

REVIEW OF THE USE OF COMMITTEE FUNDS
IN THE FIRST SESSION OF THE 111TH CON-
GRESS (CONTINUED)

HEARING
BEFORE THE
COMMITTEE ON HOUSE
ADMINISTRATION
HOUSE OF REPRESENTATIVES
ONE HUNDRED ELEVENTH CONGRESS
SECOND SESSION

Held in Washington, DC, February 3, 2010

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**REVIEW OF THE USE OF COMMITTEE FUNDS
IN THE FIRST SESSION OF THE 111TH CON-
GRESS (CONTINUED)**

WEDNESDAY, FEBRUARY 3, 2010

HOUSE OF REPRESENTATIVES,
COMMITTEE ON HOUSE ADMINISTRATION,
Washington, DC.

The committee met, pursuant to call, at 11:38 a.m., in room 1310, Longworth House Office Building, Hon. Robert A. Brady (chairman of the committee) presiding.

Present: Representatives Brady, Lofgren, Davis of California, Davis of Alabama, Lungren, McCarthy, and Harper.

Staff Present: Jamie Fleet, Staff Director; Matt Pinkus, Professional Staff/Parliamentarian; Kyle Anderson, Press Director; Joe Wallace, Legislative Clerk; Greg Abbott, Professional Staff Member; Shervan Sebastian, Staff Assistant; Victor Arnold-Bik, Minority Staff Director; Karin Moore, Minority Legislative Counsel; Mary Sue Englund, Minority Professional Staff Member.

The CHAIRMAN. I would like to call the Committee on House Administration to order and thank you all for being here, and thank Chairman, Mr. Dreier, for being here, from the Rules Committee and we appreciate that.

As you know, when we first had the hearing a while ago, a year ago when we were doing the resources for your committee, we thought it would be a good idea for you to come back after a year and let us know how you all are doing and maybe we could help you if you are not doing okay and hopefully you are doing okay. So it is as far as I got to say; as far as Mr. Lungren, I recognize you for any comments you would like to make.

Mr. LUNGREN. Thank you very much, Mr. Chairman. Thank you for agreeing to this idea that we have the committees come back and report to us after a year. We find out how the funding is going. We find out how the commitment has been about the staff ratios and we have had, I think, good hearings I think thus far, we only have a few more left. And I thank you, Mr. Chairman, for conducting these hearings. And I think we have actually accomplished something and helped members reach their objective, which is to have the committees work. And I look forward to working with you on this, thank you.

The CHAIRMAN. Mr. Harper.

Mr. HARPER. No remarks.

The CHAIRMAN. Mr. Chairman.

STATEMENT OF THE HON. DAVID DREIER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. DREIER. Thank you very much, Mr. Chairman, and Mr. Lungen. And Mr. Harper thanks to all of you for all being here. Let me first say that the distinguished chairwoman of the Committee on Rules, Ms. Slaughter is in a meeting and she very much wants to be here and is hoping to be here. I know basically what she is going to say, I think, and I will tell you that from my perspective, by and large, it has been so far so good. We have traditionally had the 2/3, 1/3 ratio which we began in 1995 and that has continued. And while we have control of the staffing funding, staff funding, that has worked out well. The other areas of equipment and those sorts of things we don't directly have control over, but I am happy to report that due to the close working relationship that we have at the staff level, that we have never been denied any opportunity to have the necessary resources that we need to do our job as members of the minority on the Rules Committee.

I will say that there is one exception and one thing that does concern me greatly. I am sitting here at this moment looking right into a camera as I am testifying before you. There are a grand total of three committees in the House of Representatives that don't provide regular televised coverage of the proceedings of their committee for the American people. Again, I would argue that we as members in the minority and Republicans have been treated fairly when it comes to staffing and equipment and resources that we need. But the American people have been denied by virtue of the fact that the Rules Committee does not have this regular opportunity for the American people to see the committee in action and working.

The other two committees are the Intelligence Committee and the Committee on Standards of Official Conduct. I think it is very understandable that the Intelligence Committee and the Ethics Committee would not have regular televised coverage.

The Rules Committee, on the other hand, has a very interesting story. When I first went two decades ago, went on the Rules Committee, David Broder, the Dean of the Washington Press Corps, said to me, you know David, that committee up there is very, very small—that hearing room, by design. Broder looked at me and said, it is to keep us out. And there are stories throughout history of the action of the Rules Committee, things that have been done in a secretive way. I remember Czar Reid was known to have—I was told this by the late Robert Novak, who I suspect covered Czar Reid's news conferences. When he came out he said after a meeting with members of his Rules Committee, gentlemen, to the gathering press, we have just perpetrated the following outrage in defining, describing the work product of the Rules Committee.

Now as you know very well, the Rules Committee often can predetermine, almost predetermine the outcome of legislation on the House floor. So whether it is taxing, spending foreign policy initiatives, virtually everything that we do before a piece of legislation comes to the floor, a special rule is reported out. The committee chairman and ranking, member and members who seek to offer amendments come before the Rules Committee.

And unfortunately those proceedings are not only—they are not televised and they are not even made available on line. Now C-SPAN, on occasion, does come to the Rules Committee and they are relegated to a supply closet in the back of the room, which is challenging because sometimes, as you know, the Rules Committee hearings can go on for hours and hours and hours. And I look back at the C-SPAN employees who are relegated to this cramped closet and we could—when I was—when we were in the majority, I worked to lay the groundwork for us to have television coverage, the Rules Committee and I just don't see any reason why we should not provide that opportunity for the American people to see the Rules Committee's work in action. We know that this became a big issue in the Presidential campaign, transparency, accountability and disclosure are all guides that we have. And I think the final step before a measure moves to the floor of the House of Representatives should, in fact, be transparent, that is the Rules Committee. And so I hope that we will be able to have a chance to put those proceedings before cameras.

I will say that, again, Mrs. Slaughter and members of her staff have been very accommodating in dealing with the challenges that we face. And I do feel strongly though Mr. Chairman, and Mr. Lungen, and Mr. Harper about the need for us to do what you do right here in this committee. So thank you very much.

[The statement of Mr. Dreier follows:]

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**Statement of the Honorable DAVID DREIER
before
The Committee on House Administration**

February 3, 2010

Thank you Chairman Brady, Ranking Member Lungren, and Members of the Committee.

I am pleased to have the opportunity to appear before the Committee on House Administration during this oversight hearing on funding for the standing committees of the House.

I am pleased to report that the Rules Committee's minority funding needs over the past year have been met. We benefit from the fact that our staffs enjoy a close working relationship, and Chairwoman Slaughter has continued the bipartisan tradition of ensuring that the minority has the resources it needs to meet its obligations as members of the Rules Committee.

The agreement since 1995 has been that the Minority controls 1/3 of the funds and slots allocated for staff. While we do not control any portion of the remainder of the budget, there has been a long-standing agreement that the needs of the minority with respect to travel, equipment, and services will be met, and the Chairwoman agreed to all of our requests in 2009.

The only deficiency that I can identify is not related to the needs of the minority, but rather the public. As everyone knows, our hearing room is among the smallest on either side of the Capitol, and yet the decisions made there are far reaching. Whether health care, energy, the economy, or spending, the process established by the Rules Committee often determines the outcome for legislation on the floor.

And yet the Rules Committee is the only committee — other than the Ethics and Intelligence committees, which must necessarily conduct their work in secret — which does not have cameras in its main hearing room. It's of little consequence to say that C-SPAN must deploy their limited resources on short notice if the public is to have a window into our work.

When I was Chairman, we began to upgrade the hearing room facilities and would have eventually added cameras to allow our proceedings to be webcast. The drawings of the room show where the cameras would be mounted and some of the infrastructure work has already been done.

This Committee has maintained a dedicated source of funding for hearing room upgrades, so it is not a matter of funding. The right thing to do is to allow the American public the opportunity to see the work of the Rules Committee whether or not C-SPAN can bring in its cameras.

Thank you, and I'm happy to answer any questions you might have.

The CHAIRMAN. I understand. Thank you. Mr. Lungren.

Mr. LUNGREN. Thank you very much, Mr. Chairman, I wonder if you could venture a guess, Mr. Dreier, as to which institution will be the first to televise their proceedings, the Rules Committee or the U.S. Supreme Court?

Mr. DREIER. Now, that is an interesting question and I don't know. I certainly—I know that there is a rigorous debate as to whether or not the United States Supreme Court provides coverage. I did hear just yesterday that in our State of California, that the proceedings on the Proposition 8 campaign were not televised, but our friends in Hollywood have just put together an entire cast and they are reenacting, having looked at the transcripts of the court proceedings there and they are making apparently a motion picture out of it.

Mr. LUNGREN. I am sure it will be nominated at the next Academy Awards.

Mr. DREIER. It might.

Mr. LUNGREN. They seemed to nominate a lot of movies nobody goes to.

Mr. DREIER. Now they have got 10 from which to choose for best picture.

Mr. LUNGREN. I know. Blind Side is a great one, by the way.

I would like to compliment the Rules Committee on your restrained budget request last year. I think it was a modest 1.8 percent increase from 2008 to 2009, total increase for the 110th congress about 4.2 percent. One of the lowest, I think, you are in the bottom three of the requests in the entire House, we appreciate that.

As of December 31st, your committee has about 17 percent unexpended balance. And as you know after a year that returns to basically the Treasury. So once again, your committee's done a good job there.

Do you have any insights as to how your committee was able to achieve a 17 percent savings while still starting off with a modest budget relative to other requests?

Mr. DREIER. Well, let me first say that you know more about the operations than I from what you just outlined. I wasn't familiar personally with all of those details. And I would say that if you look at the work of the Rules Committee, it is necessary that we have the resources, but we have been able to do that. Frankly, there have not been too many hearings held on legislative issues beyond the actual reporting out of the special rules for the House Floor. We did have one a couple of months ago, but that may be one of the reasons. The Rules Committee actually has jurisdiction on a number of issues, budget process. If you look at things like trade, one of the reasons I have been very involved in trade issue is so-called fast track negotiating authority is there. We as a committee have not really gotten into a lot of those issues recently. We did that in the past. And of course, holding those hearings and doing research on it does take resources and that may be one of the reasons that we have been able to keep those numbers as low as possible.

I do say also that I think that as we look at the fact that the American people are trying to deal with cuts, I had a Town Hall

meeting last night and talked to a woman whose said that her income has gone from \$40,000 a year to \$16,000 a year. There are a lot of people hurting, and the idea of trying to, within the operations of the Congress, be as circumspect as possible recognizing how precious those taxpayer dollars is is an important thing, and that is why I support the idea of trying to turn back as much as we can.

Mr. LUNGREN. Thank you very much.

Mr. DREIER. Thank you.

The CHAIRMAN. Thank you. Thank you, Mr. Dreier. Also for the record, I want to make sure that Mr. Dreier is shown that he has sympathy and feelings for C-SPAN.

Mr. DREIER. C-SPAN employees. You know the employees who are relegated to the broom closet.

The CHAIRMAN. Now he is correcting me.

Mr. DREIER. No, I have praise for C-SPAN but no sympathy for them. But some of the employees could be treated a little better if we just do what you guys do right here.

The CHAIRMAN. I was trying to get you by here.

Mr. DREIER. Yeah, thanks we need all the help we can.

The CHAIRMAN. You just wouldn't take it.

Mr. DREIER. Thanks very much, fellas.

The CHAIRMAN. Thank you.

While we are waiting for Mr. Rahall, I need to submit for the record an extend the statement that highlights our own use of the committee funds for the first session of 111th Congress including in the statement is a brief summary of our committee's oversight activities, financial affairs and to continue to the 2/3, 1/3 relationship with the ranking member, Mr. Lungren.

Mr. LUNGREN. Thank you very much, Mr. Chairman, I appreciate that. And I want to say that it is a pleasure working with you. We have probably had a great working relationship in part because we haven't had any contentious issues thus far. I suspect with today's hearing, we may start on some differences of opinion, but in terms of the work that we do in this committee on behalf of our colleagues and on behalf of the institution, you and I are on the same page and I appreciate that very much. I do appreciate the 1/3, 2/3s and the fairness with which you have accommodated my request and the request of others on the minority side, so thank you.

The CHAIRMAN. Well, we are going to be, without question, from time to time, disagreeing, but we are not going to be disagreeable. Thank you.

I understand Mr. Rahall is on his way, but rather than sit here looking at each other, I wouldn't mind starting with Mr. Hastings. I know you two get along because everybody gets along with you and Mr. Rahall. So if you don't mind, we will start with you. Mr. Lungren do you have anything you need to say?

Mr. LUNGREN. No.

STATEMENT OF THE HON. DOC HASTINGS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. HASTINGS. Okay, thank you Mr. Chairman and Ranking Member Lungren and other members of the committee. I appreciate the opportunity to make brief comments considering the Nat-

ural Resources Committee and the funding from the perspective of the Republican minority. First, we do receive a full third of the staff salary funds to administer and we receive 20 staff positions out of the 69 allocated to the committee. In an arrangement that predates my time as ranking member, nine of the 69 positions have been deemed administrative positions that support both sides of the committee. The majority pays the salaries of these nine from their 2/3 share. And while most of these tasks performed by these 9 are managed by the majority, we have no complaints over the responsiveness or the services rendered to minority over the past year.

Second, a sizable portion of the unspent committee funds for 2009 is attributable to unspent staff funds from the minority's 1/3 share. One, I have always believed that the funds allocated to the committee and personal congressional offices should be allocated frugally and wisely. During my service in the House, for example, I have returned funds from my personal office allocation each and every year.

The other reason for the unspent funds is that 2009 was my first year as ranking member on this committee. And as such, there was a turnover on the Republican staff and not all staffing positions there were filled for the entire year. For example several staff departed near the end of the year and these positions are just now being filled. In fact, just last week I announced a hiring of three new staff. So it is my expectation that we will soon be at full staff levels in preparation for this second session.

In conclusion, I have no concerns or complaints about the administration of committee funds. Chairman Rahall and I do disagree over a fair number of policy matters under our committee's jurisdiction, but I believe we share a common belief that political or policy differences should not be injected into the committee budget and administration matters. And it is in that regard that I very much appreciate his actions as we did this last year and I certainly believe that will be the same as we move forward this year. So thank you very much for the opportunity to testify.

The CHAIRMAN. Thank you.

[The statement of Mr. Hastings follows:]

The Honorable Doc Hastings
Ranking Republican, House Committee on Natural Resources
Statement to the Committee on House Administration
February 3, 2010

Mr. Chairman, Ranking Member Lungren and Members of the Committee, I appreciate the opportunity to make brief comments concerning the Natural Resources Committee and funding from the perspective of the Republican minority.

First, we do receive a full third of the staff salary funds to administer, and we receive 20 staff positions out of the 69 allocated to the Committee. In an arrangement that predates my time as Ranking Member, nine of the 69 positions have been deemed administrative positions that support both sides of the Committee. The Majority pays the salaries of these nine from their two-thirds share. While most of the tasks performed by these nine are managed by the Majority, we have no complaints over the responsiveness or services rendered to the Minority over the past year.

Second, a sizeable portion of the unspent Committee funds for 2009 is attributable to unspent staff funds from the Minority's one-third share. There are two reasons for the unspent funds. One, I've always believed that the funds allocated to Committees and personal Congressional offices should be allocated frugally and wisely. During my service in the House, I've returned funds from my personal office allocation in each and every year.

The other reason for the unspent funds is that 2009 was my first year as Ranking Member, and, as such, there was turnover on the Republican staff and not all staffing positions were filled the entire year. For example, several staff departed near the end of the year, and these positions are just now being filled. In fact, just last week, I announced the hiring of three new staff. It's my expectation that we'll soon be at full staff levels in preparation for the Second Session.

In conclusion, I have no concerns or complaints about the administration of Committee funds. Chairman Rahall and I do disagree over a fair number of policy matters under our Committee's jurisdiction, but I believe we share a common belief that political or policy differences should not be injected into Committee budget and administration matters. I appreciate his actions in this regard.

Thank you for the opportunity to testify.

The CHAIRMAN. And thank you, Mr. Rahall, for joining us.

**STATEMENT OF THE HON. NICK RAHALL, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF ILLINOIS**

Mr. RAHALL. Thank you, Mr. Chairman. While I did not hear all of my ranking member's comments, I am sure I associate myself with them.

Mr. HASTINGS. You absolutely do, 110 percent.

Mr. RAHALL. The first time in 110 years did you say?

Thank you, Chairman Brady and Ranking Member Lungren, for the opportunity to be here today and update you on the status of the Committee on Natural Resources budget for the 111th Congress. I do ask unanimous consent to submit my full statement for the record, and I will now summarize my statement.

The CHAIRMAN. Without objection, so ordered.

Mr. RAHALL. Our committee's budget for the first session was 8,125,517 and almost 7.4 million was spent. There also remains roughly 67,000 in an outstanding first session obligation's primarily for supplies and equipment. As with all the committees, the staff salaries account for the lion's share of the budget. In our case, the majority has 40 staff slots and the minority has 20 and nine staffers are shared employees such as the Chief Clerk and the systems administrators. The minority fully controls 1/3 of the budget for staff salaries, the rest of the budget is shared and used primarily for equipment and travel without regard to political party. It is truly a bipartisan budget, and I would note that all these resources are put to good use by our committee, we shepherded almost 100 individual bills through the House last session. And I should note that one of those bills, the omnibus parks and public lands bill passed early last year including 168 House and Senate measures.

So the bills we advance do not rename or name post offices or Federal buildings, rather they are substantive pieces of legislation, advancing natural resources, Native American and U.S. territorial policies. I thank you for this time and urge for the adoption of our budget if you so see in your wisdom.

The CHAIRMAN. Thank you.

[The statement of Mr. Rahall follows:]

REMARKS OF U.S. REP. NICK J. RAHALL, II
Chairman, Committee on Natural Resources
before the House Administration Committee
January 27, 2010

Chairman Brady and Ranking Member Lungren, thank you for allowing my colleague and Ranking Member, Doc Hastings, and me to appear before you to present testimony on the status of our Committee's budget for the first session of the 111th Congress.

The Natural Resources Committee is allocated 69 staffers in total. Of that number, 40 serve the Majority, 20 serve the Minority, and 9 are shared employees. The shared employees include staffers such as the systems administrators, the chief clerk, and the chief financial officer. In that regard, one-third of the salary budget is controlled by the Minority.

As mentioned at last year's budget funding hearing, the remainder of the budget items, such as official travel expenses and supplies, is treated openly. There is no distinction or prejudice between the Majority and the Minority. Computers, copiers, and other equipment are repaired or replaced as needed, without regard to whether it is a Democrat or Republican staffer using them. The same applies with regard to official travel.

In 2009, the Committee requested an amount representing a 4.8 percent increase over the Committee's budget for the second session of the 110th Congress. We received a small fraction below the level requested, an amount totaling \$8,125,517.00 for the first session of the 111th Congress. Of that amount, and in accordance with the Committee's priorities and procedures, almost \$7.4 million has been spent, according to our most recent monthly financial statement. Additionally, the Committee has approximately \$67,000 in outstanding obligations, which will be paid out for supplies, materials, and equipment received, as well as for services rendered.

In the past year, the Committee has experienced an increase in the cost of some vendor services, such as web site development and web hosting, as well as an increase in the cost of, and need for, additional equipment and office supplies. Conversely, we experienced a substantial spending decrease in the amount budgeted for personnel salaries. We attribute this to a number of unanticipated staff departures and retirements, and I intend to continue to fill those staff vacancies that exist on the Majority side. Also in 2009, the Committee's anticipated travel schedule was constrained and travel was not taken due to the House Floor schedule. Still, nearly 80 oversight and legislative hearings were held in Washington and in the field.

In 2009, nearly 100 legislative measures within the Committee's jurisdiction were shepherded through the House of Representatives. Those measures included addressing wilderness land designations, historic areas, Western water concerns and Native American tribal recognitions among others.

Remarks of U.S. Rep. Nick J. Rahall, II
Chairman, Committee on Natural Resources
before the House Administration Committee
January 27, 2010
Page Two

In 2010, the Natural Resources Committee continues to be faced with a tall order when it comes to overseeing the work of the Department of the Interior, and fulfilling our stewardship and trust responsibilities. We grappled with some tough decisions last year as we sought to strike a balance between these important responsibilities and other competing needs of our Nation and its citizens. But I am confident in saying that the Members of this Committee have done a commendable job. And I believe that I speak for all of our Members when I tell you today that we intend to continue to do all that we can to keep America's natural and cultural heritage strong while promoting the wise use of our resources.

Thank you again for giving us this opportunity to present you with an updated status report on the Committee's budget.

The CHAIRMAN. Mr. Lungren.

Mr. LUNGREN. The gentleman is not engaged in the effort to get rid of the conspiracy of unnamed post offices? That is a rhetorical question. We do spend a lot of time making sure we get rid of that problem.

When you were both here last time—first of all, in your written statement, Chairman Rahall, you noted an increase in the cost of certain vendor services such as Web site development. I remember when you were here before us last time, the ranking member talked about upgrading the minority Web site and there might be some costs involved in that. Has that been taken care of, any problem with that?

Mr. HASTINGS. No, and thank you for inquiry, no. Our Web site now is up and running as we anticipated it would when we were here last time, so it is fully functioning right now.

Mr. LUNGREN. Good, that was the only question I had.

Mr. HASTINGS. The answer to the question is yes.

Mr. LUNGREN. That is the only question I had because that was sort of in the air when you both testified here last time. I am glad that has gone forward, thank you.

The CHAIRMAN. Thank both of you and appreciate your attendance.

The committee on House Administration will stand in recess until the last vote in approximately 45 minutes.

[Recess.]

The CHAIRMAN. I would like to call the Committee on House Administration to order and thank you all for being here. We are going to take Judiciary, Mr. Conyers and Mr. Issa is going to sit in for Mr. Smith, I think he is doing double duty today. Thank you for coming, as you said last year when we did the funding we wanted you to come back and let us know how you are doing and any problems or anything we would be helpful with. We appreciate you coming back and meeting again with us. Mr. McCarthy, do you have anything?

Mr. MCCARTHY. No, let them get started.

The CHAIRMAN. You can start, Chairman Conyers.

STATEMENT OF THE HON. JOHN CONYERS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN

Mr. CONYERS. Chairman Brady, Ranking Member McCarthy, I am happy to be here with my good friend, Darrell Issa, to make sure that we give the clearest status report on the way the House Judiciary Committee uses the resources that are appropriated to us. I want to put in an apology for Lamar Smith, but he had a commitment that required him to remain on the floor.

In accordance with House Res. 279, we were allotted \$18.8 million for expenses for the 111th Congress. The committee's funding was \$9.2 million for the first session, \$9.5 for the second session. And it is my understanding that the 2/3, 1/3 split for the minority payroll has been satisfactory over the years with my Republican colleagues.

During the calendar year 2009, the committee spent \$8.3 million on staff compensation. Our operational expenses, travel equipment, communications, printing for the calendar year was \$547,799. To

implement the committee's oversight and investigation agenda there were a total of 96 hearings held. The committee convened 21 markups, of which 35 bills were reported. We are one of the busiest committees in the House of Representatives.

The committee special impeachment task force held 6 hearings establishing its justification for the impeachment of the former Judge Samuel Kent and G. Thomas Porteous. On June 19th of last year, the House voted unanimously to recommend the articles of impeachment against Mr. Kent to the Senate. In support of the committee's bipartisan impeachment efforts, slightly more than a half million dollars was allocated for that work. And of these funds, \$218,000 represent consultants contract and operational funds, a total of \$318,000.

At the conclusion of the first session the task force operational funds for 2009 totaled \$536,915. We have been very careful with the allocation of funds because we have so many members of the Judiciary Committee that also serve on this honorable body, and so we are pretty careful in the reports that we file when we come before you. The committee statement of expenses and fund balance as of December of last year indicated a balance of—wait a minute—\$8,909. This figure with increase to reflect the end-of-year expenses. And so we anticipate in the neighborhood of \$106,000 unspent balance.

I appreciate the opportunity to briefly outline our accounting of our resources and we have further backup material for your approval and analysis. And I thank you for this time.

[The statement of Mr. Conyers follows:]

**Statement of Chairman John Conyers, Jr.
For the Record
House Committee on Administration
1309 Longworth; 3:15 pm
January 27, 2010**

Chairman Brady, Ranking Member Lungren, and Members of the Committee, it is my pleasure to appear before you today to provide a status report on the use of House Judiciary Committee funds. Mr. Smith, our Ranking Member, was unable to join me this afternoon; however, I understand he has a statement for the record.

In accordance with H.Res. 279, the Committee was allotted \$18,837,171 for expenses for the 111th Congress. The Committee's funding was \$9,238,436 for the 1st Session and is \$9,598,735 for the 2nd Session.

It is my understanding that the two-thirds/one-third split for the Minority payroll is satisfactory with the Minority. During calendar year 2009, the Committee spent \$8,363,679 on staff compensation. The Committee's operational expenses - travel, equipment, communications, printing, and other services - for the calendar year was \$545,799.

To implement the Committee's oversight and investigative agenda, 96 hearings were held. The

Committee convened 21 markups at which 35 bills were reported. The Committee's Impeachment Task Force held six hearings establishing the justification for the impeachment of former-judge Samuel B. Kent and G. Thomas Porteous. On June 19, 2009, the House voted unanimously to recommend the articles of impeachment against Mr. Kent to the Senate.

In support of the Committee's bi-partisan impeachment efforts, \$550,000 had been allocated for this work. Of these funds, \$218,066 represent the consultants' contract and the operational funds total \$318,849. At the conclusion of the 1st session, the Task Force's operational funds for 2009 totaled \$536,915.

The Committee's statement of expenses and fund balance spent as of December 2009 report indicated a balance of \$8,909,479. This figure will increase to reflect end-of-the-year expenses. The Committee therefore, anticipates an unspent balance of approximately \$106,037. The Committee anticipates its total spending for 2009 will be \$9,132,399.

Members of the Committee, I appreciate this opportunity to provide you with the Committee's budget status report, and am happy to respond to any questions you might have.

The CHAIRMAN. Thank you. Mr. Issa.

Mr. ISSA. Thank you, Mr. Chairman, Ranking Member Lungren, I would ask unanimous consent that Mr. Smith's entire statement be placed in the record.

The CHAIRMAN. Without objection so ordered.

[The statement of Mr. Smith follows:]

**Statement of Ranking Member Lamar Smith
Committee on House Administration
January 27, 2010**

Chairman Brady, Ranking Member Lungren, and Members of the Committee, thank you for the opportunity to testify on the Judiciary Committee's budget update for the 111th Congress. I have read Chairman Conyers' statement for the record which sets forth the amounts that the Committee has been allocated and how those funds have been expended. I agree with the accounting he has presented to the Committee.

I am pleased to report that Chairman Conyers and I have had a cooperative working relationship. That cooperation has extended to the use of the Committee funds for personnel and other expenses. I have not had any concerns with the allotment of funds for operational expenses. All necessary computers, communication devices and office equipment have been provided to the minority.

While Chairman Conyers and I may differ in our views on policy matters, I believe we both can agree on the importance of continuing to ensure that both parties are provided with the necessary resources to carry out the important work of the Judiciary Committee.

I yield back the balance of my time.

**STATEMENT OF THE HON. DARRELL ISSA, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF CALIFORNIA**

Mr. ISSA. Thank you. It is a great honor to represent Ranking Member Smith here but I will speak as much for myself and perhaps even for Ranking Member Lungren. We have a committee that has been both frugal and effective. Chairman Conyers has been very fair in the allocation of resources. It has enabled both the majority and minority to do their job in a difficult time and a very busy time. The committee's operations are to the full satisfaction of the minority through vigorous negotiation with the majority. Our needs for both personnel and hardware and software and other assets necessary to do our job have been answered. And we thank this committee, we have no unresolved issues and we look forward to the second session being equally productive under the leadership of the Chairman. And with that, I yield back.

The CHAIRMAN. Thank you.

[The statement of Mr. Issa follows:]

**Opening Statement of Oversight and Government Reform Committee
Ranking Member Darrell Issa
Before House Administration on the Second Session 111th Budget Request
February 3, 2009**

Chairman Brady, Ranking Member Lungren, I would like to thank you for allowing us to testify today as a follow up to our testimony of last year on the Oversight and Government Reform Committee's budget for the 111th Congress.

The Oversight and Government Reform Committee is the primary Oversight Committee of the House. Our Committee is able to conduct fair and aggressive oversight and investigate wrongdoing because of our staff and expertise. Unlike some Committees, who may be too close to those they legislate, we are not wedded to any particular program or agency. Our oversight has meaning and when needed, we can use our unique tools to get to the bottom of government waste, fraud, abuse and mismanagement. In 2009 we did just that. Our Committee wisely spent its funds to build an organization that conducts meaningful oversight over a broad range of organizations and programs. The enemy is not Republicans or Democrats. The enemy is the mischief caused when you have massive government bureaucracy. Whether it is investigating the potential fraud and abuses that led up to our current economic crisis or looking into widespread abuse of taxpayer dollars by government and non-government organizations, our Committee accomplished the goals we laid out last year.

I sit here today fully confident that our oversight efforts to date have saved the taxpayers millions if not billions of dollars. The predominance of our 2009/2010 budget is being used on staff salaries. My staff is made up of attorney and non-attorney professionals with experience in the fields they are investigating. We hire very competent professionals and that means paying competitive salaries. The budget is also being used to upgrade our technology and to enhance our investigative tools. For example, just this week we received documents from the New York Federal Reserve concerning our investigation of the financial crisis. The documents we received number over 250,000 pages. As you can imagine, it would take the combined majority and minority staffs weeks if not months to properly examine these documents by hand. Because this is not an isolated case we have employed the latest software technology to assist us with our efforts. Instead of taking months, some searches now take only days.

Our Committee will continue to conduct meaningful oversight and, when appropriate, recommend the appropriate reform methods to resolve long-standing problems that make our government inefficient and ineffective. This budget reflects our needs as a Committee when we conduct business under ordinary circumstances. But I think we all agree these are extraordinary times and extraordinary circumstances. As federal spending increases there will be a corresponding rise in waste fraud and mismanagement. Our Committee, working with agencies Inspectors' General, the GAO,

and whistleblowers, is on the front lines protecting taxpayer dollars to ensure Americans have an honest and well run government.

Without a doubt I can say that the upcoming year will be busier and more productive than it was in 2009. I fully anticipate that we will spend our entire budget – indeed – I could use a bigger staff, more investigators, more space and a bigger budget. I would like to see our Committee receive a significant increase in staff slots. As I said earlier, for every dollar we spend we give back a hundred fold by exposing waste, fraud, and mismanagement. But I am not oblivious of the times we live in. The taxpayers want us to tighten our belt and I will live with the small budget increase assigned to us last year. After all, the American public demand we properly oversee federal programs and government functions so the taxpayer dollars spent go to the greater good and not squandered. I pledge to continue to do this work and look forward to working with my Chairman to accomplish this.

With that I welcome your questions.

The CHAIRMAN. Mr. Lungren, any questions.

Mr. LUNGREN. Thank you, Mr. Chairman. I would like to underscore what the Chairman said. One of the necessary tasks of the Judiciary Committee is to investigate and follow through on impeachment proceedings if the facts warrant. As a member of the committee's task force, I can tell you we have done our job diligently. We did, in fact, bring to the floor of the House an impeachment resolution of one Federal judge last year. We are in the throes right now of proceeding on a second one; those are costly investigations to make sure that we are fair to the subject of those impeachment proceedings and fair to those complainants who brought evidence before us, and that is just an expensive proposition. And I would say that I think the Judiciary Committee has done an outstanding job in that regard. Those are the kinds of funds that have to be expended in ways that maybe are not always fully anticipated, yet they are being done within the budget of the committee. And I thank the chairman and I thank Mr. Issa; in absentia, I thank Mr. Smith for their leadership and I would yield back.

The CHAIRMAN. Mr. Harper.

Thank you all for being here today, thank you.

Mr. CONYERS. Thank you very much. Could I just add with all the judiciary members, Zoe Lofgren included, the impeachment task force is not something we are enthusiastic about or take any pleasure whatsoever in doing. It is very disturbing matter that occasionally, and thank goodness it is where we have members of the bench whose conduct or actions require us to make these investigations and we do so as soberly and as responsibly as we can. I thank you again, Chairman Brady, for your indulgence and our reporting to you over the years.

Mr. LUNGREN. Do we have three of the youngest staff members of the Judiciary Committee in the front row? I have seen that they have been very attentive and I didn't know whether they were going to testify. They have somewhat of a passing resemblance to Mr. McLaughlin.

Mr. CONYERS. It is how we reduce our expenses in our committee.

Mr. ISSA. Mr. Lungren, although a snow day is the excuse, it is part of circumventing the child labor laws in order to get more staff. [Laughter.]

The CHAIRMAN. Thank you.

We would like to ask Ms. Slaughter to come up.

Chairlady Slaughter, Mr. Dreier was here already to testify, he had to leave and he knew you would be a little late so we would like to hear from you right now.

Ms. SLAUGHTER. Thank you very much.

The CHAIRMAN. Just push that button.

STATEMENT OF THE HON. LOUISE SLAUGHTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Ms. SLAUGHTER. It is on, I think. There we go.

I do appreciate your kindness today in accommodating my schedule change. And I certainly appreciate Mr. Dreier for giving me the

opportunity to come at a different time than when he was here. I am really pleased to provide you an update on how the Committee on Rules expended funds in the first half of the 111th Congress. As you know, the Committee on Rules helps set the parameters of the debate for specific pieces of legislation. It has the unique role of considering the vast majority of complex legislative initiatives before they ever get to the House floor. Furthermore, the committee maintains jurisdiction over many other issues of critical importance to the operation of the House. Everything from the opening day Rules package to ensuring the ability of the House to function in times of crisis. This has been an extremely busy and productive year for us as it was for the entire Congress.

Let me give you a few examples, we held 79 hearings in session 1 of this Congress, we used over 400,000 pieces of paper of which we are ashamed, we are trying to use less. And had almost 600 Members testify at our meetings. As always, the first session of Congress is intense, and we were not surprised by this level of activity. Besides moving historic pieces of legislation on issues like financial regulatory reform and health care reform, the committee also handled the economic recovery bill. Our expectation is that the heavy workload will continue in the current year with an intensified focus on job creation.

In light of the economic climate we have tried to be conservative in our budget, and I believe we have been. We have a modest 1.8 percent increase in 2009 over 2008, in keeping with belt tightening elsewhere. Our budget is lean, with just enough in it to keep the committee functioning effectively on behalf of Members, staff, and the public.

Part of our spending in this session of Congress will be geared toward making smart technology purchases that will assist staff and conserve resources. For example, as we try to lessen the amount of paper we use, we are considering ways we can put an even greater proportion of our work product into electronic form. This makes the process faster and ultimately saves money. Part of that push will be a continued spending on the internal Rules database that we have talked about in previous years called the Committee on Rules Electronic Database or CORE.

The budget for the last year maintained the Rules Committee's tradition of giving the minority one third of the total staff slots allocated to us along with control over one third of the committee salary funds. The other categories represent joint funding. We work with the minority to ensure that the necessary resources are made available to them.

In summary, our budget for the first session of Congress was put together with care and represents an appropriate level of funding for our activities. We are planning to continue this tradition in the next year with additional investments that will help us better serve the House and the American people.

I would also like to respond briefly to the complaint that we do not have cameras in our meeting room. All of you who have been to the Rules Committee know that you could probably fit six of our committee rooms within this single room. We are greatly strapped for space. However, all Rules meetings are and have always been open to cameras and the press. We never prevent reporters from

covering us and we always invite C-SPAN and other TV outlets to cover all of our hearings. In addition we also use temporary cameras in our hearing room for all major legislation.

Our meetings on health care reform, stimulus, and financial services bills were all broadcast widely by the cameras that were at the Rules Committee. Cameras also film our other hearings, like the one the Rules Committee held on preserving antibiotics for humans. To encourage the We never prevent reporters from covering us and we always invite C-SPAN and other TV outlets to cover all of our hearings. In addition we also use temporary cameras in our hearing room for all major legislation.

Our meetings on health care reform, stimulus, and financial services bills were all broadcast widely by the cameras that were at the Rules Committee. Cameras also film our other hearings, like the one the Rules Committee held on preserving antibiotics for humans. To encourage the openness of our meetings, we have upgraded the microphone system in our hearing room, so the TV coverage is improved and there is a better sound quality. We have taken other steps to improve openness in the last year.

We provide copies of the rule to the public immediately and offer electronic copies for those reporters who cannot attend. Reporters get a copy of the rule at the same time the Members get it. Our website is one of the best in the House. We provide the entire committee report, copies and summaries of all amendments, and links to legislation.

I will be happy to answer any questions you may have and I thank you again for your consideration this morning.

The CHAIRMAN. Thank you. Mr. Lungren.

Mr. LUNGREN. Thank you very much, Mr. Chairman. Madam Chair, you commented, and I mentioned before when Mr. Dreier was here about the modest increase that you had this Congress over last Congress, that is a compliment to you and to Mr. Dreier and the way you are running the committee. I notice that as of December 31st, at least as reported to this committee, your committee had unexpended funds of around 600,000, about 17 percent of your budget. Can you give us any idea how you were able to achieve those savings or is that the result of not having full staffing?

Ms. SLAUGHTER. No, I think we have some turnover in staff from time to time, but we are just frugal. My maiden name is McIntosh, I probably should tell you that.

Mr. LUNGREN. This room has been redone, and one of the things that we had for this is to put in permanent cameras here in a little spot back there. Would there be any possibility we could do that in the Rules Committee so that there would actually be a mechanism by which it would be easier to have a feed from that room?

Ms. SLAUGHTER. One of the difficulties is the size of the room. It is very confining as you know. We have noticed an increase in the number of staff that Members who come to testify bring with them. We almost always have standing room and people piled around. I don't even know if you could see the cameras if you were in that room. But as I pointed out, you could put six of my hearing rooms within this single room. So we have probably the smallest hearing room in the Congress, yet we do the most work I think.

Nonetheless, I think it would be a distraction to have two of these huge cameras in that very small room. As I pointed out, we are open at all times to C-SPAN and any other cameras that want to come in.

Mr. LUNGREN. If I am not mistaken, I think those are cameras in those recessed places there and one in the back.

Ms. SLAUGHTER. The screens would be quite large.

Mr. LUNGREN. If you were to make that request, I, for one, would be supporting an authorization for cameras somewhat like we have here or something similar.

Ms. SLAUGHTER. Well, what we would like to request—

Mr. LUNGREN. What you said at the beginning of how important your work is, it is important. And all the number of bills that you deal with and the Rules that are set, because when I go home, I try to explain to my constituents that you have to understand the importance of the Rules, it establishes the ground rules. In some ways, even though you have permanent Rules, it is almost as if at the Super Bowl you have specific rooms for that game, that is what we do for every bill that is on the floor.

My own personal belief, it would be good for us as a Congress if people could see that Members can come up, testify; they talk about why they think certain amendments should be; they get the response from your committee about whether it makes sense or not. And just my observation, I think it would be good, I would be happy to work with you if you could do something nonintrusive in your meeting room.

Ms. SLAUGHTER. If you are open to it, we would really like to expand that room. It is much too small for the kind of work we do and the number of staff and everyone that is necessary in there. Maybe if you want to take the press area and move them somewhere else so that we can go in there. I'm sure you know already, that the only rest room is on the third floor for that second and third floor. So we are really jammed up there, I am sure you have noticed when you are there.

Mr. LUNGREN. I noticed when I have testified.

Ms. SLAUGHTER. Even the difficulty in getting to the testifying table. So we are perfectly open. We want everybody to know what we are doing, I think we were the first to make sure that all our material is quickly put on our web page, we think we have the best one in the House. All that information is there, easy to link to, hard copies are always available, staff is always available. We do everything we can and I agree with you, Rules is somewhat esoteric, but necessary, but we do need room to be able to do it. I thank you very much.

Mr. Harper—McCarthy, I am sorry.

[The statement of Ms. Slaughter follows:]

**Statement of Louise M. Slaughter
Chairwoman, Committee on Rules**

Before the Committee on House Administration

February 3, 2010

Chairman Brady, Ranking Member Lungren and Members of the Committee, thank you for the opportunity to appear before the Committee on House Administration to provide you with an update on how the Committee on Rules expended funds in the first half of the 111th Congress.

As you know, the Committee on Rules helps set the parameters of debate for specific pieces of legislation. It has the unique role of considering the vast majority of complex legislative initiatives before they ever get to the House Floor. Furthermore, the Committee maintains jurisdiction over many other issues of critical importance to the operations of the House – everything from the opening day Rules package to ensuring the ability of the House to function in times of crisis. This was an extremely busy and productive year for us, as it was for the entire Congress.

Let me give you a few examples: We held 79 hearings in Session One of this Congress, used roughly 400,000 sheets of paper and had almost 600 members testify at our meetings. As always, the

first session of Congress is intense and we were not surprised by this level of activity. Besides moving historic pieces of legislation on issues like financial regulatory reform and health care reform, this committee handled the economic recovery bill. Our expectation is that the heavy workload will continue in the current year with an intensified focus on job creation.

Budget

In light of the economic climate, we have tried to be conservative in our budgeting. We had a modest 1.8 percent increase in 2009 over 2008, in keeping with the belt-tightening elsewhere. Our budget is lean – with just enough in it to keep the committee functioning effectively on behalf of Members, staff and the public.

Part of our spending in this session of Congress will be geared toward making smart technology purchases that will assist staff and conserve resources. For example, as we continue to try and lessen the amount of paper we use, we are considering ways we can put an even greater proportion of our work product into an electronic form.

This makes the process faster and ultimately saves money. Part of that push will be a continued spending on the internal Rules database that we have talked about in previous years called the Committee on Rules Electronic (CORE) database.

Minority Resources

The budget for the last year maintained the Rules Committee's tradition of giving the Minority one-third of the total staff slots allocated to us, along with control over one-third of the Committee's salary funds. The other categories represent joint

funding. We work with the Minority to ensure that the necessary resources are made available to them.

Conclusion

In summary, our budget for the first session of this Congress was put together with care and represents an appropriate level of funding for our activities. We are planning to continue this tradition in the next year with additional investments that will help us better serve the House and the American people.

That concludes my prepared testimony. I'd be happy to answer any questions you have.

Response to Rep. Dreier's statement on Cameras

I'd also like to respond briefly to the complaint earlier that we do not have cameras in our meeting room. All of the Rules meetings are completely open to cameras and the press. We never prevent reporters from covering us and we always invite CSPAN and other TV to cover all of our hearings. We already use temporary cameras in our hearing room for all major legislation. Our meetings on health care reform, on the stimulus and on the financial services bill were all broadcast widely by the cameras that were at Rules. Cameras are also used for other hearings, like the one we held on PAMTA.

To encourage openness of our meetings, we have upgraded the microphone system at our hearing room so TV coverage is easier and better quality.

We have done more to improve openness in the last year: We provide copies of the rule to the public immediately and offer electronic copies for those reporters who cannot attend. Reporters all get a copy of the rule at the same time as members. Our website is one of the best in the House; we provide the entire committee report, copies and summaries of all amendments and links to legislation, etc.

That concludes my prepared testimony. I'd be happy to answer any questions you have.

Mr. MCCARTHY. No problem, Madam Chair. Thank you for your testimony. I was quite impressed with how many committees you actually—meetings you have already had. You did say in your report there that you gave one-third of all staff, is that also one-third of the budget?

Ms. SLAUGHTER. Yes, the staff budget, yes.

Mr. MCCARTHY. I appreciate that. The only thing—if I could follow up on what Mr. Lungren said, if you were to expand, is there a room next door you could expand into? Isn't there an office next door by the hearing rooms or no?

Ms. SLAUGHTER. There is an office that is in constant use by all members of the Rules Committee on the Democratic side. We don't have room up there even for even decent accommodations for the minority. And it would really be a good thing if we could look at some way that we could expand.

Mr. MCCARTHY. Would you be willing to put in cameras now, though?

Ms. SLAUGHTER. Excuse me?

Mr. MCCARTHY. Would you be willing to put in cameras now?

Ms. SLAUGHTER. Right now?

Mr. MCCARTHY. Yes.

Ms. SLAUGHTER. It is my belief that we are open as we can be, we are open to C-SPAN. We have reporters in there every single meeting, but the room that would be taken up by the screens would mean more people standing in the hall. As it is now, I have people standing out in the hall at every meeting who cannot get in that room.

Mr. MCCARTHY. Having been to your hearings, yes.

Ms. SLAUGHTER. You have been there.

Mr. MCCARTHY. And how will you bring those cameras in now though because they take up so much space.

Ms. SLAUGHTER. There is one little closet in the corner where C-SPAN comes, they operate out of the closet.

Mr. MCCARTHY. But these are in a wall.

Ms. SLAUGHTER. It is the screens that I am most concerned about.

Mr. MCCARTHY. Would you be opposed to putting in cameras without the screens?

Ms. SLAUGHTER. What would be the point.

Mr. MCCARTHY. If you notice the screens are for the audience, and in Rules I agree with you it is so small you don't have much of an audience.

Ms. SLAUGHTER. No, we don't.

Mr. MCCARTHY. I am just thinking the people outside. Having just come from the retreat and listening to the President and his discussion and talk of wanting to open up the transparency here more, I think—

Ms. SLAUGHTER. We are very transparent, as my aide just reminded me, having offices in the Capitol is different than under the Architect of the Capitol, there is not a lot of—

Mr. MCCARTHY. I would be willing to work with you on that.

Ms. SLAUGHTER. We are doing all right, Mr. McCarthy, thank you very much.

Mr. MCCARTHY. So you wouldn't be opposed to putting a camera in.

Ms. SLAUGHTER. We cannot in that small confined room do what you do here.

Mr. MCCARTHY. I know. I am just asking to put a camera in.

Ms. SLAUGHTER. I think we are perfectly covered. I have not had any complaints, to be honest with you. Now I am sure from now on I will get a lot of them because I know the game. But we are doing fine up there.

The CHAIRMAN. Thank you.

Ms. SLAUGHTER. Thank you very much.

The CHAIRMAN. Mr. Frank and Mr. Bachus please.

STATEMENT OF THE HON. BARNEY FRANK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. FRANK. Mr. Chairman, where is the 5-minute rule when you need it? Let me say, Mr. Chairman, I think I can be very transparent because, like C-SPAN, according to Ms. Slaughter, I am operating out of the closet. The Committee on Financial Services had a large number of hearings and markups last year, as members are aware, culminating in a major piece of legislation, we had other legislation as well. I believe on the operational procedural level relations between the majority and minority have been good and I am open to any questions.

[The statement of Mr. Frank follows:]

STATEMENT OF BARNEY FRANK, CHAIRMAN
COMMITTEE ON FINANCIAL SERVICES COMMITTEE

House Administration Committee Budget Status Hearing
February 3, 2010

During the first session of the 111th Congress, the Committee will have expended 99.6% of allocated funds (this includes obligated funds plus bills still outstanding from last year). Projecting current personnel costs, plus non-personnel expenditures at the 2009 level, it is expected that the Committee will not be able to fill all our staff slots this year. Last year, the committee received additional staff slots after the funding resolution was approved.

The minority receives and controls one-third of allocated funds and one-third of slots less the 3 administrative staff who support both sides of the aisle. The full committee absorbs the total cost of the administrative staff and no dollars are deducted from the minority's allotment.

During the first session, the Committee held 51 full committee hearings, the subcommittees held 49 hearings, and 20 bills were reported from committee.

During 2009, the committee addressed financial regulatory reform, executive compensation, mortgage reform, abusive credit card practices and anti-predatory lending legislation, derivatives, credit rating agencies, internet gambling as just a small sample of the Committee's accomplishments. Our six Subcommittees also kept an active hearing and oversight schedule.

This year, the Committee will continue to carry out a full schedule with completion of action on regulatory reform, consideration of housing finance reform, affordable housing initiatives, reform and expansion of the Community Reinvestment Act, corporate governance, capital infusions for international development institutions, debt relief, and extension of the flood insurance program, to name a few of the issues we hope to address in the second session.

The CHAIRMAN. Mr. Bachus, anything you want to admit to?

STATEMENT OF THE HON. SPENCER BACHUS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ALABAMA

Mr. BACHUS. I have new hearing aids, and I can press a button—

The CHAIRMAN. Push that button.

Mr. BACHUS. I have new hearing aids, I can press a button and interpret Barney's language from Alabama into Massachusetts.

The CHAIRMAN. He doesn't leave much for interpretation.

Mr. BACHUS. The 1/3, 2/3 split, I think, has worked very well. We spent virtually all our allotment in the first session. The Chairman Frank's staff has been very cooperative on administrative issues, I think they work well together. Our only request would be that we be granted access to FinMart and Document Direct to follow our funding and payments in a timely manner. That wouldn't cost anything and it would greatly enhance our ability to manage our budget.

It would also help green the Capitol and the alternative is to make copies of everything and it would also, I think, be—could be a savings, but with the broad range of issues continue to confront the committee, we expect a very busy legislative year, and with that, I think the 2/3, 1/3 split it would be necessary for us to continue to meet our obligations as the loyal opposition.

[The statement of Mr. Bachus follows:]

**Statement of Spencer Bachus
Ranking Member
Committee on Financial Services**

February 3, 2010

Mr. Chairman and Members of the Committee, I am pleased to appear before you today with Chairman Frank.

The two-thirds, one-third split of the budget has worked well on our Committee. We spent virtually all of our allotment over the first session.

I would like to point out that we continue to hope to be granted access to FinMart and Document Direct to follow our funding and payments in a timely manner. This will cost nothing and will greatly enhance our ability to manage our budget.

With the broad range of issues encompassed within the jurisdiction of our Committee, we expect a busy legislative year ahead of us. With this in mind, the two-thirds, one-third split of the Committee budget will be necessary for us to continue to provide the support for our Members to accomplish our legislative goals.

Mr. FRANK. Mr. Chairman, I should say access of this access to a system, I will be honest with you, this is the first time I have heard of it, I am told by my staff that we were following the recommendation of this committee. I am open to discussions on it. I don't have any proprietary concerns. I will talk to the ranking member about it.

The other thing I wanted to say on behalf of, I think myself and Mr. Bachus, we were historically funded not very high in the rankings. I think we were as busy as any other committee in the Congress last year. We were able to increase it some, but I still very guilty about a number of very hard working, very talented staff, virtually all of whom could be making more money in the private sector who put in enormous hours on both sides.

And I just want to say, my greatest regret about this is that we can't do a better—we can not be fairer to these people, but I did want to acknowledge that. And if there is—I know there is not enough money around, but if there is, I think we can make as good a claim for more or for any.

The CHAIRMAN. That is the purpose why we are having these hearings too, to be able to report back to where we have to report back to and hopefully—

Mr. FRANK. I think if you look at last year the number of mark-ups, hearings, just—we could use roll call vote taker, we have 72 members, 71 members. We are the second biggest committee, the bigger committee is Transportation Oversight. The issues there are not nearly as likely to go to roll calls as our do. And just in general, I think the people who work for us are pretty overburdened and not adequately compensated.

Mr. CHAIRMAN. I understand. Mr. Lungren.

Mr. LUNGREN. Thank you very much and I thank both of you for appearing before us. I was looking at the budget Financial Services has come up over—

Mr. FRANK. And we appreciate that.

Mr. LUNGREN. It was very low if you think about it. I go back to 104th Congress in comparison to now. And so I appreciate the fact that particularly in this last year, you have had a lot more front line duties so to speak on issues of timeliness and urgency that the American people fully appreciate and still you managed to remain within your budget.

On Mr. Bachus's request, as I understand you are not asking that you have access to what the majority's doing, you are trying to have some sort of software that will allow you to keep track of your spending on an instantaneous basis so you can watch that more carefully?

Mr. BACHUS. And the committee already has software. I will acknowledge that I have not discussed it with Chairman Frank.

Mr. FRANK. I didn't even know about it. I didn't even know what it was.

Mr. BACHUS. I regret that I hadn't—

Mr. LUNGREN. No, but I think there has been two committees—I think you are the second one who brought it up. I hope it is not a misunderstanding that the minority is trying to get information—

Mr. BACHUS. No, no, the—

Mr. FRANK. No one is thinking about that.

Mr. LUNGREN [continuing]. Information.

Mr. FRANK. I am told what we do is what you do here, but I didn't know before it came up.

Mr. LUNGREN. Okay.

Mr. BACHUS. These would be transactions that we make or requests.

Mr. LUNGREN. I have no objection if you folks can work that out. It sounds to me instead of paperwork, you want a software system that allows you to follow your own bills rather than get a report at the end of the month.

Mr. BACHUS. Right. And our own financial accounting reports from the minority.

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

The CHAIRMAN. Mr. McCarthy.

Mr. MCCARTHY. Mr. Chairman, I just want to—I sit on this committee and the number of hearings that we do have and the priority of what has been going on in the Nation, the work that has been provided, you have been using your money quite thoroughly. And when you sit down to the size and scope of the bills we are taking up, you want to make sure you have all the information and the implications of what will transpire. One, I want to thank the chairman for doing the one-third to the minority, I appreciate your willingness to look at the software that we are talking about as well, but I do know as we go down the path that this committee is putting a lot of work in the process.

And one thing that wasn't noted by these two, this is the second largest committee. Transportation is the only one larger. You have a lot of members on here and the size and scope of what you are going through the education for some of them to getting up on some of the issues—

Mr. FRANK. I appreciate that and the gentleman is a member of the committee. The nature of the issues, there is more controversy, I don't mean to denigrate Transportation and Infrastructure, it is not that it is any less important, but it is of a different order of controversy. I am sure we have more rollcalls than just about any committee in the Congress.

Mr. LUNGREN. Mr. Chairman, I just say when Mr. Frank was on the Judiciary Committee, there were no controversial issues at that time.

Mr. FRANK. That is true.

Mr. LUNGREN. Nor did he ever add to the controversy.

The CHAIRMAN. Thank you very much. Thank you. Chairman Towns and Mr. Issa again.

Mr. ISSA. First of all I want to thank Barney for asking for more money, it will make it easier for us.

The CHAIRMAN. Thank you and thank you for coming back in front of us, that is part of the reason we want to hear how you are doing, and if we can be helpful we always want to be helpful. So Chairman Towns.

STATEMENT OF THE HON. EDOLPHUS TOWNS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. TOWNS. Thank you very much, Chairman Brady and Ranking Member Lungren and all the members of the committee. I am pleased to be here to discuss the priorities and findings of the Committee on Oversight and Government Reform. Thank you for this opportunity.

Last year I testified before the committee that our two top priorities were to conduct rigorous oversight of economic stimulus funding and the use of funds provided to our Nation's financial institution, through the Troubled Asset Relief Program, better known as TARP. I am pleased to join with the Ranking Member Darrell Issa to report back on our successful oversight during the past year.

In 2009, the full committee conducted 12 oversight hearings on the financial sector, including hearings on government funding to AIG and Bank of America. The role of the credit rating agencies, and bonuses, and executive compensation. These oversight hearings lead directly to hundreds of millions of dollars being repaid to the Treasury. Several other financial institutions have repaid TARP funds to the Treasury.

In addition, the full committee and its subcommittees convened several hearings overseeing economic stimulus spending. These hearings also produced tangible results in response to the testimony received at one hearing. I join with the Ranking Member, Mr. Issa, to write bipartisan legislation enhancing oversight resources for State and local governments which pass the house.

In addition, the administration revised and improved its stimulus reporting practices and guidelines in response to our oversight. Our work on these 2 critical issues is just one aspect of the committee's work. The full committee and subcommittees convened 9 hearings in 2009 to examine the operational effectiveness of United States Government on issues ranging from cybersecurity, and Afghanistan contractors, to the Postal Service and this year's census.

In response to requests for information from Federal agencies and the private sector, we received millions of pages of documents. Needless to say, the scope of this work requires appropriate resources, and I am pleased to report that the committee has used our 2009 budget very effectively and fully. At the end of the year, all of our staff positions were filled and 96 percent of the budgets had been expended with most of the remainder obligated for expenses that are pending payment.

I have continued the tradition of allocating 1/3 of the committee's budget to the minority and I know Mr. Issa feels as strongly as I do about how important it is that this committee has sufficient resources, so we will be able to do our job and do our job effectively.

In light of the current economic climate and our committee's mission of promoting government efficiency, our bipartisan request for this year is simply that we maintain the 2010 funding level allocated in the committee funding resolution. Our primary expense is staff salaries given the complicated issues that this committee tackles both the majority and minority have assembled strong teams of investigative lawyers, policy analysts and staff with tech-

nical expertise. Many of our staffers have decades of experience in Congress or in the other branches of the Federal Government.

And many could easily receive much higher salaries from the other employers, but they stay here with us, maintaining our plan 2010 funding level will allow us to maintain this talented and dedicated staff and enable us to incur prudent and necessary expenses for technology and travel in support of our mission.

Let me conclude by thanking you, Chairman Brady and Ranking Member Lungren, and all the members of the committee for your support over the past year and look forward to working with you to ensure effective oversight for the rest of this Congress. Thank you for that.

The CHAIRMAN. Thank you.

[The statement of Mr. Towns follows:]

**Statement before the Committee on House Administration
Funding Request for the Committee on Oversight and
Government Reform
111th Congress
Edolphus Towns, Chairman
February 3, 2010**

Chairman Brady and Ranking Member Lungren, good morning. I am pleased to be here to discuss the priorities and funding for the Committee on Oversight and Government Reform.

Last year, I testified before this Committee that our two top priorities were to conduct rigorous oversight of economic stimulus funding, and the use of funds provided to our nation's financial institutions through the Troubled Asset Relief Program (TARP) and other programs. I am pleased to join with the Ranking Member, Darrell Issa, to report back on our successful oversight in those areas during the past year.

In 2009, the full Committee conducted 12 oversight hearings on the financial sector, including hearings on government funding to AIG and Bank of America, the role of credit rating agencies, and bonuses and executive compensation. These oversight hearings led directly to hundreds of millions of dollars being repaid to the U.S. Treasury. For example, as a result of the Committee's oversight, Bank of America agreed to compensate the Treasury \$425 million for guaranteeing certain assets during the financial crisis of 2008. Several other financial institutions have repaid TARP funds to the Treasury.

In addition, the full Committee and its subcommittees convened several hearings overseeing economic stimulus spending. These hearings also produced tangible results. In response to the testimony received at one hearing, I joined with the Ranking Member

to write bipartisan legislation enhancing oversight resources for state and local governments, which passed the House. In addition, the Administration has revised and improved its stimulus reporting practices and guidelines in response to our oversight.

Our work on these two critical issues is just one aspect of the committee's work. The full committee and its subcommittees convened 89 hearings in 2009 to examine the operational effectiveness of the U.S. government, on issues ranging from cybersecurity and Afghanistan contracting, to the postal service and this year's census. In response to requests for information from federal agencies and the private sector, we received millions of pages of documents.

Needless to say, the scope of this work requires appropriate resources, and I am pleased to report that the Committee has used our 2009 budget effectively – and fully. At the end of the year, all of our staff positions were filled, and 96 percent of the budget had been expended, with most of the remainder obligated for expenses that are pending payment. I have continued the tradition of allocating one-third of the Committee budget to the minority, and I know Mr. Issa feels as strongly as I do about how important it is that this Committee has sufficient resources.

In light of the current economic climate, and our committee's mission of promoting government efficiency, our bipartisan request for this year is simply that we maintain the 2010 funding level allocated in the committee funding resolution. Our primary expense is staff salaries. Given the complicated issues that this committee tackles, both the majority and minority have assembled strong teams of investigative lawyers, policy analysts, and staff with technical expertise. Many of our staffers have decades of experience in Congress or in the other branches of the federal government,

and many could easily receive much higher salaries from other employers. Maintaining our planned 2010 funding level will allow us to maintain this talented and dedicated staff and enable us to incur prudent and necessary expenses for technology and travel in support of our mission.

Chairman Brady and Ranking Member Lungren, I thank you for your support over the past year, and look forward to continuing to work together to ensure effective oversight for the rest of this Congress.

The CHAIRMAN. Mr. Issa.

Mr. ISSA. Thank you, Mr. Chairman, Ranking Member Lungren. No committee could have worked on a more bipartisan basis than this one has. Chairman Towns has been fair in the allocation of resources and we have worked together to find ways to get win-wins on the use of those dollars often not duplicating our efforts, but rather cutting them in half. The truth is though that the Oversight Committee is grossly underfunded. Yes, we live within our budget, each of us being within a few thousand dollars of full utilization. We did so partially by not staffing up at the beginning of the year and reserving funds for later in the year as our oversight role built. Which means that by definition, a full year in 2010 will be harder to achieve within a budget that last year was zeroed as far as growth, and this year increases only by 3 percent.

The Chairman has done everything he can do within his power. We attempted to keep our costs down, but the truth is that this President has said he wants the most transparent government, that requires that we work on the bureaucracy that lies between the administration and ourselves in a cooperative way. The Chairman has coauthored legislation that would bring standard database management systems throughout the government. Our committee will have to shepherd that because frankly, the bureaucracy is pushing back on any utilization of common databases that create that transparency. Our work with the IGs, both regular and special IGs, means we each have less staff than they have IGs. We only have about one person for every 12 to 15 top level IGs that we work with.

The whistleblower level is rising and just last week, this committee had to go through a quarter of a million documents in 1 week in preparation for the oversight of the Federal Reserve of New York's bailout of AIG. Quite frankly, we could not post those in good faith because we didn't have the resource to ensure that no personal information was on it and the administration also did not seem to have those resources. So rather than take a chance on having Social Security or other information posted, we have to be very selective on what we made available to the public.

Mr. Chairman, Ranking Member, that is unacceptable. This committee is a committee of transparency and oversight. The beginning of the last Congress one of the justifications for zero increase was that other committees would do oversight. I have monitored that. The type of oversight we do has not been done in any other committee. Committees have continued to do the good work that they do, they have done it at a high level, but a 3 percent increase in those committees could never have begun to organize the kind of cross-government investigations that Chairman Towns's people and my people do.

I know that this year we will not be dealing with any anything other than the predetermined modest increase, but I would make several suggestions. First of all, this committee needs to invest on a Congress wide basis in items in the way of technology that will reduce the cost individual committees, that includes advance search, because although our committee is one of the premiere committees of searching through endless documents, it is very clear that all committees have been getting voluminous documents to re-

view and they are not going to get human beings do it, they will have systems do it.

Secondly, I regret our budgeting process does not meet a world class basis. I have lived only 1 year as a ranking member with this budget, but I must tell you in the private sector the idea that your budget doesn't roll over, that in fact, you have to try to calculate how to get everything into this year so you don't give it back not having it next year is typical government foolishness. It is exactly what our committee fights against. We don't need or want or should have a use it or lose it. I would strongly suggest this committee, in its own deliberations, begin a modernization of House budgets. I would suggest that as much as 25 percent of a committee's budget should be able to be rolled over essentially year to year in perpetuity. I know that requires action of the Congress, but I also know that frugality starts off with an incentive to save and to have it in the future if needed. I know that that may be difficult, but I would suggest strongly that that in addition to additional slots that members may fill with either inexpensive or, in some cases, industrially free individuals also would be of benefit. Both the chairman and I have opportunities and space to put additional staff to work. We could, in some cases, find fellows and others that could be made available to us. However, both the chairman and myself and minority we filled all our staffs, we used all our staffs. So I know that a lot of what we do here is pro forma, but I hope that I have delivered you some ideas that your committee can do to help all of our committees in the future and I thank you for your patience and understanding and yield back.

The CHAIRMAN. Thank you. Mr. Lungren.

Mr. LUNGREN. Thank you very much for the testimony of both of you and thank you for the work that you do.

Mr. Issa, in your written testimony, you mentioned that the committee has been upgrading its technology to work more efficiently. Has the committee experienced any issues regarding information security as you have invested in these new technologies? And has the HIR for the House worked closely enough with you in identifying any security problems and attempting to ameliorate those problems?

Mr. ISSA. Thank you, Mr. Lungren. I do not fault HIR for the failures of security alone. Cybersecurity, which is a major area of emphasis for our committee to try to make sure that on a governmentwide basis that we upgrade our systems and our capability is sorely lacking. Mr. Lungren, you and I both have worked on that in the past in other committee activities. But we did have a breakdown, we were one of the 19 sites that were hacked and brought down, and that was in spite of meeting all the requirements that were known at the time by HIR. That is only going to become larger as we have more access to the public and make more access.

So I won't fault House Administration, I am not going to fault any of the people who work in Congress because this is a governmentwide problem, but it is an example of the kind of thing that cannot be done by one committee alone. We can invest in better search capability to get through documents and to redact sensitive information and share it with other committees it allowed by the license, but to actually create a better firewall system than we

have today is going to have to be something this committee is going to have to look at closely.

The CHAIRMAN. Ms. Lofgren? McCarthy? Mrs. Davis?

Mrs. DAVIS. Thank you, Mr. Chairman, thank you all. I really appreciate the work that you are doing. And I know that you are saying that you are quite overwhelm and need some more help. The only other thing I might suggest as happens sometimes, maybe it doesn't happen all the time, is a little more communication with the committees of jurisdiction over some of the issues that you are most interested in providing that oversight for. Because sometimes we don't have a chance to have that communication and we would like to be actually more supportive of your efforts in that way and that might help. Thank you.

Mr. TOWNS. Thank you very much, thank you.

The CHAIRMAN. Thank you.

Mr. ISSA. Thank you all.

The CHAIRMAN. We have now heard from all committees which this committee provides funding for. And that concludes the business of this hearing, the committee funding hearing stands adjourned. And we would like to take about a 5-minute recess before we reconvene again for the next hearing, thank you.

[Whereupon, at 1:33 p.m., the committee was adjourned.]