans' disability benefits**	Federal actions to improve **child welfare** services	**Federal real property issues**
FEMA payments on **hurricane-damaged properties**	**Oil and gas royalties**	**Emergency management** plans for schools
Nursing home oversight	**Medicare physician payments**	
Goal 2: Respond to changing security threats and the challenges of globalization		
Status of **benchmarks for Iraqi government**	Using best practices for **space acquisitions**	**DHS's major mission and management functions**
DOD's management of systems and assets	Vulnerabilities in **U.S. export control systems**	**Risk-management principles and homeland security**
Improving the **military's supply chain**	Combating **nuclear smuggling**	**Secure border initiative**
Linking defense strategy with **military personnel requirements**	**Securing radiological sources** in foreign countries	**Bankruptcy reform and credit counseling**
Navy shipbuilding	Improving the efficiency **of U.S. food aid procedures**	National strategy to **improve financial literacy**
	National strategy to enforce **intellectual property rights**	VA's **information security** management
Goal 3: Help transform the federal government's role and how it does business		
Contracting and security challenges in Iraq	Transforming DHS's **financial management systems**	**Tax compliance**
Federal **acquisitions and contracting challenges**	Challenges facing the **polar satellite program**	**Human capital challenges** facing the federal government
Acquisition challenges at DHS	**Electronic voting**	Rebuilding the **Gulf Coast**
Security vulnerabilities at **unmonitored border locations**	Balancing **individual privacy with homeland security** needs	Preparations for the **2010 Census**
Incomplete reporting of **federal improper payments**	Health **information technology and privacy**	**Fiscal stewardship challenges** facing the United States
	Long-term fiscal challenges	**Tax abuses** by Medicare Part B providers

Source: GAO

Modest Increase in Staffing Would Help Meet Demand

Our FTE level in fiscal year 2008 is 3,100—the lowest level ever for GAO. We are proud of the results we deliver to the Congress and our nation with this level, but with a slightly less than 5 percent increase in our FTEs to 3,251 we can better meet increased congressional requests for GAO assistance. While this increase would not bring GAO back to the 3,275 FTE level of 10 years ago, it would allow us to respond to the increased workload facing the Congress.

GAO staff are stretched in striving to meet Congress's increasing needs. People are operating at a pace that cannot be sustained over the long run. I am greatly concerned that if we try to provide more services with the existing level of resources, the high quality of our work could be diminished in the future. But I will not allow this to occur. This is not in the Congress's nor GAO's interest.

One consequence of our demand vs. supply situation is the growing list of congressional requests that we are not able to promptly staff. While we continue to work with congressional committees to identify their areas of highest priority, we remain unable to staff important requests. This limits our ability to provide timely advice to congressional committees dealing with certain issues that they have slated for oversight, including

- *Safety concerns* such as incorporating behavior-based security programs into TSA's aviation passenger screening process, updating our 2006 study of FDA's post-market drug safety system, and reviewing state investigations of nursing home complaints.
- *Operational improvements* such as the effectiveness of Border Security checkpoints to identify illegal aliens, technical and programmatic challenges in DOD's space radar programs, oversight of federally-funded highway and transit projects and the impact of the 2005 Bankruptcy Abuse Prevention and Consumer Protection Act.
- *Opportunities to increase revenues or stop wasteful spending* including reducing potential overstatements of charitable deductions and curbing potential overpayments and contractor abuses in food assistance programs.

GAO's Fiscal Year 2009 Budget Request

Our fiscal year 2009 budget request seeks to better position us to maintain our high level of support for the Congress and better meet increasing requests for help. This request would help replenish our staffing levels at a time when almost 20 percent of all GAO staff will be eligible for retirement. Accordingly, our fiscal year 2009 budget request seeks funds to ensure that we have the increased staff capacity to effectively support the Congress's agenda, cover pay and uncontrollable inflationary cost increases, and undertake critical investments, such as technology improvement.

GAO is requesting budget authority of $545.5 million to support a staff level of 3,251 FTEs needed to serve the Congress. This is a fiscally prudent request of 7.5 percent over our fiscal year 2008 funding level, as illustrated in table 2. Our

request includes about $538.1 million in direct appropriations and authority to use about $7.4 million in offsetting collections. This request also reflects a reduction of about $6 million in nonrecurring fiscal year 2008 costs.

Table 2: Fiscal Year 2009 Summary of Requested Changes

Dollars in thousands

Budget category	FTEs	Amount	Percent change
FY 2008 base	3,100	$507,239	
Subtotal –requested changes	151	$38,288	7.5
FY 2009 budget authority	3,251	$545,527	

Source GAO

Our request includes funds needed to

- increase our staffing level by less than 5 percent to help us provide more timely responses to congressional requests for studies;
- enhance employee recruitment, retention, and development programs, which increase our competitiveness for a talented workforce;
- recognize dedicated contributions of our hardworking staff through awards and recognition programs;
- address critical human capital components, such as knowledge capacity building, succession planning, and staff skills and competencies;
- pursue critical structural and infrastructure maintenance and improvements;
- restore program funding levels to regain our lost purchasing power; and
- undertake critical initiatives to increase our productivity.

Key elements of our proposed budget increase are outlined as follows:

Pay and inflationary cost increases

We are requesting funds to cover anticipated pay and inflationary cost increases resulting primarily from annual across-the-board and performance-based increases and annualization of prior fiscal year costs. These costs also include

uncontrollable, inflationary increases imposed by vendors as the cost of doing business.

Rebuilding capacity

GAO generally loses about 10 percent of its workforce annually to retirements and attrition. This annual loss places GAO under continual pressure to replace staff capacity and renew institutional memory. In fiscal year 2007, we were able to replace only about half of our staff loss. In fiscal year 2008, we plan to replace only staff departures. Our proposed fiscal year 2009 staffing level of 3,251 FTEs would restore our staff capacity through a modest FTE increase, which would allow us to initiate congressional requests in a timelier manner and begin reducing the backlog of pending requests.

Critical technology and infrastructure improvements

We are requesting funds to undertake critical investments that would allow us to implement technology improvements, as well as streamline and reengineer work processes to enhance the productivity and effectiveness of our staff, make essential investments that have been deferred year after year but cannot continue to be delayed, and implement responses to changing federal conditions.

Human capital initiatives and additional legislative authorities

GAO is working with the appropriate authorization and oversight committees to make reforms that are designed to benefit our employees and to provide a means to continue to attract, retain, and reward a top-flight workforce, as well as help us improve our operations and increase administrative efficiencies. Among the requested provisions, GAO supports the adoption of a "floor guarantee" for future annual pay adjustments similar to the agreement governing 2008 payment adjustments reached with the GAO Employees Organization, IFPTE. The floor guarantee reasonably balances our commitment to performance-based pay with an appropriate degree of predictability and equity for all GAO employees.

At the invitation of the House federal workforce subcommittee, we also have engaged in fruitful discussions about a reasonable and practical approach should the Congress decide to include a legislative provision to compensate GAO employees who did not receive the full base pay increases of 2.6 percent in 2006 and 2.4 percent in 2007. We appreciate their willingness to provide us with the necessary legal authorities to address this issue and look forward to working together with you and our oversight committee to obtain necessary funding to cover these payments. The budget authority to cover the future impact of these payments is not reflected in this budget request.

Establishing and Maintaining Constructive Union Relationships

As you know, on September 19, 2007, our Band I and Band II Analysts, Auditors, Specialists, and Investigators voted to be represented by the GAO Employees Organization, IFPTE, for the purpose of bargaining with GAO management on various terms and conditions of employment. GAO management is committed to working constructively with employee union representatives to forge a positive labor-management relationship.

Since September, GAO management has taken a variety of steps to ensure it is following applicable labor relations laws and has the resources in place to work effectively and productively in this new union environment. Our efforts have involved

- delivering specialized labor-management relations training to our managers;
- establishing a new Workforce Relations Center to provide employee and labor relations advice and services;
- hiring a Workforce Relations Center director, who also serves as our chief negotiator in collective bargaining deliberations, and
- postponing work on several initiatives regarding our current performance and pay programs.

In addition, we routinely notify union representatives of meetings that may qualify as formal discussions, so that a representative of the IFPTE can attend the meeting. We also regularly provide the IFPTE with information about projects involving changes to terms and conditions of employment over which the union has the right to bargain.

We are pleased that GAO and the IFPTE reached a prompt agreement on 2008 pay adjustments. The agreement was overwhelmingly ratified by bargaining unit members on February 14, 2008, and we have applied the agreed-upon approach to the 2008 adjustments to all GAO staff, with the exception of the SES and Senior Level staff, regardless of whether they are represented by the union.

Fiscal Year 2007 Achievements

In fiscal year 2007, we addressed many difficult issues confronting the nation, including the conflict in Iraq, domestic disaster relief and recovery, national security, and criteria for assessing lead in drinking water. For example, GAO has continued its oversight on issues directly related to the Iraq war and reconstruction, issuing 20 products in fiscal year 2007 alone—including 11 testimonies to congressional committees. These products covered timely issues such as the status of Iraqi government actions, the accountability of U.S.-funded

equipment, and various contracting and security challenges. GAO's work spans the security, political, economic, and reconstruction prongs of the U.S. national strategy in Iraq.

Highlights of the outcomes of GAO work are outlined below. See appendix II for a detailed summary of GAO's annual measures and targets. Additional information on our performance results can be found in *Performance and Accountability Highlights Fiscal Year 2007* at www.gao.gov.

Financial Benefits

GAO's work in fiscal year 2007 generated $45.9 billion in financial benefits. These financial benefits, which resulted primarily from actions agencies and the Congress took in response to our recommendations, included about $21.1 billion resulting from changes to laws or regulations, $16.3 billion resulting from improvements to core business processes, and $8.5 billion resulting from agency actions based on our recommendations to improve public services.

Table 3: GAO's Selected Major Financial Benefits Reported in Fiscal Year 2007

Description	Benefit (in billions)
Helped to ensure funding for U.S. Postal Service **retirement-related health care.**	$5.4
Improved the Internal Revenue Service's methodology for **pursuing delinquent taxes**.	4.2
Encouraged National Aeronautics and Space Administration decision to terminate the **space launch initiative.**	3.7
Helped to reduce **food stamp fraud and abuse**.	3.4
Recommended that the Department of Housing and Urban Development track and reallocate **unspent housing funds**.	2.2
Helped to increase **collections of civil debt**.	1.7
Recommended that the Congress reduce the Department of Defense (DOD) fiscal year 2007 **operations and maintenance budget**.	1.5
Identified an opportunity for DOD to **reallocate funds to cover new initiatives**.	1.2

Source GAO

Other Improvements in Government

Many of the benefits that result from our work cannot be measured in dollar terms. During fiscal year 2007, we recorded a total of 1,354 other improvements in government resulting from GAO work. For example, in 646 instances federal agencies improved services to the public, in 634 other cases agencies improved core business processes or governmentwide reforms were advanced, and in 74

instances information we provided to the Congress resulted in statutory or regulatory changes. These actions spanned the full spectrum of national issues, from strengthened screening procedures for all VA health care practitioners to improved information security at the Securities and Exchange Commission. See table 4 for additional examples.

Table 4: GAO's Selected Other Improvements in Government Reported in Fiscal Year 2007

... that helped to change laws
Department of Homeland Security Appropriations Act of 2007, Pub. L. No. 109-295.
developing a **center to locate children after disasters**.
improving Federal Emergency Management Agency (FEMA) information on the status of **hurricane relief and recovery funds**.
Implementing Recommendations of the 9/11 Commission Act of 2007, Pub. L. No. 110-53
re-examining **inspection exemptions for inbound cargo**.
re-examining **inspection exemptions for domestic air cargo**.
... that helped enhance services to the public
strengthened **screening procedures for all VA health care practitioners**.
tightened monitoring criteria in the Environmental Protection Agency's rule on **lead in drinking water**.
encouraged reporting of **nursing home fire safety deficiencies**.
improved **information security** at the Securities and Exchange Commission.
... that helped to promote sound agency and governmentwide management
FEMA establishes control to help limit **disaster assistance payments** to individuals with invalid Social Security numbers.
NASA establishes policies for reimbursement by **nonofficial travelers** on passenger aircraft
Army requires credit card vendors to conduct **credit checks** before issuing individually billed travel cards.

Source: GAO

High Risk Series

In January 2007, we also issued our *High-Risk Series: An Update*, which identifies federal areas and programs at risk of fraud, waste, abuse, and mismanagement and those in need of broad-based transformations. Issued to coincide with the start of each new Congress, our high-risk list focuses on major government programs and operations that need urgent attention. Overall, this program has served to help resolve a range of serious weaknesses that involve substantial resources and provide critical services to the public. GAO added the 2010 Census as a high-risk area in March 2008.

Table 5: GAO's High-Risk Areas as of March 2008

High-risk area	Year designated high risk
Addressing challenges in broad-based transformations	
Strategic Human Capital Management[a]	2001
Managing Federal Real Property[a]	2003
Protecting the Federal Government's Information Systems and the Nation's Critical Infrastructures	1997
Implementing and Transforming the Department of Homeland Security	2003
Establishing Appropriate and Effective Information-Sharing Mechanisms to Improve Homeland Security	2005
DOD Approach to Business Transformation[a]	2005
DOD Business Systems Modernization	1995
DOD Personnel Security Clearance Program	2005
DOD Support Infrastructure Management	1997
DOD Financial Management	1995
DOD Supply Chain Management	1990
DOD Weapon Systems Acquisition	1990
FAA Air Traffic Control Modernization	1995
Financing the Nation's Transportation System[a]	2007
Effective Protection of Technologies Critical to U.S. National Security Interests[a]	2007
Transforming Federal Oversight of Food Safety[a]	2007
The 2010 Census **(New)**	2008
Managing federal contracting more effectively	
DOD Contract Management	1992
DOE Contract Management	1990
NASA Contract Management	1990
Management of Interagency Contracting	2005
Assessing the efficiency and effectiveness of tax law administration	
Enforcement of Tax Laws[a]	1990
IRS Business Systems Modernization	1995
Modernizing and safeguarding insurance and benefit programs	
Modernizing Federal Disability Programs[a]	2003
Pension Benefit Guaranty Corporation Single-Employer Insurance Program	2003
Medicare Program[a]	1990
Medicaid Program[a]	2003
National Flood Insurance Program[a]	2006

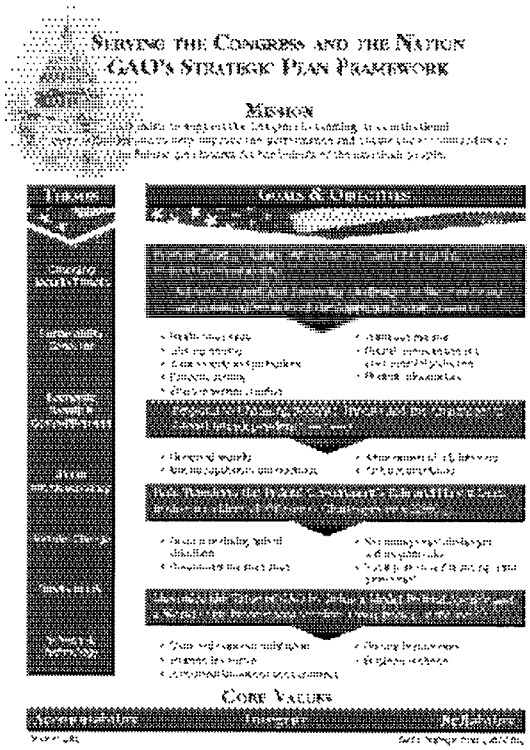
Source: GAO

[a]Legislation is likely to be necessary, as a supplement to actions by the executive branch, to effectively address this high-risk area.

Concluding Remarks

GAO's achievements are of great service to the Congress and American taxpayers. With your support, we will be able to continue to provide the high level of performance that has come to be expected of GAO. Madam Chair, this concludes my statement. At this time, I would be pleased to respond to questions.

Appendix I: GAO's Strategic Plan Framework



Appendix II: Agencywide Summary of Annual Measures and Targets

Agencywide Summary of Annual Measures and Targets

Performance measure	2004 actual	2005 actual	2006 actual	2007 actual	2008 target	2009 target
Results						
Financial benefits	$44.0	$39.6	$51.0	$45.9	$40.0[a]	$40.0
Nonfinancial benefits	1,197	1,409	1,342	1,354	1,150	1,150
Past recommendations implemented	83%	85%	82%	82%	80%	80%
New products with recommendations	63%	63%	65%	66%	60%	60%
Client						
Testimonies	217	179	240	276	220	200
Timeliness[b]	89%	90%	92%	94%	95%	95%
People						
New hire rate	98%	94%	94%	96%	95%	95%
Acceptance rate	72%	71%	70%	72%	72%	[c]
Retention rate						
With retirements	90%	90%	90%	90%	90%	90%
Without retirements	95%	94%	94%	94%	94%	94%
Staff development	70%	72%	76%	76%	76%	76%
Staff utilization[d]	72%	75%	75%	73%	75%[e]	75%
Leadership	79%	80%	79%	79%	80%	80%
Organizational climate	74%	76%	73%	74%	75%[f]	75%
Internal Operations						
Help get job done	4.01	4.10	4.10	4.05	4.00	4.0
Quality of work life	3.96	3.98	4.00	3.98	4.00	4.0

Source GAO

[a]Our fiscal year 2008 target for financial benefits differs from the target we reported for this measure in our fiscal year 2008 performance budget in January 2007. Specifically, we decreased our financial benefits target by $1.5 billon based on (1) our assessment of our past recommendations that are likely to be implemented by federal agencies and the Congress in the coming fiscal year and (2) the impact that our budget could have on the work that leads to financial benefits.

[b]Since fiscal year 2004 we have collected data from our client feedback survey on the quality and timeliness of our products, and in fiscal year 2006 we began to use the independent feedback from this survey as a basis for determining our timeliness.

[c]N/A indicates that the data are not available yet or are not applicable because we did not collect the data during this period.

[d]Our employee feedback survey asks staff how often the following occurred in the last 2 months (1) my job made good use of my skills, (2) GAO provided me with opportunities to do challenging work, and (3) in general, I was utilized effectively.

[e]Our fiscal year 2008 target for staff utilization differs from the target we reported for this measure in our fiscal year 2008 performance budget in January 2007. We lowered the staff utilization target by 3 percentage points because we determined that based on our past performance, the target was unrealistic, and we reset it at a level that is still challenging but more likely to be achieved.

[f]Our fiscal year 2008 target for organizational climate differs from the target we reported for this measure in our fiscal year 2008 performance budget in January 2007. We decreased the organizational climate target by a percentage point because we determined that based on our past performance, the target was unrealistic, and we reset it at a level that is still challenging but more likely to be achieved.

GAO's Mission	The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.
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BENEFITS OF INCREASED STAFFING LEVEL

Ms. WASSERMAN SCHULTZ. Thank you very much, Mr. Dodaro. It is really good to have you come before us.

And we—really I mean Congress—can't thank GAO enough for its incredible expertise that it provides as an independent agency that has always really been an incredibly good example of the neutrality that we need to make sure that we can make decisions. I want to ask you about the additional 151 FTEs that you are asking for. I know you cited growing demands for your products. How much of a difference will this make? What is the difference between what you can and can't do or will and won't be able to do if you do or don't get them?

Mr. DODARO. Well, first of all, we think we can produce more products and services with the additional resources. But also we can provide more timely assistance. What is happening now is, on average before, it took us about 2 and a half months to be able to staff most congressional requests that were coming in, which is understandable given the fact that people are always engaged in producing products for the Congress. That has grown to about 4 months now. And in some areas, particularly in health care and homeland security, as you well know, the number of issues facing the Congress are growing, as well as the natural resource and environment area, given energy concerns. So, in some cases, it takes us 6 to 8 months to initiate a new request in those areas. So what we do is we work with each of the committees and try to prioritize within each committee what is its highest priority. But it has just taken us longer.

TIMELINESS OF STARTING NEW WORK

Ms. WASSERMAN SCHULTZ. For example, you have a performance measure for timeliness that shows that 94 percent of congressional staff who responded to feedback surveys in fiscal year 2007 said the agency's products were timely.

Mr. DODARO. That measure is based upon which engagements we accept, Madam Chair. In other words, once we agree to do the work, we agree to deliver it within a certain period of time.

Ms. WASSERMAN SCHULTZ. Okay. So it doesn't count the things that you couldn't do or couldn't get to?

Mr. DODARO. No.

Ms. WASSERMAN SCHULTZ. Okay. I understand.

Mr. DODARO. I would hate to see what that figure would be right now, if it included the reports we could not get to.

Ms. WASSERMAN SCHULTZ. If they were asked about their frustration level of what you said no to?

Mr. DODARO. Correct.

PERFORMANCE RESULTS AND NEED FOR NEW STAFF

Ms. WASSERMAN SCHULTZ. Your performance results over the last 5 years when your staff level has declined have actually improved, which is a good thing.

Mr. DODARO. Right.

Ms. WASSERMAN SCHULTZ. So, if that is the case, then it seems like you are doing just fine. Why do you need 151 additional staff?

Mr. DODARO. Well, two reasons. One is that we are not providing all the services that the Congress wants. And oftentimes our services don't always directly lead to financial benefits but better informed decisions on the part of the Congress and better legislative actions that they take or increased oversight. And so, number one, we are not doing that. Number two is our people are working at an incredible pace.

You appropriately gave Dave Marroni credit for the hard work that he does here. Well, we have 3,100 people that are working just as hard at the GAO. We expect Dave to work as hard when he comes back, too. But we are stretched. And what I am concerned about is that the quality of the work that we do produce for the Congress is going to be impaired if we try to produce more with the same level of resources. And that is not in the Congress's interest nor GAO's interest.

USE OF CONTRACTORS VS. STAFF

Ms. WASSERMAN SCHULTZ. Have you compared contracting out for more work versus the hiring of permanent employees?

Mr. DODARO. We have done a lot of contracting with our internal operations. And if you would like, I will let Ms. Harper talk to you about that. We do have standing contracts with the National Academy of Sciences to get some additional expertise if we need some. We do contract out some financial audits that we do. But in most of our areas, it is hard to contract out to maintain the independence and to meet the standards that we have.

Ms. WASSERMAN SCHULTZ. Really? Do you think your contractors don't have the same level of independence that your employees do?

Mr. DODARO. Well, the defense contracting community, for one, has been consolidated, so there is a lot of increased contracting activities going on in Federal agencies, which is one of the areas we have on our high-risk list. So the contracting community is more and more a part of the executive branch operations. And we find, as we evaluate other activities, that a lot of the contractors, in our opinion, don't necessarily have the level of independence that the Congress would expect GAO to have going forward. So we do contract in selective areas. We have purchased a lot of databases, and we do contract out to try to become more efficient. But we are very careful because our reputation is our greatest asset, and if we are not viewed as a nonpartisan independent, we lose our value to the Congress.

Ms. WASSERMAN SCHULTZ. Thank you.

My time has expired. Mr. Latham.

GAO MANDATED WORKLOAD

Mr. LATHAM. Thank you.

In your opening, you talked about some of the mandates coming from Congress and how that has increased your work load. Would you go into that and explain a little bit more as to exactly what you are talking about? What type of mandates?

Mr. DODARO. Right. These would be, for example, in the activity to deal with open government legislation last year. There is a provision for lobbyists to now file forms with Congress and register. We are now required to audit those filings every year to make sure

that lobbyists are filing in compliance with the laws of the Congress and also to look to see what the Justice Department is doing and looking at the referrals there. So that is a totally new requirement for GAO going forward.

A lot of the other mandates ask us to look at big investments that the Department of Defense is going to be making. For example, we now have annual requirements to look at the Missile Defense Agency and that development, the Joint Strike Fighter project, that is in place. So there are a lot of requirements that are being put in there.

There are huge investments that are being made all across the government. And I think we have established a very good reputation for looking at whether or not the technologies have matured enough early in the process to warrant moving production and making investments on the part of the Congress. So we are being asked to intervene earlier and earlier in the process, which is important.

So a lot of the mandates also include investments in the IRS and the Customs Service and a number of other agencies where we look at the plans that they have in place and give the Congress a thumbs up or down before it lets the money go forward on the investment. And so a lot of the mandates are in those areas as well.

IMPACT OF PRESIDENTIAL TRANSITION ON GAO WORKLOAD

Mr. LATHAM. You know, we are going to have a new executive branch, new President, this next year. Is that going to have an impact on you as far as the transition from the current administration to whatever new administration comes in? What does that do to you?

Mr. DODARO. Actually, the Presidential Transition Act, Congressman, specifies GAO as a source that transition teams should go to to learn more about the challenges that they will face in taking on their new responsibilities. This is a very important role. We are organizing ourselves to help provide that level of advice. We have a regular process with each new Congress to update our high-risk list and to help the Congress in setting its oversight legislative agenda. But we are also going to organize our materials and issue work by agency and establish points of contact and provide a resource to the transition team going forward.

Mr. LATHAM. What do they rely on you for?

Mr. DODARO. What they would—oh, please finish. I am sorry. I didn't mean to interrupt.

Mr. LATHAM. I am just curious exactly how they use you.

Mr. DODARO. Well, what has happened in the past—I have been through a number of these transitions—a new Cabinet official will come on board, and all of a sudden, we will congratulate them for being on our high-risk list. And they will want to know how to get off the high-risk list as fast as possible and what they need to do, because the Congress uses that list to conduct oversight and to make funding decisions. And also, past administrations, both the Clinton Administration and the Bush Administration, have used our high-risk list as the basis for their management improvement agenda. So people who will be coming into the Executive Office of the President will want to know, across government, what are the

biggest management challenges? And then each Cabinet agency head will want to know where the biggest risks are and what some of our recommendations are that they need to focus on to improve their operations. So it is a big task.

And to the extent that people want our advice, we give it to them, maintaining our independence. It is also a good opportunity for us to work with them to explain how GAO interacts with the executive agencies to carry out our audit functions so that they can cooperate with us more easily in making their people available for interviews and getting us records faster, which is another area that can increase our productivity.

Mr. LATHAM. Thank you.

Ms. WASSERMAN SCHULTZ. Mr. LaHood.

COMPTROLLER GENERAL APPOINTMENT PROCESS

Mr. LAHOOD. How is the position of Comptroller General filled?

Mr. DODARO. Congressman, there is a process in law. There is a 10-member commission created when there is a vacancy in the Comptroller General position. And those 10 members are 5 on the House, 5 on the Senate. It is the Speaker of the House, the Majority and Minority Leaders, and the Chair and ranking members of our Oversight Committee, which is the House Oversight and Government Reform Committee. On the Senate side, it is the Senate pro tem, the Majority and Minority Leaders of the Senate, and the Chair and ranking member of our oversight committee in the Senate, Senate Homeland Security and Governmental Affairs. That commission meets and forms the search committee. They screen, interview applicants and send a list of three or more names over to the President. Then the President picks off that list. The President can ask for more names if he or she determines that it is necessary. And then the person nominated by the President is then confirmed by the Senate.

Mr. LAHOOD. For a term of?

Mr. DODARO. Fifteen years.

TIME FRAME FOR ACCEPTING NEW REQUESTS

Mr. LAHOOD. Thank you.

When someone makes a request of your office, it appears that what now takes, about from the time you accept the responsibility, that it would be about a 4-month wait.

Mr. DODARO. On average.

Mr. LAHOOD. And if you don't get these additional staff people, how long will the wait be after you accept an assignment to study something or look into it or investigate it?

Mr. DODARO. It will vary by area, Congressman, but on average, it is 4 months. A lot depends on whether the volume continues to increase. Obviously, the more requests that come in, the longer it is going to take us to get to some, so the average time is going to get longer. But it is going to go nowhere but a longer time frame. I can't predict right now how many more months. But what I am concerned about is there are a number of areas, and I pointed some out in our testimony that—for example, behavioral techniques for airline screening passengers; we are to look at FDA's post-market drug safety program—things that we can't get to right away that

are really important public safety concerns. I feel a responsibility that we are not getting there as fast as we can. I can't predict exactly how long the list is going to be, but I think it will be at untenable levels for a number of congressional committees.

HIRING STRATEGIES

Mr. LAHOOD. If you were allocated some or all of the money that you are requesting, what kind of people would you be looking for to hire, what types of backgrounds and how would you go about finding those people?

Mr. DODARO. I am going to let Ms. Harper talk about her recruiting program, but we have no difficulty finding very talented staff in all disciplines. We have difficulties filling all our positions in the economist area and the attorney area, for example. On these 151 positions, we would look for different disciplines. We need more people in the information technology area, for example. We talked about technology assessments. We need software engineers, people in construction management. We have hired people with engineering degrees that have provided terrific support to this Committee on the Capitol Visitor Center, but there are a lot of other big construction projects. But most of the people we hire have public policy, public administration backgrounds.

Sallyanne.

Ms. HARPER. We have a very aggressive recruiting program. About a third of the people that we recruit come through our internship program. And we are generally targeting people who have a masters degree or above. They may have a public policy background. For our health care area, we tend to skew toward a health care analysis background. Most of the people that we bring in at entry level in our analyst series have not only a master's and above but also some number of years of experience.

We tend to be oversubscribed for the number of vacancies that we have because we have a very aggressive on-campus recruiting program. Our senior executives at GAO manage the campus recruiting for individual campuses. And we bring new hires with us when we go out to recruit. We get our announcements out early enough. And we try and respond much more quickly than a typical Federal agency would in order to be competitive with the private sector firms that are competing for the same types of people that we are.

Mr. DODARO. We try to maintain a balance of having specialists in all these disciplines. We have an actuary. We have got economists. But we also like to have more generalist people that we can move if the priorities of the Congress change. For example, after Hurricane Katrina hit and we were asked to go look at what was going on with that situation, we were able to pull people across GAO that were able to focus on that area, and they would get into it right away.

So most of the people we hire would have this generalist type of background with the credentials Sallyanne is talking about. But we would also target, based on our work force plan, hiring a number of specialists as well.

Mr. LAHOOD. Thank you very much.

Ms. WASSERMAN SCHULTZ. Mr. Ruppersberger.

FINANCIAL BENEFITS

Mr. RUPPERSBERGER. First thing, in your testimony you indicated that, in fiscal year 2007, the GAO's work resulted in $45.9 billion in financial benefits generating, if this is true, an impressive return of $94 for every dollar invested in GAO. Now, can you provide some examples of how you did that? This is something that really sticks out in my mind to see that a request is followed.

Mr. DODARO. Well, sir, a couple of examples. One, every year we do the financial audit of the Internal Revenue Service—not only money they use for operating costs but the $2.5 trillion that they bring in in Federal revenue. We noticed that delinquent taxes were growing, and they didn't really have a way to figure out how to pursue the cases that would yield the best benefits. So, based on our recommendations, they developed a model, and now they can more aggressively pursue collecting delinquent taxes. That was about $4 billion as a result of our recommendation.

IMPACT OF CURRENT STAFFING LEVEL

Mr. RUPPERSBERGER. Following up on Mr. Lahood's questions, GAO's full time equivalent of 3100 FTEs is the lowest ever?

Mr. DODARO. Yes.

Mr. RUPPERSBERGER. What impact is that going to have—give me specifics—on your ability to respond to that congressional demand?

Mr. DODARO. The average time for us to get to congressional requests on areas for oversight is going to increase. On average, it takes 2 and a half to 4 months. There are several hundred of these congressional requests in our queue. That is going to grow if we don't get additional resources.

RECRUITMENT AND RETENTION

Mr. RUPPERSBERGER. As far as getting very competent qualified people on your staff, are you having a hard time recruiting people that are working for GAO? Are they going to other jobs? Are you losing people for more money? Where do you stand?

Mr. DODARO. Actually, we don't have very much difficulty attracting top talent. People enjoy the mission of GAO. They are committed to making improvements in the government. So we are able to hire. It is not a matter of being able to find top people.

In terms of attrition, we lose about 10 percent a year, which is relatively low for professional services firms. About half of those, 4 to 5 percent, are normal retirements. And the demographics of our work force are pretty reflective of society in general. And then another few percent are leaving now.

Our people, because they are competitive, do receive offers and receive a lot of money. About a third of the people who leave go to other Federal agencies for better paying jobs. Some agencies have different pay authorities than GAO. That is one of the things we are trying to seek—to get some additional pay authorities in that area. But others are attracted to the private sector.

IMPACT OF A NEW CONGRESS ON GAO'S WORKLOAD

Mr. RUPPERSBERGER. Are you requested to get or do you have more demands at the end of an election right after new Members come in? A new President will be coming into office. Does that put more stress or strain on your work force?

Mr. DODARO. As a new Congress gets organized and agendas shift or people shift in chairmanships, that does create the need to rethink and finish the work that we have in process as well, so we are trying to start new work. So it does create the need to do planning, and it may adjust——

Mr. RUPPERSBERGER. 3,100 is the lowest FTEs that you have had?

Mr. DODARO. Right. Ever.

MANAGING DEMAND WITH CURRENT RESOURCES

Mr. RUPPERSBERGER. Ever. How are you going to manage that if you don't get any more money?

Mr. DODARO. Well, we are going to have to take a look at how we prioritize the requests that we do receive from the Congress. Right now we have three priorities. The first is statutory requirements or requirements placed in conference or committee reports. Second is the request from Chair or rankings. And third are requests from Members. We haven't been able to start a request for a Member for years. We have essentially dropped that third priority. And now we are triaging requests from committee chairs and ranking members against the mandates. And so we are going to have to relook. And it may have to be that we have to just go with things that are in the statute first.

Mr. RUPPERSBERGER. In order to get anything done, I need to go through the Chairman.

Mr. DODARO. It might require an act of Congress.

Ms. WASSERMAN SCHULTZ. Mr. Bonner.

REASONS DEMAND IS INCREASING

Mr. BONNER. Heaven help us if it requires an act of Congress.

What is the reason for the increase? What is driving this increase, the demand of the services?

Mr. DODARO. Well, there are really two things, I believe, Congressman. Number one is I think we have done a really good job of preparing strategic plans, working with all the congressional committees. We do work for every standing committee in the House and Senate and 80 percent of the subcommittees. So we work with them to develop what issues we think should be looked at. They tell us what they are interested in. So we have really worked in a collaborative way with the committees to focus on issues that are of national importance and really important to oversight and effective services for the American public. And as we do that and we have been delivering quality results and it has led to changes and improvements in government, people then want more demands and services on GAO.

Second is that the issues confronting the Congress are becoming much more difficult. They are becoming more global in nature. We now have issues with our financial markets. We have done a lot of

work in that area. We are preparing our work to help the Congress evaluate potential proposals for relooking at the regulatory structure for financial agencies and institutions. And if things come up, like this last time there was a contested election in Florida, and we were asked by the task force to look at the voting machines, or something or other unexpected comes up like another disaster, then we are able to help the Congress and respond better. But we are limited now if something like that occurs going forward. So it is both. I think we are delivering good value. People know good value when they see it. And secondly, they have more challenges in front of them that they would like help with.

OPTIMAL STAFFING LEVEL

Mr. BONNER. You said the low mark you are at today is 3,100 employees. What has your high mark been in the history of GAO?

Mr. DODARO. In the history of GAO, in the modern GAO history, post-World War II, it has probably been around 5,400 people, I would say, give or take a few hundred, Congressman. Back in the days when GAO was doing voucher examinations—and I want to be clear I was not there in that period. I have been there a long time, but—there was somewhere in the neighborhood of 10,000-plus clerks looking at vouchers. But in a post-World War II environment, our high mark was around 5,400.

Mr. BONNER. And what would the optimal number be in making your request for additional funds? Obviously you have got a magic number in your mind that would help relieve some of the pressure that you are under.

Mr. DODARO. Right.

Sallyanne.

Ms. HARPER. I think, Congressman, what we have asked for is the optimal number for fiscal year 2009, because what that 151 represents is about 300-plus leaving, 300-plus coming in, and we are targeting 500 people to hire total. And so we can't absorb any more in a 1-year period. We can't really do it the right way. And for a 1-year period, that would be the best we could do if we could get that.

PAY COMPETITIVENESS

Mr. BONNER. Now, you all have indicated you don't have any trouble recruiting qualified people. How competitive is your pay compared to other agencies at the Federal Government and also the private sector?

Mr. DODARO. We think at the entry level and midlevel we are very competitive, and we have done pay studies on that. We also have some terrific benefits at GAO. For example, one of our people stopped me today and thanked us for our child care facility. And we have doubled the capacity of that. We call it Tiny Findings. And nowadays with our work force, you have to be careful you are not run over by a stroller coming into the GAO building, but it is nice. We pay for student loan repayments, and that helps attract as well. And we have retention and recruitment bonus authority.

Now, as you go up the line to the more senior people, the technical people, we are really not fully competitive with the private sector. That is just the way it is. We have asked, and there are pro-

posals working their way through Congress, to allow us to raise the GS–15 cap, or in GAO, it is Band III level, higher than the statutory cap right now by about $8,000. We think that will help us a lot as well. So, by and large, we are not fully competitive, but we also have the advantage of the GAO mission which really keeps people working for us.

EMPLOYEE LONGEVITY

Mr. BONNER. I guess, finally, do you have an average tenure for your team of 3,100? How long, once someone goes to work for the GAO, how long do they traditionally stay?

Mr. DODARO. Well, it is changing a little bit with the generations. It is hard to tell. I think the people that started with GAO and finished their career, kind of like myself, are becoming increasingly rare, but people are staying. We find that if they stay for the first 3 years at GAO, they stay for at least 6 to 10. And then we also find many people come back. We have about 11 people a year over the last 10 years for whom the grass wasn't always greener and have come back.

Mr. BONNER. Well, I agree with the Chairwoman, you do have a strong reputation. We say that you have the Good Housekeeping Seal of Approval.

Ms. WASSERMAN SCHULTZ. No question about it.

Mr. DODARO. Thank you.

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

IMPROVED UNION RELATIONSHIP

The evolution of the relationship with the union that was born last year has been a little bit of a bumpy road. And I would like to hear from you on how it is going. We are going to have a public witness hearing in which we will hear from the union representatives and hear their perspective as well. But my sense is that it has begun to improve. If you can also talk about the denied cost-of-living adjustments and where the agency is now versus where you were before on the payment of those back COLAs to your employees.

Mr. DODARO. First, on the relationship with the union, we think things have improved. The bumpy issues you mentioned we believe are behind us. And we expect you will hear the same from the union when they talk to you. I am committed to open constructive relationships with them. We just announced yesterday that we are going to undertake a comprehensive review of our performance appraisal system, for example. We sent a draft memo to the union in advance to figure out how they want to cooperate with us and work with us in developing it. So I think we are in very good shape. We have hired a very talented person to head up our work force relations. He has a lot of experience working with the unions in the past. So I think things are on a good trend line, and I am committed to making sure that they stay that way.

Now, with regard to the COLA increase for people who were denied that in 2006 and 2007, as I indicated in my written statement and also in my appearance before Chairman Danny Davis of the Work Force Subcommittee, we would like to and do support that and hopefully get that issue behind us as well. And I think the real

issue now is to get the legal authorities to be able to do that and the funding authority to be able to execute that.

Ms. WASSERMAN SCHULTZ. As far as the funding, how do you expect to be able to fund those COLAs?

Mr. DODARO. We are still working that through. There are a number of options. We are working with our oversight committees to try to do that and looking internally, and we hope to have that worked out.

TECHNOLOGY ASSESSMENTS

Ms. WASSERMAN SCHULTZ. The technology assessments, we had authorization for you to use up to $2.5 million in fiscal year 2008 omnibus to conduct technology assessments for the Congress. Can you give us an idea of the state of your progress on that? I know you had said that you initially would be able to do one in this fiscal year and three or four in the next fiscal year.

Mr. DODARO. Right. Well, we are going to step up our outreach activities. We have a meeting already scheduled with Congressman Holt's staff for next week and other members of the House that are interested in this. I also bumped into Congressman Holt yesterday and told him I would like to meet with him to get his input and ideas. We have developed a list of potential areas where technology assessments can be conducted—for example, in data mining activities or disaster preparedness modeling and some other areas. So we hope to work with the interested parties to begin one this year.

Ms. WASSERMAN SCHULTZ. Thank you.

DIVERSITY STUDY

Because Congresswoman Lee is not here, I want to ask a question that I know she would very much like the answer to. There was a diversity and performance review study that you have been undertaking to make sure your performance rating system is fair to all your employees. I know it is due in June, but do you have any preliminary results from that? And the affirmative action plan language that we included specifically last year, where are you in developing that plan?

Mr. DODARO. First, the affirmative action plan, which is due in June, we started to prepare that and will submit it on time. Overall, our work force at GAO is very diverse and exceeds the relevant civilian labor force numbers for almost all categories. We do have some areas where we need to make some improvements, and we will be outlining that in the plan on how we plan to do that. Now, with regard to the study——

Ms. WASSERMAN SCHULTZ. You don't have any preview?

Mr. DODARO. A preview of?

Ms. HARPER. The Ivy study.

Mr. DODARO. That is the second one I was going to get to.

Ms. WASSERMAN SCHULTZ. No, I mean of what you might include in your affirmative action plan.

Mr. DODARO. Well, I know there is at least one category for Hispanics that we need to focus on. I don't have anything else right now.

Ms. WASSERMAN SCHULTZ. If you don't, you don't.

Mr. DODARO. But my point is, in most cases, people have affirmative action plans because their current work force doesn't meet the relevant civilian labor force targets. In our case, we do in the vast majority of cases. That is why I am struggling, because we are really not sure in terms of hiring. And so we will talk in our report about what we are planning to continue to do to have a good work force, but we don't really have very many gaps that we need to fill. Our big issue right now is on your second point, and that has to do with a study that we commissioned because of concerns that we had about the performance appraisals for African American analysts at GAO compared to Whites. And we were concerned about it. We contracted with the Ivy Planning Group to come in. They are a professional objective group. And we wanted to get an outside perspective on this issue. They are due to issue us their final report later this month. We are looking forward to receiving their insights and recommendations. I am committed to forthrightly address their recommendations, and we will move forward on that issue.

Ms. WASSERMAN SCHULTZ. Great. Thank you.

My time has expired just in time for you Mr. Latham.

COST OF ACHIEVING FINANCIAL BENEFITS

Mr. LATHAM. You had, and I commend you for it, talked about the $45.9 billion in financial benefits to the government. Do you do any kind of evaluation of what the improvements cost? You mentioned the IRS collection of $4 billion. Do you follow what it costs the IRS in this case to implement your suggestions? Are you offsetting that, or do we know what the net is?

Mr. DODARO. Yes. Actually, what we claim in the report is the net benefit. In other words, we take out whatever the cost would be. And typically the estimates that we report, Congressman, are third-party estimates, either in this case by the agency or by CBO, or in some cases, if Congress takes action, we use their figures. So we try not to, except in rare circumstances, do the calculations ourselves. But they are all in net benefits.

USE OF CONTRACTORS

Mr. LATHAM. Good. Do you have any concerns, as you contract out some of the functions that GAO is supposed to be the auditor for, that you lose any control? I mean, the purpose of GAO is to be the auditor for Congress. In my mind, if you contract out, I just wonder whether we are losing some of the purpose?

Mr. DODARO. We are very selective in contracting out our audit work. Most of our contracting out is for our internal operations—like, for example, our information network and our communications network. But when we do contract out, we have very senior and experienced people to oversee the contract. We have the technical expertise to know that we set the requirements properly and the quality of work is there, so I am not concerned. We have tried to learn lessons of what we have seen in the executive branch agencies and what we write reports on. And two big problems are not having the right type of senior people yourself, technical people, to oversee the contract and to make sure your requirements are stated properly and you know you are getting what you pay for. I am fairly comfortable we are okay, but we are judicious in what we do.

COST OF FINANCIAL AUDITS

Mr. LATHAM. That kind of went to my next question talking about auditing the executive branch. And if you could tell us a little bit about the cost of that in your budget and in particular having to do with auditing the IRS and your public debt.

Mr. DODARO. With regard to the financial audits that we do, we have the audit responsibility to audit the consolidated financial statements of the Federal Government. And we also rely on work that is done by the Inspectors General across the government to audit the individual departments and agencies. But we have the ability to step into the shoes of any of the Inspectors General and take over the audit. And we have done that in the case of IRS and public debt. And the reason that we have done it there is that they cover all the revenue collection activities of the Federal Government, the $2.5 trillion-plus figure. And the Bureau of the Public Debt is the largest liability on the financial statements. I believe those audit costs are about $6 million to $8 million a year. Now, we have sought authority to have IRS and the Bureau of the Public Debt reimburse us for those audits, as happens on our audits of FDIC and the Securities and Exchange Commission. And so, in those cases, they reimburse us for the cost; IRS and Public Debt do not.

Mr. LATHAM. They are not stepping right up and want to pay you back?

Mr. DODARO. No, and actually they have gotten a free ride for about 10 years now, and so we are trying to change that. That would make a big difference obviously in providing additional support. That would more than offset the increases that we are asking for at this point in time if that gets enacted and we actually receive the funds.

INSTITUTIONAL KNOWLEDGE

Mr. LATHAM. Just kind of going back to the work force discussion we were having. Some of the problem with the CRS a few years ago, they have kind of overcome that, but there was kind a bubble of retirements coming on all at one time. Is that a concern for you at GAO? Do you have a similar problem?

Mr. DODARO. We have been working very hard at dealing with that issue for the last 7 years or maybe even longer. I am going to let Sallyanne explain how we do it. But we have aggressive succession planning activities underway. I think we have dealt with it. We have had a lot of retirements. About 50 percent of the people we have at GAO right now have been there 5 years or less, but our performance as indicated by the comments here, hasn't really changed much.

Mr. LATHAM. Institutional knowledge?

Mr. DODARO. And we are rebuilding it. We are concerned about it; don't misunderstand, we are concerned about it. There will be some additional retirements coming up. But Sallyanne has been on point for really making sure our work force is in the right place in this area, so I am going to let her talk.

Ms. HARPER. We will lose about 335 people this year, with about 4 or 5 percent of our total staff being strictly to retirement. And

that is a lot of knowledge moving out the door. But we have done very aggressive work force planning. And we also do knowledge-transfer work if we have someone who has a particular expertise and they are ready to retire but we still have a need to begin to train this 50 percent that are still new, we can bring them back on a limited basis and offset a retirement annuity that they would otherwise be penalized for, so that they can complete the knowledge transfer to the new staff coming in. And that has been very helpful for us in terms of avoiding that walking-out-of-the-door phenomenon.

Mr. LATHAM. Did you over time, need legislative approval?

Ms. HARPER. We did. We got legislative approval for that in our first human capital bill of 2001. OPM, on the executive branch side, does have that approval as well. That is that authority for the executive branch and will also grant that on a limited basis to executive branch agencies for the same reason. Holding onto that knowledge transfer and being able to groom people to succeed have been critical.

Mr. LATHAM. Thank you.

Ms. WASSERMAN SCHULTZ. You are welcome.

Mr. Bonner.

FOSTERING OBJECTIVITY

Mr. BONNER. On Monday of this week I had an opportunity to speak to 17 future journalists at Springfield College in Mobile, Alabama. And as a former journalist myself, I tried to impress upon them the importance of being objective in their reporting. How do you all—do you have a secret? Obviously, the journalism profession doesn't know it, but how do you impress upon your employees to be unbiased in the work that they are asked to do?

Mr. DODARO. That is an excellent question. First of all, it has been built—the culture has been built over a number of years. But it is rooted in two fundamental principles: One is adherence to our professional standards. We issue auditing standards that anyone auditing the Federal Government's expenditures have to follow. All our policies are built on those standards, which include independence and competence and review and reporting standards. And so the first day you step into the GAO, you hear about those standards. And we also have a set of core values of accountability, integrity and reliability. And integrity is really a key one here because our work is professional, objective, fact-based, nonpartisan, nonideological, fair and balanced. We had those values in place throughout the whole time I have been in GAO.

But one thing I really give credit to Comptroller General Walker for was articulating them. We put them down. We communicated them effectively, and it has really helped. And then we have a review process and checks and balances within the organization, a quality assurance process. And we then decide what level of management review will occur. And now we review reports before they go out for comment to ensure the integrity of the process. So that is something that I have been working on very diligently for the past decade almost, is how to ensure we have good risk management processes in place; that I know what the thousand products we are going to put out a year are going to say; and that every

product you pick up from the GAO has that quality instilled in it, and it is reliable and objective. And it is a big challenge because we are decentralized. A lot of people sign the reports. But quality is a real value, and it is a real strong ethic within GAO. And it has taken a lot of time to develop, but it is really essential to our reputation and people understand that.

Mr. BONNER. So you really do have a culture when they walk in the door?

Mr. DODARO. That is exactly right. And we follow our own internal control standards, and you have got to have the right tone at the top. And that tone at the top has to go through every part of the organization to make sure that everybody understands this is really important, and when decisions are made, they are made based on facts and evidence.

IRAQ ENGAGEMENTS

Mr. BONNER. We all benefit from your work, but could you give us an idea—you all have been asked to do a lot of work on the Iraqi war, and that is controversial in this building and in this country. What is a bird's eye view of when you have to go to the hearings and you are doing all the work, give us an idea what the bird's eye view is in terms of what it is like to prepare a report and do some work that you do, if you don't mind?

Mr. DODARO. Sure. In that particular case——

Mr. BONNER. That is an example because it is recent.

Mr. DODARO. Well, that one has some unique dimensions to it. First of all, a lot of information we look at there is classified. And then, what is decided to be unclassified is up to the executive agencies. GAO does not have classification authority. And we are bound by law to adhere to the classifications that the executive agencies put on material. So, in that case, we did have, in terms of preparing for hearings that are in public forums, the difficulty of deciding or getting timely reviews by the Department of Defense as to what could be shared publicly and what couldn't. So that was issue number one in that situation.

Another interesting situation is that, obviously, with the war going on, you are trying to report on a real-time activity, so events are changing all the time. The security situation one day is not the same as it is the next day. And so that is a particular challenge. We want to make sure we have the most up-to-date information possible. Obviously you have a challenge there of being able to be on site. We did establish a presence, ongoing presence there, but we have had to bring some of our people back recently. And we are going to go back in there as soon as we get reinforced housing, and we are working on that. The new embassy is supposed to open next month, and we are hoping to get housing in that embassy. Fortunately, all these elements I am explaining don't happen on most of the engagements that we have. But, in that case, it was important to deal with those. We dealt with them the best we could. We think we came up with a good report. We are in the process now of updating our work and expect a report by June.

Mr. BONNER. Thank you.

ENERGY EFFICIENCY

Ms. WASSERMAN SCHULTZ. Thank you. I just have one other question because the Members have done a good job asking some of the things that I wanted to cover, so we are working well as a team here. I understand GAO has focused on environmental stewardship and energy efficiency, which is something obviously that our leadership has been trying to promote and to use the legislative branch as a model for that. What steps has GAO taken to make your operations more environmentally friendly and energy efficient?

Mr. DODARO. I am going to ask Sallyanne to do that. Sallyanne did come to us from the Environmental Protection Agency a few years ago.

Ms. HARPER. GAO has been doing energy audits at the GAO building for over 15 years. We first started in 1991. And we were able to get a lot of large investments made in redoing our entire HVAC systems and all of those over time. We had a step back after 9/11 because of new security enhancements we had to make to our handling systems within the GAO building. That took us a step back on our energy efficiency. We did have an assessment done, however, recently that we think holds promise. And we are within 10 percent of GSA's goals for all of its Federal buildings. We are within 10 percent of hitting their goal in terms of our energy consumption for the GAO. We think, with some of the ones we are looking at now, we can get even closer than that.

Ms. WASSERMAN SCHULTZ. Do you have any funding in your request for 2009?

Ms. HARPER. We have continued funding in our facilities management line for that, yes, we do. These are initiatives in response to a study that we had done basically 2 years ago.

Ms. WASSERMAN SCHULTZ. Thank you.

GOVERNMENT CREDIT CARDS

Mr. LATHAM. Just one quick question. There was an article, a story yesterday about some of the abuse with credit cards in the government in different agencies. What role do you play in that? Is that something that you look at, or is that the IG's responsibility in each department?

Mr. DODARO. Yesterday's report was a GAO report. And what we did there was take a statistical sample across the Federal Government. We had been doing work in this area before. Now, a lot of Inspectors General also do work in individual departments and agencies, and we try to coordinate with them so we don't duplicate work. But in this case, we were asked by a Senate committee to do a governmentwide look. And so we did the statistical sample and obviously found a lot of problems, and that is an area that needs tightening up.

Mr. LATHAM. Did you make recommendations with the agencies?

Mr. DODARO. Yes. And we will follow up. We did work on transit benefits. We have done work on travel where people are using premium class travel. And in this particular case, with the purchase cards. We found OMB has been fairly responsive in trying to get the changes in place with the agencies, but really it is the agencies'

responsibility. And so we have made a lot of recommendations to them. And they just need to tighten up. In a lot of cases, there is a need for flexibility, but there have to be proper controls. And this goes to the risk management approaches that need to be in place. But that was our work.

It was unfortunate that a couple of—you talked about journalism—in a couple of reports, I think it was the AP story, had "GAO: Pointing Out Fraud, Waste and Abuse." So a lot of people who called GAO thought we were the ones committing the problems. We assured them that was not true, and it was the other agencies. But thank you for that question.

Mr. LATHAM. You bet. And thank you for the great job you do and having such credibility with all of us. I appreciate that. Thank you.

CONGRESSIONAL APPRECIATION

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

And I do, before we close the hearing, want to reiterate on behalf of the committee and really the entire House of Representatives, please take our message back to your employees and your staff that we just can't thank them enough for the hard work and dedication that they put in every day and the good work products that they turn out that we are all able to rely on. In a very partisan environment, it is good to have information available to us that we know isn't left or right and that we can all count on for accuracy and neutrality. So we appreciate it very, very much.

Mr. DODARO. Thank you. And I will tell them that.

ADDITIONAL ASSIGNMENT FROM THE CHAIR

Ms. WASSERMAN SCHULTZ. Thanks. As I have with each agency, I am going to assign you a little homework. As we noted in last year's House report, budget justification books are one of the key tools we use to review and make decisions on agency requests. They need to be geared towards our needs, not those of the agencies. And they must be accurate, concise and provide a level of information we need to quickly understand what is being requested. With that in mind, by next Thursday, April 17th, I would like GAO to submit a summary table that clearly breaks down its requested increase into distinct items or projects so we can see both total amounts being requested for each item as well as the individual parts that make up those totals. For example, there should be a column for your requested staff increase that shows both the total amount needed to implement the increase as well as the components of the increase, like salary, training and travel. In addition, I would like at least a paragraph for each item on the table that explains why that item is being requested, where it falls in priority compared to other items and what its impact would be if funded or not funded. If partial funding will let you implement the item to some degree, you should note that as well. We are just trying to get as much information as we can so we can really——

Mr. DODARO. I understand. That is a good way to go about it. I understand.

CLOSING REMARKS

Ms. WASSERMAN SCHULTZ. Thank you very much.

With that, the subcommittee will stand in recess until April 15th. I am not sure we will all be in a very good mood that day, but it is April 15th nonetheless at 1:30 p.m. We will hold our monthly oversight hearing on the CVC. Thank you.

Hearing on GAO's FY 2009 Budget Request
April 10, 2008 at 1:00 p.m.
H-144 Capitol

Additional Assignment from the Chair
Ms. Debbie Wasserman Schultz, Chair

Assignment: As we noted in last year's House report, budget justification books are one of the key tools we use to review and make decisions on agency requests. They need to be geared towards our needs—not those of the agencies—and must be accurate, concise, and provide the level of information we need to quickly understand what's being requested.

With that in mind, by next Thursday, April 17th I want GAO to submit a summary table that clearly breaks down its requested increase into distinct items or projects so we can see both the total amounts being requested for each item as well as the individual parts that make up those totals. For example, there should be a column for your requested staff increase that shows both the total amount needed to implement the increase as well as the components of the increase (like salary, training, and travel).

In addition, I want at least a paragraph for each item in the table that explains why that item is being requested, where it falls in priority compared to other items, and what its impact would be if funded or if not funded. If partial funding would let you implement the item to some degree, you should note that as well.

Response: Attached is a chart that summarizes our fiscal year 2009 requested increase by program and major components. A more detailed explanation of the program components, priority levels, and requested increase is attached. These items appear in the order of the summary chart.

We have assigned priority codes to each item. Priority 1 items are essential to the critical operations and mission of the organization in support of the Congress and to our ability to recruit and retain staff. If full funding is not available, we run the risk of 1) not being able to respond to congressional demands in a timely manner; 2) not having the expertise available to meet congressional demands; 3) not being able to meet organizational goals and strategic priorities; 4) losing talented staff to other organizations; and 5) degrading aspects of our infrastructure. To the extent

that partial funding is made available, we reduce the risk of not being able to meet the needs.

Priority 2 items are important to our ability to do high quality work for the Congress through increased effectiveness and efficiency of GAO operations and staff. However, if full funding is not available, we need the flexibility to make tradeoffs among items or partially implement some aspect of the item.

Priority 3 items, while still important to the successful operation of the organization, if not fully funded would require either partial implementation or more likely deferral.

Government Accountability Office

Program	Components*	FY 2009 Request	Total Increase
BUDGET AUTHORITY		**$545,527**	**$38,288**
FTEs		**3,251**	**151**
HUMAN CAPITAL			
Salaries and Benefits	Annualization, Civilian pay raise, Performance-based merit increases, Benefits, Promotions, Hiring and Attrition	$413,954	$27,728
Rewards and Recognition		2,542	213
Training and Development		4,200	1,076
Transit Subsidy		2,292	158
Student loan repayments		2,480	480
Other Compensation	Other compensation, COLA, Federal employees compensation, relocation benefits, overseas support, overtime	5,152	245
Subtotal - Human Capital		**$430,620**	**$29,900**
MISSION OPERATIONS			
Travel		$12,539	$821
Contracts	Engagement support, technology assessment	4,250	1,250
Contracts - E*lab		1,787	837
Subtotal - Mission Operations		**$18,576**	**$2,908**
INFRASTRUCTURE OPERATIONS		**$96,331**	**$5,480**
Information Technology, Administrative Services, Knowledge Services			
	Engagement management system, enterprise content management, network operations and security, financial management system replacement, telecommunications, remote access		
	Security posture, security system, security investigations, administrative services, facilities improvements, space reconfiguration, reengineer business processes, compensation study, competency-based performance management system, claims, online resources, e-dissemination		
Net Change			**$38,288**
TOTAL BUDGET AUTHORITY		**$545,527**	

*See attached for further details

U.S. Government Accountability Office
Fiscal Year 2009 Budget Request - Explanation of Changes
(Dollars in Thousands)

Program	Priority	Mandatory Pay and Inflationary Costs	Controllable Costs
FUNDING INCREASE TO SUPPORT 3,251 FTEs			
HUMAN CAPITAL			
Salaries and Benefits			
1. **Annualization of Salaries** to maintain the workforce at fiscal year 2008 levels, including 1 less compensable day in fiscal year 2009 than fiscal year 2008, assuming no other staff changes. The estimate reflects savings from leave without pay and part-time work schedules.	1	6,073	
2. **Civilian pay raise** scheduled for January 2009 estimated at 3.5 percent consistent with guidance provided by the Legislative Branch Financial Managers Council.	1	8,432	
3. **Performance-based merit increases** provided to staff in lieu of executive branch general schedule equivalent within-grade increases.	1	5,704	
4. **Benefits costs** associated with higher salary levels and an increase in the proportion of staff enrolled in the FERS retirement system.	1	5,541	
5. **Promotions** - cover the cost for staff competitively promoted to positions of more responsibility and performance-based increases.	1	1,578	
6. Attrition - retirement or attrition of about 317 staff		(14,674)	
7. Recruiting			
a. maintain staffing capacity at 3,100 FTEs			(1,293)
b. hire staff to achieve increase of 76 FTEs	1		8,555
c. hire staff to achieve increase of 75 FTEs	1		8,442
Rewards and Recognition			
1. Inflationary increase to maintain purchasing power	1	111	
2. Provide funds to recognize staff for their outstanding contributions, support recruitment and retention of high quality staff, and provide funds more commensurate with other federal agencies.	1		52

U.S. Government Accountability Office
Fiscal Year 2009 Budget Request - Explanation of Changes
(Dollars in Thousands)

Program	Priority	Mandatory Pay and Inflationary Costs	Controllable Costs
FUNDING INCREASE TO SUPPORT 3,251 FTEs			
Training and Development			
1. Inflationary increase to maintain purchasing power	1	104	
2. Learning initiatives such as mentoring program, leadership development program, 360 degree feedback and teambuilding services, and SES symposia needed for staff development to build key skills for success and succession planning.	1		416
3. Specialized training through local vendors and attendance at conferences and forums to develop staff expertise and meet CPE requirements.	2		496
Transit Subsidy - cover anticipated rate increases	1	64	
Student Loan Repayments			
1. Inflationary increase to maintain purchasing power.	1	57	
2. Provide funds to cover an increased pool of eligible staff – in fiscal year 2009, we expect 460 eligible staff based on an annual growth of 20 percent. The additional funds will allow us to increase the average repayment amount consistent with recently enacted legislation, to provide benefits that are more comparable with what is offered by competitors, including the executive branch.	1		423
Other Compensation			
1. **Separation payments** to staff for the cost of unused annual leave and compensatory time who retire or transfer to a non-compatible leave system.	1	70	
2. **Cost-of-living adjustment** for annuity of retired Comptroller Generals payable in January 2009, estimated at 2.5 percent.	1	8	
3. **Relocation benefits** – relocate staff between headquarters and field locations to better meet agency needs	1	2	
4. **Federal Employees Compensation Act** cost reduction due to change in beneficiaries.		(48)	

U.S. Government Accountability Office
Fiscal Year 2009 Budget Request - Explanation of Changes
(Dollars in Thousands)

Program	Priority	Mandatory Pay and Inflationary Costs	Controllable Costs
FUNDING INCREASE TO SUPPORT 3,251 FTEs			
5. **Relocation benefits** – relocate staff between headquarters and field locations to better meet agency needs.	3		121
6. **Overseas support** - hazardous duty pay for staff traveling to locales designated as hazardous, such as Iraq	2		72
7. **Overtime** – provide monetary benefit to have staff work beyond their regular work schedule	3		20
MISSION OPERATIONS			
Travel - Inflationary increase to cover anticipated per diem and transportation rate increases and continue our overseas presence.	1	706	
Contracts			
1. Provides funds to obtain expertise and data not available from federal to support congressional engagements and help address supply and demand imbalances.	1		1,000
2. Increase the number of technology assessment reviews.	1		250
Computer Security Reviews - provides funds to upgrade aging and obsolete equipment needed to maintain our capacity to conduct reviews of executive branch computing systems. Major system components no longer meet required encryption standards for executive branch systems. This upgrade is essential to ensure that we can continue to protect highly sensitive data, such as taxpayer information.	1	2	835
Infrastructure Operations			
1. Inflationary increase to maintain purchasing power		1,874	
2. Non-recurring FY 2008 costs			(6,261)
3. Upgrade network hardware and software, including enhancing network security through	1		228

U.S. Government Accountability Office
Fiscal Year 2009 Budget Request - Explanation of Changes
(Dollars in Thousands)

Program	Priority	Mandatory Pay and Inflationary Costs	Controllable Costs
FUNDING INCREASE TO SUPPORT 3,251 FTEs			
desktop encryption and improved security awareness and improving system performance by replacing routers and switches.			
4. Travel Management System - In fiscal year 2009, GAO will begin implementing a system to replace the current, antiquated system that is no longer supported by the vendor, is not compatible with our current financial management system, and threatens GAO's clean audit opinion.	1		650
5. Enhanced security posture - In fiscal year 2009, we plan to continue to implement recommendations from the security assessment being conducted in fiscal year 2008 and replace security equipment due for cyclical upgrade, such as our x-ray machine. The assessment will provide recommendations pertaining to security personnel and equipment maintenance, upkeep, and replacement, which we plan to implement incrementally over several years to manage costs and risk.	1		321
6. Security investigations and fingerprinting - update personnel security investigations to allow GAO staff continued access to various levels of classified material. The number of investigations will increase from previous years due to the implementation of Homeland Security Presidential Directive-12 (HSPD-12). Also, to support our engagement teams' efforts in the war on terrorism, we have seen marked increases in GAO's need to access and review classified defense and intelligence information and will update investigations to ensure continued access to this sensitive national security information. We also plan to conduct higher level investigations on contractors and interns to meet the requirements of HSPD-12 for the issuance of government identification.	1		75
7. Assess our competency-based performance management system and implement recommendations to address the performance appraisal system and compensation issues.	1		388
8. Expand access to on-line resources and publications.	1		110

U.S. Government Accountability Office
Fiscal Year 2009 Budget Request - Explanation of Changes
(Dollars in Thousands)

Program	Priority	Mandatory Pay and Inflationary Costs	Controllable Costs
FUNDING INCREASE TO SUPPORT 3,251 FTEs			
9. Financial management system replacement, phase II - In fiscal year 2009, we plan to begin implementing the Delphi budget formulation and workforce planning module which would allow us to better integrate and streamline these business functions, improve our cost estimation for the agency's largest budget component, and achieve greater efficiency.	1		650
10. Replace the telecommunications infrastructure in the remaining 3 field offices to provide consistent performance and support through a single platform, improve customer service, and achieve financial savings.	1		420
11. Enhance the Engagement Management system to provide analysts with the automated tools necessary to serve the Congress. This effort will provide GAO with critical information needed to manage our congressional workload and provide more effective and efficient services.	2		1,000
12. Enhance information cataloging, sharing, and retrieval capabilities.	2		505
13. Upgrade network hardware and software - selecting and deploying best e-mail, calendaring, and network operating system solutions.	2		645
14. Enterprise Content Management – over the next three years, we plan to deploy a system that provides our clients and the public with more effective and efficient search capabilities to access for GAO documents and products.	2		533
15. Install Integrated Electronic Security System (IESS) in field locations and integrate with headquarters system. The upgraded IESS provides the capability for GAO to further integrate headquarters and field office access control, surveillance, and alarm systems, and eventually monitor all field activity from a console in the headquarters Security Operation Center. This will eliminate the cost of maintaining and monitoring multiple systems through various providers. IESS will also lay the groundwork for the installation of card readers and improved building access control systems.	2		250

U.S. Government Accountability Office
Fiscal Year 2009 Budget Request - Explanation of Changes
(Dollars in Thousands)

Program	Priority	Mandatory Pay and Inflationary Costs	Controllable Costs
FUNDING INCREASE TO SUPPORT 3,251 FTEs			
16. Building operations and maintenance, including space reconfiguration at the end of the lease period to reduce costs and achieve more efficient, user-friendly space, replace worn carpet, minor improvements.	2		1,490
17. Reengineer business processes and human capital operations to transition from a transaction-based environment to one delivering strategic services.	2		444
18. Remote access – expand network capacity, wireless access, and disaster backup and recovery processes to facilitate teleworking and ensure continuity of operations if GAO staff are displaced from the building. This would double the number of staff who can remotely access the network.	2		375
19. Administrative services, including transcribing and recording, translating documents, court reporting.	3		383
20. Assess the physical layout of our library facility to determine the extent to which we can reconfigure space to improve work collaboration as we reduce our physical collection and migrate to greater use of electronic resources; and reallocate the space for other uses, such as meeting rooms and/or provide alternate work space for staff when they are dislocated from their offices.	3		1,000
21. Payment of claims	3		89

Program	Increase to Support 151 FTEs
BUDGET AUTHORITY	**$16,997**
FTEs	**151**
HUMAN CAPITAL	
Salaries and Benefits	$16,367
Rewards and Recognition	50
Training and Development	60
Transit Subsidy	94
Subtotal - Human Capital	**$16,571**
MISSION OPERATIONS	
Travel	$115
Subtotal - Mission Ops	**$115**
INFRASTRUCTURE OPERATIONS	
Information Technology	$272
Controller/Admin Services	39
Subtotal - Infrastructure Operations	**$311**
TOTAL BUDGET AUTHORITY	**$16,997**

Hearing on GAO's FY 2009 Budget Request
April 10, 2008 at 1:00 p.m.
H-144 Capitol

Questions for the Record
Mr. Latham

Presence in Iraq

Mr. Dodaro, Congress provided $374 thousand in the FY 2007 emergency supplemental to establish an ongoing GAO presence in Iraq.

- What is your current staff presence there and how has that presence facilitated your work to date?

Response. In January 2008, GAO established a presence in Iraq by creating a three-person, three-month rotational duty team resident in the International Zone, Baghdad. The temporary duty (TDY) presence was created to enhance GAO's ability to collect information in response to Congressional inquiries and to more readily identify emerging issues on the ground. The team supported a variety of audit engagements related to Iraqi security, political, and economic issues during their tour. Although our first team departed Baghdad on March 30th, as planned, the second TDY team's deployment to Iraq has been delayed due to deteriorating security conditions in Baghdad. GAO's field presence will be re-established once security conditions improve. In the interim, GAO will continue to rely, as we have since 2003, on short term TDY visits to Iraq, video teleconferences (both classified and unclassified) with officials in Iraq and the region, data collection efforts in the United States, information from the UN, and continuing contacts with personnel met by the team while in Iraq.

- How much will you need in FY09 to continue this presence?

Response. We have requested $374,000 in fiscal year 2009 funds to maintain a continuing presence in Baghdad. The appropriation, if authorized, will be used to fund our presence in Iraq, as well as security training, logistical supports, and travel costs for numerous teams based in the United States who may travel to Iraq.

- Why do you need an ongoing presence in Iraq—can't you do your work by sending in teams for a week or two on an as-needed basis?

Response. A presence in Baghdad gives GAO the ability to develop professional relationships that have facilitated more expedient access to information and people than we can obtain in Washington. Our presence also has enabled us to identify earlier emerging Iraq-related political, economic, and security issues that Congress needs to be aware of.

Workforce Planning

Mr. Dodaro, GAO—like many agencies—has faced a wave of retirements and an influx of new staff in recent years.

- What have you done to handle this workforce transition?

Response. GAO has indeed undergone a significant workforce transformation in recent years, replacing many retiring long-time staff with new hires. To address the challenges presented by this transformation, we have employed a strategic workforce planning process that helps us to identify anticipated workforce transition issues such as resource gaps and staffing shortages. We supplement our planning efforts with resource strategies and programs to attract, develop and retain the right mix of staff to meet organizational goals and strategic priorities. To ensure that we attract new staff with the right skills, we have

- re-engineered our recruitment program to more effectively and continuously recruit and retain top talent;
- targeted specific colleges and universities to strengthen our diversity outreach effort and recruit hard-to-fill positions; and
- enhanced our student intern program.

We have also taken steps to enhance the transition of new hires and retain staff, including implementing extensive learning and development tracks for entry-level and new senior-level employees; expanding e-learning opportunities; enhancing our student loan repayment and transit benefits program; enhancing our executive leadership development program to further develop managerial talent, and implementing a GAO-wide mentoring program. To retain institutional knowledge and expertise, we also have established a knowledge transfer program for a limited number of reemployed annuitants to minimize the loss of knowledge through attrition; implemented an electronic records management system to electronically maintain records and facilitate sharing of documents and information; and established internal web-based portals and websites that expedite and support knowledge sharing.

To ensure the right staffing level and skill mix to accomplish our work and adjust for changes in our workload, we realign our resources as needed. Annually, as part of our workforce planning process, we shift FTE allocations among the teams to meet the most pressing demands. In addition, we foster matrix management and a spirit of cooperation throughout GAO in our work, whereby we draw upon staff from multiple teams and geographic locations, as appropriate, to staff individual engagements. This enables us to assemble the appropriate mix of disciplines and skills needed to produce the highest quality report and to work more efficiently without making continual permanent reassignments or major realignments. We also reassign work from overbooked teams to others that may be able to address the work more quickly.

- Has the wave of retirements crested at this point, or are you still looking at more years of high turnover?

Response. Yes, we believe that both the number of retirement eligible staff and actual retirements peaked in the 2002 to 2004 timeframe, and have declined modestly. Nonetheless, as of October 2007, we still have nearly 500 GAO staff eligible to retire this fiscal year. Overall attrition has remained relatively stable over the past several years, and has declined slightly this year to date compared with the previous two. We anticipate that the overall attrition rate will remain at about the same level for the next several years, with a little less than half attributable to retirements, and the balance due to resignations and transfers to other agencies. In FY 2008, we project that we will lose about 325 staff and 317 staff in FY 2009. Our projections are consistent with prior year losses and a key factor we considered when we developed our budget and resource requirements.

- How does this transition impact your budget?

Response. The most significant impact on our budget from the transition is in the cost of attracting and retaining new hires and providing associated benefits. We are experiencing higher costs for GAO's contribution to the retirement system for new hires, with 99 percent of our new hires in FY 2008 being hired into the agency under the Federal Employee Retirement System (FERS). GAO will pay twice as much to FERS (29%) as it has for employees under the Civil Service Retirement System (14%). Currently, we project that 84 percent of staff will be under FERS by the end of FY 2008, which is a 20 percent increase over where we were 5 years ago. We expect this trend will increase over time.

Also, to be competitive in today's job market for top talent, we have increased funding for recruitment activities and incentives, learning and development, as well as employee benefits for our staff in the areas of student loan repayment and transit subsidies. We offer student loans to staff and potential recruits in exchange for a 3-year commitment to work at GAO. Since 2002, we have experienced an average annual participant growth rate of 20 percent. In fiscal year 2007, GAO issued student loan repayments to 316 staff, averaging $4,900. We also increased the annual payment to $8,000 for staff in critical, hard-to-fill positions, in line with the maximum amount allowable by law. We expect to see continued increases in applications to participate in the student loan repayment program, and estimate 460 staff will be eligible to participate in fiscal year 2009. We also provide transit benefits to about 1900 employees in our headquarters and field offices. We plan to increase the monthly benefit in fiscal year 2008 consistent with Internal Revenue Service regulations, enabling us to provide benefits commensurate with other agencies. We expect program participation to increase in fiscal years 2008 and 2009 by 5 percent annually consistent with historical trends.

E-Security Lab

Mr. Dodaro, GAO is requesting $835 thousand to replace components of its E-Security lab, which is used to conduct computer security reviews of federal agencies.

- Why do you need to replace these components in FY09?
- Is there no private facility with which GAO could contract for these security reviews?

Response. The eSecLab has scheduled the replacement of components of the facility beginning in FY2009. These components were originally installed in FY 2002 and are obsolete. These components have been superseded by three generations of newer hardware and are being removed from the GSA upgrade and maintenance schedules. These factors make the equipment difficult to update and maintain. The next generation of compatible equipment is due for release in the beginning of FY2009 and is the next logical point for replacement. This equipment supports new cryptographic standards, for encryption of data as required by Executive Order, has higher reliability, better performance, enhanced networking, and better interoperability. This new equipment will maintain compatibility with the rest of the enterprise computing environments in the federal government.

GAO established the eSecLab in 1997 as an answer to the question of contracting for these services which was GAO's previous methodology. The institutional knowledge of agency programs, processes and architectures allows the eSecLab staff to perform these reviews and has contributed significantly to: (1) More in-depth, meaningful analysis of agencies' controls; (2) More specific and constructive recommendations; and (3) More compelling report findings; and (4) Substantial improvement in GAO's credibility/standing in the Federal IT community.

An additional critical factor for using GAO staff to conduct these highly sensitive reviews is that the eSecLab staff maintain multiple security clearances and are routinely granted access to facilities where contractors would not be allowed or would have limited access. These include sites which have Personally Identifiable Information, Tax, Law Enforcement, Critical Infrastructure, and Classified data.

The overall objective of the e*Security Lab is to improve computer security at Federal agencies by enhancing the capabilities of GAO and OIG auditors to conduct comprehensive computer security controls testing. Specifically, the Lab has provided GAO with the in-house capability to: (1) Facilitate controls testing by modeling common Federal computing environments prior to testing "live" operational systems; (2) Test and develop automated tools and techniques for use in mixed, multi-tiered processing environments; (3) Launch external testing from a secure room in GAO of Internet and remote dial-in access points; and (4) Improve the technical skills of GAO, OIG and State auditors. Because of the sophisticated work enabled by the eSecLab, it is a major factor for retaining current and recruiting new employees.

During FY2007 the eSecLab evaluations resulted in 118 findings. In FY2007, the Lab conducted significant technical assessments at IRS Detroit Computer Center, IRS Martinsburg Computer Center, Federal Deposit Insurance Corporation, Veterans Administration, Department of Homeland Security US-Visit program, Security and Exchange Commission, Federal Bureau of Investigation, American Battlefield Monuments Commission and GAO. Planned and ongoing work beginning in FY2007 and continuing into FY2008 includes IRS, SEC, FDIC, ABMC, DOE/NNSA Cyber Security, DOE SCADA program, US Navy Cash System, NTSB, Treasury Financial Crimes Network, and assistance to OIGs as needed. At the agencies where we do annual work we have observed that the security posture of those agencies has improved to a significant extent over time - this is particularly true at the IRS.

Comptroller General Annuity

Mr. Dodaro, there was a provision in last year's House-passed bill that would have put all future Comptroller Generals into the Federal Employees Retirement System, as opposed to keeping them under an existing different retirement plan that gives retired Comptroller Generals their full, COLA-adjusted salary for life.

- Can you tell me why future Comptroller Generals should not be under FERS like almost all other federal employees?

Response. The existing retirement system for the Comptroller General is part of a comprehensive statutory framework designed to assure GAO's independence, and it is critical for Congress to retain the system. When Congress established GAO in the Budget and Accounting Act of 1921, its overriding purpose was to provide for oversight of the executive branch by an agency that would be as independent as possible from political pressure or control by other sources. The principal means of achieving this was to provide the Comptroller General with a fixed 15-year term, with no possibility of reappointment, 31 U.S.C. § 703(b), and to limit the circumstances under which the Comptroller General can be removed from office. 31 U.S.C. § 703(e)(1). These structural protections were deemed essential to maintaining the independence of the office, and they have remained in effect since 1921 without substantive change.

The retirement provisions, enacted in 1953 and codified at 31 U.S.C. 772, enhanced the stature and independence of the office by providing the Comptroller General with an annuity equal to the salary of the office at the time of retirement upon completing the 15-year term (or upon reaching age 70 after serving at least 10 years). Congress viewed the annuity as necessary to attract high quality candidates to serve as Comptroller General, noting that under the pre-1953 system (the Civil Service Retirement System, the predecessor to FERS) an individual from outside government could not be assured of an adequate retirement based on the15-year term, with no possibility of reappointment. *See e.g.*, H.R.Rep. No. 684, Part 2, 83rd Cong., 1st Sess. 2 (1953). Congress also viewed the retirement provisions as a necessary means of insulating the Comptroller General from executive branch control and political pressures. Congress likened the character, tenure, and independence of the Comptroller General to that of a federal judge -- as it had when establishing the position in 1921 -- and it patterned the Comptroller General's annuity on the judicial retirement system. *See, e.g.*, S. Rep. No. 594, 83rd Cong., 1st Sess. 1 (1953). The annuity provision was viewed as a means of

enhancing the Comptroller General's financial independence by eliminating the need for him to retain business connections and other outside ties.

Because of the fundamental statutory provisions governing the office of the Comptroller General, including the retirement annuity, GAO has had institutional independence and stability that is unique in the federal government and essential to maintaining its credibility, objectivity, and value to Congress.

Financial Benefits

GAO's work in fiscal year 2007 generated $45.9 billion in financial benefits. On the other hand, improvements can sometimes cost the government money.

- Do you keep track of how much your recommendations may have cost the government?
- If so, what is that number for fiscal year 2007?

Response. GAO considers any implementation costs both in determining financial benefits as well as in determining financial benefits. GAO's internal guidance for crafting effective recommendations states that implementation costs should be considered and the recommendations cost effective. Agencies have flexibility in deciding how best to implement GAO recommendations and GAO does not ask agencies to track implementation costs. With regard to those recommendations that lead to financial benefits, we do obtain estimates from the agencies and other third parties, such as the Congressional Budget Office. These estimates factor in the costs of implementation and as such represent cost-benefit analyses. In short, the financial benefits that GAO records and reports in its annual Performance and Accountability Report represents the net benefit to the federal government.

Hearing on GAO's FY 2009 Budget Request
April 10, 2008 at 1:00 p.m.
H-144 Capitol

Questions for the Record
Ms. Lee

Recruiting Practices

Please include for the committee the list of schools that are included in GAO's recruitment, internship and fellowship programs.

Response. GAO recruits at approximately 70 colleges and universities nation-wide (see below). These include 28 schools which we've designated as National Universities since we've had a long-standing, in-depth and mutually beneficial relationship with them. These schools have demonstrated academic excellence in disciplines related to GAO's work, supply reasonable levels of applicant diversity, and have proven successful for GAO during our past recruitment efforts. We recruit at 12 schools we've designated as Target Universities and which have demonstrated overall superior academic quality and have a large concentration of minority students. We recruit at eight schools we've designated as Focus and Emerging Schools since they've shown promising results in specialty areas and/or are emerging as good recruiting source schools. We also recruit at 20 other schools that show promise but have not yet been included in any of the above categories.

GAO staff members have also attended other diversity events such as the Minority Job Fair at the Ohio State University as well as delivering a presentation to graduate students at OSU in coordination with the Office of Minority Affairs.

We've recently expanded our outreach at Hampton University to include the IT field in addition to recruiting for entry level analysts.

We also recruit at conferences during the year as the budget allows. We send representatives to the National Association of Black Accountants conferences – national and regional--and the Atlanta University Center Consortium which has attendees from Clark Atlanta and other Historically Black Colleges and Universities (HBCU) in the Atlanta area. GAO representatives also attend the annual Blacks in Government National Training Conferences. We've sent staff to

the Asian Diversity Career Expo in New York City and we are sending staff to the upcoming Asian Pacific American Department of Labor Summit in May in Washington, D.C. In the past few years our staff attended the National Hispanic Business Association annual conference, the Hispanic Business Students Association conference, the Association of Latino Professionals in Finance and Accounting conference, and the Texas Diversity Conference (2007) College Student Diversity and Leadership Conference.

GAO took proactive steps to enhance our human capital recruiting and sourcing strategies by establishing a Recruiting Task Force to address gaps in our workforce, attract high-quality talent, and increase diversity. Of the approximately 50 recommendations made by our recruitment task force, over 40 will have been implemented by the beginning of fiscal year 2009.

Recommendations implemented in fiscal year 2007 included an enhanced competency-based application form and more user friendly website, improved communications and coordination of recruiting and hiring activities, recruiter training, a more focused approach to campus recruiting, and internal expansion of capabilities within the automated human capital system, EmpowHR. In addition, we established or expanded efforts to support communities of practice involving senior leadership, recruiters, and human capital professionals to enhance the recruiting and hiring process, as well as staff development.

In fiscal years 2008 and 2009, we will continue to partner with the diversity groups such as the National Association of Black Accountants, Hispanic Association of Colleges and Universities, and Federal Asian Pacific Council—as well as groups on campuses—to identify potential students for our student employment program and applicants for our entry level programs. We plan to expand our efforts to identify a more diverse pool of applicants for strategic/upper level hires, reaching out to our existing and potential new partners (such as the Hispanic Scholarship Fund). In addition, we plan to institute standard metrics to better track turnover cost and plan a review of our campus recruiting program to better measure our return on investment and, the diversity impact. Along these lines, in fiscal years 2008 and 2009 we plan to focus on the workforce impact of cultural issues created by diversity issues.

In addition, our Office of General Counsel has a highly successful Legal Honors Program, which has enabled us to recruit and retain top legal talent for GAO. We hire attorneys primarily from our Summer Legal Honors Program, which consists of a small cadre of students we recruit through on-campus interviews at law

schools (a current listing of these schools is provided at the end of the list of colleges and universities, below). The law students in our summer program are highly ranked, typically in the top quarter of their class, with law review or legal work experiences, and they come from diverse backgrounds. Most of the summer associates to whom we extend offers of permanent employment accept, and they quickly become high-performing GAO attorneys.

Colleges and Universities Where GAO Recruits

National Universities

American University
Carnegie Mellon University
Columbia University
Duke University
George Washington University
Georgetown University
Harvard University
Howard University (See additional information on HBCU schools below)
Indiana University – Bloomington
Princeton University
Stanford University
Syracuse University
Texas A&M University
University of California - Berkeley
University of California - Los Angeles
University of Chicago
University of Kentucky
University of Maryland – College Park
University of Maryland - Baltimore County
University of Michigan – Ann Arbor
University of Minnesota – Twin Cities
University of North Carolina at Chapel Hill
University of Pittsburgh
University of Southern California
University of Texas – Austin
University of Washington
University of Wisconsin – Madison
Virginia Tech University

Target Universities

Clark Atlanta U
Hampton U
Jackson State U
New Mexico State U
Rutgers U
San Francisco State U
Tennessee State University
University of Colorado – Denver
University of New Mexico
University of Puerto Rico – Mayaguez
University of Puerto Rico – Rio Piedras
University of Texas – Arlington

Focus and Emerging Schools

Brigham Young University
California State – San Bernardino University
College of William and Mary
East Carolina University
Emory University
George Mason University
Northern Illinois University
University of Albany (New York)

Other Schools

Boston University
Cornell University
James Madison University
Mississippi State University
Ohio State University
Oklahoma State University
Penn State University
University of Alabama – Birmingham
University of Alabama – Huntsville
University of Alabama – Tuscaloosa
University of Georgia
University of Massachusetts

University of New Mexico
University of Tennessee – Chattanooga
University of Tennessee – Knoxville
University of Texas – Dallas
University of Texas – Pan American
University of Virginia
Vanderbilt University
Virginia Commonwealth University

Law Schools

The Catholic University of America Columbus School of Law
Duke University School of Law
Georgetown University Law Center
The George Washington University Law School
Harvard Law School
Howard University Law School
University of Maryland Law School
Penn State University Dickinson School of Law
Vanderbilt University Law School
University of Virginia School of Law
William and Mary Marshall-Wythe School of Law

Hearing on GAO's FY 2009 Budget Request
April 10, 2008 at 1:00 p.m.
H-144 Capitol

Questions for the Record
Mr. Udall

Timeliness

You mention in your testimony that there is a growing list of congressional request that the GAO cannot promptly staff.

- What is the average delay for requests?
- How does this compare to years past?
- Can you go into detail as to how the GAO decides which requests should be staffed more quickly?

Response. For the first half of fiscal year 2008 the average delay in staffing congressional requests was 4.1 months. In fiscal year 2007, 2006, and 2005, the average delay was 3.98 months, 3.91 months, and 2.49 months respectively.

As outlined in our protocols governing GAO's work for the Congress, (GAO-04-310G), GAO initiates work according to the following priorities:

1. Congressional mandates
2. Senior congressional leader and committee leader requests
3. Individual Member requests, with additional consideration given to requests from Members who are on a committee of jurisdiction.

Congressional mandates include requirements directed by statutes, congressional resolutions, conference reports, and committee reports. Senior congressional leaders include the President Pro Tempore, Senate Majority Leader, Senate Minority Leader, Speaker of the House, House Majority Leader, and House Minority Leader. Committee leaders include the Chair and Ranking Minority Member of a committee or subcommittee with jurisdiction over a program or activity.

Currently we have a backlog for priority 1 and 2 work, and rarely are we able to undertake work requested by individual Members.

In striving to meet the Congress's needs, GAO senior officials consult regularly with senior congressional leaders and committees to ensure that GAO's work is prioritized in accordance with their informational and timing needs. GAO also consults with congressional committees regarding demands on GAO's resources by subject matter to help manage and minimize supply and demand imbalances.

High Risk Series

The *High-Risk Areas Update* includes several areas and programs dating as far back as 1990.

- Have any of these areas, especially those that have been on the list for almost 20 years, changed at all, or are they still essentially at the same risk level as when they were first added?
- Have you found that Departments or Agencies named in this report address the concerns promptly, or at all?

Beginning in 1993 and every two years since then, we have provided updates on the status of each area on the high-risk list, including progress made in addressing the problems our work has identified. Typically, some progress is made in each area between those updates. In fact, in each of our two most recent updates to the High-Risk program (January 2005 and January 2007), we indicated that progress had been made in all of the areas on the list. But as we have pointed out, the extent of that progress has varied by area. When progress is sufficient, we remove the high-risk designation.

Since the start of our program, 18 areas have been removed from the high-risk list. Of the 14 areas on GAO's original 1990 high-risk list, 6 remain on the list. While not yet sufficient to remove the high-risk designation, we have reported progress in each of these areas. For example:

Medicare program – designated as high risk because of the program's vast size and administrative structure and potential losses due to waste, fraud, abuse, and mismanagement. Since that time, the Centers for Medicare & Medicaid Services (CMS) have taken a number of steps to improve Medicare's payment methodologies, measure and address improper payments, oversee patient care and safety, and improve program management. For example, CMS has taken promising steps in areas where it has authority to refine how it sets or updates payment rates for hospital services, durable medical equipment, and certain drugs

and devices supplied in medical facilities. In addition, Medicare's November 2007 estimate of its national rate of improper payments was 3.9 percent, which was the lowest since measurement began in 1996. However, Medicare has continued to grow in cost, size, and complexity since 1990--for example, through adding a new prescription drug benefit in 2006. Medicare is currently making more than $1 billion a day in program payments. While CMS has implemented many GAO recommendations, further action must be taken to refine Medicare's payment methods and the collection of data used as a basis for setting payment rates; address integrity weaknesses; improve its management of critical information provided to the public; and address quality-of-care shortcomings in services provided to beneficiaries.

DOD Supply Chain Management – originally designated high risk as 'inventory management', DOD has taken a number of positive steps in this area. In 2005, DOD developed a supply chain management improvement plan to address some systemic weaknesses identified in our work. The plan includes 10 initiatives focused on three areas: accuracy of supply requirements forecasting, asset visibility, and distribution of materiel. DOD's periodic updates to its plan have indicated that some progress has been made in the development and/or implementation of these initiatives. Since 2006, DOD has used joint logistics as a test case for a new capability portfolio management approach, with the objectives of facilitating strategic choices and improving the department's ability to make capability trade-offs. Earlier this year, DOD granted permanent status to this initiative. Also, DOD is developing a strategy, known as the logistics road map, to guide logistics programs and initiatives across the department. Once complete, this strategy would replace the supply chain management improvement plan. To successfully resolve supply chain management problems, DOD needs to sustain top leadership commitment and long-term institutional support for the supply chain management improvement plan; obtain resource commitments from DOD components; make substantial progress in implementing improvement initiatives across the department; establish a program to demonstrate progress and validate the effectiveness of the initiatives; and ensure that its logistics road map provides a comprehensive, integrated strategy for guiding supply chain management improvement efforts.

Enforcement of Tax Laws – originally focused on collection of tax debt, this area was subsequently expanded to cover unpaid taxes that had not been detected and the Earned Income Credit program. Since those designations, IRS has undertaken sophisticated research (the National Research Program - NRP) to better estimate the rate of noncompliance and learn more about the characteristics of

noncompliance in order to prevent and/or detect it. One NRP study has been completed and two are underway. Also, direct enforcement revenue has significantly increased over the last several years, and IRS has made noticeable progress modernizing its information systems which are crucial for the effective and efficient operations of the enforcement programs. However, IRS still does not have sufficient control over noncompliance by large groups of taxpayers including high income taxpayers and businesses engaged in offshore activities; taxpayers involved in shelters and schemes; and sole proprietors.

As we have indicated in our high-risk updates, the government has taken high-risk problems seriously. Perseverance by the executive branch is needed in implementing recommendations we have made in each of these high-risk areas. Also important is continued congressional oversight and, in some cases, additional legislative action will also be key to achieving progress.

- Have any areas or programs been removed from the list in the past couple of years?

In our January 2007 update (GAO-07-310), the high-risk designation was removed from two areas—HUD Single-Family Mortgage Insurance and Rental Housing Assistance Programs and the U.S. Postal Service Transformation Efforts and Long-Term Outlook. In our January 2005 update (GAO-05-207), the high-risk designation was removed from three areas—Student Financial Aid Programs, Federal Aviation Administration Financial Management, and Forest Service Financial Management. The criteria we consider in deciding on whether to remove a high-risk designation is contained in *Determining Performance and Accountability Challenges and High Risks* (GAO-01-159SP, November 2000).

DOD Procurement

Question. Last week, the GAO released its annual report on selected weapons purchases, and found that procurement costs came in 26 percent above original estimates for 72 major weapons program in 2007. The report attributed the problems to inefficient Pentagon practices, including in requirements after weapons development had started, turnover in program management and the use of contractors. I also want to note that a good number of the Areas listed in the High-Risk report are within the DOD, including its Contract Management and Business Transformation. Can you talk to us about this recent report and its findings?

Response. Of the 72 programs GAO assessed this year, none of them had proceeded through system development meeting the best practices standards for mature technologies, stable design, or mature production processes by critical junctures of the program, each of which are essential for achieving planned cost, schedule, and performance outcomes. The absence of wide-spread adoption of knowledge-based acquisition processes by DOD continues to be a major contributor to this lack of maturity. Aside from these knowledge-based issues, GAO this year gathered data on four additional factors that have the potential to influence DOD's ability to manage programs and improve outcomes—performance requirements changes, program manager tenure, reliance on nongovernmental personnel to help perform program office roles, and software management. GAO found that 63 percent of the programs had changed requirements once system development began, and also experienced significant program cost increases. Average tenure to date for program managers has been less than half of that called for by DOD policy. About 48 percent of DOD program office staff for programs GAO collected data from are composed of personnel outside of the government. Finally, roughly half the programs that provided GAO data experienced more than a 25 percent increase in the expected lines of software code since starting their respective system development programs.

In response to previous GAO recommendations and congressional direction, DOD has recently taken actions that could help move the department toward more sound, knowledge-based acquisition processes. For example, a new concept decision review initiative, guidance for determining acquisition approaches based on capability need dates, and the establishment of review boards to monitor weapon system configuration changes could enable department officials to make more informed decisions in the early stages of a program and better match program requirements and resources, a key first step. Improvements to individual program acquisition outcomes will likely hinge on the success of initiatives like these, paired with knowledge-based strategies. We would be happy to work with your staff to provide more information, if necessary.

Question. Is the GAO mandated to release this report annually or is it requested by the Committees of jurisdiction and/or Members?

Response. We developed the coverage, methodology, and reporting strategy for the "quick look" report after extensive consultations with all of our congressional clients with interest in defense acquisitions. Because of the broad-based interest in the work, which cuts across multiple committees of jurisdiction, and after

conducting significant congressional outreach we negotiated to conduct the work under the Comptroller General's authority. Doing so has allowed us to provide numerous briefings to a range of congressional clients on our preliminary results as they are developed rather than limit it to a segment of clients. The congressional committees have come to expect our annual report and have made extensive use of it in numerous hearings and in the annual authorization and appropriations process. This is the 6th year we have issued the report; it has been widely distributed and widely used. It is likely to become a mandate in the future.

Question. Has the GAO found any changes, substantial or otherwise, that the Pentagon has taken to address these long known risks, since it started releasing the annual weapons purchase or high-risk reports?

Response. GAO has reported on several changes that DOD has taken to address weapons acquisition risks. Since 2000, DOD has revised its acquisition policy to reflect best practices by adopting the knowledge-based, evolutionary system development approach. In addition, the Department has instilled more discipline in requirements setting, strengthened training for program managers, and reorganized offices that support and oversee programs. However, the changes have not been fully implemented in practice and have not had a material effect on weapon system programs. To translate policy into better programs, several additional elements are essential. These include making strategic decisions across the entire investment portfolio, having a sound business case for each program that focuses on real needs and embodies best practices, sound business arrangements, and clear lines of responsibility and accountability.

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